EMPLOYEES STOCK OPTIONS AND PERFORMANCE-LINKED STOCK UNITS SCHEME – 2025

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1. PREFACE

This Employees Stock Options and Performance-linked Stock Units Scheme – 2025 ("ESOP & PSU Scheme – 2025" or "Scheme") has been formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the SBEB Regulations"). The Scheme has been approved by the Nomination & Remuneration Committee ('the NRC') and the Board of Directors of the Company (as defined hereunder) at their meetings held on April 17, 2025 and by Shareholders of the Company by passing a Special Resolution by way of postal ballot on June 6, 2025, duly authorizing the NRC to grant Options (as defined hereunder) and PSUs (as defined hereunder) exercisable into not more than 25,00,000 (Twenty Five Lakh) Equity Shares of the Company of the face value of Rs 5/- each fully paid-up (equivalent to 1.17% of the issued and paid up share capital of the Company, as at March 31, 2025), in one or more tranches, to the present and future Eligible Employees as defined in the Scheme.

The Board of Directors at their meeting held on October 15, 2025 and the Shareholders of the Company by way of Postal Ballot on November 16, 2025 have approved the issuance of Bonus Shares of the Company in the proportion of 1:1 i.e. 1 (One) bonus equity share for every 1 (One) existing fully paid-up equity share held by the Shareholders as on the record date i.e. November 26, 2025. Further, the NRC Committee vide resolution passed through circulation on November 25, 2025 have approved the adjustments to the total pool of Options and PSUs in proportion to the bonus issue.

The grant of Options and PSUs under the Scheme can be made over a period of eight years from the date of approval by the Shareholders i.e. up to June 5, 2033 and the Scheme will remain valid for operational purposes till such time the Options and PSUs granted under this Scheme are either exercised, lapsed or forfeited, as the case may be, whichever is later.

2. OBJECTIVES

The Company believes in providing competitive remuneration opportunities to its employees including through Options or PSUs or combination thereof. The Company views Options and PSUs as long-term incentive instrument to enable the employees of the Company and its Subsidiary(ies) to share the value they create for the Company in the years to come. The key objectives and benefits of the ESOP & PSU Scheme – 2025 are as follows:

i. to attract and retain talent as well as to motivate the employees to contribute to Company's growth and profitability,
ii. to reward employees for their commitment and performance, and to further encourage their efforts and long-term commitment,
iii. to promote the culture of employee ownership and enable the employees to have a greater involvement in the vision, mission and future growth of the Company, and
iv. to create a shared sense of purpose and responsibility among employees and align the interests of the employees with the long-term shareholders value.

3. DEFINITIONS

The following terms as used herein shall have the meaning as specified:

3.1. **"Act"** shall mean the Companies Act, 2013 and rules made thereunder.

3.2. **"Applicable Laws"** means every law relating to employee stock options by whatever name called, including but without limitation the Act, Securities and Exchange Board of India Act 1992, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("the ICDR Regulations"), the Securities Contracts (Regulation) Act, 1956 ("the SCRA"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR Regulations"), the SBEB Regulations, as amended and re-enacted from time to time read with all circulars and notifications issued thereunder, all relevant rules and regulations and all relevant tax, securities,

exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted.

3.3. **"Authority"** shall mean any national, regional or local government or governmental, statutory, regulatory, administrative, fiscal, judicial, quasi-judicial or government-owned body, department, commission, authority, tribunal, agency or entity.

3.4. **"Authorization"** shall mean any consent, registration, filing, agreement, notarization, certificate, license, approval, permit, authority or exemption from, by or with any Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors' and shareholders' approvals or consents.

3.5. **"Company"** shall mean HDFC Asset Management Company Limited, a company registered in India under the provisions of the Companies Act, 1956, having CIN: L65991MH1999PLC123027 and having its registered office at "HDFC House", 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai – 400020.

3.6. **"Board"** shall mean the Board of Directors of the Company

3.7. **"Date of Exercise"** shall mean the date on which Exercise Notice is submitted by Option Grantee / PSU Grantee (as defined hereunder).

3.8. **"Date of Vesting"** shall mean the date on which Option Grantee / PSU Grantee is given the right to apply for Shares of the Company against Options or PSUs or combination thereof granted under the Scheme.

3.9. **"Eligible Employee"** shall mean an Employee who is, for the time being, considered by the NRC on the basis of criteria prescribed under the Scheme for Grant of Options and / or PSUs and is otherwise eligible for all the benefits under the Scheme.

3.10. **"Employee"** shall mean:

a) an employee as designated by the Company, who is exclusively working in India or outside India; or
b) Managing Director & Chief Executive Officer and whole-time director(s) of the Company; or
c) an employee as defined in sub-clauses a) or b), of a Subsidiary(ies) Company, in India or outside India.

but shall not include:

i. an employee who is a 'Promoter' or a person belonging to the 'Promoter Group'; or
ii. a director who either by himself / herself or through his/her relative (as defined in the Act) or through any body corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company or
iii. Independent Director (unless otherwise permitted under Applicable Laws) and Non-Executive Director.

3.11. **"Employees Stock Options and Performance linked Stock Units Scheme – 2025"** "ESOP & PSU Scheme – 2025" or "Scheme" shall mean this Scheme formulated by the Company in accordance with the provisions of the Applicable Laws under which NRC is authorised to grant Options and PSUs to the Eligible Employees.

3.12. **"Exercise"** of Options or PSUs shall mean making of an application along with the Exercise Consideration by an Eligible Employee to the Company for issue and allotment of Shares against the Vested Options or Vested PSUs, as the case may be, pursuant to the Scheme.

3.13. **"Exercise Notice"** shall mean an intimation in the prescribed format, by an Eligible Employee of his / her intention to Exercise any or all of the Vested Options and / or Vested PSUs under the Scheme.

3.14. **"Exercise Price"** shall mean the price payable by an Option Grantee and PSU Grantee in order to Exercise the Vested Options and / or Vested PSUs, as applicable, as determined by the NRC.

3.15. **"Exercise Price in case of Options"** shall mean the price communicated to the Employee at the time of Grant of the Options being the latest available closing price of the Shares, on the recognised Stock Exchange on which the Shares are listed and having highest trading volume in the Shares, of the date immediately prior to the date of meeting of the NRC at which the Options are granted, payable by the Employee at the time of exercising the Options.

3.16. **"Exercise Price in case of PSUs"** shall mean the price communicated to the Employee at the time of Grant of the PSUs, being the face value of the Equity Shares of the Company currently Rs 5/- for each PSU (as adjusted for any changes in
capital structure / Corporate Action of the Company) payable by the Employee at the time of exercising the PSUs.

3.17. **"Exercise Consideration"** shall mean the amount equivalent to the number of Options and / or PSUs exercised by the Eligible Employee multiplied by the Exercise Price plus applicable taxes payable by the Employee at the time of exercising the Options and/ or PSUs.

