Hindustan Coca-Cola Holdings Ltd.

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(Formerly Hindustan Coca-Cola Holdings Private Limited)

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PROJECT STARCRAFT | MATERIALITY THRESHOLDS FOR LITIGATION AND IDENTIFICATION OF MATERIAL CREDITORS

This policy ("**Policy**") has been formulated to define the respective materiality approaches in relation to the proposed initial public offering of the equity shares of Hindustan Coca-Cola Holdings Limited ("**Company**", and such offering, the "**Offer**"), pursuant to the disclosure requirements prescribed under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), in respect of the following:

I. Identification of 'material' outstanding litigation
   a. identification of 'material' outstanding civil legal proceedings involving the Company, promoters (excluding The Coca-Cola Company ("**TCCC**")) ("**Promoters**"), subsidiaries ("**Subsidiaries**") and directors ("**Directors**", together with the Company, Promoters, Subsidiaries, the "**Relevant Parties**"), in accordance with SEBI ICDR Regulations;
   b. outstanding civil legal proceedings involving TCCC
   c. other legal proceedings involving the Relevant Parties, the Key Managerial Personnel and the Senior Management (as defined in the Offer Documents) of the Company, in accordance with SEBI ICDR Regulations;

II. Identification of 'material' creditors of the Company; and

III. Identification of approach on disclosure of outstanding litigation involving the group companies of the Company

The board of directors of the Company ("**Board**") at their meeting held on October 29, 2026, discussed and approved this Policy.

In this Policy, "**Offer Documents**" means the draft red herring prospectus, draft abridged prospectus, the red herring prospectus, abridged prospectus, and the prospectus (each along with any addenda or corrigenda, thereto), as applicable, to be filed by the Company, in connection with the Offer, with the Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies, National Capital Territory of Delhi – II, at Central Delhi and the stock exchanges where the equity shares of the Company are proposed to be listed, as applicable.

I. Material litigation

A. Material civil litigation:

In accordance with Paragraph 12 of Part A of Schedule VI of the SEBI ICDR Regulations, a litigation may be considered 'material' if the value or expected impact in terms of value, exceeds the lower of the following:

1. 2% of turnover, as per the latest annual restated consolidated financial statements of the Company ("**Restated Consolidated Financial Information**"); or
2. 2% of net worth, as per the latest annual Restated Consolidated Financial Information, except in case the arithmetic value of the net worth is negative; or
3. 5% of the average of absolute value of profit/ loss after tax, as per the last three annual Restated Consolidated Financial Information.

Based on the Restated Consolidated Financial Information, (i) 2% of the turnover for the last fiscal year is ₹ 2,309.72 million; (ii) 2% of the net worth as at the end of the last fiscal year is ₹ 1,952.18 million; and (iii) 5% of the average of the absolute value of profit/ loss after tax for the last three fiscal years is ₹ 789.51 million.

Accordingly, for the purposes of disclosing material civil litigation[1] involving the Relevant Parties (excluding TCCC, which is listed on New York Strock Exchange), 5% of the average of absolute value of profit/ loss after tax, as per the last three annual Restated Consolidated Financial Information, amounting to ₹ 789.51 million on a restated basis shall be the threshold ("**Materiality Threshold**"). Accordingly, any pending civil litigations or arbitration proceedings involving the Relevant Parties (excluding TCCC, which is listed on New York Strock Exchange) wherein the value or expected impact in terms of value is equal to or exceeds the Materiality Threshold, shall be disclosed in "Offer Documents".

As regards TCCC, one of our Promoters listed on New York Stock Exchange, any civil litigation or arbitration proceedings shall be considered material and disclosed in the Offer Documents (**"Listed Promoter Materiality Threshold"**) if:

(i) such lawsuits where claim for damages if the amount involved, exclusive of interest and costs, exceeds 10 percent of the current assets of TCCC and its subsidiaries on a consolidated basis; or

(ii) such proceedings as disclosed by TCCC pursuant to Item 103 of Regulation S-K (17 CFR 229.103) under the U.S. Securities Exchange Act of 1934, as promulgated by the U.S. Securities and Exchange Commission.

Further, the following pending civil litigations or arbitration proceedings involving the Relevant Parties shall also be considered as material litigation for the purposes of disclosure in the Offer Documents:

a. where the decision in one litigation is likely to affect the decision in similar litigations such that the cumulative value or expected impact in terms of value in such cases exceeds the Company's Materiality Threshold or the Listed Promoter Materiality Threshold, as applicable, even though the value or expected impact in terms of value in such individual litigation may not exceed the Materiality Threshold or the Listed Promoter Materiality Threshold.

b. the value or expected impact in terms of value does not exceed the Materiality Threshold or the Listed Promoter Materiality Threshold, as applicable, or is not quantifiable, but where an adverse outcome would materially and adversely affect the business, performance, prospects, operations, cash flows or financial position or reputation of the Company, on standalone or consolidated basis..

