STERLING & WILSON

LIVING WAGE POLICY



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1. PURPOSE

Sterling and Wilson Renewable Energy Limited ("SWREL" or the "Company") recognizes that fair and adequate remuneration is an important component of decent work, employee well-being, human rights and sustainable business practices.

The purpose of this Living Wage Policy is to establish SWREL's commitment to ensuring that employees receive remuneration that is:

- compliant with applicable statutory minimum wage requirements.
- fair, equitable and non-discriminatory.
- sufficient, as a progressive objective, to support a decent standard of living for workers and their families.
- periodically assessed against appropriate living wage benchmarks.
- aligned with applicable labour laws and internationally recognized principles; and
- supported by appropriate processes for identifying and addressing potential gaps.

This Policy establishes the principles and framework through which SWREL will assess and progressively strengthen its approach to living wages across its operations.

2. POLICY COMMITMENT

SWREL is committed to respecting the right of workers to fair and adequate remuneration and to progressively working towards payment of living wages.

SWREL will ensure that remuneration for normal working hours complies with all applicable statutory wage requirements. Where a gap is identified between applicable remuneration and an appropriate living wage benchmark, SWREL will evaluate the gap and establish appropriate corrective or improvement measures, considering applicable laws, business conditions, employee categories, geographical location and other relevant factors.

SWREL will, as far as possible, avoid overtime unless it is urgent and essential. Excessive working hours or statutory benefits will not be considered a substitute for an adequate base wage.

The Company recognizes that a living wage should be assessed based on local or regional circumstances rather than through a single wage level applicable to all locations.

SWREL aims to assess 100% of its employees against an appropriate living wage benchmark annually and progressively work towards ensuring that 100% of employees

receive remuneration at or above the applicable living wage benchmark by 2030, subject to applicable laws, periodic assessment outcomes and identified material gaps.

Where material gaps are identified, SWREL will establish documented, time-bound corrective or improvement plans and monitor progress towards closure.

3. DEFINITION OF LIVING WAGE

For the purpose of this Policy, a Living Wage means the wage level necessary for a worker and their family to afford a decent standard of living, taking into account the relevant country or regional circumstances and the remuneration received for work performed during normal working hours.

Living wage is distinct from statutory minimum wage. Statutory minimum wage represents the legally required minimum remuneration, whereas living wage represents the remuneration required to support a decent standard of living under relevant local or regional circumstances. Compliance with statutory minimum wage requirements alone shall not be considered evidence that the living wage objective has been achieved.

Living wage assessment will consider, as appropriate:

- food and essential household consumption.
- housing and utilities.
- healthcare.
- education.
- transportation.
- clothing and other essential goods and services.
- social protection and other relevant costs.
- family size and household circumstances; and
- applicable local and regional economic conditions.

The Company will use credible, transparent and evidence-based living wage benchmarks or methodologies wherever available. For India and other operating locations, SWREL will use an appropriate recognized living wage benchmark, such as the Anker methodology/Global Living Wage Coalition or another credible benchmark determined to be appropriate for the relevant location and workforce.

The selected benchmark, methodology, source and assessment year shall be documented and retained as supporting evidence.

4. SCOPE

4.1 On-roll Employees

This Policy applies to all SWREL employees, including:

- permanent employees.
- fixed-term employees;
- full-time and part-time employees; and
- other categories of workers directly engaged by SWREL, where applicable.

4.2 Off -roll Employees & third parties

SWREL recognizes the importance of fair remuneration throughout its workforce and supply chain.

Where legally and operationally applicable, SWREL will encourage relevant contractors, subcontractors and service providers to:

- comply with applicable minimum wage legislation.
- provide legally compliant remuneration to their workers.
- avoid wage discrimination.
- maintain appropriate wage and working-hour records; and
- progressively consider living wage principles.

Relevant expectations may be incorporated into supplier/contractor ESG assessments, contractual requirements, supplier codes or other procurement mechanisms.

5. PRINCIPLES

SWREL approach to living wages is based on the following principles:

5.1 Legal Compliance

SWREL shall comply with all applicable wage, employment, social security and labour laws in the countries and jurisdictions in which it operates.

Where living wage benchmarks are higher than statutory minimum wages, SWREL will assess the gap and identify appropriate improvement opportunities.

5.2 Fair and Equitable Remuneration

SWREL will strive to provide fair and equitable remuneration based on factors such as:

- role and responsibilities;
- skills and qualifications.

- experience.
- performance.
- location.
- market conditions; and
- applicable internal compensation structures.

