

VEDANTA IRON AND STEEL LIMITED

CODE OF CORPORATE GOVERNANCE

Document Name	Code of Corporate Governance
Company	Vedanta Iron and Steel Limited
Prepared by	Secretarial
Approved by Board of Directors	April 29, 2026

❖ Introduction:

This Code of Corporate Governance (“Code”) sets out the governance philosophy, structures, roles, responsibilities, and processes of Vedanta Iron and Steel Limited (“VISL” or “the Company”). It is designed in compliance with the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations” or “LODR”), SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), Secretarial Standard-1 on Board Meetings issued by Institute of Company Secretaries (“SS-1”), the Company’s Memorandum & Articles of Association and the charters of the committees of the Board.

Efficient corporate governance requires a clear understanding of the respective roles of the Board and of senior management personnels and their relationships with others in the corporate structure. Strong Corporate Governance founded on values is the bedrock of the sustained performance at VISL and fuels the Company’s vision to achieve the respect of stakeholders. The Board shall review this Code at such intervals as may be deemed necessary and after any material regulatory change.

❖ Governance Philosophy & Principles

The Company undeterredly adheres to the principles of trust, fairness, accountability, transparency and responsibility. These governance values are embedded through Board independence, strong oversight of strategy, robust risk management including cyber security, timely and accurate disclosures, stakeholder fairness, a commitment to sustainability, and ethical conduct.

The Company adopts a robust governance framework that plays a critical role in ensuring that we remain true to our culture and values. These principles are reflected across our business functions and in the manner in which we support the journey of our stakeholders.

❖ Governance Framework

The role of the Board is that of a guardian and trustee of the Company’s interests. The Board has the final responsibility for the management, direction and performance of the Company and its business. In all its dealings and decision making, the Board shall consider the interests of the Company as a whole, the interest of its shareholders, employees, consumers, customers, suppliers, Government and all other stakeholders together with the Company’s social and legal responsibilities in the communities in which it operates and to the responsibility towards the environment. The Board shall exercise objective and independent judgment and shall be collectively responsible for the long-term success of the Company.

❖ Board Composition & Independence

The composition of the Board as a whole shall be commensurate with the size of the Company. The Board shall comprise of an appropriate mix of Executive Directors, Non-Executive Directors and Non-Executive Independent Directors in line with Listing Regulations.

Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and One-third of such Board of Directors shall be subject to retirement by rotation. Such Board members who are willing to get re-appointed shall be appointed by the Company’s shareholders. Every year, at the Company’ Annual General Meeting, the Board shall recommend the names of directors eligible for re-election by shareholders. The Independent directors shall not be subject to retire by rotation.

Directors shall meet eligibility, integrity, and independence criteria as laid out under the Act/LODR. The Nominations and Remuneration Committee shall recommend candidates for consideration of the Board of Directors to be proposed for the approval by Company's shareholder.

❖ Roles & Responsibilities of the Board

➤ **Board Powers**

As per the Act, the Board of Directors of a Company shall exercise the following powers on behalf of the Company by means of resolutions passed at meetings of the Board, namely:

- a. To make calls on shareholders in respect of money unpaid on their shares;
- b. To authorize buy-back of securities under section 68;
- c. To issue securities, including debentures, whether in or outside India;
- d. To borrow monies;
- e. To invest the funds of the Company;
- f. To grant loans or give guarantee or provide security in respect of loans;
- g. To approve financial statement and the Board's report;
- h. To diversify the business of the Company;
- i. To approve amalgamation, merger or reconstruction;
- j. To take over a Company or acquire a controlling or substantial stake in another Company; and
- k. Any other matter which may be prescribed through the Act or Rules made thereunder.

Provided that the Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Senior Management Personnels or any other principal officer of the Company or in the case of a Branch office of the Company, the principal officer of the Branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify.

➤ **Responsibilities of the Board**

The responsibilities of the Board of Directors as a whole, flow from the Act, the Memorandum of Association and Articles of Association and the Listing Regulations.

➤ **Duties of the Board**

The Board of Directors is responsible for the overall conduct of the Company and is vested with such powers, authorities and duties as prescribed under applicable laws. In accordance with the Act, the duties of the Directors are as follows:

- a. Act in accordance with the Articles of the Company;
- b. Act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment;
- c. Exercise their duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- d. The Directors shall not involve in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
- e. The Directors shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates;
- f. The Directors shall not assign their office;
- g. Any other duty as may be prescribed.

❖ Separation of Chairperson and CEO Positions

The Board shall have a designated Chairperson. The roles of Chairperson and the CEO shall be clearly demarcated and kept separate.