B. Other Legal Proceedings:

In addition to (A) above, (i) all outstanding criminal proceedings[2] (including matters which are at the first information report stage, whether cognizance has been taken or not by any court or other judicial bodies) involving the Relevant Parties, Key Managerial Personnel or Senior Management; (ii) all outstanding actions (including all outstanding penalties and show cause notices) by regulatory authorities and statutory authorities (including any judicial, quasi-judicial, administrative authorities or enforcement authorities)[3] against the Relevant Parties, Key Managerial Personnel or Senior Management Personnel; (iii) disciplinary actions including any penalty imposed by SEBI or Stock Exchanges against the Promoters of the Company in the last five financial years preceding the date of the relevant Offer Documents including outstanding actions; and (iv) outstanding claims related to direct and indirect tax matters in a consolidated manner involving the Relevant Parties; giving the number of cases and total amount involved, will be disclosed in the offer documents.

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[1] *In case there are any consumer cases involving the Company or Subsidiaries, a consolidated disclosure shall be included with the number of such cases and the cumulative pecuniary value involved.*

[2] *In case there are any cases filed by the Company or Subsidiaries or Promoters, as may be applicable, under Section 138 of the Negotiable Instruments Act, 1881 a consolidated disclosure shall be included with the number of such cases and the cumulative pecuniary value involved.*

[3] *In case there are any actions initiated by the designated food safety officers under the Food Safety and Standards Act, 2006 and the erstwhile Prevention of Food Adulteration Act, 1954, involving the Company or Subsidiaries a consolidated disclosure shall be included with the number of such cases, the forums before which such matters are pending and the grounds on which they have been filed.*

In the event any tax matter involves an amount exceeding the Materiality Threshold or the Listed Promoter Materiality Threshold, as applicable, in relation to any Relevant Party, individual disclosures of such tax matters will be included.

For the purposes of (B) above, notices issued by statutory or regulatory authorities (including any judicial, quasi-judicial, administrative authorities or enforcement authorities) received by the Relevant Parties, Key Managerial Personnel or the Senior Management, which are correspondences in the nature of requests for information, not amounting to initiation of action or proceedings, for the Relevant Parties, Key Managerial Personnel or the Senior Managementhave not been considered as litigation. For the purposes of (B)(iv) above, show cause notices, demand notices and any claims received in writing by the Relevant Parties have been considered as outstanding litigation and requests for information or clarifications, if any, received without any claim amount have not been considered.

For the purposes of (A) and (B) above, pre-litigation notices or notices threatening criminal action received by the Relevant Parties, Key Managerial Personnel or Senior Management Personnel from third parties (excluding those notices issued by statutory or regulatory authorities) and matters in which summons have not been received, shall not, unless otherwise decided by the Board of Directors of the Company, be considered material until such time that the Relevant Party, Key Managerial Personnel or Senior Management as the case may be, is impleaded as a defendant or respondent in litigation before any judicial, arbitral forum, governmental, statutory, or regulatory authority or until such time as the Company receives a summons in respect of such matter .

II. Identification of 'material' creditors

As per the requirements of the SEBI ICDR Regulations, the Company shall make relevant disclosures in the Offer Documents and on the website of the Company for outstanding dues to creditors as follows:

(i) based on the policy on materiality defined by the Board, details of the creditors which include the consolidated number of creditors, and the aggregate amount involved;

(ii) consolidated information on outstanding dues to micro, small and medium enterprises("**MSME**"), and other creditors, separately giving details of number of creditors and aggregate amount involved; and

(iii) complete details about outstanding over-dues to material creditors along with the name and amount involved for each such material creditor shall be disclosed on the website of the Company with a web link thereto in the Offer Documents.

In relation to identification of 'material creditors', a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents in terms of point (i) above and for disclosure of overdues on the website of the Company in terms of point (iii) above, if the amount due to such creditor of the Company exceeds 5% of the total trade payables of the Company, as on the end of the latest financial period included in the Restated Consolidated Financial Information disclosed in the Offer Documents. Further, for outstanding dues to MSME the disclosure will be based on information available with the Company regarding status of the creditor as MSME as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.

III. Material Litigation involving group companies

Under the SEBI ICDR Regulations, any litigation involving the group companies (as identified pursuant to the materiality policy in relation to identification of group companies) is required to be disclosed if it has a material impact on the Company. All group companies shall identify pending litigation which are considered material by the respective group companies and which, in the view of the Board may have a material impact on the Company. Accordingly, the Board shall consider such outstanding litigation involving the group companies as material, which will have a material impact from the perspective of Company's business,

operations, financial results, performance, prospects or reputation irrespective of the value or expected impact in terms of value in such litigation.

For the purposes of the above, pre-litigation notices received by such Group Companies from third parties (excluding those notices issued by governmental, statutory or regulatory or taxation authorities) shall not be considered as outstanding litigation until such time that such group company is impleaded as a defendant or respondent in litigation before any judicial/ quasi-judicial or arbitral forum.

GENERAL

It is clarified that this Policy is solely for the purpose of disclosure requirements prescribed under the SEBI ICDR Regulations, with respect to the Offer Documents, and should not be applied towards any other purpose, including for disclosure of material information by listed entities pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, after the listing of Equity Shares of the Company.

This Policy shall be without prejudice to any disclosure requirements, which may be prescribed under the Companies Act, 2013 and the rules thereunder or by SEBI and/ or such other regulatory, judicial, quasi-judicial, administrative or statutory authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the offer documents, or additional disclosures that may arise on account of any investor or other complaints.

This Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time.

All capitalized terms not defined herein would have the same meaning as attributed to such terms in the Offer Documents.