



**HINDUSTAN ZINC**

# **UNITED NATIONS GLOBAL COMPACT**

**Communication on progress in 2017-18**

# HINDUSTAN ZINC LIMITED

## – AN OVERVIEW

Hindustan Zinc Limited is a public limited company and a subsidiary of Vedanta Resources plc, a UK based diversified natural resources company, whose business primarily involves producing oil & gas, zinc, lead, copper, iron ore, aluminium and commercial power.

Hindustan Zinc Limited (HZL) an integrated mining and resources producer of zinc, lead, silver and cadmium. Headquartered at Udaipur, Rajasthan (India) we operate with 19000 workforces and deliver consistent, high quality products and services to customers all over India, Asia and Middle East. We are renowned globally for the high purity refined metals that we supply. Marketed under various brand names, our product line also includes LME registered Special High Grade (SHG) zinc and lead.

Hindustan Zinc added a new product to its portfolio with the launch of Hindustan Zinc Die Casting Alloy (HZDA) - a unique product developed using primary zinc and pure aluminium. HZDA will cater to the needs of the die casting sector, with applications in automobile components, household appliances, sanitary ware and defence. The launch of HZDA is in sync with the Prime Minister's flagship program "Make in India", and is expected to replace imported zinc alloys.

Our business entails mines, smelters and refineries. We are the world's second largest zinc producer and one of the lowest cost zinc producers in the world. We have a long mine life of over 25 years which ensures the long term sustainability of our business when combined with our strong financials, executional excellence and strategic

### VISION

*Be the world's largest and most admired Zinc-Lead & Silver Company.*

### MISSION

- *Enhance stakeholders value through exploration, innovation, operational excellence and sustainability*
- *Be a globally lowest cost producer*
- *Maintain market leadership and customer delight*

business management capabilities. Total R&R of 411.3 million MT.


During FY 2017-18, The Company reported total revenue including other income of Rs 24,272 Crores. Record EBITDA at Rs. 12,376 Crores for FY 2018; up 27% y-o-y and record Net Profit Rs. 9,276 Crores for FY 2018; up 12% y-o-y. The Board declared dividends of 400% amounting to Rs 4,068 Crore including dividend distribution tax during the year.

Despite global consumption challenges clubbed with reduced liquidity in India due to demonetization, we were able to maintain our focus on production and realisation per tonne due to cost control and dwindling global mine supply, enhanced efficiencies, improved productivity of our mines and smelters, as well as accelerated mine development across our expansion projects. Our focus on sustainable economic growth is evident from the robust numbers of production viz. 792000 MT refined Zn Metal; 168000 MT refined Lead Metal; 558 MT Silver.


We continue to maintain our position as one of the lowest cost producers globally, even though the recovery in commodity prices led to higher operating costs and offset the leverage of higher volume and cost optimization initiatives. The Company remains on track for achieving 1.2 mtpa mined metal capacity in the next three years.

Renewable energy is a huge thrust area for us at Hindustan Zinc. We aim to be self-sufficient and green in fulfilling our energy requirement so as to not put any stress on the energy starved state of Rajasthan which hosts significant part of our operations. Our portfolio of over 300 MW of renewable energy generation is testimony to our philosophy of growing responsibly. We are already a significant wind power producer in India with a capacity of 274 MW across five states.

Sustainability is vital to steer operational excellence and ensure business growth. Hence, we have embedded sustainability as a strategic tool in our business model to ensure our continuity in the ever-changing world of business. We adhere to the Vedanta Sustainable Development Framework that helps us integrated sustainability throughout our business management and operational drivers of governance, safety and social



Hindustan Zinc is committed to undertake social and community based initiatives in the vicinity of its operations, to contribute to the socio-economic well-being and empowerment of communities.



responsibility. Our policies, procedures and best practices are all aligned to this strategy, which is why; our employees have a clear understanding of their role in driving business success. With this approach, we predict a sustainable future of our business operations by meeting our growth targets, and creating long-term value for all our stakeholders.

Safety remains an area where despite our best efforts we have not been able to fully achieve our aim of 'Zero Harm'. We had 2 fatalities in the reporting year at our project site. Whilst our safety metrics such as LTIFR show a reducing (positive) trend, we continue to push the safety envelope further with our stringent processes, trainings and visible felt leadership especially as we make the underground transition.

Company's efforts towards reinforcing a positive safety culture have resulted in reduction of Lost Time Injury Frequency Rate reduced from 0.30 a year ago to 0.27 in FY 2017-18.

Environment management is the litmus test for all mining and extractive companies. We at Hindustan Zinc try to conserve natural resources, reduce our emissions and adopt greener technologies wherever possible to ensure that our effective environmental footprint shrinks year on year. 42% of the waste generated during the year recycled.

Our corporate office in Udaipur has been certified as a Platinum Green Building by Confederation of Indian Industry (CII)-Indian Green Building Council (IGBC). It is one of the only 14 CII-IGBC Platinum rated buildings in India and the first ever in Rajasthan.

The most important aspect of any Sustainable company lies in its success in bringing relevant development to the communities where it gains from. And am happy to share that Hindustan Zinc has managed to continue its social responsibility trajectory by focusing on education, vocational training, sustainable livelihood, promoting women empowerment, health and medical camps, water and sanitation facilities, sports and culture, environment preservation and holistic community development. During the year, Rs 92 Crores was incurred on account of expenditure towards.



**The Communication on Progress is in the following format:** Stand-alone document and Part of a Sustainability report 2017-18 (GRI- Standard)

**Time period covered by COP-** April 2017 to March 2018

**Third Party Assurance of UNGC Principles** – by M/s KPMG

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## CEO statement

September 12, 2018

### Statement of continuing support in implementing the United Nations Global Compact Principles

Hindustan Zinc Team is steadily moving forward in the direction of upholding the following principles of the United Nations Global Compact (UNGC):

#### 1. Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

#### 2. Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: Eliminate discrimination in respect of employment and occupation.

#### 3. Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility;

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

#### 4. Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The above ten principles are part of our business ethics and practices in our workplace. We strive to propagate these principles within our stakeholders i.e. vendors, supply chain, customers and workforce at large. We have the strong support of our Board for this & will continue to develop and share innovative ways of meeting our obligation to this global movement.

**Sunil Duggal**

**CEO & Whole-time Director**

## Approach to Sustainability and Sustainability Governance

Sustainability is vital to steer operational excellence and ensure business growth. Hence, we have embedded sustainability as a strategic tool in our business model to ensure our continuity in the ever-changing world of business. We adhere to the Vedanta Sustainable Development Framework that helps us integrate sustainability throughout our business management process and operational drivers of governance, safety, and social responsibility. Our policies, procedures, and best practices are all aligned to this strategy, which is why our employees have a clear understanding of their role in driving business success. With this approach, we predict a sustainable future of our business operations by meeting our growth targets, and creating long-term value for all our stakeholders.

Our approach to sustainability consists of our seven fundamental values, our Code of Conduct and our Sustainability policies. These are aligned with the UNGC and its principles. Our Code of Conduct and sustainability policies apply to our workforce across all of our operations.

This Communication on Progress in 2017-18 demonstrates our continuing progress on integrating the UNGC and its principles into everything we do. It references our 2017-18 Annual and Sustainability Reports, Climate change CDP and Water CDP responses. Further information on our approach to sustainability is also available at our website <http://www.hzlinindia.com/>



### Vedanta Sustainability Development Framework

The framework is underpinned by four guiding pillars for achieving sustainability:

- **Responsible Stewardship**  
It is our responsibility to respect natural and human resources at all stages of a project.
- **Building Strong Relationships**

Connecting with stakeholders helps us build a business fit for the future.

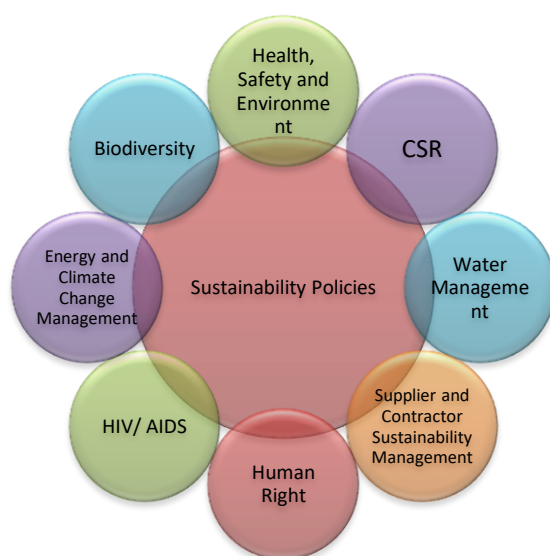
- **Adding and Sharing Value**  
We have a purpose beyond profit and make an important contribution to socio-economic development.
- **Strategic Communications**  
We are committed to complete transparency and emphasize on principles of community dialogue and mutual respect including free, prior informed consent to access natural resources.



Details of Vedanta Sustainability Framework are available

<http://sustainabledevelopment.vedantaresources.com/content/dam/vedanta/corporate/documents/Past-SD-Reports/VedantaSustainabilityDevelopmentReport2012.pdf.downloadasset.pdf> (pg 11).

Our Sustainability Policies drives and guides all our business activities. These policies outline our business' commitment and strategy towards all areas of sustainability. We have eight Sustainability policies to ensure our commitment towards doing business in a responsible manner.



## Sustainability Governance-

Our sustainability governance structure consists of a three-tier governance mechanism, which is directed by the Vedanta Board to the units of operations at the site level. These committees –at the group, company, and unit levels – keep a close eye on our sustainability performance throughout the year. Using our internal sustainability risk management tool, the Vedanta Sustainability Assurance Programme (VSAP), we continue our business by setting key sustainability targets, even as we regularly review our progress through compliance assessments and audits. The VSAP aids us in identifying shortfalls and helps us take the necessary corrective and preventive actions.

## Sustainability Governance Framework





**Criterion 1: The COP describes mainstreaming into corporate functions and business unit**

Best practices	Reference
Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human Resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> <li>• Sustainable development section in Annual Report 2017-18</li> </ul>
Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> <li>• Sustainable development section in Annual Report 2017 -18</li> </ul>
Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> </ul>
Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> </ul>
Ensure that different corporate functions coordinate closely to maximise performance and avoid unintended negative impacts	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> <li>• Materiality Matrix- Sustainability Report 2017 -18</li> <li>• Strategy, Approach and key actions for Key priority areas - Sustainability Report 2017 -18</li> </ul>
Other established or emerging best practices	<ul style="list-style-type: none"> <li>• Sustainability Score Card- Sustainability Report 2017 -18</li> <li>• Road Map 2017-18- - Sustainability Report 2017 -18</li> <li>• Green building Case Study- Sustainability Report 2016 -17</li> <li>• Solar Power Case study - Sustainability Report 2016 -17</li> <li>• Paver Block Case Study – Sustainability report 17-18</li> <li>• Sustainability Policies- <a href="http://www.hzlindia.com/sustainability/sustainability-policies/">http://www.hzlindia.com/sustainability/sustainability-policies/</a></li> </ul>

## Criterion 2: The COP describes value chain implementation

Best practices	Reference
Analyse each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Management Strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> <li>• HZL Procurement philosophy <a href="http://www.hzlindia.com/wp-content/uploads/5.-HZL-Procurement-Philosophy.pdf">http://www.hzlindia.com/wp-content/uploads/5.-HZL-Procurement-Philosophy.pdf</a></li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> </ul>
Communicate policies and expectations to suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>• <i>Supplier Code of Conduct</i> <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• <i>Supply Chain Management Strategy</i>- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> <li>• <i>HZL Procurement philosophy</i> <a href="http://www.hzlindia.com/wp-content/uploads/5.-HZL-Procurement-Philosophy.pdf">http://www.hzlindia.com/wp-content/uploads/5.-HZL-Procurement-Philosophy.pdf</a></li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> </ul>
Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence	<ul style="list-style-type: none"> <li>• Supply Chain Section Sustainability Report 2017-18 (Page 103- 114)</li> <li>• Sustainability Assurance Statement 2017-18 (Page 140-141)</li> <li>• <i>Supply Chain Management Strategy</i>- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> </ul>
Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	<ul style="list-style-type: none"> <li>• Supplier Day Case Study- <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-Day-1-Feb-2017.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-Day-1-Feb-2017.pdf</a></li> <li>• Buyer Training Case Study- <a href="http://www.hzlindia.com/wp-content/uploads/Buyer-Training-Competence-Building-3-4-Mar-17.pdf">http://www.hzlindia.com/wp-content/uploads/Buyer-Training-Competence-Building-3-4-Mar-17.pdf</a></li> </ul>

Other established or emerging best practices	<ul style="list-style-type: none"> <li>• Road Map 2018-19- Sustainability Report 2017 - 18 (page 28)</li> <li>• Score Card 2017-18- Sustainability Report 2017 - 18 (page 29)</li> <li>• Supply Chain Section Sustainability Report 2017- 18</li> <li>• Adoption of Modern Slavery Act -2015in our supply chain</li> </ul>
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## UN Global Compact principles

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption. These take the form of ten principles.

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** Make sure that they are not complicit in human rights abuses.

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** The elimination of all forms of forced and compulsory labour;

**Principle 5:** The effective abolition of child labour; and

**Principle 6:** The elimination of discrimination in respect of employment and occupation.

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** Undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

Keeping in view the ten principles, we have developed a performance matrix which was incorporated in all our strategic business functions and regularly reviewed from shop floor to board room level. Our major areas of performance were in the field of employee relations and training and development, Occupational Health, Safety and Environment Management, Supply chain, investor relations and Social Initiatives. HZL is among the few companies in India to be registered with United Nations (UN), resulting in a compliance with the following Global Compact Principles actions and outcomes.

## Human rights

**The first two UNGC principles relate to human rights.**

Our human rights policy sets out our approach to this vital topic. The policy is aligned with UN Guiding Principles on Business and Human Rights. We are committed to the principles of sustainable development including protecting human life, health and environment, - promoting social well-being and adding value to the communities in which we operate. Protecting and respecting human dignity is central to our everyday business operations. We will conduct our businesses in a fair and equitable manner, meeting our social responsibilities as a direct and indirect employer and we will respect the human rights of all our stakeholders respecting and the United Nations Declaration on Human Rights.