3.18. **"Exercise Period"** shall mean the time period post Vesting within which the Vested Options and / or Vested PSUs must be exercised by Option Grantee / PSU Grantee under the Scheme.

3.19. **"Exercise Application"** shall mean the prescribed application form in which the Option Grantee / PSU Grantee is required to apply to the Company along with a fund transfer receipt in respect of the Exercise Consideration, and other expenses including tax on perquisite value of the Vested Options or Vested PSUs exercised or any other charges or levies as may be required; and such other documents as may be prescribed pursuant to the provisions of the Scheme, for exercising the Vested Options or Vested PSUs.

3.20. **"Force Majeure Event"** shall mean and include any event or circumstance that is unforeseen, unavoidable and beyond the reasonable control of the Company and shall include events like natural disasters (e.g. earthquakes, hurricanes, floods), war, terrorism or civil unrest, epidemics and pandemics, government actions, or material changes to Applicable Laws, strikes, fire, explosion or other accidents.

3.21. **"Grant"** shall mean the process whereby the NRC issues the Options and/ or PSUs to Eligible Employees subject to the criteria determined and conditions stipulated by the NRC under ESOP & PSU Scheme – 2025.

3.22. **"Grant Date"** means the date of the meeting of the NRC in which grant of Options and / or PSUs to the Eligible Employees is approved.

Explanation: For accounting purposes, the grant date will be determined in accordance with applicable accounting standards.

3.23. **"Grant Price in case of Options"** shall mean the latest available closing price of the Shares, on the recognised Stock Exchange on which the Shares are listed and having highest trading volume in the Shares, of the date immediately prior to the date of meeting of the NRC at which the Options are granted.

3.24. **"Grant Price in case of PSUs"** shall mean the face value of the Shares of the Company.

3.25. **"Holding Company"** means any present or future Holding Company of the Company, as defined in the Act.

3.26. **"Letter of Grant"** shall mean the written communication issued by the Company intimating the Grant under the Scheme and relevant terms and conditions, in the form of letter or through any electronic communication, unless otherwise decided by the NRC.

3.27. **"Letter of Vesting"** shall mean the letter issued by the Company to an Option Grantee/ PSU Grantee intimating the Vesting of the Options or PSUs.

3.28. **"Misconduct"** means and includes disregard of the Company's bye-laws, rules, regulations and the Company Policies/ Terms of Employment and includes mismanagement of position by action or inaction, alleged wrongdoing, misfeasance, or violation of any rule, regulation or law which was expected to be abided by the Employee or any

other act or conduct which has resulted or may result into loss of confidence of the Company or Subsidiary(ies) in such Employee or such other act or conduct as the NRC / Company may deem as 'misconduct'.

3.29. **"NRC"** shall mean the Nomination & Remuneration Committee of the Directors duly constituted by the Board of Directors of the Company as provided under Regulation 19 of LODR Regulations and other Applicable Laws and entrusted inter-alia with the authority to formulate, implement, administer and supervise the Scheme, in terms of the Act, Rules, SBEB Regulations, which shall be treated as the Compensation Committee in accordance with Regulation 5 of the SBEB Regulations.

3.30. **"Option"** shall mean an employee stock option granted to an Eligible Employee which gives such Employee the right, but not an obligation, to acquire at a future date the Shares underlying the Options at a pre-determined price, subject to the terms of this Scheme.

3.31. **"Option Grantee / PSU(s) Grantee"** shall mean an Employee who has been granted Options and/or PSUs, and shall deem to include nominee / legal heir of the option grantee/ PSU grantee in case of his/her death to the extent provisions of the Scheme are applicable to such nominee / legal heir.

3.32. **"Performance-linked Stock Units" or "PSU(s)"** shall mean a Performance-linked Stock Units granted to an Eligible Employee which gives such Employee the right, but not an obligation, to acquire at a future date the Shares underlying the PSUs at a pre-determined price, subject to the terms of this Scheme.

3.33. **"Retirement"** means retirement or superannuation of an Employee as per the rules of the Company.

3.34. **"Permanent Incapacity"** shall mean any incapacity of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps Option Grantee / PSU Grantee from performing any specific job / work / task which the said Option Grantee / PSU Grantee was capable of performing immediately before such disablement as determined by NRC on certificate of medical expert identified by the Board of Directors.

3.35. "Promoter or Promoter Group" shall have the same meaning assigned to it under the ICDR Regulations.

3.36. "Restructuring" shall have the meaning ascribed to it in Clause 4.1 (q(ii)) of this Scheme.

3.37. "Secretarial Auditor" means a company secretary in practice appointed by a Company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to Regulation 24A of the LODR Regulations.

3.38. "Shares" shall mean the equity shares of the Company, currently having a face value of Rs 5/- (Rupees five only) per share (as adjusted for any changes in capital structure / corporate action of the Company).

3.39. "Subsidiary" shall mean and have the same meaning as defined under the Act and includes any present or future subsidiary company of the Company.

3.40. "Stock Exchange" means National Stock Exchange Limited or BSE Limited or any recognized other stock exchange in India on which the Company's Shares are listed.

3.41. "Unvested Option" shall mean an Option in respect of which the relevant vesting conditions have not been satisfied and as such the Option Grantee has not become eligible to exercise the Option.

3.42. "Unvested PSU" shall mean a PSU in respect of which the relevant vesting conditions have not been satisfied and as such the PSU Grantee has not become eligible to exercise the PSU.

3.43. "Vested Option" means Option in respect of which the relevant Vesting Conditions have been satisfied, and as a result, the Option Grantee has acquired the right to Exercise such Options.

3.44. **"Vested PSU"** means PSU in respect of which the relevant Vesting Conditions have been satisfied, and as a result, the PSU Grantee has acquired the right to Exercise such PSUs.

3.45. **"Vesting Condition"** means relevant conditions subject to which the Options and/ or PSUs granted would Vest in the Option Grantee/ PSU Grantee.

3.46. **"Vesting Period"** means the period during which the Vesting of the Options and/ or PSUs granted to the Option Grantee/ PSU Grantee in pursuance of the Scheme takes place.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Companies Act, 2013 and rules made thereunder or in the SBEB Regulations or in the Income-tax Act, 1961 or in the Foreign Exchange Management Act, 1999 or in the Securities and Exchange Board of India ("SEBI") Act, 1992 or in the Securities Contracts (Regulation) Act, 1956 or any other rules, regulations or guidelines issued thereunder and as amended or re-enacted, from time to time. Some of the terms defined hereinabove have the same meaning as assigned to them under the SBEB Regulations and any change or amendment to the definitions or terms under the SBEB Regulations shall result in a consequential change to the concerned term as defined above.

