

Supply Chain Management

VISION

Our vision is to create an efficient supply chain with focus on technology, innovation and collaboration. We empower our suppliers to share responsibility for integrating sustainability and human rights by building their own management systems and internal controls.

APPROACH

- Our approach to supply chain management is collaborative and provides opportunities for digitalisation, innovation, cooperation and mutual growth.
- We upskill and empower our suppliers to share responsibility for integrating sustainability and human rights by building their own management systems and internal controls.
- We exchange ideas, insights for deeper engagement, knowledge acquisition and intellectual development.

STRATEGIC PRIORITIES

- Identify supply chain risk by assessing performance when selecting suppliers and contractors
- Monitoring of all suppliers and thorough assessment of all critical suppliers
- Suppliers' and contractors' Conduct business in alignment with our Supplier Code of Conduct

Supply Chain Strategy

<https://www.hzindia.com/wp-content/uploads/HZL-Supply-Chain-Strategy-F.pdf>

Sustainable Sourcing Policy

<https://www.hzindia.com/wp-content/uploads/HINDUSTAN-ZINC-LIMITED-Sustainable-Sourcing-Policy.pdf>

Supplier Due Diligence Procedure

<https://www.hzindia.com/wp-content/uploads/HZL-Due-Diligence-Procedure-F.pdf>

Supplier Code of Conduct

<https://www.hzindia.com/wp-content/uploads/Supplier-Code-of-Conduct.pdf>

HZL Procurement Philosophy

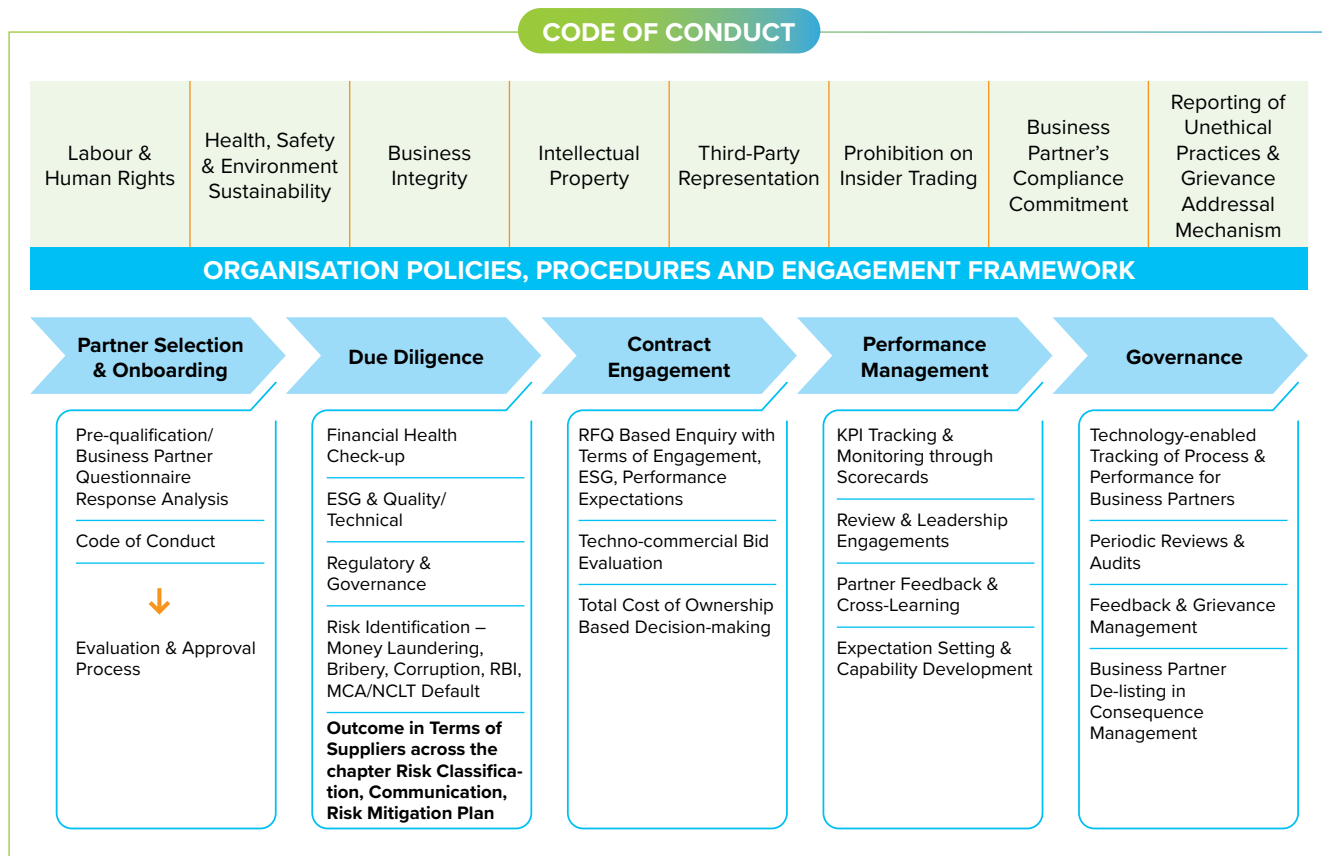
<https://www.hzindia.com/wp-content/uploads/HZL-Procurement-Philosophy.pdf>

