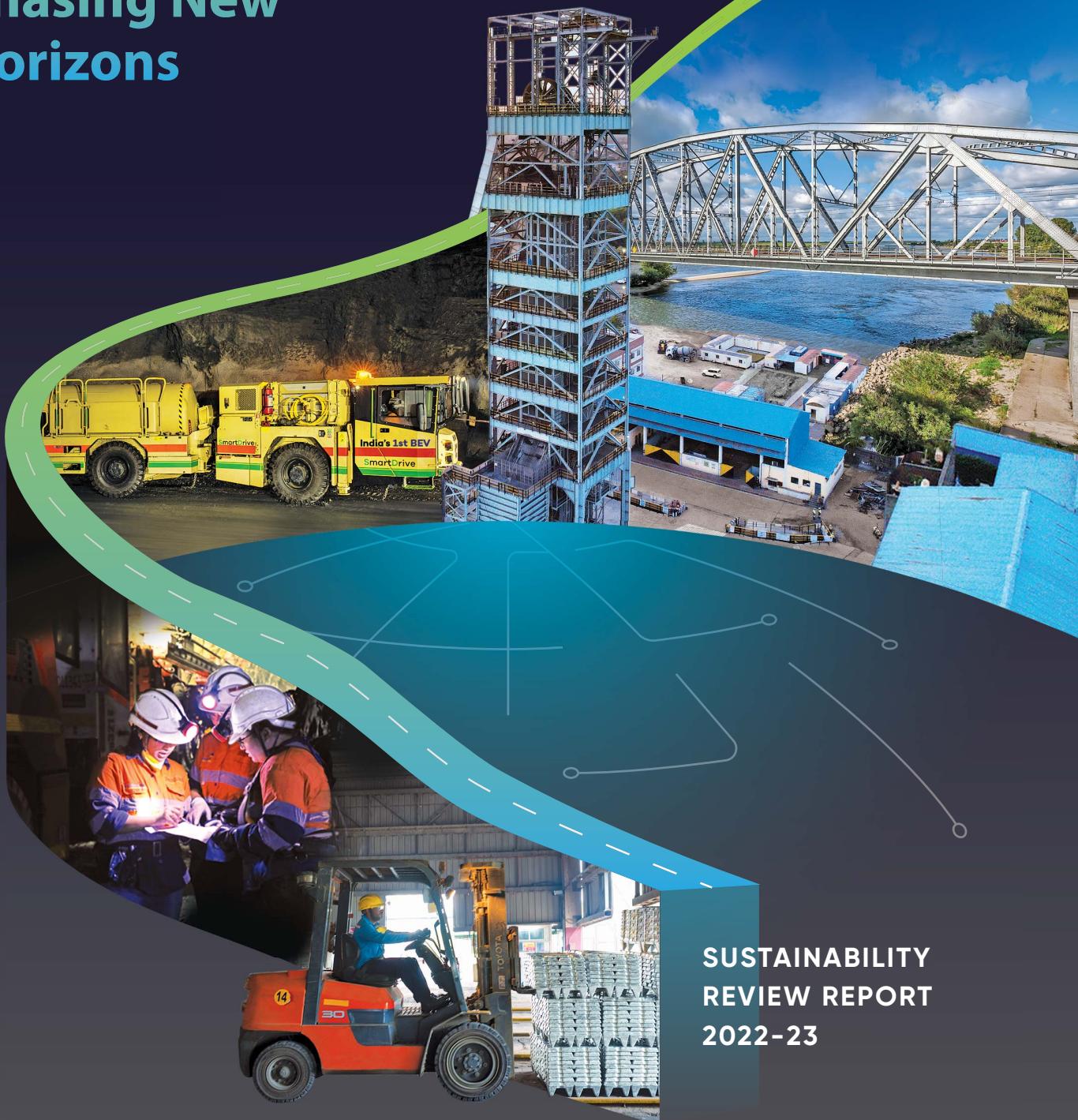


Achieving More Milestones Chasing New Horizons



**SUSTAINABILITY
REVIEW REPORT
2022-23**



ABOUT THE REPORT

(GRI 2-1, 2-2, 2-3, 2-6)

Hindustan Zinc Limited is India's largest and only integrated zinc, lead, and silver producer. It is the world's second-largest integrated zinc producer and the fifth-largest producer of silver. We have been publishing our Sustainable Development Report since FY 2015-16. Our Integrated Annual Report this year is the fourth such report and provides detailed disclosures on our strategy, governance, and prospects. The Sustainability Review Report delivers in-depth details on the Company's ESG performance as well as a fair and balanced disclosure of our policy, management system, and overall business performance. Our Sustainability Review Report FY 2022-23 should be read in conjunction with our Integrated Annual Report, which offers comprehensive insights into the key non-financial aspects of our business.

 [Click to view our Integrated Annual Report 2023](#)

VEDANTA GROUP'S STAKE IN HINDUSTAN ZINC

(GRI 2-1)

Hindustan Zinc is a subsidiary of Vedanta Limited, which holds 64.9%, and the Government of India holds 29.5%. The Company is listed on Indian stock exchanges namely Bombay Stock Exchange Limited (BSE) and the National Stock Exchange (India) Limited.

SCOPE AND REPORT BOUNDARY

(GRI 2-1, 2-2, 2-3, 2-4)

The Report is prepared in accordance with the GRI Standards for the period April 1, 2022, to March 31, 2023, in line with reporting principles including Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability. The Report covers relevant Environmental, Social and Governance related key performance indicators of Hindustan Zinc's primary operations, including all activities under its operational control, covering the five mining locations, three smelting locations and one refinery. It includes all the activities consolidated for financial reporting purposes. The

Report aims to make the information supplied more comparable and complete. It is an annual publication that provides material information that relates to sustainability performance, material risks, and governance for our business in totality. There is no restatement of information made from previous reporting periods.

ALIGNMENT WITH NATIONAL AND INTERNATIONAL FRAMEWORK

(GRI 2-23, 2-28)

Our disclosures reflect the principles of the GRI Standard, reporting is also carried out by the GRI Mining and Metals Sector Supplement, United Nations Global Compact (UNGC), to which we are signatories. It also covers the guiding principles of the Federation of Indian Mineral Industries (FIMI). For reporting on safety indicators, we follow the International Council on Mining and Metals (ICMM) Sustainable Development Framework. The report additionally spotlights the Company's contributions to the United Nations Sustainable Development Goals (SDGs). We are also signatories to the CEO Water Mandate and act by the UNGC Women Empowerment Principles.

EXTERNAL ASSURANCE

(GRI 2-5)

We apply a rigorous assurance process to ensure the quality of the information in this report including the Environmental and Social performance indicators. Ernst & Young Associates LLP has externally assured the information and data presented in this report to perform a 'limited assurance engagement,' and are in compliance with the ISAE 3000 Assurance Standard. The assurance statement contains a "declaration of independence" which specifies that the assurance provider has no conflict of interest in relation to providing the assurance of environmental and social data for the Company.

FEEDBACK

(GRI 2-3)

We value your feedback on our report and performance. Please contact us at Sustainability.HzI@vedanta.co.in



Blue Bull Antelopes spotted at Agucha
Photo courtesy: International Union for Conservation of Nature (IUCN) Team

Contents

At a Glance **2**

PAGE 3

Our Approach

Committed to Grow Responsibly **3**
Materiality **6**

PAGE 16

Environmental

Environmental Management **17**
Energy and Climate Change
Management **19**
Water Stewardship **22**
Air Quality Management **26**
Biodiversity Management **28**
Sustainable Site Closure **33**

PAGE 35

Social

Social Performance **36**
Human Rights Management **40**
Community Engagement **45**
Health and Safety Management **53**
Human Capital Management **62**

PAGE 74

Governance

Business Ethics **75**
Responsible Sourcing **79**

PAGE 87

Key Performance Indicators

Economic Indicators **87**
Labour Practice Indicators **88**
Environment Indicators **89**
Health & Safety Indicators **93**

Assurance Statement **94**

A year of new frontiers crossed, and of new landmarks reached.

At Hindustan Zinc, FY 2022-23 was a year marked by many milestones in our journey of sustainable growth.

It was a year of creating new touchstones as we surged ahead towards the realisation of our Sustainability Goals 2025.

As we chased new horizons in our efforts to minimise our carbon footprint and enhance resource conservation, we expanded the ambit of our Environmental, Social and Governance (ESG) outreach to make it more holistic and all-inclusive.

We aligned ourselves more intricately with the UNSDGs to raise the bar of our sustainability-driven performance across the key global metrics of climate change, environmental action,

biodiversity protection, water conservation and responsible sourcing.

We scaled the safety proposition across our operations while pushing the envelope of good governance and enhancing community well-being.

Our Sustainability Review Report for FY 2022-23 stands testimony to the milestone achievements we notched across the key yardsticks that epitomise global sustainability excellence. It underlines Hindustan Zinc's unequivocal commitment to responsible and sustainable growth.

Turn the page now to read Hindustan Zinc's sustainability highlights of FY 2022-23.

At a Glance

(GRI 2-1, 2-6)

Hindustan Zinc, a public limited company, is the largest and the only fully integrated producer of zinc, lead and silver in India, with over 50 years of operational excellence. The Company provides long-term value for its stakeholders, communities and the environment through its sustainable business practices. Hindustan Zinc released its first environmental product declaration (EPD) for its zinc products in FY 2022-23, highlighting its commitment to sustainability, transparency and reducing its environmental footprint. As a responsible mining brand, Hindustan Zinc is committed to fulfilling all regulatory requirements to ensure the complete safety of its workforce and communities. The brand is committed to delivery of long-term sustainable value to protect the interests of all its stakeholders and work towards a sustainable planet.

The Company's operations involving lead-zinc mines, hydrometallurgical zinc smelters, lead smelters, pyrometallurgical lead-zinc smelters are clustered in North-west India, in five districts of Rajasthan (Udaipur, Chittorgarh, Bhilwara, Rajsamand and Ajmer) and one district of Uttarakhand.

India's only and
the world's leading
producer of
Zinc-Lead-Silver

World's
fifth-largest
silver producer

First in Asia-Pacific and
third globally in S&P
Corporate Sustainability
Assessment 2022 in the
metal and mining sector



Sustainability Vision

We have integrated sustainable development principles into operations across our units and growth agenda, to implement our commitment to minimise harm, in alignment with the Group's philosophy of achieving '**Zero Harm, Zero Waste, Zero Discharge**'. We are committed to ensuring equal work opportunities for all, irrespective of gender, age or disabilities, and do not practice any form of discrimination. We ensure complete recycling of waste water and maintain zero discharge, while exploring new technologies to reduce our environmental footprint.



Committed to Grow Responsibly



Sustainability Highlights FY 2022-23

- Signed Power Delivery Agreement (PDA) for 450 MW RE-RTC, leading to a reduction of 2.7 mn tCO₂e
- 4.8% reduction in Scope 1 + Scope 2 emissions from previous year
- 10.66% GHG emission intensity decrease on y-o-y basis
- Water recycling at 41.95% in FY 2022-23
- 5% of energy derived from biomass resulted in emission avoidance of 89,896 tCO₂e
- 31.01% of total waste generated is recycled and reused
- 100% deployment of green power at Pantnagar metal

- plant avoids more than 30,000 tCO₂e annually
- Introduction of Group EV purchase policy for employees
- First company in India to introduce underground Battery Electric Vehicles (BEVs)
- CDP scores: Climate Change (A), CDP Water Security (A-)
- Green company (GreenCo) certifications for all our smelters and two mining locations by CII
- 1.7 million lives impacted through CSR programmes
- Gender diversity increased from 14.4% in FY 2019-20 to 19.5% in FY 2022-23



Our Sustainability Framework (GRI 2-23, 2-24, 2-25, 2-30)

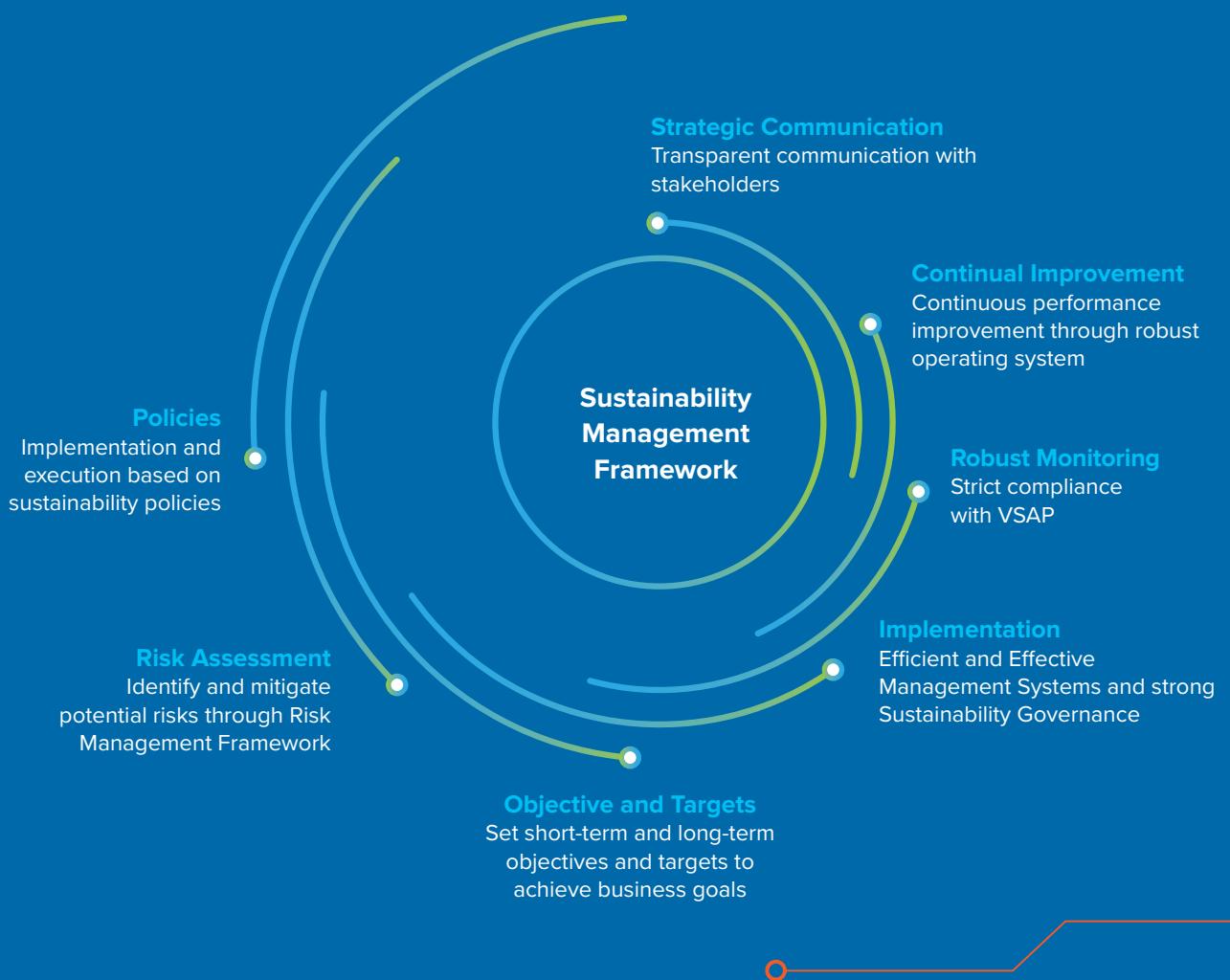
Our sustainability governance is:

- **Structured** on a robust foundational framework of the Vedanta Group
- **Positioned** on four pillars i.e., responsible stewardship, building strong relationships, adding and sharing value, and strategic communications
- **Aligned** with global standards set out by the International Council on Mining and Metals (ICMM), International Finance Corporation (IFC), Organisation for Economic Co-operation and Development (OECD), United Nations Global Compact (UNGC) and SDGs

► Read more about our Sustainability Governance Framework on pages 127 & 128 of Hindustan Zinc Integrated Annual Report FY 2022-23

Our approach to sustainability management is centred on Vedanta's Sustainability Framework (VSF) and Integrated Management System (IMS), two foundational pillars that have served to catalyse our efforts in achieving our sustainability objectives. The framework is effectuated across the organisation through a set of Board-approved policies, internal procedures, standards and guidance note.

Four Pillars of Vedanta Sustainability Framework



Vedanta Sustainability Assurance Programme (VSAP)

VSAP is a sustainability risk assurance tool used to assess the compliance of Hindustan Zinc's units with the Vedanta Sustainability Framework against various modules for environment, health & safety, community and human rights. Addressing the gaps identified through this assessment enables a cross-functional working environment for initiating and tracking corrective and preventive actions (CAPA) by each business unit for achieving programme objectives.

As a Company, our intense commitment to sustainability objectives drives our policy that promotes shared responsibility for safety and sustainability among our employees, which uniquely sets us apart in the industry. Our compensation model for employees and top management is linked with performance on KPIs, as reflected through VSAP scores. All the employees of the

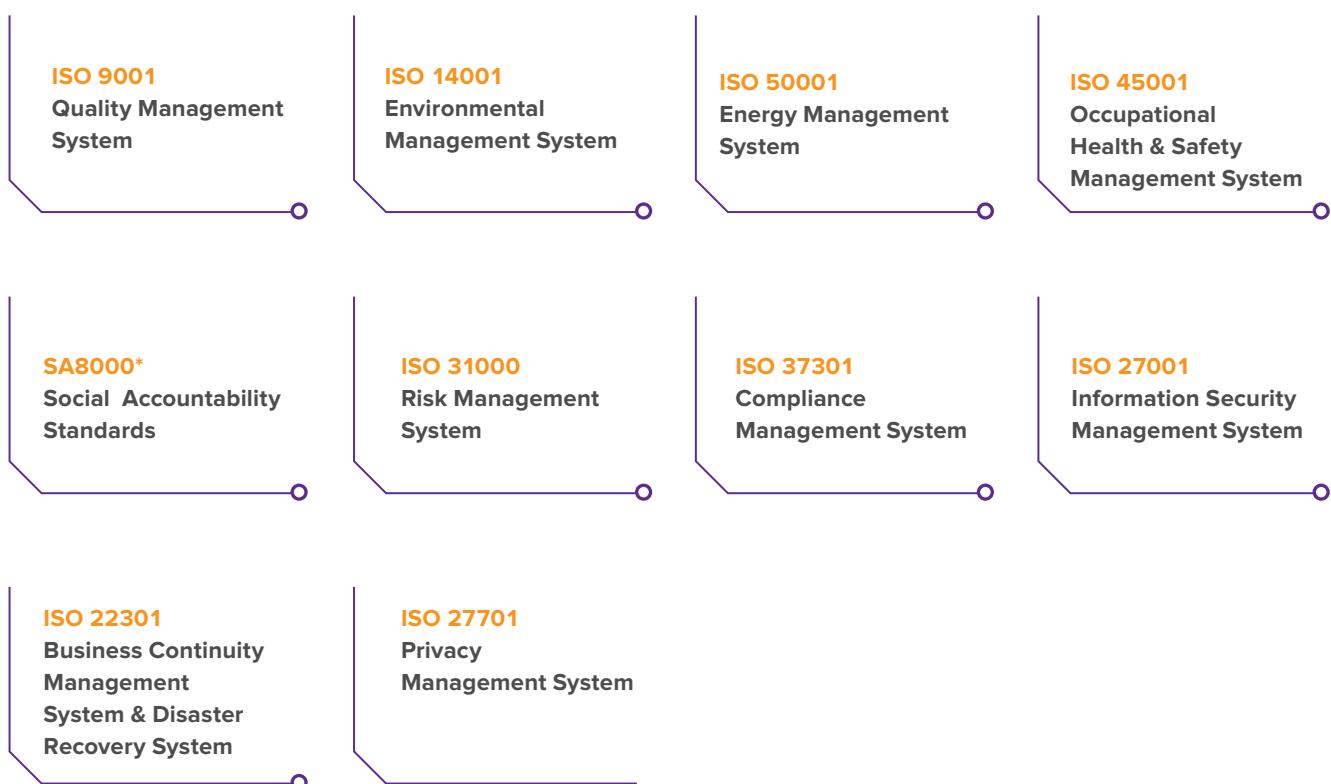
Company, including the CEO, are entitled to incentives based on superior individual performance and overall business performance including ESG parameters.

- ESG Component in Annual Performance Bonus is a variable part of the annual pay of all employees that is linked with the Company's sustainability performance (10%)
- Long-term incentive plan in the form of Employee Stock Option Scheme (ESOS) of the parent company rewards employees on pre-determined performance criteria (includes ESG and carbon footprint) and continued employment with the Company during the vesting period of 36 months from the date of grant. Given the significance and prioritisation accorded to sustainable business delivery, ESG and carbon footprint are included as additional parameters to evaluate business performance under this scheme

Integrated Management System

For Hindustan Zinc, integrating the core business agenda with responsible business practices in environmental performance, energy management, safety and cybersecurity provides the driving force in pursuit of its sustainability agenda. The Company's Integrated Management System in congruence with the Vedanta Sustainability Framework enables a coordinated environment through a robust single framework to accomplishing unified objectives.

All Company units are IMS certified which includes the following certifications:



*66% units are SA8000 certified



Materiality - Creating Value by Understanding Issues that Matter

(GRI 2-14, 2-25, 3-1, 3-2, 3-3)

Hindustan Zinc conducts a materiality assessment to identify issues significant for both its internal and external stakeholders. The assessment helps the organisation to refine and enhance its ESG strategy. The Company uses a two-pronged approach to evaluate the substantial effects that society, the environment, or the economy have on its business as well as its impact on EES (economic, environment and social) well-being.

We work to maintain continual communication with our stakeholders to facilitate an understanding of their views and be the first to respond to changing market conditions. This communication enables us to anticipate market risks and develop quick-response measures to mitigate them. Our confidence lies in our stakeholders, who possess the ability to influence our business and vice versa.

Hindustan Zinc performs a materiality evaluation every three years, which is then reviewed annually to ensure

business resilience and preparedness. According to the principles of double materiality, we have conducted an extensive materiality assessment in FY 2022-23 to determine the impact by the Company on stakeholders in accordance with revised GRI Universal Standards. We engaged with key internal and external stakeholders to understand the significance of material impacts. The detailed steps conducted for material assessment are summarised in the infographic below.

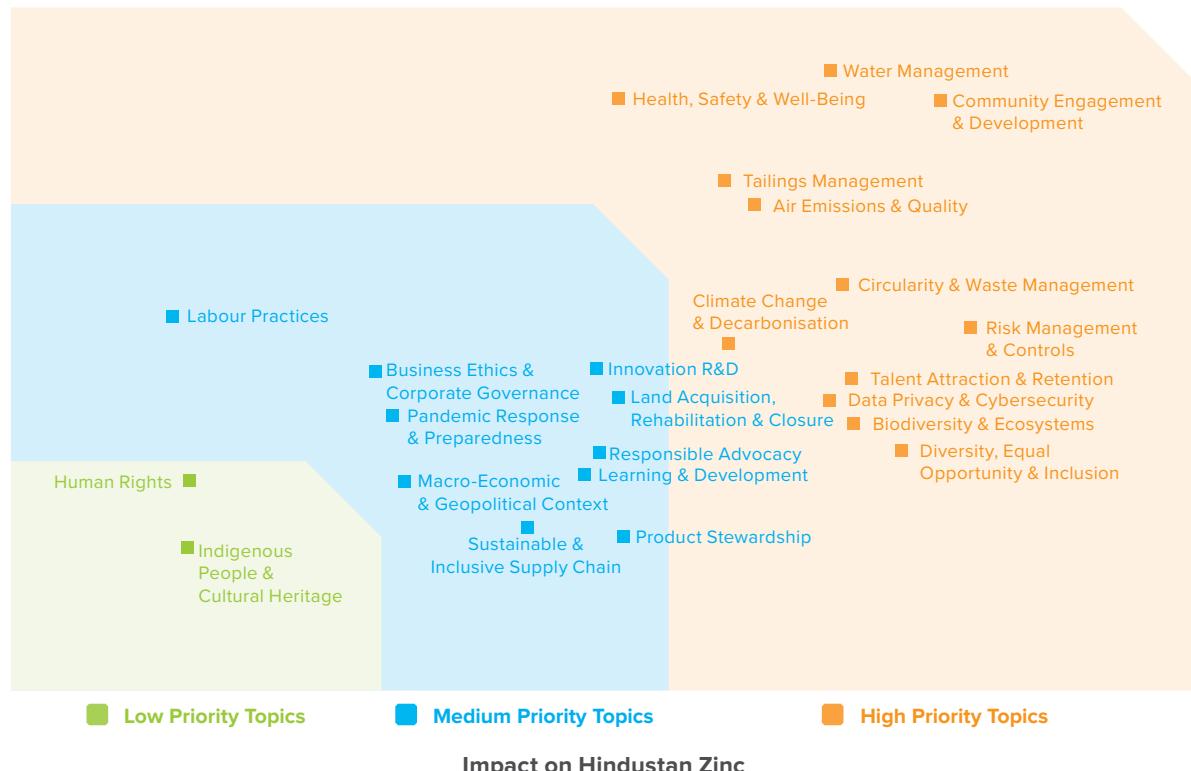
Materiality Assessment Governance

Material issues are approved by the Executive Sustainability Committee, before being sent to all relevant teams and functions for planning and execution. External audits are conducted as part of the annual assurance process to ensure relevance and applicability to the Company's objectives and industry goals.

Materiality Assessment Process



Impact on Stakeholders, Society and Environment



High Priority Material Topics

Environmental

- 1 Climate Change & Decarbonisation
- 2 Air Emissions & Quality
- 3 Water Management
- 4 Circularity & Waste Management
- 5 Tailings Management
- 6 Biodiversity & Ecosystems

Social

- 7 Community Engagement & Development
- 8 Health, Safety & Well-Being
- 9 Talent Attraction & Retention
- 10 Diversity, Equal Opportunity & Inclusion

Governance

- 11 Risk Management & Controls
- 12 Data Privacy & Cybersecurity



Integration of Materiality Assessment Results into ERM Framework

ESG-related risks identified as 'principal/key risks' in the risk management framework align with high priority material topics identified in the materiality assessment study. Few of the 'other risks' also align with high priority material topics.

Material Topics	Impact on Stakeholders	Impact Type	Positive/Negative	Coverage in Risk Management Framework	Alignment with Sustainability Goals
Water Management	External Stakeholder Impact on Community, Customers			Potential water scarcity categorised under 'other risks'	Become 5x water-positive company and achieve 25% reduction in freshwater by 2025
	Interest from Regulators, Investors				
Health, Safety & Well-being	Internal Stakeholder Impact on Employees			Risk of fire, fall of ground, accidents and fatalities, structural collapses categorised as a 'principal risk'	Zero work-related fatalities and 50% reduction in Total Recordable Injury Frequency Rate (TRIFR) by 2025
	Interest from Investors & Regulators				
Talent Attraction & Retention	Internal Stakeholder Impact on Employees			Disruptions in operations due to higher expectations from labour union identified as 'other risks'	Inclusive and diverse workplace with 30% diversity by 2025
	Interest from Investors				
Diversity, Equal Opportunity & Inclusion	Internal Stakeholder Impact on Employees			—	Inclusive and diverse workplace with 30% diversity by 2025
	Interest from Investors				
Community Engagement & Development	External Stakeholder Impact on Community			Rising community unrest identified as a 'principal risk'	Positively impacting 1 million lives through social, economic and environmental initiatives by 2025
	Interest from Regulators, Employees & Workforce				
Air Emissions & Quality	External Stakeholder Impact on Community, Civil Society			Potential non-compliance with emission norms categorised as 'principal risk'	17% reduction in non-GHG emissions (SOx and NOx emissions) by 2025
	Interest from Regulators, Investors, Customers				
Climate Change & Decarbonisation	External Stakeholder Impact on Community, Civil Society, Customers, Employees			Risks associated with physical changes in climate matters categorised as 'other risk'	Achieving Net Zero emissions by 2050 or sooner. 0.5 mn tCO ₂ e GHG emission savings in operations by 2025
	Interest from Regulators, Investors				
Tailings Management	External Stakeholder Impact on Community			Tailings dam seepage and breach categorised as a 'principal risk'	Complete transition from wet tailings to dry tailings disposal by 2025
	Interest from Investors, Regulators, Civil Society				
Risk Management & Controls	Interest from Investors			Risk Management framework is being reviewed and updated under Project Pragya	—

Risk Opportunity Positive Negative

Material Topics	Impact on Stakeholders	Impact Type	Positive/Negative	Coverage in Risk Management Framework	Alignment with Sustainability Goals
Data Privacy & Cybersecurity	Interest from Regulators, Investors, Customers			Risks of data loss, vulnerability of IT infrastructure categorised as 'other risks'	—
Circularity & Waste Management	External Stakeholder Impact on Community, Customers, Supply Chain			—	3x increase in gainful utilisation of smelting process waste by 2025
	Interest from Investors, Regulators				
Biodiversity & Ecosystems	External Stakeholder Impact on Community			—	Protect and enhance biodiversity throughout the life cycle 1 million plantations to be achieved by 2025 Achieve 'No Net Deforestation' through compensatory afforestation whenever applicable in mining sites, throughout the life cycle
	Interest from Investors, Regulators				

Risk Opportunity Positive Negative

Wood Sandpiper at Zawar Mines
Photo courtesy: International Union for Conservation of Nature (IUCN) Team



Material Issues for Enterprise Value Creation



Water Management (Business Impact: Risk)

Water forms an indispensable component of our operations considering our intense extraction, processing and smelting activities. It is therefore imperative that we strive to reduce water consumption throughout our value chain and reuse this resource most efficiently. In anticipation of climate change impacts, we expect to encounter a rise in extreme weather events, which could result in resource scarcities. Consequently, we are proactively preparing and implementing strategies to address these challenges and ensure resilience in the face of potential adversities. Portions of our operational sites in Rajasthan are designated as water-stressed areas as per the analysis by WRI Aqueduct Tool, and face the probability of drought-like situations and extreme heat waves.

Business Impact

Water being a significant input in our business operations, both for mining and smelting, any resource scarcity could have a huge potential to disrupt our operations and lead to revenue loss. For instance, drought conditions in 2020 at one of our sites in Rajasthan, limited our water withdrawal and resulted in a loss in revenue on account of acquiring water from alternative sources.

Mitigation Approach

We continually strive to safeguard downstream water quality for improved water use efficiency. We also engage and collaborate with our communities to enhance water security via project initiatives such as watershed management.

Our approach to water management includes:

- Increasing water efficiency and exploring new technologies which are less water-intensive
- Installation of ETP & ZLD plants across our operational sites, to augment water recycling across operations and maintain zero discharge
- Exploring alternatives to fresh water such as utilisation of treated municipal wastewater (sewage)
- Installation of dry tailings plant
- Rainwater harvesting
- Water risk assessment using WRI aqueduct water risk atlas, water risk monetiser, WWF and water risk filter



TARGET

Become a 5x water-positive Company and achieve 25% reduction in freshwater usage by 2025

Performance

- Water recycling rate – **41.95%**
- Reduction in freshwater consumption from base year FY 2019-20 – **9.41%**

Linkage with Strategic Objectives and SDGs



Progressing towards a sustainable future





Health & Safety (Business Impact: Cost)

Hindustan Zinc's mining and smelting operations entail various procedures that could have significant consequences for the workers and the environment. Failure to ensure health and safety could result in increased cost of litigation, reduce availability of manpower, reduce employee morale, or even threaten the viability of operations in worst-case scenarios.

Business Impact

Within the complex domain of the mining industry, repercussions of health and safety-related incidents result in financial and human losses. The ineffectiveness of safety controls intertwined with productivity dynamics, impact adverse incidents and health issues leading to worker downtime, hampered operational efficiency and business disruptions. Inadequate health and safety practices can also damage the Company's reputation and brand image, leading to a loss of trust among stakeholders. As the Company navigates these dimensions, strong health and safety considerations are imperative and integral to responsible and sustainable business practices.

Mitigation Approach

It is our constant endeavour to make our workplace free of fatalities, injuries and occupational diseases.