5.3 Equal Pay and Non-Discrimination

SWREL shall not discriminate in remuneration on the basis of gender, race, caste, religion, nationality, disability, age or any other protected characteristic under applicable law.

The Company will support the principle of equal pay for work of equal value and periodically review relevant remuneration practices.

5.4 Normal Working Hours

Living wage assessments will focus on remuneration attributable to normal working hours.

Overtime payments, excessive working hours, allowances specifically intended to compensate overtime, or other exceptional payments shall not be relied upon to demonstrate that a worker receives a living wage.

5.5 Transparency

SWREL will maintain appropriate documentation and records to demonstrate its approach to:

- wage determination.
- statutory wage compliance.
- living wage assessment.
- identified gaps.
- corrective/improvement actions; and
- progress against applicable objectives.

5.6 Continuous Improvement

SWREL recognizes that achieving living wage levels may require a progressive approach.

Where a material gap is identified, the Company shall establish a documented improvement plan based on the size and significance of the gap, affected workforce, employee impact, feasibility and applicable legal and business considerations.

6. LIVING WAGE ASSESSMENT

SWREL shall conduct a living wage assessment at least annually and additionally where there is a material change in applicable wage legislation, benchmark methodology, geographical presence, workforce structure or relevant economic conditions.

The assessment will include:

Step 1 – Workforce Identification

Identify relevant employee and worker categories, including:

- location.
- employment type / Category and skill requirements
- job category.
- wage structure.
- normal working hours; and
- applicable statutory wage category.

Step 2 – Benchmark Identification

Identify an appropriate living wage benchmark for the relevant country, region or location using credible and recognized sources and methodologies.

Step 3 – Wage Comparison

Compare applicable remuneration for normal working hours against the selected living wage benchmark.

The assessment should identify:

- workers meeting or exceeding the benchmark.
- workers potentially below the benchmark.
- percentage of workers covered by the assessment; and
- material wage gaps, where identified.

Step 4 – Gap Analysis

Where a gap is identified, SWREL will assess:

- Quantum of the wage gap.
- number and percentage of affected workforce.
- location and employee category.
- applicable legal requirements.
- affordability and business considerations.

Step 5 – Action Plan

Where a material gap is identified, SWREL shall establish a documented action plan covering:

- corrective/improvement measure;

- responsible function/person;
- target completion date;
- monitoring mechanism; and
- supporting evidence.

7. WAGE GAP REMEDIATION

Where SWREL identifies a material gap between applicable remuneration and a credible living wage benchmark, the Company shall establish and monitor an appropriate corrective or improvement plan.

The action plan shall include:

Parameter	Requirement
Identified gap	Document the difference between remuneration and benchmark
Affected workforce	Identify employee/worker category and location
Root cause	Determine the reason for the gap
Corrective action	Define the proposed improvement measure
Responsibility	Assign responsible function/person
Timeline	Establish target completion date
Monitoring	Track progress periodically
Evidence	Maintain supporting documentation

SWREL will prioritize significant gaps and vulnerable or lower-paid worker categories where appropriate.

SWREL aims to ensure that 100% of identified material living wage gaps have a documented corrective or improvement action plan.

8. REMUNERATION REVIEW

SWREL will periodically review its remuneration practices considering:

- changes in statutory minimum wages.
- inflation and cost-of-living developments.
- relevant living wage benchmarks.
- market remuneration.
- internal pay structures.
- gender pay considerations.
- employee categories and locations; and
- material changes in business operations.

Living wage benchmarks and assessments shall be reviewed at least annually to reflect relevant changes in living costs and economic conditions.

9. CONTRACTORS AND SUPPLIERS

SWREL understands that employees working for contractors and suppliers may also be at risk of receiving inadequate or unfair wages. Therefore, SWREL intends to gradually include fair and responsible wage requirements when selecting, engaging, and managing its contractors and suppliers, with greater focus on labour-intensive or higher-risk service providers.

Depending on the nature and materiality of the engagement, SWREL may:

- include wage compliance requirements in supplier/contractor agreements.
- include wage-related questions in ESG assessments.
- request supporting wage compliance documentation.
- assess statutory minimum wage compliance.
- encourage contractors to assess living wage gaps.
- identify significant wage-related risks through supplier assessments; and
- develop corrective actions where material issues are identified.

SWREL will progressively assess identified high-risk and labour-intensive contractors for applicable wage compliance and living wage-related risks.

