

**ANNEXURE III**

**STANDARD TERMS & CONDITIONS**

**1. TAXES AND DUTIES**

- 1.1 Payment of all taxes, fees, levies, duties, or other charges of whatsoever nature including service tax, excise, VAT and in respect of any wages, salaries and other remuneration paid directly or indirectly to persons engaged or employed by the Supplier or its subcontractors levied or imposed now or hereinafter as a result of the services provided hereunder and the performance of this Agreement shall be the sole responsibility of and be paid by the Supplier. Nothing contained herein shall prevent the Company from deducting tax at source as required by law from the payments due to the Supplier.
- 1.2 The Supplier shall be responsible for filing all necessary tax returns (including, without limitation, returns for corporate income tax, personal income tax, service tax, sales tax) with the relevant Government Authorities in accordance with all applicable statutory requirements and shall be responsible for providing all information requested by such Government Authorities.
- 1.3 The Supplier shall also ensure that its subcontractors file such returns as stipulated by the relevant Government Authorities and furnish such information as requested for by the relevant Government Authorities.

**2. STATUTORY COMPLIANCES/LICENCES**

- 2.1 The Supplier shall be solely liable for statutory compliance in respect of all applicable laws of land which inter-alia includes Labour laws and regulations/rules made thereunder including but not limited to Compliance of provisions of Employment Act, Employment of Young Persons and

children's Act, Industrial and Labour Relations Act, Minimum Wages and Conditions of Employment Act, Workers Compensation Act, Occupational Health and Safety Act, Mines and Mineral Act, Factories Act; and all tax laws and regulations for the time being in Zambia,. The Service Provider shall be solely responsible for maintenance of records and filing of various forms/ returns prescribed under all applicable laws and regulations/rules made thereunder in respect of employees employed by it

- 2.2 The Company shall be entitled to deduct/adjust from amount payable to the Supplier any dues, wages, compensation on accident or death, expenses paid by the Company in compliance with the applicable laws, in respect of employees of the Supplier.
- 2.3 The supplier shall comply with Anti-money laundering law, regulations and rules as in force from time to time.

**3. INSURANCE**

- 3.1 The Supplier shall effect and maintain with a reputed insurance company a policy(ies) of insurance providing an adequate level of cover in respect of all risks which may be incurred by the Supplier, arising out of the Supplier's performance of its obligations under the Agreement, including death or personal injury, loss of or damage to property or any other loss. Such insurance shall be maintained for the duration of the Term of the Agreement.
- 3.2 The Supplier shall hold employer's liability insurance in respect of its employees/personnel in accordance with Purchaser's Policies and regulations.



- 3.3 The provisions of any insurance or the amount of cover shall not relieve the Supplier of any liabilities under the Agreement.
- 3.4 The Supplier shall also take third party liability insurance and surrounding property damage insurance. In case of any loss or damage, the Supplier shall lodge and settle the claim with the insurance company.
- 3.4 Supplier will be made at equivalent to differential loss suffered by the Company in case the loss to the Company is not fully compensated by the insurance agency.
- 3.5 Notwithstanding anything contained above the Company may arrange insurance of the consignment. But, that will not in any way absolve the Supplier from compensating Company /consignee in case of damage / loss.
- 3.6 Without limiting Supplier's obligations, liabilities, and responsibilities under any Purchase Order or at law, Supplier shall when providing Material or Services, at its cost, obtain or procure or cause others to obtain or procure the insurances required by **Exhibit B**.
- 3.7 All the insurance policies described in Exhibit B, except workers' compensation and employer's liability shall, to the extent of the insurable liabilities assumed and indemnities given by Supplier hereunder, be written or endorsed with Purchasing Group as additional insured or shall contain indemnity to principal provisions, and all policies described in Exhibit B, including workers' compensation and employer's liability, shall provide that the insurance company shall have no right of recovery or subrogation against Purchasing Group. All liability policies required herein shall provide severability of interest or cross liability clause. All policies required of Supplier herein shall, to the extent of the insurable liabilities assumed and indemnities given by Supplier hereunder, provide

that the insurance coverages shall be primary and not excess to or contributing with any insurance or self-insurance maintained by Purchasing Group. In all cases all applicable Supplier Group deductibles, self-insured retentions, and excesses will be borne by Supplier.

