



Scaling New Heights

Record Performance, Sustainable Growth

Dear Shareholder,

As I reflect on the past nine months, I am proud to share that Hindustan Zinc continues to strengthen its position as a global leader in clean energy transition metals, driving India's industrial and economic growth. The third quarter of FY25 has been another period of strong financial and operational performance, underscored by strategic advancements and unwavering commitment to sustainability. More importantly, our production is firmly rooted in sustainability and ESG excellence. Our leadership has been globally recognized—S&P Global Corporate Sustainability Assessment 2024 ranked us the world's most sustainable metals & mining company for the second consecutive year, and we secured a top 1% ranking in the S&P Global Sustainability Yearbook.

With robust production of zinc, lead, and silver, Hindustan Zinc holds over 75% domestic market share in primary zinc production and remains one of India's top metal companies by market capitalization.

Committed to Sustainability & Environmental, Social, and Governance (ESG) Leadership

We continue advancing towards net-zero emissions through renewable energy, water conservation, and circular economy initiatives. In May 2024, we achieved the first power flow under our 450MW renewable energy agreement. Our Board has approved an expansion plan to increase renewable energy capacity to 530MW by 2028, covering 70% of our energy needs while reducing carbon emissions by nearly 70%.

As part of our waste-to-wealth initiatives, we commissioned India's first Fumer plant at Chanderiya for sustainable metal recovery. Additionally, Zero Liquid Discharge (ZLD) plants at Agucha and Zawar—India's first in mining—reinforce our environmental stewardship. We continue to be certified 2.41 times water positive.

Our people remain at the heart of our success. Women now make up 25% of our talent pool, with over 700 women employees out of which 200 are in core operations. I am particularly proud of our all-women underground mine rescue teams, setting national and global benchmarks. Our commitment to fostering an empowering workplace was recognized at the W.E. Matter Global Employees' Choice Awards 2024, where we were named an Employees' Choice Workplace.

A Quarter of Record Production and Cost Optimisation

The third quarter saw record-breaking performance with our best-ever 3Q revenue of ₹8,614 crores and historic best 3Q EBITDA of ₹4,539 crores, achieving an industry-leading EBITDA margin of ~53%, up 400 bps YoY. We also recorded our highest-ever nine-month mined and refined metal production at 784 kt and 783 kt, respectively. Our cost position remains among the world's lowest at \$1,041 per tonne, the lowest in 15 quarters. Over the past five years, metal production has grown at a CAGR of 4%, while silver production has expanded to 5%, reinforcing our sustainable growth. This trajectory has enabled us to deliver about 52% of total shareholder returns this fiscal, significantly outperforming Nifty's 3% return and Nifty Metal's marginal gains.

Smart Operations: Powered by Digitalization & Automation

Our record-breaking production numbers are backed by highly digitalized and automated operations that continue to set industry benchmarks. Be it our tele-remote operations allowing us to operate underground mines from the surface or advanced robotics in metal production, we stay committed to minimizing human intervention across our operations. Our agile adoption of AI (artificial intelligence) and IIoT (Industrial Internet of Things) have enabled unprecedented advancements in ore extraction, processing, and metal production and continue to boost our productivity.

Future Growth and Expanding Horizons

With India's expansion in steel capacity and a strong focus on infrastructure, Hindustan Zinc is on track to double its production to 2 MTPA by 2030, as our zinc plays a critical role in steel galvanization. Our roaster and fertilizer plant projects are progressing as planned, strengthening our growth pipeline.

We are also expanding into critical minerals, having been declared the preferred bidders for several blocks across India. This marks a strategic step into transition minerals, reinforcing our commitment to the global energy transition. As India moves towards becoming the world's third-largest economy, Hindustan Zinc is well-positioned to meet its needs with strong fundamentals, sustainability-driven strategies, and technological advancements.

We thank you for your continued support. Together, we will shape the future of metals and industrial excellence, keeping Hindustan Zinc at the C'ORE' of the global energy transition.

Sincerely,

Priya Agarwal Hebbar
Chairperson, Hindustan Zinc Limited