INTERPRETATION:

In this Scheme, unless the contrary intention appears:

- the singular includes the plural and vice versa;
- any word or expression importing the masculine, feminine or neuter genders, shall be taken to include all three genders;
- the words "including" and "inter-alia" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not those words are followed by such phrases or words of like import;
- the words "herein", "hereunder", and "hereto" and words of similar import refer to this Scheme as a whole and not to any article of this Scheme, unless so specified; and

Any capitalized term defined in Clause 3 of this Scheme shall also include such term with any of its grammatical variations and/or cognate expressions and any such grammatical variation and/or cognate expression when used in the capitalized form in the Scheme shall have the meaning assigned to the term as defined in Clause 3 of this Scheme of which they are grammatical variations and/or cognate expressions.

4. AUTHORITY AND POWERS OF THE NRC

4.1. Notwithstanding anything stated herein, but subject to the terms of the resolution passed by the shareholders of the Company for Grant of Options/ PSUs to the Eligible Employees under this Scheme and in accordance with the SBEB Regulations, the NRC has been authorised to determine all the terms governing the ESOP & PSU Scheme – 2025, in its sole and absolute discretion including any variation or modification thereof, but not limited to the following:

a. identification of the Eligible Employees amongst the different categories of Employees to whom the Options and / or PSUs are to be granted;

b. criteria and eligibility for determination of the Eligible Employee; Further, in the exercise of its powers, the NRC may require any information from the Subsidiary company(ies) and/or seek the assistance of any employee as it may deem fit, to fully and effectively discharge its duties.

c. the time when the Options and PSUs may be granted;

d. the number of tranches in which the Options and PSUs may be granted and the number of Options and PSUs to be granted in each tranche and in aggregate;

e. the quantum to be granted in the form of Options and PSUs per employee and in aggregate, from the total quantum of 50,00,000 (Fifty Lakhs) at various points of time during the validity period of the Scheme;

f. the Exercise Price of the Options and PSUs to be granted at various points of time;

g. the method for valuing the Options and PSUs;

h. the terms and conditions subject to which the Options and PSUs granted shall vest in the Eligible Employee or shall be exercisable by the Eligible Employee; to evaluate the fulfilment of the Vesting Conditions;

i. the vesting schedule of the Options and PSUs granted;

j. the period within which the Options and PSUs have to be Exercised by the Eligible Employee and that the Options and PSUs may lapse on failure to exercise within the relevant Exercise Period;

k. assignment of weightage to length of service, nature of role, performance, merit, conduct, future potential contribution of the Eligible Employee;

l. the conditions under which Options / PSUs vesting in the Eligible Employees may lapse including termination of employment for misconduct or abandonment of service and determining whether an Eligible Employee has committed any misconduct;

m. the conditions and the criteria for the Options and / or PSUs to continue to vest in the holders of such Options / PSUs under certain circumstances subsequent to any Restructuring (defined hereunder), in relation to the Company;

n. the specified time period within which the Eligible Employee shall exercise the vested Options and PSUs in the event of termination or resignation or retirement or superannuation of such Eligible Employee;

o. the Grant, Vesting and Exercise of Options and PSUs in case of Eligible Employees who are on long leave or sabbatical by whatever named called in accordance with policies of the Company;

p. accelerate the vesting period in exceptional circumstances such as superannuation, voluntary retirement, terminal illness etc of Eligible Employee., as referred in Clause 8. 2(ii)

q. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and / or PSUs and to the Exercise Price of Options and / or PSUs in the event of:

   i. the Company issuing any Shares or other benefits (other than the dividends declared and/or paid) to the existing shareholders at any time after the date of the Grant of Options / PSUs to the Eligible Employees or in case of other corporate actions such as rights issues, bonus issues, buy-back of equity shares of the Company, stock splits or consolidation or other re-organisation of the capital structure of the Company (hereinafter collectively referred to as 'Corporate Action');

   ii. any change in the constitution of the Company or any re-structuring of the Company including but not limited to merger, de-merger, amalgamation or reverse merger (hereinafter collectively referred to as 'Restructuring');

   Provided that, the following shall be taken into consideration by the NRC:

   1. the number and price of Options and/or PSUs shall be adjusted in a manner such that total value of the Options and/ or PSUs remains the same after the corporate action; and

2. the Vesting Period and the life of the Options and PSUs shall be left unaltered as far as possible to protect the rights of the Grantee.

r. the procedure for funding the Exercise of Options and/ or PSUs, as permitted under the Applicable Laws;

s. Power to cancel all or any of the Options and/ or PSUs Granted under the Scheme, if so required under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the Option Grantee or PSUs Grantee for such cancelled Options and/ or PSUs.

t. the procedure for buy-back of specified securities issued under the SEBI Regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:

i. permissible sources of financing for buy-back;

ii. any minimum financial thresholds to be maintained by the company as per its last financial statements; and

iii. limits upon quantum of specified securities that the company may buy-back in a financial year.

u. formulating and administering suitable policies and procedures as may be required for the implementation of the Scheme.

v. giving of instructions and/or directions as may be necessary to give effect to any modifications, alteration, amendment, suspension, withdrawal or termination of the Options and/ or PSUs or the Scheme, as a whole in accordance with clause 20 of the Scheme.

4.2. The Company has framed and adopted suitable policy(ies), code of conduct(s) and procedure in compliance of securities laws including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 ("Securities Laws Policies"). The Eligible Employees shall be required to comply with the said Securities Laws Policies, as amended from time to time, by the Company.

4.3. The terms prescribed by the NRC or subsequent amendments which shall not be detrimental to the interest of the Option Grantees / PSU Grantees thereto, shall be final and binding on all the Option Grantees / PSU Grantees. Any amendment to the Scheme shall be carried out in accordance with the Applicable Laws as detailed in Clause 20 of this Scheme.

4.4. For the purpose of administration and operations of the Scheme and as permitted under the Applicable Laws, the NRC from time to time, may authorise Managing Director & Chief Executive Officer ('MD& CEO') and / or Company Secretary and / or any Officer(s) of the Company, as it may deem appropriate.

4.5. No member of the NRC shall be personally liable for any decision or action taken by him / her individually or jointly in good faith with respect to any matter arising out of or relating to ESOP & PSU Scheme – 2025.

5. TOTAL NUMBER OF OPTIONS AND PSU AVAILABLE FOR GRANT

5.1. The total number of Options and PSUs that are available for Grant to Eligible Employees under this Scheme, are 50,00,000 (Fifty Lakh) Options and PSUs in aggregate representing 50,00,000 (Fifty Lakh) equity Shares of Rs 5/- each of the Company, pursuant to the Shareholders' resolution passed by way of postal ballot on June 6, 2025 or such adjusted numbers of equity Shares for any bonus, stock splits or consolidation or other re-organisation of the capital structure of the Company as may be applicable, from time to time.

Provided that the aggregate PSU grant will not exceed 50% of the total pool of 50,00,000, mentioned above i.e. 25,00,000 Equity Shares.

5.2. The NRC in its sole and absolute discretion shall determine the date and the number of tranches in which Options and/ or PSUs under the Scheme shall be granted.