- 3.8 All insurances taken out by Supplier in accordance with the provisions of this Clause 3 shall provide that Supplier's underwriters of insurance give not less than thirty (30) days' notice of cancellation of any such policy of insurance to Purchaser. No such cancellation shall relieve Supplier of its obligation to maintain insurance in accordance with this Agreement and / or any Purchase Order.
- 3.9 To the extent Supplier has sub-suppliers of any tier, Supplier agrees that should any sub-supplier's insurance lapse, is cancelled, has insufficient limits of insurance available or is not carried, Supplier's obligations under this Clause 3 are in no way relieved or diminished. Supplier shall use its best endeavours to obtain from its sub-suppliers additional insured, or indemnity to principals, status, a waiver of subrogation and a primary insurance statement, both in favour of Purchasing Group. Upon request, Supplier shall obtain and provide Purchaser with valid certificates of insurance from such sub-suppliers evidencing compliance with this Clause 3.
- 3.10 Neither the delivery to Purchaser of any certificates of insurance, nor any failure on the part of Purchaser to discover and notify Supplier of any errors or omissions in certificates of insurance, nor the rejection of certificates of insurance that do not conform to the requirements described herein, shall be construed to imply an acceptance of such certificates of insurance or the coverages/endorsements reflected therein, or a waiver of the coverages/endorsements requirements contained herein. Review by

Purchaser of any certificate of insurance shall not relieve Supplier from any obligation to secure the insurance coverages and endorsements required herein, and nothing shall operate to shift responsibility for insurance coverages from Supplier to Purchaser.

#### 4 WARRANTIES AND REPRESENTATION

4.1 The Supplier represents and warrants that:

- (i) It is a duly organized company/business entity validly existing under the laws where it is incorporated/established, and has experience, expertise, ability and skills as required to supply Materials and perform the Services as detailed in the Scope of Services above and as may be necessary to perform its obligations hereunder in a professional manner.
- (ii) It has all the requisite power, authority and approvals required to enter into this Agreement and will have all the requisite power, authority to perform fully each and every obligation under this Agreement.
- (iii) This Agreement has been duly executed and delivered by its duly authorized representatives and constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms.
- (iv) The execution, delivery and performance of this Agreement and all instruments or addenda required hereunder by it does not contravene, violate or constitute a default of or require any consent under the provisions of any other agreement or instrument to which it is bound, including the constitutional documents thereof, or any order, judgment, decree or injunction of any court of law.
- (v) No legal proceedings are pending or threatened against it before any court, tribunal or authority which do or may

restrain or enjoin its performance or observance of the terms and conditions of this Agreement or which do or may in any other manner question the validity, binding effect or enforceability of this Agreement.

- (vi) No order has been made or petition presented for the bankruptcy protection, winding up or dissolution thereof against it.
- (vii) It shall maintain high professional standards to ensure performance of this Agreement as per best business practices and in full compliance with statutory obligations.
- (viii) It has all necessary statutory and regulatory permissions, approvals and permits for the running and operation of its establishment for the conduct of its business;
- (ix) It has full right, title and interest in and to all trade names, trademarks, service marks, logos symbols and other proprietary marks (IPR) (including limited right of use of those owned by any of its vendors, affiliates or subcontractors) which it provides to the Company, for use related to the Material/Services, and that any IPR provided by the Supplier shall not infringe the IPR of any third party;
- (x) The Supplier represents that there is no inquiry/ investigation pending by the Police against the Supplier or its employees. The Supplier undertakes that it will confirm at his own cost and expense and shall comply in all respect with the provisions of Government Authority applicable to the Supplier and /or to the Supplier's employees;
- (xi) The Supplier shall be liable for all fines, penalties, and the like of parking, traffic and other criminal offences arising out of or concerning the use of any vehicle for performing the Agreement and any toll charges or entry Taxes payable locally and the Supplier accordingly indemnifies

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Company against all such liability.

(xii) The Supplier has sufficient resources available to respond to emergencies/incidents, which may occur along established transportation routes. In case of any accident resulting in loss or damage to property of life, the sole responsibility for any legal or financial implication would vest with the Supplier. Company shall have no liability whatsoever.

4.2 Each Party hereby warrants that it has not entered into this Agreement relying on any warranty, representation or undertaking except for any warranty, representation or undertaking expressly set out in this Agreement.