- Identifying, understanding, controlling, and eliminating the risks associated with hazards at the workplace, including man-machine interactions, molten metal handling, and underground fire
- Implementation of critical risk management measures to ensure all identified critical controls are being monitored and effective on ground
- Structured skill improvement and competency enhancement of employees and business partners

- Automation and mechanisation plan to eliminate high-risk manual activities
- Exposure monitoring for better and timely controls
- The Company partnered with a globally-recognised industrial hygiene service company to develop a sustainable industrial hygiene programme to reduce potential health risks by recognising, evaluating and controlling occupational health hazards and occupational exposures



TARGET

Zero work-related fatalities and 50% reduction in Total Recordable Injury Frequency Rate (TRIFR) by 2025

Performance

- Fatality – **7** (1 employee and 6 contract employees)
- Lost-Time Injury Frequency Rate (LTIFR) – **0.70**
- Total Recordable Injury Frequency Rate (TRIFR) – **1.93**
- Reduction in TRIFR from base year FY 2019-20 – **27%**

Linkage with Strategic Objectives and SDGs

- S1** Maintaining a portfolio of mines with long life
- S2** Expansion of capacities
- S3** Strengthening cost leadership
- S5** Progressing towards a sustainable future





Talent Attraction & Retention (Business Impact: Cost, Risk)

Our people have always been our top priority. We focus on maintaining a work culture that is safe, diverse and high on employee engagement to make us the employer of choice. We have in place an effective employee engagement framework to continue our efforts to attract and retain top talent. We believe in deploying best-in-class talent management practices that boost performance and help in building our brand to attract and retain talent.

Business Impact

A diverse workforce including women, LGBTQ and special abilities personnel leads to better decision-making and higher productivity. We believe that workforce diversity is a business imperative and strive to ensure that our workforce is representative of all sections of society. This open mindset helps us to deliver better business results. The core business of Hindustan Zinc such as mining, smelting and refinery requires a workforce with niche skills. Attrition in this talent pool is a threat to business deliverables. We have hence committed ourselves to providing equal employment opportunities without discrimination based on sexual orientation or gender identity.

Mitigation Approach

Our workforce management model, policies and tools have guided our investment in our people throughout their careers by offering a workplace culture that appeals to more diverse workers. We build and leverage talent through a robust framework, as mentioned below:

Promoting Young Talent: We proactively deploy various interventions to identify the stars, and then provide them with growth platforms (like Chairman Workshop, V-Build and CEO Connect, among others), and early opportunities to develop their potential and showcase their talent to lead from the front in various business roles and cross-functional projects.

Capability Building: We have focussed on building capabilities across employee hierarchies through comprehensive learning platforms to enhance safety, technical and business excellence, besides behavioural and leadership skills. We continually leverage technology and offer integrated learning platforms ranging from online training through video libraries, classroom training, virtual labs, video

sharing portals, assessment centres, partnerships with universities and executive coaching by industry experts.

Driving Diversity: We encourage diversity at the workplace to promote the organisation's collective experience and skill set. To provide the right work culture to promote inclusion, we have aligned our policies to encourage diversity in the workforce.

- Formed a well-articulated D&I and LGBTQ policy
- Partnered with 'The Humsafar Trust', a pioneer organisation in India dedicated to counselling, advocacy and the provision of health care to LGBTQ communities
- Initiated an awareness and sensitisation drive for all employees across Hindustan Zinc

— TARGET

Inclusive and diverse workplace with 30% diversity by 2025

Performance

- Manhours of employee training – **116,109 manhours**
- Gender diversity increased from 14.4% in FY 2019-20 (base year) to **19.5%** in FY 2022-23 within executive positions. Overall female diversity in workforce (Full-Time Employee) – **12%**
- LGBTQ members who joined Hindustan Zinc in front end roles – **3**
- Sensitisation workshop for Diversity and Inclusion – **16 sessions and 600+ employees covered**

Linkage with Strategic Objectives and SDGs

- | | |
|----|---|
| S1 | Maintaining a portfolio of mines with long life |
| S2 | Expansion of capacities |
| S3 | Strengthening cost leadership |
| S5 | Progressing towards a sustainable future |



Impact on External Stakeholders

Through our materiality assessment, we identify any environmental, social or economic impact on our external stakeholders caused as an outcome of our operations, products or value chain. The following are the most significant impacts identified:

Material Issues for External Stakeholders	Cause of Impact	Impact Area	Rationale for Identifying the Issue	Quantitative Impact
 Water Management	Operations	Environment/ Society	<p>Assessment Methodology — Net Impact Ratio</p> <p>NEGATIVE IMPACT</p> <p>Our relationship with the communities depends on efficient use of this shared resource to ensure sufficient availability of water for the communities. The communities also expect us to prevent any potential impact on the quality of water. Simultaneously, regulators scrutinise water consumption patterns of industries in Rajasthan, which is classified as a water-stressed zone. Our customers are becoming more ESG-conscious in their purchasing behaviours, and expect us to offer low environmental and social footprint products, including carbon and water footprint.</p> <p>100% of Hindustan Zinc's operational facilities are in water-stressed locations. We have improved access of water for the communities by setting up rainwater harvesting structures in the localised watershed and by supplying quality water to the communities. We are also working to ensure accessibility and availability of clean drinking water to the community through establishing RO/ATMs or by providing water tankers across 6 locations and 5 districts in Rajasthan.</p>	OUTPUT METRIC: 18.09 mn m³ Fresh Water Withdrawn 8.57 mn m³ Sewage Treated Water Used 87 lakhs m³ Ground Water Augmented Through Rainwater Harvesting at Rampura Agucha Mine IMPACT METRIC: 2.41 times Water Positivity Ratio
 Biodiversity & Ecosystems	Operations	Environment	<p>Assessment Methodology — Environmental Gain/Loss</p> <p>NEGATIVE IMPACT</p> <p>Biodiversity provides many ecosystem services, which are useful for communities and for other activities. If improperly managed, mining, smelting and exploration activities have the potential to negatively affect biodiversity and ecosystem services. Impact could be loss of protected species and habitat fragmentation.</p> <p>Such impacts could affect our social licence to operate and our reputation.</p> <p>Preserving and enriching biodiversity is an integral part of Hindustan Zinc's commitment to sustainable development. The Company's biodiversity policy and management standards are designed to conserve and promote biodiversity, while working to protect the natural ecosystem in its areas of operation.</p>	Total Mine Lease Area (Hectares) – 6,642 Plantation / Restored (Hectares) – 1,092 Disturbed Area (Hectares) – 2,612
 Tailings Management	Operations	Environment/ Society	<p>Assessment Methodology — Environmental Gain/Loss</p> <p>NEGATIVE IMPACT</p> <p>The management and storage of tailings is a critical issue for the mining industry globally. At Hindustan Zinc, mining operations include safe and responsible management of the tailings storage facility.</p> <p>The tailings dam breach can lead to significant and irreversible environmental impact. It may result into a Category IV incident or lead to financial penalties and/or negative media coverage.</p> <p>Instead of conventional hydraulic filling, the Company chose to use the paste fill technology. This technology ensured fast filling and practically no bleeding water in the stopes. Other benefits of paste fill technology have been water conservation, better stope stability, surface integrity in mines and greater recycling of tailings.</p> <p>We are further establishing dry tailings plant across the mines to further reducing the need for land for tailings storage.</p>	OUTPUT METRIC: Tailings Generated – 14.51 mn Mt Tailings Reused in Back Filling – 5.55 mn Mt INPUT METRIC: Reduced Land Fill and Productive Land Avoided

 Click to read more about our Materiality Assessment



Linking Pay to Sustainability

We stringently adhere to and implement the requirements outlined under the Vedanta Sustainability framework across our units. This framework includes the management and technical standards and policies that direct our efforts on the material issues. Every year, each of our sites undergo an evaluation under the Vedanta Sustainability Assurance Programme, which verifies the implementation of Vedanta Sustainability Framework and offers site-specific scores against the 13 pillars of sustainability. These scores are used to assess the relative performance of every employee including the CEO and members of the Executive Committee, and determine the performance bonuses.

CEO and Other Senior Leadership

The Company's financial results, such as revenue and operating profit, as well as non-financial indicators, such

as leadership, progress towards strategic goals and contribution to sustainability performance, are combined to determine the CEO's performance-based compensation, which has a 60% weightage for Hindustan Zinc and a 40% weightage for Vedanta performance.

CEO's KRA

Working on transforming Hindustan Zinc into a zero harm organisation entails building and instilling a strong safety culture, directing our efforts into achieving the Sustainability Goals 2025 and complying with the Vedanta Sustainability Framework. The VSAP score, which includes the management of water and climate change, safety and occupational health, and the development of human capital, is given 20% weight in the leaders' scorecard.

Top Material Issues and Linkage with Employee Compensation

Bucket	Performance Parameters	M2 & Above	M3 - M5	M6 & Below	Multiplier	
					APA Rating	Fatality
Organisation and Business Parameters	• Volume, COP & Reserves Creation	60%	50%	40%		
	• EBITDA, FCF Strategic / Regulatory Objectives					
HSE Parameters	• Safety (5%)	5%	5%	5%	A - 125%	Nil - 100%
	• Sustainability / VSAP (10%)	10%	10%	10%	B - 100%	1 - 90%
People Metrics	• MIP Talent Retention / Development	5%	5%	5%	C - 75%	2 - 80%
	• Employee Engagement				D - 0%	>2 - 75%
Individual Performance	APA Rating	20%	30%	40%		
Total		100%	100%	100%		

Hindustan Zinc aims to be a zero harm organisation by promoting a secure and risk-free workplace through the elimination of adverse incidents and injuries. To attain this objective, zero fatalities and the VSAP score are the key performance indicators which are added in Executive Committee's key result areas.

All Executives Performance

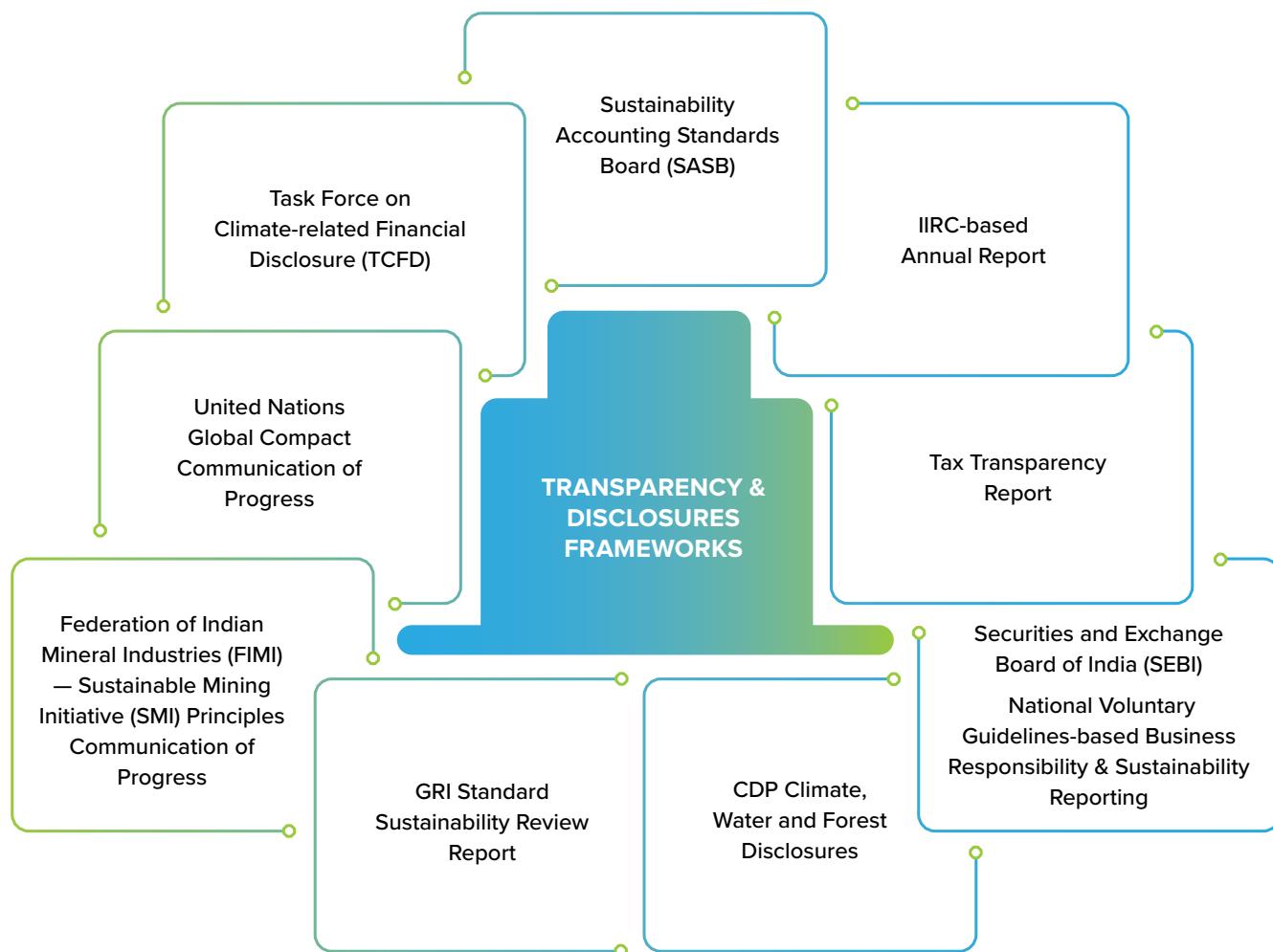
The VSAP scores and business performance are used to determine compensation based on performance. VSAP scores now carry 10% weightage in addition to a 5% weightage for safety. Additionally, the total pay-out under performance-based compensation is to be decreased in the event of any fatality by 10%, 20% and 25% for one, two, and more than two fatalities, respectively. In the event of any fatality, there is no production or sales incentive payout to the affected unit. The responsibility matrix serves as a base for consequence management, which also includes measures for punishment such as loss of the most recent promotion or increment or even no payment under the performance pay system.

Business Partners

We are increasingly connecting payments and incentives to our Business Partners' safety performance in order to extend Hindustan Zinc's safety culture to business partners. Monthly safety scorecards are already in use for performance evaluation and will gradually be included in the scope of payment.

White-breasted Kingfisher at Debari

Photo courtesy: International Union for Conservation of Nature (IUCN) Team





Woolly-Necked Stork at Zawar

Photo courtesy: International Union for Conservation of Nature (IUCN) Team

Environmental

(GRI 2-5, 2-27, 3-3, 201-2, 302-1, 302-3, 302-4, 303-1, 303-2, 303-3, 303-4, 303-5, 304-1, 304-2, 304-3, 304-4, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5) (MM-3) (FIMI Principle 5, 8) (UNGC Principle 7, 8, 9)

Material Issues	Priority Area	SDG Linkage	Sustainability Goals 2025
Climate Change and Decarbonisation		7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	0.5 mn tCO ₂ e greenhouse gas (GHG) emission savings in our operations from base year 2017
Air Emissions & Quality		13 CLIMATE ACTION 11 SUSTAINABLE CITIES AND COMMUNITIES	Reduction in non GHG emission (SOx and NOx emission) by 17% by 2025
Water Management		6 CLEAN WATER AND SANITATION 11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND	5x water-positive company and achieve 25% reduction in freshwater consumption
Circularity & Waste Management		11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	3x Increase in gainful utilisation of smelting process waste
Tailings Management		6 CLEAN WATER AND SANITATION 11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND	Complete transition from wet tailing to dry tailing disposal
Biodiversity & Ecosystems		15 LIFE ON LAND	Protect and enhance biodiversity throughout the life cycle Achieve No Net Deforestation through compensatory afforestation whenever applicable in mining sites, throughout the life cycle
Product Stewardship		13 CLIMATE ACTION	
Land Acquisition, Rehabilitation and Closure		11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND	

||||| High Priority

||| Medium Priority



Environment Management



Hindustan Zinc places great importance on environmental management as reflected in our commitment to implement sustainable practices throughout our operations. We recognise the significance of environmental conservation and proactively assess our environmental impact to minimise any adverse effects. Our holistic approach encompasses resource management, ensuring circular economy, pollution prevention and biodiversity preservation. By defining environmental objectives and targets, we continually strive to improve our performance that serves to either achieve or mostly exceed regulatory requirements. We promote responsible consumption and production by implementing measures to conserve resources, such as water and energy, reduce waste through recycling and ensure proper disposal practices. We have additionally, invested in eco-friendly technologies and provide our employees the necessary training to foster an environmentally conscious culture within the organisation. By embracing environmental

management, we demonstrate our commitment to sustainable practices that play a vital role in mitigating environmental challenges.

Environmental Policy & Commitments

In order to ensure the successful implementation of a robust and resilient Environmental Management System (EMS), the organisation focusses on certain key elements and high-level commitments. At the core of this system, we have in place a comprehensive Environment policy that outlines clear roles and responsibilities for implementing the EMS and emphasises compliance with relevant environmental laws and regulations. Our commitment towards continual improvement drives us to set ambitious targets and objectives to reduce our environmental impact. Additionally, we actively work to raise awareness among stakeholders about environmental issues.

Other specialised policies that drive the EMS include



Biodiversity Management



Energy and Climate Change Management



Tailings Dam Management



Water Management

These policies play a crucial role in minimising our environmental footprint across the entire value chain. By implementing these policies and fostering a culture of environmental responsibility, we strive to achieve a reliable and robust EMS, demonstrating our commitment to environmental stewardship.

Key Highlights

- Zero Category 4 & 5 environment incidents
- India's first underground BEV at Sindesar Khurd mine
- Induction of LNG-powered trucks, on pilot basis, to lower GHG emissions
- Biomass utilisation for power generation in all 6 CPPs
- Joined Taskforce on Nature-related Financial Disclosures (TNFD) to pilot with ICMM to implement the LEAP process
- Engagement with IUCN for development of a Biodiversity Management Plan, for 'No Net Loss' approach
- Commissioned 3,200 KLD zero liquid discharge (RO-ZLD) plant at Dariba smelter
- Site inspection and conformance assessment with Global Industry Standards on Tailing Management (GISTM) completed by ATC Williams for all tailings storage facility (TSF)
- Publication of Environment Product Declaration (EPD), a type 3 ecolabel, for zinc product
- Public consultation on proposed expansion of Chanderiya Lead Zinc Smelter (CLZS) conducted successfully
- Obtained GreenCo Rating, a joint initiative of Rajasthan State Pollution Control Board and Confederation of Indian Industries (CII), for Dariba Smelting Complex (Gold Rating), Chanderiya Lead Zinc Smelter (Gold Rating), Debari Zinc Smelter (Silver Rating), Zawar Mines (Silver Rating) and Rampura Agucha Mine (Silver Rating)
- Selection of Hindustan Zinc as Leadership Bands (A/A-) listed company by CDP (Climate Change and Water) and recognition as a leader in supply chain
- Four mines won 5-Star Rating under 'A' list category of mines by Indian Bureau of Mines
- Long-term renewable energy (RE) power delivery agreement signed under group captive scheme for sourcing 450 MW of RE power

Hindustan Zinc proactively conducts environment and social impact assessment studies during the initial project stages that allow us to anticipate and address potential environmental and social risks, thus ensuring mitigation of any adverse impacts. Additionally, we have implemented an online incident management portal that enables us to track

Return on Environmental Investments (in ₹)

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Capital Investments	3,350,000,000	1,680,000,000	3,075,000,000	3,885,333,836
Operating Expenses	1,114,285,925	980,000,000	1,035,000,000	1,358,406,918
Total Expenses (Capital Investments + Operating Expenses)	4,464,285,925	2,660,000,000	4,110,000,000	5,243,740,754
Savings	357,934,074	175,225,000	653,111,392	1,370,616,216
% of Operations Covered	100	100	100	100

Click to read more about our Sustainable Mining Strategy

Click to read more about our Responsible Production Strategy

and monitor environmental incidents effectively. A thorough investigation of an incident enables an understanding of the root causes and prompt preventive and remedial actions. Furthermore, we have obtained certifications to ISO 14001 and ISO 50001 for all our operational units, demonstrating our adherence to international standards for environmental management and energy efficiency. These certifications validate our ongoing efforts to maintain high environmental standards and promote sustainable practices throughout the organisation.

Across our locations, operating environment expenses during the reporting year stood at ₹ 1.36 billion. Additionally, major progressive capital expenditures on multiple environmental projects amounted to ₹ 3.88 billion and included strengthening of tailings storage facilities (TSF), installation of solar plants and dry tailings plants, establishment of zero liquid discharge plants and installation of bag filters to reduce fugitive emissions.

Environmental Compliance

Hindustan Zinc has prioritised environmental compliance and made significant progress in this area. We have consistently adhered to environmental regulations, ensuring responsible operations with minimal environmental impact. Diligent monitoring and documentation systems serve to track our environmental performance and identify areas for improvement. We will continue to uphold our environmental stewardship principles through minimising our environmental impact and striving to positively contribute to communities and ecosystems.

Financial Year	Any fines / penalties / action taken by regulatory agencies such as Pollution Control Boards	Corrective action taken, if any
FY 2022-23	NIL	NIL
FY 2021-22	NIL	NIL
FY 2020-21	NIL	NIL
FY 2019-20	NIL	NIL





Energy and Climate Change Management

(GRI 2-5, 201-2, 302-1, 302-3, 302-4,
305-1, 305-2, 305-3, 305-4, 305-5)



Approach

Hindustan Zinc employs a proactive approach to energy management and climate change adaptation and mitigation. We recognise the significant impact our energy consumption and operational greenhouse gas (GHG) emissions have on climate change and are committed to reducing our carbon footprint. We prioritise energy efficiency throughout our operations by investing in energy-efficient technologies, optimising processes and promoting a culture of conservation among employees. Additionally, we actively seek renewable energy alternatives. We also integrate climate change adaptation strategies into our business planning, to assess and address potential risks and vulnerabilities associated with changing climate conditions. By taking a proactive and holistic approach to energy management and climate change, we aim to contribute to a more sustainable future and build resilience within our organisation and the communities we serve.

Climate Change

Climate change mitigation is a core component of our strategy as a mining company, driven by both the urgency of the global challenge and our commitment to sustainability. We continually adopt and explore various approaches for building resilient infrastructures against physical climate risks. Additionally, we actively engage with stakeholders, collaborate with business partners and support research for promoting sustainable practices across the mining industry. We have significantly intensified our efforts and commitment to decarbonise our business. We have made a pledge to become a Net Zero carbon organisation by 2050, or even earlier, with the business ambition for the 1.5°C campaign led by the SBTi in partnership with the UN Global Compact and the 'We Mean Business' coalition. Furthermore, we conducted an extensive climate risk assessment and scenario analysis to gain a comprehensive understanding of the risks and opportunities associated with climate change for our operations. The insights from these studies serve as valuable inputs for developing our carbon strategy and

roadmap, to guide our path towards achieving Net Zero status by 2050.

We have conducted the scenario analysis and stress-testing for understanding the implications of climate change on our operations across units to develop a long-term strategy about the risks and opportunities posed by climate change. We used Advanced Climate Modelling, Representative Concentration Pathway (RCP) RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5 and IEA Net Zero Scenario (NZE), Announced Pledges Scenario (APS), Stated Policies Scenarios (STEPS) of the International Energy Agency to forecast the likely physical and transition changes for two time periods 2030 and 2050.

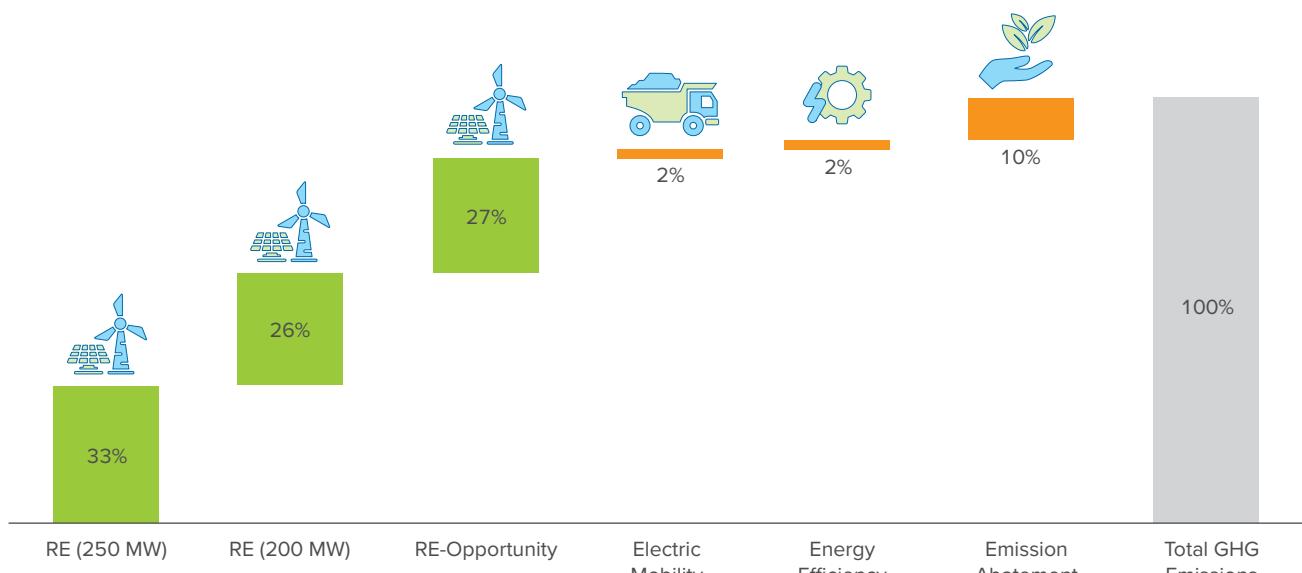
For more details refer to TCFD Report

Click to read more about our Energy and Climate Strategy

Climate Resilience

We understand the importance of adapting to challenges and uncertainties posed by climate change. With a steadfast commitment, we are proactively implementing measures to enhance our resilience and minimise the potential impacts on our business, stakeholders and the environment. Through robust risk assessments, scenario analysis and the integration of climate considerations into our decision-making processes, we are fortifying our ability to navigate changing climatic conditions. The unique combination of our technology mix and asset configuration sets us apart, allowing us to comply with existing climate regulations such as Renewable Energy Certificate (REC) and Renewable Purchase Obligation (RPO). Through the adoption of Firm Renewable Energy (RE), we position ourselves to capitalise on new markets, and our locations are situated to leverage cost-effective options for Firm RE. We also foresee a positive environment in the demand for our products with Race to Net Zero emissions taking the momentum. By embracing innovative technologies and fostering sustainable partnerships, we strive to build a resilient organisation that can thrive in a rapidly changing climate.

Decarbonisation Strategy



We strive to reduce our operational footprint and align our decarbonisation strategy in line with global commitment. Our Sustainability Development Goals of 2025 aim to achieve 0.5 mn tCO₂e GHG Emissions savings from 2017 baseline. Electricity use contributes to nearly 85%-90% of total Scope 1 and 2 emissions. Hence, we have implemented myriad initiatives including increasing dependency on the electricity generated from renewable energy sources.

Hindustan Zinc has SBTi approved target of 50% reduction in Scope 1 & Scope 2 GHG emissions, 25% reduction in Scope 3 GHG emissions by 2030* and achieving Net Zero by 2050 from base year 2020.**

*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

**Hindustan Zinc Limited is a subsidiary of Vedanta. Vedanta is currently excluded from joining the SBTi due to the temporary policy surrounding fossil fuel companies; however, as Hindustan Zinc Limited meets category 2.4 of the temporary policy, science-based targets have been approved.

Delivering on our Decarbonisation Commitments

We are redefining business imperatives to foster sustainable and long-term growth to accomplish our climate commitments. In FY 2022-23, we have successfully adopted green or low-carbon solutions to harness the extensive

benefits of actualisation of our climate vision and to attain various target milestones. The details of such initiatives are briefly provided in this section.

During the year, the Company produced



76.16 mn units
solar power



227.89 mn units
waste heat energy



409.26 mn units
wind power

Renewable Energy (RE)

Hindustan Zinc will be embarking on its journey to deploy renewable energy solutions in its operations with implementation of two captive power development plans with capacities of 200 MW and 250 MW. The project will be set up by Group Captive model under an SPV, wherein the Company will own 26% of equity (₹ 3.5 billion) and 74% equity by the developer. This initiative will ensure a minimum assured supply of renewable energy for Hindustan Zinc from solar, wind and energy storage systems annually at the delivery point which shall be the 'Guaranteed Annual Generation' (GAG). The RE power to be procured will be 450 MW with 70% CUF, corresponding to 1,226 mn units of green power avoiding 2.7 mn tCO₂e carbon emissions. The power delivery will be initiated in a phase-wise manner from FY 2024-25 onwards.

Electric Vehicles

Hindustan Zinc has assumed a leadership position among Indian mining companies by successfully pioneering the electrification of its mining fleet. The Company introduced underground Battery Electric Vehicles (BEV) at Sindesar Khurd Mine (SKM). We have also entered into a Memorandum of Understanding with three global manufacturers to introduce battery-

powered service equipment and utility vehicles for our underground mining operations. Hindustan Zinc is planning to allocate approximately US\$ 1 billion towards climate change initiatives in line with our ambitious goal of achieving 75% electrification of our mining fleet by 2035.

Biomass

In FY 2022-23, we adopted various other green alternatives for conventional energy sources. One notable accomplishment was substitution of coal with biomass. With this initiative, we have successfully reduced our dependence on coal during FY 2022-23, resulting in 71,176 MT reduction of coal usage and associated emissions of 89,896 tCO₂e.

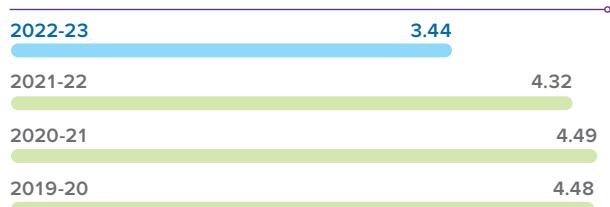
Internal Carbon Pricing

Hindustan Zinc has implemented internal carbon pricing mechanism across all units to drive the decarbonisation mission. We have carbon pricing as a component in all our capital deployment and expenditures, which will help us to advocate the decision-making in low-carbon transition including identification of energy conservation/efficiency projects for our operations to meet SBTi targets for emission reduction. Currently, the internal carbon price is US\$ 15/tCO₂e.

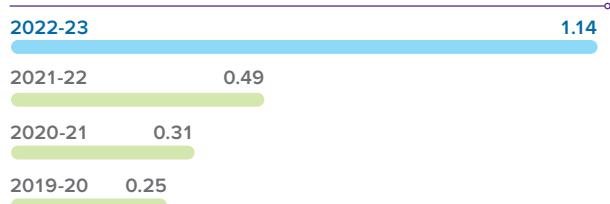
Performance Metrics

Due to revamping of the turbines, improved cell house efficiency and execution of various energy conservation projects, we have successfully reduced energy consumption in our operations during the reporting year. Collectively, the projects implemented in FY 2022-23 saved 581,915.85 GJ of energy and helped in avoidance of 110,783 tonnes of carbon emission. We aim to further improve the carbon intensity of our operations.

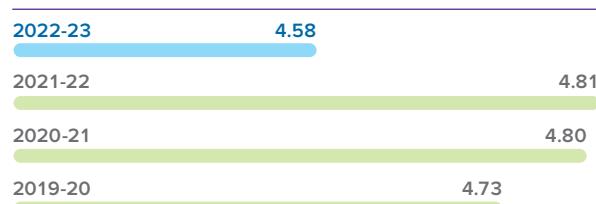
Scope 1 Emissions (mn tCO₂e)



Scope 2 Emissions (mn tCO₂e)

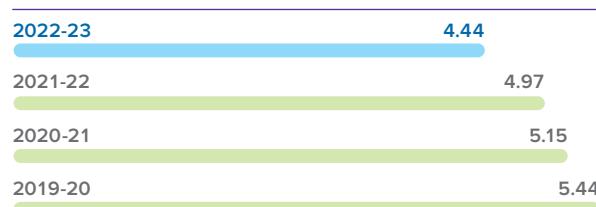


Scope 1 + Scope 2 (Absolute Emissions) (mn tCO₂e)

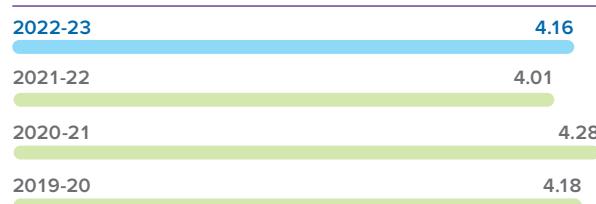


GHG Emission Intensity

Scope 1 + Scope 2 (tonne of metal produced)



Scope 3 Emissions (mn tCO₂e)





Water Stewardship

(GRI 2-5, 303-1, 303-2, 303-3, 303-4, 303-5)

Approach

Hindustan Zinc prioritises water stewardship as a fundamental aspect of its operations. We have focussed on reducing the consumption of freshwater throughout our processes to promote responsible water management practices. We have implemented comprehensive water management strategies that include advanced technologies, efficient water usage systems and regular monitoring of water consumption patterns. By investing in innovative water-saving technologies and adopting best practices, we aim to minimise our impact on local water sources and ecosystems. Through these collective actions, we strive to ensure the responsible and efficient use of water, safeguarding this valuable resource for present and future generations. Water resource management practices by Hindustan Zinc aim to promote environmental sustainability and reduce the risk of water-related impacts, protect ecosystems and contribute to the well-being of the communities and the regions in which we operate.

