



7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable as there were no fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest as mentioned above.

8. Number of days of accounts payables ((Accounts payable* 365)/Cost of goods/services procured) in the following format:

	FY2026	FY2025
Number of days of accounts payables	99	80

Note: The methodology for calculating accounts payable has been updated as per the new guidelines issued by the Industry Standards Forum on December 20, 2024 which revised the definition for "purchases". Thereby values are restated.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY2026	FY2025
Concentration of purchases	a. Purchases from trading houses as % of total purchases	1.66%	1.97%
	b. Number of trading houses where purchases are made from	10	11
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	99.75%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	33.44%	40.33%
	b. Number of dealers/distributors to whom sales are made	85	91
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	64.67%	62.62%
Share of RPTs in	a. Purchases (Purchases with related parties/Total purchases)	14.43%	9.14%
	b. Sales (Sales to related parties/Total sales)	2.22%	0.77%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	6.35%	6.43%

Calculations derived from purchases changed basis above footnote

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
120	Carbon Emission & Climate Change, Health & Safety, Energy Conservation, TNFD, Extended Producer Responsibility, Psychological Health & Safety, Sustainable Supply Chain, Human Rights	<ul style="list-style-type: none"> 100% of new suppliers given training on Supplier Code of Conduct 58% suppliers (on commercial procurement spend basis) were given training on ESG topics All business partners accessing Hindustan Zinc sites go through mandatory safety training

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. The Company maintains a stringent policy on [Business Ethics & Code of Conduct \(The Code\)](#). Ethical conduct within our Company extends to all stakeholders, including Board members, top management, employees, partners, contractors, shareholders, and others. The Code of Conduct is founded on the principles of trust, mutual respect, professionalism, responsibility, accountability, and transparent communication. It aligns with the Indian Prevention of Corruption Act 1988, the Foreign Corrupt Practices Act 1977, and the UK Bribery Act 2010.

The Code provides guidance on our behaviour, fostering honest and ethical conduct, handling conflicts of interest ethically, and ensuring complete and timely disclosures. It ensures that our actions and policies comply with applicable laws and regulations and adhere to the highest standards of business ethics and integrity.

The Company obtains annual declarations from members of the Board detailing entities in which they have an interest, and such declarations are updated on an ongoing basis to reflect any changes. Transactions with these entities are permitted only after ensuring compliance with applicable statutory provisions and the Company's policies, including obtaining all necessary approvals prior to execution. The policy is placed on the Company's website [HZL Business Ethics & Code of Conduct](#)

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY2026	FY2025	Details of improvements in environmental and social impacts
R&D 	100%	100%	Hindustan Zinc Limited's R&D division is aligned with business objectives, prioritising operational efficiency, process innovation, evaluation and adoption of advanced technologies, cost-effective solutions, and sustainable practices that generate value from waste & secondaries. The key technical focus included developing a deeper understanding of complex ore mineralogy and liberation and enhancing the recovery of target & critical metals during beneficiation and smelting through process optimisation. A major emphasis was on improving silver recovery during mineral processing, and further downstream smelting operation leading to successful plant trials through the introduction of new reagent schemes and process flowsheet enhancements. Specifically, several initiatives were undertaken to reduce reagent consumption and improve value realisation from secondary materials for cost optimisation. Hindustan Zinc has made transition in constant development of value-added products viz., Zn-based batteries and alloy systems attuned to market requirements. We collaborated with leading Indian and foreign research institutes and global technology providers to develop, validate, and scale up in-house processes for concentrate grade improvements and converting waste streams into value-added products. In FY2026 Hindustan Zinc has filed 02 IPs concentrating in fields of sustainable metal valorisation from smelters waste, automation product quality check while running electrowinning process and mineral processing – generation of pyrite con from tailings. Furthermore, Hindustan Zinc has signed two Memorandum of Understanding (MoU) with CSIR-National Metallurgical Laboratory (India) and Virginia Tech. University (US) focusing on strengthening process related to metal grade improvements in mineral processing coupled with innovative techniques for strategic metal extraction across Hindustan Zinc.
Capex 	14%	13%	As a leading company in the metals & mining sector, we are completely aligned with UN Sustainable Development Goals. The Company is working on various areas of ESG with our 8 sustainability goals, having number of projects under the capex investment. The project area includes climate change, energy efficiency, water & waste management, and health & safety. Some of the key projects covered under capex investment are – <ul style="list-style-type: none"> Establishment of water treatment plant including RO and MVR at Rampura Agucha Mine Setting up filtered tailing storage facility at Rajpura Dariba Complex and monsoon preparedness of tailings dam Development of seismic monitoring system at mines Tail gas treatment plant for Hydro 1 Roaster UG Ventilation Improvement Greenbelt Development of Jarofix Yard Power delivery agreement of 530 MW Renewable energy round the clock