4.3 Supplier warrants and guarantees that:

(i) all Material shall be supplied in accordance with the provisions of the Agreement/Purchase Order and with generally accepted industry standards, Trade Usage with regard to quality, Specification, quantity, measurement, performance and/or functionality and are free from defects in material and workmanship;

(ii) if the Material are manufactured by reference to Supplier's data or other specified data provided to Purchaser, the Material shall have been manufactured in accordance with such data;

(iii) if the Material are sold by sample then they shall conform to the sample;

(iv) if the Material are manufactured to designs supplied by Purchaser, the Material shall have been manufactured in conformity with such designs and any approved working drawings;

(v) it is aware of the purpose and usage of the Material by the Purchaser including the technical parameters attributable to the usage of the Material; and

(vi) in the case of the Material, be of the best available design, of the best quality and workmanship and shall be free from fault or defect (including latent defect), with such tolerances as stated in the Specification or on the

drawings.

4.4 If Supplier is required to repair or replace defective Material, the warranty period shall renew for the repaired or replaced Material.

## 5. ETHICS

5.1 **GIFTS AND COURTESIES:** The Supplier shall declare any conflicts of interest with the Company including relationship or financial interest of any nature whatsoever with employees, managers, other suppliers, vendors or stakeholders of the Company.

The Supplier shall not use the services of any of the employees of the Company, directly or indirectly or enter into any sort of monetary transaction with the employees of the Company. The Supplier undertakes that he has not given, offered or promised to give directly or indirectly any bribes, commission, gift, consideration, reward, or inducement to any of the employees of the Company or their agent or relatives for showing or agreeing to show favor or disfavor to any person in relation to this Agreement or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the aforesaid undertaking, by the Supplier, or his partners, agent or servant or any one authorized by him or acting on his behalf. The Supplier undertakes that in the event of use of any corrupt practices by the Supplier, the Company shall be entitled to terminate the Agreement forthwith and recover from the Supplier, the amount of any loss arising from such termination. A decision of the Company or his nominee to this effect that a breach of the undertaking had been committed shall be final and binding on the Supplier.

If at any time during execution or performance of this Agreement the Supplier is faced with any undue demand, request for gratification or favor from any employee of the Company or a person connection with such employee, the Supplier must report the same immediately at



[Whistleblower.CEO@kcm.co.zm](mailto:Whistleblower.CEO@kcm.co.zm)

**5.2 ANTI-BRIBERY & CORRUPTION:**

(i) The Supplier agrees to comply with the provisions of the Company's Supplier Code of Conduct and the Company's Human Rights Policy including Modern Slavery Act and in case of breach thereof, the same shall be treated as a breach of this Agreement.

(ii) The Supplier shall maintain records and provide to the Company upon request such records and evidences, as the Company may reasonably require, confirming the Supplier's compliance with the obligations under Clause 5.2 (i).

(iii) The Supplier shall comply with the Anti-Bribery and Corruption (AB&C) requirements as applicable to them.

(iv) The Company shall have a right to initiate "audit proceedings" against the Supplier during the Term and for a period of three (3) years thereafter, to verify compliance with this Agreement including AB&C requirements. Such audit may be carried out by Company or by a reputed agency to be appointed by Company at the sole discretion of Company. The Supplier shall extend full cooperation for smooth completion of the audit mentioned herein.

(v) Notwithstanding anything in this agreement, the Company shall have right to terminate the Agreement forthwith in case, it is found that the Supplier has failed to comply with the terms of the Agreement including AB&C requirements.

(vi) The Supplier may submit/report 'Complaints' pertaining to any violation to the Company's ethical business practices as specified in the Company's Code of Conduct Policy.

External stakeholders such as vendors, customers, business partners etc. have the opportunity to submit 'Complaints'; however,

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the Company is not obligated to keep 'Complaints' from non-employees confidential or to maintain the anonymity of non-employees. We encourage individuals sending 'Complaints'/raising of any matter to identify themselves instead of sending anonymous 'Complaints' as it will assist in the effective complaint review process.

Post review, if the complaint is found to be have been made with malafide intention, stringent action will be taken against the complainant. We encourage reporting genuine 'Complaints' and those submitted in true faith.

