



A Navratna Company

NHPC

Stakeholder Engagement Policy

(Version 2.0)

NHPC Stakeholder Engagement Policy

1.0 Preamble:

- 1.1 NHPC's commitment towards environment and people is affirmed through its Corporate Vision and Mission, policies and practices adopted by the organization.
- 1.2 As part of our efforts to deliver our Sustainability Vision, NHPC Limited or 'the Company' has established this Policy to demonstrate our commitment towards development of strategic relations with our stakeholders and their continuous & progressive engagement in the Company's activities and operations.

2.0 Introduction:

- 2.1 As a responsible enterprise of Govt. of India, with a diverse business portfolio and units spread across India, NHPC's stakeholders bouquet is large.
- 2.2 NHPC, over its journey since inception, has built a constructive relationship with its stakeholders based on mutual trust, transparency, ethics and accountability.
- 2.3 Stakeholder engagement at NHPC is a continuing process wherein the company interacts with various stakeholders at different forums / levels to understand and address their expectations and collaborates with them.

3.0 Objective of the Policy:

- To promote transparent, inclusive, and accountable stakeholder engagement that fosters trust, supports sustainable development, and strengthens long-term relationships across all its operations.
- To ensure compliance and good governance in stakeholder engagement.

4.0 Definitions:

- **"Company"** means NHPC Limited.
- **"Policy"** means NHPC Stakeholder Engagement Policy.
- **"Stakeholders"** are defined as any individual or groups who have an interest in or are affected either directly or indirectly by the Company's activities or who possess the capacity to influence operations of the Company including customers, employees, shareholders, suppliers, regulators, government, community/public at large, media etc.

- **Vulnerable and Marginalized Group** refers to group of individuals who are unable to realize their rights or enjoy opportunities due to adverse physical, mental, social, economic, cultural, political, geographic or health circumstances. These groups can be identified on the basis, inter alia, of the following:
 - i) Gender and transgender (women, girls and other gender-diverse individuals),
 - ii) Age (children, senior citizens and other age-related groups),
 - iii) Descent/identity/ethnicity (caste, religion, Scheduled Castes, Scheduled Tribes and other socially or culturally disadvantaged groups),
 - iv) Occupation (displaced persons, landless small and marginal farmers, migrant workers and other occupationally vulnerable groups),
 - v) Persons with disabilities,
 - vi) Political or religious beliefs

5.0 The Policy:

- 5.1 NHPC Ltd is committed to engage with all stakeholders, including those coming from vulnerable and marginalized groups as provided in the indicative summary of NHPC's stakeholder groups appended to this Policy. This summary also indicates purpose, mode and frequency of engagement along with interfacing departments and forms integral part of this policy.
- 5.2 NHPC Ltd. will work towards addressing the stakeholder concerns in timely, equitable, transparent, fair, and constructive manner.
- 5.3 NHPC Ltd. promotes a structured stakeholder management mechanism, that comprises of Stakeholder identification, Stakeholder engagement strategy/process, Understanding their concerns with periodically updated information about frequency, agenda, touch points, analysis, review etc.
- 5.4 NHPC Ltd. will promote awareness among its employees about the importance of listening to the stakeholders concerns and training programs on identifying and addressing the stakeholder concerns in an equitable, fair, timely, and constructive manner.
- 5.5 NHPC Ltd. shall ensure that stakeholder feedback is appropriately integrated into the identification of material environmental, social, and governance matters, risk management processes, strategic planning, project implementation, prioritization of corporate social responsibility initiatives, and the continuous improvement of its policies and practices.

6.0 Applicability

This Policy applies to Board Members, Key Managerial Personnel (KMP) and employees of NHPC Ltd. (herein collectively referred to as "Company"). This Policy shall also act as an advisory for the independent contractors and business partners, who are associated with the 'Company', to uphold and adopt the principles enshrined in this policy.

7.0 Communication of the Policy, Reporting & Implementation:

- 7.1 This Policy is communicated to all employees across all locations of NHPC in an appropriate and meaningful manner through Intranet & Notice Boards.
- 7.2 Designated Nodal Department i.e. Company Secretariat shall ensure the Policy is implemented throughout the Company.
- 7.3 Compliance will be ensured at the Projects/Power Stations/Regions/Units by their respective Heads and at the corporate level by the respective Head of Divisions.
- 7.4 Compliance of the Policy will be regularly monitored by Heads of respective Divisions/ units / locations/ Projects/ Power Stations and any grievances/complaints with respect to violation of the Policy shall be reported by all concerned to Nodal Department i.e. Company Secretariat for necessary measures / disclosure in this regard.
- 7.5 Interfacing departments, designated as the owners of the concerned engagement process, shall have the responsibility of ensuring end to end coverage and shall identify and address the critical concerns of stakeholders.
- 7.6 Heads of respective divisions/ units / Projects/ Power Stations shall report on quarterly basis within 15 days of end of a quarter in a financial year, delineating the stakeholders' engagements undertaken during the concerned quarter. The report shall be submitted online through the Stakeholder Engagement System developed under Sehaj Sewa platform or any other system modified from time to time.
- 7.7 The reporting on compliance of the Policy shall be done through NHPC Business Responsibility and Sustainability Report.