Governance

We advocate water stewardship through active collaboration with stakeholders, with the objective to promote responsible water management practices across our operations. Water being a key material resource, we have vested managerial responsibility for water through its inclusion in the key goals and responsibilities of the Chairman of the Water Community and Chief HSE&S at Hindustan Zinc. The executive-level monitoring of water-related impacts is driven by the Water Management Community, which facilitates the administration and coordination activities for enhancing resource efficiency. The Community demonstrates strong governance for increasing water accountability across Company premises, by strategising development and implementation of standards and procedures to promote water conservation, efficiency and protection of water quality. It focusses on maximising the recycling of water and developing risk mitigation plans in alignment with long-term physical, regulatory, stakeholder and financial considerations. The Community also facilitates the delegation of water-related

aspects viz., water conservation at source, zero liquid discharge from operations, rainwater harvesting and other water accounting practices at Hindustan Zinc. At the site level, water stewardship goals are implemented under the leadership of Environment Heads and Water Managers.

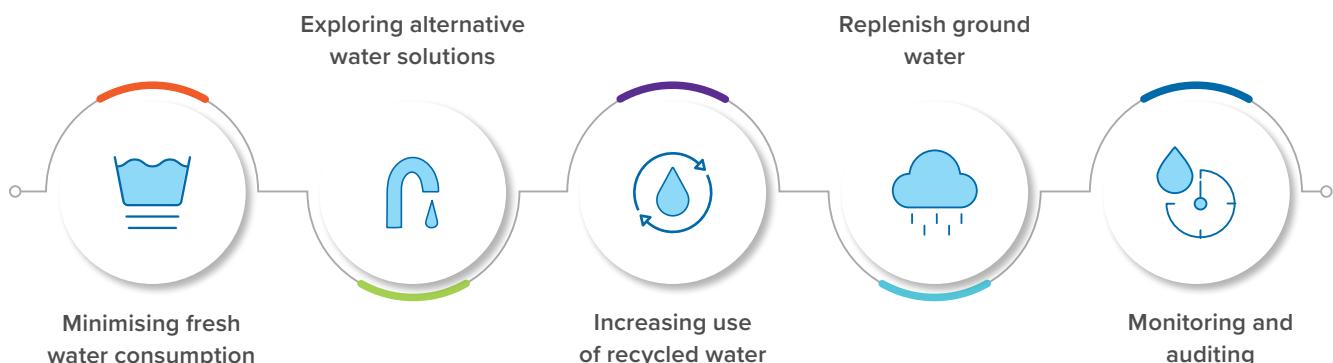


Hindustan Zinc has established the Water Management Community as a taskforce under the Executive Sustainability Committee, at the corporate level, to ensure strong governance for water conservation, water risk assessment, formulation of mitigation strategies and continual improvement in water management processes.

Policies and Strategy

Hindustan Zinc's [Water Management Policy](#) is instrumental in guiding and regulating water stewardship practices that recognise and act to sustain the social, economic and environmental value of water. The Water Management Policy, part of the Vedanta Sustainability Framework, complies with applicable national, regional and local regulations. Hindustan Zinc implements this policy and its related technical and performance standards. We also follow Vedanta's Water Management Technical Standard that guides water management especially in water-stressed regions. The water management standards prescribe the guidelines on the adoption of best practices, state-of-the-art technologies and strategies for water stewardship to ensure equitable access and efficient utilisation of water resources. The policy and standards have facilitated proactive planning and management of water resources and effectively served to address water-related challenges and impacts. Physical climate change risk including flooding and drought is also integrated into Enterprise Risk Management.

Our water stewardship practices encompass the following measures:



Technology Interventions

- Installation of Dry Tailings Plant by 2025 across all operating tailings dams
- In FY 2022-23, commissioning of Dry Tailings Plant at Rajpura Dariba Mine
- In FY 2022-23, commissioning of additional ZLD plant in Dariba Smelting Complex
- Initiated ZLD plant construction in Rampura Agucha Mine (RAM) and Zawar Mines
- Rainwater harvesting structures in nearby communities (RAM)
- Potable water supply to nearby communities and climate adaptation programme
- Water Conservation projects with total water savings of – 502,528 m³

Sustainable Partnerships

In line with our commitment, we have joined the CEO Water Mandate, an initiative by the UN Global Compact, which enables us to forge valuable public-private partnerships and collaborate on strategies and solutions to address the growing global water crisis. This engagement further strengthens our dedication to developing, implementing and transparently disclosing comprehensive water management strategies. We firmly believe that it is through collective action and responsible water stewardship that we can contribute to the sustainable management of this vital resource for the benefit of present and future generations.

Water Risk Assessment

In a holistic approach to identify and manage water-related impacts, we have assessed water risks across all our units using WRI Aqueduct Water Risk Atlas, Water Risk Monetiser and WWF Water Risk Filter. These risk mapping tools were used to assess risks for numerous variables that included both the quality and quantity of water such as baseline water stress, annual variability, seasonal variability, flood frequency, severity of drought, upstream storage and groundwater stress. **The study showed that all our sites are located in water-stressed regions and identified as high-risk areas under basin risk category.** Hindustan Zinc has therefore intensified the implementation of mitigation plans to ensure continual availability and security of its water sources.

We are fully committed to complying with national, local and international regulatory requirements, including information, tariffs and water withdrawal restrictions. Our dedicated team of in-house and field experts supports us in meeting these obligations effectively. As part of our commitment to responsible water management, we strive to provide high-quality drinking water to neighbouring communities and foster positive and strong relationships.

Long-term Commitment towards Water Stewardship

At Hindustan Zinc, we are dedicated to promoting the sustainable use of water resources through focussed efforts in two key areas: enhancing water efficiency and fostering collaborative partnerships for water stewardship programmes. **Our ambitious long-term goal is to become a 5x water-positive Company, surpassing our current ratio of 2.41, while reducing our freshwater consumption by 25% by 2025**, starting from the base year of 2020. These targets serve as a catalyst for driving our water management initiatives across the organisation.

Site Name	Site Basin Risk				Site Operational Risk			
	Overall Basin Risk	Basin Physical Risk	Regulatory	Reputational	Overall Risk	Physical Risk	Regulatory	Reputational
Chanderiya Lead-Zinc Smelter, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Medium Risk	Medium Risk	Low Risk	Low Risk
Rajpura Dariba Mine, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Low Risk	Low Risk	Very Low Risk	Low Risk
Rampura Agucha Mine, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Medium Risk	Medium Risk	Medium Risk	Low Risk
Kayad Mines, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Low Risk	Low Risk	Very Low Risk	Low Risk
Zinc Smelter Debari, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Low Risk	Low Risk	Very Low Risk	Low Risk
Dariba Smelter Complex, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Low Risk	Low Risk	Very Low Risk	Low Risk
Pantnagar Metal Plant, Uttarakhand	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Low Risk	Medium Risk	Very Low Risk	Low Risk
Sindesar Khurd Mine, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Low Risk	Low Risk	Very Low Risk	Low Risk
Zawar Mines, Rajasthan	Very High Risk	Very High Risk	Medium Risk	Medium Risk	Medium Risk	Medium Risk	Very Low Risk	Low Risk

■ Very High Risk ■ Medium Risk ■ Low Risk ■ Very Low Risk

Monitoring

Fresh water is required for operations and at the workplace (drinking water, sanitation). Considering that our operations are located in areas with varying degrees of water stress, we take various initiatives to manage our water resources and reduce our dependency on fresh water. Each Hindustan Zinc site is certified as ISO 14001 and uses the Vedanta Sustainability Framework (Water Management Technical Standard) for managing water. The performance is reported to the Executive Sustainability Committee, which is chaired by the CEO, on a monthly basis. As per our water management standard, we have developed water management plans to track water status at each location. Water meters are also installed at user ends to capture accurate water withdrawal quantities on a daily basis through metered reporting.

Analysers and water flow meters have been installed for real-time monitoring of the quality and quantity of water and wastewater. We have installed IoT-based monitoring systems at some locations to strengthen monitoring. Further, for assessing the effectiveness of water management procedures, we conduct a third-party assessment every quarter. We conduct external water assurance annually on GRI standards and VSAP.

Performance Metrics

We recognise the critical importance of water conservation and are on track to cut down specific and total freshwater consumption to reduce our dependency on freshwater.

Water Withdrawal

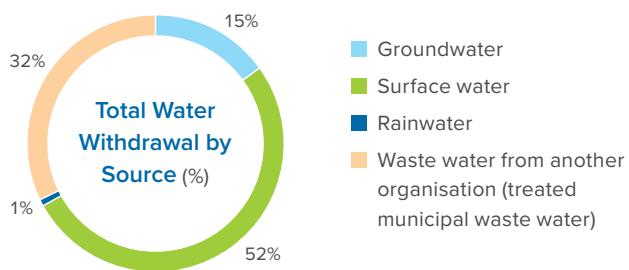
Our sources of water withdrawal are surface water, groundwater, rainwater and water from third parties and treated municipal wastewater (sewage). To decrease water withdrawal from freshwater sources we have invested in alternative sources of water, effluent treatment, zero liquid discharge plant and other water efficient technologies.

Water Withdrawal (mn m³)

Freshwater v/s Treated Municipal Waste Water Withdrawal



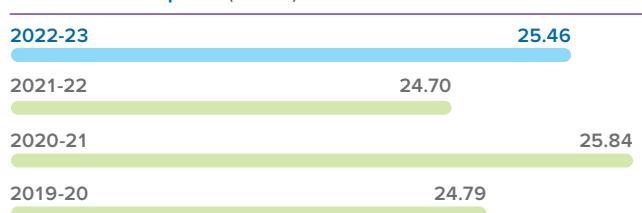
Freshwater v/s Treated Municipal Waste Water Withdrawal



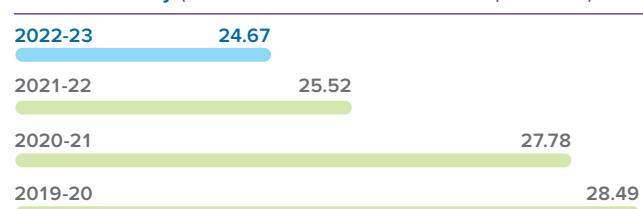
Water Consumption

Though water is consumed at all stages of the manufacturing process, most of it is used in cooling towers. At Hindustan Zinc, we are taking significant steps to achieve water efficiency in our operations through real-time monitoring of volume and quality parameters.

Water Consumption (mn m³)



Water Intensity (water consumed/tonne of metal produced)



Withdrawn (m³) **26,667,321**

Rainwater
233,048

Surface Water
13,993,102

Groundwater
2,625,710

Third-Party Water (Including
Treated Municipal Waste Water)
8,570,662

Mine Intersection/
Produced Water
1,244,800



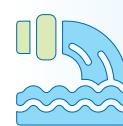
Water Consumption (m³) **25,457,583**

Operational Use
19,606,645 (Fresh Water)

+
5,850,938
(Treated Municipal Waste Water)

Non-operational Use*
1,209,738

Total Water Reused & Recycled
18,396,116



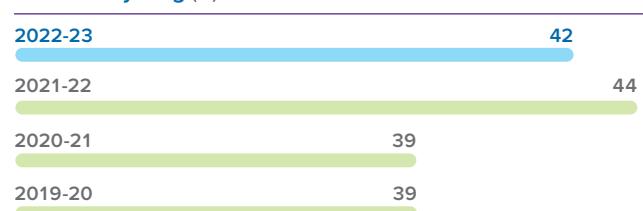
Discharged (m³) **Zero Discharge**

* Non-operational use is distribution of water in township, nearby communities and CSR activities
(Total Water Withdrawal - Total Water Consumption in Operation)

Effluent Management

We have minimised the use of fresh water by reusing produced water. We have integrated effluent treatment plants at all smelters to ensure maximum recycling of process water and for recycling the treated water into the process to reduce our dependency on fresh water. By applying wastewater recycling into our operations, we have been able to reduce reliance on scarce freshwater resources and limit the environmental footprint. Further, technological upgradation by installation of multiple effective evaporator/mechanical vapour recompression (MVR) at all smelters in place of conventional evaporators has strengthened zero discharge with improved water recovery.

Water Recycling (%)



We are maintaining zero discharge across our locations.

Click to read more about our Water Management

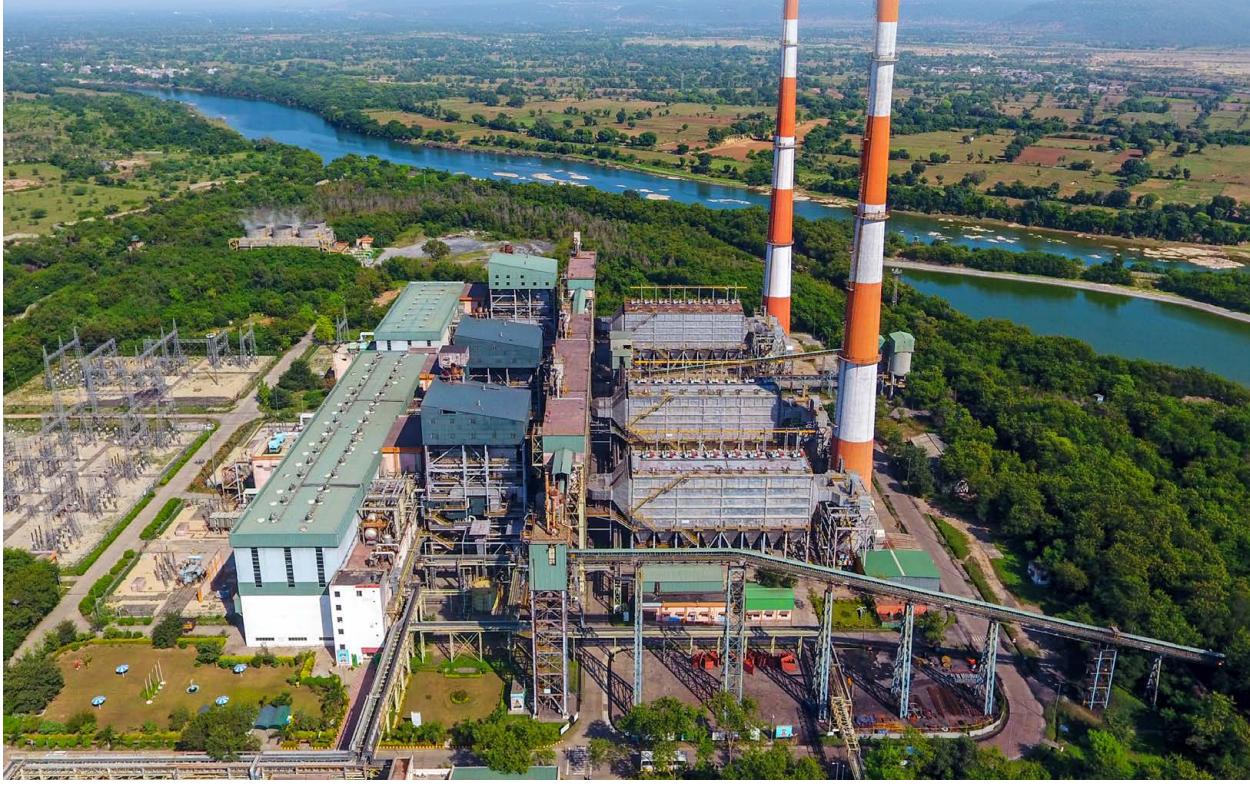
Please refer pages 136 to 138 of our Integrated Annual Report FY 2022-23 for more details on our water stewardship





Air Quality Management

(GRI 305-7)



Approach

Hindustan Zinc adopts a comprehensive strategy for monitoring and ensuring air quality for a healthier environment. Demonstrating our commitment to environmental stewardship, we have undertaken a systematic approach for addressing air quality challenges. We identify, assess and maintain emission inventories to manage the potential sources of air pollutants at each of our sites. We have deployed various digital technologies for augmenting our progress for a clean environment. We have implemented state-of-the-art control and mitigation measures for minimising air emissions, including particulate and gaseous emissions. The Company has also identified and adopted the use of cleaner fuels and is continually exploring opportunities for improving the operational footprint of the business. We have established a robust air quality monitoring system to ensure compliance with regulatory standards. Our approach is grounded in realism and closely aligned with international standards and aspirations. We recognise the interconnected nature of the environment, the health of our employees and the well-being of the communities around our operating sites. By implementing robust policies and procedures, we

aim to mitigate our environmental impact and contribute to a sustainable future. Our commitment is to operate in a manner that safeguards the environment, protects human health and promotes the overall well-being of the communities we serve.

Governance

We are committed to monitoring and mitigating emissions from our mining, smelting and captive power plant (CPP) operations, including particulate matter (PM), sulphur oxides (SO_x), and nitrogen oxides (NO_x). Our governance framework enables us to address concerns raised by internal stakeholders and local communities, promoting transparency and ensuring the well-being of employees and communities. To enhance monitoring capabilities, we have installed online continuous emission and ambient air quality monitoring systems that directly connect to the servers of the Central and State Pollution Control Boards. These systems enable real-time tracking of air emissions and support timely mitigation measures. Implementation of these measures and fostering transparency, has served to minimise the impact of our operations on air quality.

Strategy

We actively monitor our significant air emissions, including sulphur oxides (SOx), nitrogen oxides (NOx), particulate matter (PM) and greenhouse gases (GHGs). Our commitment to maintaining ambient air quality parameters aligns with the National Ambient Air Quality Standards (NAAQS) 2009. All of our plants are equipped with the necessary controls to effectively manage these emissions and keep them within permissible limits. This systematic approach enables us to continuously track and address any deviations promptly, thereby demonstrating our commitment to maintain healthier air quality standards and protect the environment.



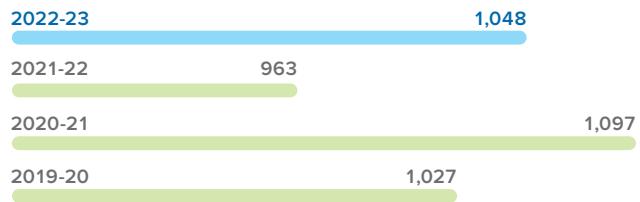
TARGET

Hindustan Zinc has set a target to reduce non-GHG emissions (SOx and NOx emission) by 17% by 2025 with 2020 as the base year.

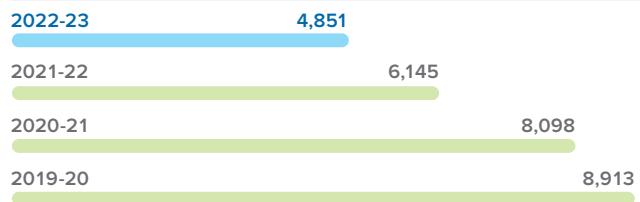
Performance Metrics

Ambient Air Quality Monitoring

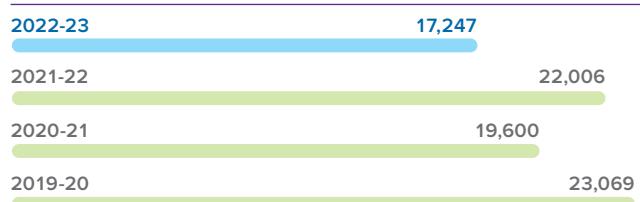
Particulate Matter (PM) Emissions from Stack (MT)



Nitrogen Oxide (NOx) Emission (MT)



Sulphur Oxide (SOx) Emission (MT)



Click to read more about our Air Emission Management





Biodiversity Management

(GRI 304-1, 304-2, 304-3, 304-4) (MM1, MM2)



Sarus Crane and Painted Stork at Dariba

Photo courtesy: International Union for Conservation of Nature (IUCN) Team

Approach

Protecting and enhancing biodiversity is an integral part of Hindustan Zinc's commitment to obtain resources sustainably. We are committed to the integration of biodiversity conservation with commercial operations. Accordingly, we strongly advocate a strategic approach to mitigate any adverse impact of our operations on biodiversity by reviewing operational procedures and systems. A location-specific Biodiversity Management Plan (BMP) is prepared for all our mining and smelting sites. We formulate and implement goals and targets in line with our commitment to minimise biodiversity risks and maximise the opportunities to contribute to good management practices related to biodiversity and ecosystems.

We understand the significance of making internal stakeholders aware of the crucial aspects of biodiversity conservation whereby we conduct annual employee training programmes and awareness campaigns. There were no fines, enforcement orders and/or other penalties for any type of violation of biodiversity-related regulations in the current reporting year.

Governance

We are proactively working towards achieving the goal of 'No Net Loss' (NNL) of biodiversity in our operations. We have updated our [Biodiversity Policy](#) to strengthen our biodiversity management approach and align it with our vision of being nature-positive in areas having critical habitat and ecosystems. We are committed to achieving 'No Net Loss' of biodiversity at our project operations through implementation of the mitigation hierarchy, that encompasses avoiding, minimising and restoring the direct impact and offsetting the residual impact from operations. We are also committed to incorporating a nature-based solution approach in decision-making.

We advocate biodiversity conservation through active collaboration with stakeholders, guided by the objective of promoting biodiversity protection across our operations. Hindustan Zinc has accordingly established a Biodiversity Community as a taskforce under the Executive Sustainability Committee at the corporate level, to ensure a strong governance structure for biodiversity conservation, risk assessment, formulation

of mitigation strategies and continual improvement in biodiversity management processes.

Given the significance of biodiversity as a key material topic, we have vested managerial responsibility for biodiversity by incorporating it into the key goals and responsibilities of the Biodiversity Community's Chairman of Hindustan Zinc. The Community is also tasked with assessing the nature-related impact of our operations and facilitate the administration and coordination of activities for enhancing resource efficiency. The Community demonstrates strong governance for enhancing accountability across the premises, strategising development and implementation of standards and allocating procedures to promote nature conservation and protection of biodiversity. At the site level, the environment heads and biodiversity managers who are also members of the corporate level Biodiversity Community, are tasked with implementation of biodiversity goals.

At Hindustan Zinc, we understand the implications of any mismanagement which could result in loss of protected species and habitat fragmentation and pose a threat to our business continuity. We work proactively to manage our impact on biodiversity and strive to protect the ecosystems in which we operate. Hindustan Zinc has undertaken the following initiatives for management of biodiversity-related impacts:

- Biodiversity risk assessment through Integrated Biodiversity Assessment Tool (IBAT)
- Biodiversity Management Plan in line with best global standards for project implementation
- Three-year engagement with International Union for Conservation of Nature (IUCN) for biodiversity risk screening, ecosystem service review, preparation of biodiversity management plan with a vision to achieve NNL and handholding for BMP implementation
- Massive plantation drive including Miyawaki afforestation
- Restoration of waste dump & Jarofix yard
- Implementation of BMP and Wildlife (Schedule -1) Conservation Plan

Strategy

We aim to achieve a No Net Loss (NNL) and Net Positive Gain (NPG) of biodiversity at all our sites of operation and supply chain and especially in critical habitats. To achieve this objective, Hindustan Zinc has a dedicated Biodiversity Policy and Management Standard to support biodiversity conservation programmes. The Company also conducts a biodiversity risk assessment in collaboration with IUCN and ERM. These programmes are holistically designed to focus on avoiding and minimising disruption to flora and fauna right from project scoping to site closure and beyond.

We are strongly committed to take immediate steps to maintain, conserve and restore natural ecosystems, including forests and the interconnectedness of habitats. We are committed to avoiding deforestation, in line with the prevailing rules and regulations, and to developing compensatory afforestation.

We ensure that no protected areas, national parks, wildlife sanctuaries, biosphere reserves, wildlife corridors, etc., are located within the core or a 10-kilometre buffer zone of any of our operating sites which is ensured through IBAT tool assessment. We are stringently opposed to the conduction of any operations, exploration, mining or drilling at World Heritage sites and in IUCN Category I-IV protected areas.

 [Click to read more about our Biodiversity Management](#)

Biodiversity Risk Assessment

Biodiversity plays a vital role in retaining the ecological harmony of the planet and provides the foundation for natural resources like water and minerals. A flourishing biodiversity provides protection against climate change and related impact on the environment besides yielding a safe habitat for a vast variety of plant and animal species. Operations by metal and mining companies can have a significant impact on biodiversity due to the extraction and processing of natural resources from the earth.

Hindustan Zinc is conscious of the potential impact of its business operations on biodiversity across landscape and regions which may lead to habitat loss and overexploitation of land. The Company has therefore made a systematic consideration of its impact on biodiversity. To converge conservation of biodiversity and ecosystem services and enhance the Company's performance in biodiversity conservation and management, Hindustan Zinc has engaged with IUCN for three years with the following objectives:

- Reframing of biodiversity policy and standards to achieve No Net Loss
- Review of current biodiversity management plan
- Development of site-specific biodiversity
- Ecosystem service engagement
- Development of annual action plan with reference to BMP and biodiversity policy



Scope of Biodiversity Risk Assessment

In line with its commitment to maintain, protect and restore natural ecosystems, including forests and the interconnectedness of habitats, Hindustan Zinc conducts a biodiversity risk assessment that aims to identify and evaluate the potential impact and dependency of various activities through a 4-step approach:

STAGE 1

Biodiversity Risk Screening

To promote a best practice management approach to biodiversity, Hindustan Zinc conducts a screening assessment before the start of any project to identify the sensitive ecological areas. Aligned with Vedanta's Technical Standard on Biodiversity Management, the Company evaluates its biodiversity-related impacts as well as risks and opportunities. We conduct risk screening for each site initially through the Integrated Biodiversity Assessment Tool (IBAT) and Species Threat Abatement and Restoration (STAR) metric.

STAGE 2

Biodiversity Risk Assessment

Biodiversity risk assessment is conducted at the site level to assess the biodiversity risks identified during the risk screening process in both the core and buffer zones within a 10-km radius of the proposed mines. The assessment involves:

- Desk-based research
- Baseline biodiversity survey
- Assessment of ecosystem service
- Impact dependency assessment

STAGE 3

Biodiversity Management Plan

A unique and exclusive Biodiversity Management Plan (BMP) is framed for all our operations based on the findings of the baseline study and biodiversity risk assessment that provides detailed guidance on the implementation of proper and required mechanisms to avoid and minimise impact of operations on biodiversity in addition to the conservation and restoration of the ecosystem. The BMP is prepared to achieve NNL and NPI for any critical habitat impacts that cannot be avoided.

STAGE 4

Implementation and Monitoring

Implementation of BMP recommended measures are carefully monitored. Progress on actions, which is continually tracked covers collection of data on the implementation of activities and outputs, delivery of results and impact according to the indicators identified in the logical framework in addition to its monitoring and evaluation activity as per the protocol identified under the BMP.

Performance Metrics

Mining and Land Use & Disturbance

Particulars	ZM	SKM	RDM & DSC	RAM	KM	ZSD	CLZS	PMP	Maton	Total
Total Mine Lease Area (hectares)	3,620	200	1,142	1,200	480	-	-	-	-	6,642
Acquired Area (hectares)	483	126	554	1,009	49	183	437	18.4	195.4	3,054.8
Plantation/ Restored Area (hectares)	171	62	190	348	17	76	171	7	50	1,092
Disturbed Area (hectares)	321	122	259	1,028	49	183	437	18	195	2,612

Biodiversity Exposure & Assessment

	Number of Sites	Area (Hectares)
a) Overall Total number and total area of own operational sites	9	Total acquired - 3,054.8
b) Assessment Information on biodiversity impact assessment conducted for own operational sites	9	Total acquired - 3,054.8
c) Exposure No. of sites that have a significant biodiversity impact, or are in proximity to critical biodiversity, of the sites assessed and total area of those sites	Nil as per IBAT report	Nil as per IBAT report
d) Management Plans No. of sites from those assessed that have a significant biodiversity impact or are in proximity to critical biodiversity that have a biodiversity management plan with total area of those sites	Nil. None of the sites are in proximity to critical habitat BMP available at all the 9 sites	Nil. None of the sites are in proximity to critical habitat

Mitigating Actions to Reduce Dependency and Impact on Biodiversity

Hindustan Zinc assesses its impacts and dependencies on biodiversity. The Corporate Ecosystem Services Review (ESR) is a set of analyses and tools designed to review the ecosystem services supporting the business and the ecosystem services being impacted by the business. This review is conducted to understand the linkages between the business and the ecosystem and to develop appropriate strategies to manage and mitigate business risks and identify opportunities.

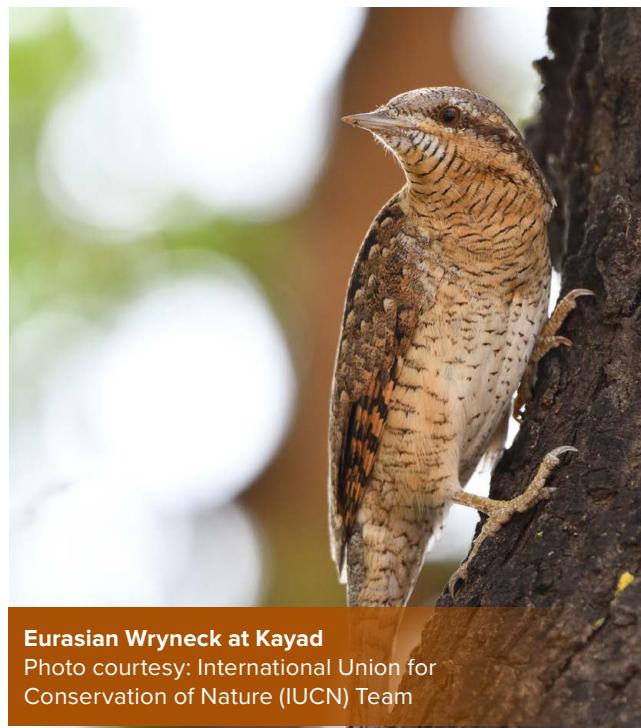
Avoid — As part of our commitment to ICMM's Mining Principles, which encompass two performance expectations under Principle 7: Conservation of Biodiversity, we are aligned to refrain from engaging in operations, exploration, mining or drilling in any World Heritage areas and protected areas falling under IUCN Category I-IV.

Reduce — Installation of zero liquid discharge (ZLD) at our plant locations helps in reduction of freshwater withdrawal from natural resources and ensures zero effluent discharges from the operating sites, which serves aquatic life.

Regenerate — Initiatives taken by Hindustan Zinc to regenerate include:

- Massive plantation of native species at all the 9 locations (5 mines and 3 smelters and 1 refinery)
- Miyawaki Afforestation across the Company's operational units in Debari, Dariba and Chanderiya, wherein 2.4 hectares were successfully transformed

- 32,500 saplings of 65 diverse species were planted through a chemical-free approach (Miyawaki)
- Conducted the Green cover study at all the sites to identify the total green cover area
- Engaged with IUCN to renew the biodiversity management plant for all the sites



Restore — This step is applicable when ecosystems have been significantly degraded or destroyed.

Restoration of waste dump at Chanderiya Lead-Zinc Smelter (CLZS)

The Jarofix Yard phase 2 at CLZS has been partially restored with Mycorrhiza technology in partnership with The Energy and Resources Institute (TERI). The project aims for the reclamation of 6.25 hectares of wasteland into productive land by increasing the green cover, enhancing biodiversity, controlling fugitive dust emissions, and restoring the site. It also makes plants less vulnerable to environmental stresses through optimum utilisation of water resources.

Transform — We have undertaken initiatives to transform biodiversity which involves long-term commitments and includes the following activities:

- Plantation of 1 million trees by 2025
- A long-term goal to achieve No Net Loss
- Ensuring revision of our Biodiversity Management Plan to mitigate the impact on biodiversity caused by our operations

Alignment with Task Force on Nature-related Financial Disclosure (TNFD)

TNFD released a preliminary draft of its guidelines in 2022. Hindustan Zinc initiated a gap assessment study to identify the Company's readiness to report against TNFD recommendations and incorporated various draft elements such as the TNFD's Locate, Evaluate, Assess, Prepare (LEAP) risk process into its ESR. Through ICMM, we worked with our peers to support the testing, iteration, and refinement of the TNFD by providing feedback on the framework based on the assessments/pilot. In 2023-24, we will review the gaps identified and assess the timeline for reporting against and aligning with these frameworks and incorporate its recommendations into our biodiversity management and integrated nature-positive strategy and commitments.