All the 'Complaints' under this policy should be reported to the Group Head-Management Assurance at the following address:

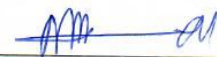
Group Head – Management Assurance,  
Vedanta, 75 Nehru Road  
Vile Parle (E), Mumbai 400 099  
'Complaints' can also be sent to the designated e-mail id:  
[Whistleblower.CEO@kcm.co.zm](mailto:Whistleblower.CEO@kcm.co.zm)

**6. DEFAULT AND TERMINATION**

6.1 Either Party may immediately terminate all or part of this Agreement/Purchase Order as under:

(i) by a written notice to the other Party if the other Party has committed any material breach of the terms of this Agreement and has failed to remedy such breach within 30 days from receiving notice from the other Party.

(ii) if other Party (a) ceases, or threatens to cease, to function as a going concern or conduct its operations in the normal course of business, (b) commences, or becomes the subject of, any bankruptcy, insolvency, reorganization (other than in the course of a corporate re-organization or to an affiliate),



administration, liquidation or similar proceedings, (c) makes, or plans to make, a general assignment for the benefit of its creditors, or (d) creditor attaches or takes possession of all or a substantial part of said Party's assets;

(iii) The foregoing shall not apply to any action or proceeding which is (a) in the reasonable opinion of the Party, frivolous or vexatious; or (b) discharged, stayed or dismissed within ninety (90) days of commencement;

(iv) if either Party is unable to carry out its obligations by reason of Force Majeure events and the force majeure continues for a period more than 60 days, then either Party may by giving notice in writing, terminate this Agreement with immediate effect. Any such termination shall be without prejudice to any of the right of the Parties accrued prior to the date of such termination.

6.2 The Company may terminate all or part of this Agreement by one (1) months' written notice without assigning any reason whatsoever or if the Supplier fails to obtain any approval required under the terms of this Agreement.

6.3 In the event of Supplier's breach of its obligations hereunder, no payment shall be due by Purchaser in respect of such order/Purchaser order, or, in the case of suspension, until the failure or breach has been remedied to the reasonable satisfaction of Purchaser.

## 7. LIMITATION OF LIABILITY

7.1 **EXCEPT AS MAY BE OTHERWISE PROVIDED IN THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER, WHETHER ARISING UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT**

**LIABILITY OR OTHERWISE, FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY OR INCIDENTAL LOSS OR DAMAGES OF ANY NATURE ARISING AT ANY TIME FROM ANY CAUSE WHATSOEVER.**

7.2 The limitations of liability and exclusion of warranties as set out in the Agreement shall be to the maximum extent permitted by applicable law. Nothing in this Agreement purports to exclude or limit liability for fraud, death or personal injury.

## 8. FORCE MAJEURE

8.1 Neither the Company nor the Supplier shall be responsible for any failure to fulfil any term or condition of the Agreement if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence i.e. (a) Act of God, (b) fire, flood, earthquake, (c) war, riot, insurrection and civil commotion, mobilization or military, requisition or compulsory acquisition by any governmental or competent authority; labour strikes at national level or industrial disputes at province level

if they impede the performance of the Agreement or make performance unreasonably onerous and which could not reasonably be foreseen after due and timely diligence and which, by the exercise of reasonable diligence, the said Party is unable to provide against ("Force Majeure Events").

8.2 The party, which is not able to perform its obligations under this Agreement on account of Force Majeure Event(s), shall without any delay, notify in writing the other party on the initiation and cessation of such Force Majeure Event(s) and shall use diligent efforts to end the failure or delay in performance to minimise effects of such Force Majeure Event. In such a situation, the party, which is not able to perform its



obligations under this Agreement on account of Force Majeure Event(s), shall not be liable to the other party for the default or breach of this Agreement for the period of failure or delay.

8.3 If the Force Majeure Event(s) continues beyond 30 days, the parties shall make efforts to find an amicable solution for future course of action agreeable to both parties in a fair and equitable manner.

8.5 Both Parties agree to use their respective reasonable efforts to cure any event of Force Majeure to the extent that it is reasonably possible to do so. The Parties understand that the settlement of strikes, lockouts, and any other industrial disputes shall be treated to be within the sole discretion of the Party asserting Force Majeure. Upon the cessation of the event of Force Majeure, the party declaring Force Majeure shall immediately give notice thereof to the other party.

**9. INDEMNITY**

9.1 The Supplier shall defend, indemnify and hold the Company harmless from and against any and all Claims in connection with any taxes, levies, costs and charges which may be levied or imposed on the Supplier or its subcontractors by any Government Authority arising out of or in connection with the performance of this Agreement including claims in respect of pollution and contamination which originated from Supplier Group's equipment or materials under the control of any member of the Supplier Group.