5.3. In case the Options and PSUs granted under the Scheme are lapsed/expired or are forfeited, the same shall stand automatically added to the respective pool of Options and/or PSUs and may be granted afresh by the NRC to other Eligible Employees, under this Scheme.

6. CRITERIA FOR GRANT OF OPTIONS AND PSUS

6.1. The NRC may, from time to time, based on the recommendation of the management of the Company and the Board/NRC of its Subsidiary(ies), as the case may be, allocate and grant, in its sole and absolute discretion, the number of Options or PSUs or combination thereof, at Grant Price referred above, in accordance with the criteria (including but not limited to performance, merit, nature of role, conduct, length of service, future potential contribution of the Employee and to attract new talent) to Eligible Employees from time to time.

Further, the percentage of allocation and grant of Options and / or PSUs and / or combination thereof to be granted to the Eligible Employees shall also be subject to the following ceiling prescribed for the employee category of the relevant Eligible Employee:

EMPLOYEE CATEGORY	DEFINITION	% OF ALLOCATION – OPTIONS OR PSUS OR COMBINATION THEREOF
Category 1 – Managing Director ('MD') & Strategic Leadership	#Includes the Managing Director & Chief Executive Officer ('MD & CEO'), Whole-time Director (s) and direct reports of MD & CEO and / or Whole-time Director, designated as Departmental Heads. These roles typically carry CXO-level accountability and report directly to the MD & CEO and/ or Whole-time Director	*100% Options and no PSUs
Category 2 – Senior Leadership Roles	Includes senior roles reporting to CXOs/ Departmental Heads and other leads across business, investments, control, and support functions. These individuals typically oversee strategic execution and contribute materially to business outcomes.	*Upto 30% PSUs and balance in Options
Category 3 – Managerial, Regional and Functional Roles	Includes employees in managerial and specialists roles in investments, business, control, and support functions. They drive process consistency, functional performance, and contribute to business outcomes across geographical regions or functions.	*Upto 50% PSUs and balance in Options
Category 4 – Core Delivery and Execution Roles	Includes frontline employees executing critical tasks in business and other control and support functions. Though non-managerial, these roles directly impact daily service quality, regulatory compliance, and operating results.	*Upto 100% PSUs and balance in Options, if any

Notes:

* The number of Options and PSUs that may be granted to each Eligible Employee per Grant and in aggregate (taking into account all grants) shall vary depending upon the designation and the appraisal / assessment process, provided that:

a. the total number of Options that may be granted under the Scheme per Eligible Employee, both individually and in aggregate (considering all grants), shall not exceed 10,00,000 (Ten Lakh) Options, pursuant to adjustments to the total pool of Options and PSUs in proportion to the bonus issue.

b. the number of PSU grants, on the other hand, are subject to an annual cap of 20,000 units (Twenty Thousand) per Eligible Employee, pursuant to adjustments to the total pool of Options and PSUs in proportion to the bonus issue, with not more than five PSU grants allowed per Eligible Employee during the tenure of the Scheme.

\# PSUs under this Scheme are intended to reward consistent operational execution over a multi-year horizon. Given the strategic, cross-functional, and externally accountable nature of 'Category 1 - MD & Strategic Leadership' and to maintain flexibility in structuring performance-linked compensation across market cycles; only Options shall be granted to such roles. This structure remains compliant with SBEB Regulations and ensures alignment with long-term shareholder value creation. However, in case of any future talent hires and / or succession planning and / or retention of key managerial roles, the NRC may, on case by case basis, grant a combination of Options and PSUs subject to the ceiling of maximum number of Options and PSUs per employee, as mentioned above. Further, under no circumstances shall any PSUs be granted to the Managing Director & Chief Executive Officer (MD & CEO) or the Whole-time Director(s) of the Company. However, in case of any subsidiary company which is in its initial stages post incorporation, and has few employees, employees of such subsidiary belonging to the Category 1 above, would also be eligible for receiving PSUs from time to time based on the recommendations of the Board / NRC of such subsidiary and subject to sole and absolute discretion of the NRC of the Company.

6.2. The fair value of the Options / PSUs Granted to Eligible Employees of the subsidiary(ies) will be recognized as employee benefit expense in the books of the subsidiary(ies), with a corresponding increase in deemed capital contribution from the Company and the same will not be settled in cash.

6.3. The Letter of Grant shall specify the Grant Date, number of Options / PSUs Granted to the Options Grantee/ PSUs Grantee (as the case maybe), the Vesting Date / Schedule, Vesting Conditions (upon fulfilment of which the Vesting shall take place), the Exercise Price, Exercise Period and other terms and conditions thereof.

6.4. The Options shall be granted by the NRC at Grant Price i.e. the latest available closing price of the Shares, on the recognised stock exchange on which the Shares are listed and having highest trading volume in the Shares, of the date immediately prior to the date of meeting of the NRC, and PSUs shall be granted by the NRC at Grant Price i.e. the face value of the Equity Shares of the Company.

6.5. Further, the NRC, during any 1 (one) year, shall not Grant Options and PSUs equal to or exceeding 1% (one percent) of the total issued and paid up share capital (excluding any outstanding warrants and conversions) of the Company at the time of Grant of the Options and PSUs to any one of the Eligible Employees, without the approval of the shareholders of the Company by way of a separate resolution.

7. VESTING OF THE OPTIONS AND PSUS

7.1. Vesting of the Options:

The Vesting of Options shall commence only after the expiry of 1 (One) year from the Grant Date and shall vest over a period of 4 (Four) years in accordance with the following vesting schedule, subject to fulfilment of vesting conditions laid under clause 7.6:

Year of Vesting/Vesting Schedule	% of vesting
1st Anniversary from the date of grant	10
2nd Anniversary from the date of grant	20
3rd Anniversary from the date of grant	30
4th Anniversary from the date of grant	40

However, in any exceptional/ special circumstances such as any future talent hires and / or succession planning and / or retention of key managerial roles, the NRC at its sole and absolute discretion may grant Options in the following ratio:

Year of Vesting/Vesting Schedule	% of vesting
1st Anniversary from the date of grant	25
2nd Anniversary from the date of grant	25
3rd Anniversary from the date of grant	25
4th Anniversary from the date of grant	25

7.2. Vesting of the PSUs:

The vesting of PSUs shall commence only after the expiry of 1 (One) year from the date of the grant and shall vest in the following ratio, subject to fulfilment of vesting conditions laid under clause 7.6 and 7.7:

Year of Vesting/Vesting Schedule	% of vesting
1st Anniversary from the date of grant	0
2nd Anniversary from the date of grant	0
3rd Anniversary from the date of grant	30
4th Anniversary from the date of grant	70

7.3. Notwithstanding anything contained hereinabove, in case of death or Permanent Incapacity of an Options Grantee / PSU Grantee, the minimum Vesting Period of 1 (one) year shall not apply.