Alignment with Science-Based Target For Nature (SBTN)

We are currently piloting targets for nature with SBTN and working on the required steps to Assess and Prioritise (Steps 1 & 2) to assess our impact on nature and define the areas where action is most needed. This exercise would help us to set science-based targets to reduce pressure on freshwater and land. We shall aim to address all other material impacts by setting science-based targets in the future even as the SBTN expands its pressure coverage. We are amongst the 17 companies participating in the Initial Target Validation Pilot.



Eurasian Coot at Kayad

Photo courtesy: International Union for Conservation of Nature (IUCN) Team



Sustainable Site Closure

(GRI 304-1, 304-2, 304-3, 304-4) (MM3, MM10)



Approach

Ensuring safe and sustainable reclamation and closure of mines stands as a vital component of responsible mining practices. Our primary objective is to restore the land to a state that guarantees environmental safety for the surrounding communities and future land usage. By prioritising safety, environmental preservation and community well-being throughout the process of mine reclamation and closure, we strive to leave a positive legacy from mining operations. This approach aims to minimise long-term impact and foster sustainable land use practices.

Hindustan Zinc acknowledges the nature and magnitude of the environmental and social impacts following the closure of mine operations. To address these impacts, we meticulously monitor and take appropriate action throughout all phases, right from the pre-operational phase through operations and into the mine closure phase. As part of our responsible mining practices, we create progressive mine closure plans alongside our mining plans, which outline the necessary measures to be implemented throughout the mining cycle thereby effectively mitigating environmental impact and promoting sustainable practices while adhering to the compliance requirements of Rule 23 of the Mineral Conservation & Development Rules, 2017.

Our approach is aligned with internationally recognised standards such as the ICMM principles, IFC performance standards, and IFC EHS guidelines. We follow our site closure technical standards while developing systems and processes related to asset closure. Our closure plan incorporates a comprehensive impact and risk assessment analysis, that provides equal consideration to both environmental and social factors.

The practice of backfilling underground voids is an essential aspect of our mining operations. This approach aims to ensure the continuity and efficiency of mining

and also enhances the stability of surrounding rocks at both regional and local levels. Furthermore, it reduces the need for construction of expensive tailings storage facilities and minimises environmental impact by securely containing waste materials underground. These initiatives collectively contribute to our overarching objective of establishing a post-operational mine site that is safe, environmentally sustainable and visually pleasing.

Governance

Our commitment to responsible mine closure and rehabilitation is grounded in the cradle-to-cradle approach, which accounts for the entire life cycle of a mining site. We incorporate closure planning from the earliest stages, including feasibility and exploration, with a primary focus on achieving sustainable post-mining land use. According to the MCDR, 2017 guidelines, the final closure plan must be submitted two years before the proposed closure of mines. We also review and update our mine closure plans once in five years. Currently, none of our mines are nearing the closure phase. By adhering to the management approach, we ensure that our operations are conducted responsibly, minimising long-term environmental impact and promoting sustainable land management practices.

Strategy

Hindustan Zinc's strong commitment to land rehabilitation will serve to mitigate any adverse impact that may arise from closure. We allocate sufficient funds to cover the expenses of closure and rehabilitation. Additionally, we have proactively implemented measures to address and prevent potential environmental or landscape impacts linked with site closure. We also conduct regular reviews to ensure that closure and post-closure activities as well as associated cost estimates are comprehensive and up-to-date, while incorporating new technologies.

We secure the necessary approvals from statutory authorities for both the progressive and final mine closure plans. The progressive mine closure plan is prepared for a period of five years with clear targets and KPIs. The closure plan prioritises the restoration and rehabilitation of abandoned areas, with a primary focus on fostering long-term environmental sustainability in the regions and communities surrounding our operations. It also includes remediation, post closure land use and biodiversity aspects. We highly value the input of our stakeholders, including local communities and government agencies, in shaping post-closure land use and related objectives. By actively involving various stakeholder groups in the development of the closure plan, we ensure that their requirements and concerns are thoroughly identified and effectively addressed.

As part of our commitment to promote sustainable development in the regions where we operate, we undertake flagship CSR projects. These projects are long-term and research-based, with defined measurable indicators and impact parameters. Our CSR policy encompasses seven thematic areas, allowing for comprehensive community engagement. The specific project priorities are determined through baseline studies conducted once every three years and complemented by continual community engagement and consultations. These initiatives aim to enhance the quality of life for communities with focus on local skill development, thereby fostering effective collaboration between the Company and the community for long-term outcomes and impacts.

To ensure excellent project formulation and implementation, the Project Advisory Committees comprising external experts in relevant fields provide guidance and innovative solutions. We also incorporate concurrent reclamation during operations to minimise our long-term closure liabilities.

Our CSR projects are executed with due diligence, accountability and transparency, facilitated by a dedicated internal CSR auditor who regularly reviews the expenditure and programmes on a quarterly basis. Additionally, the Company commissions a comprehensive social baseline and impact study by a third party at all its locations once every three years.

Post Closure

At Hindustan Zinc, sustainable mine closure is an integral part of our operations right from the outset. We have devised necessary plans and taken deliberate steps, starting from the mines' operational phase.

- [Click to read more about our Sustainable Mining Strategy](#)
- [Click here to read more about our Waste Management practices](#)
- [Click here to read more about our Tailings Management practices](#)

Our actions are centred on:

- enhancing environmental parameters
- preventing contamination of surrounding natural resources
- preserving the aesthetic nature of the land
- safeguarding biodiversity

Throughout the mine closure process, we diligently comply with all regulatory requirements and adhere to the guidelines laid out by Vedanta Technical Standard on Site Closure. We maintain the highest international standards to ensure sustainable reclamation of mines. Whenever required, we conduct impact assessments and initiate consultations with various stakeholder groups. We prepare a clear delegation of responsibilities to ensure the effective implementation of mine closure plans while ensuring transparent communication with both internal and external stakeholders.

During the mine closure, we undertake the following activities

- Removal of all equipment from the surface and below ground
- Proper fencing off and sealing of all mine entries
- Removal of mine infrastructure
- Restoration of the area to its natural ground profile, including drainage and revegetation
- Checking and decontamination of any potentially contaminated soil by excavating the affected area and replacing it with fresh soil
- Maintenance of plantations
- Obtaining necessary approvals from statutory authorities for progressive and final closure plan
- Surveillance and monitoring to be conducted after reclamation

Waste Management

At Hindustan Zinc, we believe in zero waste to landfill and have designed a comprehensive approach in managing the waste generated. We have aligned our waste management practices to '4R' strategy – Reduce, Reuse, Recycle and Reclaim. With the commitment to continuously monitor and reduce our waste generation, we are moving steadily towards our vision of zero waste to landfill. One of our Sustainability Goals 2025 is to achieve three times increase in gainful utilisation of smelting process waste by 2025. Through various initiatives and state-of-the-art technologies, we continuously strive to employ opportunities that result in reduced waste generation and help mitigate the potential waste-related impacts.



Social

(GRI 2-1, 2-5, 2-6, 2-7, 2-8, 2-23, 2-29, 2-30, 201-1, 202-2, 204-1, 206-1, 308-1, 308-2, 401-1, 401-2, 401-3, 402-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 407-1, 408-1, 409-1, 410-1, 411-1, 412-2, 413-1, 414-1) (UNGC Principle 5,10) (FIMI Principle 3,6,7) (MM5, MM6, MM7, MM8, MM9, MM10)

Material Issues	Priority Area	SDG Linkage	Sustainability Goals 2025
Community Engagement & Development		11 SUSTAINABLE CITIES AND COMMUNITIES 	Positively impacting 1 million lives through social, economic and environmental initiatives
Health, Safety & Well-being		3 GOOD HEALTH AND WELL-BEING 	Zero work-related fatalities and 50% reduction in Total Recordable Injury Frequency Rate (TRIFR)
Talent Attraction & Retention		8 DECENT WORK AND ECONOMIC GROWTH 	Inclusive and diverse workplace with 30% diversity
Diversity, Equal Opportunity and Inclusion		8 DECENT WORK AND ECONOMIC GROWTH 5 GENDER EQUALITY 10 REDUCED INEQUALITIES 	Inclusive and diverse workplace with 30% diversity
Learning and Development		4 QUALITY EDUCATION 	-
Labour Practices		8 DECENT WORK AND ECONOMIC GROWTH 	Zero work-related fatalities and 50% reduction in Total Recordable Injury Frequency Rate (TRIFR)
Indigenous People & Cultural Heritage		11 SUSTAINABLE CITIES AND COMMUNITIES 	Positively impacting 1 million lives through social, economic and environmental initiatives by 2025
Human Rights		5 GENDER EQUALITY 10 REDUCED INEQUALITIES 	-

||||| High Priority

||||| Medium Priority

||||| Low Priority



Social Performance



We align our thriving success with the key interests of our valued stakeholders and the wider community. We strongly believe that our business can play a vital role in accelerating the economic development and social well-being of host governments and communities, through job creation, provisioning of local goods and services, community investments and payment of taxes and royalties.

We endeavour to uphold resilient social acceptance through every stage of the operation life cycle to maintain our 'Social Licence to Operate'. Our Stakeholder Engagement Standard guides our responsibility towards engaging with stakeholders and respecting all cultures. Our CSR policy, reflects our commitment to provide economic development opportunities with capacity building for the communities within which we operate. A robust governance structure, with multi-stakeholder engagement and transparency around payments to governments, enhances our accountability, promotes trust, generates mutual value and eliminates corruption.

Governance and Management

At the Board level, we have two committees to provide supervision. An Independent Director chairs the Sustainability & ESG Committee and the CSR Committee. It is tasked with monitoring all ESG risks and ensures that the business retains its social licence to operate. This Board Committee is supported at the corporate level by the Executive Sustainability Committee, which is chaired by the CEO of Hindustan Zinc and aided by senior executives from multiple departments to oversee the delivery of the programmes. The Executive Committee is assigned with the responsibility to identify and address social risks throughout the life cycle of the project. The Committee at the unit level is tasked with the timely resolution of all grievances.

Risk Management

Events that impact the health and safety of the community, and unmet community expectations in areas such as local employment and socio-economic development, can undermine our capacity to uphold social acceptance. Our structured Environment & Social Impact Assessment (ESIA) system is composed of a set of guidelines and procedures to evaluate the entire spectrum of environmental and social risks, regulatory requirements and obligations. Our ESIA Standard mandates each operating site to conduct an environment and social impact assessment at the start of the project, or even during expansion/operational changes. This evaluation provides crucial information about social baseline conditions and the potential impact of our business activities. Additionally, these assessments include a formal public consultation process to provide extensive inputs and project review from the communities. Findings from the studies are addressed through social management plans that focus on mitigating and minimising any negative impact while enhancing the benefits associated with our activities. Other performance standards, including those that address human rights of the indigenous people, or issues relating to land acquisition, resettlement and cultural heritage, establish the minimum requirements for managing our social risks and opportunities. Periodical audits for sites are conducted to ensure conformance to our standards and to promote continual improvement. This process is aligned with our overall risk management approach which is monitored at the enterprise level.

In our Operations

Hindustan Zinc is supporting the United Nations Guiding Principles on Business and Human Rights and adopted the SA8000 Standard. We have accordingly conducted a surveillance audit and performed a systematic periodic review of the mapping of key risks under the Vedanta Sustainability Framework, which comprises a detailed standard and guidance note (GN-12) for human rights compliance. The identified risks are discussed and examined by leadership teams, and action plans are created to ensure adherence to our commitment to human rights. We have identified the groups most at risk for violation of human rights, i.e., our employees, third-party employees, local communities, women and children. We also ensure that our operations are not implicated with issues related to forced labour, human trafficking, child labour, freedom of association, collective bargaining and discrimination. We have extensively assessed our current preparedness and compliance with human rights rules and policies across the Company throughout the year.

We conducted the assessment across our locations to:

- Identify risk areas
- Formulate mitigation plan for the highlighted areas

We implemented the use of the Global Compact Self-Assessment Tool, developed by the Danish Institute for Human Rights, the Confederation of Danish Industries, the Ministry of Economic and Business Affairs and the Danish Investment Fund for Developing Countries. The tool assesses our performance against five key categories such as management, human rights, labour, environment and anti-corruption.

Financial Year	% of plants and offices that were assessed
Child Labour	100%
Forced/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at Workplace	100%

As per our Human Rights assessment, Hindustan Zinc has neither caused nor contributed to any human rights violation. Hence, no remediation actions would be expected.

In our Supply Chain

We conducted due diligence of our critical suppliers and new suppliers. We appointed a third party for desktop and on-site risk mapping assessment of the 235 selected vendors used by the Company during the year. In the evaluation, we identified no such risks in our vendors. We also conducted a basic due diligence on suppliers in the pre-qualification process, that included human rights issues, before signing the contract. We track human rights compliance at each and every progressive step, from document verification at registration to screening and inspections for vendors/suppliers. Any risks identified during the due diligence process are addressed through corrective and preventive action plans.

In addition to recognising supply chain risks, Hindustan Zinc has established an effective internal management process to identify, assess and manage potential risks associated with our mineral supply chains. We also follow a set procedure that ensures responsible sourcing of minerals, and includes norms for sourcing from **conflict-affected and high-risk areas (CAHRA)**, that identifies the inbound supply chain risks for the Company. We have in place a clearly defined process to identify and report to the senior management any red flags raised during the evaluation, along with the outcome of the risk assessment. Wherever we identify the red flags, we undertake enhanced due diligence to map the factual circumstances of the presence of risks.

In New Projects

Before commencement of any greenfield projects, Environment & Social Impact Assessment (ESIA) studies are conducted by reputable and approved third parties to identify all risks, based on which, a mitigation plan is prepared. This Environmental & Social Management Plan is an integral part of the ESIA document. Evaluation of any human rights issues is an integral part of such social impact assessments, required to be undertaken by all units.

Hindustan Zinc is a large-scale integrated mining company, involved in the exploration, extraction, processing of lead, zinc and silver. Concentrates from our three captive zinc ore mining sites are transported to our smelters for processing. We do not depend on any external ore concentrates, thereby reducing the risk of artisanal mining (ASM) in nearby locations. None of our sites currently host or are situated in close proximity to ASM activities involving high-risk commodities such as gold, copper, diamonds, tin, etc.



Implementation of Development Project After Community Consultation During FY 2022-23

Chanderiya Expansion Project

Hindustan Zinc conducted a public hearing, aligned with the Environmental Impact Assessment notification from the Ministry of Environment and Forests, Government of India, as part of the process to obtain environmental clearance for expanding the Chanderiya Lead Zinc Smelter Complex. The expansion entailed the addition of one induction furnace, one slab casting line, integration of RZO Unit in Hydro-II, change in product mix in Pyro Unit, installation of one lead refinery, expansion of CPP through modernisation, recovery of minor metals, and installation of four DG sets. Over 1,000 stakeholders, including public representatives and community members from nearby villages, actively participated in the meeting, providing valuable insights and expressing their support for the expansion project.

Social Performance Approach

Our Social Performance approach, focussed on safeguarding and maintaining our social licence to operate, is based on building trust through inclusive stakeholder engagement, proactive social impact management and benefit sharing. We pay keen attention to three core social performance management areas that are essential to establishing and maintaining strong positive relationships.

Stakeholder Relationship Management

- External Stakeholder Engagement
- Community Relations Management
- Grievance Management

Social Impact

- Respecting Human Rights
- Indigenous Peoples Management
- Cultural Heritage Management
- Land Acquisition & Resettlement

Benefit Sharing

- Supplier Development
- Local Procurement & Employment Opportunities

Social Performance is driven by the following policies within the Vedanta Sustainability Framework:

- CSR Policy
- Human Rights Policy
- Social Policy

 [Click to read more about our Sustainability Policies](#)

It is further supported by standards and guidance notes such as:



These standards are benchmarked to the respective ICMM, IFC performance standards, and GRI guidelines/standards. All our businesses undergo an Environmental and Social Impact Assessment (ESIA) before commencement of projects.

 [Click to read more on Vedanta Sustainability Framework](#)

Stakeholder Relationship Management

Honouring the rights and customs of all stakeholders is key to respecting human rights in and around our concessions. We connect with a broad cross-section of community members and leadership, including traditional leaders, local and national government, women's groups, youth, people with disabilities and civil society, in and around our operational areas. As mining activities can impact the nearby communities both negatively and positively and influence social acceptance, we make efforts to understand stakeholder views to minimise and mitigate any adverse or unfavourable impact. These engagements are based on comprehensive annual stakeholder mapping processes and guided by our Stakeholder Engagement Management Standard, which is aligned with IFC Performance Standard. These standards help us to establish a foundation of trust for building long-term, positive partnerships.

Our Stakeholder Engagement Standard states our commitment to the following guiding principles for earning social acceptance:

- Build relationships founded on respect for local culture & values, and a commitment to each other's success
- Act with humility and a willingness to listen, and be committed to constructively and transparently resolving differences and conflicts
- Seek mutually beneficial outcomes in decision-making, such that we contribute to sustainable development



Stakeholder Engagement for Development Projects			
Total number of current production assets	% of current production assets that have required community consultation	Number of development projects	% of development programmes that are in the process of community consultation
9	100%	1	100%

Feedback and Grievances

Feedback mechanisms are integral to our operations and a crucial part of our stakeholder engagement process. These processes help us to map our impact on the communities and take the steps necessary to address any upcoming issues. All locations are also equipped with formal grievance mechanism cells, where external stakeholders are provided the facility to register their grievances. All grievances can be reported directly to the supervisor or to the human resources cell through a hotline (via telephone or electronically). If the case cannot be resolved, it is reported to the internal complaint committee for resolution, three months after the date of occurrence.

Break-up of Grievances and Incidents

The Company has an Internal Complaints Committee to address issues with respect to human rights and other stakeholder grievances. In FY 2022-23, we continued to utilise the incident reporting system to capture grievances and respond to all stakeholder concerns, including community concerns, in addition to those raised through our usual feedback mechanisms. An incident is defined as an occurrence where individuals or groups may cite real or perceived breaches of law or company policy, and/or real or perceived impact on human rights, livelihoods, and/or community health and safety. During the year, Hindustan Zinc reported no community incidents deemed significant on account of the actual or potential consequences associated with the event. There were five cases of sexual harassment reported by internal stakeholders, and the same was resolved, during this period.

Type of Complaint and Number of Complaints made by Employees and Workers

	FY 2022-23		FY 2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	5	0	1	0
Discrimination at Workplace	0	0	0	0
Child Labour	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0
Wages	0	0	0	0
Other Human Rights Related Issues	0	0	0	0



Social Impact



Human Rights Management

(GRI 2-23, 2-24, 406-1, 407-1, 408-1, 409-1, 410-1, 411-1)



Hindustan Zinc is committed to upholding the fundamental rights of every person with whom it engages in business. We advocate the promotion of human rights and seek to prevent the violation of these rights within our organisation. At each Company location, protective measures have been actively undertaken against human trafficking, slavery, forced labour, child labour for which there is zero tolerance. We seek to curb any threat to the freedom of association or collective bargaining. Accordingly, we always support our employees and encourage them to raise any concerns with the union at the unit level and the corporate level.

Human Rights Approach

As stated in our formal Human Rights policy, we have pledged to promote all applicable local, state, national and international laws and regulations with respect to the human rights of our employees, affected communities, and all those with whom we do business. Our policy statement is aligned with the UN Guiding Principles on Business and Human Rights. We believe that our suppliers, contractors and business partners too share this commitment and have implemented policies and processes that respect human rights. We believe in empowering employees to protect their financial assets and make sound investments. The Provident Fund Trust, comprising equal representation from management and union members, ensures fair distribution of optimal gains.

 Click to read more about our approach towards Human Rights

A Robust Portfolio of Committees

We have established committees to govern and advocate employee rights on subject issues such as production, productivity, welfare, transport, housing, etc. Our Joint Consultant Committee (JCC) is a unit-level apex body with equal representation from both the management and the union. The Committee meets every quarter to discuss matters relating to production and productivity, overtime reduction, safety initiatives and other issues pertaining to the workplace. Other specialised committees, such as the Welfare Fund Committee, Housing Committee, Canteen Management Committee, Welfare Committee and Transport Committee, meet regularly to discuss pertinent matters.



These forums at the unit level, along with the Central Consultative Committee deal with matters escalated from the unit level bi-partite forums. Upholding employees' fundamental rights lies at the heart of the Company's business operations.

Culture and Heritage Protection

The Company's operations in states like Rajasthan, incorporates a firm commitment to respect the local culture and heritage including community norms. Our collaborative work with local communities, adheres with the Company's policy relating to a framework of definitive standards including:

- Cultural Heritage Standard
- Indigenous Peoples Standard
- Human Rights Standard

These guidelines serve to protect human rights through recognition and avoidance of any unlawful or undesired disruption of cultural heritage assets through our operations.

We have developed an online grievance system through 'Nirvana', a portal for the protection of human rights. We have also placed a grievance box on the site gate to access and address stakeholders' grievances.

Resettlement

Land is a vital resource for human communities that plays a significant role in providing livelihood opportunities, and linkages to cultural significance. Relocation and livelihood restoration associated with our business poses certain challenges. We have thereby directed our stakeholders to address the challenges in line with international best practices leading to a win-win situation for everyone. Hindustan Zinc implements its best efforts to avoid resettlements wherever possible. Our strategy for responsible land access and resettlement is defined by our Land Acquisition and Resettlement Standard, which is aligned with IFC Performance Standard 5.

The Hindustan Zinc team periodically connects with local communities and government authorities to address any grievances arising from the relocation of families. The team provides alternative homestead lands, homebuilding assistance, employment opportunities and cash payments in lieu of employment in the event of relocation and resettlement.

Modern Slavery Act

We ensure strict adherence to the human rights code of conduct at the workplace across our sites. Our stakeholders undergo various sensitisation programmes on human rights and ethical practices. Board members, executives and new employees affirm their commitment to human rights on an annual basis through dedicated E-Modules of business Code of Conduct. We demand that our suppliers adhere to UK Modern Slavery Act, 2015, and ensure transparency and accountability. Our Ethics Committee exclusively ensures responsible business conduct by the Company with no violation of human rights across its operations.

We have implemented various measures across our sites to address any human rights related concerns:

- Set up robust employee grievance reporting mechanisms
- Implemented collective bargaining agreements
- Established contract labour management cells

We conduct employee sessions to address any human rights issues through various platforms. Every employee can register their grievances through grievance reporting boxes or online platforms. The grievance committee takes the necessary steps as outlined by the Company policies and internal processes. The Company has a Grievance Redressal Committee and Whistle-blower Policy which serve to protect the confidentiality and anonymity of the complainant and conduct adequate reviews and risk assessments.

We ensure fair and equal treatment of all employees, workers and other stakeholders without discrimination on any grounds. Timely redressal of any grievance is ensured through discussion and meetings or gatherings with our employees and labour unions. If any employees or labour are found to have violated the human rights code, necessary disciplinary action including termination of employment or contracts is initiated against them.

Collective Bargaining

We support workers' right to collective bargaining through established worker unions at all our operating sites. Management and the workers' union ensure to work together through collective bargaining agreements which help to build transparency, trust and enduring relationships. These agreements cover remuneration, allowances, working conditions, workers' incentives and bonuses, health, and safety, human resources productivity, etc. We ensure that our remuneration standards meet or exceed legal requirements. Our entire non-executive workforce (100%) is covered under collective bargaining agreements which is 26% of our total full-time employees (executive and non-executive combined).

Human Rights Risk Assessment

The Company conducts its businesses in a fair and equitable manner, meeting its social responsibilities as a direct and indirect employer and upholding the human rights of all stakeholders. We regularly evaluate our operations for compliance with our human rights policy. We have established risk identification mechanisms for our operations, value chain and new businesses. We conduct systematic periodic reviews of the risk mapping to check for potential issues.

During the year, we conducted an extensive assessment to evaluate the effectiveness of the organisation's internal systems and policies, which ensure strict adherence to human rights-related compliance requirements. This assessment covered two main components including the identification of potential risk areas and formulation of mitigation plans for the highlighted areas. The assessment was based on the Global Compact Self-Assessment Tool, developed by the Danish Institute for Human Rights, the Confederation of Danish Industries, the Ministry of Economic and Business Affairs and the Danish Investment Fund for Developing Countries.

The tool analyses the performance against five key categories viz.,

- | | | | | | |
|----------|-------------|----------|-----------------|----------|--------|
| 1 | Management | 2 | Human Rights | 3 | Labour |
| 4 | Environment | 5 | Anti-corruption | | |

The results of the assessment stated no violation of human rights across Hindustan Zinc's operations and value chain.

Human Rights Risk Assessment

	% Assessed in last three years	% Assessed where risks have been identified
Own Operations	100%	No such risk identified
Contractors and Tier I Suppliers	100%	No such risk identified



(Data as per 31st December 2022)

Security Management

Approach

Our security force management includes a comprehensive framework encompassing the following areas detailed below:

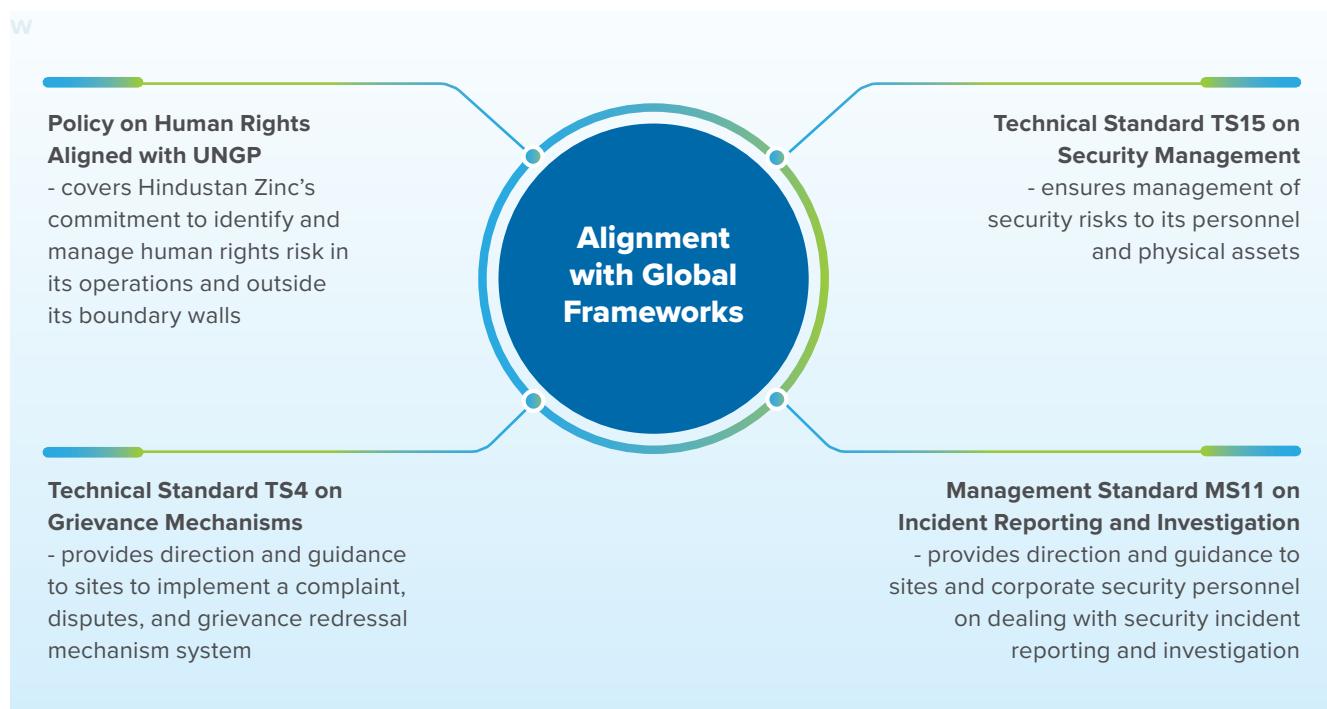
- Risk assessment
- Interactions with public security
- Interactions with private security
- Monitoring security providers to ensure they fulfil their obligation to provide security in a manner consistent with the rules of conduct outlined by the Company
- Grievance reporting mechanisms covering security forces
- Audit and assessment of security contractors

Security Risk Management

Our commitment to upholding human rights relies heavily on our security arrangements. We regularly evaluate the risks associated with security operations, and accordingly take appropriate action to prioritise training for employees and business partners, enforce stringent guidelines on the use of force, limit the presence of armed security on the premises, collaborate with external stakeholders and security partners to advocate human rights principles

and ensure that even our service providers adhere to the Company's human rights policy as stipulated in their contracts.

Hindustan Zinc's Corporate Security extends its support to all high or critically at-risk sites within the organisation, to ensure implementation of necessary security and human rights measures. A comprehensive approach involving review of security and human rights, evaluation of armed guards deployment, security risk assessments, incident reporting and investigation is employed to identify and evaluate potential issues. We recognise the importance of gaining a deeper understanding of the security and human rights landscape, achieved through various actions such as assessing the preparedness of security personnel, efficiency of response to incidents, and engaging with local authorities, police, our security partners and community leaders. These consultations involve coordination with local and group security teams, as well as community and social performance teams. Additionally, the mandatory annual site security risk assessments facilitate identification of risks associated with the misuse of force, weapons, firearms and potential human rights violations.



We also use the results of security risk assessment to:

- Identify sites at high and critical risk of security and human rights abuses
- Monitor and support sites with control implementation (as required)
- Direct effort and prioritise support

Our procurement process for security suppliers involves a thorough screening to check for any past engagement in any human rights violations or abuse. We also prioritise adherence to the valid Private Security Agencies Regulation Act, 2005 (PSARA) Licence during the selection.

At Hindustan Zinc, security and human rights incidents are promptly reported via our incident reporting system. We have established a confidential, multilingual whistleblowing service that operates independently and free of charge. This service empowers employees, business partners, suppliers, community members and customers to confidentially report any potential violation of the Company's policies and procedures, including human rights concerns, directly to senior management. Additionally, we maintain regular meetings with security personnel and other stakeholders to foster ongoing communication and collaboration.

Every year, our security employees receive comprehensive and advanced training specifically tailored to enhance their understanding of human rights. We prioritise the integration of operational procedures that strictly adhere to safeguarding the rights of individuals. Across all Hindustan Zinc units, our training curriculum and modules place significant emphasis on human rights education for security personnel, by collaborating predominantly with private and professional security companies rather than relying only on local security forces or military personnel. It is worth noting that our security personnel are typically unarmed, and we have not encountered any substantial instances of human rights abuses involving them.

Performance

878 (100%)

Security personnel trained on Business Ethics and Human Rights, Modern Slavery Act

2,282

Executives covered under Human Rights training

Interactions with Public Security

Collaborating with government and public security officials at the national, state and district levels is an integral component of our Annual Business Plan. We actively engage with these officials to gain their support and exchange our best practices in security and compliance. This interaction facilitates mutual understanding and cooperation to enhance overall security measures and ensure adherence to regulatory requirements.

Interactions with Private Security

Hindustan Zinc utilises the service of business partners to handle its security operations and maintains a structured review and engagement matrix involving management from both organisations to address security management aspects and address any concerns.

Monitoring of Security Providers

We conduct regular monitoring of security service providers to ensure their compliance with the Company's rules of conduct for delivering security services. Through a structured engagement matrix and service level agreements (SLAs) incorporated in the contracts, we measure the effectiveness of security providers on a monthly basis using scorecards administered by business units.

Grievance Mechanisms Covering Security Forces

To establish an effective grievance mechanism, we have implemented a structured approach that enables security personnel to report grievances in writing, during briefings, or even anonymously. All reported grievances undergo thorough investigation, and necessary action is undertaken to address and resolve them, ensuring proper closure.

Audit and Assessment of Security Contractors

Under the supervision of Management Assurance Services of the Vedanta Group, we have implemented a well-structured audit and assessment process for security contractors. The audit is conducted by a reputable third-party auditor at annual intervals and evaluates the effectiveness and performance of security contractors based on specific criteria. The resulting report is presented annually to business unit heads, senior management and the Audit Committee of the Board.

Social Impact



Community Engagement

(GRI 203-1, 203-2, 413-1, 413-2)



Since inception, Hindustan Zinc has been a strong and supportive partner contributing to the development of regional and local communities, focussed on target areas, improving the quality of life and creating positive and meaningful interventions for the communities. We have mobilised funds amounting to ₹ 276.34 crore to drive sustainable development, impacting 1.7 million lives in the villages of Rajasthan and Uttarakhand in FY 2022-23. We continue to work dedicatedly as the preferred partners supporting social causes and the economic development of marginalised communities.