Policy on Business Partner Grievance redressal

<https://www.hzindia.com/wp-content/uploads/Policy-Vendor-Grievance-Redressal-16.01.23-1.pdf>

Click here to get more information - <https://www.hzindia.com/vendor/>





POLICIES

- At HZL, we have a **Sustainable Sourcing Policy, Suppliers & Sustainability Management Policy, Supply Chain Strategy and Suppliers Due diligence Procedure** that aligns our goals with our valued business partners and promote a culture of responsibility towards sustainability. HZL's Sustainable Sourcing Policy is applicable to all our immediate business partners including service and supply partners based on fundamental requirement of adherence to the Suppliers Code of Conduct. The Code embodies our commitment to internationally recognized standards on five core principles – Labour and Human Rights, Occupational Health and Safety, Environmental Sustainability, Business Integrity, and Governance. It basically covers aspects such as health and safety, zero tolerance on child labour, environmental protection, climate change, anti-bribery program, unfair trade practices, grievance redressal mechanism, etc.

Our HSE Management Standards and Guidance give general guidance on responsible stewardship. HZL's HSE Management Standards are based on ISO management standard 14001 and OHSAS 18001 standards.

Technical Standard Resource Use and Waste Management ensures HZL uses resources and manages all of the wastes it produces in ways that minimise the impact on the environment and to human health; and that supports our policies in relation to sustainability and protection of the environment.

