

Dividend Distribution Policy

Effective from: **April 1, 2024**

First Revision: **February 13, 2017**

Second Revision: **February 22, 2021**

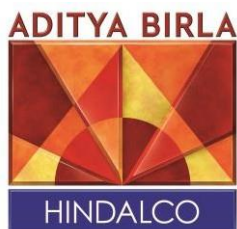
Third Revision: **February 13, 2024**

*Placed before the Board of Directors at its meeting held on February 13, 2024, and reviewed/approved thereat.

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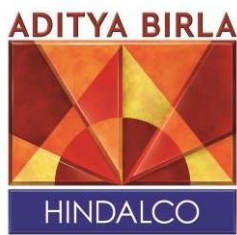
Dividend Distribution Policy

1. Introduction

- 1.1. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Distribution Policy for the Company at its meeting held on 13th February 2017 as amended on 22nd February 2021 and February 13, 2024.
- 1.2. The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

2. Target Dividend Payout

- 2.1. Dividend will be declared for any financial year out of the profits of the company for that year or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation and remaining undistributed, or out of both;
- 2.2. The Board will endeavor to distribute a dividend in the range of 8 % to 10% of the Free Cash Flow at Hindalco Consolidated Level (defined as Cash Flow after meeting interest, tax, other statutory dues, maintenance capital expenditure and working capital requirements at Hindalco Consolidated Level but before considering strategic capital expenditure and debt repayments/pre-payments) of the relevant year subject to compliances of the Companies Act 2013 and all other applicable Regulations.



3. Factors to be Considered for Dividend Payout

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation for dividends:

- Free Cash Flow of the relevant year (as defined above)
- Stability of earnings
- Future capital expenditure, inorganic growth plans and reinvestment opportunities
- Industry outlook and stage of business cycle for underlying businesses
- Leverage profile and capital adequacy metrics
- Overall economic / regulatory environment
- Contingent liabilities
- Past dividend trends
- Buyback of shares or any such alternate profit distribution measure
- Any other contingency plans

4. Review

This policy would be subject to revision / amendment on a periodic basis as may be necessary.

5. Disclosure

This policy (as amended from time to time) will be available on the company's website and in the annual report.