8.0 Review & Monitoring

- 8.1 The Company through its Stakeholders' Relationship Committee will periodically review the Policy and approve any amendment thereof. The Stakeholders'

Relationship Committee will also oversee implementation of the Policy. Any amendment/ substitution/ modification to any provision(s) of this Policy for any factual presentation or to comply with any regulatory amendment(s) or statutory modification(s) shall be made with approval of Chairman and Managing Director.

8.2 NHPC Ltd. may also seek third party intervention to monitor the adherence of this policy.

Indicative summary of NHPC's Stakeholders, their significance, frequency and mode of Engagement and Interfacing departments

Stakeholder and their significance	Purpose of Engagement	Frequency and Mode of Engagement	Interfacing department
Government and Regulators: <ul style="list-style-type: none"> • Owner • Policy maker and Key enabler • Regulator and Monitor 	<ul style="list-style-type: none"> • Act and policy Compliances • Implementation of Govt. initiatives • Environmental Compliances • Regulatory Compliances 	Continuous: Calls and meetings with Government officials, MOU', Seminars and interactions with associations and industry chambers	<ul style="list-style-type: none"> • Planning • EDM • SBD&C • Commercial • Comp.Secy.
Public/Investors: <ul style="list-style-type: none"> • Owners / shareholders • Capital investor 	<ul style="list-style-type: none"> • Corporate Governance and Ethics • Cost optimization and improved Profitability • Return on Investment • Risk Management • Innovation and Digitization • Focus on Sustainability and ESG 	Monthly: Stock Exchange Filings Quarterly: Earnings conference calls and presentations, Investor and Analyst meets Annual: Annual Report, Annual General Meeting (AGM), Plant/Facility Visits Investors Grievance Mechanism	<ul style="list-style-type: none"> • Investor Relation Cell • Company Secretary
Board of Directors and Key Managerial Personnel: <ul style="list-style-type: none"> • Business Decision maker 	<ul style="list-style-type: none"> • Implementation of the Companies Vision, Mission, Objectives in true, transparent, efficient and ethical manner • Collective direction of the Company's affairs whilst meeting the appropriate 	<ul style="list-style-type: none"> • Scheduled Board meetings • Scheduled and special Board Committee meeting 	<ul style="list-style-type: none"> • Company Secretary

Stakeholder and their significance	Purpose of Engagement	Frequency and Mode of Engagement	Interfacing department
	interests of our stakeholders and shareholders <ul style="list-style-type: none"> • Corporate Governance 		
Distribution Companies (DISCOM's) Principal source of business sustenance	<ul style="list-style-type: none"> • Quality and Regular availability of Power 	Monthly: Meetings, Emails, Power Purchase Agreement, Industry meets	<ul style="list-style-type: none"> • Commercial
Employees: <ul style="list-style-type: none"> • The key resource for competitive advantage and sustainable growth 	<ul style="list-style-type: none"> • Health and Safety • Remuneration and Appraisals • Learning and Development • Diversity and Inclusion 	Monthly: Emails, Meetings, Intranet, Grievance Mechanism, social media, Trainings and Awareness programs	<ul style="list-style-type: none"> • Human Resource • T&HRD
Communities: <ul style="list-style-type: none"> • Potentially affected (directly/indirectly) from business operations including Project Affected Families 	<ul style="list-style-type: none"> • Local community development • Employment generation 	Monthly: CSR programs, Meetings with communities, Grievance redressal mechanism	<ul style="list-style-type: none"> • HOPs (PS/ Projects) • CSR • EDM
Suppliers and Contractors <ul style="list-style-type: none"> • Critical value chain partners • Intrinsic to NHPC's business operations and delivery 	<ul style="list-style-type: none"> • Procurement of Quality Raw Materials and Equipment • Ethical business practices • Payment terms 	Monthly: Suppliers meet Contract documents and agreements, Workshops, trainings and awareness sessions,	<ul style="list-style-type: none"> • Contracts

Stakeholder and their significance	Purpose of Engagement	Frequency and Mode of Engagement	Interfacing department
<p>Media</p> <ul style="list-style-type: none"> • Key Informer to stakeholders about our business development, activities and services as well as the impact of our business operations • General Awareness generator about the Company's operations & activities • Safety & precautions 	<ul style="list-style-type: none"> • Transparency and relevance of information • New business opportunity • Financial and Operational Performance 	<p>Monthly: Media briefings, Press Releases</p> <p>Continuous: Company website, Social Media Platforms like Facebook, Twitter, Instagram, YouTube</p>	<ul style="list-style-type: none"> • Corporate Communication
<p>Employee Unions and Associations:</p> <ul style="list-style-type: none"> • Key source of communication/ messenger 	<ul style="list-style-type: none"> • Help set standards for education, skill-levels, wages, health and employee benefits and working conditions of our employees 	<ul style="list-style-type: none"> • Regular / Scheduled meetings • Dedicated survey 	<ul style="list-style-type: none"> • Human Resource
<p>Lenders:</p> <ul style="list-style-type: none"> • Primary role to provide funds 	<ul style="list-style-type: none"> • Fund Provision • Setting Loan Terms • Loan Servicing and Monitoring 	<ul style="list-style-type: none"> • Event based through Meetings, Emails, calls etc. 	<ul style="list-style-type: none"> • Finance

Version Control Table

Effective Date	Version	Amendment
28.03.2023	1.0	The Policy was originally adopted with the approval of Board of Directors in their 465 th meeting.
14.04.2026	2.0	Amended by Board of Directors in their 507 th meeting.