❖ Term Limitations and Retirement Policy

The term of Whole-time Directors shall not exceed five years on each occasion. An Independent Director shall hold office for a term up to five consecutive years on the Board and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the Company's shareholders. The Company shall appoint or continue the employment of a person as Whole-time Director and Non-Executive Director who has not attained the maximum age of retirement as prescribed under the relevant laws.

❖ Board Meetings & Processes

➤ **Meetings**

The Board shall meet at regular intervals to discuss, decide and approve the Company's business policies and strategies along with other business matters. The Board and Committee meetings shall be pre-scheduled, and a tentative annual calendar of such meetings shall be circulated to the Directors at the beginning of the year to facilitate their effective planning of their schedules and to ensure meaningful participation in the meetings. The Independent Directors shall meet at least once each year without the presence of executive management.

The Board shall hold a minimum number of four meetings each year in such a manner that not more than one hundred and twenty days shall elapse between two consecutive meetings of the Board. However, in case of a special and urgent business need, the approval of the Board may be obtained by circulation of the resolution, which shall be noted and confirmed by the Board at the next Board meeting. The periodicity of meetings of Board Committees shall be as per terms of reference of each committee.

The Notice of the Board meetings shall be circulated to all the Directors at least seven days before the meeting. A meeting of the Board/Committee may be called at a shorter notice than those stated above, as per the applicable legal provisions. The proposal to hold the meeting at such shorter notice shall be stated in the Notice of the meeting and the fact that consent of the Directors was obtained shall be recorded in the Minutes thereof.

Meetings of the Board may be held physically at the registered office of the Company or at any other place as the Board may deem fit. Directors may attend the meetings either in person or through video conferencing or any other audio-visual modes, as may be prescribed, which are capable of recording and preserving the proceedings of such meetings. The Directors attending the meeting through video conference or such other means as may be prescribed shall be considered present for the meeting. Efforts shall be made to ensure full attendance at all Board meetings, and it shall be ensured that at least one Independent Director is present at each Board meetings.

➤ **Agenda**

The agenda of Board meetings shall be prepared by the Company Secretary in consultation with the Chairperson and the Chief Executive Officer. The Company Secretary may also consult the Independent Directors on appropriate occasions. The agenda shall be circulated at least seven days prior to the date of the meeting to facilitate the Directors in providing their inputs, thoughts and suggestions at the meeting. The agenda shall include detailed notes and draft resolutions on the items to be discussed at the meeting to enable Directors to take an informed decision.

The agenda of each of the Board meeting shall inter-alia include:

- a. regular items, such as reports from Management on the financial affairs of the Company, on performance against plan, reports from Board Committees, reports on litigation and governance matters, etc.;
- b. special items, such as Business/ Functional Reviews;
- c. items for approval;
- d. items for noting; and
- e. papers for information.

Any supplementary items, not originally included in the agenda, may be taken up for consideration at the meeting with the permission of the Chairperson and the consent of the majority of the Directors present at the Meeting, provided that such item is not material in nature and does not unpublished price sensitive information ('UPSI'). No item involving material matters or UPSI shall be considered by the Board without prior written notice, even if the meeting is convened at shorter notice, in compliance with applicable provisions of the Listing Regulations and PIT Regulations.

In addition to matters discussed at Board meetings, the Company Secretary shall ensure that periodic and timely communications are circulated to all Non-Executive and Independent Directors to apprise them of significant business developments and material events, in order to enable effective discharge of their duties.

➤ **Decision Making Process**

Each member of the Board shall have one vote and the resolutions of the Board shall be passed by a majority of votes. In case of equal number of votes in favor of the resolution as well as against, the Chairperson of the Company may exercise his casting vote.

➤ **Managing Conflict of Interests**

The Board of Directors are responsible for ensuring that the rules are in place to avoid conflicts of interest by the Board members and the Management Committee. Any conflict of interest or apparent conflict of interest between the Company and its Directors should be avoided. Where conflicts arise, the Board shall ensure that, in dealing with them, all applicable laws, regulations, codes and policies have been complied with.

The members of the Board shall avoid any interest in contracts entered into by the Company. If such an interest exists, the interested Director shall make a disclosure. In case of Conflict of Interest, the interested Director shall not participate in the decision making process and the same shall be recorded in the minutes of the meeting. In case of Conflict of Interest of Chairperson, the Chairperson shall abstain from participation in the discussion and one of the Independent Directors shall assume the position of Chairperson of the meeting.