**Hindustan Zinc strives to:**

- Be compliant with labour laws of the country we operate in. Uphold human rights aligned with national and international regulations as applicable;
- Ensure that our employees including contract employees are fairly and reasonably paid and remuneration structure is compliant with statutory obligations of the jurisdiction we operate in. Our operations will be based on zero tolerance for any form of forced, compulsory or child labour directly or through contracted labour. We recognise and respect employee rights to associate freely and to

collective bargaining. We promote fair working conditions as guided by international conventions wherever applicable;

- Be an equal opportunity employer and all employees will be treated with respect and dignity and judged solely on their performance irrespective of their race, religion, caste, gender, age, disability, HIV/AIDS status, and any other characteristic;
- Respect and preserve the culture and heritage of the local stakeholders including socially vulnerable groups which are impacted by our operations activities and work towards developing a constructive relationship with such groups and local communities, seeking broad-based support for our operations activities;
- Respect the social, economic, cultural and human rights of communities' stakeholders and will regularly communicate social performance in an accurate, transparent and timely manner;
- Work with Government and Regulatory agencies to develop a common understanding and agreement to protect human rights in the event of any unforeseen situations. We will ensure protection of our people, equipment and assets.

Our units have Grievance Redressal mechanisms that are accessible, accountable and fair, which let our stakeholders raise concerns without fear of recrimination. Human rights training to all the new joiners and Security personnel.

### **Slavery and Human Trafficking**

At Hindustan Zinc Limited, we are committed in our approach to tackling modern slavery in our business and supply chain, consistent with the disclosure obligations under the UK Modern Slavery Act 2015. We expect the same high standards from all our contractors, suppliers and other business partners. We are committed to ensuring that there is no use of forced, compulsory or trafficked labor or anyone held in slavery or servitude in any part of our business and we expect that our suppliers will apply the same high standards to their own organization and supply chain.

Information that addresses these principles can be found in

- *Human Rights Policy*- <http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf>
- *Code of Conduct and Business Ethics*- <http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf>
- *Supplier Code of Conduct*<http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf>
- *Diversity and Inclusion Policy*- <http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf>
- Human right approach- <http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf>
- Ethics and Corporate Governance Section Annual report 17-18

### **Labour standards**

**The next four principles relate to labour standards.**

Our people are our greatest asset. We treat all our people fairly, uphold their rights and reward them competitively, in line with their contribution to our Business Sustainability. We believe that it is vital to our business to attract and retain the best people at every level. With the help of engagement,

## Vision 2020

To build a highly empowered and engaged workforce by delivering innovative HR programs and practices that foster a high performance, talent-based environment aligned with strategic business goals

We recognise the fact that unless we give them the opportunities to nurture their own talent, we will not be able to optimise our processes to make a difference within our organisation or in the market. We therefore, see our growth arising from theirs.

All our operations strive to provide clear, attractive career paths and safe, healthy workplaces without discrimination or harassment. We rigorously enforce our equal opportunity policy at every level. We prohibit discrimination on the basis of race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, political or other opinion, or any other bias. We do not tolerate any form of racial, sexual harassment.

We prohibit child, forced, or compulsory labour. We recognise and uphold the rights of our people, whatever their location or role, to a safe workplace, freedom of association, collective representation, job security and development opportunities.

Information that addresses these principles can be found in:

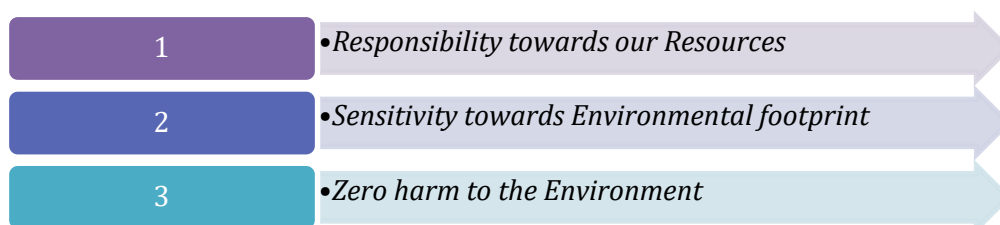
- Human Rights Policy- <http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf>
- Code of Conduct and Business Ethics- <http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf>
- Supplier Code of Conduct <http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf>
- Diversity and Inclusion Policy- <http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf>
- Human right approach- <http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf>
- Ethics and Corporate Governance Annual report 17-18
- People section SDR 17-18 (page 87)
- Social section SDR 17-18 (page 115)
- Supply chain Section SDR 17-18 (page 103)
- Safety section SDR 17-18 (page 51)

## Environment

**The next three principles relate to the environment.**

In line with our HSE policy, we are committed to the responsible stewardship of natural resources. We recognize that, our business involves critical activities which have the potential to cause significant environmental impact. Therefore we are evaluating that risk, taking mitigation measures through proper planning, and managing such impacts on an ongoing basis at all stages of our activities -from exploration to development, operation, and closure of sites We are committed to reduce our footprint on environment by judicious use of natural resources like water and energy and exploring alternate use of various wastes.

As part of our continuous efforts towards reducing our footprint to environment, every year we set goals for efficient use of water and energy, we strive to meet the goal by creating necessary technological interventions. We also acknowledge the need to care for the ecosystems and biodiversity in area where we operate. Likewise, we are aware that sustainable growth requires an effective response to climate change and we are taking initiatives to reduce the GHG emission from our operations. To that end, we have stepped up our efforts to boost our efficiency throughout our organization guided by three basic principles:



‘Responsibility towards our Resources; Sensitivity towards Environmental footprint and we pave the road to sustainable operations. These principles dictate the mantra for Green Hindustan Zinc and align us to practice the ‘4-R Policy’- Reduce, Recycle, Reuse and Reclaim in our operations’.

### **Environmental Management:**

Our endeavours for environment friendly production begin with the Environment and Social Impact Assessments (ESIA’s) for any new project. This process helps us to prepare mitigation plan to address the potential impact of our projects on environment and social boundaries. For the existing operations, we have set up Environmental Management Systems (EMS) and compliance to same is regularly assessed internally through Vedanta Sustainability Assurance Programme (VSAP). We keep track of our environmental incidents and all the reported incidents undergo a stringent investigation process. For ensuring the effectiveness of the Environment Management Systems and compliance with environmental norms and standards, all our major units are certified for ISO 14001:2004. Two of our units SKM and RDM are certified for ISO: 50001 Energy Management System also.

We are committed to measuring, controlling and reducing air emissions at each of our site and are implementing systems & procedures to address the concerns of local communities as well as to comply with the environmental license conditions. Through advanced mitigation, measurement and management strategies, we continue to identify, reduce and wherever possible, eliminate any potential impacts to air quality caused by our operational activities. We have installed online monitoring systems for emissions and effluents to transmit data directly to servers of central and state pollution control authorities.

### **Vision 2020**

**To be an industry leader in using green technologies for reducing our environmental footprint; this we envisage to achieve by innovating processes for water stewardship; introducing captive usage of energy from renewable sources; and adopting new methods for waste reduction**

We support the development and implementation of scientifically sound, inclusive and transparent approaches to integrated land use planning, biodiversity, conservation and mining.

Information that addresses these principles can be found in:

- Environment Section – Sustainability Report 2017-18 (page 65)
- Sustainability Section- Annual report 2017-18 (page 52-67)
- Environment Compliance- <http://www.hzindia.com/sustainability/environment-compliance/>

- Environment Section- <http://www.hzlindia.com/sustainability/environment-management/>
- HSE Principles and Policy- <http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf>
- Water Management Policy <http://www.hzlindia.com/wp-content/uploads/Water-Management.pdf>
- Energy and Climate Change Management Policy- <http://www.hzlindia.com/wp-content/uploads/Energy-and-Climate-Change-Management.pdf>
- Biodiversity Policy- <http://www.hzlindia.com/wp-content/uploads/Biodiversity-Policy-1.pdf>
- Climate Change CDP- <http://www.hzlindia.com/wp-content/uploads/CDP-2018-1.pdf>
- Water CDP- <http://www.hzlindia.com/wp-content/uploads/CDP-2018.pdf>

## Anti-corruption

### The final principle relates to corruption.

We aim to reduce the bribery and the potential for corruption in our entire value chain from initial stage to the final sale and delivery of our commodities to the customers. Employees shall not offer or provide undue monetary or facilitation payments, other advantage to any person or persons, including public officials, customers or employees, any associated persons, in violation of laws and the officials' legal duties in order to obtain or retain business.

As a signatory to the United Nation Global Compact, and abide by the UNGC principle 10 which states that business should work against corruption in all its forms including extortion and bribery. To address the specific issue of bribery and corruption, our code covers topics such as the Securities dealing code (Insider Trading Regulations), Gift Policy, the UK Bribery Act and the Foreign Corrupt Practices Act (USA). All employees are communicated on the same as a part of our code of conduct training. The same is also dealt with in our supplier code of conduct and communicated with them prior to contract approval.

### Encouraging Fair Practices

A whistle-blower mechanism is in place at Hindustan Zinc so as to provide an opportunity for employees and other business partners to report any unethical practice within the company.

We have a Whistle-blower policy that ensures that the identity of whistle-blower is kept confidential.

Complaints can be reported pertaining to the following areas such as:

- Fraud against investors, securities fraud, mail or wire fraud, bank fraud, or fraudulent statements.
- Violations of any rules and regulations applicable to the company and related to accounting and auditing matters.
- Intentional error or fraud in the preparation, review or audit of any financial statement of the company.
- Any violations to the Company's ethical business practices as specified in the Company's Code of
- Conduct policy.

Any complaints under this policy, is reported to the Group Head-Management Assurance who is independent of operating management and business. The Head-Management Assurance ensures investigation of complaints and submits regular reports on any complaints received to the Company's Audit Committee for review.





Complaints can also be sent to the mail ID: [hzlwhistle.blower@vedanta.co.in](mailto:hzlwhistle.blower@vedanta.co.in).



Hotline number: (000-800-100-1681)



Web based reporting platform: <http://www.vedanta.ethicspoint.com>

### **Slavery and Human Trafficking**

At Hindustan Zinc Limited, we are committed in our approach to tackling modern slavery in our business and supply chain, consistent with the disclosure obligations under the UK Modern Slavery Act 2015. We expect the same high standards from all our contractors, suppliers and other business partners. We are committed to ensuring that there is no use of forced, compulsory or trafficked Labor or anyone held in slavery or servitude in any part of our business and we expect that our suppliers will apply the same high standards to their own organization and supply chain.

Information that addresses this principle can be found in:

- Code of Conduct and Business Ethics- <http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf>
- Supplier Code of Conduct <http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf>
- Ethics and Corporate Governance Chapter Sustainability Report 2017-18
- Corporate Governance Chapter- Annual Report 2017-18

## **Category 1: Human Rights (UNGC Principles 1-2)**

**Principle 1-** Business should support and respect the protection of internationally proclaimed Human Rights.

**Principle 2-** Business should ensure that they are not complicit in human right abuses.

### **Management Systems:**

- HZL follows the principles of the International Declaration of Human Rights. As a model employer in the country owing allegiance to the Constitution of India, we support and respect

the protection of human rights and is actively demonstrating commitment to human rights through efforts to address the human right of access to health and fair working conditions.

- We have an Internal Complaint Committee which takes care of the rights of the women employees and ensures their protection at work place. All the complaints related to sexual harassment of women employees, if any are dealt by this committee.
- HZL strongly adheres to UK Bribery Act 2010. Under this we ensure no employee is involved in the action of bribery. Both receiver and payer of the bribe will be prosecuted.
- Ethical behaviour is promoted through regular communication and commitment to the HZL Code of Conduct. HZL has a well-documented Business Code of Ethics and Principles and adheres to it with zero tolerance principle.
- We have whistle blower policy under which Employees have the opportunity to submit / report 'Complaints' pertaining to the following areas such as: a) fraud against investors, securities fraud, mail or wire fraud, bank fraud, or fraudulent statements b) violations of any rules and regulations applicable to the Company and related to accounting and auditing matters c) intentional error or fraud in the preparation, review or audit of any financial statement of the Company d) any violations to the Company's ethical business practices as specified in the Company's Code of Conduct policy. The policy explicitly mentioned the pre-requisites to ensure that the identity of whistle blower is kept confidential. All employees of the company are eligible to make Protected Disclosure under the policy.
- All operating sites are certified under different management systems likes ISO 9001, ISO 14001, OSHAS 18001, and SA-8000 and retaining the certification standard after the audits.

#### **Actions:**

HZL in keeping its commitment to codes and articulated policy incorporates the following as central to its social responsibility:

- Annual Supplier Day justifies our commitment which was also shared with all our vendors to ensure collective ownership towards the business and stakeholders relations.
- Most of the units of the company have developed respective newsletters for sharing information about the business best practices and added to the learning curve by incorporating best global practices.
- Internal awareness-raising and training on human rights for management and employees
- Trade Unions are engaged in decision making at all levels from top management to shop floor.
- Audits are conducted periodically to ascertain the effect of our products/processes and services on society followed by corrective actions.
- Strengthening and supporting the people in a number of ways like maintaining the local areas, providing free medical treatment to employees and at nominal cost to non-employees at HZL Dispensaries, Environment conservation, organizing eye camps, family planning, immunization and other camps, encouraging sports and youth development and participating in social programs in the villages.

- We have adopted the UK Modern Slavery Act, 2015 to achieve high standard of ethical business practices from all our contractors, suppliers and other business partners
- We adopt the Vedanta Sustainability Framework for all the sustainability practices of our company. Also, we have the Code of Conduct and Human Rights policy at the company level. We regularly review the human rights management system of the company and in addition, human rights are embedded in the Vedanta Sustainability Assurance Program (VSAP) model which is an integral part of the Vedanta Sustainability Framework. Through VSAP yearly we map the compliance against the Human rights. Along with this, we are following Indigenous People and Vulnerable Tribe Group Standard, Land Settlement and Management Standard and guidance note on Human Rights which is part of Vedanta Sustainability Framework, details of Vedanta Sustainability Framework is available <http://sustainabledevelopment.vedantaresources.com/content/dam/vedanta/corporate/documents/Past-SD-Reports/VedantaSustainabilityDevelopmentReport2012.pdf>.