7.4. In the event that an Employee, who has been granted Options or PSUs or a combination thereof under the Scheme, is transferred or deputed or seconded to its Subsidiary/ies or transferred to the Holding Company and accordingly resigns from the services of the Company, and forthwith joins the Subsidiary or Holding Company, prior to vesting of such Options and / or PSUs as the case may be, original vesting schedule as defined under respective Letter of Grant shall continue in case of such transferred, deputed or seconded employee even after the transfer, deputation or secondment.

7.5 In the event of division of number of Options and PSUs resulting in a fractional number due to the staggered vesting of Options, the number of Options and PSUs to vest shall be rounded off to the nearest whole number for the first, second and third and the balance will vest in the final tranche.

7.6. In the event of division of number of PSUs resulting in a fractional number due to the staggered vesting of PSUs, the number of PSUs to vest shall be rounded off to the nearest whole number for the instalment on the 3rd anniversary from Grant Date of PSU and the balance will vest in the final tranche on the 4th anniversary from the Grant Date of the PSU.

7.7. Vesting Conditions for Options and PSUs:

The Options and PSUs will be vested as per the respective vesting schedule only upon fulfillment of the following conditions, which shall be communicated to the Eligible Employee in the Letter of Grant issued at each such Grant and will not be subject to any subsequent changes by the Board/ N RC, except in case of Force Majeure Event:

a. Continued employment with the Company:

Provided that, the Option Grantee / PSU Grantee who has tendered his / her resignation and is serving the notice period after resignation, such notice period shall not be considered for Vesting and all the Unvested Options and / or Unvested PSUs as on date of resignation shall be cancelled forthwith. Further, the Option Grantee / PSU Grantee while in continued employment must not be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any disciplinary proceedings against any Option Grantee / PSU Grantee, the relevant Vesting and Exercise of Vested Options / PSUs shall be kept in abeyance until disposal of the proceedings. In case of reinstatement, Vesting / Exercise shall happen as if there was no abeyance. In case of termination from employment, the provisions of table given in Sub-clause 8.2(ii) of the Scheme shall apply.

b. The Eligible Employee has not committed any act of Misconduct.

c. Receiving performance rating of "Meet Expectations" at a minimum in the performance year immediately preceding the date of vesting, in case of Options and receiving performance rating of "Meet Expectations" at the minimum in all the applicable performance years, between the date of grant and vesting, in case of PSUs. The rating will be determined at the time of annual performance appraisal cycle.

7.8 Additional vesting conditions for PSUs based on Company performance:

1. The Vesting of PSUs shall also be dependent on the achievement of the following company level performance parameters over the Vesting Period, wherein NRC shall determine the extent of fulfilment of the Vesting Conditions:

The Company performance parameters shall comprise any or a combination of the following two parameters after adjusting for any extraordinary items:

a. Revenue from Operations as per the standalone audited financial statements vis-a-vis target.

b. Operating Profit before taxes computed as per the standalone audited financial statements vis-a-vis target. Operating Profit before taxes for the purpose of this clause is defined as Profit before tax less Other Income.

2. The relative weight of operating profit shall not be higher than the weight of operating revenue, where neither metric will weigh less than 25%.

3. Proportion of vesting of PSUs based on the achievement of financial performance of the Company shall be as follows:

Company Performance parameter	PSU Vesting %
>=100% of target achievement	100% vesting
>=75% of target achievement	Proportionate vesting between 75% to 100%
<75% of target achievement	No vesting

Further, the achievement of Company-level performance parameters as defined in above sub clause 3 of the Scheme shall be calculated on an average basis (a) for three financials years immediately preceding the date of vesting of the third tranche, and (b) for four financial years immediately preceding the date of vesting of the fourth tranche, respectively.

Provided that any PSUs not vested on account of non-achievement of the Company-level performance parameters in the third tranche shall vest in the fourth and final tranche of the vesting schedule, provided the Company has achieved the performance parameters on an average basis for four years immediately preceding the date of fourth and final vesting. However, in the circumstances where the Company has not achieved the same, the balance PSUs shall stand lapsed upon the 4th anniversary of the date of grant.

4. Achievement against the pre-defined performance metrics shall be evaluated by the NRC at the end of the Vesting Period, based on the Company's audited financial results and annual appraisal results and the status of Vesting against the performance parameters laid down under the Letter of Grant and the consequent number of PSUs that may be vested shall be communicated to the PSU Grantee vide a Letter of Vesting.

5. Further, in case of a force majeure event, which may adversely impact the financials of the Company, vesting and / or vesting conditions of PSUs for the reference year may be moderated accordingly by the NRC.

6. The Vesting Conditions set out in this Scheme will have to be met for each of the year as contemplated. In case the Options and PSUs are not Vested due to non-fulfilment of the Vesting Conditions, such Options and PSUs shall lapse and Option / PSU Grantee shall not have any right over such Options / PSUs as the case may be.

8. EXERCISE PRICE AND EXERCISE PERIOD OF THE OPTIONS AND PSUS

8.1 Exercise Price:

i. The Exercise Price per Option shall be determined by the NRC which shall be the 'Grant Price of Option' on the Grant Date. The specific Exercise Price shall be intimated to the Option Grantee in the Letter of Grant at the time of Grant.
ii. The Exercise Price per PSU shall be the 'Grant Price of PSU' on the Grant Date. The specific Exercise Price shall be intimated to the PSU Grantee in the Letter of Grant at the time of Grant.

8.2 Exercise Period:

(i) Exercise Period in case of continuation of employment:

(a) Exercise Period in case of Vested Options:

Subject to such norms as may be prescribed by the NRC, all the Vested Options shall have to be Exercised within a period of 4 (Four) years from the date of respective Vesting, at one time or at various point of time. However, the minimum number of Options that could be Exercised in one tranche should not be less than Vested Options or 300 (Three Hundred) Options, whichever is lower.

(b) Exercise Period in case of Vested PSUs:
Subject to such norms as may be prescribed by the N RC, all the Vested PSUs shall have to be Exercised within a period of 1 (One) year from the date of respective Vesting, at one time or at various point of time. However, the minimum number of PSUs that could be Exercised in one tranche should not be less than Vested PSUs or 100 (One Hundred) PSUs, whichever is lower.

