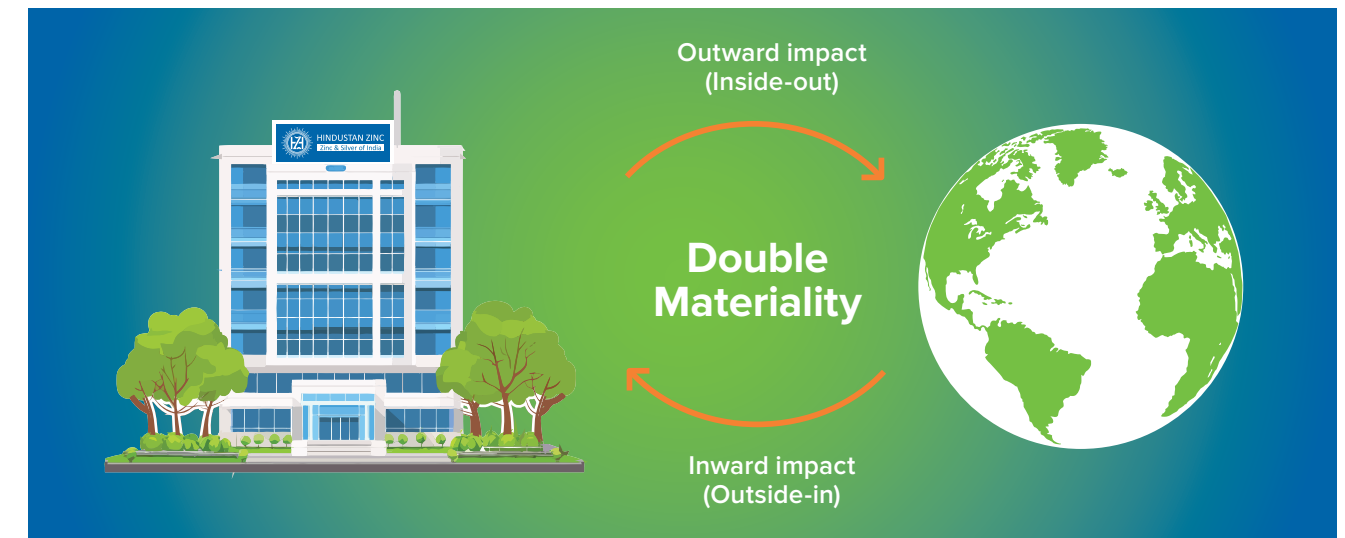


Materiality

Creating value using materiality compass

Hindustan Zinc conducts materiality assessment every three years, followed by an annual review. In FY2025, we conducted a fresh double materiality assessment, guided by the principle set in the EU Corporate Sustainability Reporting Directive (CSRD). Additionally, the outcomes of this materiality assessment have been systematically incorporated into our Enterprise Risk Management framework, enabling robust identification and mitigation of sustainability-related risks. This helped in identifying and prioritising material issues that are financially material to our business operations and have significant environmental and social impacts on our stakeholders. This year, we focused on understanding the impacts (positive and negative), risks, and opportunities associated with our key material issues, to better align our sustainability strategy and disclosures with stakeholder expectations for long-term value creation.



Validation and Review

- Hindustan Zinc's senior leadership reviewed the outcomes, which was approved by the Board's Sustainability & ESG Committee
- Independent third-party assurance was obtained for the materiality assessment process

Identification of Material Topics

- 200+ ESG topics were identified through peer benchmarking and leading standards
- 21 material topics were finalised

Materiality Matrix Development

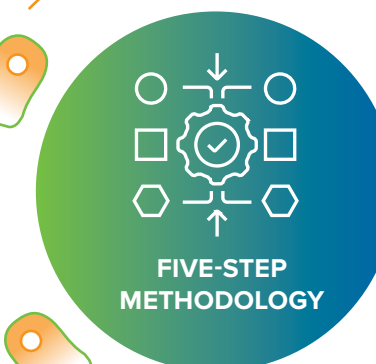
- Material topics were scored and weighed by stakeholder influence and impact
- A consolidated matrix was created across financial and impact dimensions