9.2 The Supplier shall be liable for and shall defend, indemnify and hold the Company harmless from and against and all Claims in connection with any breach, infringement (whether actual or alleged) of Confidentiality, accident, bodily injury, fraud

arising out of or in connection with the performance of this Agreement by the Supplier.

9.3 Supplier shall at all times be responsible for, shall release and shall defend, protect, indemnify and hold Purchasing Group harmless from and shall keep Purchaser's equipment and property free and clear of all liens, claims, assessments, fines and levies incurred, created, caused or committed by Supplier Group.

9.4 This indemnity shall be without prejudice to any other rights or remedies, including injunctive or other equitable relief, which the Company may be entitled to.

9.5 Purchaser shall have the right to retain / withhold out of any payment to be made to the Supplier an amount sufficient to indemnify it completely against any such lien, claim, assessment, fine or levy exercised or made and all associated costs.

9.6 It is the express intention of the Parties hereto that the provisions of this Agreement / Purchase Order shall exclusively govern the allocation of risks and liabilities of these Parties, it being acknowledged that the Agreement reflected herein has been based upon such express understanding. It is acknowledged that the compensation payable to Supplier as specified in this Agreement and/or applicable Purchase Order has been based upon the express understanding that risks and liabilities shall be determined in accordance with the provisions of this Agreement and/or applicable Purchase Order.

**10. ARBITRATION**

10.1 Any dispute or difference whatsoever arising between the parties out of or relating to the interpretation,, meaning, scope, operation



or effect of this Agreement or the existence, validity, breach or anticipated breach thereof or determination and enforcement of respective rights, obligations and liabilities of the parties thereto shall be amicably settled by way of mediation. If the dispute is not conclusively settled within a period of twenty-one (21) days from the date of commencement of mediation or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under the Zambian Arbitration Act, 2000 (as amended from time to time), which are deemed to be incorporated by reference into this clause. The arbitration shall be conducted as follows:

(i) A sole arbitrator shall be appointed in case the value of claim under dispute is less than \$ 100,000 (Hundred Thousand United States Dollars) or Zambian kwacha equivalent and in any other event by a forum of three arbitrators with one arbitrator nominated by each Party and the presiding arbitrator selected by Chief Justice of Zambia.

(ii) The language of the mediation and arbitration proceedings shall be English. The seat of arbitration shall be Lusaka, Zambia.

(iii) The award made in pursuance thereof shall be final and binding on the parties

(iii) Each party will bear the cost of arbitration, and its legal representatives

**11. APPLICABLE LAW AND JURISDICTION**

11.1 This Agreement shall be governed by, construed and enforced in accordance with the laws of Zambia.

11.2 The parties submit to the exclusive

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jurisdiction of the courts of Zambia and any courts that may hear appeals from those courts in respect of any proceedings in connection with this Agreement.

**12. SET OFF**

12.1 Only the Company may at any time without notice to the Supplier set off any liability of the Supplier to the Company against any liability of Purchasing Group to the Supplier (in either case howsoever arising and whether any such liability is present or future, liquidated or unliquidated and irrespective of the currency of its denomination) and may for such purpose convert or exchange any currency. Any exercise by the Company of its rights under this clause shall be without prejudice to any other rights or remedies available to Company under this Agreement or otherwise.

**13. CONFIDENTIALITY**

13.1 Each Party hereto shall, save as otherwise provided herein, maintain in strict confidence, and not disclose or use for a purpose other than the purpose set out herein, any confidential and/or proprietary information ("Confidential Information") of the other Party including this Agreement and the terms and conditions hereof. The foregoing covenant shall not restrict a Party from disclosing Confidential Information to the extent required in connection with any legal proceeding(s) or required for filing with govt. agencies, courts, stock exchanges or other regulatory agencies under applicable laws and regulations. Each Party shall use its best effort to assure that the provisions of this Agreement and its information disclosed to it concerning the other Party and its assets and business which is not otherwise publicly available, shall be kept confidential, unless other required by law, not to be disclosed without the consent of other Party to anyone





other.