### **Performance:**

- Not a single case of violation of human rights abuses reported by any agency against the company.
- Most of the business units are 5S Certified.
- All operating sites are certified under different management systems likes ISO 9001, ISO 14001, OSHAS 18001, and SA-8000 and retaining the certification standard after the audits.
- We have always believed in maintaining cordial relationship with our employees. Long Term Settlement was signed with the Employees' Federation, for a period of five years effective from July 2012,
- We continue our focus on learning and development to build an enhanced and effective knowledge base, to provide a vibrant working environment to enable employees to innovate, discover potential and realize professional dreams. It uses appropriate and modern methods for training encompassing simulator based trainings, workshops & conferences and learning clubs. The Company also encourages visits to best practice companies in India and abroad, institutional training, knowledge sharing meetings and learning implementation projects, which help to bridge the identified gaps. During the year over 0.60 million man-hours of training on Safety was imparted to employees.
- In FY 2015-16, Vedanta Resources underwent an internal assessment of Human Rights practices against UN Guiding Principle to identify gaps, best practices and recommended improvement opportunities for the Vedanta group companies. Hindustan Zinc was also a participant of this internal assessment. Methodology used was “Human Rights Compliance Assessment (HRCA)” self-assessment tool, customized from Danish Institute of Human Rights (DIHR) tool aligned to UN Guiding Principles on Human Rights. The tool evaluated HR practices related to Employment Practices, Community impact Environment Health & Safety, Security, Supply Chain. This was further divided into 11 functional groups and 63 questions from same were asked across the group. None of our operational site has indigenous people in surroundings. Due diligence on compliance with MSA at supplier site conducted in year 16-17.

<b>Criterion 3:</b> The COP describes robust commitments, strategies or policies in the area of human rights	
<b>Best practices</b>	<b>Reference</b>
Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (eg the Universal Declaration of Human Rights, Guiding Principles on Human Rights)	<ul style="list-style-type: none"> <li>Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a>
Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services	<ul style="list-style-type: none"> <li>Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	<ul style="list-style-type: none"> <li>Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> </ul>

	<ul style="list-style-type: none"> <li>Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
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Criterion 4: The COP describes effective management systems to integrate the human rights principles	
Best practices	Reference
Process to ensure that internationally recognised human rights are respected	<ul style="list-style-type: none"> <li>Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
On-going due diligence process that includes an assessment of actual and potential human rights impacts	<ul style="list-style-type: none"> <li>Internal assessment of Human Rights practices against UN Guiding Principle to identify gaps, best practices and recommended improvement opportunities for the Vedanta group companies</li> <li>Environment and Social Impact Assessment for new project- Sustainability report 2017-18</li> <li>Material Issue Identification- Sustainability report 2017-18</li> <li>Grievance Redressal Mechanism and Stakeholder Engagement - Sustainability report 2017-18</li> </ul>
Internal awareness-raising and training on human rights for management and employees impacts	<ul style="list-style-type: none"> <li>Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>Approach on Human Rights - - <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
Operational-level grievance mechanisms for those potentially impacted by the company's activities	<ul style="list-style-type: none"> <li>Material Issue Identification</li> <li>Grievance Redressal Mechanism and Stakeholder Engagement</li> </ul>

	<ul style="list-style-type: none"> <li>• Environment and Social Impact Assessment for new project</li> </ul>
Allocation of responsibilities and accountability for addressing human rights impacts	<ul style="list-style-type: none"> <li>• Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>• Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>• Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
Internal decision-making, budget and oversight for effective responses to human rights impacts	<ul style="list-style-type: none"> <li>• Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> </ul>
Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed	<ul style="list-style-type: none"> <li>• Material Issue Identification</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Environment and Social Impact Assessment for new project</li> </ul>
Process and programmes in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action	<ul style="list-style-type: none"> <li>• Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>• Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>• Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> <li>• Ethics and Corporate Governance Chapter Sustainability Report and Annual report 2017-18</li> <li>• Material Issue Identification</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Environment and Social Impact Assessment for new project</li> </ul>

	<ul style="list-style-type: none"> <li>• CSR Section chapter- Sustainability Report 2017-18</li> </ul>
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Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration	
Best practices	Reference
System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain	<ul style="list-style-type: none"> <li>• Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>• Supplier Code of Conduct- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance Chapter Annual report 2017-18</li> <li>• Sustainability Assurance 2017-18</li> <li>• Annual Report on Progress Submitted to the Voluntary Principles (FIMI, GRI-G4, UNGC)</li> <li>• Vedanta Sustainability Assurance programme</li> <li>• Supply Chain Management Strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> <li>• Internal assessment of Human Rights practices against UN Guiding Principle to identify gaps, best practices and recommended improvement opportunities for the Vedanta group companies</li> </ul>
Monitoring drawn from internal and external feedback, including affected stakeholders	<ul style="list-style-type: none"> <li>• Environment and Social Impact Assessment for new project</li> <li>• Public Hearing</li> <li>• Material Issue Identification- Materiality Exercise</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Sustainability &amp; Us section- Sustainability Report 2017-18</li> </ul>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Sustainability &amp; Us section- Sustainability Report 2017-18</li> <li>• Material Issue Identification- Materiality Exercise (Management and Stakeholder priorities)</li> <li>• Board Level Stakeholder Relationship Committee and CSR Committee review regularly</li> </ul>
Process to deal with incidents the company has caused or contributed to for internal and external stakeholders	<ul style="list-style-type: none"> <li>• Material Issue Identification</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Environment and Social Impact Assessment for new project</li> <li>• Community Need Analysis, Base Line Assessment</li> <li>• Public Hearing</li> </ul>

	<ul style="list-style-type: none"> <li>Following Incident Management Standard- Vedanta Sustainability Framework</li> </ul>
Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue	<ul style="list-style-type: none"> <li>Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li> <li>Supplier Code of Conduct- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>Environment and Social Impact Assessment for new project</li> <li>Community Need Analysis, Base Line Assessment</li> <li>Public Hearing</li> <li>Material Issue Identification- Materiality Exercise</li> <li>Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>Sustainability &amp; us section- Sustainability Report 2017-18</li> </ul>
Outcomes of integration of the human rights principles	<ul style="list-style-type: none"> <li>Material Issue Identification (Stakeholder and Management material issue prioritization)</li> <li>Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>Environment and Social Impact Assessment for new project</li> <li>Performance as Stated Above</li> <li>CSR section- Sustainability Report 2017-18</li> </ul>

## Category 2: Labour (UNGC Principles 3-6)

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** The elimination of all forms of forced and compulsory labour;

**Principle 5:** The effective abolition of child labour; and

**Principle 6:** The elimination of discrimination in respect of employment and occupation.

For addressing the issue of Labor standard in comprehensive manner, HZL has adopted international standards like ISO 9001, ISO 14001, SA-8000 and OHSAS-18001. We have an explicit anti-discrimination or diversity policy in recruiting, promoting, and training. We abide by the Indian Factory Act and all other Indian Labour and mining Laws; these laws are in conformance to the ILO and international laws. Different units of the company have recognized trade union and staff union for bargain able category of workmen and supervisory staff. Company also constitutes various committees and councils having equal participation from management as well as elected workmen representatives to discuss and resolve various issues related to operations.



Company has periodic dialogues and negotiations with the recognized union to discuss and settle the charter of demand amicably.

- HZL has a well-documented Business Code of Ethics and Principles and adheres to it with zero tolerance principle.
- All operating units are accredited with International Organization for Standardization ISO 9001, ISO 14001, SA-8000 and OHSAS-18001 and 5S certifications
- We strongly adhere to Vedanta Sustainability Framework under which cover Labour & Working Conditions and ensures prevention of unacceptable form of labour. It also ensures full respect for the human rights, dignity, aspirations, culture, and natural resource-based livelihoods of Indigenous Peoples.

#### **Actions:**

- **Promoting collective bargaining:**

In keeping with the spirit of the constitution of India wherein Right of Association is fundamental right, we respect the right for association of its employees and have constructive relationships with trade unions at all locations. Employees are encouraged to join labour union, as we believe that forum like these are effective in resolving the individual and collective grievances. Long term settlement agreement is made.

In our tryst to create an engaging work environment, we encourage employee associations. Our non-executives are covered under collective bargaining agreements and they are a part of unions affiliated to the Indian National Trade Union Congress (INTUC), which is recognized by the management across various locations. At the corporate level, Hindustan Zinc Workers' Federation (HZWF) represents all the unions working in various units. They deal with matters pertaining to service conditions, wages and benefits, and strategic policies with respect to workmen. On issues pertaining to production/productivity, health, safety, we engage with the union in a bipartite forum like Joint Consultative Committee with and seek their suggestions for effective implementation. Health and safety topics are also included in formal agreements with trade unions. Moving forward, we want to continue fostering harmonious industrial relations, and work towards achieving win-win outcomes in all our dealings with the union. For all significant changes, the minimum notice periods are decided mutually in agreement with our employee associations. During the reporting period, there were no strikes or lockouts.

- **In-house forum:** Canteen management committee, Joint consultative committees, Operation review meetings, Cost review meetings, BMG meetings, quality circles meetings, House allotment committee, sports, cultural committees, CEO Townhall, Welfare committee and Grievance Redressal committee are different forums where employees can express their concerns and suggestions.

- **Contractor Safety Management:**

Contractor Safety Management is one of the critical work stream undertaken by HZL in Aarohan journey. As one-time nature of such activities are executed by Business Partners by deploying transient nature of workforce who have very limited exposure to best safety practices; monitoring work right from providing them initial safety training, daily tool box talks, work permit system, independent assessment of their tools & tackles along with CSM

audits have given remarkable improvement in the area of Contractor Safety Management. Out of the 6 steps involved in CSM process, the key lies with continual monitoring of safe execution of contractual work being carried out by our Business Partners. Under the step of ‘Managing the Work’, routine Contractor Audits are conducted by trained personal which helps in identifying activities of different severity nature; there are enabling management to focus on ‘lead Indicators’. Tracking of business partner-wise site Severity Index along with severity 4 & 5 nature of violations (serious / fatal injury) helps for timely initiating corrective and preventive measures; thereby ensuring timely safe execution of assigned work.

CSM Steps	Monitoring Parameter
Contractor Selection	Pre-Qualification
Contractor Preparation	<ul style="list-style-type: none"> <li>• Model Contract,</li> <li>• Safety conditions of contract</li> <li>• Pre Award Meeting</li> <li>• Understanding of SHE requirements- Certificate</li> <li>• Contract award</li> </ul>
Contract award	
Training & Orientation	<ul style="list-style-type: none"> <li>• Safety Induction</li> <li>• Job Specific training</li> </ul>
Managing the Work	<ul style="list-style-type: none"> <li>• CSFA</li> <li>• Score Cards</li> <li>• Other Audits</li> </ul>
Evaluation	<ul style="list-style-type: none"> <li>• Injuries/ MTI/LTI</li> <li>• Score card improvement</li> <li>• Reporting</li> </ul>

Supervisors of business partners are encouraged for timely reporting of Near Miss and resources are provided along with facilitation of technical support to bridge the ‘systemic’ gaps for improving workplace safety. Periodic evaluation of business partners by monthly tracking their PQ score and Safety Improvement Plan using transparent and structured laid down process are few of the important initiatives. This also helps us in selection process of right business partners for scientific evaluation of while allocation of new contracts. They are evaluated based on Contractor safety score card criteria and retrained to ensure that their knowledge and skill levels are up to date; Contractor Field Safety Audit is being conducted regularly by trained executives in existing contractor’s field to improve their safety standards at par with HZL standards. Introduced Employee Safety passport which is having records of safety related trainings and other skill development trainings undertaken by contract employee.

Business Partners are rewarded with incentives based on their safety performance during the contract execution period. While Corporate CSM Sub-committee provides strategic guidelines / directions on CSM and new initiatives (viz. Safety Passport for all employees, Drivers Passport etc.); zonal sub-committee (line mangers) drive the on-going process through Unit Implementation Committees. Overall, this CSM process is helping in strengthening our partnership with Business Partners for working towards ‘Target Zero’

- **Aarohan Journey:** We are committed to provide safe working conditions and have effective management systems in place to ensure the well-being of all our employees. For transforming

and enhancing the safety culture that exists at Hindustan Zinc, we initiated a new programme – ‘Aarohan’ with an external consultant DuPont. Aarohan implies step- up or step change. The Aarohan programme took off by identifying five prioritized work streams to bring about safety cultural transformation by involving the line managers and shop floor workers, the prioritized work streams were executed under the active guidance of the five subcommittees. The roles and responsibility of these subcommittees are as follows:



### Achievements of Aarohan Journey

- **Reporting of leading indicators**
- **Reduction in incident rate**
- **Improvement in quality of incident investigation**
- **Increased employee engagement**
- **Increased structured processes**
- **Enhanced hazard awareness**
- **Increased employee participation in safety-related activities and campaigns**
- **Enhancement in standardisation of systems and skill development, etc.**

### Safety Whistle Blower

We have launched the safety whistle blower program to foster safety across our operations. This is a portal designed for employees to reach out to senior management when they observe any serious safety violation during operations. The portal allows employees to report on serious concerns at the site. It also has an escalation mechanism to higher authorities for immediate action regarding the serious nature of violation observed. This portal is accessible to all employees, including contractual employees, and from any network. The reported cases can be analysed and communicated to other operational sites, and proactive steps can be taken to avoid such incidents. It is not compulsory for the employees to reveal their identity; however, disclosing their identity will help the organisation in identifying employees who have imbibed safety as an ideal, and can be rewarded for the same.

### Stake-holders feedback system:

Hindustan Zinc, a socially responsible company, effectively engages with all relevant stakeholders through "stakeholder engagement plan developed at each unit" in line with requirements of Vedanta Sustainability Framework.

Stakeholders identified includes internal stakeholders mainly employees, contract employees & contractors and external stakeholders mainly regulatory bodies, communities, transporter, vendors etc. They are engaged through identified responsible managers, records are maintained and points emerged are tracked and addressed.

Stakeholder engagement is supplemented with "Grievance Redressal mechanism" developed at each units mainly driven in three verticals I.e. Employees & contract employees, supplier & contractor and external communities. Grievances are recorded in grievance registers. There are designated responsible managers who ensure effective Redressal of grievances. There is a Sustainability Business meeting group which reviews and monitors its effective implementation at corporate and unit.