(ii) Treatment of Options and PSUs in various separation events:

Sr. No.	Events	Vested Options/ Vested PSUs	Unvested Options/ Unvested PSUs
1.	Resignation or Termination (other than due to Misconduct)	All the Vested Options and/ or Vested PSUs as on the date of resignation or date of termination shall be exercisable by the Option Grantee/ PSU Grantee on or before Exercise Period or within 60 (Sixty) days from the date of last working day in the Company, whichever is earlier, provided such Eligible Employee does not engage in any capacity with any Company or entity which is in the business of asset management.	In the event of resignation or termination all Unvested Options and/ or Unvested PSUs shall stand cancelled with effect from that date.
2.	Suspension due to alleged Misconduct	The NRC shall have the sole and absolute discretion in determining whether the Vested Options and/ or Vested PSUs can be exercised or not, during the suspension period.	The NRC shall have the sole and absolute discretion in determining whether the Unvested Options and/ or Unvested PSUs will vest in the Option Grantee/ PSU Grantee or not, during the suspension period.
3.	Termination due to Misconduct	All Vested Options and/ or Vested PSUs at the time of such termination shall stand cancelled with effect from the date of such termination and shall be deemed to have been lapsed. The NRC shall have the sole and absolute discretion in determining whether an Eligible Employee has committed any Misconduct.	All Unvested Options and/ or Unvested PSUs on the date of such termination shall stand cancelled with effect from the termination date and shall be deemed to have been lapsed. The NRC shall have the sole and absolute discretion in determining whether an Eligible Employee has committed any Misconduct.
4.	Transfer / deputation to Holding Company or Subsidiary Company	Exercise Period to remain the same as per the terms of the Grant. In case of subsequent separation, treatment of Vested Options and/ or Vested PSUs shall be as per the applicable circumstances mentioned in this table.	Vesting schedule and Exercise Period to remain same as per the terms of the Grant. In case of subsequent separation, treatment of Unvested Options and/ or Unvested PSUs shall be as per the applicable circumstances mentioned in this table.
5.	Retirement	All the Vested Options and/ or Vested PSUs as on the date of Retirement shall be exercisable by the Option Grantee/ PSU Grantee within the Exercise Period.	All Unvested Options and/ or Unvested PSUs as on the date of Retirement would continue to vest in accordance with the original vesting schedules even after the Retirement unless otherwise determined by the NRC in accordance with the Company's policies and provisions of the then prevailing Applicable Laws. Such aforesaid Vested Options and/ or Vested PSUs can be exercised within the Exercise Period. For the purposes of this clause the individual performance parameters shall be deemed to have been met for the remaining period (i.e. after the date of Retirement or superannuation) unless NRC determines otherwise based on historical average performance ratings as per Vesting schedule, subject to meeting the criteria of Company's performance.
6.	Permanent Incapacity	All Vested Options and/ or Vested PSUs may be exercised by the Option Grantee/ PSU Grantee, within the Exercise Period.	All the Unvested Options and/ or Unvested PSUs as on date of incurring of such incapacity shall vest immediately with effect from such event to the Option Grantee/ PSU Grantee and can be exercised within the Exercise Period.
7.	Death	All the Vested Options and/ or Vested PSUs as on date of death shall be exercisable by the legal heir/ nominee of such deceased Option Grantee/ PSU Grantee within the Exercise Period.	All the Unvested Options and/ or Unvested PSUs as on date of death shall vest immediately with effect from the date of his/her death to the Option Grantee's/ PSU Grantee's nominee or legal heir and can be exercised within the Exercise Period.
8.	Any other reasons apart from those mentioned above	The NRC shall have the sole and absolute discretion in determining whether the Vested Options and/ or Vested PSUs can be exercised or not, based on the Company Policies.	The NRC shall have the sole and absolute discretion in determining whether the Unvested Options and/ or Unvested PSUs will vest in the Option Grantee/ PSU Grantee or not, based on the Company Policies.

Provided that in case of a force majeure event which may adversely impact the financials of the Company, vesting and / or vesting conditions of PSUs for the reference year may be moderated accordingly by the NRC.

8.3. To enable the Employees to nominate persons in respect of the Options and / or PSUs, specific nomination forms (physical/electronic) shall be made available to the Employees from time to time. Pursuant to such nomination, in the event of death of the Option and/or PSU Grantee prior to Vesting or Exercise of the Options and / or PSUs under this Scheme, all the rights in respect of such Options and / or PSUs, individually or jointly, as the case may be, shall vest in the nominee(s).

8.4. In case of death of an Eligible Employee who has not nominated any person(s), the Options and / or PSUs granted but not vested will vest within such time and manner as stipulated in Clause 8.2(ii) and shall be Exercisable by the legal heir(s) / successor(s) of the deceased Eligible Employee within such time and in such manner as may be stipulated in the Letter of Grant/ Letter of Vesting. Provided however that the legal heir(s)/ successor(s) shall be required to produce to the Company all such documents / indemnities as may be required by the Company to prove the succession of the estate of the deceased Eligible Employee.

8.5. Any cancelled Options and / or PSUs, shall be available for Grant by the NRC to any other Eligible Employee(s).

8.6. Lapse of Options and/or PSUs:

The Options and/ or PSUs not Exercised within the Exercise Period shall lapse and be cancelled. The Option Grantee/ PSU Grantee shall have no right over such lapsed or cancelled Options or PSUs.

8.7. Each Option and PSU represent 1 (one) Share or such other number of Shares adjusted for any relevant Corporate Action, stock splits, consolidation or other reorganisation of capital structure of the Company or any restructuring of the Company from time to time, as may be determined by the N RC, pursuant to the provisions of this Scheme.

8.8. The Option Grantee and PSU Grantee may, at any time during the Exercise Period, Exercise the Vested Options and Vested PSUs by submitting Exercise Application to the Company, accompanied by payment of an amount equivalent to the Exercise Consideration and any other charges or levies as may be required, for issue of Shares, as the NRC may specify from time to time.

8.9. The Exercise Application shall be in such form as may be prescribed by the Company in this regard and the NRC may determine the procedure for Exercise of Options and PSUs under this Scheme, from time to time.

9. RIGHTS AS A SHAREHOLDER

9.1. The Option Grantee/ PSU Grantee shall not have a right to receive any dividend or to vote in any manner or enjoy the benefits of a shareholder in respect of Options and/ or PSUs granted, till Shares underlying such Options and/ or PSUs are allotted on Exercise.

9.2. Nothing herein is intended to or shall give the Option Grantee/ PSU Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee/ PSU Grantee exercises the Options and/ or PSUs and becomes a registered holder of the Shares of the Company. However, the necessary adjustments to the number of Options and/ or PSUs and/ or the Exercise Price or both would be made in accordance with sub-clause 4.1(q) of the Scheme.

10. APPLICABILITY OF MALUS AND CLAWBACK

The benefits accrued and/ or availed under the Scheme including by virtue of Grant and Vesting of Options and PSUs, shall be subject to the Malus and Clawback provisions under the Company's Nomination and Remuneration Policy, as may be amended, replaced, restated, substituted from time to time, or as may be communicated by the Company to the Employees, or as per the revisions to the employment contracts/terms, which include instances such as fraud that requires a financial restatement, reputational harm to the Company or exposing the Company to substantial risk.

11. SHAREHOLDERS' APPROVAL

The ESOP & PSU Scheme – 2025 has been formulated and approved by the NRC and the Board of Directors at their meetings held on April 17, 2025 and by Shareholders of the Company by passing a Special Resolution by way of postal ballot on June 6, 2025.