- 13.2 The Parties shall restrict access to the Confidential Information only to its own employees or professional advisers who need to have such access for the purposes of performing the obligations or enforcing the rights under this Agreement and who have agreed with such party to abide by the obligations of confidentiality equivalent to those contained herein with such party. The disclosing party shall remain vicariously liable for such disclosure.
- 13.3 Each Party agrees that it will not use the name or logo of the other Party, without the prior written consent of the other Party(ies) hereto.
- 13.4 All Confidential Information developed by Supplier Group as a result of performance of the Services or supply of Material shall be the property of Purchaser. All such Confidential Information shall be delivered to Purchaser within fifteen (15) days after completion of any applicable Purchase Order. Purchaser shall have the unrestricted right to use and disclose such information in any manner and for any purpose without payment of further compensation. Such Confidential Information is proprietary information of Purchaser and subject to the terms of this Clause 13.
- 13.5 Obligations towards all Confidential Information as mentioned above under this clause shall continue to remain valid for the Term and further period of five (5) years from the date of expiry of this Agreement.
- 13.6 No member of Supplier Group shall make use of the name or logo of Purchasing Group for publicity purposes, nor shall publish or permit to be published any information or photographs in connection with this Agreement or any Purchase Order without the prior written consent of Purchaser.

#### 14. Payment:

- 14.1. Provided that VAT invoices and all supporting documents are submitted before the due date, payment for Supplies accepted by Purchaser shall, be made to the payee in the currency of the Contract within Sixty (60) days from date of receipt of a duly submitted invoice.
- 14.2. The VAT invoice shall be subject to acceptance by Purchaser. Purchaser shall have no obligation to settle a disputed invoice.
- 14.3. Purchaser will make payment by EFT or by such other means as may have been agreed by the Parties and the Supplier agrees that:
- 14.3.1. It will provide Purchaser with written details of the Supplier's bank, branch and account number;
- 14.3.2. It will also provide Purchaser with a photocopy of a cancelled cheque from the Suppliers bank account to be checked by Purchaser's finance
- 14.3.3. Purchaser on giving or causing to be given an instruction to its bankers to effect the transfer of the amount due to the Supplier, will have fully and effectively discharged its obligation to make such payment to the Supplier.
- 14.4. Purchaser shall be entitled to withhold or deduct from any payment due to the Supplier, any amount as shall have accrued in favour of Purchaser under this Contract including and not limited to such amounts accruing under clause 9 (Indemnity), by way of liquidated damages and by way of any payments made in excess to the Supplier.
- 14.5. The Supplier indemnifies Purchaser, its employees and agents against any claims of any nature which may be brought against any of them by any person or entity alleging non-payment of any amounts due to the Supplier, the delivery, posting or transfer of which has been effected in terms of this clause.
- 14.6. Irrespective of any certification or acceptance of an invoice by Purchaser's Authorized Representative (s), Purchaser shall not pay for any Services, materials or anything falling outside the scope of the Contract
- 14.7. In the event that the total amount paid to the Supplier exceeds the total amount which would have been payable to the Supplier in respect of the Services



in accordance with the Contract, Purchaser shall have a right to deduct to the extent of such excess, from any payment due to the Supplier and/ or to demand payment of any such excess amount by the Supplier. Any such excess shall be deemed a debt due by the Supplier to Purchaser and shall be recoverable by Purchaser by any means available to it at law.

#### 15. Security:

15.1. The Supplier, shall at all times comply with all Purchaser's security rules, policies, procedures, and instructions whilst on Purchaser's premises, including, but not limited to the submission to a personal examination and a strip search by persons authorized by Purchaser

#### 16. HAZARDOUS SUBSTANCES

16.1.1. In the event that there are any hazardous substances to be applied, used or transported in relation to the Supply:

16.1.2. The Supplier warrants that, as far as reasonably practicable, the hazardous substance(s) is safe and without risk to health and safety when used, handled, processed, stored or transported in accordance with the information that will be provided by the Supplier in terms of Part VI of the Mines and Minerals (Environmental) Regulations of 1997.