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour	
Best practices	Reference
Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	<i>Human Rights Policy</i> - <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a>
Reflection on the relevance of the labour principles for the company	<ul style="list-style-type: none"><li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li><li>• HR Section- Sustainability Report 2017 -18</li><li>• Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li><li>• Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li><li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li><li>• Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li><li>• Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li></ul>
Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (International, Sectoral, National).	<ul style="list-style-type: none"><li>• Human Rights Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf">http://www.hzlindia.com/wp-content/uploads/Human-Rights-policy.pdf</a></li><li>• Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li></ul>

	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Diversity and Inclusion Policy- <a href="http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf</a></li> <li>• Human right approach- <a href="http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf">http://www.hzlindia.com/wp-content/uploads/3.-Human-Rights-approach-at-HZL.pdf</a></li> </ul>
Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Section Sustainability Report 2017 - 18</li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> <li>• Supplier chain management strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> </ul>
Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	<ul style="list-style-type: none"> <li>• HR section- Sustainability Report 2017 -18</li> <li>• Planet 50 50 by 2030, <a href="http://www.vedantaresources.com/media/209365/vedanta_commits_to_planet_50-50_by_2030_on_international_women_s_day_m..pdf">http://www.vedantaresources.com/media/209365/vedanta_commits_to_planet_50-50_by_2030_on_international_women_s_day_m..pdf</a> . This is Vedanta's commitment for women empowerment and gender equality. As a subsidiary unit we are also following the same.</li> </ul>
Participation and leadership by employers' organisations (international and national) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).	<ul style="list-style-type: none"> <li>• HR section- Sustainability Report 2017 -18</li> </ul>
Structural engagement with a global union, possibly via a Global Framework Agreement	No such Engagement

Criterion 7: The COP describes effective management systems to integrate the labour principles	
Best practices	Reference
Risk and impact assessments in the area of labour	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017-18</li> <li>• Risk Management Framework Annual Report 2017-18</li> </ul>
Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards	<ul style="list-style-type: none"> <li>• HR Section Sustainability Report 2017 -18</li> <li>• Safety Section- Sustainability Report 2017 -18</li> <li>• Material Issue Identification</li> </ul>
Allocation of responsibilities and accountability within the organisation	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> <li>• Risk Management Framework Annual Report 2017-18</li> <li>• Vedanta Sustainability Framework</li> </ul>
Internal awareness-raising and training on the labour principles for management and employees	<ul style="list-style-type: none"> <li>• HR Section Sustainability Report 2017 -18</li> <li>• Safety Section- Sustainability Report 2017 -18</li> <li>• Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> </ul>
Active engagement with suppliers to address labour-related challenges	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Section Sustainability Report 2017 -18</li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> <li>• Supplier chain management strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> </ul>
Grievance mechanisms, communication channels and other procedures (e.g., whistle-blower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in line with the representative organisation of workers	<ul style="list-style-type: none"> <li>• Environment and Social Impact Assessment for new project</li> <li>• Public Hearing</li> <li>• Material Issue Identification- Materiality Exercise</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Sustainability Strategy and Approach- Sustainability Report 2017-18</li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> </ul>

**Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration**

<b>Best practices</b>	<b>Reference</b>
System to track and measure performance based on standardised performance metrics	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> <li>• Strategy, Approach and key actions for Key priority areas - Sustainability Report 2017 -18</li> <li>• Sustainability Score Card- Sustainability Report 2017 -18</li> <li>• Road Map 2017-18- - Sustainability Report 2016 - 17</li> </ul>
Dialogues with the representative organisation of workers to regularly review progress made and jointly identify priorities for the future	<ul style="list-style-type: none"> <li>• HR Section- Sustainability Report 2017 -18</li> <li>• Sustainability Score Card- Sustainability Report 2017 -18</li> <li>• Road Map 2017-18- - Sustainability Report 2016 - 17</li> </ul>
Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Section Sustainability Report 2017 - 18</li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> <li>• Supplier chain management strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> <li>• Vedanta Sustainability Assurance Programme</li> </ul>
Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Section Sustainability Report 2017 - 18</li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> <li>• Supplier chain management strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> <li>• Supplier Day Case Study- <a href="http://www.hzlindia.com/common/pdf/clr_letter/Supplier-Day-1-Feb-2017.pdf">http://www.hzlindia.com/common/pdf/clr_letter/Supplier-Day-1-Feb-2017.pdf</a></li> <li>• Buyer Training Case Study- <a href="http://www.hzlindia.com/common/pdf/clr_letter/Buyer-Training-&amp;-Competence-Building-3-4-Mar-17.pdf">http://www.hzlindia.com/common/pdf/clr_letter/Buyer-Training-&amp;-Competence-Building-3-4-Mar-17.pdf</a></li> </ul>

Outcomes of integration of the Labour principles	<ul style="list-style-type: none"> <li>• Supplier Day Case Study- <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-Day-1-Feb-2017.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-Day-1-Feb-2017.pdf</a></li> <li>• Buyer Training Case Study- <a href="http://www.hzlindia.com/wp-content/uploads/Buyer-Training-Competence-Building-3-4-Mar-17.pdf">http://www.hzlindia.com/wp-content/uploads/Buyer-Training-Competence-Building-3-4-Mar-17.pdf</a></li> <li>• Road Map and Score card - Sustainability Report 2017 -18</li> <li>• Supply Chain Section Sustainability Report 2017 -18</li> </ul>
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## Category 3: Environment (UNGC Principles 7-9)

**Principle -7-** Business Should Support precautionary approach to Environmental challenges

**Principle -8-** Business should undertake initiative to promote greater environmental responsibility

**Principle -9-** Business should encourage the development and diffusion of environmentally friendly technology.

We understand that the nature of our operations has implications on the environment in different ways – through the emission of particulates & gases from mining, refining and smelting processes, water consumption and changes in land use due to wastes and process residues.

We are guided by three basic principles: Responsibility towards our Resources; Sensitivity to Environmental Issues and Zero Harm to the Environment. Our business strategy is about ensuring that growth is maximized in a way that is both sustainable and responsible. Our sustainability framework provides robust structure for driving our future growth, supporting four pillars - Responsible Stewardship, Building Strong Relationships, Adding & Sharing Value and Strategic Communication.

Hindustan Zinc is committed to conduct all business activities in a responsible manner and to reinforce the same commitment we have reframed our HSE policy as ‘HSE Principles and Policy’ to ensure the health and safety of our stakeholders and the environment.

Driven by our policies, we emphasize on “**Prevention**” than “**Control**” in every decision making process. Demonstration of Responsibility & Stewardship for all the assets we manage is our primary goal. To achieve this aim, we are constantly improving our processes, systems



and operations. Most of our operations maintain formal environment management systems aligned to the international standards & ISO 14001.

Environmental risks are regularly identified and assessed through the following:

- Environment & Social Impact Assessment (ESIA) studies carried out by recognized and approved third parties to identify risks and based on that mitigation plan is prepared in the form of Environmental & Social Management Plan, which is integral part of ESIA document.
- Environmental risks are being identified and assessed as part of Integrated Management system ISO: 14001.
- Risk register is being maintained by all units under the guidance of Risk Management policy and major risk is being reviewed periodically at corporate level.
- Hazard Identification and Risk assessment are also conducted as part of safety management system to identify potential environmental hazards and risks. Also Process safety management is driven to ensure all hazards are identified and control measures in place.
- Environment incidents are being captured through online module. Root cause analysis is being done and learnings are being shared to all units to avoid the recurrence.

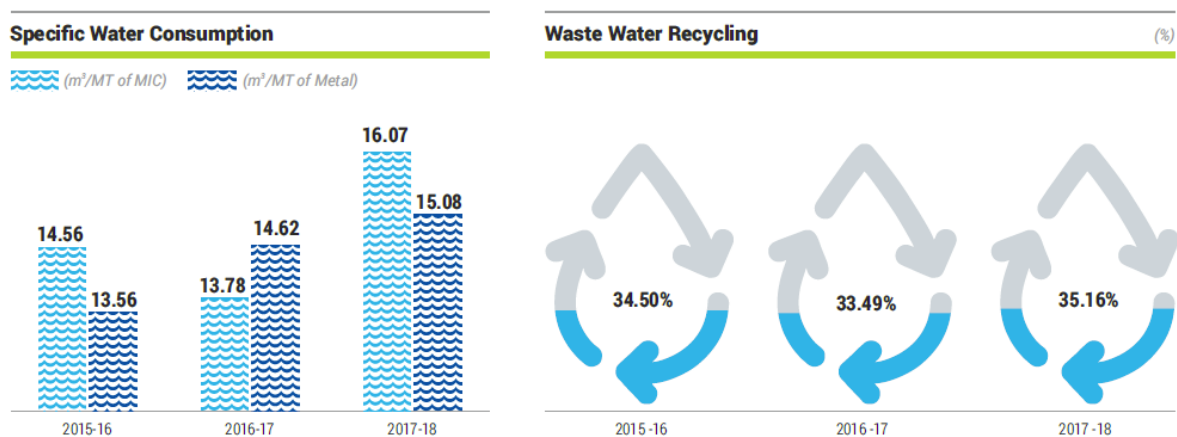
### **Reducing Water Footprint**

Our operations in Rajasthan, a water scarce region, makes it important that every drop is treated as a critical resource and its consumption is brought down to a minimum.

We are continuously identifying opportunities for water access, reuse, efficient use and responsible waste water management. Our operational locations are zero discharge compliant. We proactively manage water usage and also promote sustainable use of water in agriculture practices in the nearby communities. Cloud seeding, multiple effective evaporator, Deep cone thickener, Air Cooled Condensers, Sewage treatment and rainwater harvesting are some of the key initiatives by Hindustan Zinc towards managing precious water resources.

Continuing with our efforts on sourcing sustainable water, our 20 million litres per day (MLD) Municipal Sewage Treatment Plant (STP) at Udaipur City catered to treat 30% of wastewater as source of fresh supply. With the success of 20 million litres per day (MLD) Sewage Treatment Plant (STP), the Company has again partnered with Udaipur city for a phase-2 comprising of 25 MLD STP which is under construction and phase-3 is in the pipeline. These STPs will further replace fresh water intake at our facility with treated sewage water. Thus, the STP ratifies our commitment towards conservation of water, care for environment and ensuring zero discharge to the beautiful lakes of Udaipur and also maintaining the asthetic look of these lakes.

During the reporting year, the water recycling rate was 35% (FY2017: 33%). However, due to continuous expansion of our operations and increased use of treated water, specific water consumption increased during the year by 4% to 15.08 cum/MT of metal.



## Energy Conservation

At HZL, we believe in optimization and efficient use of energy, which is one of the most critical resources in the world today. Utilizing energy effectively has the two-fold benefit of reducing operating costs and also reducing direct and indirect greenhouse gas emissions.

The production of Lead and Zinc are energy intensive processes and that brings a responsibility for us to use it efficiently. Reducing energy consumption in all forms is an integral part of our business strategy that focuses on reducing carbon foot print. While we focus on adopting the best available technology in terms of resource and energy utilization, we constantly focus on energy consumption reduction through various in-process innovations and adopting best practices. We also largely focus on machine productivity and accordingly focus on improving the throughput that largely contributes to reduction in specific energy consumption.

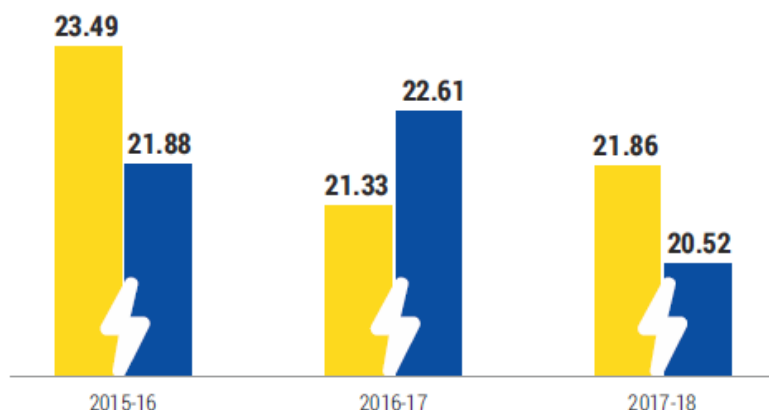
To improve the throughput and reduce specific energy consumption, we focus on machine productivity. Major initiatives undertaken are:

- Installation of variable frequency drives across operations
- Use of energy-efficient motors, right capacity motors, lighting savers etc.
- Replacement of Fibre Reinforced Plastic blades with aerodynamic energy efficient blades of cooling towers.
- Replacement of conventional tube lights with energy efficient LED tube lights
- Energy audits and implementation of their recommendations

During the reporting period, our direct and indirect energy consumption was 47.54 million GJ. This equated to a total carbon emission of 4.98 million tCO<sub>2</sub>e, covering both direct and indirect emissions.

## Energy Consumption

⚡ (GJ/MT of MIC) ⚡ (GJ/MT of Metal)



## Climate Change

Minimizing our contribution in global Climate Change is an important aspect of our sustainability program.

We have 274 MW wind farms, in Gujarat, Karnataka, Rajasthan, Maharashtra and Tamil Nadu which are registered under Clean Development Mechanism (CDM) program by United Nations Framework Convention on Climate Change (UNFCCC).

We also have 34.4 MW of power capacity through waste heat recovery from roasters and Steam Turbo Generator (STG) and 21 TPH LCV boilers for steam generation projects registered under CDM.. We continue investing in solar energy projects and have commissioned two solar power projects in FY 2016-17 – one at the Dariba mine (4 MW) and the other at Debari Zinc smelter (12 MW) for captive use. We have also installed two solar rooftop projects with a capacity of 200 kW and one solar water heater with a capacity of 1,000 LPD. Wherever feasible, we have introduced solar and energy-efficient lights as well.

### PROJECTS IN PIPELINE

- 24 MW solar power project at waste dump yard of Rampura Agucha Mine
- 1 MW floating solar power project at Gosunda captive dam near Chanderiya for utilization of available water surfaces
- 5 MW roof top solar power project
- Additional 30 MW solar power plant and 50 MW wind power plant

The 10 UNFCCC registered projects reduce the Company's carbon footprint by 583,685 MT of CO<sub>2</sub> emission per annum while unregistered projects provide reduction of 147,270 tonnes CO<sub>2</sub> emissions per annum. The new solar projects in pipeline will further reduce carbon footprint by 58,000 MT of CO<sub>2</sub> emission per annum.

