

Hindustan Zinc Limited- CSR POLICY

Hindustan Zinc's vision is **"To enhance the quality of life and economic well-being of the communities around our operations"**. Our license to operate comes not only from the government but also from the communities surrounding our operations and particularly people of Rajasthan. As a socially responsible corporate entity our programs are aligned to community needs, national priorities and the United Nation's Sustainable Development Goals. We are successful because we contribute to society and build collaborative relationships. Our growth has true meaning when it creates betterment opportunities for the people around us.

COMPANY PHILOSOPHY:

Hindustan Zinc Limited is committed to the principles of harmonious and sustainable development; protecting human life, health and environment, ensuring social well-being and adding value to the communities. We respect human dignity, believe in inclusive and equitable growth, enhancing the quality of life and these lies at the core of our business philosophy and business operations.

FRAMEWORK:

I. Geographical Reach-

HZL's focus areas for community development projects will be the states in which it has operations. The Company may also periodically take up programs of national importance outside its core states.

II. CSR Focus Areas-

HZL's CSR shall focus on Education; Sustainable Livelihoods; Women's Empowerment; Health, Water & Sanitation; Sports & Culture; Environment & Safety; and Community Development including Community Assets Creation. The initiatives are targeted to improve the quality of life of communities which are best suited for company-community collaboration for long term outcomes and impacts. HZL shall proactively seek to encourage and involve its own employees in CSR initiatives.

III. Implementation and Management of CSR-

a) Delivery Mechanism

HZL shall consider following implementation models for delivering its CSR programs.

- i. Through forming partnerships with third parties such as civil society/NGOs Academic and Training Institutions, Corporates, the Government and community groups.

- ii. In House implementation by HZL - including design and delivery of the project.

The preferred mode for implementation shall be through partnerships - with civil society organizations, government and others. HZL may also consider participation in larger projects/programs where more than one Corporate /National/ Multi-lateral/ International agencies are involved.

b) Governance Mechanism

HZL has a multi- tiered governance mechanism.

- **Implementation Monitoring Committee (IMC)**, shall meet once every month to approve specific projects, partners and budgets; monitor audit reports and its compliances; review CSR program process and outcomes.
- **HZL Executive Committee (ExCo)**, shall approve annual CSR plans & budget and review the progress of the programs once every quarter.
- **HZL CSR Board Sub Committee** shall meet twice a year to approve and recommend the annual CSR plan and its budget, ensure CSR activities being undertaken are as per the CSR policy and review the progress of the projects and the Impact Assessment reports. The committee shall undertake 1) Selection 2) Implementation 3) Monitoring 4) Reporting 5) Recommending changes to board with respect to CSR.

The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the CFO or the person responsible for financial management shall certify to the effect.

In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

IV. Audit-

All CSR activities and expenses made thereof shall be subject to an audit by auditor appointed by Board. CSR Board Sub Committee shall review the compliance to requirement of Companies (CSR Policy) Amendment Rules, 2021'.

V. Base Line and Impact Assessments:

CSR programs' governance and quality will be monitored & reviewed as per set protocols. A third-party baseline survey and impact assessment of all the CSR programs including those with an outlay of INR 1 Cr. or more and which have completed not less than one year shall be conducted once every three years.

VI. The surplus arising out of CSR projects or programs or activities shall not form part of business profits. Further, any amount spent by the company in excess of the 2% obligation, the company shall carry forward the excess amount and set off the amount against the requirement to spend under section 135(5) up to immediate succeeding 3 financial years.

VII. Any unspent (after utilizing excess spend from the said financial years) shall be categorized into ongoing/not ongoing project and deposited into Escrow/Fund designated by Government as per the requirement of law.

VIII. The CSR activities are as per **Annexure I** or any other activity specified in Schedule VII of the Companies Act.

Review of Policy

This CSR policy document shall be reviewed from time to time and changes approved by the CSR Board Sub Committee.



Arun Misra
Chief Executive Officer & Whole Time Director
Date: May 1st, 2021

Annexure-I

HZL's CSR Activities

Education

1. Khushi - NandGhar Program, Child Care Project and any other similar programs for early childhood.
2. Shiksha Sambal Project in earmarked schools
3. Scholarships and financial assistance to meritorious students
4. Unchi Udaan – a program to groom students for entrance to Engineering Colleges
5. Setting up of Model Anganwadis/ Nandghar
6. Support to educational initiatives
7. Support for the differently abled
8. Company run schools

Sustainable Livelihoods

1. Implementation of Agriculture and Livestock Development Projects in rural areas.
2. Support to market- Linked vocational/technical/professional training for youths.

Women's Empowerment

1. Promotion and formation of Sakhi Self-help groups.
2. Skill building of rural women in various trades.
3. Promotion of Sakhi Production Centers.

Health, Water & Sanitation

1. Organizing health and awareness camps.
2. Providing financial support to needy/poor patients as part of our healthcare projects.
3. Build/enhance/support hospital and health initiatives.
4. Sanitation, drinking water facilities in rural areas.
5. Initiatives on eradicating malnutrition and reducing child mortality
6. Company run hospitals

Sports & Culture

1. HZL Football Academy
2. Supporting sports tournaments for community.
3. Providing support to young talents from our community
4. Promoting various aspects of folk and tribal cultures.
5. Organizing/ supporting cultural events.
6. Sponsorships for promotion of art and heritage.

Environment & Safety

1. Support for cleaning of lakes, rivers and water treatment.
2. Environment projects for beautification of lakes & city.
3. Undertaking plantation and afforestation activities.
4. Undertaking Safety initiatives for community

Community Development

1. Rural development projects for Community Asset creation like roads, bridges, culverts, drains, rural electrification, water and water recharge infrastructure, community centers etc.