16.1.3. The Contract is subject to the information referred to in 16.1 being supplied and agreed upon between the Parties and such information shall be contained in a separate document, which shall be incorporated in the Contract. The Supplier shall provide adequate information about the following:

16.1.3.1. The use of the substance;

16.1.3.2. The risks to health and safety associated with the substance;

16.1.3.3. Any restriction or control on the use, transport and storage of the substance, including but not limited to exposure limits;

16.1.3.4. The safety precautions to ensure that the substance is without risk to health or safety;

16.1.3.5. The procedure to be followed in the case of an accident involving excessive exposure to the

Hazardous Substance, or any other emergency involving the substance and the disposal of used containers in which the substance has been stored and any waste involving the substance;

16.1.3.6. The disposal of used containers in which the substance has been stored and any waste involving the substance

#### 17. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND PUBLIC RELATIONS (PR)

17.1. The Supplier acknowledges that by virtue of this Contract, it is an integral business partner of Vedanta and Purchaser and agrees to work in co-ordinated manner in the interest of the overall Contract. The Supplier undertakes to carry out CSR initiatives which shall include, amongst others, the following:

17.1.1. Maintaining cordial relationships with opinion makers at local, state and central level.

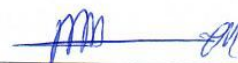
17.1.2. Taking proactive efforts in ensuring on time clearances, approvals and/or consents from relevant authorities applicable or relevant to the Services.

17.1.3. Undertaking visible CSR initiatives in form of improving existing public amenities such as roads, school buildings, drinking water system, religious places, in the nearby area for the wellbeing of the local community at large.

#### 18. SUSTANBILITY REQUIREMENTS

18.1. The Supplier shall adhere to Purchasers sustainability policies and procedures including Mission, Code of Conduct, Policies, Management Standards and Technical Standards. These are available on the Purchasers Supplier Relationship Management Portal

18.2. The Supplier shall meet the requirements of the IFC (*International Finance Corporation*) *Performance Standards*. The Supplier shall provide a safe and healthy work environment to its employees and shall meet the occupational health and safety requirements of Purchaser, both to satisfy the requirements of IFC Performance Standard 2 and to minimize risk and liability to Purchaser. The Supplier shall not engage in child labour or forced labour or



allow such engagement in its supply chain, directly or indirectly. The Supplier shall ensure that employees engaged directly or indirectly by it have access to appropriate grievance mechanisms.

18.3. The Supplier shall ensure that its work does not impact, the health and safety of its employees or others, the environment and local communities especially where migrant labour is used.

18.4. The Supplier shall avail to Purchaser, copies of relevant supporting documentation which set out the activities to be undertaken, how the activities will be undertaken, the risks associated with the activities, and what controls and precautionary measures will be put in place to mitigate those risks. Key documents to be submitted by the Supplier shall include (but not be limited to) the following:

18.4.1. method statements;

18.4.2. risk assessments;

18.4.3. Supplier qualifications and experience;

18.4.4. Supplier employee qualifications and experience; and

18.4.5. Valid insurance certificates.

18.5. The Supplier shall ensure that any materials, tools or equipment brought onto Purchaser premises by the Supplier are appropriate for the activities being undertaken and that they do not introduce additional hazards and risks to Purchaser employees, third parties, property, equipment or the environment

18.6. The Supplier shall provide Purchaser with all relevant information regarding any such material, tools or equipment to Purchaser, which relevant information should include material safety data sheets (MSDSs), requirements for additional PPE or control measures and any other manufacturer information as may be appropriate.

18.7. The Supplier shall ensure that appropriate controls shall be in place to ensure that wastes, surplus materials and redundant equipment associated with Supplier activities are stored, transported and disposed of in an appropriate manner which meets regulatory requirements

18.8. The Supplier shall strictly adhere to Purchaser's permit to work system for Suppliers undertaking hazardous/high-risk activities or where they are working in hazardous areas of a Purchaser.

18.9. In accordance with IFC Performance Standard 2, where a Supplier provides accommodation for its employees, the accommodation shall be appropriate for its location, clean, safe and, at a minimum, meet the basic needs of its employees. In particular, the provision of accommodation shall meet requirements of the Applicable Law and Good Industry Practice, including but limited to the following:

18.9.1. the practice for charging for accommodation;

18.9.2. the provision of minimum amounts of space for each employee;

18.9.3. provision of sanitary, laundry and cooking facilities and portable water;

18.9.4. the location of accommodation in relation to the workplace;

18.9.5. any health, fire safety or other hazards or disturbances and local facilities;

18.9.6. and the provision of first aid and medical facilities; and heating and ventilation

18.9.7. Employees' freedom of movement to and from the provided accommodation shall not be unduly restricted.

18.10. The Supplier's activities and performance shall be regularly inspected by Purchaser, subject to audits and checks and monitored to ensure the Supplier is working in accordance with the agreed contract and scope of work and performance expectations.

18.11. Issues identified from check, audits and inspections shall be recorded, action(s) to address the issues agreed with the Supplier and closure of actions assured at the appropriate time by the Purchaser.