Hindustan Zinc Limited voluntarily participates in Climate Change- Carbon Disclosure Project program since the year 2011 and from last year initiated participating in Water- Carbon Disclosure Project program. We are regularly improving our performance by achieving the set targets, taking new energy saving projects and improving our disclosure standards. Hindustan Zinc Limited commits to reduce absolute Scope 1 and Scope 2 GHG emissions by 9.90% till 2026 from a base year of 2016, committed to SBT targets. During FY 2018, 638 million units of green power was generated as compared to 609 million units in FY 2017, primarily driven by commissioning of solar power plants.

### **Solid Waste Management**

All our major units are certified for ISO: 14001 Environment Management Standard. Through this management system approach we undertake continual improvement projects to optimize our waste efficiency by reducing the waste generation and maximizing waste recycling/ reuse. All our plants have defined waste segregation practices for hazardous and non-hazardous waste.

Our adoption of the '4R' waste strategy - Reduce, Recycle, Reuse and Reclaim and 'eco-friendly' disposal of process residues has been fairly effective. We have clearly defined waste segregation practices for recycling hazardous and non-hazardous waste. We do have a system of recycling of our waste resulting from our operations. Our waste such as bottom ash, Anode mud, ETP Sludge, HGP dust and cobalt cake are recycled back into the process.

We have been constantly enhancing technical capabilities for better recoveries of main products and by-products. We are also working to introduce a Fumer technology in our existing leaching circuit of Hydrometallurgical process which will eliminate generation of Jarosite and help us to minimize waste generation in our process. Successful commissioning of Paste fill Plant (unique in India) at Sindesar Khurd Mine and Rampura Agucha mine has multifold benefits ranging from improvement of ground stability and safety to environmental protection and higher mine extraction, water recovery. This system replaces the earlier practice of low density hydraulic filling, ensuring wider sustenance of mining operations.

Our major focus has been to manage the industrial wastes (hazardous and non-hazardous) that we generate at our operations. Jarosite is one such hazardous substance, produced during the zinc refining process. This waste material, generated in bulk amounts, poses a severe problem. To mitigate this, we are working towards introducing an advanced technology – Fumer technology– which eliminates the formation of Jarosite altogether, which is likely to commission by Dec' 18.

### **CASTING PAVER BLOCKS FROM WASTE**

The Company's Central R&D Laboratory has established a suitable mix of waste materials generated from smelters and power plants to cast paver blocks. The substitution of conventional raw materials i.e. ordinary Portland cement, aggregates and stone dust with waste has been validated for different grades of paver blocks from M-25 to M-40 grade. About 70% to 80% waste substitution was observed for M-25 to M-30 grade paver blocks, which are generally used for pedestrian paths. More than 80,000 pieces of M-25 grade paver blocks were consumed internally in FY 2018.

## **Air Quality Management**

We are committed to measuring, controlling and reducing air emissions at each of our site and are implementing systems & procedures to address the concerns of local communities as well as to comply with the environmental license conditions. Through advanced mitigation, measurement and management strategies, we continue to identify, reduce and wherever possible, eliminate any potential impacts to air quality caused by our operational activities. We have installed online monitoring systems for emissions and effluents to transmit data directly to central and state pollution control boards.

## **Biodiversity Management**

The Company has separate policy on Biodiversity and stays committed to prevent risk on biodiversity throughout its business by conserving rare and endangered species and high priority conservation areas.

In order to promote a best practice management approach to biodiversity, we have reviewed all operations through the mapping tool –Integrated Biodiversity Assessment Tool (IBAT) to identify which of our sites are operating within close proximity of protected International Union for Conservation of Nature (IUCN) areas, important bird areas and key biodiversity hot spots. The results of the biodiversity risk screening programme have led us to prioritise the subsequent biodiversity management processes. All our Sites have biodiversity management plans (BMP) in place. Intensive plantation has been carried out in last five years across all HZL operations and as on date total plantation is more than 1.5 million.

## **Business should encourage the development and diffusion of environmentally friendly technology.**

HZL R&D center serves as a core technical arm providing solutions in the areas of mineral processing and metal smelting. It aims to provide cost effective environment friendly ready to implement alternatives that are well tested at fully operational pilot plants.

Specific areas in which R&D has been carried out by the company in FY 2017-18 are

- Successfully validated usage of HZL wastes like Flyash, bottom ash, slag & other wastes for generation of paver blocks. Various raw mixes were designed and paver blocks of different strengths were generated at pilot scale. Tests patches laid at different HZL locations.
- Pantnagar Metal Plant slag treatment flowsheet successfully operated at Pilot scale for six months to validate various parameters. PMP slag was treated to generate enriched lead silver residue and recover copper and bismuth as copper sulphate and bismuth-oxychloride products respectively.
- Usage of Flyash as partial replacement of cement in paste fill plants has been validated.

- Alternate technology tested for recovery of sodium sulphate crystals from RO reject streams at pilot scale. The crystal recovery has improved from 40% to 80% with more than 98% crystal purity.
- Feasibility tests conducted to recover Vanadium pentoxide from spent Vanadium catalyst generated from sulphuric acid plant.
- Flowsheet developed for treatment of CLZS Pyro final refining dross to recover antimony as Antimony tri-oxide product and enriched lead residue suitable for internal consumption.
- Process for recovery of Cobalt from purification cake has been explored at lab scale and Cobalt Sulphate crystal of about 60% purity with 50% recovery has been generated. Enhancing of Cobalt salt purity and recovery is being explored.
- Feasibility studies conducted for SK-6 ore.
- Testing initiated for new technologies like Staged floatation reactor and direct screening for RD mines.
- Testing of alternate cost effective reagents for floatation has been explored.
- Studies conducted for Zawar Mines circuit optimization and recovery improvement.

Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship	
Best practices	Reference
Reference to relevant international conventions and other international instruments (eg Rio Declaration on Environment and Development)	<ul style="list-style-type: none"> <li>• All our policies are aligned with relevant national and International standards and best practices- <a href="http://www.hzlindia.com/sustainability/sustainability-policies/">http://www.hzlindia.com/sustainability/sustainability-policies/</a></li> <li>• Chairman Statement and CEO message- Annual Report 2017-18 and Sustainability Report 2017-18</li> <li>• Mapping with Sustainable Development Goals -- Sustainability Report 2017-18</li> <li>• Environment Section- Sustainability Report 2017-18</li> </ul>
Reflection on the relevance of environmental stewardship for the company	<ul style="list-style-type: none"> <li>• Chairman Statement and CEO message- Annual Report 2017-18 and Sustainability Report 2017-18</li> <li>• Environment Section- Sustainability Report 2017-18</li> <li>• Climate Change- Carbon Disclosure Project (CDP) 2018</li> <li>• Water- Carbon Disclosure Project (CDP) 2018</li> <li>• Platinum Green Building Certification case study- Sustainability Report 2016-17</li> <li>• Solar Power Case Study- Sustainability Report 2016-17</li> <li>• Paver Block Case Study – Sustainability Report 2017-18</li> </ul>

	<ul style="list-style-type: none"> <li>• Udaipur Sewage Treatment Plant Case Study- <a href="https://www.waterscarcitysolutions.org/new-innovative-public-private-partnership-to-improve-water-quality-and-availability/">https://www.waterscarcitysolutions.org/new-innovative-public-private-partnership-to-improve-water-quality-and-availability/</a></li> </ul>
Written company policy on environmental Stewardship	<ul style="list-style-type: none"> <li>• HSE Principles and Policy- <a href="http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf</a></li> <li>• Water Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Water-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Water-Management.pdf</a></li> <li>• Energy and Climate Change Policy- <a href="http://www.hzlindia.com/wp-content/uploads/Energy-and-Climate-Change-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Energy-and-Climate-Change-Management.pdf</a></li> <li>• Biodiversity Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Biodiversity-Policy-1.pdf">http://www.hzlindia.com/wp-content/uploads/Biodiversity-Policy-1.pdf</a></li> <li>• Tailing management Policy- <a href="http://www.hzlindia.com/wp-content/uploads/7.-Tailing-management-policy.pdf">http://www.hzlindia.com/wp-content/uploads/7.-Tailing-management-policy.pdf</a></li> </ul>
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>• HSE Principles and Policy- <a href="http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf</a></li> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Section Sustainability Report 2017 - 18</li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</a></li> <li>• Supplier chain management strategy- <a href="http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf">http://www.hzlindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</a></li> </ul>
Specific commitments and goals for specified years	<ul style="list-style-type: none"> <li>• Environment Section- Sustainability Report 2017-18</li> <li>• Climate Change- Carbon Disclosure Project (CDP) 2018</li> <li>• Water- Carbon Disclosure Project (CDP) 2018</li> <li>• Sustainability Score Card- Sustainability Report 2018 -18</li> <li>• Road Map 2017-18- - Sustainability Report</li> </ul>

Criterion10: The COP describes effective management systems to integrate the environmental principles	
Best practices	Reference
Environmental risk and impact assessments	<ul style="list-style-type: none"> <li>• Risk Management Framework Annual Report 2017-18</li> <li>• Business Responsibility Report - Annual Report 2017-18</li> <li>• Sustainability Governance and Strategy- Sustainability Report 2017-18</li> </ul>
Assessments of lifecycle impact of products, ensuring environmentally sound management policies	<ul style="list-style-type: none"> <li>• Product Stewardship section- Sustainability Report 2017-18</li> </ul>
Allocation of responsibilities and accountability within the organisation	<ul style="list-style-type: none"> <li>• Sustainability Governance and Strategy- Sustainability Report 2017-18</li> <li>• Environment Section- Sustainability Report 2017-18</li> <li>• Vedanta Sustainability Framework</li> <li>• HSE Principles and Policy- <a href="http://www.hzlindia.com/sustainability/sustainability-policies/">http://www.hzlindia.com/sustainability/sustainability-policies/</a></li> </ul>
Internal awareness-raising and training on environmental stewardship for management and employees	<ul style="list-style-type: none"> <li>• Sustainability Governance and Strategy- Sustainability Report 2017-18</li> <li>• Environment Section- Sustainability Report 2017-18</li> </ul>
Grievance mechanisms, communication channels and other procedures (eg whistle-blower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	<ul style="list-style-type: none"> <li>• Environment and Social Impact Assessment for new project</li> <li>• Public Hearing</li> <li>• Material Issue Identification- Materiality Exercise</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Sustainability Strategy and Approach- Sustainability Report 2017-18</li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> </ul>



Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	
Best practices	Reference
System to track and measure performance based on standardised performance metrics	<ul style="list-style-type: none"> <li>• Approach to Sustainability and Sustainability Governance</li> <li>• Our Sustainability strategy in Sustainability Report 2017 -18</li> <li>• Strategy, Approach and key actions for Key priority areas - Sustainability Report 2017 -18</li> <li>• Sustainability Score Card- Sustainability Report 2017 -18</li> <li>• Road Map 2017-18 - Sustainability Report</li> <li>• Corporate Governance Chapter Annual report 2017-18</li> <li>• Sustainability Assurance 2017-18</li> <li>• Annual Report on Progress Submitted to the Voluntary Principles (FIMI, GRI Standard, UNGC)</li> <li>• Vedanta Sustainability Assurance programme</li> <li>• ISO 14001 certification and audit</li> <li>• GRI Indicator Report – Sustainability Report 2017-18</li> <li>• HSE Principles and Policy- <a href="http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/HSE-Policy.pdf</a></li> </ul>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Sustainability Governance and Strategy- Sustainability Report 2017-18</li> <li>• Material Issue Identification- Materiality Exercise(Management and Stakeholder priorities)</li> </ul>
Process to deal with incidents	<ul style="list-style-type: none"> <li>• Material Issue Identification</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Environment and Social Impact Assessment for new project</li> <li>• Public Hearing</li> <li>• Following Incident Management Standard- Vedanta Sustainability Framework</li> </ul>
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Supply Chain Section Sustainability Report 2017 - 18</li> <li>• Supplier and Contractor Sustainability Management Policy <a href="http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management-Policy.pdf">http://www.hzlindia.com/wp-content/uploads/Supplier-and-Contractor-Sustainability-Management-Policy.pdf</a></li> </ul>

	<p><a href="#"><u>content/uploads/Supplier-and-Contractor-Sustainability-Management.pdf</u></a></p> <ul style="list-style-type: none"> <li>• Supplier chain management strategy- <a href="#"><u>http://www.hzindia.com/wp-content/uploads/supply-chain-management-strategy.pdf</u></a></li> <li>• Vedanta Sustainability Assurance Programme</li> </ul>
Outcomes of integration of the environmental principles	<ul style="list-style-type: none"> <li>• Sustainability Score Card- Sustainability Report 2017 -18</li> <li>• Road Map 2017-18 - Sustainability Report</li> <li>• Environment Section- Sustainability Report 2017-18</li> <li>• Sustainability highlights- Sustainability Report 2017-18</li> <li>• Climate Change- Carbon Disclosure Project (CDP) 2018</li> <li>• Water- Carbon Disclosure Project (CDP) 2018</li> <li>• Platinum Green Building Certification case study- Sustainability Report 2016-17</li> <li>• Solar Power Case Study- Sustainability Report 2016-17</li> <li>• Paver Block Case Study- Sustainability Report 2017-18</li> <li>• Udaipur Sewage Treatment Plant Case Study- <a href="#"><u>https://www.waterscacitysolutions.org/new-innovative-public-private-partnership-to-improve-water-quality-and-availability/</u></a></li> </ul>

## Category 4: Anti-Corruption (UNGC Principles 10)

**Principle 10**-Business Should Work against corruption in all its forms including extortion and bribery:

### **Management Systems:**

HZL has ‘Business Ethics and Code of Conduct’ under which we are committed for elimination of corruption of any form, bribery, extortion, and fraud. HZL has an elaborate system and processes on the management of business ethics and all employees sign the ‘Code of Conduct’.

The Business Ethics and Code of Conduct serves as the guiding philosophy for all employees, suppliers, customers, NGOs and others who have dealings with the Company. All stakeholders are expected to comply with the Business Ethics and Code of Conduct. A separate Vendor’s Code of Conduct specifically covers our vendors and partners. Both the codes are available on the Company’s website.