CSR Vision

To enhance the quality of life and economic well-being of the communities around our operations

Our CSR programmes aim to promote a resilient local economy through sustainable livelihood practices and improve the quality of life through quality education and model villages. We also promote and protect healthy autonomous grassroot institutions and microenterprises for the benefit of the communities we serve.

CSR Focus Areas and Interventions

Education



Khushi Nand Ghar, Child Care Centres, Shiksha Sambal, Digital Shiksha, Unchi Udaan, Jeevan Tarang, Scholarship Programme, Company Run Schools

Sustainable Livelihood



Samadhan, Sakhi, Microenterprises, Zinc Kaushal

Women Empowerment



Sakhi

Environment & Safety



Sewage Treatment Plant (Zinc India Foundation), Miyawaki, Plantation Drives, Community Safety

Approach

Hindustan Zinc follows a targeted approach for facilitating a collaborative environment for community development aimed to improve the quality of life that transcends environmental and social constraints, with sustainable development remaining at the core of our CSR initiatives. Our community-wide, sustained engagement that seeks to create shared value, is driven by a top-down approach and stimulus from our senior leadership team. A strong community connection is sustained through effective grievance redressal mechanisms that address all concerns effectively.

The programmes are tailored to meet the United Nations Sustainable Development Goals and community needs realised through third-party assessments. We work together with multiple agencies, like the government, local communities and credible NGOs, to create impact through the execution of relevant projects. Our CSR focus in FY 2022-23 was to further strengthen evolving grassroots-level institutions, including Federations, Farmer Producer Organisations, and Management Committees, and create

Health, Water & Sanitation



Swasthya Sewa, Company Run Hospitals & Sanitation

Sports & Culture



Zinc Football Academy - Vedanta Zinc Football & Sports Foundation, Rural Sports & Culture Initiatives

Community Asset Creation



Rural, Education, Health & Water Infrastructure Creation

new social ventures and long-term community impact. The Company has successfully promoted a shared ownership culture, as witnessed in the evidence-based impact results collated by the Company.

Strategy

Hindustan Zinc's CSR strategy comprises a comprehensive roadmap from project planning, design and execution to impact assessment of the CSR initiatives. Additionally, we have strategised the processes for monitoring project implementation and evaluation of outcomes and value addition to the community, including the CSR initiatives to build strong engagement with the operating communities. We are focussed on leveraging technology along with collaborative partnerships with the government and other organisations for efficient and innovative value propositions. Projects are designed to effectively address the developmental needs in identified villages. All our flagship CSR projects are long-term and research-based, with defined measurable indicators and impact parameters.



In FY 2022-23, we reached out to more than 1.7 million lives across 237 villages with sustained CSR interventions and 2,512 villages through initiatives aimed at reducing malnutrition, promoting education, livelihoods and infrastructure developments besides establishing strong community institutions.

Hindustan Zinc has in place a robust system to identify local stakeholder communities. Our community consultation guidelines set out clear strategies for engaging with communities during the initiation of new projects, implementation of ongoing projects and grievance redressal. We have a strong proactive community connection, including leadership connections in different forums for effective communication, that serve to enable a visibly positive environment within the organisation and community. The internal committees at Hindustan Zinc review the potential risks, feedback and grievances raised by employees and community members and undertake timely interventions leading to collective risk reduction.

Stakeholders are identified before the initiation of the project, based on the geographical area in which operations are to be conducted and through baseline and need assessment studies. All persons or groups directly or indirectly affected by a project, as well as groups that manifest a clear interest in the project and/or the ability to influence its outcome, positively or negatively, are considered stakeholders. For any new proposed project or expansion, we map and engage with all such stakeholders on a proactive basis, particularly through our CSR activities.

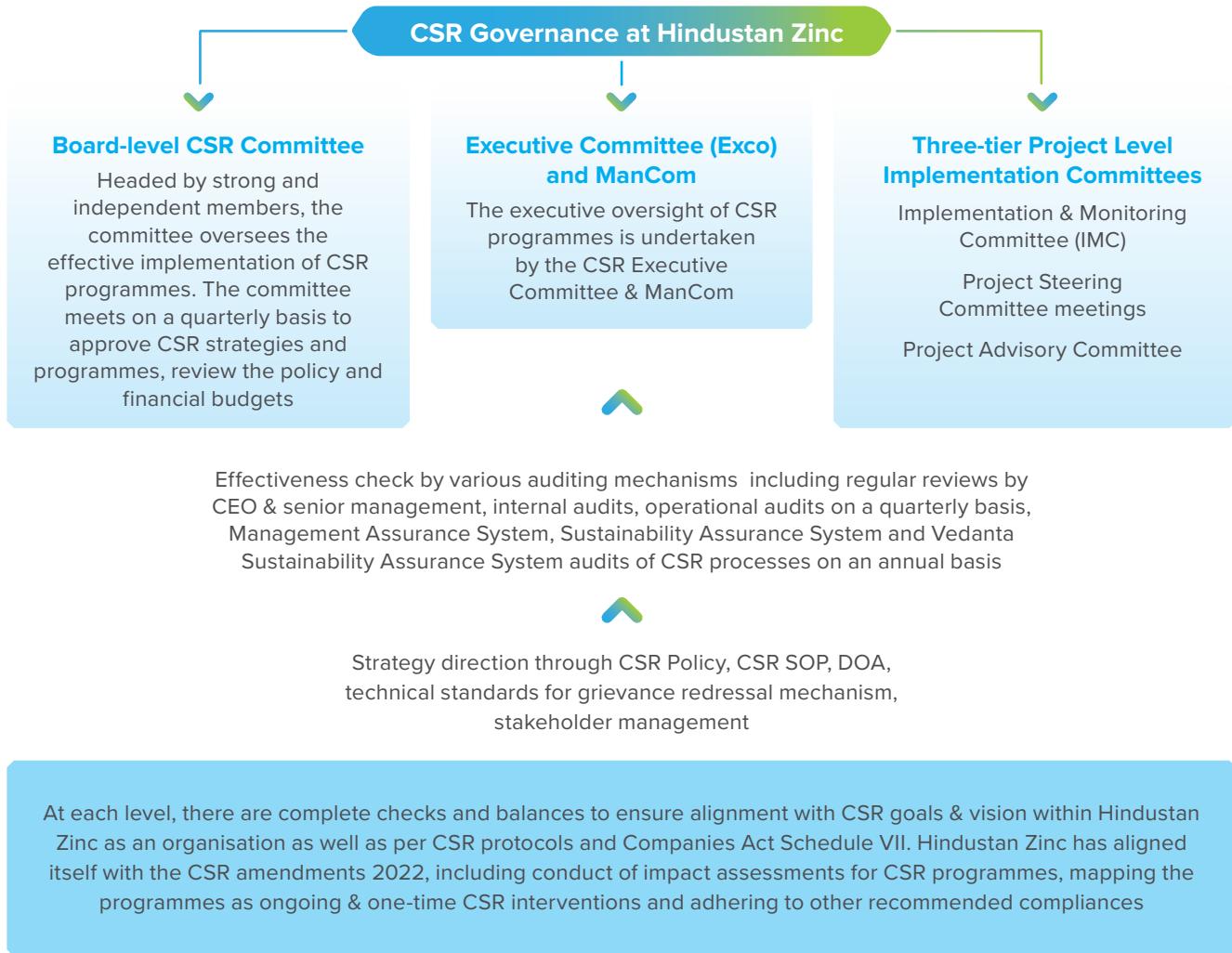
Our CSR projects are executed with due diligence, accountability and transparency, which is ensured through a dedicated internal CSR auditor who audits the expenditures and programme outcomes on a quarterly basis. Additionally, the Company commissions a comprehensive baseline and impact study by a third party at all its locations once every three years. The specific project priorities emerge through the baseline studies backed by constant community engagement and consultations in the form of perception studies.



Category	Percentage of Total Costs
Charitable Donations*	0
Community Investments	100
Commercial Initiatives	0
Total	100

*Hindustan Zinc does not make any charitable donations, nor does it undertake any commercial initiatives. The entire CSR expenditure is through community investments only.

Governance



 Click to read our Impact Assessment Report

Relationship with Communities

We strongly believe in the strength of our relationships. We feel these are vital to steer the implementation of our plans and programmes, especially in the CSR domain. We thus view our community relations as a pillar of our stakeholder relationships and continue to nurture them.

At Hindustan Zinc, identification of the stakeholders and beneficiaries is a continual process. We proactively engage with them throughout the year to strengthen our relations, which also serves in mitigation of risks and grievances

We undertake regular programme reviews, which, along with community feedback and consultations, enables us to continually improvise our programmes, keeping community needs at the centre

Our ongoing stakeholder engagement programme encompasses identification, materiality and frequency of engagement patterns and promotes proactive associations with stakeholders. We believe that continual engagement is vital to ensure ethical and integral community relationships

CSR Initiatives

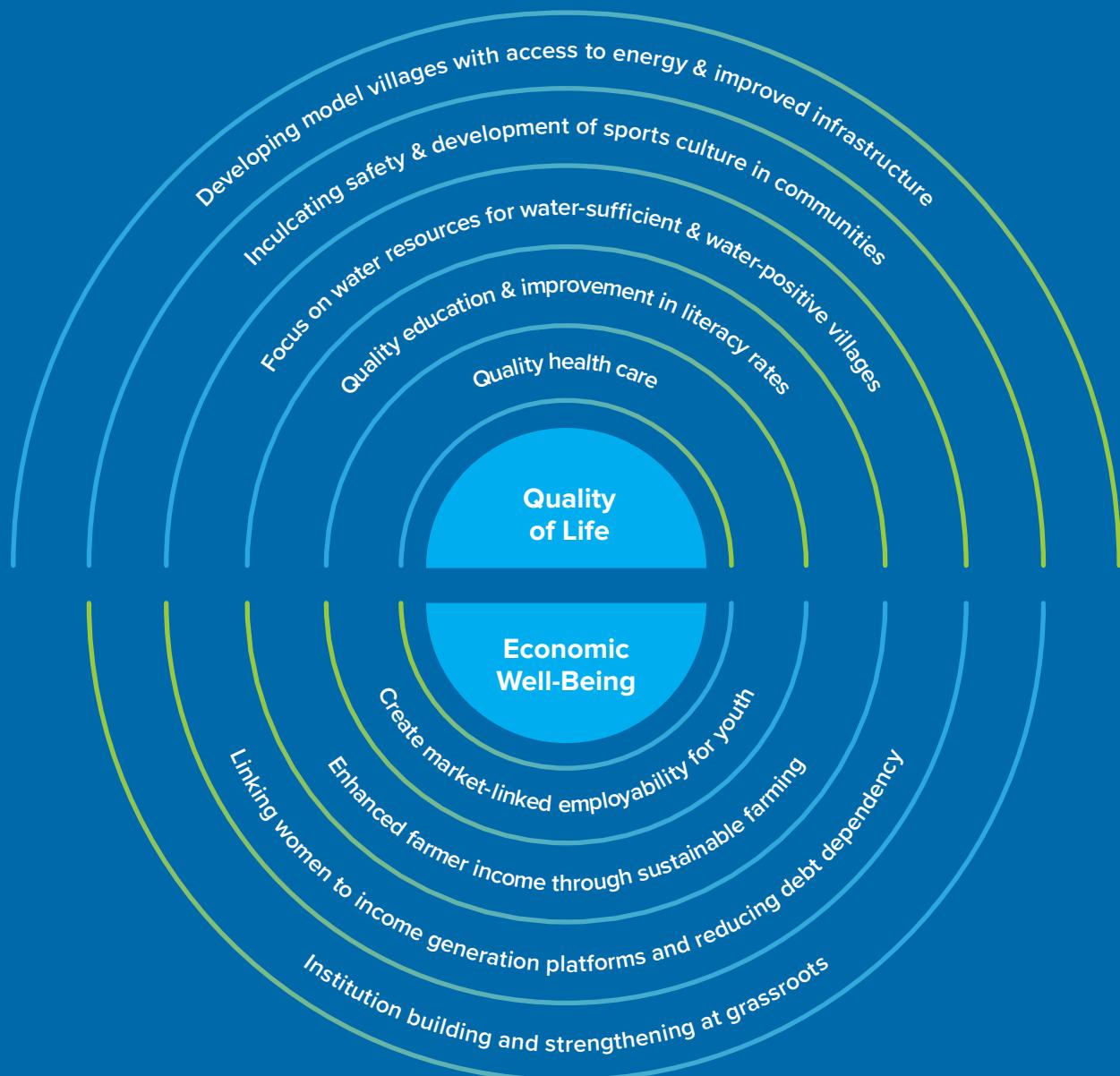
In line with our CSR vision, our initiatives operate around the twin objectives of promoting quality of life and the economic well-being of the communities around which we operate.



Impetus on creating scalable and replicable models through strong backbone of convergence and linkages



Emerge as thought leaders in CSR



Creating Value through Convergence

We have forged convergences with state and central governments, peer companies, peer NGOs and operating communities, in order to enhance the impact of our initiatives. Hindustan Zinc believes that such partnerships help in widening the horizon for sustaining the institutions created at the grassroot level.

₹ 9.28 crore

Value generated through convergence

Encouraging Volunteering

In order to prioritise sustainable development and raise awareness among key stakeholders, we have integrated volunteering as a core practice within our organisation. This initiative offers our employees and others including employees families, business partners and other like-minded organisations an opportunity to actively participate in social development while simultaneously enhancing their understanding of global challenges.

Throughout the year, volunteering activities were organised as part of our Shiksha Sambal Project with participation by 180+ external volunteers. These sessions were specifically designed to foster knowledge building and provide career guidance. Additionally, our employees volunteered at the Zinc Kaushal Programme, where they assisted trainees in gaining knowledge and insight into contemporary trends of effective communication or even held engaging discussions on topics such as safety, health and pollution.

985

Employees volunteered 11,531.5 hours

156

Employee engagements in various CSR projects



CSR Focus Areas

Economic Well-being

Hindustan Zinc's CSR initiatives are designed to foster the sustained growth of the communities with the vision to enhance the local economy through various skill-based initiatives. Our business development is intertwined with community development programmes, enabling communities to look upon the Company as their preferred partner for enhancing capabilities and quality of life. Two flagship programmes of the Company for enabling sustainable livelihoods are Samadhan and Zinc Kaushal.

Milestones

- 5 Farmer Producer Organisations developed
- 2 Microenterprises developed – Dairy unit & Mineral Mixture unit
- 6 Zinc Kaushal centres for providing skill-based training to rural youth
- 36,128 individual lives impacted through Zinc Kaushal and Samadhan programmes
- 4.6% of CSR investment focussed on Sustainable Livelihood initiatives
- 0.03 million beneficiaries reached across Hindustan Zinc's operational areas through Sustainable Livelihood programmes

Samadhan

Samadhan programme focusses on promoting sustainable livelihoods for earmarked families through integrated farming systems and livestock development in 184 villages. With Samadhan, 5 Farmer Producer Organisations (FPOs) with 5,000+ shareholders and 2 microenterprises (Dairy unit & Mineral Mixture unit) are established. FPOs are maintained by the farmers, empowering livelihoods at individual and community levels.

Zinc Kaushal

Zinc Kaushal is tailored to focus on unemployment problems amongst youth in our operational areas. This programme provides market-linked and industry-oriented skill-based courses and provides a flowing pipeline of talent for industry. The programme also encourages the entrepreneurship spirit among the local youth by embracing the intellectual and aspirational spirits of the individuals.

For more details on impact created by the programme, refer pages 149 to 151 of Hindustan Zinc Integrated Annual Report FY 2022-23

Women & Children Including Sports

Women Empowerment

Women and children form a critical targeted stakeholder group in the CSR interventions of Hindustan Zinc. Our vision is to empower women from underprivileged sections with social and financial independence fostered through microfinance and microenterprises besides sustained grassroots institutions like federations, village organisations and self-help groups as well as individual microenterprises, thereby making them the change agents of society. We envision nurturing this growth in a robust and self-sufficient manner.

Child Development — Education

Education is a major focus area and receives the highest attention in our CSR interventions with a major portion of CSR invested in educational programmes. With focus on the life cycle approach, the education vertical begins with the Khushi Nand Ghar programme for children below 6 years of age, followed by technology-aided learning for children in grades 1 to 10th. Another programme, Shiksha Sambal supports young talent from grades 6th to 12th. The Unchi Udaan programme selects top performing students amongst the Shiksha Sambal schools and provides them with 4 years of in-house coaching for Engineering through IIT-JEE, thereby providing complete focus on education from birth to completion of higher education, which also serves as a major goal of this programme.

Sports

A sharp focus on nurturing sports is a significant driver of our CSR programmes and initiatives. Zinc Football (ZF) is a marquee initiative of Hindustan Zinc that aims to capture the passion for sports amongst the local communities in Rajasthan. We also promote cluster-based sports at local, block, state and national levels.

Milestones

- Ms. Priya Agarwal Hebbal, Hindustan Zinc Chairperson launched the DAICHI brand
- 4 new microenterprises were established during the year taking the total product range to 200+
- Nutrition study conducted across five operational districts of Rajasthan
- Shiksha Sambal expanded from grades 6th to 8th and fellowship model onboarded
- Zinc Football player, Sahil, selected for the National team, won the best goalkeeper award. Ashish & Jagminthan were invited to National Camp. Ashish played in Qatar
- 325,682 lives impacted in FY 2022-23
- 16.68% of our CSR investment was directed to development of women & children, including sports
- 0.32 million+ overall beneficiaries

For more details on impact created by the programme, refer pages 152 to 156 and 160 to 161 of Hindustan Zinc Integrated Annual Report FY 2022-23



Community Development Programmes

Hindustan Zinc undertakes a holistic approach to betterment of communities through meaningful and targeted interventions in the areas surrounding the Company's operational locations. Our CSR initiatives are focussed on health improvement, availability of adequate drinking water as Rajasthan is a dry desert, besides creating assets within the community. We have served to strengthen the accessibility and availability of basic infrastructure such as connectivity, spaces for community gatherings and education infrastructure. Additionally, we have undertaken various environmental stewardship practices such as Miyawaki, sewage treatment plants, energy-efficient initiatives, etc., as part of our community development programmes. Another focus area is the promotion of culture and art through various platforms such as the Vedanta Udaipur World Music Festival, Maharana Kumbha Festival, Pushkar Mela, Bhilwara Mahotsav, etc.

Milestones

- 1,363,120 beneficiaries benefitted through holistic development programmes such as infrastructure development, provision of healthcare & water services, promoting art & culture, besides a safe & healthy environment
- 75.88% of our CSR investment focusses on overall community development including preventive & curative healthcare measures, availability & accessibility of drinking water, water augmentation, creation & strengthening of rural infrastructure, promotion of culture, besides a safe & green environment
- Renovated Railmagra bus depot that transports over 800 passengers daily and the crossing made at Kayad facilitates a commute of more than 10,000 people from nearby villages
- Construction of Chittorgarh college across 25 bigha land with a building area of 26,000 square feet
- Outreach in Gangrar block covering 22 Gram Panchayats and benefitting 1.5+ lakh people to be completed in FY 2023-24
- Functioning of sewage treatment plant (STP) in Udaipur and water availability in Chittorgarh cities
- 6th Edition of Vedanta Udaipur World Music Festival
- 53 RO and filters installed at Government institutions at Kotra block, Udaipur; 28K+ population benefitted

► For more details on impact created by the programme, refer pages 157 to 159 of Hindustan Zinc Integrated Annual Report FY 2022-23



Social Impact



Health and Safety Management

(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9)
(FIMI Principle 4)



At Hindustan Zinc, we prioritise the well-being of our employees, business partners, and the communities in which we work by ensuring that our operations are free from fatalities, injuries and occupational diseases. We recognise that underground mining operations can have a significant impact on worker safety and the environment. Any neglect in protecting the health and safety of our workforce can result in negative consequences, such as increased legal costs, labour shortages, decreased

employee morale and, in the worst case, a threat to our business continuity. Besides implementing extensive safety measures, we also actively involve our employees and workers in strategic discussions to address potential health hazards and foster a culture of multi-stakeholder engagement. Our ultimate goal is to create a safe and sustainable working environment that prioritises the well-being of all occupants.

Key Highlights of FY 2022-23

7
Fatalities

0
Occupational
Illness Cases

0.70
Lost-Time Injury
Frequency Rate (LTIFR)

0.57
Manhours of
Safety training

1.93
Total Recordable Injury
Frequency Rate (TRIFR)

Click to read more about our Health and Safety Management



Vision

Achieving zero harm to people with a firm belief that all workplace injuries are preventable

Safety Interaction

To achieve a safety culture through positive change in people's behaviour for voluntary adherence to safety practices

Incident Management

To ensure that all critical factors involved in an incident are determined through scientific investigation and the key factors are identified to derive the corrective steps which will eliminate recurrences

Standard Rules and Procedures

The safety rules and procedures assist the Central Safety Committee to ensure that on-site employees adhere to the safety procedures to work safely and efficiently implement high-risk standards and procedures

Contractor Safety Management

Contractor Safety Management is a six-step procedural framework which plays a vital role to ensure zero harm throughout the contractor life cycle

Process Safety Management

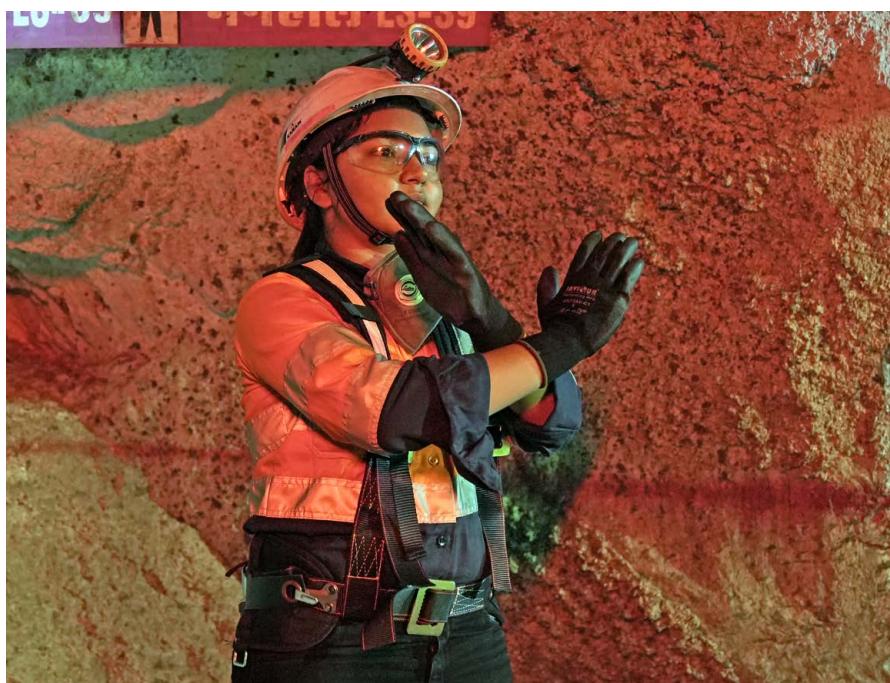
Application of management controls to ensure process safety by conducting risk assessment (i.e., HAZOP study, PHA, Hazard identification & Risk Assessment (HIRA) etc.) for existing systems and implementation of recommendations for assessment

Industrial Hygiene & Occupational Health

To ensure the well-being and safety of our employees, workplace hazards are identified and controlled to prevent occupational illness, injuries and accidents

TARGET

Zero work-related fatalities and 50% reduction in Total Recordable Injury Frequency Rate (TRIFR) by 2025.



Governance

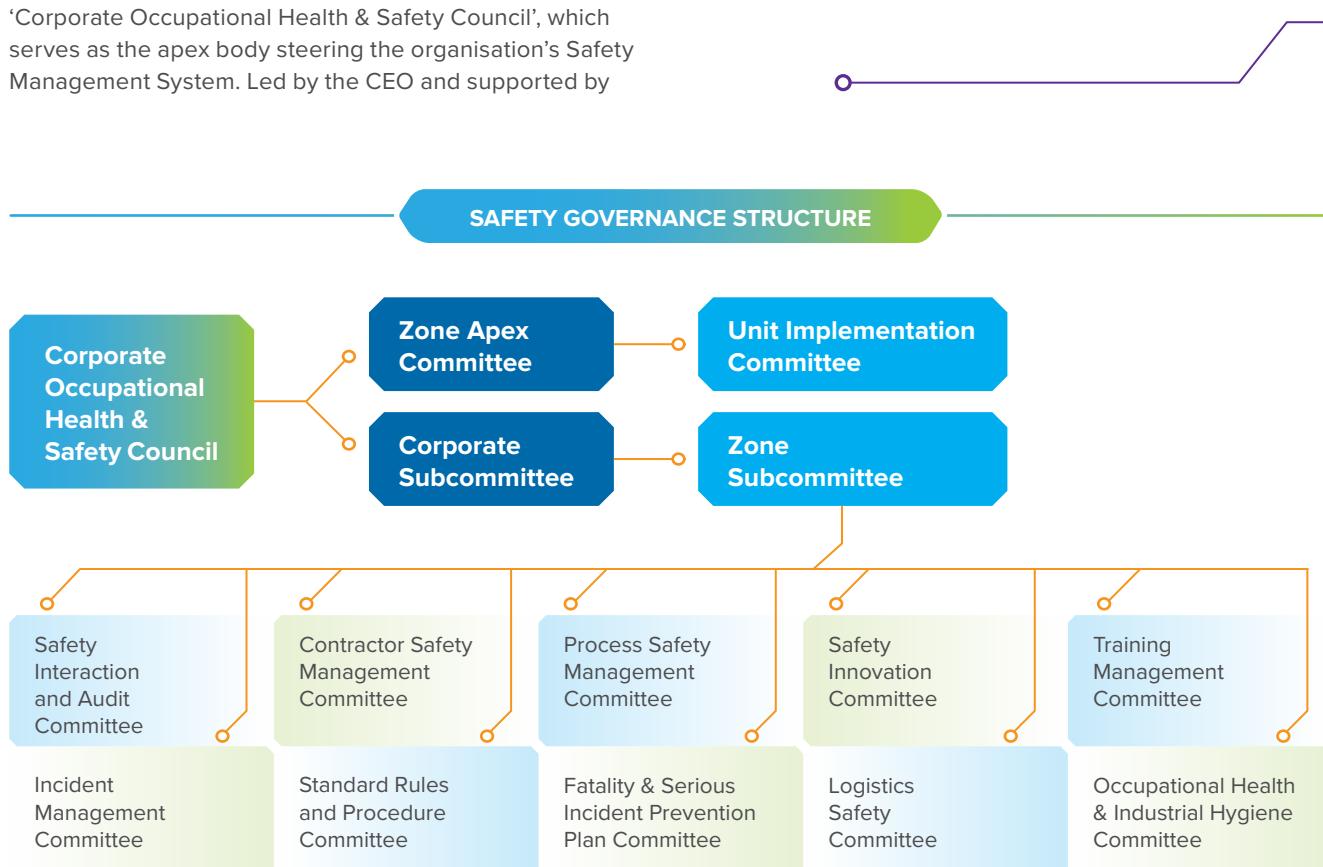
Safety holds a paramount position as a core value and strategic priority for Hindustan Zinc. Our safety governance model is designed to continually monitor and address health and safety risks and optimise our safety performance.

Our comprehensive safety standards implemented across all our sites are certified with ISO 45001:2018, ISO 14001 Management Systems. These certifications encompass the entire scope of our operations and include employees, contractors, and individuals under Hindustan Zinc's supervision. Our Health & Safety Policy reflects our commitment to enhance safety standards and minimise health and safety risks across all operations. It applies to both executives and business partners and aligns with the Vedanta Sustainability Framework, which encompasses occupational health and safety management. Additionally, we have implemented the Management and Technical Standards across all locations, which outline accountability, mandatory controls and minimum requirements for managing work-related and community safety and health risks.

Our Safety Governance Structure is anchored by the 'Corporate Occupational Health & Safety Council', which serves as the apex body steering the organisation's Safety Management System. Led by the CEO and supported by

the Chief HSE Officer as the secretary, along with other senior leaders as members, this council oversees the implementation of safety initiatives. Its primary objectives include development of safety policies and committee charters, efficient resource deployment and setting the strategic safety roadmap for the organisation. Key decisions regarding health and safety are made within the Corporate Occupational Health & Safety Council, alongside ten corporate sub-committees and eight zonal apex committees. Safety sub-committees play a vital role in identifying and establishing various safety systems, standards, SOPs, rules and protocols, working hand-in-hand to achieve our goal of zero harm.

In addition to these groups, we also have a Joint Management-Worker Health and Safety Committee, with equal representation of both management and employees. The Committee's main responsibility is to conduct and oversee the implementation of all health and safety-related campaigns and projects in the organisation. We encourage participation of workers and consultation with workers' representatives, when present, on safety matters.

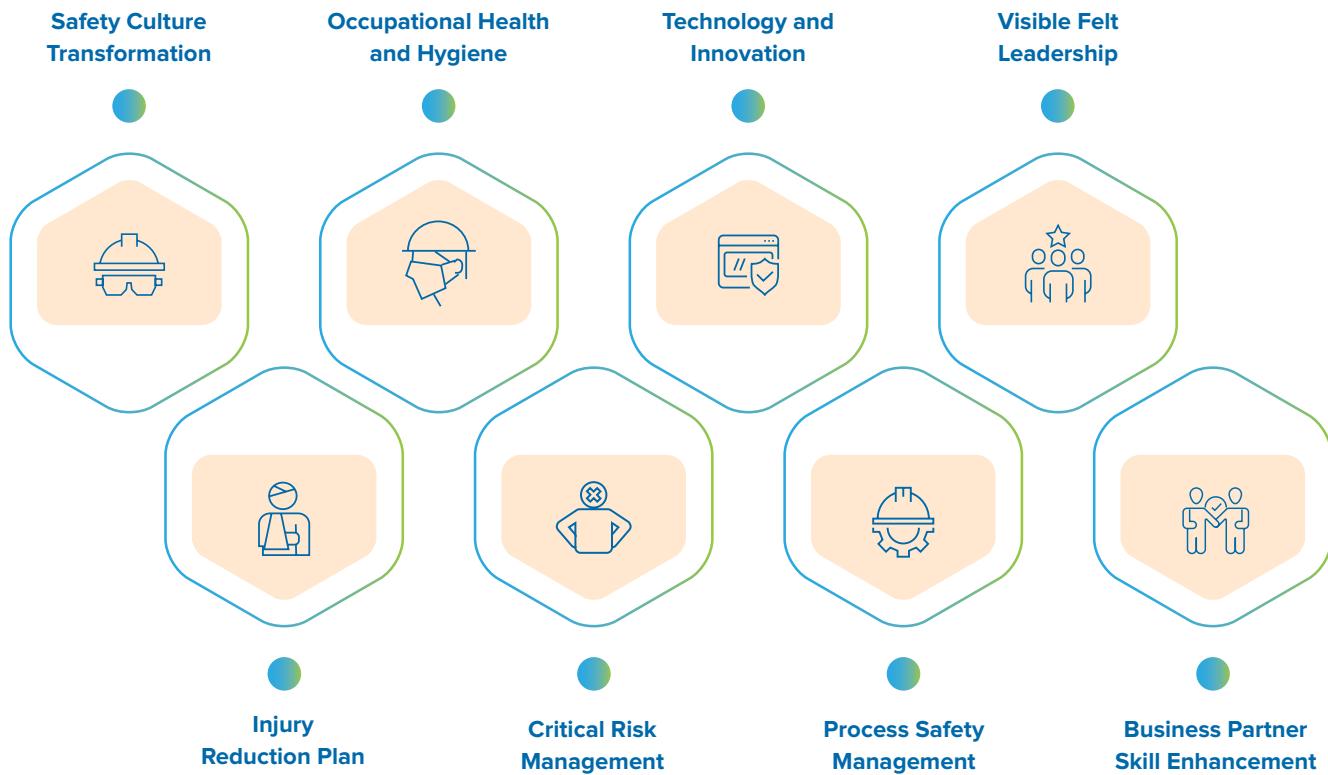


Strategy

Our HSE strategy entails continual improvement in our operational safety, safety culture, skill enhancement, safety governance structure, and asset optimisation, to achieve our commitment of zero harm to our people. We have deployed innovative and modernised technologies to assist

in providing a safe work environment. Our strategic plan aims to build a safety culture that translates into a fatality, injury and illness free workplace, with focus on the following key drivers as detailed in the subsequent sections.