18.12. Review meetings shall be held on a regular basis with the Supplier to feedback the results of performance reviews, including areas of good performance and highlighting areas requiring improvement.

18.13. Should the Supplier reviews indicate that performance is unacceptable by Purchaser standards, the Supplier should be given the opportunity to demonstrate improved competency by putting key actions in place failing which the Contract shall be terminated.

## 19. MISCELLANEOUS PROVISIONS

### KONKOLA COPPER MINES PLC

Registered Office Stand No. 1408/M Fern Avenue,  
P/Bag KCM ( C ) 2000, Chingola



- 19.1 Entire Agreement: This Agreement along addendums and with all annexures, if any constitutes the entire agreement and understanding between the parties with respect to its subject matter and overrides and supersedes all previous agreements, representations, written documents, correspondence and understanding of the parties, whether in writing or otherwise.
- 19.2 Severability: If any clause or provision of this Agreement is prohibited, invalid or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, be ineffective to the extent of the prohibition, invalidity or unenforceability without affecting or invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of that provision in any other jurisdiction, unless it materially alters the nature or material terms of this Agreement.
- 19.3 Counterpart: This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original Agreement and all of which, when taken together, will constitute one and the same instrument
- 19.4 Relationship: This Agreement shall not be construed to have any purpose or intent other than for purchase and sale of the Commodity between the Parties on a non-exclusive basis and nothing contained in this Agreement shall be deemed to create any association, partnership, joint-venture or relationship of principal and agent or master and servant between the parties or any affiliates or subsidiaries thereof.
- 19.5 Notices: Any notice required to be given hereunder shall be given by sending the same by facsimile, prepaid post or by hand delivery to the address of the addressee
- 19.6 Non-Waiver/Exercise Of Right: A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege. All waivers under this Agreement must be made in writing.
- 19.7 Binding Effect: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns
- 19.8 Assignment: Neither this Agreement nor any right, duty or obligation of any Party hereunder may be assigned or delegated by any Party (in whole or in part) without the prior written consent of the other Party(ies) hereto.
- 19.9 Amendments: This Agreement may be amended, modified, renewed or extended only by a written instrument signed by each of the Parties hereto.
- 19.10 Validation: This Agreement shall come into effect when authorized representatives of both Company and Supplier execute and affix their signature hereto in their due capacity, within 3 working days after confirmation of business by Company and constitutes the entire agreement between

**KONKOLA COPPER MINES PLC**  
Registered Office Stand No. 1408/M Fern Avenue,  
P/Bag KCM ( C ) 2000, Chingola

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**KCM PROCUREMENT STCs**

**March 29<sup>th</sup> 22, 2017**



the Parties relating to its subject matter. Any alteration, amendment or addition to any of the terms of this Agreement shall become binding only when such alteration, amendment or addition is evidenced in writing and is executed by the authorized representatives of the both Parties in their due capacity.

- 19.11 Costs: Each Party shall bear its own legal, professional and advisory fees, commissions and other costs and expenses incurred by it in connection with this Agreement.
- 19.12 Language of the Agreement: English shall be the language of the Agreement and all documentation prepared in relation to it. All of the parties management staff engaged in

work arising out of or in connection with this Agreement shall be fluent in English.

- 19.13 Remedies cumulative: Except as expressly provided in this Agreement, all remedies available to the Parties for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 19.14 **THIS DOCUMENT "STANDARD TERMS & CONDITIONS" SHALL BE AN INTEGRAL PART OF ANY OF THE PURCHASE ORDERS, INVOICE OR MOU OR OTHER DOCUMENT WHATSOEVER ENTERED BETWEEN THE PARTIES**

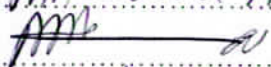


**Amendment 1 to Standard terms and conditions (STC's)**

The below clause has been added to the standard terms and conditions, The company reserves the right to terminate the contract without any notice to the service provider/ supplier, if the service provider/ supplier fails to comply with the Minimum wage and Conditions of Service Act and various Zambian labor laws.

NB This amendment is being sent through SRM portal to all current service providers/suppliers with valid contract /Purchase order and deemed accepted unless otherwise raised with respective commercial controllers.

For any new contracts this will be part of STC link

Approver's name: MAXWELL MAMWA  
Signature:   
Date: 12 / 10 / 2018