POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND DEALING WITH RELATED PARTY TRANSACTIONS

OF

SEMBCORP GREEN INFRA LIMITED

INDEX

1. Title

1.1 This policy shall be called the Policy on materiality of related party transactions and dealing with related party transactions ("**Policy**").

2. Commencement

2.1 This Policy has been adopted by the Board of Directors on 29th July 2026 and shall come in to force with immediate effect from the date of commencement of listing of the equity shares of Sembcorp Green Infra Limited (the "**Company**") on recognised stock exchange(s) in India.

3. Objective

3.1 Related party transactions have been one of the major areas of focus for corporate governance reforms being initiated in India. The changes introduced in the corporate governance norms through Section 177, 188 of the Companies Act, 2013, as amended and the rules framed thereunder ("**Companies Act**") and Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") including the thresholds specified in Schedule XII thereof, require the companies to have enhanced transparency and due process for approval of the related party transactions. Pursuant thereto, Section 188 of the Companies Act and Regulation 23 of the SEBI Listing Regulations require the Company to formulate a policy on materiality of related party transactions and also on dealing with related party transactions including clear threshold limits duly approved by the Board.

3.2 Accordingly, the board of directors ("**Board**") of the Company has adopted the following policy with regard to related party transactions. The Board shall review this policy at least once every three years and update accordingly.

4. Definitions

i. **"Arm's length transaction"** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

ii. **"Audit Committee"** means the audit committee of the board of directors of the Company.

iii. **"Board"** means the Board of directors of the Company.

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

v. "**Key Managerial Personnel**" or "**KMPs**" means Key Managerial Personnel as includes:

(i) Managing Director, or Chief Executive Officer or Manager;
(ii) the Whole Time Director;
(iii) Company Secretary;
(iv) Chief Financial Officer;
(v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
(vi) such other officer as may be prescribed.

vi. **"Material Modification"** to any Related Party Transaction shall mean any change (increase or decrease in the consideration for such transaction, taken individually or together with such Related

Party in the financial year) in such transaction amounting to 20% or more of the value of the approved related party transaction and shall require prior approval of the Audit Committee.

vii. **"Material Related Party Transaction"** as set out in **Schedule I**.

viii. **"Ordinary Course of Business"** with reference to a transaction with a related party means a transaction which is:

(i) carried out in the normal/ordinary course of business envisaged in accordance with the Memorandum of Association of the Company as amended from time to time;
(ii) historical practice with a pattern of frequency;
(iii) common commercial practice; or
(iv) meets any other parameters / criteria as decided by the Board/Audit Committee, from time to time.

ix. **"Policy"** means this policy, as amended from time to time.

x. **"Related Party"** in relation to the Company means a party related with the Company in any of the ways as laid down in Section 2(76) of the Companies Act, Regulation 2 (zb) of SEBI Listing Regulations or under applicable accounting standards, each as amended.

xi. "**Related Party Transaction**" / **"RPT"** means a transfer of resources, services or obligations between:

(i) the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or

(ii) the Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries;

regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract, and includes transactions as defined as a "related party transaction" under the relevant provisions of the Companies Act, the SEBI Listing Regulations or any other related law, regulation, standard, each as amended.

Provided that the following shall not be a related party transaction:

(a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) the following corporate actions by the Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

i. payment of dividend;
ii. subdivision or consolidation of securities;
iii. issuance of securities by way of a rights issue or a bonus issue; and
iv. buy-back of securities.

xii. "**Relative**" means any person as per Section 2(77) of the Act and rules prescribed there under and as per Regulation 2(1) (zd) of the SEBI Listing Regulations as amended from time to time, means anyone who is related to another, if

(i) They are members of a Hindu Undivided Family; or
(ii) They are husband or wife; or
(iii) One person is related to the another in the following manner, namely:

(A) Father, includes step-father
(B) Mother, includes step-mother
(C) Son includes step-son
(D) Son's wife
(E) Daughter
(F) Daughter's husband
(G) Brother includes step-brother
(H) Sister includes step-sister

xiii. "**Senior Management**" or "**SMP**" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the Company.

5. Interpretation

5.1 Any words used in this Policy but not defined herein shall have the same meaning prescribed to it in the Companies Act, the Securities and Exchange Board of India Act, 1992, as amended, or rules and regulations made thereunder including the SEBI Listing Regulations, the applicable accounting standards or any other relevant legislation/law applicable to the Company.

5.2 The reference to the masculine gender in the Policy shall be deemed to include a reference to feminine gender.

5.3 In case of any dispute or difference upon the meaning / interpretation of any word or provision in this policy, the same shall be referred to the Audit Committee and the decision of the Audit Committee shall be final. In interpreting such term/provision, the Audit Committee may seek the help of any of the officers of the Company or an external expert as it deems fit.