ELEMENTS OF SAFETY MANAGEMENT SYSTEMS



Safety Management at Hindustan Zinc

OHS risk and hazard assessments to identify health & safety risks in the workplace

Prioritisation and integration of action plans with quantified targets to address those risks

Integration of actions to prepare for and respond to emergency situations

Evaluation of progress in reducing/preventing health issues/risks against targets

Internal inspections and external audits

Procedures to investigate work-related injuries, ill health, diseases and incidents

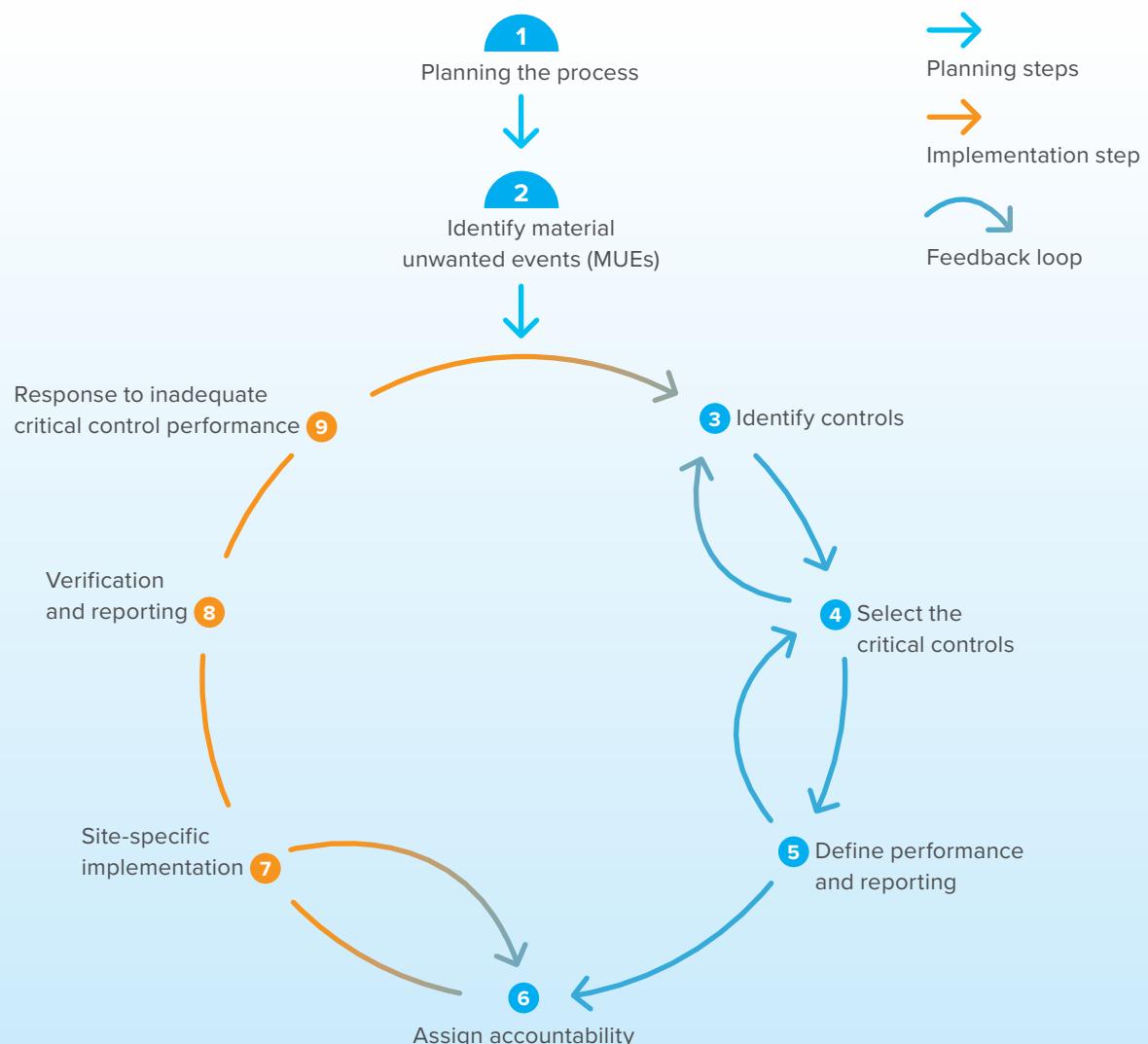
OHS training provided to employees and/or other relevant parties to raise awareness and reduce operational health & safety incidents

OHS criteria introduced in procurement and contractual requirements

1 Critical Risk Management

To evolve into a fatality and catastrophe-free organisation, we have developed the Critical Risk Management (CRM) approach to enhance managerial control over rare, but potentially catastrophic events by focussing on improvement of critical safety controls. Four major potential risks have been identified viz., Fall of Ground (FOG), Fall of

Person or Object from Height (WAH), Vehicle Pedestrian Interaction (VPI), and Entanglement. Through CRM, we aim to ensure that all identified critical controls are monitored on a daily basis and systems are routinely checked for mitigating the occurrence of health hazards leading to injuries and fatalities.



2 Fatality Prevention

Our highest work goal is to achieve a zero harm work environment by eliminating workplace injuries and fatalities. The Fatality and Serious Injury Prevention Programme (FSIPP) Committee at Hindustan Zinc works proactively in catalysing the achievement of this goal, by consistently

assuring the efficacy of safety and emergency plans, besides the health of all critical controls. We have identified top 10 fatality risks in mines and smelters and developed a fatality prevention plan for all business units.

3 Visible Felt Leadership

Hindustan Zinc is a firm believer in setting effective and advanced safety standards. Our 'Visible Felt Leadership' is one such programme that involves actions of management that lead people across hierarchies to understand and contribute to defining our standards of safety controls. Our senior leaders regularly engage with workers on the shop floor and based on discussions, identify any safety gaps and the potential for advancement. This active involvement by the leadership team has yielded positive results in

streamlining the safety infrastructure and transforming the safety culture. We have introduced a Visible Felt Leadership (VFL) scorecard for our EXCO members, senior leaders and business partners, including our CEO. The purpose is to evaluate and improve their engagement in fostering a safe and positive work culture. This scorecard assesses the performance of our senior leadership across ten key aspects and is reviewed on a monthly basis during the Corporate Safety Council meeting chaired by the CEO.



4 Risk Management

We strictly adhere to the Indian Standard 15656 for Hazard Identification & Risk Assessment (HIRA) and the Vedanta Standard (GN 07: Risk Assessment). We conduct regular internal audits of our operations. These audits identify the need for qualitative, semi-quantitative, and quantitative risk assessments, which we conduct using techniques like HAZAN, HAZOP, QRA, PHA, SIL and others. At Hindustan Zinc, we maintain updated HIRA registers at all our locations. Our staff members receive comprehensive training on risk assessment methods. Additionally, we have incorporated OHS standards into our contract and procurement requirements.

For regular tasks, we have developed Safe Operating Procedures (SOPs) that incorporate the results of previous risk assessments and also undergo periodic review.

Non-routine tasks are covered under the Permit to Work (PTW) system, which mandates risk assessments before work commencement. Prior to issuing work permits for non-routine tasks, we identify and implement the necessary controls using Job Safety Analysis (JSA), Take 5 and other control measures.

To ensure effective risk management, we have identified 28 high-risk activities and created SOPs for each of them. We regularly update and monitor the implementation of these SOPs. We investigate and analyse the root causes of previous incidents, near-misses reported by employees and workers, work area inspections and contractor field safety audits. Any potential risks identified are included in the HIRA, and we define, implement, and monitor control measures to mitigate health hazards.

Critical Risk	Mitigation Action
Vehicle Pedestrian Interaction	<ol style="list-style-type: none"> 1. Confirming fitness to work and reducing distraction 2. Traffic control 3. Verification of vehicle condition 4. Segregation of pedestrians from vehicle traffic
Fall of Ground	<ol style="list-style-type: none"> 1. Completing blasting in line with design, including de-stress blasting 2. Removal of loose rocks by scaling 3. Execution of appropriate excavation (and fill) sequence to specification 4. Installation of ground support in line with design and tolerance 5. Vehicle protection from rockfall 6. Exclusion zones for protection of personnel from rockfall 7. Refuge areas in major unwanted events 8. Emergency response 9. Ground monitoring 10. Remote mucking for avoiding personnel into unsupported areas (LHD Operation)
Entanglement	<ol style="list-style-type: none"> 1. Identification of all energy sources and safe isolation of all identified energy sources 2. Application of locks to isolation points 3. Permit to work and risk assessment 4. Conveyors and rotating equipment are fully guarded 5. Fixed structures and walkways installations meet design specifications & standards 6. Restricted and controlled access to areas with unguarded moving or rotating machinery
Fall of Person or Object from Height	<ol style="list-style-type: none"> 1. Fixed structure and fall prevention installations meet design specifications & standards 2. Mobile platforms, portable ladders and scaffolding meet design specifications & standards 3. Equipment is maintained, inspected, established and used only by competent and trained people 4. Correct fall prevention/protection equipment is used or installed 5. Access control to restricted areas (hard barricading) 6. Dropped object management (exclusion zones, lanyards, tool inspection)
Loss of Containment of Molten Material	<ol style="list-style-type: none"> 1. Pre-heating/drying and preparation of feed material, tools, moulds, furnaces etc. 2. Safe lifting & transportation of molten metal 3. Access control & segregation 4. Interlock systems 5. Continuous air/water cooling system 6. Emergency system

At Hindustan Zinc, we have a formal process in place for hazard identification, risk assessment, and control, which effectively manages workplace and safety hazards across our units. We employ the '5*5' Risk Matrix for risk assessment, that categorises risks based on impact and probability and develops appropriate mitigation plans accordingly. We provide our employees and business partners training on identification and assessment of risks. Additionally, we utilise techniques such as Hazard and Operability Study (HAZOP) and Process Hazard Analysis (PHA) to identify process risks and develop mitigation plans. The effectiveness of these techniques is evaluated through regular audits.

Our internal audit system ensures proper implementation of SOPs to maintain safety and environment standards. First party and second party EHS audits are conducted every six months and annually, respectively, at all our sites. This ensures consistent and effective implementation of safety controls for high-risk activities. Furthermore, all sites undergo yearly assessments as part of the Vedanta Sustainability Assurance Programme. Regular risk barriers and control checks further strengthen our system in mitigating workplace risks.

5 Safety Trainings

Training modules and expert trainers have been created to facilitate the implementation of Standard Operating Procedures (SOPs) throughout the various units. Each standard has been carefully crafted to emphasise the essential critical controls necessary to ensure compliance when undertaking high-risk activities. Additionally, a series of checklists have been developed to regularly assess the effectiveness of these controls, providing valuable insights for management.

To enhance accessibility and promote self-paced learning, we have transformed 23 safety standards into interactive e-modules, available in both Hindi and English. These digital modules incorporate engaging visuals and animations, making the learning experience user-friendly and immersive. Furthermore, we have introduced an online monitoring process integrated with SAP for effectively managing high-risk scenarios.

0.574 mn

Hours of safety training provided to employees and business partners across the organisation in FY 2022-23

6 Emergency Management and Response

Emergency Response Plans (ERPs), defined for each of our facilities, outline the preventive measures, procedures and actions to be implemented in the event of an emergency. To ensure effectiveness, prescribed emergency procedures annually undergo a review process. Regular monthly mock drills are also conducted at each business unit to test and validate these procedures. In instances where a facility is classified as having 'extreme' or 'very high' consequence, mock drills are organised every six months, and involve active participation from district administration personnel. This proactive approach ensures that our emergency preparedness remains robust and aligned with best practices.

7 Health and Hygiene

Occupational hygiene plays a pivotal role in ensuring the safety and well-being of our employees, thereby fostering sustained growth. At Hindustan Zinc, we prioritise the provision of a secure work environment for each individual. This involves promoting a hygienic workplace and proactively preventing any occupational disorders. By encouraging healthier lifestyle practices, we not only enhance productivity but also reduce absenteeism and improve employee retention.

To achieve these goals, we have leveraged state-of-the-art technologies to continually enhance our processes. Additionally, we conduct various employee sensitisation programmes to promote healthy lifestyle practices while minimising exposure to potential health hazards during operations.

Throughout our organisation, we have implemented comprehensive industrial hygiene and occupational health standards. Our sites have undergone thorough exposure assessments, that served to develop strategies aimed at reducing exposure levels. We have established in-house occupational health centres at all locations to conduct routine health examinations for both contractual and permanent employees. These centres are equipped with a centralised health management system that ensures effective coordination of activities such as patient registration, treatment and discharge.

Our dedicated on-site medical professionals oversee the delivery of health benefits, including pre-employment medical check-ups and periodic medical examinations to monitor exposure limits. Occupational health assessment is seamlessly integrated into our on-site industrial hygiene practices, including business partner evaluation. We remain committed to upholding the highest standards of occupational health and

hygiene to safeguard employees' well-being and drive our business forward.

In order to establish a sustainable industrial hygiene programme aimed at mitigating potential health risks, the Company forged a partnership with globally recognised industrial hygiene service providers. Through these collaborations, the programme focussed on identifying, assessing and managing occupational health hazards and exposures.

As part of our continual improvement efforts, Hindustan Zinc places a strong emphasis on digitalising processes to enhance the working environment and streamline operations to create a safer and more efficient workplace for our people.

8 Business Partner Involvement in Safety Journey

We consider our contractors and sub-contractors as integral participants in our safety and health journey and ensure strict compliance to our standards and procedures. To enhance our contractor management systems, we have implemented improved supervisory measures and implemented a grading system for contractor companies based on their overall safety and health performance.

At Hindustan Zinc, we have integrated Environmental, Social and Governance (ESG) pre-qualification criteria into our procurement and contractual requirements. This ensures that contractors align with our safety and health standards right from the procurement phase.

We provide technical safety training not only to all employees, but also to our business partners. We conduct regular safety reviews in contractor work areas, recognising the fact that contractors constitute over 90% of our workforce. This comprehensive approach ensures that safety remains a top priority and that contractors are well-equipped with the necessary knowledge and practices to work safely alongside our employees.

22,386

Medical examinations conducted throughout the year in FY 2022-23

Performance Metrics

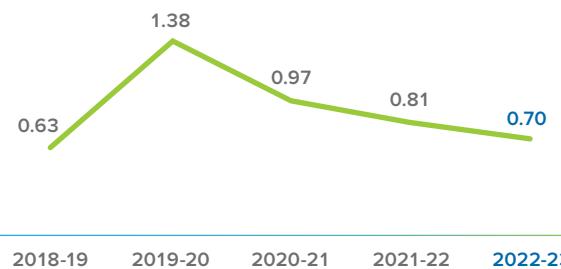
At Hindustan Zinc, our primary objective is to provide a safe and healthy working environment for all individuals. We closely monitor both leading and lagging indicators to assess our safety performance. The Incident Management Committee plays a crucial role in overseeing and conducting investigations into high-potential incidents, process safety concerns, near misses, unsafe acts and hazardous conditions. The valuable insights gained from these investigations are shared across all locations, enabling continual improvement in our safety practices.

In FY 2022-23, Hindustan Zinc achieved a notable decrease in its Lost Time Injury Frequency Rate (LTIFR), standing at 0.70 compared to 0.81 in FY 2021-22. This positive trend reflects our ongoing commitment to further reduce the LTIFR in the upcoming years. It is also worth noting that no cases of occupational health illness were reported during this period.

As part of our proactive approach to occupational health, we conducted a total of 22,386 medical examinations (initial and periodical) throughout the year. This comprehensive medical assessment demonstrates our dedication to ensuring the well-being of our workforce.

By prioritising safety, conducting thorough investigations and regularly monitoring our safety performance, we aim to continually enhance our safety culture and create a secure environment for all stakeholders. Despite promoting a culture of safety and well-being, we are deeply saddened by two fatal incidents and seven loss of lives that took place during this year. We have conducted detailed investigations of these incidents to learn and deploy the utmost protection and prevention measures across the Company. Lessons learned and its horizontal deployment is underway to avoid re-occurrence across locations.

Lost Time Injury Frequency Rate





Social Impact

Human Capital Management

(GRI 2-7, 2-20, 2-30, 201-1, 202-2, 401-1, 401-2, 401-3, 404-1, 404-2, 404-3,
405-1, 405-2, 406-1) (FIMI Principle 4) (UNGC Principle 2) (MM4)



People Management

At Hindustan Zinc, people are our most valuable asset. We firmly believe that this philosophy is the cornerstone of our organisational success and sustainability. Our strategy encompasses the knowledge, skills, experience and motivation of the individuals who contribute to the achievement of organisational goals. We understand that a holistic and responsible approach to managing our human resources is essential not only for the well-being of our employees, but also for the success of our business and the communities in which we operate. We strive to foster an inclusive and diverse workforce, promote a healthy and safe work environment, nurture employee engagement and satisfaction besides investing in the development and growth of our employees. We also strive to fulfil our commitment to fair labour practices, ethical recruitment and employee rights, to ensure that our workforce is treated with respect, equality, sensitivity and dignity.

We acknowledge that our journey towards sustainability is an ongoing one, and we are fully committed to continually evolve and improve our people practices. By investing in our people, we not only secure the long-term success of our organisation but also contribute to the general well-being and long-term value creation all stakeholders.

Key Highlights

23,196

Total Employees (including Contract Workers)

19.5%

Diversity Ratio for Executives (Gender)

116,109

Total Training Man Hours (Full Time Employee)

71

Six Sigma Projects Undertaken by Graduate Engineering Trainees

₹ 845 crore

Employee Benefit Expenses



Vision

Our HR vision is to develop our People, Partnerships and to build a Future-Ready organisation

Our Philosophy

Our HR philosophy is inspired by the belief that people are at the centre of our growth strategy. It is led by our vision to be the most admired employer brand where every employee can openly engage within the organisation with a clear sense of ownership and develop in a high trust and high-performance work culture.

Governance

The People Community forged under our ESG programme, champions matters related to people, leading to workplace transformation by embracing diversity in all its forms and fostering inclusivity for all. The People Community plays a pivotal role in promoting employee diversity,

Our strategic response to these needs is focussed on the following areas:

Organisational Design: Redefining the structural design to adapt to changing external and internal scenarios

Digitalisation: Ensuring end-to-end digitalisation of every process to ensure increased efficiency, collaboration and enhanced accessibility

by proactively recommending benchmarked policies that can be customised to cater to the unique needs of diverse workgroups, thereby leading to talent retention across the organisation. Through close collaboration with key stakeholders, the People Community is committed to cultivating an inclusive culture that ensures equal opportunities for all employees. This is carried out through the formulation of strategic plans and the initiation of innovative programmes that serve to attract, nurture and retain a multifaceted talent pool. The People Community consistently evaluates its initiatives to gauge effectiveness and closes the loop by continually working on the inputs received through dip-stick surveys.

Strategy

We have in place a robust HR framework that is centred on close engagement with our people at all levels of the organisational hierarchy. This engagement is driven by our understanding of employee needs, encompassing technical, functional and behavioural, as well as managerial and leadership aspects, for their overall growth in the organisation. Our employee engagement strategy revolves around four major focus areas of organisational design, talent empowerment, digitisation and harmonious industrial relations.

Talent Empowerment: Ensuring the best talent through scientific practices retention through continual nurturing, performance differentiation, numerous platforms for growth, advancement and rewards

Harmonious Industrial Relation: Ensuring continual dialogue with internal and external stakeholders

Local Employment

(GRI 202-2, 401-1)

We are deeply committed to making a positive impact on society, as evidenced by our strong emphasis on recruiting local talent in the states in which we operate. Prioritising local hiring helps us to create significant opportunities to empower our communities and promote inclusive growth. This approach not only benefits the society but also has numerous positive effects on the business, such as cost reduction, improved efficiency and enhanced diversity and inclusion. We recognise the importance of investing in local talent as it not only enhances economic opportunities but also fosters a sense of pride, empowerment and ownership among community members.



As a responsible organisation, we are committed to supporting local employment that shall constitute 50% of our graduate hires by 2025.

Hindustan Zinc conducts mass hiring drives for recruitment of graduate trainees wherein we hire graduates from the science and commerce streams. These recruitment drives provide employment opportunities to eligible members in our communities, thereby contributing to general prosperity and an upgrade in the standard of living. Hindustan Zinc's principal growth philosophy is the development of its talent. Hence, to prepare new personnel to take up future roles and responsibility, the Company focusses on their upskilling and development of technical competencies.

After joining the Company, these graduates periodically undergo various internal trainings including the prestigious M.B.A. Programme with management Institutes like IIM-Udaipur, which subsequently played a pivotal role in the graduate trainees signing up for leadership roles in the organisation.



New Hires in FY 2022-23 (by Location)

Category	<30 Years		30-50 Years		>50 Years	
	Local*	Non-Local	Local*	Non-Local	Local*	Non-Local
Male	105	227	08	25	0	2
Female	100	85	02	03	00	1

*Local we consider among the state we are operating

62.6%

Share of local people employed at the operating sites

44%

Senior management personnel are local

38%

New hires (executive) during the year are local

34%

New hires are women

	Total Full-Time Employees	Contract Employees
Male	2,953	19,490
Female	519	234
Total	3,472	19,724

Average Hiring Cost / FTE (in ₹)

FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
46,158	56,299	117,902	397,000

Diversity and Inclusion

(GRI 405-1)

At Hindustan Zinc, we deeply value the importance of a diverse workforce. We are dedicated to promoting equal employment opportunities and fostering an inclusive workplace and culture that treats all employees with respect, care, fairness, sensitivity and dignity. Embracing workforce diversity is not just a moral obligation for us, but also a critical business imperative. We strive to ensure that our workforce is representative of all sections of society, thereby acknowledging that diversity enhances our ability to achieve exceptional business outcomes.

To demonstrate our commitment, we have set a target of 30% gender diversity among all executive and management committees. This goal reflects our determination to provide equal opportunities for all individuals, regardless of their background or identity. By creating an environment where

diversity thrives, we believe that we can harness the collective power of different perspectives, experiences and talents, leading to more effective decision-making, innovative thinking and improved business performance.

By harnessing the unique strengths of each individual, we can drive meaningful change, inspire collaboration and ignite innovation throughout our organisation.

Gender Sensitisation: Hindustan Zinc initiated the diversity drive by partnering with the 'Humsafar Trust' to educate and sensitise the workforce and communities about the LGBTQ community. We also collaborated with Rajasthan-based NGO 'Nai Bhor Sansthan', to tap into the talent pool of this community. Till date, we have organised multiple sessions on gender sensitisation and awareness for our executives, business partners and families residing in the township. Hindustan Zinc proudly became the first organisation in Rajasthan to openly advertise transgender hiring.



Our commitment to Diversity, Equity & Inclusion has served to successfully enhance the gender diversity of our executive workforce to 19.5% including three transgenders in the mainstream roles of Marketing, Commercial and Health Care services in the organisation.

Women Executives in Workforce	FY 2022-23	Target 2025
Representation in total workforce (full-time employees)	14.9%	30%
Females in management positions, including junior, middle, and senior management (as % of total management workforce)	19.4%	25%
Entry level hires	37.7%	35%
Junior management positions (M7, M8, M9)	26.5%	25%
Top management positions	4.2%	15%
Females in management positions in revenue-generating functions	14.7% in O&M 37.8% in enabling functions	20%
Share of women in STEM-related positions (as % of total STEM positions)	14.7%	20%

Workforce Breakdown: Nationality

Nationality	Representation in total workforce (as % of total workforce)	Representation in management positions (as % of total management workforce)
India	99.86%	99.81%
Nepal	0.03%	0.04%
Australia	0.06%	0.08%
South Africa	0.06%	0.07%

Developing Women Leaders

In keeping with the Company's commitment to 'Developing leaders from within', we have implemented a programme called V-build to nurture the development of future leaders. To provide an equitable platform to our diverse workforce, we launched 'V-Build Women' where 19 high potential female employees were identified and given more responsibilities for elevated roles. Through V-build, managers and senior leaders provide additional support and mentoring that has made a significant contribution in shaping the leaders of tomorrow. Through our 'Ambavgarh Dialogue,' we have identified the top 25 female professionals who have demonstrated exceptional potential. These individuals were assigned to high-impact projects and are being mentored in preparation for the next stage of leadership within the Company.

Regional Diversity

At Hindustan Zinc, we take pride in fostering regional diversity within our workforce. We actively recruit individuals from diverse regions such as Jammu and Kashmir (J&K) and the north-east to ensure a well-rounded team. We have embraced a global perspective by welcoming expatriates from various countries to join our operations. These expatriates receive comprehensive support, including flexible work schedules, to ensure their smooth integration into our organisation.





Challenging the Status Quo

Recognising the importance of diversity at all levels, including the Board, the Company has embarked on a focussed programme to promote and embrace diversity within our organisation. This project was initiated following brainstorming sessions by the leadership team to foster creativity and develop a focussed vision, strategy, roadmap and implementation plan.

Here are key highlights of the project:

1. **Workforce Composition:** The Company prioritised workforce composition as the initial step. Through an inclusive lens, we considered factors such as gender, regional representation, educational background, physical ability, age, ethnicity and communities.
2. **Roadmap and Policies:** A roadmap was developed, which included the establishment of the Company's Equal Employment Opportunity policy and Diversity policy. These policies served as the guiding principles for our efforts.
3. **Recruitment Strategy:** The recruitment strategy was revamped to ensure greater diversity. We focussed on gender, age, educational background, regional and cultural diversity, besides the inclusion of expatriates. We also intensified our focus on diversity among campus hires by empanelling all women's colleges. We are an equal opportunity employer and our hiring is solely based on merit.

4. **Women's Safety and Empowerment:** We adopted a structured and proactive approach to ensure the safety and empowerment of women employees. We sought consent from the statutory authority for women to work night shifts. We provide dedicated transportation, POSH training, self-defence training, safety kits and a SOS app. We have successfully implemented night shifts at our smelters. Through these concerted efforts, the Company remains committed to creating a diverse and inclusive work environment where individuals from various backgrounds and perspectives can thrive.

Women in Mining

Hindustan Zinc has taken major strides in promoting greater inclusion of women in mining. Providing equal opportunities to women with equal responsibilities has also benefitted the organisation.

In a significant stride towards promoting gender inclusivity and empowering women professionals, the government has lifted the ban on women working in mines. This progressive step aims to support and encourage women mining engineers and geologists to work underground, giving them an opportunity to significantly contribute in a historically male-dominated industry.

This transformative change not only breaks gender barriers but also opens up new avenues for the advancement of women professionals. It provides women engineers a unique opportunity to gain practical experience and apply their theoretical skills in underground mining conditions.

To facilitate this transition, interested and qualified engineers and geologists at select locations undergo specialised training to ensure their preparedness. With the necessary safety clearances in place, these women professionals are able to venture underground and actively contribute to various aspects of mining, including exploration, geophysics and geo-technology.

At present, we proudly have a diverse cohort of 42 women professionals in the mining function, representing a range of roles and expertise. This growing presence not only brings fresh perspectives and skills to our operations but also paves the way for increased diversity and inclusivity in the mining industry.

Night Shift Deployment of Women

Hindustan Zinc prioritises the safety and well-being of all its employees, particularly women professionals, by ensuring a secure and supportive work environment. To promote equal work opportunities and workplace equality, the Company has introduced night shifts for women at its smelters.

Promoting Special Ability/Differently Abled

At Hindustan Zinc, we firmly believe in promoting diversity, equity and inclusion, including active participation of individuals with disabilities, in accordance with relevant regulations, qualifications and merit. Our Equal Opportunity policy is in conformity with the provisions outlined in The Rights of Persons with Disabilities Act, 2016. Through this policy, we aim to create an environment that embraces and celebrates individual differences, to ensure that every employee has an equal chance to thrive and contribute to our collective success. We actively seek to remove barriers, provide reasonable accommodations and foster an environment of acceptance and understanding.

Some inclusive infrastructure facilities available at our premises:

1. Elevators with Braille inscribed for persons with visual impairment
2. Ramp for mobility of persons with disability or impaired movement
3. Contactless entry for persons with disability
4. Text-to-speech software for the visually impaired

Differently-abled Employees FY 2022-23

	Full-Time Employees	Contract Employees
Male	13	13
Female	Nil	Nil



Anti-Harassment & Anti-Discrimination

(GRI 406-1)

At Hindustan Zinc, our zero tolerance for harassment and bullying ensures a congenial work environment for every individual employee and forms an integral part of our organisational values. Our Anti-Harassment and Anti-Discrimination policy clearly outlines prohibited conduct at the workplace, redressal mechanisms, confidentiality, escalation procedures and classification of disciplinary action.

Our Remuneration Philosophy

(GRI 405-2)

Hindustan Zinc has always endeavoured to provide a workplace which fosters an environment of entrepreneurship and well-being for all our employees. The cornerstones of this culture are trust and a sense of purpose, which serve to advance the short-term and long-term interests of the Company and its shareholders.

The remuneration philosophy at Hindustan Zinc is driven by the core objective of promoting a ‘Pay for Performance’ culture with a focus on linking rewards with business priorities.

This philosophy reflects our strong belief that being valued and driven by a common purpose is vital not only for productivity, but also for profits and operates at the fulcrum of our rewards strategy. All our reward schemes are perfectly aligned with the Company’s performance-driven culture.

Performance Orientation

Business planning exercises set the tone for the year. We, therefore, lay great emphasis on not just establishing key performance indicators (KPIs) but also ensuring the quality of these objectives, coupled with a mechanism for ongoing feedback and communication about performance.

- **ESG Objectives:** The key elements of environment, social, governance, risk and compliance are mandatory goals for all leaders across the Company and embedded in the implementation of various reward schemes, as we strive towards achievement of our ultimate vision of **‘zero harm, zero waste, zero discharge’**
- **Remuneration Review:** The executive remuneration is benchmarked against comparable companies in the industry and reviewed each year by the Nomination and Remuneration Committee (NRC). A major portion of the remuneration is linked with business delivery
- **Performance:** The Annual Performance bonus is based on a balanced scorecard of financial, operational, sustainability and strategic metrics. Appropriate weightage is allocated for efforts towards people and individual performance

- **Long-Term Incentive Plan:** This is a conditional incentive plan based on business and individual performance over a three-year performance period. The vesting of the award is based on sustained business and individual performance against pre-determined criteria
 - **Multiplier Concept:** This was introduced in the rewards programme to distribute responsibility and influence employees' behavioural attributes. As a reinforcer, superior individual performance or a nil fatality during the performance period leads to a positive multiplier, whereas any incident of fatality in the business impacts the annual bonus of all employees as a negative multiplier in the endeavour to ensure nil fatalities
 - **Voice of the Stakeholder:** Employees from diverse functions are involved in the ideation and formulation of Company policy. Timely communication ensures transparency and employees' understanding of the policy
 - **Governance:** Hindustan Zinc fosters a strong foundation of governance wherein the Board, key executives and compliance officers are vigilant, accountable and committed to ensuring structural integrity, soundness and the highest standards of compensation and remuneration practices
 - **Nomination and Remuneration Committee (NRC):** The composition of NRC is compliant with listing regulations. Additionally, the majority of committee members are Independent Directors, including the NRC Chairperson
- **We endeavour to make timely risk assessments** of our remuneration policies for consistency with our stated rewards philosophy, along with:
 - a. Simulation of long-term cost of reward plans and their return on investments (ROI)
 - b. Provision of the clawback clause as part of the terms governing annual bonus and long-term incentive scheme for leaders
 - c. Upper limit and caps defined on incentive pay-outs in the event of over-achievement of targets to avoid windfall gains
 - **We continue to uphold the principle of equity in pay** and maintain the necessary checks and balances to confirm that our practices are legally and ethically compliant

Claw Back Policy

Annual Performance pay of employees including the CEO and key managerial personnel (KMPs) is subjected to clawback and malus provisions (which includes claw-back of the already paid-amount and / or forfeiture of outstanding amount). This is applied:

- On grounds of in-discipline, violation of code of conduct, ethics, integrity or governance
- Misrepresentation of performance achievement of the business resulting in an increased pay-out

Claw back clause is also applicable to employees receiving retention bonus as reward.

Gender Pay Indicators

Remuneration Ratio of Female to Male

Female: Male	Executive Level	Management Level	Non-Management Level
Ratio of Average Base Salary	1.3	0.8	0.8
Ratio of Average Base + Other Cash Incentive	1.2	0.8	0.8



Talent Acquisition and Retention

(GRI 401-1, 401-2, 401-3)

Continual career and skill development through training and education plays a vital role to ensure that we have a competent workforce equipped with the necessary capability to drive our business strategy. We are steadfastly committed to providing employees with targeted interventions that support their holistic growth and minimise inefficiency or redundancies. Experienced senior employees play a crucial role in anchoring new hires, preparing them for real-life situations and foster superior performance. Executive coaching is also available for our senior executives, who are paired with personal coaches to mentor and support them on their leadership journey.

