

## Scope of work for engagement of Compliance Partner and providing compliance support to Hindustan Zinc Limited ('HZL')<sup>1</sup>

### 1. Scope of work:

The Compliance Partner will be responsible for the below-detailed services for the list of units/locations mentioned below, and/or any other location as may be subsequently introduced by the Client:

Name of the Unit
Debari Smelter
Corporate Office
Zawar (CPP+Mines)
CLZS Smelter
Kayad Mines
Rampura Agucha Mines
Rajpura Dariba Complex (Mines + Smelter + CPP)
Pantnagar
All subsidiaries of HZL
Colonies, Hospitals, Guest Houses, Schools, CSR assets under HZL, Water Dams, Warehouses & Depots.

### Part A – Periodic updating of compliance repository

#### 1. Real-time updating of:

- Compliance repository in light of regulatory changes applicable to the compliance landscape of Hindustan Zinc Limited. This activity covers reassessment of applicable laws and incorporation of missing laws.
  - Identification of additional laws and compliances basis any operational changes. To facilitate this, Compliance Partner will create a framework and process to gather relevant information from the key stakeholders.
  - Compliance Partner shall build a mechanism to identify new activities and compliances pertaining to the same for the purpose of incorporating in the compliance tool. Compliance Partner will allocate the compliance requirements to the respective users based on their analysis/the details provided by the Client.
  - Compliance Partner will create the compliance requirements that arises out of the consents (related to environmental laws like CTO/CTE/ PESO etc.) that will be shared with the tool vendor for mapping in the tool, basis the users' details provided by the Client.
- For the purpose of this scope of work document, the term “tool” means the compliance monitoring tool/software used by HZL.
- Maintenance of license-tracker of all relevant consents, licenses, authorizations, by whatsoever name they may be called, and real-time updating of the same on the renewal /expiry/issuance of fresh consents. The same is to be shared with the Client on a monthly basis, and/or as and when sought for by the Client.

### Part B – Compliance Review:

- Review of compliance status reported in the tool by respective users / departments across all the locations mapped in the compliance tool, along with monthly assessment and reporting of all submissions made by the users on the tool, after having cross-checked with the actual on-site status, wherever applicable.

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<sup>1</sup> 'HZL/Company/Client' means Hindustan Zinc Limited its townships, hospitals, schools, etc., and any other related units, as well as all of HZL's subsidiaries.

2. Based on the above review, identification of exceptions (pertaining to compliances-in-progress, incorrect reporting, status of remediation timelines by users, incorrect attachments uploaded) noted and exception reporting to the management for final consideration.
3. Compliance Partner shall carry out a physical/in-person site review on a monthly basis to check the compliance status as reported in the tool. This amongst other will include seeking information and documents from the Client's users, in support of compliance status as reported by the user.
- This review shall be done on a monthly basis and Compliance Partner shall report the identified gaps, recommendations and remediation plan as agreed by the users, to the Client. The gaps, recommendations and remediation plan will be shared with the management in the succeeding month for their further review and consideration.
- For the purpose of this review, the Compliance Partner shall use the compliance repository mapped in the Compliance tool, which shall be updated by the Compliance Partner in discussion with the respective functional users, on real-time basis, and the status of compliances being reported by users across functions.

### **Part C – Handholding by Compliance Partner:**

1. Coordination with and assistance to the users to discuss the list of upcoming compliance submissions and follow up for timely submission of compliances in the tool.
2. Providing need-based compliance clarifications and resolving tool related queries.
3. Regular co-ordination with process owners to understand compliance related challenges (interpretation or reporting) and resolving the same.
4. Ensuring updation of user change and compliance remapping request, basis details provided by client.
5. Need-based assistance to the Client Management in providing clarifications on compliance checklists uploaded in the Compliance Tool.
6. Guidance to users in remediating non-compliances/ incorrect reporting & tracking open issues vs. its remediation.
7. Need based subject matter expert (SME) support to users for compliance related challenge.
8. Responding to any tool related and other queries asked during internal / external audits w.r.t. framework, tool, compliances & MIS report. Any such support being extended by Compliance Partner, is subject to final consideration of client's management.
9. Complete resource presence and support during internal/external compliance audits.
10. Compliance Partner shall carry out analysis of the compliance status reported in the tool. This includes identification of exposure areas and developing remediation plan to mitigate compliance risk. Any exception noted shall be shared with the management for further consideration.
11. Assistance to users in compliance execution - Coordination with user teams to facilitate resolution of non-compliances. This will include helping in correct understanding of the compliance requirements, help coordinate meeting of relevant stakeholders, coordination with users for effective resolution / mitigation plan etc.
12. Clarifying, deploying and monitoring action plan for mitigation of non-compliance and ensuring that non-compliances get converted in complied status within agreed timelines, any delay in remediation shall get highlighted to the management as per the pre-defined escalation metrics.
13. Refresher training, on applicable statutory compliances, to users identified by the Client, as and when necessary. Material for training will be as reviewed and approved by the Client.
14. On-site training to the Client's users, for compliance reporting, to ensure accurate reporting.
15. Workshops with process owners for sharing industry practice and regulatory changes.
16. Creating a compliance model wherein the feasibility of ensuring compliance at the sites by the respective business partners is developed and implemented.

17. Understanding and highlighting compliance related risk arising from the end of various business partners who have been engaged across locations. Example: This would mean sample-based verification of contractor's registers and records to assess the actual performance of compliances and Principal Employer's risk.
18. Sending real-time regulatory/statutory updates to the Client's Management, the compliance users, and/or any other internal stakeholder as may be identified by the Client. Such updates are to be tailor-made basis who such updates are being shared with.
19. Ensuring real-time mapping of compliances relevant to the unit.

**Part D – Training to Users and Administrators as follows:**

- Trainings to users identified by the client, on tool interface, as and when required.
- Frequent on-site trainings on regulatory compliances by Industry Experts/Lawyers/ Company Secretaries deployed by the Compliance Partner.
- Frequent hybrid-model trainings on regulatory compliances and legal updates by a senior legal member/SME of the Compliance Partner.

**Part E – Compliance Partner Resources:**

For providing the services covered in this document and/or any other services as may be mutually agreed upon between the Parties, the Compliance Partner shall have four of its experienced resources, permanently based out of HZL's locations (as will be decided by the Client):

- The location identified by HZL for deployment of resource by the Compliance Partner is tentative and is subject to modification or revision by HZL, without prior notice.
- The resources deployed by the Compliance Partner will not be restricted to their base location, and will have to simultaneously handle multiple locations of the Client, including frequent travel to and from locations,
- The Compliance Partner's resources shall be such people with at least 3 years relevant industry experience of managing comprehensive compliance framework, and advanced subject-matter expertise as well.