

Capital Allocation and Dividend Distribution Policy of Wipro Limited

1. Background

This policy applies to usage and distribution of available capital by Wipro Limited (the “Company” or “Wipro”). Wipro is committed to adopting a progressive and forward-looking capital allocation policy that balances the internal and external factors like need of the business, future growth plans, liquidity and return ratios, overall economic conditions and expectations etc.

2. Objective

Wipro Limited (the “Company”) has always strived to enhance stakeholder value for its investors. The Company believes that returning cash to shareholders is an important component of overall value creation.

3. Considerations

The factors that shall be considered by the Board of Directors in arriving at the decision for Capital Allocation, without limitation, the following:

a. Financial/other internal factors

- i. Reported and Projected Net Profit after Tax (PAT) available for distribution in the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the current and projected periods.
- ii. Reported and Projected statements of Free Cash Flow generation
- iii. Current and Projected Cash Balance
- iv. Current and Projected Debt-raising capacity
- v. Committed and projected cash flow needs owing to forecasted capital expenditure, anticipated investments in M&A and working capital requirements for current and projected periods.
- vi. Corporate actions resulting in significant cash outflow for the Company
- vii. Any other factors

b. External factors

- i. Any changes in macro-economic factors and the general business environment
- ii. Any tax or regulatory changes
- iii. Any other changes impacting the business or requiring significant investments

Retained Earnings may be used for corporate actions in accordance with applicable law and for investments towards growth of the business.

4. Circumstances under which allocation/distribution may not happen

Circumstances under which shareholders may or may not expect a dividend are:

- i. Unfavorable market conditions and business environment uncertainty
- ii. Inadequacy of profits earned during the fiscal year
- iii. Inadequacy of cash balance
- iv. Future capital requirements
- v. Government regulation changes, etc.

Even under such circumstances, the Board may, at its discretion, choose to recommend a dividend out of the Company’s reserves, subject to applicable rules.

5. **Multiple classes of shares**

Currently the company has only one class of equity shares. In the future, if the company issues multiple classes of shares, the parameters of this policy will be addressed appropriately.

6. **Policy**

The Board of Wipro has approved the following Capital Allocation Policy of the Company after taking into consideration the strategic and operational cash requirements.

“Effective from Financial year 2026, the company expects to return **70% or above of the Net income** cumulatively on a block of 3-year period through a combination of dividends and/or special dividends and/or share buyback, subject to applicable laws and requisite approvals, if any.”

Net Income is defined as profit attributable to equity shareholders of the company as per the consolidated statement of Income prepared under IFRS.

Dividend distribution shall be applicable to equity shares as well as American Depository Receipts in accordance with respective Securities & Corporate law.

The Company will endeavor to distribute dividends to shareholders as a combination of interim and final dividends during the year. The Board may recommend special dividend as and when it deems fit.

Dividend and buyback include applicable taxes.

7. **Review**

The Board will review the Capital Allocation and Dividend Distribution Policy of the Company annually or earlier as it may deem fit.

8. **Disclosure of the policy**

The above policy will be uploaded on the website of the Company at www.wipro.com