### **Actions:**

In case of any complains under this policy should be reported to the Group Head-Management Assurance who is independent of operating management and business. Complains can also be sent to designate E-mail ID: [hzlwhistle.blower@vedanta.co.in](mailto:hzlwhistle.blower@vedanta.co.in). Group Head Management Assurance reviews the complaints, conduct enquiry and initiate appropriate actions.

### **Internal Controls**

We have effective and adequate internal audit and control systems, commensurate with our business size. Regular audits of our operations are undertaken to ensure that high standards of internal controls are maintained at each level. These consist of comprehensive internal and statutory audits, which are conducted by internationally reputed audit firms. Independence of the audit and compliance function is ensured by the auditors reporting directly to the Audit Committee.

**Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption**

Best practices	Reference
Publicly stated formal policy of zero-tolerance of corruption	<ul style="list-style-type: none"> <li>• <i>Code of Conduct and Business Ethics</i>- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>• <i>Supplier Code of Conduct</i>- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance Chapter- Sustainability Report 2017-18</li> </ul>
Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes	<ul style="list-style-type: none"> <li>• <i>Code of Conduct and Business Ethics</i>- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>• <i>Supplier Code of Conduct</i>- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance Chapter- Sustainability Report 2017-18</li> </ul>
Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption	<ul style="list-style-type: none"> <li>• <i>Code of Conduct and Business Ethics</i>- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>• <i>Supplier Code of Conduct</i>- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance Chapter- Sustainability Report 2017-18</li> </ul>
Detailed policies for high-risk areas of corruption	<ul style="list-style-type: none"> <li>• <i>Code of Conduct and Business Ethics</i>- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> <li>• <i>Supplier Code of Conduct</i>- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance Chapter- Sustainability Report 2017-18</li> </ul>

Policy on anti-corruption regarding business partners	<ul style="list-style-type: none"> <li>Supplier Code of Conduct- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> </ul>
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Criterion13: The COP describes effective management systems to integrate the anti-corruption principle	
Best practices	Reference
Support by the organization's leadership for anti-corruption	<ul style="list-style-type: none"> <li>Risk Management Framework Annual Report 2017-18</li> <li>Corporate Governance Annual Report 2017-18</li> </ul>
Carrying out risk assessment of potential areas of corruption	<ul style="list-style-type: none"> <li>Risk Management Framework Annual Report 2017-18</li> <li>Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> </ul>
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees	<ul style="list-style-type: none"> <li>Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> </ul>
Internal checks and balances to ensure consistency with the anti-corruption commitment	<ul style="list-style-type: none"> <li>Corporate Governance Annual Report 2017-18</li> <li>Group Head Management Assurance</li> <li>Internal Controls</li> </ul>
Actions taken to encourage business partners to implement anti-corruption commitments	<ul style="list-style-type: none"> <li>Corporate Governance Annual Report 2017-18</li> <li>Supplier Code of Conduct- <a href="http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf">http://www.hzlindia.com/wp-content/uploads/4.-Supplier-Code-of-Conduct.pdf</a></li> </ul>
Management responsibility and accountability for implementation of the anti-corruption commitment or policy	<ul style="list-style-type: none"> <li>Corporate Governance Annual Report 2017-18</li> <li>Internal Control through Group Head Management Assurance</li> </ul>
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	<ul style="list-style-type: none"> <li>Corporate Governance Annual Report 2017-18</li> <li>Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>Code of Conduct and Business Ethics- <a href="http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> </ul>
Internal accounting and auditing procedures related to anticorruption	<ul style="list-style-type: none"> <li>Corporate Governance Annual Report 2017-18</li> </ul>

	<ul style="list-style-type: none"> <li>• Internal Control through Group Head Management Assurance</li> </ul>
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**Criterion 14: The COP describes effective monitoring and evaluation mechanisms for integration of anti-corruption**

<b>Best practices</b>	<b>Reference</b>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance -Annual report 2017-18</li> <li>• Code of Conduct and Business Ethics- <a href="http://www.hzindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf">http://www.hzindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-and-CODE-OF-CONDUCT-10-02-2017.pdf</a></li> </ul>
Process to deal with incidents	<ul style="list-style-type: none"> <li>• Following Incident Management Standard</li> <li>• Vedanta Sustainability Framework</li> </ul>
Public legal cases relating to corruption	No such Cases
Use of independent external assurance of anti- corruption programmes	<ul style="list-style-type: none"> <li>• Corporate Governance Annual Report 2017-18</li> <li>• Group Head Management Assurance</li> <li>• Internal Controls</li> </ul>
Outcomes of integration of the anti-corruption principle	<ul style="list-style-type: none"> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Corporate Governance -Annual report 2017-18</li> <li>• GRI Indicator reporting Sustainability Report 2017-18</li> </ul>

## Taking action in support of broader UN goals and issues

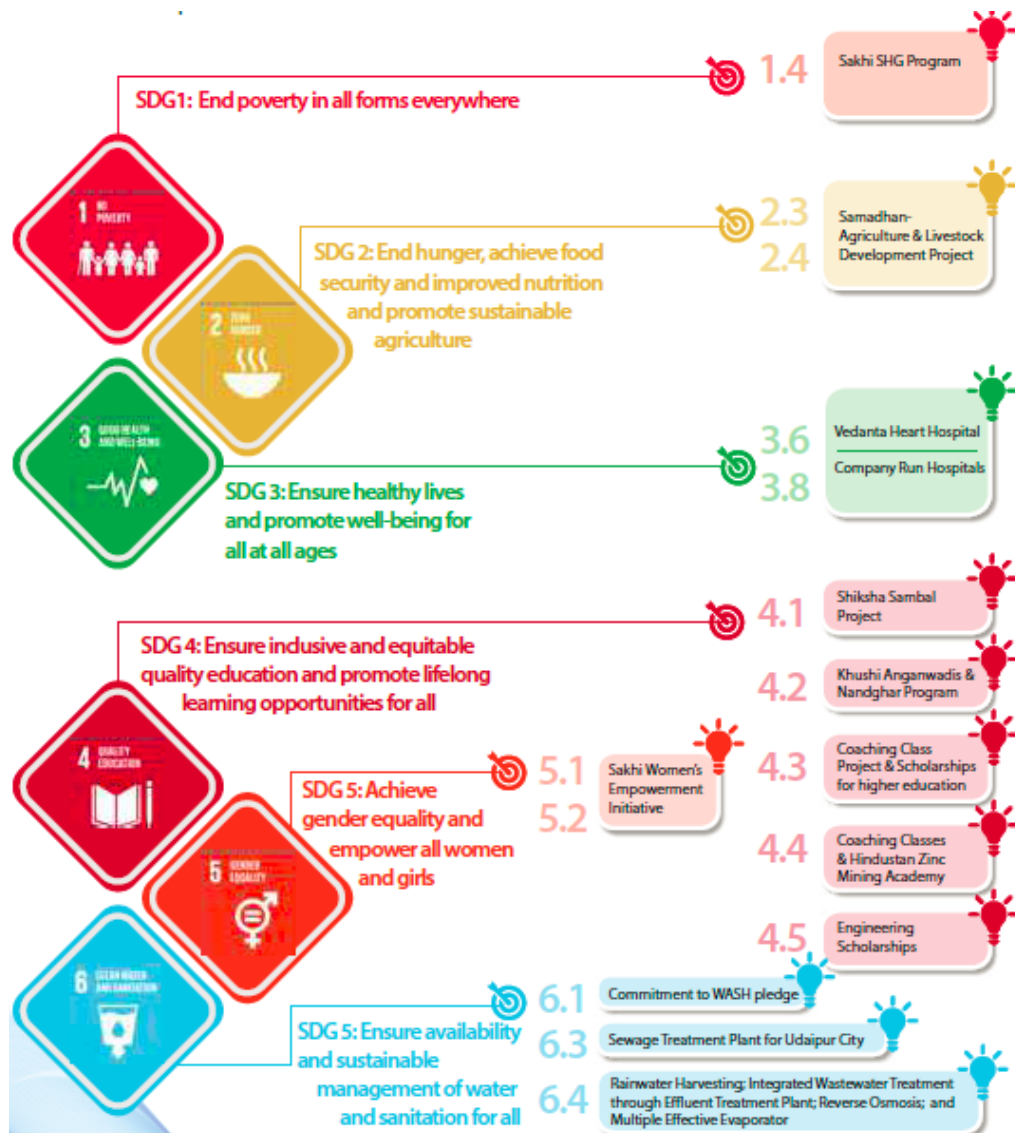
**Criterion 15: The COP describes core business contributions to UN goals and issues**

<b>Best practices</b>	<b>Reference</b>
Align core business strategy with one or more relevant UN goals/issues	<ul style="list-style-type: none"> <li>• Mapping of Sustainability Initiatives with applicable UN Sustainable Development Goals- Sustainability Report 2017-18</li> <li>• Plan in progress to integrate SDGs in Business Strategies</li> </ul>
Develop relevant products and services or design business models that contribute to UN goals/issues	<ul style="list-style-type: none"> <li>• Mapping of Sustainability Initiatives with applicable UN Sustainable Development Goals- Sustainability Report 2017-18</li> <li>• Plan in progress to integrate SDGs in Business Strategies</li> </ul>

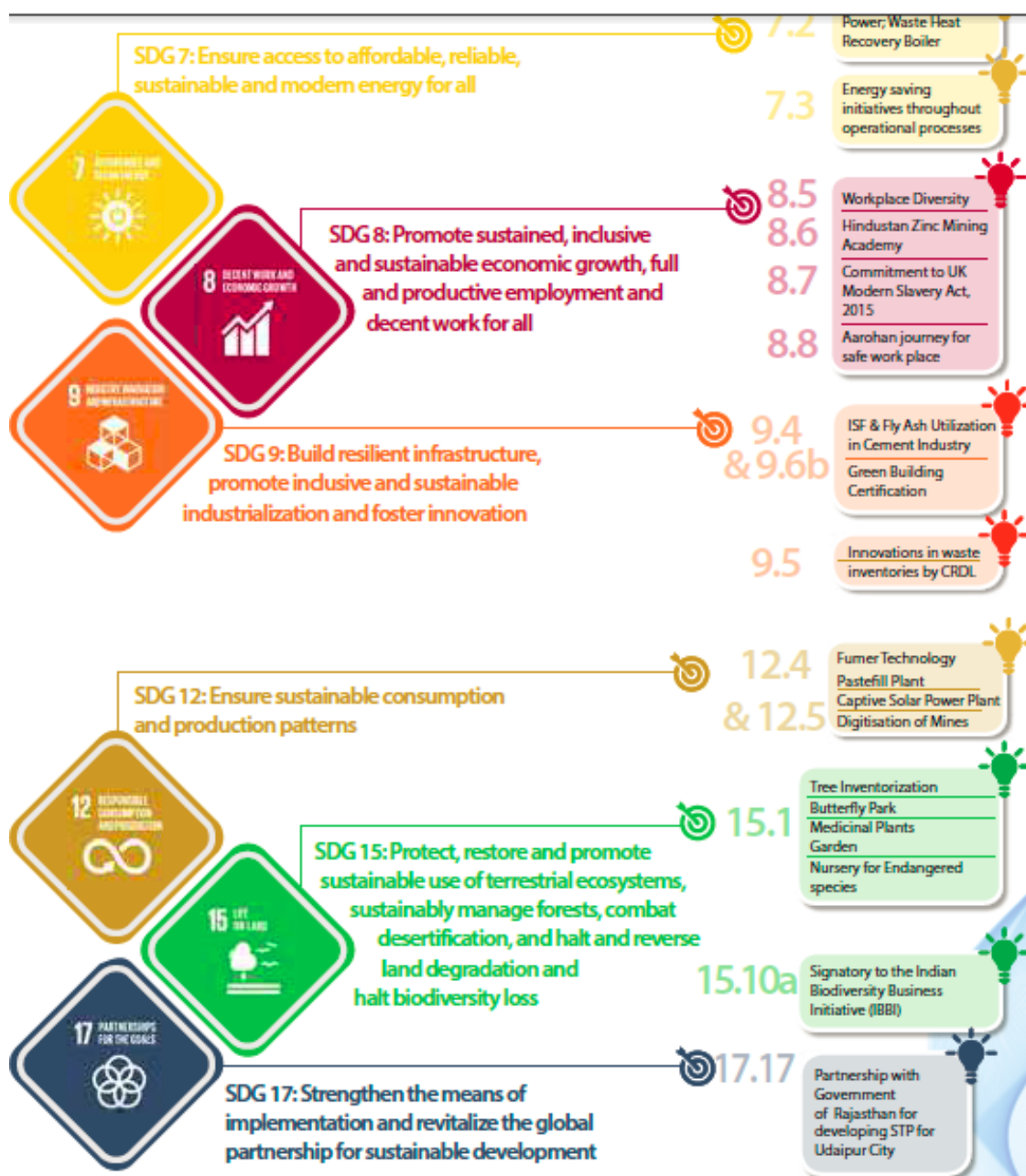
Adopt and modify operating procedures to maximise contribution to UN goals/issues

- Mapping of Sustainability Initiatives with applicable UN Sustainable Development Goals- Sustainability Report 2017-18
- Plan in progress to integrate SDGs in Business Strategies

As a responsible organization, we align our sustainability interventions with the UN Sustainable Development Goals (SDGs) universal framework to achieve meaningful impacts and results. We prioritize the UN SDGs on the basis of our material issues and devise action plan in collaboration with our business partners to mitigate future risks, meet stakeholder expectations and enhance our reputation







Criterion 16: The COP describes strategic social investments and philanthropy	
Best practices	Reference
Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	<ul style="list-style-type: none"> <li>• CSR Policy- <a href="http://www.hzllindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf">http://www.hzllindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf</a></li> <li>• CSR Section- Sustainability Report 2017-18</li> <li>• Sustainability Section – Annual Report 2017-18</li> <li>• Materiality exercise</li> </ul>
Coordinate efforts with other organisations and initiatives to amplify and not negate or unnecessarily duplicate the efforts of other contributors	<ul style="list-style-type: none"> <li>• CSR Policy- <a href="http://www.hzllindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf">http://www.hzllindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf</a></li> <li>• CSR Section- Sustainability Report 2017-18</li> </ul>



	<ul style="list-style-type: none"> <li>• Sustainability Section – Annual Report 2017-18</li> <li>• Materiality exercise</li> </ul>
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	<ul style="list-style-type: none"> <li>• CSR Policy- <a href="http://www.hzlindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf">http://www.hzlindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf</a></li> <li>• CSR Section- Sustainability Report 2017-18</li> <li>• Sustainability Section – Annual Report 2017-18</li> <li>• Materiality exercise</li> </ul>

## Corporate Social Responsibility

Ever since its inception, care for the communities has been a non-negotiable for HZL. The company believes that apart from being a responsible miner, its larger purpose is to contribute to the building of stronger communities. Some of the key focus areas for us are children's better health and education, women's empowerment, agriculture & livestock development, skilling and also the support for culture. Most of our programs are aligned to community needs, and to national priorities and also the United Nations Sustainable Development Goals. Also, HZL is a signatory to the United Nations Global Compact (UNGC) and a member of the National Population Stabilization Fund, and The Energy and Resources Institute - Business Council for Sustainable Development (TERI-BCDS).