To foster the development and growth of our senior leadership, Hindustan Zinc has formed partnerships with renowned coaching institutes in India. Additionally, we conduct a comprehensive six-month leadership development programme called LEAD, which is designed to facilitate a smooth transition into senior positions for key mid-level managers. Our talent acquisition and retention policies are aligned with our strategic goals. We maintain a database to track the soft skill development of our employees and incorporate procedures within our HR framework to ensure the acquisition of necessary competencies across management levels through targeted learning and development programmes.

FY 2022-23	<30 Years			30-50 Years			>50 Years		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employee Turnover Rate	27.4	12.9	23.0	7.1	14.8	7.6	14.9	17.6	15.0
Voluntary Employee Turnover Rate	25.2	12.1	21.2	6.3	14.8	6.9	0.4	0.0	0.4

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total Turnover Rate	13.4	19.3	18.0	17.0
Voluntary Employee Turnover Rate	7.1	11.0	11.8	10.8

A Strong Leadership Bench at Hindustan Zinc

Hindustan Zinc prioritises the continual professional development of our employees. Our talent management programmes ensure comprehensive training opportunities for employees at all levels, from young talent to mid-level executives and top management. To nurture young talent, we organise Workshops, Business Act-ups and Technical Act-ups. For mid-level senior executives, we facilitate internal growth workshops, succession planning and leadership coaching. We firmly believe that our young employees today are the leaders of tomorrow. To hone their skills to lead, we offer leadership development programmes such as Mentor-Mentee, V Build and V Reach. We additionally provide comprehensive support for their education, medical needs and employee welfare benefits. Our offerings include group medical and personal accident insurance, parental leaves, retirement benefits, stock options, disability support, adoption policies and leaves for exceptional circumstances. These initiatives reflect our commitment to the well-being and welfare of our employees.

FY 2022-23	Male	Female
Total number of employees who took parental leave	100	17
Number of employees who resumed office post completion of parental leave	100	10
Number of employees who were in continuous service for next 12 months after returning from parental leave	100	12

Learning and Development

(GRI 404-1, 404-2)

At Hindustan Zinc, we have developed an extensive range of learning and development (L&D) programmes aimed to enhance the capabilities and skills of individuals across various roles and professions. Through a systematic approach to skill evaluation and identification of training requirements, we effectively enable upskilling and bridge any skill gaps. To enhance employee performance, the Company fosters a culture of continual learning. Our flagship Graduate Engineer Trainee (GET) Induction programme follows the 70:20:10 learning module. GETs undergo 4-8 weeks classroom training sessions that cover key issues such as safety, behaviour, management, operations, maintenance and Six Sigma methodology. Following the induction, they engage in on-site action through learning projects and on-the-job training to undergo hands-on business training. Our L&D activities encompass e-learning platforms, learning management systems, mobility, artificial intelligence and a 24x7 learning approach.

Our move towards digitised learning programmes ensures that employees have access to learning management systems (LMS) which provide seamless training modules.

Our HR initiatives aim to instil a sense of value creation throughout the organisation, assisting employees in meeting time-bound targets aligned with the group's strategy and vision.

The initiatives include:

- Digitalisation of learning and development techniques, for a more immersive visual and mental experience
- Providing long-term, best-in-class programmes to curious learners, enabling them to pursue higher education while working
- Training new hires to enable development of unique problem-solving skills
- Focus on the development of young leaders, with focus on succession planning

These initiatives have served to assist employees in gaining a comprehensive perspective of the organisation, a future-focussed vision and crucial insights through information exchange, leadership development best practices and values.

Employee Training Programmes

	Total No. of Executives	Covered in the Training	Coverage (%)
Male	2,074	2,017	97%
Female	501	495	99%
Senior Management	63	57	90%
Middle Management	659	640	97%
Lower Management	1,853	1,815	98%

AVERAGE HOURS PER FTE OF TRAINING AND DEVELOPMENT



45.09

Average Hours per FTE of
Training and Development

₹ 7,262

Average Amount Spent per FTE on
Training and Development

Hindustan Zinc – Employee Development Programmes

Leadership Coaching Programme

Objective

These programmes aim to support participants in their journey of becoming inspiring leaders by providing them with valuable tools to enhance their skills.

Description

To create leaders from within the organisation, we identify and target mid and senior-level managers, and provide them with six months training under four coaching programmes:

1. **LEAD Programme:** We have conducted four batches of the LEAD programme for 65 professionals who aspire to be future leaders. The training includes group coaching, development, discovery labs, and one-on-one personal sessions with certified coaches.
2. **Executive Coaching:** Imparted to build leadership bandwidth for EXCO Members and senior leadership through individualised coaching. Eight leaders concluded coaching this year.
3. **SheLeads:** A coaching-based leadership development programme to equip women leaders with essential life skills and strategies to succeed. Five women executives of Hindustan Zinc attended the coaching programme at Chennai campus of CFI this year taking the total number of women professionals covered under this initiative to 13.
4. **V Excel:** This programme aims to ensure all-round performance and developmental needs of the new employees across the four pillars (Leadership Shadowing, Anchoring for Development, Goal Setting & Performance Delivery, Dipstick Feedback & Action) — **Coverage:** 59 GETs, 33 MTs, 11 VLDPs and 4 OTs.

Business Benefits

1. Future-ready workforce
2. Managers more equipped with behavioural and management skills to manage operations and the team
3. Early transition to elevated roles within the organisation
4. Better understanding of business

3.4%

FTEs Participating in the Programme



Outcomes of the Initiatives Undertaken

1. We had 40 emerging leaders identified into key roles, along with deputy roles for every critical position.
2. Talent Review Council discussions are performed annually. Post the discussion this year, 155 talents have been identified to undertake developmental interventions.
3. Mining Act-up is meant to provide potential employees elevated roles and responsibilities.
4. Succession planning is complete, and two levels of successors are listed.
5. 65.2% of our leaders were identified by the TRC and provided elevated positions and responsibilities.
6. 39 executives provided elevated roles with additional projects.

Organisational Positions filled by Internal Candidates

FY 2021-22	FY 2022-23
20.8%	52.6%

Hindustan Zinc – Six Sigma Initiatives

Objective

Six Sigma green initiatives revolve around the D-M-A-I-C (Design-Measure-Analyse-Improve-Control) framework. It helps the organisation eliminate repeated process errors and improve business processes. It nurtures and develops managerial and leadership qualities and provides practical, hands-on experience in real-time situations.

Description

Hindustan Zinc has partnered with the American Society for Quality — a company globally recognised for quality improvement and standards — to obtain Lean Six Sigma certification for its employees. Training in Six Sigma is provided to Graduate Engineer Trainees (GETs), managers and project mentors. Following their induction, the GETs undertake two projects within the Six Sigma framework, each lasting from six to 12 months.

Business Benefits

1. Improves efficiency
2. Process quality improvement
3. Improves supply chain management
4. Reduces operational cost
5. Cost savings — ₹ 223 crore

5.90%

FTEs Participating in the Programme

Employee Engagement Survey

At Hindustan Zinc, we prioritise the development of strong relationships built on trust to foster a vibrant enterprise, that fuels innovation and cultivates fulfilling relationships. We firmly believe that trust between employees and managers is the cornerstone of a successful business. Through our organisational culture, we strive to ensure that our employees feel empowered to work autonomously and go the extra mile to deliver exceptional results for the Company to ensure long-term value creation.

To ensure an ongoing engagement and employee satisfaction, we collaborate with external domain experts on an annual basis to conduct engagement surveys among our staff and workers. The survey is conducted over a two-week period, during which employees are asked to respond to statements on a 5-point scale. After careful analysis of these responses, the scores are released. Additionally, a comprehensive report is shared with the organisation, which highlights its strengths and identifies opportunities for improvement. This process has enabled us to continually enhance our work environment and optimise employee engagement.

Employee Well-being and Employee Engagement

Employee Satisfaction Survey

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
% of employees	72	74	78	85
% of employees who responded to the survey	76%	72%	80%	68%

Note: In FY 2022-23, the survey covered all employees, unlike in the previous years when a sampling was done on the basis of employee response to survey invitations.

In tracking employee metrics, the following aspects are addressed in the employee surveys:

Job Satisfaction

82% of our employees are in the high motivation category

Purpose

We strive for High Trust & High Performance culture. To gauge the pulse of the organisation in terms of employee satisfaction work culture, the survey plays a pivotal role towards continual improvement.

Happiness

Happiness score or subjective well-being is the average response to the question of life evaluations. We have achieved a subjective well-being or happiness score of 6.57/10

Stress

92% of our employees are in the positive stress zone. At Hindustan Zinc, we believe that positive stress can be motivating and help employees perform at their best. Only 8% of our employees lie within the major stressed zone.

Performance Management

(GRI 404-3)

We follow an annual appraisal cycle that incorporates and combines various assessment methods, including Management by Objectives (MBO), Multi-dimensional Performance Appraisal, and Team-based Performance Appraisal. This comprehensive appraisal process is designed to structure and enhance both individual and organisational performance annually. Key Performance Indicators (KPIs) are derived in alignment with our growth levers. Through this process, we evaluate our employees' work quality, progress and productivity.

To ensure a robust and continual feedback loop, we have implemented a structured system of quarterly and ongoing feedback from managers, Heads of Departments (HODs), and critical position holders. Additionally, we emphasise the importance of 360-degree feedback, which enables employees to receive constructive inputs from multiple sources. This holistic feedback approach facilitates continual improvement and enables employees to gauge their performance from different perspectives.

The appraisal process plays a crucial role in fostering a culture of excellence within the Company. It empowers employees to reach their full potential by providing them with clear performance expectations, regular feedback and opportunities for growth and development. By aligning individual goals with organisational objectives, we have created a collaborative and results-oriented work environment that drives our success.

360-degree feedback is an assessment process in which employees receive confidential, anonymous evaluations from the people who work around them. This typically includes managers, peers and direct reports. We use the 360-degree feedback process as a tool for our talent assessment processes, targeted to identify employees in M4 and above for leadership roles.

57

Executives covered out of 382 until March 2023

15%

Employees covered under 360-degree process
for performance review

 Click to read more about our People Practices



Living Wage

Hindustan Zinc takes pride in the achievement of gender pay parity across various employee structures. We ensure equal remuneration and basic pay for all employees, regardless of gender, race, or ethnicity, and foster equal opportunities for career growth. While adhering to the provisions of the Minimum Wages Act, we surpass the average salary stipulated by the Act, underscoring our commitment to wage elevation. Government-revised minimum wages and market trends are closely monitored to maintain competitive total rewards as well as attract and retain talent. This aligns with our pledge to periodically assess living wages, and strive to enhance employees' well-being. As part of our Social Accountability (SA) SA8000 certification, we have conducted through third-party assessments, that incorporate inputs from stakeholders and use established methodologies to compute living wage parameters including details such as age, family size, wages/day, etc. Inputs from this survey were used in the calculation of parameters such as food basket based on calorie requirements, encompassing all components of the food basket (wheat, rice, pulses, milk, oil), clothing, shelter, education and medication. This calculation is based on '**The Anker Methodology for Estimating a Living Wage**', which is accepted by **Social Accountability International**. The survey outcome reflected that the average salary of our direct and indirect employees is much higher than that prescribed under the Minimum Wages Act.

This diligent approach reaffirmed that our employees' average salaries exceed the standards in the Minimum Wages Act. We remain committed to paying wages higher than the minimum wage and periodically assess the living wage. This assessment is meant to identify the strata of our workforce who are earning below the decided threshold and take necessary actions to ensure that none of the employees are devoid of decent living conditions and compensation.

By FY 2024-25, we commit to define the living wage across all our locations of operation and to assess the wage structure of full-time employees, contractors, business partners and suppliers.



Governance

Material Issues	Priority Area	SDG Linkage	Sustainability Goals 2025
Risk Management & Controls		16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	
Data Privacy and Cybersecurity		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	
Sustainable and Inclusive Supply Chain		12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	100% responsible sourcing in the supply chain
Business Ethics and Corporate Governance		16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	
Innovation and R&D		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	
Macro-economic and Geopolitical Context		17 PARTNERSHIPS FOR THE GOALS 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	
Responsible Advocacy		16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	
Pandemic Response and Preparedness		3 GOOD HEALTH AND WELL-BEING 	

||||| High Priority

||||| Medium Priority



Business Ethics

(GRI 205-1, 205-2, 205-3, 405-2)



Hindustan Zinc places strong emphasis on ethical and transparent conduct and ensures responsible business practices in accordance with Group standards and Code of Conduct. We strictly adhere to and abide by our 'Business Ethics and Code of Conduct' that promotes, protects and provides an ethical work environment, business practices and norms for effective stakeholder engagement. As a company, we proudly affirm our commitment to the principles and values of the United Nations Global Compact by being a signatory.

The Company has 'zero tolerance' for dishonesty, bribery, corruption and unethical behaviour.

Governance

We have established an Ethics Committee to direct and adhere to the norms and guidelines detailed in our Code. The unit head in every Company location acts as a leader, to promote top-down initiatives to strengthen ethics and compliance. The Code complies with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Companies Act 2013.

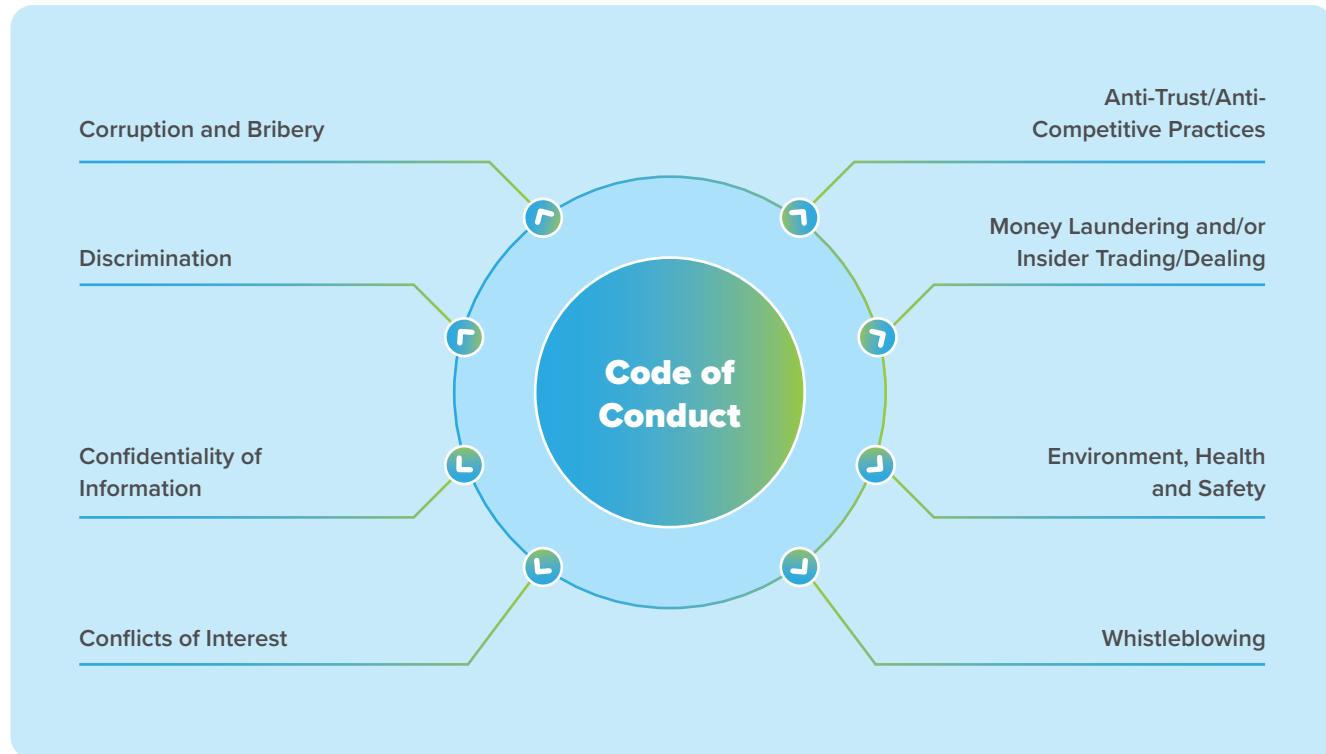
We adhere to strict standards of integrity, compliance and openness in our governance strategy, ethical framework and business practices. All of Hindustan Zinc's employees, business partners and subsidiaries are subject to the Code as developed and adopted by the Company. Annual affirmation and adherence to the same are required.

The Company's Code of Conduct is fully aligned with the UK Bribery Act and the UK Modern Slavery Act 2015, and reflects our commitment to ethical business practices. Through regular email communications, we ensure that employees are aware about the importance of adhering to the Code. We have zero tolerance for cheating, bribery, corruption and unlawful acts.

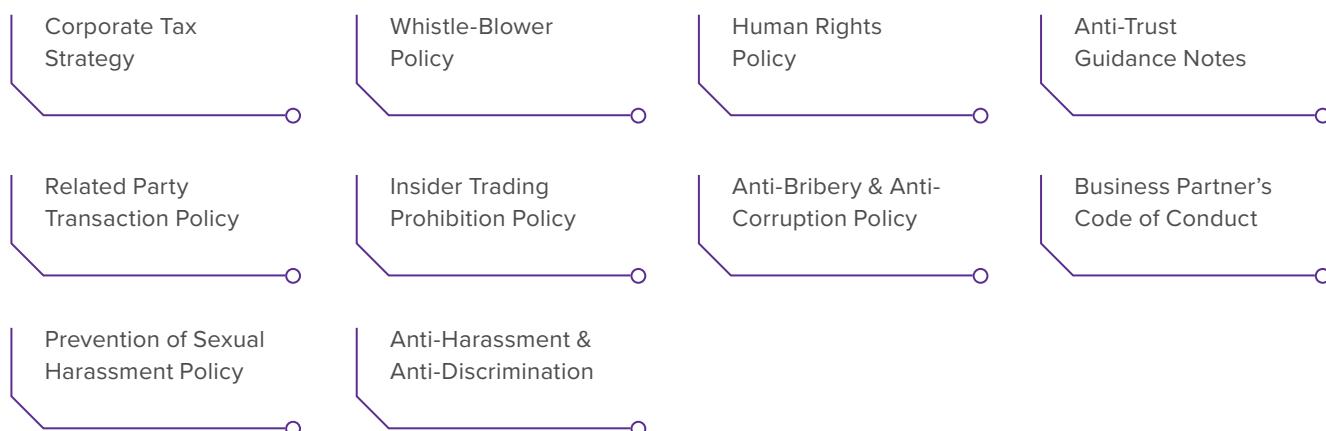
The Code guides our behaviour and drives:

- Honest and ethical behaviour
- Management of ethical conflicts of interest between personal and professional ties
- Full, fair, accurate, timely and unambiguous disclosure in reports and documents filed with appropriate authorities, or submitted for public perusal
- Compliance with local laws, rules and regulations
- Prompt internal reporting of all relevant matters to appropriate person(s) as identified under the Code
- Employees must respect colleagues and co-workers and refrain from harassing them
- Accountability for adherence to the Code

These guidelines help us to conduct business ethically. The Code with all its rules and regulations is available for easy access on our website and, when necessary, forms an integral part of the Company's contracts.



Our Code is supported by the following additional policies and guidelines:



Implementation of Code of Conduct

Our Business Ethics and Code of Conduct, which is applicable to all workers, including our Directors and executives, encapsulates our values and commitments. Every year, all executives and Board members digitally confirm their adherence to the Code. We use an e-learning module to provide training on the Company's Code of Business Conduct, which is essential and required every year for all workers. This online training is part of our commitment to continual improvement

and reflects our keenness to go above and beyond legal compliance. Our Compliance Management System is certified with ISO 37301:2021, and the effectiveness of the policy is periodically assessed by a third party. Additionally, during onboarding, all new hires shall complete a required lecture course on compliance obligations. The Code is explained to our business partners at the time of their selection and its compliance forms an integral part of their contract with the Company.

To reinforce the principles prescribed under the Code of Business Conduct and Ethics, the Company has in place an automated training module for mandatory training of all its employees across the Group.

- An annual affirmation for adherence with the Code is also obtained to reiterate commitment and understanding
- All Board members and senior management personnel have affirmed their compliance with the Code of Conduct for FY 2022-23

Hindustan Zinc's employee performance appraisal systems include a dedicated component that evaluates compliance with the Company's Code of Conduct. This is assessed through the mandatory completion of the Code of Conduct training, which ensures that employees are aligned with the expected standards of conduct.

Anti-Corruption and Anti-Bribery

The Company has implemented an anti-corruption and anti-bribery policy, which aligns with its Code of Conduct and incorporates the whistle-blower policy in compliance with relevant laws, such as the Indian Prevention of Corruption Act, UK Bribery Act, Foreign Corrupt Practices Act, and others. The policy places strong emphasis on Hindustan Zinc's unwavering commitment to implementation of a zero-tolerance approach towards fraud, bribery and corrupt practices. By promoting ethical decision-making, the policy reinforces the Company's culture of transparency in all its transactions. This policy is applicable to all employees and business partners of the Company, outlining the expected conduct that must be strictly adhered to at all times.

Political Contribution

Hindustan Zinc, under its Code of Conduct, strictly prohibits the allocation of any funds or assets to political parties, organisations, individuals holding public office or candidates for public office, except in cases where such contributions are allowed by relevant laws and have received prior approval from the Chairman or the Board of Directors. The Company is prohibited from making any donations or contributions to political organisations under any circumstances. If the Board of Directors consider any such donation in the future, shareholder approval will need to be obtained beforehand. It is important to note that during the financial year ending on March 31, 2023, the Company did not make any political contributions.

Charitable Donations are made to third parties for a social purpose, such as promoting sustainable community development, combating poverty and disease, protecting the environment or promoting sports. It may also be utilised for religious purposes or to help people or institutions in the states where we work. We oversee contributions and have robust audit standards in place for the use of funds, the objectives served and the impact.

Reporting

A dedicated hotline number (000-800-100-1681) and online reporting tool (<http://www.vedanta.ethicspoint.com>) have been established for receipt of complaints under our whistle-blower policy. External stakeholders such as vendors, customers, business partners, etc. can submit 'complaints' in Hindi or in English through the hotline or the portal.

Hindustan Zinc enforces a strict zero-tolerance policy against any breach of the Code of Conduct, particularly in cases involving harassment and discrimination. Our primary commitment is to safeguard the complainant's confidentiality and anonymity to the greatest extent possible while conducting a thorough review. However, it is essential to note that 'complaints' from non-employees may not be kept confidential or anonymous as the Company is not obligated to do so. We take all violations of the Code seriously and subject them to appropriate assessment and investigation.

We are additionally, committed to complying with all the laws that prohibit any form of retaliation against employees who lawfully report complaints following mandated procedures. Any act of reprisal or retaliation against an employee who seeks assistance or files a report in good faith will be met with appropriate disciplinary action, which may include termination of employment.

Code of Conduct Implementation



Total Number of Reported Cases*

Reporting on Breaches	Number of Breaches in FY 2022-23
Workplace Harassment and Discrimination	0
Sexual Harassment	5
Customer Privacy Data	0
Employee Misconduct	1
Conflicts of Interest / Business Integrity Breach	1
Money Laundering or Insider Trading	0
Corruption or Bribery	0
Other	1

*All investigated and closed



Responsible Sourcing

(GRI 308-1, 414-1)



Approach

Hindustan Zinc's responsible sourcing ethos is aligned with its goal to create a sustainable and efficient supply chain. We believe that our efforts to transform into a resilient business requires constructive collaboration with our supply chain partners. We have thus streamlined the process for partnering with our suppliers and customers to successfully respond to sector challenges and conduct business in a sustainable manner. Our approach to sourcing responsibly is ensured through supplier due diligence and supplier code of conduct. We also offer our suppliers ample opportunities to explore and respond to evolving business needs.

Key Highlights

235

No. of Suppliers Assessed

726

Total Active Tier-1 Suppliers

473

Local Tier-1 Suppliers

- Collaboration with 700+ active suppliers and service partners to deliver business performance aligned with our ESG focus
- Successful induction of Battery-operated Electric Vehicle (BEV) in our underground mining operations
- Adoption of eco-friendly transportation by launching an LNG fleet in inter location material movement
- Use of Green Fuel for the entire mining fleet operations at Sindesar Khurd Mine
- Integrated our business partners on the 'Use and Pay' model for spare part management
- Developed five alternate vendors of critical commodities to eliminate supply chain disruption
- Launched a vendor grievance portal for fair and unbiased resolution of disputes
- Launched a cloud-based platform for system-enabled engagement and performance review to track strategic/ key contract performance of our business partners
- Conducted assessment for ~75% of critical raw material suppliers under a quality management framework

Purpose

To create an efficient supply chain focussing on technology, innovation and collaboration. We empower our business partners to share the responsibility of integrating sustainability and human rights by upgrading their management systems and internal controls.

Strategy

We believe that business success and long-term value generation are fostered through a resilient supply chain underpinned by technology development, innovative thinking and sustainable collaboration. Hindustan Zinc has prioritised procurement through strong and trusted relationships, critical for the promotion of our responsible sourcing policy. We aim to mobilise our sourcing practices in line with our sustainability goal of 100% responsible sourcing. We follow a robust assessment process for critical

suppliers who are stringently evaluated on ESG metrics. We have thus been able to improve the responsible business practices across the supply chain and mitigate business risks including human rights risks. The Company's suppliers are encouraged to adhere to the highest standards to boost their market competitiveness and efficiency.

The main pillars of our responsible supply chain strategy are collaboration, empowerment and engagement.

COLLABORATE

We collaborate to promote two-way partnership for shared knowledge and expertise for promoting digitisation, innovation, cooperation and mutual growth

EMPOWER

We work towards advancing and empowering our business partners through dedicated upskilling programmes that help us progress on our sustainability journey

ENGAGE

We promote co-creation by working with business partners for mutual growth and intellectual development



Strategic Priorities for Sourcing

Key Priorities	Target	Measures in FY 2022-23
Ethics and integrity across the value chain	Strong Grievance Redressal mechanisms for suppliers	<ul style="list-style-type: none"> Regular awareness sessions for suppliers on ethics, integrity, and other relevant issues Whistle-blower platform for reporting on ethical issues
Climate change & decarbonisation	Induction of electric vehicles with cleaner fuels in the supply chain by 2025	<ul style="list-style-type: none"> Induction of BEVs for underground mining operations BEV material handling equipment across smelters Launched ESG expectations for all business partners ESG assessment introduced in the contract process and business partner collaboration Working towards emission capturing for critical items' procurement for Scope-3 emission reduction
Transparency & governance for sustainable environment	Aim to build digital capabilities of all business partners by 2023 to lower turnaround time, and provide new rapid platforms with improved performance	<ul style="list-style-type: none"> Leveraging digital technologies continually for driving greater transparency in sourcing platforms like SAP HANA implementation, and ARIBA upgradation Launched vendor grievance platform in ROBOS App Working towards implementation of ISO 20400 standard guidelines for sustainable procurement
Risk management & controls	Robust risk management framework for supply chain and other new business partners	<ul style="list-style-type: none"> Completed third-party assessment of over 619 (past three years) business partners (upstream and downstream) on responsible supply chain
Human rights compliance across the value chain	Human rights training programmes including human rights issues, compliances and best global practices for all critical business partners including their employees	<ul style="list-style-type: none"> Providing human rights training to all business partners and their employees to inculcate awareness of human rights issues and modern slavery besides addressing minimum and maximum working hours of labourers in compliance with the Factory Act & Mines Act



Governance

Hindustan Zinc reinforces sustainability into the supply chain through a three-tiered governance structure viz.,

- ESG Committee at the Board-level
- Supply Chain Community
- Executive Committee

The Supply Chain Community oversees adherence to the Company's procurement philosophy and the suppliers' code of conduct besides analysing the risk matrix of suppliers and strategising plans for engagement with critical suppliers. The Community also outlines the priorities for responsible sourcing through revamping of existing systems including the supply chain policy. It sets out directions for upskilling supply chain partners to imbibe sustainability into procurement and thereby mitigate social and environmental risks, including reduction in the carbon footprint of the value chain. The Supply Chain Community also facilitates the constitution of advisories to steering groups for orienting the focus on evolving interests including decarbonisation and reduction of carbon footprint.

Code of Conduct for Business Partners

We focus on stringent adherence to standards outlined in our business partners' code of conduct formulated in line with global frameworks like core conventions of the International Labour Organisation (ILO), the United Nations' Universal Declaration of Human Rights and other prevalent industry standards. The Code places due importance on aspects such as labour and human rights, child labour, health and safety, environment protection, climate change,

business integrity, governance of intellectual property, unfair trade practices, anti-bribery programme, insider trading prohibition, grievance redressal mechanism and legal compliances.

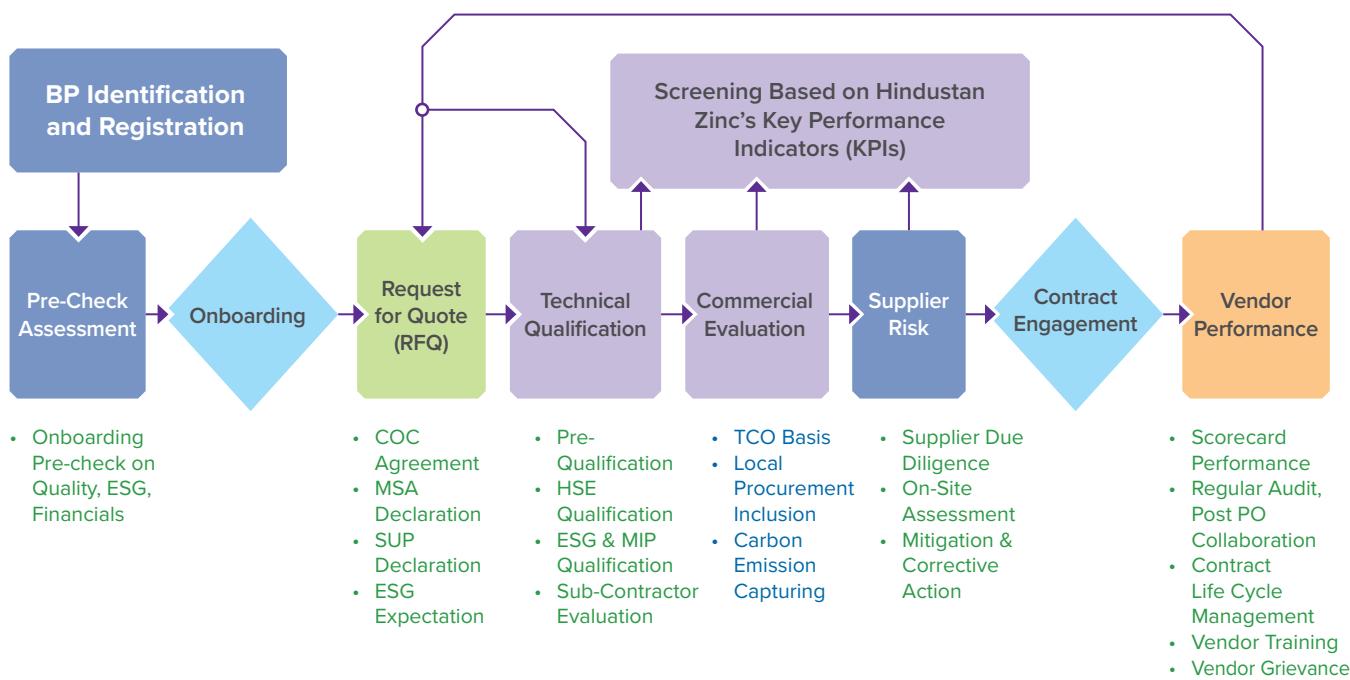
Responsible Sourcing

Hindustan Zinc believes in inclusive and sustainable development through implementation of focussed interventions including a collaborative model for engaging with business partners' and transforming businesses. Our sustainable supply chain strategy flows from a responsible sourcing policy with strict implementation of sustainable practices among supply chain partners. Purchasing practices of Hindustan Zinc are continually reviewed to ensure alignment with the Suppliers Code of Conduct and to avoid potential conflicts with ESG requirements. The coordinated approach leads to ensuring timely compliance to regulations and legislations including labour and human rights.

Integrating Sustainability into our Supply Chain

Hindustan Zinc's efforts to integrate sustainability in all aspects of its business including the supply chain, are focussed on social issues like human and labour rights. During FY 2022-23, we identified key ESG and other quality criteria for supply chain partners, implemented a structured framework for incorporating sustainability in the supply chain and developed internal controls, policies and procedures from pre-check assessment to vendor onboarding besides vendor performance evaluation and engagement for improving the effectiveness of the supply chain.