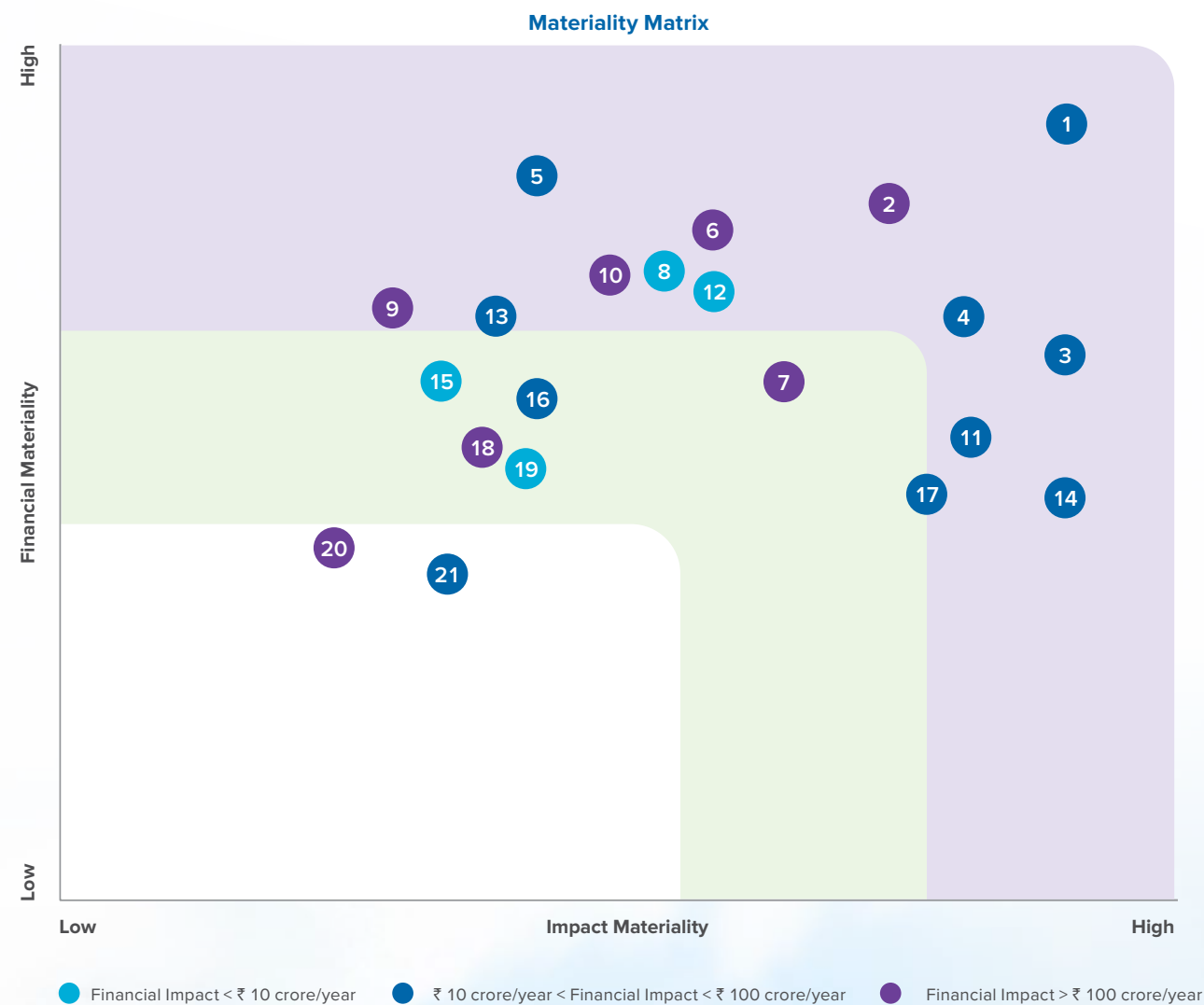
Impacts, Risks, and Opportunities (IRO's) Identification

- 250+ IROs were mapped to the identified material issues using internal risk registers, human rights reports, community impact assessment reports and industry standards (GRI, SASB)

Stakeholder Engagement

- 400 internal and external stakeholders were engaged and consulted
- For financial materiality, we engaged with Hindustan Zinc's leadership and key institutional investors
- For impact materiality, business partners, suppliers, customers, employees, civil society, regulators, media partners, and the local communities were engaged
- Structured and semi-structured interviews, focused group discussions, and surveys were conducted





