

HEXAWARE TECHNOLOGIES LIMITED

Related Party Transaction Policy

1. Background / Introduction / Objective

The Board of Directors of Hexaware Technologies Limited (the “**Company**”) on December 18, 2025, adopted the revised policy on materiality of Related Party Transactions and on dealing with Related Party Transactions (“**Policy**”) in view of the various amendments to the applicable provisions of the Act read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). The Audit Committee and / or the Board shall review this Policy at least once every two years and / or amend this Policy from time to time, as required.

2. Definitions

“**Act**” means the Companies Act, 2013, for the time being in force and as amended from time to time.

“**Arm’s length transaction**” means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest. For determination of Arm’s Length basis, guidance may be taken from provisions of Transfer Pricing under Income Tax Act, 1961.

“**Audit Committee or Committee**” means “Audit Committee” constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act and Regulation 18 of the Listing Regulations.

“**Board of Directors**” or “**Board**” means the Board of Directors of Hexaware, as constituted in accordance with applicable laws/regulations.

“**Material related party transactions**” means transaction(s) with a related party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, meets the threshold limit provided in the First Proviso to Regulation 23(1) read with Schedule XII of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 (the Listing Regulations).

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 into 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.

“**Material Modifications**” means any modification(s) in the pricing, quantity or overall transaction value having a variance of 30% (thirty percent) or more, in the relevant previously approved related party transaction.

“**Ordinary Course of Business**” means a transaction which is carried out in the normal course of business envisaged in accordance with the Memorandum of Association, Articles of Association or any other applicable factors like market conditions, industry practices etc.

“**Policy**” means this Related Party Transaction Policy.

“**Related Party**” means a person or an entity which:

- i. Is a related party under Section 2(76) of the Act; or
- ii. Such entity is a related party under the applicable accounting standards; or
- iii. As defined in Regulation 2(z)(b) of the Listing Regulations

“**Related Party Transaction**” (‘RPT’) means a transaction envisaged as a related party transaction under the Act or under Listing Regulation.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Act and the Rules thereunder and the Listing Regulations, as amended from time to time.

3. Related Party Transactions requiring approval:

All related party transactions should be pre-approved by the Audit Committee and/or the Board of Directors and Shareholders, as elaborated in this Policy, except the related party transactions stated below. Further, the Company shall place the minimum information, as provided under the Industry Standards on "*Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions*", as amended from time to time, while obtaining Audit Committee and shareholders' approval on various Related Party Transactions.

- a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b) the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - a. payment of dividend;
 - b. subdivision or consolidation of securities;
 - c. issuance of securities by way of a rights issue or a bonus issue; and
 - d. buy-back of securities

4. Related Party Transactions requiring approval of the Audit Committee:

- a) All the transactions which are identified as RPT and their "subsequent material modifications" should be pre-approved by the Audit Committee before entering into such transaction except:
 - (i) related party transactions between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
 - (ii) related party transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
 - (iii) and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, provided that the same is not Material related party transaction.
- b) Manner of approval of RPTs by the Audit Committee:
 - (i) The Audit Committee shall consider all relevant factors while deliberating the Related Party Transactions for its approval.
 - (ii) Only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions.
 - (iii) Omnibus approval: The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company or its subsidiaries which are repetitive in nature and in the interest of the Company.
 - a. The Audit Committee shall satisfy itself regarding the need for omnibus approval and that such approval is in the interest of the Company. The omnibus approval shall specify:
 - 1. the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into
 - 2. the indicative base price / current contracted price and the formula for variation in the price if any; and
 - 3. such other conditions as the audit committee may deem fit:

Further, 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 rupees one crore per transaction.

- b. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.
- c. The 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 approvals given.

- (iv) A Related Party Transaction above INR One (1) Crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party, but the Company is not a party, shall require prior approval of the Audit Committee if the value of such transaction exceeds the lower of the following:
 - a. ten percent 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 the Company as specified in Schedule XII of the Listing Regulations.
- (v) A Related Party Transaction above INR One (1) Crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:
 - a. ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
Explanation: The aggregate value of paid-up share capital and securities premium account of the subsidiary shall be taken as on a date, not older than three months prior to the date of seeking approval of the Audit Committee.
 - b. the threshold for material related party transactions of the Company as specified in Schedule XII of the Listing Regulations:
- (vi) 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 this Policy;
 - 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 Regulation 23(9) of Listing Regulations;

Further, 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 Company against any loss incurred by it.
- c) All RPTs which are not in Ordinary Course of Business and not at an Arm's Length basis will additionally require prior approval of the Board. Where any director is interested in any contract or arrangement with a Related Party, such director shall not participate in the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

5. Approval of RPTs by Board of Directors

The Board approval will be required for all RPTs which are (a) not at arm's length; and/or (b) which are not in the Ordinary Course of Business. The Board will *inter alia* consider factors such as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction and any other information that the Board may deem important/relevant for taking decision on a proposed transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances.

Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction. If prior approval of the Audit Committee or the Board has not been taken (where required), then such transaction needs to be ratified within 3 months of the date of entering into contract/ arrangement.

6. Approval of RPTs by Shareholders

- a) The following Related Party Transactions shall require shareholders' prior approval through a shareholders' resolution:
 - i. All material Related Party Transactions and their subsequent Material Modifications;
 - ii. Related Party Transactions not in the ordinary course of business; or Related Party Transactions not at arm's length price and exceeding certain thresholds prescribed under the Act;
- b) The following Related Party Transactions shall not require shareholders' approval :
 - i. related party transactions between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
 - ii. related party transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
- c) All entities falling under the definition of related parties, irrespective of being related to the said transaction or not, shall not vote to approve the relevant related party transaction.
- d) The omnibus approval granted by the shareholders for material Related Party Transactions:
 - i. in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Act; and
 - ii. in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

7. Process Flow Framework

The Broad process framework / SOP for identification of a Related Party, carrying out transactions with Related Party shall be as per '**Annexure A**' appended to this Policy.

8. Disclosures

The Company shall disclose the particulars of contracts or arrangements entered with the Related Parties in such form and manner as may be required under the provisions of the Act and rules made thereunder and the Listing Regulations.

9. Limitation and Amendment

In the event of any conflict between the provisions of this Policy and of the Act, Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments or Industry Standard Framework (ISF), then provisions of such rules, acts, regulations or ISF shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

For administrative convenience, any change in the Policy shall be made by the Company Secretary in consultation with Chief Financial officer or Chief Executive officer and managing director. Apart from administrative convenience and any statutory amendments, any material change that substantially impacts the implementation of existing policy shall be approved by the Audit committee and recommend the same to the Board of Directors for its consideration and approval before making the said amendment effective.