SWREL will not require suppliers to disclose confidential individual employee salary information unless legally permissible and specifically required for an appropriate assessment.

10. EMPLOYEE ENGAGEMENT AND GRIEVANCE MECHANISM

SWREL encourages employees and workers to raise concerns regarding:

- non-payment or delayed payment of wages.
- payment below applicable statutory requirements.
- wage discrimination.
- incorrect wage calculation.
- unlawful deductions.
- excessive or unpaid working hours; or
- other remuneration-related concerns.

Concerns may be raised through the Company's established grievance, whistleblower or employee complaint mechanisms.

SWREL prohibits retaliation against any employee or worker who raises a concern in good faith.

11. GOVERNANCE AND RESPONSIBILITIES

11.1 Board / Competent Governance Body

The Board or designated competent governance body shall provide appropriate oversight of significant ESG and human rights matters, including relevant remuneration and living wage risks.

11.2 Human Resources

Human Resources shall be responsible for:

- implementation of the Policy.
- maintaining wage and remuneration records.
- monitoring statutory wage compliance.
- coordinating living wage assessments.
- supporting remuneration reviews; and
- implementing corrective actions where required.

11.3 ESG / Sustainability Function

The ESG/Sustainability function shall:

- support development of the living wage assessment methodology.
- coordinate relevant ESG disclosures.
- monitor progress against living wage commitments.
- maintain evidence for sustainability assessments; and
- support integration of living wage considerations into relevant ESG programmes.

11.4 Procurement / Supply Chain Management

Procurement/SCM shall:

- incorporate relevant responsible wage expectations into supplier ESG processes.
- support supplier/contractor assessments; and
- monitor material wage-related risks in the supply chain where applicable.

11.5 Business / Project Teams

Business and project teams shall support implementation of applicable wage requirements for project employees and contractors and provide relevant information for assessments.

11.6 Employees and Workers

Employees and workers are encouraged to raise concerns regarding wage-related issues through established grievance mechanisms.

12. MONITORING AND PERFORMANCE INDICATORS

SWREL will monitor its living wage performance through defined indicators, including:

1. Percentage of employees assessed against a living wage benchmark – Target: 100% annually.

2. Percentage of employees receiving at least the applicable living wage benchmark.
3. Number and percentage of employees identified below the benchmark.
4. Living wage gap by relevant employee category/location.
5. Percentage of relevant contractors assessed for wage compliance.
6. Number of material wage-related grievances.
7. Percentage of identified material wage gaps with corrective/improvement action plans – Target: 100%.
8. Progress against the 2030 living wage objective.

These indicators may be incorporated into the Company's ESG/Sustainability reporting and management review processes.

Where material, SWREL will disclose its living wage approach, assessment coverage, key findings, improvement actions and progress through its Sustainability Report, BRSR or other appropriate corporate disclosures.

13. RECORD KEEPING AND EVIDENCE

SWREL shall maintain appropriate records supporting implementation of this Policy, including, where applicable:

- remuneration structures.
- statutory minimum wage records.
- living wage benchmark sources.
- living wage assessment methodology.
- wage gap analysis.
- employee coverage data.
- corrective action plans.
- contractor/supplier assessment records.
- grievance records and closure evidence.
- management review records; and
- relevant ESG reporting disclosures.

Confidential employee remuneration information shall be handled in accordance with applicable privacy, employment and information-security requirements.

14. TRAINING AND AWARENESS

SWREL may provide appropriate awareness or training to relevant personnel, including HR, project management, procurement, ESG and other responsible functions, to promote understanding of:

- living wage principles.
- statutory wage requirements.
- fair remuneration.
- equal pay and non-discrimination.

- wage assessment processes; and
- grievance and escalation mechanisms.

16. COMPLIANCE

Any violation of applicable wage laws or this Policy shall be reviewed through the Company's established management and grievance mechanisms.

Where non-compliance is identified, SWREL will take appropriate corrective action in accordance with applicable law, internal procedures and the severity of the issue.

17. POLICY STATEMENT

SWREL is committed to respecting the dignity, rights and well-being of its workforce and recognizes fair remuneration as an important component of responsible business conduct.

SWREL will comply with applicable minimum wage requirements and progressively strengthen its approach to living wages through annual evidence-based assessment, credible benchmarking, stakeholder engagement, defined targets, corrective/improvement actions and periodic review.

The Company aims to assess 100% of employees annually against an appropriate living wage benchmark and progressively work towards ensuring 100% coverage at or above the applicable living wage benchmark by 2030.



Approved By
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