	S. No.	Material Topic	Priority
S	M1	Health, Safety and Well-being	<div><div></div></div>
E	M2	Air Emissions and Quality	<div><div></div></div>
E	M3	Tailings Management	<div><div></div></div>
E	M4	Water Resource Management	<div><div></div></div>
G	M5	Business Ethics and Corporate Governance	<div><div></div></div>
S	M6	Community Engagement and Development	<div><div></div></div>
E	M7	Circularity and Waste Management	<div><div></div></div>
S	M8	Diversity, Equal Opportunity and Inclusion	<div><div></div></div>
S	M9	Talent Attraction and Retention	<div><div></div></div>
E	M10	Climate Change and Energy Transition	<div><div></div></div>
G	M11	Innovation and Technology	<div><div></div></div>
S	M12	Labour Practices and Human Rights	<div><div></div></div>
G	M13	Responsible Advocacy	<div><div></div></div>
S	M14	Learning and Development	<div><div></div></div>
G	M15	Product Stewardship	<div><div></div></div>
E	M16	Biodiversity and Ecosystems	<div><div></div></div>
G	M17	Data Privacy and Cybersecurity	<div><div></div></div>
G	M18	Macroeconomic and Geopolitical Impacts	<div><div></div></div>
G	M19	Sustainable and Inclusive Supply Chain	<div><div></div></div>
S	M20	Indigenous People and Cultural Heritage	<div><div></div></div>
S	M21	Land Acquisition, Rehabilitation and Closure	<div><div></div></div>

Low

Medium

High

Environmental

Social

Governance

OUR APPROACH

Based on the level of risks, opportunities and/or impacts associated with each material topic, we have tailored targeted management strategies and action plans. Unique programmes are carried out across the organisation in a phase-wise manner to drive effective management of each area based on its priority.

OUR HIGH PRIORITY MATERIAL ISSUES

Health, Safety & Well-Being

KPIs tracked

- Fatalities
- Total recordable injury frequency rate (TRIFR)
- Lost time injury frequency rate (LTIFR)

Strategy Linked

S5

Capitals Impacted



UN SDGs Impacted



Community Engagement & Development

KPIs tracked

- Lives positively impacted through social, economic and environmental initiatives
- Total spend socio-economic development

Strategy Linked

S5

Capitals Impacted



UN SDGs Impacted



Air Emissions & Quality

KPIs tracked

- SOx emissions
- NOx emissions

Strategy Linked

S5

Capitals Impacted



UN SDGs Impacted



Circularity & Waste Management

KPIs tracked

- Increase in gainful utilisation of process waste
- Waste to Landfill
- Waste recycling

Strategy Linked

S2 S5

Capitals Impacted



UN SDGs Impacted



Tailings Management

KPIs tracked

- Dry tailing disposal
- GISTM alignment

Strategy Linked

S1 S2 S5

Capitals Impacted



UN SDGs Impacted



Diversity, Equal Opportunity & Inclusion

KPIs tracked

- Workforce diversity %

Strategy Linked

S5

Capitals Impacted



UN SDGs Impacted



Water Resources Management

KPIs tracked

- Water positivity ratio
- Freshwater consumption in operations
- Water recycling

Strategy Linked

S5

Capitals Impacted



UN SDGs Impacted



Talent Attraction & Retention

KPIs tracked

- Turnover rate
- Retention rate

Strategy Linked

S5

Capitals Impacted



UN SDGs Impacted



Business Ethics & Corporate Governance

KPIs tracked

- Reporting of ethical violations
- Completion rate of mandatory Business Ethics & Code of Conduct training for employees
- Whistleblower cases resolved

Strategy Linked

S1 S2 S3 S5

Capitals Impacted



UN SDGs Impacted



Climate Change & Energy Transition

KPIs tracked

- Scope 1, 2 & 3 emission
- RE Power utilisation
- GHG intensity

Strategy Linked

S4 S5

Capitals Impacted



UN SDGs Impacted



➡ Read more about material topic management under Business Responsibility and Sustainability Report on page 314
 Also, read about our sustainability goals and progress on page 146