The members of the Board and Management Committee shall on an annual basis submit the details of individuals to whom they are related and entities in which they hold interest and the same shall be placed before the Board. Transactions with any of the entities referred above shall be placed before the Board or Audit Committee for approval in line with Related Party Transaction policy of the Company.

➤ **Board Support**

The Company Secretary shall be responsible for the collation, review and timely circulation of all papers and information to be placed before the Board of Directors and its Committees for consideration.

The Company Secretary shall prepare the agenda in consultation Chairperson/Managing Director and convene meetings of the Board and its Committees in compliance with the provisions of the Act and Listing Regulations.

The Company Secretary shall attend all the meetings of Board of Directors and its Committees and shall advice/assure the Board and such Committees on matters relating to Compliance with applicable laws, rules regulations, Governance principles, and best practices.

The Company Secretary shall ensure that the proceedings of the meetings are properly recorded, minutes are prepared, finalized, and maintained in accordance with the applicable statutory provisions, and that the decisions of the Board and Committees are appropriately communicated and implemented.

➤ **Recording and circulation of Minutes**

The Company Secretary shall be responsible for the proper recording, maintenance of the minutes of meetings of the Board of Directors and its Committees, in accordance with the provisions of the Act, applicable Secretarial Standards, and SEBI Regulations.

The draft minutes of the Board and Committee meeting shall be circulated to all the members of the Board/respective committees within fifteen days from the date of the meeting. The members may give their comments, suggestions, observations, if any, on the draft minutes within seven days of such circulation. The comments received within the stipulated time shall be duly considered and, where appropriate, incorporated in the final minutes of the meeting.

The final minutes of meetings of the Board or Board Committees shall be placed for noting and confirmation at the upcoming respective Board or its Committees meeting and shall be entered in the statutory minute books within the prescribed time.

No alteration, modification, or correction in the minutes, once entered and confirmed shall be made except with the express approval of the Board or respective Committee in the subsequent meeting. Dissent or concern, if any, as expressed by any member of the Board or its Committees, shall be clearly and accurately recorded in the minutes.

➤ **Delegation of Powers by the Board**

The Board may, in accordance with the provisions of the Act and applicable regulations, delegate such of its powers, authorities, and discretions, including the power to sub-delegate, as it deems appropriate, to the Chief Executive Officer, Whole-time Director(s), members of the Management Committee, and/or Committees of the Board.

Such delegation shall be subject to such terms, conditions, and limitations as may be specified by the Board from time to time. The Board shall exercise oversight and supervision over the acts and decisions of the delegates and shall remain ultimately responsible for ensuring the proper discharge of the delegated functions and compliance with applicable laws, regulations, and governance standards.

❖ **Committees of the Board**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and require a focused and closer review. The Committees are established with the formal approval of the Board, to carry out clearly defined roles that are considered integral part of the Board's governance responsibilities.

The Board shall oversee the performance and execution of its responsibilities by the Committees and shall remain responsible for the actions taken by them.

Meetings of the Board Committees shall be attended by the designated members of the respective Committees. The Committee may, however, request special invitees to attend the meeting, as considered appropriate. The minutes of the meetings of all the Committees shall be placed before the Board for its noting.

The Board has established the following statutory and non-statutory Committees:

- (a) Audit & Risk Management Committee
- (b) Nomination & Remuneration Committee
- (c) Stakeholders' Relationship Committee
- (d) Corporate Social Responsibility and ESG Committee
- (e) Committee of Directors

Each committee shall have a written charter approved by the Board and disclosed on the website. The Board can form other committees as it may deem necessary.

❖ Shareholder Relations

➤ **Engagement with Shareholders**

The Company shall maintain an active and transparent dialogue with its shareholders to ensure that diverse perspectives are thoughtfully considered. Such engagement shall be conducted in a fair, timely, and consistent manner, in accordance with applicable corporate governance principles.

From time to time, the management shall designate an officer (Investor Relations officer) to engage with shareholders and the wider investor community on behalf of the Company.

While engaging in a dialogue with shareholders, the Company shall ensure that no unpublished price sensitive information is disclosed and that there is no substantive information asymmetry or disparity among shareholders.

The Company shall, as appropriate, provide explanations and disclosures on key matters including, inter alia, the fundamental principles underlying its capital structure and capital allocation policy, management strategy, operating plans, management performance benchmarks, target value for such benchmarks, and the allocation of managerial and financial resources to achieve the stated objectives.