STRATEGY

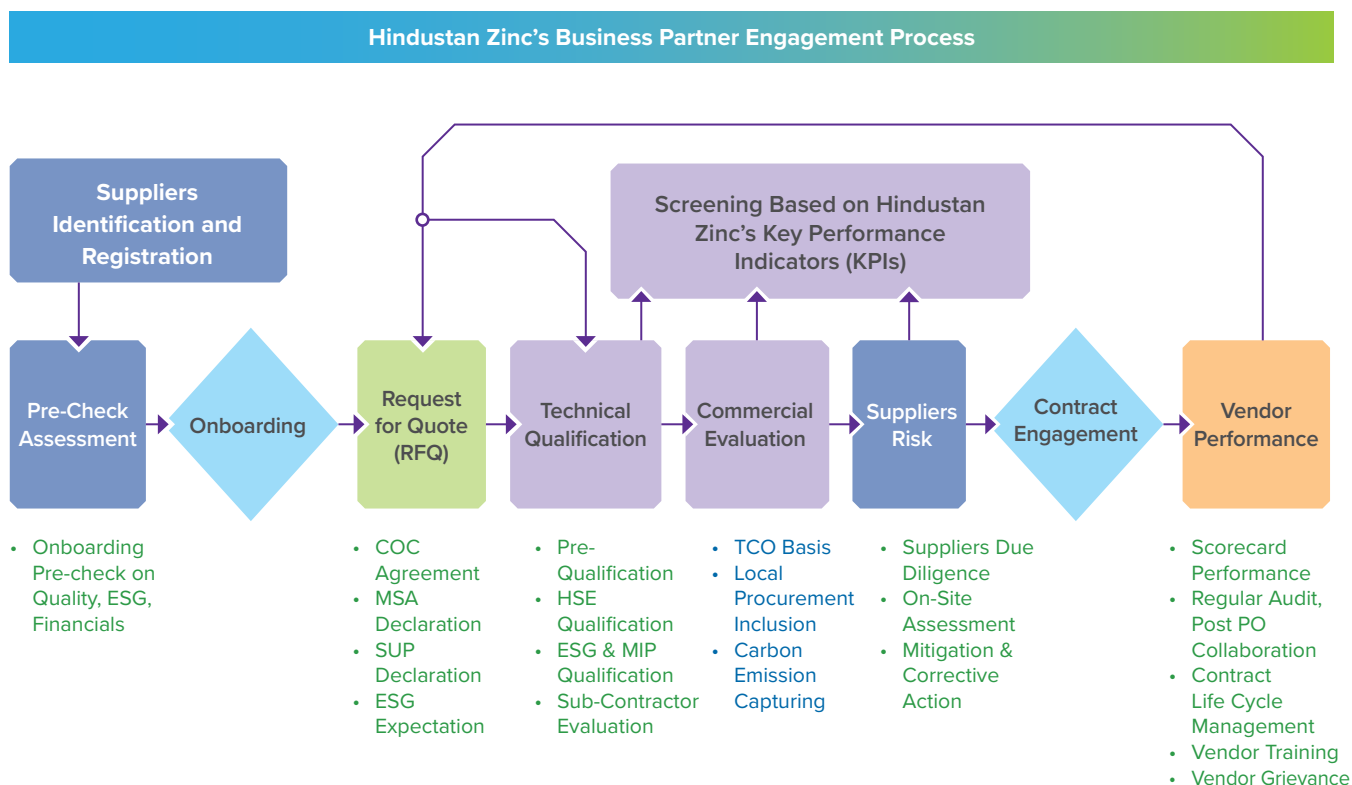
We run our mining, smelting and power operations in a sustainable manner at multiple locations across India and engage on B2B sales with various industries including Battery Industry, Pipe Industry, Galvanizing, Steel Industry and Traders. Our final products are Lead, Zinc and Silver which are used as raw materials by many other industries.

The important pillars of our Responsible Production strategy are as follows:



1. SUSTAINABLE SOURCING

We engage with our business partners through collaborations to improve their processes and performance by referring to the global best practices on responsible sourcing. Following are the steps undertaken by HZL for ESG integration in supply chain management strategy:



INTRODUCING ESG EXPECTATIONS

At Hindustan Zinc, we are committed to identifying, reducing and mitigating any negative impact of our business activities on people and environment. Adding to the launch of ESG Expectations for our Suppliers in the previous year, we collaborated with over 600 active suppliers and service partners, 25 of which were critical Suppliers to enhance business performance in line with our ESG objectives.

We were able to conduct sustainability assessment (water & biodiversity) for critical Suppliers.

Our suppliers commitment to, and fulfilment of ESG Expectations is of paramount importance to Hindustan Zinc. We have thus applied for the recognition of ESG Expectations on a global basis and integrated them into the various practices involved in Hindustan Zinc's qualification, evaluation, selection and management of Suppliers across the chapter, as part of its contracting process. It is assessed as a factor when Hindustan Zinc considers awarding commercial opportunities.

As per this, Suppliers are required to provide information, complete training and perform other activities in connection with the ESG Expectations before, during, or after their supply of goods or performance of services for Hindustan Zinc's requirements:

- Suppliers to identify their ESG issues in line with Hindustan Zinc's sustainability goals
- Identify risks and opportunities against ESG issues, identify and strategise solutions for the same, such as decarbonisation solutions, products which consume less energy/water
- Be 100% compliant with all regulatory requirements
- Make a commitment to various sustainable development goals like the Paris Agreement, net-zero target, Science-Based Targets initiative (SBTi), RE 100, EV 100, EP 100