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POLICY ON DETERMINING MATERIAL SUBSIDIARIES

OF

SEMBCORP GREEN INFRA LIMITED

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DEFINITIONS AND INTERPRETATION

1. *Definitions*

"Applicable Laws" shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder; as amended from time to time and such other act, rules or regulations which deal with the determination, identification and governance of Material Subsidiaries.

"Audit Committee" means the audit committee constituted by the Board of Directors of the Company from time to time under Section 177 of the Companies Act, 2013 and the provisions of the Listing Regulations.

"Board" or **"Board of Directors"** means the Board of the Directors of the Company.

"Company" means Sembcorp Green Infra Limited (formerly known as Sembcorp Green Infra Private Limited).

"Control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder agreements or voting agreements or in any other manner.

"Directors" means all the directors on the Board.

"Independent Director" means a non- executive Director of the Company, other than a Nominee Director and who is neither a promoter nor belongs to the promoter group of the company, and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Regulations.

"Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

"Material Subsidiary" means a subsidiary of the Company whose turnover or net worth exceeds 10% of the consolidated turnover or net worth, respectively, of the Company and its subsidiaries as per the audited consolidated financial statements for the immediately preceding financial year.

"Policy" means this policy on determining Material Subsidiaries of the Company.

"Significant Transaction or Arrangement" means any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.

"Subsidiary" shall mean as defined under the Companies Act, 2013 Act and the Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations, Securities Contract (Regulation) Act, 1956 or any other applicable law or regulation, as amended from time to time.

INTRODUCTION

2. *Purpose of the Policy*

This Policy sets out to determine the criteria for identification of a 'Material Subsidiary', and disclosure thereof as required under the Listing Regulations. This Policy also intends to *inter alia*, ensure governance of Material Subsidiary companies by complying with directorship requirements, review of financial statements, bringing to the attention of the Board certain transactions/ arrangements, rules regarding disinvestment of shares held by the Company, as well as restrictions on selling/ disposing/ leasing of assets of such subsidiaries by the Company.

The objective of this Policy is to determine:

(a) meaning of Material Subsidiary;
(b) requirement of Independent Director in certain unlisted Material Subsidiaries, incorporated in India or not;
(c) Restriction on disposal of shares of Material Subsidiary by the Company;
(d) Restriction on disposal of assets of Material Subsidiary; and
(e) disclosure requirements, under the Listing Regulations, as amended, and any other laws and regulations as may be applicable to the Company.

The Board of Directors of the Company in its meeting held on 29th July 2026 has approved this policy and Listing Regulations shall apply upon the listing of the Company's securities except for such requirements including provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), as may be applicable on a Company, which is in process of filling draft offer documents or offer document. Any amendments to regulatory requirements shall be deemed incorporated into this policy without requiring further action by the Board.

CORPORATE GOVERNANCE REQUIREMENTS WITH RESPECT TO MATERIAL SUBSIDIARY OF LISTED ENTITY

3. *Independent Director on the Board of unlisted Material Subsidiary*

At least one Independent Director on the Board of the Company shall be a director on the board of directors of the unlisted Material Subsidiary, whether incorporated in India or not.

Notwithstanding anything contained in this Policy, for the purpose of above, the term "Material Subsidiary" shall mean a subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.

4. *Review of financial statement by Audit Committee*

The audit committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary of the Company.

5. *Minutes to be placed before the Board*

The minutes of the meetings of the board of directors of the unlisted subsidiary shall be placed at the next meeting of the board of directors of the Company for noting.

6. *Significant Transactions / Arrangements of unlisted Material Subsidiaries*

The management of the unlisted Material Subsidiary should periodically submit to the Board a statement of all Significant Transactions and Arrangements entered into by the unlisted Material Subsidiary.

7. *Restriction on Disposal of Shares of Material Subsidiary by the Company*

The Company shall not dispose of shares in its Material Subsidiary which would reduce its shareholding in the Material Subsidiary (either on its own or together with other subsidiaries) to less than or equal to fifty percent (50%) or cease the exercise of control over the Material Subsidiary without passing a special resolution in its general meeting except in such cases where divestment is made under a scheme of arrangement duly approved by a court / tribunal or under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code, 2016, and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

8. *Restriction on Disposal of Assets of Material Subsidiary*

Except in cases where the sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company, selling, disposing and leasing of assets amounting to more than twenty percent [20%] of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a court / tribunal or under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code, 2016, and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

9. *Secretarial Audit*

Material unlisted subsidiaries of the Company incorporated in India shall undertake Secretarial Audit by a peer reviewed Practicing Company Secretary as per the provisions of the Act and as per the Listing Regulations and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the Company.

10. *Disclosure of Material events*

The Company shall disclose all material events or information related to its Subsidiaries, as required under applicable laws, including disclosures under Regulation 30(9) of the Listing Regulations within the prescribed timelines.

11. *Other Governance requirements*

a) Material Subsidiary of the Company, if any, shall be identified as a one-time exercise during each financial year basis the consolidated turnover or Net Worth of the Company or such other regulatory criteria as may be notified from time to time. This identification shall take place soon after the preparation of annual accounts, and the outcome shall be placed before the Audit Committee or the Board, as applicable, in the meeting where the annual audited accounts of the Company are considered.

b) Monitoring of investments made by the Company in the Subsidiaries for the purpose of determining the Materiality of the Subsidiary shall be done whenever such an investment is made. Monitoring the quantum of generation of consolidated income of the Company will be done at the time of finalizing the consolidated annual accounts of the Company.

12. Reporting and Disclosure

This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the annual report of the Company.

13. Review of the Policy

This Policy shall be subject to review as may be deemed necessary as per any regulatory amendments.

14. Conflict in Policy

In the event of any conflict between this Policy and the provisions contained in the Applicable Laws, the provisions of Applicable Laws shall prevail.

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Version Control:

Sr. No.	Version No.	Date of approval
1	V-1	29th July 2026