6. Procedure

6.1 Disclosure by Directors

6.1.1 Every director shall at the beginning of the financial year provide information by way of written notice to the Company at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year regarding his concern or interest in the entity with specific concern to parties which may be considered as Related Party with respect to the Company and shall also provide the list of Relatives which are regarded as Related Party as per this Policy.

6.1.2 Directors are also required to provide the information regarding their engagement with other entity during the financial year which may be regarded as related party according to this Policy at the first Board meeting held after such change.

6.2 Identification of Transaction with Related Parties and Related Party Transactions

6.2.1 The Company Secretary shall maintain a list of Related Parties as defined in Section 2(76) of the Act, read with the Companies (Specification of Definitions Details) Rules, 2014 and as per Regulation 2(zb) of SEBI Listing Regulations:

I. Each Director and Key Managerial Personnel shall disclose in Form MBP-1, at the time of appointment, beginning of every financial year and whenever there is any change in the disclosure so made, about all the persons, entities in which he or she is interested, whether directly or indirectly.

II. Each Director and Key Managerial Personnel shall provide a declaration, at the time of his/her appointment, at the beginning of every financial year and whenever there is any change in the disclosure so made, providing details of:

1. Relatives;
2. firms in which such Director or his relative is a partner;
3. private companies in which a Director or his relative is a member or Director;
4. A public company in which a director or manager is a director and holds along with his relatives, more than two per cent. of its paid-up share capital;
5. any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager.

6.2.2 The Compliance Officer shall:

i. Basis the declaration of Directors and KMPs, identify and keep on record in the form of an updated database the information pertaining to Related Parties.
ii. At the beginning of the Financial Year and on any subsequent changes, identify and maintain information in the database about the related parties.
iii. Update the database of Related Parties whenever necessary.

6.2.3 Each director and KMP is responsible for providing notice to the Company or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board / Audit Committee may reasonably request. Audit Committee will determine whether a transaction does constitute a Related Party Transaction requiring compliance with this Policy.

6.2.4 Any change in the list of Relatives shall be intimated by the Directors and KMP by way of a fresh declaration to the Company within 30 days of such change.

6.2.5 The Board / Audit Committee will determine whether the transaction requires compliance with this policy or not.

7. Approval of Related Party Transactions

7.1 Audit Committee

i. All RPT as mentioned below, shall require prior approval of the Audit Committee:

- **RPTs of Company:**

All RPTs and subsequent material modifications.

- **RPTs of Subsidiary Companies**

A. RPT above Rupees 1 Crore to which a subsidiary of the Company is a party but the Company is not a party, and subsidiary has audited financial statements for a period of at least one year, the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds lower of the following:

   a. 10 % of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or

   b. the threshold for material related party transactions of listed entity as specified in Schedule XII of SEBI Listing Regulations

B. RPT above Rupees 1 Crore to which the subsidiary of the Company is a party but the Company is not a party and subsidiary does not have audited financial statements for a period of at least one year the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds lower of the following:

   a. 10% percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or

   b. the threshold for material related party transactions of listed entity as specified in Schedule XII of SEBI Listing Regulations.

ii. The Audit Committee shall have the discretion to recommend/refer any matter relating to any RPT to the Board for its approval.

iii. Only those members of the Audit Committee, who are independent Directors, shall approve RPTs.

iv. The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:

(a) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
(b) the transaction is not material in terms of the provisions of sub-regulation as provided above;
(c) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
(d) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of regulation 23 of SEBI Listing Regulations;
(e) any other condition as specified by the audit committee.

Provided that failure to seek ratification of the audit committee shall render the transaction voidable at the option of the audit committee and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

7.1.1 The Audit Committee shall consider the following factors while deliberating the related party transactions for its approval:

i. Name of party and details explaining nature of relationship;

ii. Duration of the contract and particulars of the contract or arrangement;

iii. Nature of transaction and material terms thereof including the value, if any;

iv. any advance paid or received for the contract or arrangement, if any;

v. Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract, to ascertain whether the same is on arm's length or not;

vi. whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;

vii. Business rationale for entering into such transaction; and

viii. Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

7.1.2 In determining whether to approve a Related Party Transaction, the Audit Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

i. Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;

ii. Whether there are any compelling business reasons / rationale for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

iii. Whether the Related Party Transaction would affect the independence of an independent director;

iv. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;

v. Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and

vi. Whether the Related Party Transaction would present an improper conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director, Executive Officer or other Related Party, the direct or indirect nature of the Director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board / Committee deems relevant.

7.1.3 The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its Subsidiaries subject to the following conditions:

i. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the Policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;

ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;

iii. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹ 1 crore per transaction;

iv. Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company or its Subsidiaries pursuant to each of the omnibus approval given; and

v. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

7.2 **Board of Directors**

7.2.1 In case of Related Party Transaction which is not in the ordinary course of business or not at arm's length transaction, whether or not it is a material Related Party Transaction, prior approval of the Board through a resolution passed at the meeting of the Board shall be necessary.

