

Hindustan Zinc Limited Responsible Silver Policy

Fighting serious abuses of human rights, avoiding contributing to conflict over its supply chain and complying with high standards of anti-money laundering (AML) and combating terrorist financing (CFT) are central tenets of Hindustan Zinc Limited operating procedures.

Hindustan Zinc's operations comprise lead-zinc mines, hydrometallurgical zinc smelters, lead smelters, pyro metallurgical lead-zinc smelter as well as sulphuric acid and captive power plants.

Hindustan Zinc Limited will apply this policy and comply with the *LBMA Responsible Silver Guidance* for its Pant Nagar Silver Refinery which is listed with London Bullion Market Association's Good Delivery list of Acceptable Refiners of Silver.

The LBMA **Responsible Silver Guidance** follows the five steps framework for risk based due diligence of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

This policy will be implemented through a comprehensive management system that encompasses strict risk based due diligence before entering new commercial relationships as well as continuous monitoring of transactions on Silver Supply Chain.

As part of our Responsible Silver Sourcing Policy, Hindustan Zinc Limited commits to:

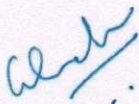
- Neither tolerate, contribute to, assist with or facilitate the commission of:
 - Any forms of torture, cruel, inhuman and degrading treatment;
 - Any forms of forced or compulsory labour;
 - Illegal and/or unacceptable forms of child labour;
 - Other human rights violations and abuses such as widespread sexual violence
 - War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

This is derived by strong company management systems, Identify access risk in supply chain
- Immediately suspend or discontinue engagement with our counterparty where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses as defined above.
- Support measures to build secure, transparent, fair-trade and verifiable Silver supply chains from mines to market. However, Silver is being sourced from our Integrated Operations as By-product during Lead Smelting, We have not sources any silver from outside mines
- Never source from illegal mining operations
- Not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals who:
 - Illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain, and/or
 - Illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
 - Illegally tax or extort intermediaries, export companies or international traders.
- Immediately suspend or discontinue engagement with upstream suppliers where we identify a probable occurrence that they are sourcing from, or linked to, any party providing direct or indirect support to non-state armed groups as defined above.
- Eliminate direct or indirect support to public or private security forces with illegal practices.
- Recognize that the role of public or private security forces at the mine sites and/or surrounding areas

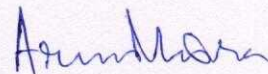
and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.

- Immediately suspend or discontinue engagement with upstream suppliers where we identify a probable occurrence that they are sourcing from, or linked to, any party providing direct or indirect support to public or private security forces with illegal practices or committing human rights abuses.
- Not offer, promise, give or demand any bribes, and resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of minerals extraction, trade, handling, transport and export.
- Establish strong company management systems to fight serious abuses of human rights, to avoid contribution to conflict over our supply chain and to comply with high standards of anti-money laundering (AML) and combating terrorist financing (CFT).
- Perform appropriate due diligence on a risk-based approach over our counterparties before doing any business and ongoing monitoring of the relationship in order to assess the risk of contribution to conflict, money laundering, terrorist financing and serious human rights abuse and implement a strategy to respond to identified risk.
- Ensure that appropriate scrutiny and monitoring of transactions are undertaken applying a risk based approach.
- Maintain adequate records to demonstrate that appropriate and ongoing due diligence have been followed.
- Make and receive payments for precious metals transactions through official banking channels.
- Take steps to contribute to the effective elimination of money laundering and terrorism financing. Should we suspect or have reasonable grounds to suspect that the funds or the precious metals are the proceeds of a criminal activity, or are related to terrorist financing we shall promptly report our suspicions to the local financial intelligence unit (FIU).
- Establish long-term relationships with precious metals suppliers and customers in order to build and support a responsible supply chain.
- Encourage our suppliers of precious metals to take appropriate steps to ensure that the provisions of this policy is communicated to their employees and their own supply chain and to urge our suppliers to commit to a gold supply chain policy consistent with Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains.

Hindustan Zinc Limited has put in place the following e-mail address silverhzi@vedanta.co.in allowing any employee, supply chain actor, or stakeholder to voice any concerns over the supply chain or newly identified risk.



C Chandru
Dy. Chief Operating Officer



Arun Misra
Chief Executive Officer