12. TRANSFERABILITY OF OPTIONS AND PSUS

12.1. The Options and/ or PSUs shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

12.2. The Options and/ or PSUs shall not be transferable to any person, except in the event of death of the Option Grantee/ PSU Grantee in which case clause 8.2(ii) would apply as to transmission of any rights of the deceased Option Grantee/ PSU Grantee.

12.3. No person, other than the Option Grantee/ PSU Grantee to whom the Options and/ or PSUs are granted, shall be entitled to Exercise the Options and/ or PSUs, except in the event of the death of such Option Grantee/ PSU Grantee, in which case provisions of table under Sub-clause 8.2(ii) would apply.

13. LOCK-IN PERIOD

There will be no lock-in period in respect of the Shares, which may be issued / allotted on Exercise of the Options and PSUs.

14. RECOVERY OF TAX

In accordance with the provisions of this Scheme and the provisions of the Income-tax Act, 1961 and other Applicable Laws, the amount of perquisite tax and other taxes, charges and levies (by whatever name called), if any payable by the Option Grantee and PSU Grantee in respect of Options and PSUs granted pursuant to this Scheme, shall be paid by the Option Grantee and PSU Grantee to the Company at the time of Exercise of Options and PSUs.

15. OTHER CONDITIONS

15.1. The Company will not be obliged to issue or allot any Shares upon Exercise of the Options and PSUs or otherwise unless the issuance and delivery of such Shares complies, in the judgement of the Company, with all the relevant provisions of Applicable Laws and other regulations, including but not limited to, any applicable securities laws and the requirement of any recognised Stock Exchange on which the Shares of the Company are listed.

15.2. All Shares of the Company allotted consequent to Exercise of Options and PSUs shall rank pari passu in all respects with the then existing Shares of the Company.

15.3. The liability of paying tax of any nature, with respect to the Shares issued pursuant to Exercise of Options and PSUs shall be entirely on the Option and PSU Grantee and shall be in accordance with the provisions of Income-tax Act, 1961 and the rules framed thereunder. In the event of any new enactment, or amendments or modifications to the provisions of the Income-tax Act, 1961 and/or the Rules framed thereunder, as existing on the date of the Scheme, the NRC shall have the power to amend or modify this Scheme, without the consent of the Eligible Employees or the Shareholders, as the case may be, in order to ensure that the Company is in the same position as it would have been had the amendments or modifications to the Income tax Act, 1961 and/or the rules framed thereunder not been made. The said Income Tax Act, 1961 will include any amendment or re-enactment thereof.

15.4. Each Eligible Employee shall adhere to and comply with the provisions of AMC Share Dealing Code, if applicable, and Securities Laws Policies formulated and adopted by the Company in terms of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, modified, varied or re-enacted and the SEBI (Prohibition of

Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003, as amended modified, varied or re-enacted.

16. RIGHT TO PRESCRIBE FOR CASHLESS EXERCISE OF OPTIONS AND PSUS

Notwithstanding anything contained in the foregoing provisions relating to Exercise of Options and PSUs, the NRC is entitled to specify such procedures and mechanisms or the purpose of implementing the cashless Exercise of Options and PSUs as may be necessary and the same shall be binding on all the Grantees. The procedure may inter-alia require the Grantees to authorize any person nominated by the Company to deal with the Options and PSUs on the Grantees' behalf till the realization and remittance of sales proceeds and/or credit of Shares to the account of the Grantee.

17. PROCEDURE OF GRANTING, VESTING AND EXERCISING

17.1. Granting and Acceptance of Grant

The NRC may authorise MD& CEO and / or Company Secretary and / or any Officer(s) of the Company, from time to time as it may deem appropriate to issue Letter of Grant to all the Eligible Employees who have been granted Options and PSUs, intimating the number of Options and PSUs, as the case may be granted and the conditions subject to which the Options and PSUs are granted, within such time from the date of Grant as it may deem appropriate.

Acceptance of Grant

Upon Grant of Options and / or PSUs, the Eligible Employee, shall be bound by the terms, conditions and restrictions of the ESOP & PSU Scheme – 2025 and the Letter of Grant. The Grantee's acceptance of the Grant of Options and / or PSUs under the ESOP & PSU Scheme – 2025, shall constitute an agreement between the Option and / PSU Grantee and the Company as to the terms of this Scheme and Letter of Grant.

It is clarified that the Exercise Consideration shall be payable by the Option / PSU Grantee only at the time of Exercise of Option / PSU.

17.2. Vesting

In case the Eligible Employee complies with all the pre-vesting conditions, the Options and PSUs will vest in the Eligible Employee as per the Vesting Schedule and the Letter(s) of Vesting shall be sent to the Eligible Employee(s) intimating the number of Options and PSUs vesting in the Eligible Employee.

17.3 Exercise

a. An Eligible Employee wishing to Exercise the Options and PSUs vested in him/her, is required to login into the online ESOS module and send an Exercise Notice to the dedicated e-mail ID, 'amcesop@hdfcfund.com'. In case the Eligible Employee wishes to opt for loan/ cashless Exercise, he/she should in addition to the aforesaid documents submit such other documents as may be required for the purpose of Exercising the Options and PSUs. The said documents will be made available in the online ESOS module.

b. In case the Eligible Employee wishes to Exercise the Options and PSUs by paying the Exercise Price, then such Eligible Employee shall have to pay the Exercise Consideration and other charges or levies as may be required. In such cases the Eligible Employee should send the Exercise Notice and the Exercise Application along with a cheque/ demand draft/ fund transfer receipt. Such cheque/ demand draft/ fund transfer should be in favour of HDFC Asset Management Company Limited, drawn on any bank payable in Mumbai.

c. The Options and PSUs vested in the Eligible Employees could be Exercised by them within the Exercise Period in such number of tranche(s) as they may desire, subject to the condition that the minimum number of Options and PSUs that could be Exercised in one tranche should not be less than Vested Options or 300 (three hundred) Options, whichever is lower and Vested PSUs or 100 (One Hundred) PSUs, whichever is lower.

d. The Company shall endeavour to allot Shares in respect of Options and PSUs Exercised at such interval as it may decide and the tentative dates of allotment will be informed in advance. Credit of allotted Shares to the depository account will be endevoured to be made within 5 (five) working days from the date of allotment, subject to completion of necessary formalities in relation thereto. It is important to note that allotted Shares can be sold only after the same are listed on the stock exchanges.

18. INTERPRETATION

Any dispute, discrepancy or disagreement which shall arise under, or as a result of, or pursuant to, or in connection with this ESOP & PSU Scheme – 2025 shall be referred to the NRC and shall be determined by the NRC and any such determination/ decision/ interpretation by the NRC shall be final and binding on all persons concerned in the matter.

19. ESOP & PSU SCHEME – 2025 SUBJECT TO REGULATIONS

19.1. The ESOP & PSU Scheme – 2025 shall be subject to regulatory provisions as also the rules and policies framed by the Company for its employees, as may be applicable from time to time.