Hindustan Zinc's Business Partner Engagement Process



Classification of Suppliers

TIER 1 SUPPLIERS

- Tier 1 business partners include direct suppliers of goods & services including intellectual property (IP)/patents
- **Criteria:** Spend (value/volume), critical business operation, sensitivity, substitutability
- **Performance evaluation factors:** Historical financial performance, stability and scale of operations, quality of services delivered, compliance to Modern Slavery Act (MSA), environmental compliance, CoC compliance, delivery timelines
- **Criticality:** High-volume suppliers, critical component suppliers & non-substitutable suppliers making replacement highly difficult

HIGH-RISK SUPPLIERS

- Tier 1 suppliers located in, and/or sourcing from, CAHRAs also known as 'redflagged suppliers'
- Upstream suppliers of high-risk Tier 1 business partners in red-flagged supply chains
- Suppliers operating in a high-risk industry
- Suppliers identified as contributing to, or being associated with other ESG risks following the risk assessment
- Hindustan Zinc supports development of mitigational strategies, providing training to business partners and working together for co-creating opportunities for continued engagement

CRITICAL/SIGNIFICANT SUPPLIERS

- Produce mainly for Hindustan Zinc in a significant volume
- Considered to be major business partner to Hindustan Zinc based on annual spend
- Single business partner dependency
- Operate in high-risk industry or operate or source from CAHRAs
- Quality of supply and services

Total number of
Tier 1 suppliers

726

Total number of significant
Tier 1 suppliers

221

Total number of significant
Non-Tier 1 suppliers

0

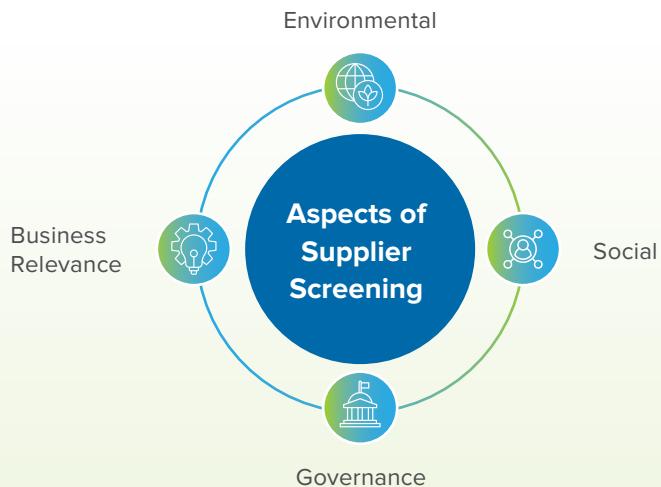


Supplier Screening

Prior to engaging in business partnerships or procurement activities, Hindustan Zinc conducts a thorough risk assessment of potential and existing suppliers.

Assessment criteria are based on the materiality exercise conducted by the Company, which considers factors encompassing country-level risks and sectoral risks. All suppliers are screened using the criteria as stipulated in our materiality matrix.

We establish relationships with trustworthy and credible suppliers who meet a minimum qualification score of 75% in terms of quality, safety, environment, social, governance, compliance and business relevance. This critical step helps us to maintain high standards and safeguards our business interests.



Country-Specific Risks

Anti-corruption & bribery, business ethics governance, conflicts affected area, terrorism

Sector-Specific Risks

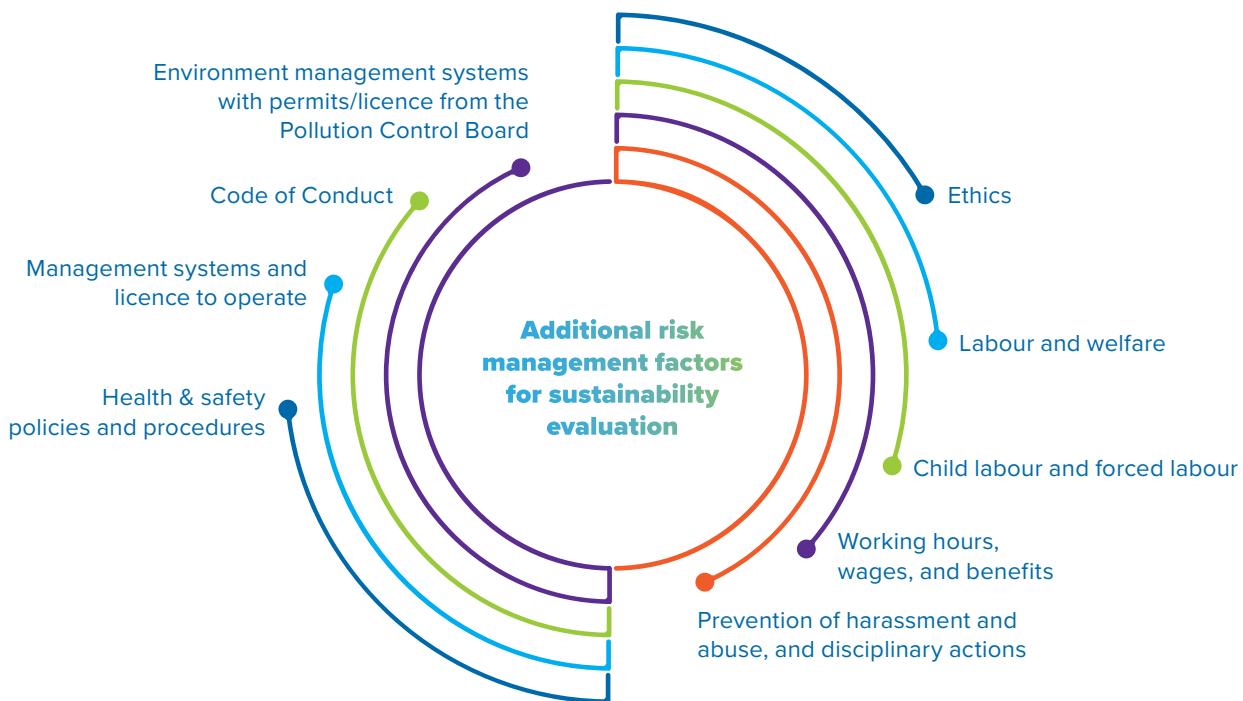
Human rights, air emissions, climate change

Supply Chain Risk Assessment

We uphold the highest standards to live up to our brand value, and act consistently with integrity, transparency and responsibility. Hindustan Zinc follows a risk-based approach for assessing potential threats in the supply chain. The Company analyses risk levels by conducting a three-step assessment using international standards such as ISO 14001, ISO 45001, and SA8000, in addition to the Company's policies. Suppliers are temporarily suspended from contracting if they do not achieve the minimum ESG requirements within six months of setting the corrective action plan.

- 1) **Desktop assessment** – Conducted by screening various publicly reported information and online database
- 2) **On-site assessment (second party)** – For strategic or business-critical suppliers of Hindustan Zinc, second-party on-site assessment is conducted annually

- 3) **Due diligence (third party)** – For critical suppliers identified as high risk during the on-site assessment, due diligence is conducted by an independent third party. The due diligence involves discreet checks to identify red flags including sustainability, corporate governance and integrity issues which are prepared with the results of a sustainability questionnaire with weightage given to key indicators such as serious human rights abuses; risks associated with the contracting of public or private security forces; direct or indirect support to non-state armed groups; money laundering; non-payment of taxes, fees, and royalties due to governments; bribery and fraudulent misrepresentation of the origin of materials. Also, when sourcing materials from a CAHRA supplier, Hindustan Zinc utilises third party assurance channels to support part of its due diligence activities.



All factors are given due weightage. The overall risk is broken down into weightage of 70:30, of which 30 is assigned to sustainability factors.

Assessment Results & Corrective Action Plan

Supplier Assessment	FY 2022-23
Total number of suppliers assessed via desk assessments/on-site assessments	235
% of significant suppliers assessed	100%
Number of suppliers assessed with substantial actual/potential negative impacts	4
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100%
Number of suppliers with substantial actual/potential negative impacts that were terminated	0

The four suppliers who were identified as high-risk, are in the process of implementing action plans and improving their processes in line with our sustainable sourcing policy and ESG expectations. Their progress is being tracked semi-annually with an annual audit to be conducted to re-assess their risk levels. If during the audit, it is found that the supplier has improved performance in line with the audit plan, their risk-level will be reclassified. On the other hand, Hindustan Zinc will disengage from those suppliers who have failed to implement corrective measures within a reasonable timeframe of six months. Trade with one supplier was temporarily suspended while pursuing ongoing risk mitigation action.

Corrective Action Plan Support	FY 2022-23
Total number of suppliers supported in corrective action plan implementation	4
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%

Supplier Development

The integration of sustainability aspects into the value chain demands collaborative, mutually beneficial partnerships. We continue to engage with our supply chain partners through training and sensitisation programmes and regular visits. Training is provided to business partners including contractors especially on safety, on-job safety training and safety town-halls, including the Company's supplier ESG programme, process and requirements, awareness on CoC and site support to suppliers to improve their ESG performance against their peers. These platforms provide an opportunity for us to explore new horizons of markets and services and familiarise stakeholders with best industry practices thereby instilling the traits of sustainability including the Company's decarbonisation aspirations across the value chain. We provide the supplier remote support on the implementation of corrective mitigation actions to facilitate development of in-depth capacity-building programmes on ESG parameters.

We have also signed a MoU with global manufacturers for sustainable mining and zero emissions.

In FY 2022-23, business partners were provided support on the following aspects:

- Business partners identify their ESG issues in-line with the Company's sustainability goals
- Identify risks & opportunities against ESG issues to develop and strategise solutions for the same such as decarbonisation or products that consume less energy/water
- Be 100% compliant with all regulatory requirements
- Make a commitment to Sustainable Development Goals like the Paris Agreement, Net Zero target, SBTi target, RE 100, EV 100, EP 100

Capacity Building Programmes	FY 2022-23
Total number of suppliers in capacity building programmes	726
% of significant suppliers in capacity building programmes	100%

Business Partner Capacity Building

Provided human rights training to all critical business partners and their employees to create awareness on human rights issues, compliances and best practices:

- We conducted physical sessions with all mining & smelter partners (Mining Sangam, Fusion Workshop) focussed on performance and adoption of best practices
- We conducted various webinars with our critical supply vendors on Scope 3 emissions

Business Partners Grievance Redressal and Feedback

We follow a pragmatic approach in incorporating the feedback and supplier priorities in our systems acknowledging their key agenda for driving successful and sustainable partnerships. The grievances and feedbacks are then analysed to identify the improvement channels if any. The feedbacks are mapped with industry and sector leading performance on various parameters such as ease of doing business, satisfaction, advocacy, ROI, etc., helping in implementation of innovative business models such as Total Cost of Ownership (TCO), and Vendor Managed Inventory (VMI) models, etc.

Local Procurement

We have prioritised the procurement of goods and services from local vendors and resolved to reduce dependency on imported goods. Digitalisation of supply chain and optimisation of various procurement streams have proved effective in strategic sourcing of local goods. In FY 2022-23, 21 new local business partners were on-boarded and 56.4% share of total procurement was sourced locally including the new vendors.

Procurement	% Spend
Total procurement spends on suppliers belonging to same country	80.9%
Total procurement spends on suppliers belonging to same state	56.4%
Total procurement spends on suppliers belonging to same district	39.3%

68.7%

Percentage of total spend on significant suppliers in Tier 1

Key Performance Indicators

ECONOMIC INDICATORS

(GRI 201-1)

MEASURE	UNITS OF	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Economic Value Generated (A)					
Revenue from Operation (including excise duty)	₹ crore	18,561	22,629	29,440	34,098
Other Income	₹ crore	1,934	1,819	1,216	1,379
Total (A)	₹ crore	20,494	24,448	30,656	35,477
Economic Value Distributed — Expenses (B)					
Employee Wages and Benefits	₹ crore	689	760	717	845
Operating Costs	₹ crore	6,541	7,224	8,639	11,403
Payment to Providers of Capital	₹ crore	112	386	290	333
Payment to Government (Income Tax)	₹ crore	3,781	4,586	6,112	7,499
Community Investments	₹ crore	132	214	191	276
Total (B)	₹ crore	11,253	13,170	15,949	20,356
Economic Value Retained (A-B)	₹ crore	9,241	11,278	14,707	15,121
Profit Before Depreciation, Interest and Tax	₹ crore	10,781	13,491	17,307	18,885
Profit Before Tax	₹ crore	8,390	10,574	14,100	15,288
Net Tax Expense/(Benefit)	₹ crore	1,584	2,594	4,471	4,777
Profit for the Year	₹ crore	6,805	7,980	9,629	10,511
Earnings per Equity Share	₹	16.11	18.89	22.79	24.88



LABOUR PRACTICE INDICATORS

(GRI 405-1, 401-1, 404-1)

WORKFORCE	UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
		MALE	FEMALE	TOTAL									
Full-time Employees	Number	3,771	427	4,198	3,318	401	3,719	3,088	412	3,500	2,953	519	3,472
Senior Management	Number	78	5	83	57	6	63	57	3	60	59	4	63
Middle Management	Number	1,012	92	1,104	910	95	1,005	942	95	1,037	961	117	1,078
Junior Management	Number	1,237	294	1,531	1,219	275	1,494	1,097	293	1,390	1,054	380	1,434
Non-Management	Number	1,444	36	1,480	1,132	25	1,157	992	21	1,013	879	18	897
Contract Employees	Number	14,818	136	14,954	18,154	132	18,286	19,228	186	19,414	19,490	234	19,724

HIRING	UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
		MALE	FEMALE	TOTAL									
New Hires	Number	443	129	572	236	71	307	328	124	452	367	191	558
New Hires (Age-wise Split)													
< 30 Yrs	Number	404	127	531	143	57	200	261	121	382	332	185	517
30 - 50 Yrs	Number	27	2	29	90	13	103	56	3	59	33	5	38
> 50 Yrs	Number	12	-	12	3	1	4	11	-	11	2	1	3
New Hire Rate	Percentage	13.63%			8.52%			12.91%			16.07%		

EMPLOYEE TURNOVER RATE	UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
		MALE	FEMALE	TOTAL									
	Percentage	15%	19%	16%	19%	22%	19%	17%	26%	18%	17%	19%	17%

TRAINING & DEVELOPMENT	UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
		MALE	FEMALE	TOTAL									
Training Hours													
Full-time Employees	Man hours	138,466	26,374	164,840	118,286	14,619	132,905	95,192	17,755	112,947	90,762	25,347	116,109
Contract Employees	Man hours	695,932			344,490			506,087			1,462,709		



ENVIRONMENT INDICATORS

MATERIALS USED (GRI 301-1)

	UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
		MINES	SMELTERS	TOTAL									
Raw Material	Million MT	14.42	0.00	14.42	15.45	0.00	15.45	16.05	0.00	16.05	17.02	0.00	17.02
Semi-Manufactured Goods or Parts	Million MT	0.00	2.36	2.36	0.00	2.54	2.54	0.00	2.43	2.43	0.00	2.51	2.51
Associated Process Materials	Million MT	0.48	0.52	1.00	0.48	0.49	0.97	0.49	0.55	1.04	0.49	0.52	1.01
Packing Material	MT	0.00	381	381	0.00	314	314	0.00	239	239	0.00	182	182
Total Finished Metal Production													
Zinc	Million MT			6.88				7.15			7.76		8.21
Lead	Million MT			1.81				2.14			1.91		2.11
Silver	MT			610				706			647		714

ENERGY CONSUMPTION (GRI 302-1)

	UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
		MINES	SMELTERS	TOTAL									
Direct Energy	Million GJ	8.35	36.29	44.64	8.12	37.19	45.31	9.52	33.86	43.38	7.93	26.70	34.64
Indirect Energy	Million GJ	0.38	0.73	1.11	0.48	0.86	1.34	0.37	1.90	2.27	0.79	5.26	6.06
Renewable Energy (Solar Energy)	Million GJ	0.109	0.177	0.285	0.186	0.115	0.30	0.185	0.106	0.29	0.17	0.10	0.27
Renewable Energy (WHRB)	Million GJ	0.00	0.52	0.52	0.00	0.73	0.73	0.00	0.75	0.75	0.00	0.78	0.78
Biomass	Million GJ	-	-	-	-	-	-	0.01	0.19	0.20	0.20	0.73	0.93
Renewable Energy (Indirect)	Million GJ	-	-	-	-	-	-	-	-	-	0.00	0.16	0.16

TOTAL ENERGY CONSUMPTION (GRI 302-1)

	UNITS OF MEASURE	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
a. Total Non-renewable Energy Consumption	MWh	12,718,222	12,968,700	12,690,978	11,303,993
b. Total Renewable Energy Consumption	MWh	223,512	286,972	346,296	595,234

WATER WITHDRAWAL & WATER CONSUMPTION (GRI 303-3)

UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23			
	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL	
Water Withdrawal													
Ground Water (A)	Million m ³	3.05	0.06	3.11	3.32	0.05	3.37	3.02	0.03	3.05	3.83	0.04	3.87
Surface Water (B)	Million m ³	4.47	12.28	16.75	4.86	12.63	17.49	5.31	8.40	13.71	4.96	9.03	13.99
Rainwater (C)	Million m ³	0.00	0.01	0.013	0.00	0.02	0.02	0.00	0.02	0.02	0.00	0.23	0.23
Waste Water from Another Organisation (Municipal Treated Sewage Water) (D)	Million m ³	0.82	5.93	6.75	0.52	6.66	7.18	0.61	8.91	9.52	2.41	6.16	8.57
Municipal Water Supplies or Other Water Utilities (E)	Million m ³	0.01	0.09	0.10	0.0002	0.00	0.0002	0.0017	0.00	0.002	0.002	0.000	0.002
Total Water Withdrawal (A+B+C+D+E)	Million m ³	8.36	18.37	26.73	8.70	19.36	28.06	8.94	17.36	26.30	11.20	15.47	26.67
Water Consumption													
Total Water Consumption (Including Municipal Treated Sewage Water)	Million m ³	7.17	17.65	24.83	7.32	18.53	25.84	8.17	16.53	24.70	10.85	14.61	25.46
Total Net Fresh Water Consumption (Excluding Municipal Treated Sewage Water)	Million m ³	6.32	11.95	18.28	6.80	12.24	19.04	7.56	10.32	17.88	9.73	9.87	19.61
Total Net Fresh Water Consumption in Water-Stressed Area* (Excluding Municipal Treated Water)	Million m ³	6.32	11.95	18.28	6.80	12.24	19.04	7.56	10.32	17.88	9.73	9.87	19.61
Water Recycling													
Water Recycled	Million m ³	11.42	4.68	16.10	11.90	4.84	16.74	14.41	4.82	19.22	13.04	5.35	18.40

*All our sites are in water-stressed area.

AIR EMISSIONS (GRI 305-7)

UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
	MINES	SMELTERS	TOTAL									
PM Emission from Stacks	MT		1,027			1,097			963			1,048
SOx Emission from Stacks	MT		23,069			19,600			22,006			17,247
NOx Emission from Stacks	MT		8,913			8,098			6,145			4,851



GHG EMISSION* (GRI 305-1, 305-2, 305-3)

UNITS OF MEASURE	FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL
Scope I Emission	Million MT CO₂e		4.48			4.49			4.32			3.44
Furnace Oil (FO)	Million MT CO ₂ e		0.00			0.00			0.00			0.00
High Speed Diesel (HSD)	Million MT CO ₂ e		0.19			0.160			0.16			0.21
Propane	Million MT CO ₂ e		0.01			0.000422			0.00			0.02
Liquified Petroleum Gas (LPG)	Million MT CO ₂ e		0.001			0.001			0.0004			0.0003
Coal	Million MT CO ₂ e		4.04			4.09			3.87			2.92
Coke	Million MT CO ₂ e		0.25			0.198			0.23			0.28
Pyrolysis Oil	Million MT CO ₂ e		0.00			0.000			0.00			0.00
LSHS	Million MT CO ₂ e		0.00			0.000			0.00			0.00
PNG	Million MT CO ₂ e					0.014			0.02			0.01
Scope II Emission	Million MT CO₂e		0.25			0.31			0.49			1.14
Scope III Emission												
Total	Million MT CO ₂ e		4.18			4.28			4.01			4.16
Purchased Goods & Services (Upstream)	Million MT CO ₂ e		0.36			0.31			0.37			0.37
Fuel & Energy-related Activities (Not included in Scope 1 & 2)	Million MT CO ₂ e		0.52			0.51			0.40			0.46
Waste Generated in Operations (Composting, Incinerating, etc.)*	Million MT CO ₂ e		0.43			0.42			0.00			0.00
Upstream Transportation and Distribution	Million MT CO ₂ e		0.03			0.02			0.01			0.01
Business Travel	Million MT CO ₂ e		0.002			0.001			0.0002			0.001
Employee Commuting	Million MT CO ₂ e		0.002			0.002			0.002			0.001
Upstream Leased	Million MT CO ₂ e		0.00			0.00			0.00			0.00
Downstream Transportation and Distribution	Million MT CO ₂ e		0.02			0.02			0.03			0.05
End of Life Treatment of Sold Products	Million MT CO ₂ e		2.54			2.69			2.88			3.05
Processing of Sold Goods	Million MT CO ₂ e		0.28			0.31			0.32			0.22

* Change in methodology 21-22 — Methane emission from generated waste is not significant , hence no GHG emissions are considered from our generated waste

WASTE GENERATION (GRI 306-3, 306-4, 306-5)

UNITS OF MEASURE	FY 2019-20	FY 2020-21			FY 2021-22			FY 2022-23		
		MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL	MINES	SMELTERS	TOTAL
Hazardous Waste Generated	Million MT	0.003	0.076	0.079	0.003	0.086	0.089	0.003	0.105	0.108
Total Hazardous Waste Recycled/Reused	Million MT	0.002	0.043	0.045	0.002	0.054	0.056	0.002	0.056	0.058
Total Hazardous Waste Disposed	Million MT	0.001	0.031	0.032	0.001	0.037	0.038	0.001	0.054	0.055
Hazardous Waste Landfilled	Million MT	0.001	0.031	0.032	0.001	0.037	0.038	0.001	0.054	0.055
Hazardous Waste Incinerated with Energy Recovery	Million MT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Hazardous Waste Incinerated Without Energy Recovery	Million MT	0.00003	0.00002	0.00005	0.00012	0.00001	0.00012	0.00015	0.00004	0.0002
Hazardous Waste with Unknown Disposal Method	Million MT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Non-Hazardous Waste Generated	Million MT	1.17			1.18			1.26		
Total Non-Hazardous Waste Recycled/Reused	Million MT	0.72			0.93			0.58		
Total Non-Hazardous Waste Disposed	Million MT	0.74			0.59			0.64		
Non-Hazardous Waste to Landfill	Million MT	0.74			0.59			0.64		
Mineral Waste										
Mineral Waste Generated – Waste Rock	Million MT	3.20	0.00	3.20	3.38	0.00	3.38	4.31	0.00	4.31
Mineral Waste Generated – Tailings	Million MT	12.62	0.00	12.62	13.41	0.00	13.41	14.18	0.00	14.18
Mineral Waste Repurposed/Reused	Million MT	4.48	0.00	4.48	4.76	0.00	4.76	5.54	0.00	5.54
Total Mineral Waste Disposed	Million MT	11.34	0.00	11.34	12.03	0.00	12.03	12.95	0.00	12.95
Total Waste Recycled/ Reused	Million MT	5.24			5.74			6.17		
Total Waste Disposed	Million MT	11.82			12.30			14.48		
Total Waste Generated	Million MT	17.07			18.06			19.85		

HEALTH & SAFETY INDICATORS

(GRI 403-9)

HEALTH & SAFETY INDICATORS*

	UNITS OF MEASURE	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
FATALITIES					
Full-time Employees	Number	0	0	0	1
Contract Employees	Number	2	0	4	6
LOST TIME INJURY FREQUENCY RATE					
Full-time Employees	Numbers per million hours worked	0.68	0.25	0.94	0.83
Contract Employees	Numbers per million hours worked	1.50	1.10	0.79	0.68
Overall Hindustan Zinc	Numbers per million hours worked	1.38	0.97	0.81	0.70
TOTAL RECORDABLE INJURY FREQUENCY RATE					
Full-time Employees	Numbers per million hours worked	1.24	1.38	1.42	1.39
Contract Employees	Numbers per million hours worked	2.94	2.78	2.34	2.00
Overall Hindustan Zinc	Numbers per million hours worked	2.70	2.57	2.22	1.93
OCCUPATIONAL DISEASE RATE					
	Numbers per million hours worked	0.00	0.00	0.00	0.00
PROCESS INCIDENTS (Tier 1)*					
	Numbers	3	4	5	6
PROCESS INCIDENTS (Tier 1)					
	Numbers per million hours worked	0.05	0.08	0.08	0.09

* As per ICMM Guidelines

Change in methodology of reporting — earlier we were reporting all incidents, as per revised Incident management procedure, incidents having more than 130 scores are being considered as serious process incidents (SPI)

LEADING INDICATORS

	UNITS OF MEASURE	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Near Miss	Number	15,323	17,484	23,790	21,310
Unsafe Acts	Number	203,966	221,585	133,251	152,597
Unsafe Conditions	Number	55,739	51,724	54,511	95,059



Independent practitioner's assurance report

The Management and Board of Directors
Hindustan Zinc Limited
Yashad Bhawan
Udaipur-313004
Rajasthan, India

Scope

We have been engaged by Hindustan Zinc Limited (hereafter "HZL") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements 3000 (Revised), hereafter referred to as the engagement, to report on following sustainability performance KPIs (the "Subject Matter"), as contained in HZL's Sustainability Review Report FY 2022-23, as of 8th September 2023 for the period from 1st April 2022 to 31st March 2023 ("the Report").

Sustainability Performance KPIs

Sl.No.	GRI Indicators	Disclosures
1	GRI 2-1	Organisation details
2	GRI 2-2	Entities included in the organization's sustainability reporting
3	GRI 2-3	Reporting period, frequency and contact point
4	GRI 2-4	Restatements of information
5	GRI 2-5	External assurance
6	GRI 2-6	Activities, value chain and other business relationships
7	GRI 2-7	Information on employees and other workers
8	GRI 2-8	Workers who are not employees
9	GRI 2-11	Chair of the highest governance body
10	GRI 2-12	Role of the highest governance body in overseeing the management of impacts
11	GRI 2-22	Statement on sustainable development strategy
12	GRI 2-23	Governance structure and composition (2-9)
13	GRI 2-23	Policy commitments
14	GRI 2-26	Mechanisms for seeking advice and raising concerns
15	GRI 2-28	Membership of associations
16	GRI 2-29	Approach to stakeholder engagement
17	GRI 2-30	Collective bargaining agreements
18	GRI 3-1	Process to determine material topics
19	GRI 3-2	List of material topics
20	GRI 3-3	Management of material topics
21	GRI 202-1, 202-2	Market Presence
22	GRI 205-1 to 205-3	Anti-Corruption
Environment		
23	GRI 302-1 to 302-4	Energy
24	GRI 303-1 to 303-5	Water and Effluents
25	GRI 304-1 to 304-4, MM1, MM2	Biodiversity
26	GRI 305-1 to 305-7	Emissions

27	GRI 306-1 to 306-5, MM3	Waste
28	GRI 308-1, 308-2	Supplier Environmental Assessment
Social		
29	GRI 401-1 to 401-3	Employment
30	GRI 402-1, MM4	Labor/Management Relations
31	GRI 403-1 to 403-10	Occupational Health and Safety
32	GRI 404-1 to 404-3	Training and Education
33	GRI 405-1, GRI 405-2	Diversity and Equal Opportunity
34	GRI 406-1	Non-Discrimination
35	GRI 407-1	Freedom of Association and Collective Bargaining
36	GRI 408-1	Child Labour
37	GRI 409-1	Forced or Compulsory Labour
38	GRI 410-1	Security Practices
39	GRI 411-1, MM5, MM6, MM7	Rights of Indigenous People
40	GRI 413-1, 413-2	Local Communities
41	GRI 414-1, 414-2	Supplier Social Assessment
42	MM8	Artisanal and Small-Scale Mining
43	MM9	Resettlement
44	MM10	Closure Planning

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by HZL

In preparing the Sustainability Review Report FY 2022-23, HZL applied the Global Reporting Initiative (GRI) Standards, hereafter referred to as ("Criteria"). GRI Standards were specifically designed for Sustainability Review Report FY2022-23; as a result, the subject matter information may not be suitable for another purpose

HZL's responsibilities.

HZL's management is responsible for selecting the Criteria, and for presenting the Sustainability Review Report, in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 ('Revised')), and the terms of reference for this engagement as agreed with HZL on 24 February 2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures

selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Sustainability Review Report FY 2022-23 and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Checking of the standard disclosures regarding the company's material sustainability aspects contained in the report;
- Checking consistency of data / information within the report;
- Testing on a sample basis, (physically and remotely), underlying source information to check the accuracy of the data (for the following sites, through consultations with the site team and corporate sustainability team);

S.No.	Entity	Geography	Mode of assurance
1	HZL Debari Smelter	Rajasthan, India	Physical and Virtual
2	HZL Dariba smelting complex	Rajasthan, India	Physical and Virtual
3	HZL Zawar Mines	Rajasthan, India	Physical and Virtual
4	HZL Kayad Mines	Rajasthan, India	Physical and Virtual
5	Hindustan Zinc Limited (HZL), Corporate Office	Rajasthan, India	Virtual

- Executing an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Conducting interview of select representatives of Company's management to understand the current processes in place for capturing sustainability performance data as per GRI Standards, the Company's sustainability vision and the progress made during the reporting period;
- Checking of the Company's plans, policies, and practices, pertaining to their social, environment and sustainable development, to be able to make comments on the completeness of the reporting and degree to which EY believes the report provides a fair and honest representation of the Company's activities.

We also performed such other procedures as we considered necessary in the circumstances.

The assurance scope excludes:

- Data and information outside the defined reporting period-1 April 2022 to 31 March 2023;
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Annual Report, or other sources;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the period of 1 April 2022 to 31 March 2023, in order for it to be in accordance with the Criteria.

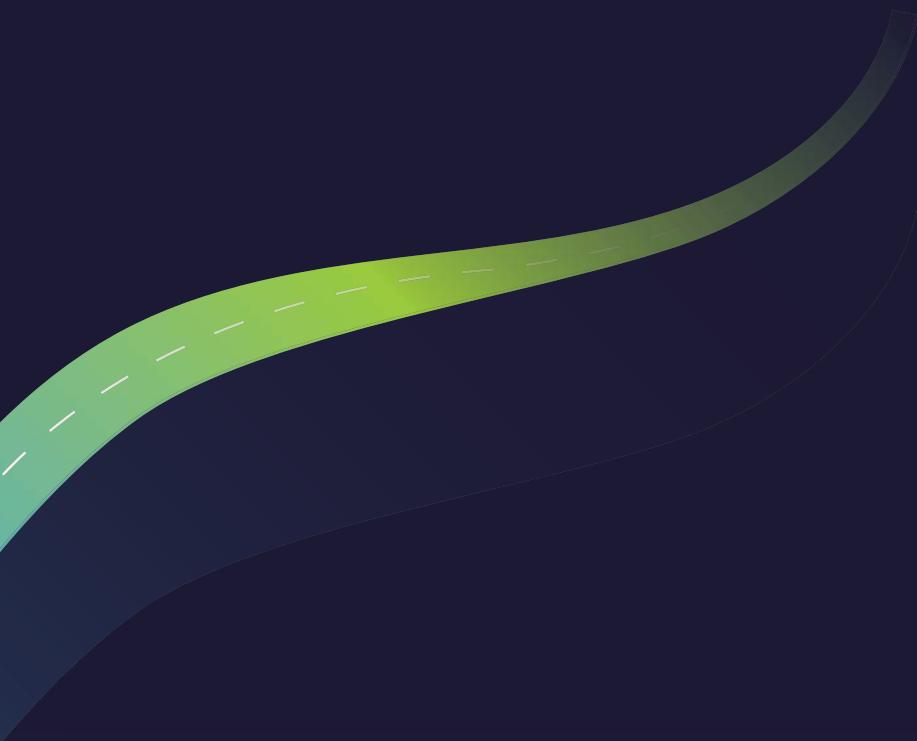
Restricted use

This report is intended solely for the information and use of HZL and is not intended to be and should not be used by anyone other than HZL.

For and on behalf of Ernst & Young Associates LLP.



Saunak Saha
Partner
8 September 2023
Kolkata, India



HINDUSTAN ZINC
Zinc & Silver of India

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