

This policy applies to all Synlait Milk Limited (Synlait) sites.

### Purpose

Synlait recognises that related party transactions and major transactions typically require shareholder approval under the NZX Main Board Listing Rules ("Listing Rules") and section 129 of the Companies Act 1993 (the "Act").

This Policy has been put in place to set out the process for entering into major and related party transactions and should be read in conjunction with Synlait's Delegated Authorities Policy and the Continuous Disclosure Policy.

### Scope

This Policy applies to all employees, directors of Synlait and its subsidiaries, and all contractors and consultants engaged by Synlait from time to time.

### Related Party Transactions

#### Shareholder Approval Required

Synlait has an obligation under the Listing Rules to not enter into a Material Transaction where a related party is a direct party or beneficiary, unless the transaction has received, or is conditional upon, shareholder approval.

#### What is a "Material" Transaction?

A "Material Transaction" broadly includes any transaction, or series of related transactions, where Synlait:

- acquires, buys, sells, leases, gains, sells, or otherwise disposes of assets where the underlying asset or liability exceeds 10% of Synlait's average market capitalisation ("AMC");
- issues its own financial products, acquires its own equity securities, borrows, lends, pays or receives money, incurs an obligation, or enters into a guarantee, indemnity, underwriting, or security above 10% of AMC;
- provides or obtains any services where the gross cost to Synlait in any financial year is likely to exceed 1% of AMC; or
- undertakes an amalgamation (except with a wholly owned subsidiary).

The "AMC" is broadly the weighted average price of Synlait's shares over the 20 or 5 business days prior to the Material Transaction, multiplied by the number of Synlait's voting shares.

#### Who are Related Parties?

The following persons are defined as a "Related Party" under the Listing Rules:

- Synlait's directors and senior management;
- Persons with an interest (legal or beneficial) in 10% or more of Synlait's shares;
- Persons "associated" with Synlait, or with the persons referred to above; and
- Persons in respect of whom there are current arrangements intended to result in that person becoming a Synlait Related Party in future.

Associated persons broadly include directors, senior managers, majority shareholders, joint venture partners and people exercising a substantial degree of influence over the relevant business.

Any person who has been a Related Party at any time within the 6 months before a Material Transaction will be deemed to be a Related Party, even if the person has ceased to meet the requirements at the time of the transaction.

### Approval Process

Any transaction which may constitute a Related Party transaction must be promptly communicated to the Head of Legal and Governance for review.

All proposed Related Party transactions (including transactions with Bright Dairy) must be approved by Synlait's shareholders, or a valid waiver from the NZX, before being committed to. The Head of Legal and Governance will be responsible for working with the NZX regarding any waiver applications.

These processes also apply to any proposed variation to an existing Material Transaction between Synlait and a Related Party.

## Major Transactions

### Shareholder Approval Required

Synlait has an obligation under the Listing Rules and the Act not to enter into a major transaction unless the transaction has received, or is conditional upon, shareholder approval.

### What is a "Major" Transaction?

A transaction, or series of related transactions, will be a "Major Transaction" if it meets the definitions contained within the Listing Rules (5.1.1) or the Act (section 129).

### Approval Process

Any transaction which may constitute a Major Transaction must be communicated to the Legal Team for review.

All proposed Major Transactions must be approved by Synlait's shareholders before being committed to. The NZX may grant a waiver in some circumstances. The Synlait Legal Team will be responsible for working with the NZX on any waiver applications.

## Financial Statement Disclosures

Synlait is required to disclose transactions with related parties in its Financial Statements.

## Policy Compliance

As per the Compliance Programme Internal Policy Owners and Delegates are required to proactively attest and report to [complianceupdates@synlait.com](mailto:complianceupdates@synlait.com) when they become aware of any partial or non-compliance to this policy or any legislation that is linked to this internal policy.

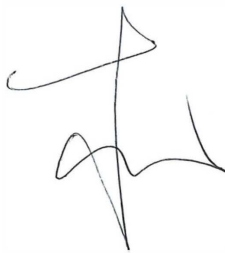
## Policy Control

As per the Compliance Programme, this document will be formally reviewed every three years or more frequently if operational or legislation changes require.

The Delegated Author for this document is the Head of Legal and Governance who is responsible for monitoring and managing areas of compliance, ensuring key subject matter experts and collaborators have been consulted during the review and coordinating the update to this document. Any proposed changes to this document must be provided through to the Delegate Author for consideration.

This document is owned by the Chief Commercial Officer who is responsible for endorsement of any proposed changes and for ensuring that mechanisms are in place to ensure the policy is adhered to.

Responsibility for the final approval of the refreshed document (or roll-over of the document in its current form) is by the Audit and Risk Committee.



**Julia Zhu**  
**Chair Audit and Risk Committee**  
**Synlait Milk Limited**



**Rob Stowell**  
**Chief Commercial Officer**  
**Synlait Milk Limited**