**During the year, we spent Rs. 92.18 Crores on our Corporate Social Responsibility (CSR) programs.** This direct spend does not include the contributions made by communities, or what is leveraged from the government.

We are also proud to have initiated a more structured process for encouraging greater employee engagement in the CSR programs. And this is limited to not just employees, but extends to their spouses and families as well.

### Policy

At the start of this year, HZL reviewed its CSR policy with a view to strengthening and streamlining the governance processes. The revised document was approved by HZL Board on 22<sup>nd</sup> April 2016 (Refer HZLs website <http://www.hzlindia.com/wp-content/uploads/CSR-Policy-Final-April2018.pdf>)

### Governance

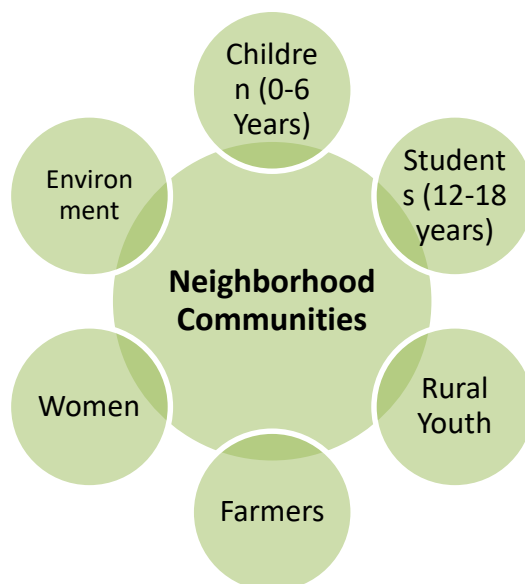
All CSR projects are monitored through multi-tiered governance protocols to ensure quality, impact and transparency. e Company has Project Steering Committees and Project Advisory Committees for every major CSR project. The Project Steering Committees comprise of NGO partners and CSR team members and holds monthly or bi-monthly reviews to ensure implementation as per plans. The Project Advisory Committee comprises of Government

officials, NGO partners, CSR Project Leaders from Hindustan Zinc and subject matter experts and meets periodically to review the progress and design the way forward.





The projects are subject to stringent audits and are monitored by the Implementation Monitoring Committee on a monthly basis, by the Executive Committee on a quarterly basis and by the CSR Board Sub-Committee on a half yearly basis.

### **CSR Stakeholders and Initiatives**

The core focus of our CSR interventions are in 184 communities located around our operations – across 66 Gram Panchayats in 12 Tehsils spread across Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer districts of Rajasthan. However, we also have a mandate to work beyond this area, to undertake programs of national importance.



## Key Programs

<div> <div>Projects</div> <div>Sustainable Development Goal (SDG) Alignment</div> <div>% spend of CSR Budget</div> <div>Partners</div> </div>	
<b>EDUCATION</b>	
 Khushi, Nandghar, Shiksha Sambal, Unchi Udaan, Scholarships & Sponsorship for higher education, Jeevan Tarang...Zinc Ke Sang	
 SDGs 1, 2, 3, 4, 5, 10, 17	
 36%	
 Ministry of Women & Child Development - Government of India, Department of Women & Child Development - Government of Rajasthan, Care India, Seva Mandir, Jatan Sansthan, Gramin Evam Samajik Vikas Sanstha, Vidya Bhawan, Resonance, Sumedha, Noida Deaf Society, Vedanta PG Girls College, Ringus	

### KHUSHI ANGANWADI PROGRAM

This program focuses on supporting the government in improving the functioning of the Integrated Child Development Services (ICDS) program in five districts of our operational area. The total coverage is 3089 Anganwadi centers (AWCs) directly reaching 64,000 children in age group 3-6 years. The program is implemented in partnership with strong civil society organisations in each of the five districts.

This program is probably the largest such Public-Private-People initiative in the ICDS space. It aims to improve children's attendance, retention, learning levels, health status and community engagement.

During the year:

- Attendance at the centres went up from 43% in base year (2016) to 59%
- Learning assessment was undertaken for about 9,666 children. The key findings were – 60% of children were found satisfactory in physical development, 45% were satisfactory in social, 43% were good at language development, 34% were satisfactory in cognitive development and 42% were high on creativity
- All 3,089 AWCs were assessed using a unique Anganwadi Grading Tool that has been developed by the project. The Grading Tool rates Anganwadis taking into account the status of infrastructure, functioning of the centre and record keeping. This was first such assessment and it rated 11% centres in A category (with score >70%), 45% as B (score between 55 and 70%), 33% as C (score between 40 and 55%), and about 10% were in D rating (with scores below 40%) These results will help us to benchmark for future improvements.
- Comprehensive health check-ups were done for more than 20,000 children
- Over 25,000 community meetings were held and community contributions equivalent to ₹54.3 Lacs were mobilised
- About 4,500 ICDS workers and NGO staff received training on pre-school education and nutrition, including the very popular recipe trials that demonstrated to mothers how they can use the Take Home Ration (THR) given by the AWCs to make seasonally suitable tasty food by adding other easily available local ingredients.
- 1,107 kitchen gardens were developed at the Anganwadis and household level, to supplement food made at the centres

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## NANDGHAR

**This program is our flagship CSR initiative with focus on converting existing run-down AWCs into new age Nandghars.**

Nandghars are equipped with state-of-the-art infrastructure including access to e-learning. The Nandghars double up as hubs for entrepreneurship training for women post Anganwadi hours, integrating the Khushi and Sakhi projects. During the year, 49 Nandghars were completed, taking total number to 53 and construction of another 225 Nandghars was initiated. A user friendly manual has also been developed on how to convert Anganwadis into Nandghars by laying out standard design, specification and processes.

## JEEVAN TARANG...ZINC KE SANG

**Started in FY 2017, this is an initiative to mainstream people with disabilities beginning with improving the facilities and learning in identified schools catering to the specially abled children.**

During the year, this program impacted more than 600 children. Some of the key activities were:

- Indian Sign Language training has been integrated for hearing impaired students and their teachers
- Technology based learning for visually impaired students by giving android smart phones to access books through Bookshare, world's largest online library for visually impaired

## SHIKSHA SAMBAL

**A signature project with emphasis on strengthening teaching of Science, English & Mathematics in 9th to 12th standard in about 59 government schools, reaching over 6,600 children.**

- The project works through 63 field instructors who hold regular classes in schools, conduct periodic tests and handhold students to prepare for board exams. Residential and non-

classes are organised throughout the year and have proved very effective. The key highlights of 2017 Board Exams were as follows:

- The 'causal impact' of the Shiksha Sambal programme was 9.3% improvement in students who passed exam, starting with an average pass rate of about 70%
- Impact was highest in the remote tribal location of Zawar
- Overall improvements occurred for all three subjects with maximum improvement in English followed by Science and Maths
- 80% of Shiksha Sambal schools have started using library and labs more effectively

## UNCHI UDAAN

**The program builds on Shiksha Sambal to identify and prepare talented students from primarily rural Government schools for entry into good engineering institutions.**

The project has identified 56 students including 26 girls from a long list of 2000 students and these select students have joined the residential program comprising of 27 students in a 2-year program and 29 students in a 3-year program. The students are living and studying at Vidya Bhawan school in Udaipur while our partner Resonance provides specialised coaching.


## SUPPORT FOR HIGHER EDUCATION


**Provide financial support to meritorious students, especially those from financially weak families to help continue their education.**


During the year, 87 students from Government engineering colleges received the Yashad-Sumedha Scholarship, another 59 meritorious girls received full tuition fees and living expenses at the Vedanta Post Graduate Girls College at Ringus and 8 top ranked students of College of Technology & Agriculture Engineering, Udaipur received scholarships.

## SUSTAINABLE LIVELIHOODS

 SAMADHAN & HZL Mining Academy

 SDGs 1, 2, 8, 10, 11, 12

 13%

 Bhartiya Agro Industries Foundation (BAIF) Institute of Sustainable Livelihood Development (BISLD) , Skill Council of Mining Sector, Indian Institute of Skill Development

### SAMADHAN

Our target for agriculture & livestock skill development is to cover 60% of all families of our 67 core villages through agriculture interventions and all 185 villages in our vicinity through animal husbandry interventions

The project aims to positively impact the lives of 30,000 farming families by the year 2021. Around 7,000 farming families have already benefited since project's initiation in September 2016. Special efforts have been made to include women as well as small and marginal farmers. Following are some of the key highlights of this year's work .

- **Rabi (winter crop):** 2,499 farmers were reached through interventions in wheat cultivation leading to an average production of 50.3 quintal per hectare, which is about a 31% yearly increase on top of a 28% increase witnessed in FY 2017.
- **Kharif (summer crop):** 994 farmers with irrigated land achieved 30%, 70% and 33% increase in production in Maize, Soya-bean and Millet respectively and 558 farmers with rain-fed land had a 21%, 55%, 47% and 45% increase in production of Maize, Soya-bean, Millet and Black gram respectively.
- **Horticulture:** 390 families were covered out of which 60% of families cultivated high value vegetables leading to a cash flow increase of over ₹ 13,000 per family.
- **Livestock development:** Total 5,942 artificial Inseminations were done during the year and 627 female calves were born

### HINDUSTAN ZINC MINING ACADEMY

Given the acute shortage of skilled manpower in the country for underground mines, this program focuses on training local youth in underground mining skills. The first program launched was Jumbo Drill Operators (JDO) training program, followed by a training program for Winding Engine Drivers (WED) and Banksman/Bellman.

During the year, about 350 qualified rural youth were trained in different underground mining skills. 108 candidates qualified as JDOs of which 105 have been placed at an average salary of ₹ 325,000 per annum. Another 47 young men qualified as WEDs/ Banksman/Bellman and 44 of them got placed with an average salary of about ₹ 292,000 per annum.



Full grown lemon orchard under Samadhan





## WOMEN EMPOWERMENT

📄	Sakhi
🌱	SDGs 1, 5, 8, 10, 11, 17
📊	4%
👥	Manjari Foundation & Saheli Samiti

## COMMUNITY ASSETS CREATION

📄	Community asset creation, Improving infrastructure in government schools
🌱	SDGs 9, 11
📊	9%
👥	Local Panchayats and Government

### SAKHI

Sakhi Self Help Group (SHG) program has a mission to form 2000 SHGs by the year 2021, touching lives of nearly 24,000 women. By then, the project also aims to have set up 6 self-sustaining federations of these women

There are presently 1,299 functional SHGs with membership of about 16,621 women with an accumulated savings of over ₹ 3 Crore. During the year, 10,580 women availed loans amounting to ₹ 7.9 Crore primarily for household consumption, agriculture, health & sanitation, animal husbandry and entrepreneurship

During the year, the Company initiated a drive on safety in our communities by distributing over 5,951 helmets through SHGs. SHG members have also taken the responsibility of ensuring usage of helmets in villages.

International Women's Day was celebrated at all operating locations including Pantnagar with participation of women from nearby communities and women employees. More than 12,400 women participated in the celebration which had the theme 'Press for Progress'.

At Pantnagar, a cost effective sanitary napkin making unit 'Sparsh' has been established in joint collaboration with ICDS which has also provided direct employment to 20 women.

Many of our ongoing CSR interventions at locations are focused on rural development through community asset creation.

During the year, we built roads, class rooms and public toilets; conducted repair and renovation work at government schools; and put up street lights and solar lights in our communities.



Sakhi groups taking forward safety at Bhawanipura

## HEALTH, WATER & SANITATION

Health Camps; Support to Homeopathic centre at Gulabpura; Angdaan Mahadaan Campaign; Company run hospitals ; Supporting water security in communities; Supporting Swachh Bharat Abhiyan

SDGs 3, 6, 9, 10, 11

9%

Mukhyamantri Jal Swavlamban Yojana (MJSY)- Government of Rajasthan, Swachh Bharat Abhiyan, Helpage India, Dainik Bhaskar

Hindustan Zinc undertakes various initiatives for better health, water and sanitation in its core communities.

During the year, following key initiatives were undertaken:

- The six Company run hospitals treated over 1,08,000 external patients through the year
- Over 22,000 patients were treated at a Homeopathic camp supported by Hindustan Zinc at Gulabpura
- Conducted mobile health camps in partnership with Helpage India directly benefitting over 5,600 citizens in 23 villages. In addition, conducted other health & awareness camps benefitting over 4700 people
- Angdaan Mahadaan Campaign was initiated in partnership with Hindi daily Dainik Bhaskar to encourage people to pledge their organs for donation and to conduct discussion forums
- Under MJSY, 7 anicuts were constructed in Chittorgarh district and 1 in Udaipur district for rain water harvesting
- 1100 meters of pipeline was laid in Sarlai and Delwas village in Chittorgarh district for drinking water purpose
- 30 school toilets were constructed in Chittorgarh under the Swachh Bharat Abhiyan

## SPORTS & CULTURE

Hindustan Zinc Football Academy, World Music Festival - Udaipur

SDG 3, 5, 9, 10 & 11

14%

Football Link, Seher, Government of India

Support for culture is an old pillar in our CSR policy. This year we also added sports launching a football academy in Rajasthan with a vision to make it best-in-class. The objective is to nurture and prepare young football talent from Rajasthan and make them part of the National Team.