7.2.2 Where any director is interested in any contract or arrangement with a Related Party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

7.3 Shareholder approval

7.3.1 All material related party transactions and subsequent material modifications as defined by the Audit Committee shall require prior approval of the shareholders through resolution and no Related Party shall vote on such resolution, whether or not such related party is a Party to the particular transaction or not. However, the said requirement would not be applicable in respect of a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016 subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

7.3.2 If a related party transaction is not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds as prescribed under Section 188 of the Companies Act, it shall require shareholders' approval by a resolution. The Related Parties shall abstain from voting as shareholders in case of Related Party Transactions which require the approval of shareholders.

7.3.3 However, the shareholders' approval is not required for the transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company, and transactions entered into between two-wholly owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval and such other transactions as prescribed under applicable law.

7.4 Process for Dealing with Related Party Transactions

7.4.1 A list of all the related parties in relation to the Company shall be updated from time to time.

7.4.2 Basis the aforesaid list of related parties, every department shall, prior to entering in to any contract or arrangement with a related party, ascertain whether the proposed contract or arrangement satisfies the approval mechanism prescribed under this Policy.

7.4.3 The contract / arrangement shall not be entered in to without the necessary approval from the Audit Committee / Board / shareholders, as the case may be. Compliance to this condition will strictly be adhered to by the concerned department proposing the underlying contract or arrangement.

8. Reporting of Related Party Transactions

8.1 Subject to applicable statutory regulations, every contract or arrangement, which is required to be approved by the Audit Committee/ Board / shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

8.2 The details of material transactions with related parties will be included in the corporate governance reports which are required to be submitted to the stock exchanges on a quarterly basis.

8.3 The Company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report of the Company.

8.4 The Company shall submit disclosures of the related party transactions on a consolidated basis on the date of publication of its standalone and consolidated financial results for the half year, in the format as specified under the SEBI Listing Regulations and publish the same on its website in terms of Regulation 23(9) of the SEBI Listing Regulations.

8.5 Company shall provide other disclosures as per Industry Standards on Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions ("RPT Industry Standards") dated June 26, 2025 and SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 as per applicability from time to time upon listing of the Company.

9. Amendments

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. The Policy shall be reviewed by the Board at least once every three years and updated accordingly. Any subsequent amendment / modification in the Act or the SEBI Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

10. Communication of this Policy

This Policy shall be posted on the website of the Company at www.sembcorpindia.com

****

Version Control:

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

SCHEDULE I

MATERIAL RELATED PARTY TRANSACTION (AS PER SCHEDULE XII OF SEBI LISTING REGULATIONS)

A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the following:

Consolidated Turnover of Company Threshold		Threshold
(I)	Up to ₹20,000 crore	10% of the annual consolidated turnover of the Company
(II)	More than ₹20,000 crore to up to ₹40,000 crore	₹2,000 crore + 5% of the annual consolidated turnover of the Company above ₹20,000 crore
(III)	More than ₹40,000 crore	₹3,000 crore + 2.5% of the annual consolidated turnover of the Company above ₹40,000 crore or ₹5,000 crore, whichever is lower.

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the Company shall be determined based on the last audited financial statements of the Company.

Illustration 1. For (II) above	
If the annual consolidated turnover of the Company is ₹30,000 crore	₹2,000 crore + 5% of the remaining ₹10,000 crore = ₹2,500 crore.
Illustration 2. For (III) above	
If the annual consolidated turnover of the Company is ₹50,000 crore	₹3,000 crore + 2.5% of the remaining ₹10,000 crore = ₹3,250 crore.
Illustration 3. For (III) above	
If the annual consolidated turnover of the Company is ₹1,50,000 crore	₹3,000 crore + 2.5% of the remaining ₹1,10,000 crore = ₹5,750 crore. However, threshold for material related party transaction would be ₹5,000 crore as it is lower than ₹5,750 crore.

S. No.	Specified Related Party Transaction(s) u/s 188(1) of the Companies Act, 2013	
	Approval of the Board	**Materiality Threshold**
a)	sale, purchase or supply of any goods or materials, directly or through appointment of agent	Amounting 10% or more of the turnover of the Company.
b)	selling or otherwise disposing of, or buying, property of any kind, directly or through appointment of agent	Amounting 10% or more of net worth of the Company.
c)	leasing of property of any kind	Amounting 10% or more of turnover of the Company.
d)	availing or rendering of any services, directly or through appointment of agent	Amounting 10% or more of the turnover of the Company.
e)	such related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company	At a monthly remuneration exceeding INR 2.5 lakhs.
f)	underwriting the subscription of any securities or derivatives thereof, of the Company	Exceeding 1% of the net worth of the Company.

Explanation(s):

Limits specified in clauses a) to d) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a Financial Year.

Turnover shall be computed on the basis of the audited Financial Statement of the preceding Financial Year.

Notwithstanding the above materiality threshold, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.