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company operates in a responsible manner, embedding sustainability across its business through ethical practices, robust governance, protection of human rights, health and safety of workers, and environmental responsibility. To achieve this vision, we have put in place a [Sustainable Sourcing policy](#) that aligns our goals with our valued business partners and promote a culture of responsibility towards sustainability in all our stakeholders. The policy applies to all our Tier-1 business partners including service and supply partners based on fundamental requirement of adherence to the Supplier's Code of Conduct, which embodies our commitment to internationally recognised standards on five core principles - labour and human rights, occupational health





and safety, environmental sustainability, business integrity, and governance. This system enables the detection of red flags, prompting enhanced due diligence to evaluate the presence of serious risks such as human rights abuses, security-related concerns, support to non-state armed groups, money laundering, tax evasion, bribery, environmental violations, greenhouse gas emissions, water scarcity, social unrest, and misrepresentation of material origins. In response to identified risks, the company formulates targeted risk management plans, including a grievance mechanism to ensure timely prevention and mitigation. When red flags are detected, appropriate corrective actions are taken to address and resolve the issues effectively.

b. If yes, what percentage of inputs were sourced sustainably?

100% of our material and services are being sourced sustainably only through our robust supply chain process, i.e. 100% of tier 1 supplies by commercial procurement spend have been assessed by a third party for ESG aspects during the year.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end-of-life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The products manufactured by Hindustan Zinc are integrated into various products produced by their customers, making it impractical to separate or reclaim them individually. Therefore, the question does not apply to our products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, it is applicable for the plastic being received as packaging material for imported material goods and it is not applicable for our own product/product packaging. These applicable packaging materials are unwrapped in our stores and sent for further recycling and waste collection plan is in line with the EPR plan submitted to Pollution Control Board.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The Company has published an environmental product declaration (EPD) for special high-grade zinc over a cradle-to-grave system boundary. Also conducted life cycle assessment (LCA) in FY2025 as per ISO 14044/44 standards, using cradle to gate approach for zinc, lead, and silver products. The study established the baseline impact of 1 tonne of Special High-Grade Zinc, Refined lead, and Refined silver production each for facilities of Hindustan Zinc.

A set of life cycle impact indicators, such as abiotic depletion potential of minerals and metals, acidification potential, eutrophication potential, global warming potential, ozone layer depletion potential, photochemical ozone creation potential, primary energy demand, and water consumption, were assessed over a cradle to gate system boundary.

NIC Code	Name of the product/service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
24203	Zinc	58.20%	Cradle-to-gate	Yes	Environment Product Declaration
24203	Lead	9.55%	Cradle-to-gate	Yes	Integrated Annual Report 2025-26, Page No. 193
24205	Silver	24.09%	Cradle-to-gate	Yes	Integrated Annual Report 2025-26, Page No. 193

Additionally, the launch of EcoZen – Asia's first low-carbon zinc product in July 2024 – demonstrates our commitment to product innovation and ESG excellence. Manufactured using renewable energy, EcoZen has a carbon footprint approximately 75% lower than the global average. We undertook Product Carbon Footprint of Average Low Carbon SHGZ product based on mass balance approach as per ISO 14067 Standards along with Third Party Verification by an Independent International reviewer. As per the latest verification carried out for Low carbon Zinc & emissions associated with low carbon Zinc is 0.939 TCO₂e/Tonne of Zn, which is less than 1 tonne. For more information please find link to the [product carbon footprint report](#).

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Name of Product/Service	Description of the Risk/Concern	Action Taken
Zinc	There are no significant social or environmental risks or concerns arising from production or disposal of our products/services, as identified in the life cycle assessments (LCA). Following are the recommendations from the above study for which we have worked on:	<ul style="list-style-type: none"> Energy-efficiency projects such as revamping of all the turbines, improvement of cellhouse efficiency, and other projects like installation of variable frequency drives across operations, switching from high-speed diesel to piped natural gas, have contributed to energy savings in our operations We have further extended our power delivery agreement to 530 MW renewable energy We are using biomass along with coal in our captive power plants Electric vehicles have been introduced in our underground mining & smelter operations With all these initiatives and supply of round-the-clock renewable energy with these power delivery agreements, we will be able to source about 70% of our electrical energy requirement from renewable energy and reduce global warming potential, acidification potential and blue water potential significantly below world average data Company has commissioned India's 1st filtered tailing plant at Zawar Mines which recirculates more than 80% of the process water present in tailings. In 2024, a filtered tailing plant was also commissioned at Rajpura Dariba Mine We have zero liquid discharge (ZLD) plants at all smelters which recycles processed water, which is then reused in operations We have also set out plans to commission the ZLD plants at all our units and remain committed to principles of water conservation and zero discharge >8.7 MCM/annum total groundwater recharge potential created in Rampura Aguicha Mines Hindustan Zinc has launched low carbon zinc, EcoZen, having GWP<1 tCO₂e/t of SHG Zinc
Lead		
Silver		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input Material*	Recycled or reused input material to total material	
	FY2026	FY2025
Lead Bullion, Cobalt Cake, Zinc Sulphate, Copper Cement	5.05%	6.69%

* Recycled input material to total associated process material