**Hindustan Zinc Football Academy** -Hindustan Zinc has been organising All India Mohan Kumar Mangalam Hindustan Zinc Football tournament in Zawar for last 42 years. Given this long and rich footballing tradition, the Company has now set up a Football Academy which will not only have a residential academy but also 64 community academies across five districts.

During the year, scouting camps were held across Rajasthan, scouting nearly 3,500 children and shortlisting 56 of them for the Residential Academy. The 58 community football centres are also now operational including 4 centres for girls who made their debut in Rajasthan State championship and reached the semi-finals.

**World Music Festival:** Like every year, this year also the Company helped bring the World Music Festival in Udaipur which had performances by over 200 musicians from 17 different countries. The Festival had a footfall of over 50,000 people in 3 days.

<div> <div>Projects</div> <div>Sustainable Development Goal (SDG) Alignment</div> <div>% spend of CSR Budget</div> <div>Partners</div> </div>	
<div>ENVIRONMENT</div> <div> <div>Tree Plantations, Renewable Energy, Sewerage Treatment Plant for Udaipur City</div> <div> <div>SDGs 7, 11, 15</div> <div>11%</div> <div>Urban Improvement Trust, Forest Department</div> </div> </div> <p>We have wide range of initiatives around environmental stewardship with specific engagements at Udaipur city and community level as well as promoting renewable energy.</p> <p><b>SEWAGE TREATMENT PLANT (STP)</b></p> <p>Hindustan Zinc runs a 20 MLD STP in Udaipur, which treated 62,15,000 Kilolitres during the year and recovered about 57,31,650 kilolitres of water. This STP is a unique PPP initiative of the Company and is counted among the best functioning STPs in the country.</p> <p><b>'ROAD SAFETY'</b></p> <p>The road safety project is running across all operating locations in partnership with All India Federation of Motor Vehicles Department. The focus areas for the project were the 4 E's of road safety, viz Education, Engineering, Enforcement &amp; Emergency care. During the year, baseline surveys and stakeholder meetings involving all district level stakeholders were done and over 540 awareness sessions were done covering about 60,000 people.</p> <p>During the year, a campaign to plant fruit trees in the premises of all Anganwadi centres supported by the Company was initiated. For the safety of community members in the villages, 231 new solar lights were installed and 243 were replaced in 42 villages across all locations.</p>	<div>ENGAGING EMPLOYEES IN CSR</div> <div> <div>Khushi Baatiye, Paint for Joy, Movie Screening for visually challenged children, Holi Ke Rang Jeevan Tarang Ke Sang, International Women's Day</div> <div> <div>SDGs 4, 8, 10</div> </div> </div> <p>Employee engagement has been an important way for involving people from across the organisation in the work that we do.</p> <p>During the year, nearly 2,000 employees of the Company participated in CSR initiatives by contributing in cash and kind. Some of the key events were:</p> <ul style="list-style-type: none"> <li><b>Khushi Baatiye</b> – a Fundraising Campaign on Diwali that brought Khushi in the lives of children of Anganwadis - raised funds from 304 employees and presented a new pair of clothes and sandals to over 64,000 children of Khushi Anganwadis</li> <li><b>Audio Description Movie</b> – In a first of its kind initiative, blockbuster film 'Dangal' was screened in Audio Descriptive format for the visually impaired in Udaipur. About 130 employees attended the screening of the movie with visually impaired children.</li> <li><b>Summer &amp; Winter Camp</b> - As part of our Shiksha Sambal Program, employees and their spouses have often been mentors to children in high schools, supporting both academic and non-academic aspects like theatre, music, yoga, craft, self-defence, etc.</li> <li><b>Paint For Joy</b> – A painting event for the hearing impaired and children with autism and cerebral palsy was organised. Children painted to their hearts content helped by 100 employee volunteers</li> <li><b>Holi Ke Rang</b> - This year, employees celebrated Holi with organic Gulal as part of a fund raising effort by Prayas Sansthan, Udaipur. The money from the sales of over 3000 packets enabled Prayas to buy their centre's first television. Around 1,100 employees &amp; families as well as people from communities across all locations purchased Gulal to contribute to this noble cause.</li> </ul>

Criterion 17: The COP describes advocacy and public policy engagement	
Best practices	Reference
Publicly advocate the importance of action in relation to one or more UN goals/issues	<ul style="list-style-type: none"> <li>Chairman's statement and Chief Executive's Statement – Sustainability Report 2017-18</li> <li>Business Responsibility Report – Annual report 2017-18</li> <li>Udaipur Sewage Treatment Plant Case Study- <a href="https://www.waterscarcitysolutions.org/new-innovative-public-private-partnership-to-improve-water-quality-and-availability/">https://www.waterscarcitysolutions.org/new-innovative-public-private-partnership-to-improve-water-quality-and-availability/</a></li> </ul>
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	<p>Company is a member of the following organisation and participating in their public policy interaction and conferences</p> <p>a) Federation of Indian Mineral Industries</p> <p>b) Confederation of Indian Industry</p>



	c) Federation of Indian Chambers of Commerce & Industry d) Indian Chamber of Commerce e) Associated Chambers of Commerce and Industry of India f) India Lead Zinc Development Association <ul style="list-style-type: none"> <li>Membership and association section – SD report</li> </ul>
<b>Criterion 18: The COP describes partnerships and collective action</b>	
<b>Best practices</b>	<b>Reference</b>
Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	As stated below
Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	As stated below

### **Alliance Building and Partnership with NGOs, Industry Associations/ Organizations:**

Table below illustrates some of our ongoing partnership projects in collaboration with NGO's, Industry Associations and National/ International advocacy organizations:

<b>S. No.</b>	<b>Organizations / NGOs</b>	<b>Area of Partnership</b>
1	United Nations Global Compact Forum	To promote good corporate practices in the areas of (i) Human Rights (ii) Labour (iii) Environment (iv) Anti-corruption
2	Seva Mandir, Jatan Sansthan, Grameen Avam Samajik Vikas Sanstha, CARE India Solutions for Sustainable Development, Institute for Finance Management and Research, Women and Child Development Department Govt, of Rajasthan	Khushi Project - Early Childhood Care & Development (Anganwadis)
3	BAIF Institute for Sustainable Livelihoods and Development	Samadhan Project - Agriculture and Livestock Development Project
4	Centre for the Study of Values,	Skill Development Trainings to SHG Women,

5	Saheli Samiti & Manjari Foundation	Shakhi Project - Women Empowerment
6	Skill Council for Mining Sector ; Indian Institute of Skill Development	HZL Mining Academy - Vocational Training to Rural Youths
7	Vidhya Bhawan Society, Resonance, Vedanta PG Girls College, Ringus, District Education Deptt	Shiksha Sambal & Unchi Udaan Project - Educational Initiatives
8	Viklang Kalyan Samiti, Badhir Bal Kalyan Vikas Samiti. Noida Deaf Society, Badhit Baal Vikas Samiti, National Handicapped Finance and Development Corporation,	Disabled Projects - Educational Initiatives
9	Sumedha, CTAE	Educational Initiatives - Scholarship Programme
10	Pt. Chatur Lal Memorial Society, Maharana Kumbha Sangeet Parishad, SEHER, Srajan The Spark	Promotion to Cultural Activities
11	HelpAge India, District Medical and Health Department,	Mobile Medical Camp, Immunization, , Mega Health Camps, blood donation camps etc.
12	District Animal Husbandry Department	Cattle Camp, Cattle Immunization, Artificial Insemination
13	All India Federation of Motor Vehicle Department	Road Safety
14	GYANAM-Education and Social Welfare Society	School Education

## MEMBERSHIPS AND INDUSTRY ASSOCIATIONS



### Corporate sustainability governance and leadership

Criterion 19: The COP describes CEO commitment and leadership	
Best practices	Reference
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	<ul style="list-style-type: none"> <li>Chairman's statement and Chief Executive's Statement – Sustainability Report 2017-18</li> <li>CEO Support Statement- UNGC COP yearly</li> </ul>
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	<ul style="list-style-type: none"> <li>Sustainability Report 2017-18 contains initiatives which are directly reviewed by CEO and are linked to enhance sustainability of the company.</li> </ul>
CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	<ul style="list-style-type: none"> <li>Vision 2020 statements in Sustainability Report 2017-18</li> <li>Sustainability Governance and Strategy- Sustainability Report 2017-18</li> </ul>
Make sustainability criteria and UN Global	<ul style="list-style-type: none"> <li>Our CEO and executive management team have KRA which are directly linked with VSAP (Vedanta Sustainability Assurance Programme)</li> </ul>

Compact principles part of goals and incentive schemes for CEO and executive management team	Scores and Safety performance of the company which is aligned with UNGC principles.
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Criterion 20: The COP describes Board adoption and oversight	
Best practices	Reference
Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance	<ul style="list-style-type: none"> <li>Sustainability Governance and Strategy- Sustainability Report 2017-18</li> </ul>
Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.	<ul style="list-style-type: none"> <li>Sustainability Governance and Strategy- Sustainability Report 2017-18</li> </ul>
Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	<ul style="list-style-type: none"> <li>Sustainability Governance and Strategy- Sustainability Report 2017-18</li> </ul>

Criterion 21: The COP describes stakeholder engagement	
Best practices	Reference
Publicly recognise responsibility for the company's impacts on internal and external stakeholders	<ul style="list-style-type: none"> <li>Chairman's statement and Chief Executive's Statement – Sustainability Report 2017-18</li> <li>Materiality assessment</li> <li>Board level Stakeholder Relationship Committee- Corporate Governance Annual report 2017-18</li> <li>HZL's Vision , Mission and values Statement</li> </ul>
Define sustainability strategies, goals and policies in consultation with key stakeholders	<ul style="list-style-type: none"> <li>Sustainability Governance and Strategy- Sustainability Report 2017-18</li> <li>Materiality assessment</li> <li>Strategy, Approach and key actions for Key priority areas - Sustainability Report 2017 -18</li> </ul>
Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance	<ul style="list-style-type: none"> <li>Sustainability Governance and Strategy- Sustainability Report 2017-18</li> <li>Materiality assessment</li> </ul>

<p>Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect ‘whistle- blowers’</p>	<ul style="list-style-type: none"> <li>• Ethics and Corporate Governance Chapter Sustainability Report 2017-18</li> <li>• Environment and Social Impact Assessment for new project</li> <li>• Community Need Analysis, Base Line Assessment</li> <li>• Public Hearing</li> <li>• Materiality assessment</li> <li>• Grievance Redressal Mechanism and Stakeholder Engagement</li> <li>• Sustainability Strategy and Approach- Sustainability Report 2017-18</li> </ul>
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## Awards & Recognitions

### Sustainability

- Received India Today Safaigiri-2017 Award for Best PPP Model for the Sewage Treatment Plant at Udaipur
- Ranked 11th Globally by Dow Jones Sustainability Index
- Featured in RobecoSAM Sustainability Year Book 2018 - one of the nine companies in India and the only Indian mining company
- Received the CII-IGBC Green Existing Building Platinum Award - 2017
- Received the Sustainable Plus Platinum Label - 2016 by CII
- Received National Awards for Excellence in CSR and Sustainability 2017- Best Sustainable Practices, Best Sustainability Report and Best Carbon Footprint
- Kayad mine received the Global Sustainability Award 2017 under Gold Category
- DSC received the Corporate Governance & Sustainability Vision Awards - 2017 by Indian Chamber of Commerce (ICC)
- Received ICICI Lombard and CNBC TV18 - India Risk Management Award 2018 for best Sustainability Risk Management Framework

### Operational Excellence

- Received the Safety Innovation Award 2017 by Institution of Engineers (India)
- Received Certificate of Commendation 'IEI Industry Excellence Award 2017'
- Pantnagar Metal Plant received the Par Excellence Award in 5S & Kaizen in the 5th National Enclave on 5S organized by Quality Circle Forum of India
- Pantnagar Metal Plant received the 2nd CII National 5S Excellence Award - 2017
- Rampura Agucha and Rajpura Dariba mines received '5 Star Rating' by Indian Bureau of Mines, Government of India
- Received Dun & Bradstreet Corporate Award 2017 in the non-ferrous & precious metal category

### Environment

- Received the SEEM National Energy Management Award - 2016
- Kayad mine received the Environment Excellence Award - 2017 by Indian Chamber of Commerce (ICC)

- The solar power projects at Dariba (4.8 MWp) & Debari (14.4 MWp) have been declared Gold Award Winner in the Rising Category as Best Performing Project of the Year on Utility Scale Solar Energy at the RE ASSETS Excellence Awards Summit 2017
- Hindustan Zinc's 4 units received 8th Rajasthan Energy Conservation Award 2017 by Government of Rajasthan. Rampura Agucha Mine received First Prize in Large Scale Mining Sector, Sindesar Khurd Mine received Second Prize in Large Scale Mining Sector, Zawar CPP received Recognition Certificate in Large Scale Power Plant Sector and Yashad Bhawan received Recognition Certificate in Energy Conservation Building Directives (ECBD) compliant building category
- DSC received the Water Digest Water Awards (WDWA) 2017
- SKM received Second Prize in the Fertilizer (Phosphate) Sector during National Energy Conservation Award - 2017
- Chanderiya CPP received Fly Ash Utilisation Award 2017

## **Human Resources**

- HZL was recognised as "Great Place to Work" by Great Place to Work Institute
- Received the CII HR Excellence Award 2017-18 for "Strong Commitment to HR Practices"

## **Corporate Social Responsibility**

- Received the ET Now CSR Leadership Awards 2018 in Best CSR Practices
- Ranked 20th in Responsible Business 2017 by Economic Times and IIM Udaipur
- Received the Bhamashah Award 2016-17 for exceptional contribution in the field of education

## Our Commitment

Hindustan Zinc Limited is committed towards advocating and implementing the UNGC Principles and we are always looking for new ways of using our opinion to influence policy decisions on social, environmental and quality front at national and state level.

We have incorporated the triple bottom line principle of doing business in our over-all business strategy and regularly we are communicating it with our stakeholders and feedback is incorporated. More details about company's performance on social, economic and environmental front may be accessed from our Annual Report and Sustainability Report 2017-18 which are available on our website i.e. <http://www.hzlindia.com/>