➤ **Protecting Shareholders' rights and interests**

In order to protect shareholders' rights, the Company shall appropriately disclose to the shareholders all material relevant information affecting their investment decision, on a timely basis. The Company shall also give sufficient consideration to the rights of minority shareholders.

The Board members, KMPs or any officers of the Company shall not conduct any transactions that conflict or compete with the interests of the shareholders without the approval of the Board.

❖ Related Party Transactions (RPT)

The Board shall establish a robust framework governing all Related Party Transactions, including but not limited to identification of related parties, assessment of transactions at arm's length and ordinary course

of business, prior Audit Committee approval, and shareholder approval where such transactions are material in accordance with the thresholds prescribed under Listing Regulations. The Company shall provide minimum information to the Audit Committee/shareholders as per SEBI circulars/industry standards and shall make half-yearly and annual disclosures as applicable.

❖ Insider Trading & UPSI Governance

The Board shall adopt and periodically review the Code of Fair Disclosure and the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons as prescribed under PIT Regulations, including structured digital database, trading window closure, pre-clearance and leak response protocol.

❖ Subsidiary Oversight

The Board shall exercise oversight on material subsidiaries, ensure compliance with prescribed composition and independence requirements where mandated, review significant transactions as well as the minutes and financial statements of all subsidiaries, and ensure consolidated compliance for Related Party Transactions and disclosure requirements.

❖ Financial Reporting, Disclosures & Website

The Board shall ensure timely approval and disclosure of quarterly/annual financial results and other filings, including Integrated Filings as prescribed by SEBI, and comprehensive Annual Report disclosures under Schedule V of LODR (Corporate Governance Report, MD&A, RPT, etc.). Policies, codes, and committee charters will be hosted on the website as required.

❖ ESG & Sustainability

The Board will oversee ESG strategy, BRSR/BRSR Core disclosures (as applicable), climate risk management, responsible supply chain, safety and environmental stewardship consistent with the Company's purpose and stakeholder expectations.

❖ Vigil Mechanism & Ethics

The Company shall maintain a robust vigil mechanism/whistleblower channel overseen by the Audit & Risk Management Committee, ensure anonymity and non-retaliation, and report material concerns to the Board with remediation tracking.

❖ Director's Induction & Training and Familiarization Programme

➤ **Director's Induction & Training**

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high corporate governance standards of the Company. The Chief Executive Officer and the Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to the Directors. The Independent Directors may also request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

➤ **Familiarization Programme**

All Directors on their appointment are taken through a detailed induction and familiarisation programme when they join the Board of the Company. The induction programme is an exhaustive one that covers the

history, culture and background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

❖ Board & Committee Evaluation

It is essential that the Board, its Committees and individual Directors are evaluated periodically through a rigorous and structured process to assess the effectiveness of their performance. Such evaluation ensures that their contributions are aligned with and reflected in the Company's growth, whilst adhering to highest corporate governance standards as mandated under the Act.

The Act requires disclosure in the Board's Report of the manner in which a formal annual evaluation of the performance of the Board, its Committees, and individual Directors has been conducted. In accordance with the Act, the Nomination & Remuneration Committee is entrusted with the evaluation of each Director. The Chairperson of the Board, in consultation with the Chairperson of Nomination and Remuneration Committee, shall lead the evaluation process of the Board as a whole. The Company Secretary shall be responsible for coordinating and facilitating the conduct of such an evaluation.

❖ Secretarial Audit & Assurance

Secretarial Audit and annual secretarial compliance reports shall be undertaken as applicable. Internal Audit, compliance testing, and management assurance activities shall provide independent comfort to the Audit & Risk Management Committee and the Board.

❖ Policy Governance & Document Control

This Code shall be read in conjunction with the allied policies, including the RPT Policy, PIT Codes, Insider Trading procedures, Nomination & Remuneration Policy, Vigil Mechanism Policy, Risk Management Policy, CSR Policy, Dividend Distribution Policy, Policy on determination of Materiality of events, and the Committee Charters. The Company Secretary shall maintain version control and ensure the periodic review and dissemination of these policies.

❖ Deviations, Limitations and amendments

Any deviation or waiver to this Code shall require prior Board approval with reasons recorded. In the event of any conflict between the provisions of this Code and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such other law for the time being in force, to the extent applicable to the Company (collectively, "enactments"), the statutory provisions shall prevail over this guideline. Any subsequent amendment / modification in the enactments in this regard shall automatically apply to this Code.

❖ Effective Date & Review

This Code becomes effective from the date of listing of the Company on any Stock Exchange. The Board reserves right to amend or modify this guideline in whole or in part, at any time without assigning any reason whatsoever.