19.2. The ESOP & PSU Scheme – 2025 shall, at all times, comply with the provisions of Applicable Laws. The Grant of Options and PSUs and its conversion to Shares under the Scheme shall entitle the Company to require the Employee to fully comply with such requirements of all such Applicable Laws as may be necessary. In the event of any variation between the provisions of the Scheme and the Applicable Laws, the provisions of Applicable Laws shall prevail over the Scheme and the provisions of the Scheme shall be deemed to have been amended so as to be read in consonance with the Applicable Laws.

20. RIGHT TO MODIFY THE ESOP & PSU SCHEME – 2025 AND DISCLOSURES

20.1. The NRC/ Board shall in their discretion have the right to modify/ amend the ESOP & PSU Scheme – 2025 in such manner and at such time or times as it may deem fit, subject to however that any such modification/ amendment shall not be detrimental to the interest of the Option / PSU Grantees/Eligible Employees and approval, wherever required, for such modification and/or the amendment is obtained from the shareholders of the Company in accordance with the Applicable Laws. Provided however that the NRC/ Board shall be entitled to vary any of the terms of the Scheme to meet any regulatory requirements.

20.2. Subject to the approval of the shareholders by way of special resolution, the NRC may re-price the Options which are not Exercised, if Options granted under Scheme are rendered unattractive due to fall in the price of the Shares in the stock market. Provided that the NRC shall ensure that such re-pricing shall not be detrimental to the interest of the Option Grantees/Eligible Employees and such re-pricing is in compliance of the Applicable Laws. The decision of the NRC shall be final and binding on all the Eligible Employees benefitting under this Scheme and shall be subject to the approval of the shareholders by way of special resolution.

20.3. Notwithstanding anything contained herein, the NRC shall have the authority to modify and/or amend this Scheme in such manner and at such time or times as it may deem fit at its sole and absolute discretion as a result of any change or amendment to the Applicable Laws or any requirement as may be prescribed or may arise pursuant to any discussions with any regulatory authority including SEBI or the stock exchanges where the Shares of the Company are listed. In the event of such modification or amendment, the Eligible Employees in whom the Options and PSUs under this Scheme have either been granted or vested or exercised shall be bound by such amendment or modifications and shall not dispute the same.

The decision of the NRC to amend or modify this Scheme in such circumstances shall be final and binding on the Eligible Employees benefitting under this Scheme.

20.4. The Board of Directors in their report and information required to be filed with the Stock Exchange(s), shall disclose any material change in the Scheme, along with all other disclosures and information relating to the Scheme, as required to be disclosed as per the SBEB Regulations.

20.5. The disclosure document in accordance with Regulation 16 (2) of the SBEB Regulations will be provided to the Eligible Employee along with the Scheme.

21. CONFIDENTIALITY

Option Grantee and PSU Grantee shall keep the details of the Options and PSUs granted to them strictly confidential and shall not share/disclose the said details with/to any other Employee. In case of non-adherence to the provisions of this Clause, the NRC will have the authority to deal with such cases in such manner as it may deem fit in its sole and absolute discretion.

22. NO RIGHT TO AN AWARD

Neither the adoption of the Scheme nor any action of the NRC shall be deemed to give an Employee any right to be granted any Option and PSU to acquire Shares or to any other rights except as may be evidenced by a Letter of Grant/ Letter of Vesting.

23. THE METHOD USED BY THE COMPANY TO VALUE ITS OPTIONS AND PSUS

The Company shall use such methodology for valuation of Options and PSUs, as mandated by the Applicable Law(s) / applicable accounting standards prevailing at that point in time. As per the current Applicable Law, the Company shall use the following methodology:

The Options and PSUs granted to Employees pursuant to the Company's Scheme, will be measured at the fair value at the Grant Date using Black-Scholes Model or any other methodology as prescribed / permitted under the Applicable Laws / applicable accounting standards.

24. LISTING OF THE SHARES

The Company shall not Grant Options and/ or PSUs under the Scheme unless it obtains in-principle approval from the Stock Exchanges where it is listed.

The Company shall appoint a Merchant Banker for the implementation of the Scheme till obtaining of in-principle approval from the Stock Exchanges.

25. CONFORMANCE TO THE ACCOUNTING POLICIES SPECIFIED UNDER THE SBEB REGULATIONS

The Company shall conform to the accounting policies prescribed by Securities and Exchange Board of India and as specified in the SBEB Regulations from time to time.

26. CERTIFICATE FROM SECRETARIAL AUDITORS

The Board shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with the SBEB Regulations and in accordance with the resolution of the Company in the general meeting.

27. NO EMPLOYMENT RIGHTS CONFERRED

Nothing contained in the Scheme or in any Grant made hereunder shall:

(i) confer upon any Employee any right with respect to continuation of employment or engagement with the Company or Subsidiary of the Company; and
(ii) interfere in any way with the right of the Company or Subsidiary of the Company, to terminate employment or services of any Employee at any time.

28. NO RESTRICTION ON CORPORATE ACTION

The existence of the Scheme and the Grants made hereunder shall not in any way affect the right or the power of the Board of Directors or the shareholders of the Company to make or authorise any change in capital structure; including any issue of shares, debt or other securities having any priority or preference with respect to the Shares or the rights thereof or from making any corporate action which is deemed to be appropriate or in its best interest, whether or not such action has any adverse effect on the Scheme or any Grant made under the Scheme. No Employee or other person shall have any claim against the Company as a result of such action.

29. NEW SCHEMES

Nothing contained in the Scheme shall be construed to prevent the Company directly or through any trust settled by the Company, from implementing any other new scheme for granting stock options and/or share purchase rights or PSUs, which is deemed by the Company to be appropriate or in its best interest, whether or not such action has any adverse impact on the Scheme or any Grant made under the Scheme. No Employee or other person shall have any claim against the Company as a result of such action.

30. ESOP & PSU SCHEME – 2025 SEVERABLE

In the event that any term, condition or provision of the ESOP & PSU Scheme – 2025 being held to be a violation of or contrary to Applicable Laws, the same shall be severable from the rest of the ESOP & PSU Scheme – 2025 and shall be of no force and effect and the Scheme shall remain in full force and effect as if such term, condition or provision had not originally been contained in Scheme.

31. ARBITRATION

Any dispute or disagreement, which shall arise in relation to interpretation, implementation or alleged breach of ESOP & PSU Scheme – 2025 between Company and any Employee shall be referred to NRC and shall be determined by NRC and any such determination/ decision/ interpretation by NRC shall be final and binding on all persons concerned in the matter.

Any dispute which is not resolved pursuant to process above shall be referred to the Arbitration, in accordance with provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time.

The arbitration proceedings shall be in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place of such Arbitration shall be at Mumbai, India. The language of arbitration shall be English.

32. GOVERNING LAWS

The ESOP & PSU Scheme – 2025 shall be construed in accordance with the laws of India and subject to the provisions of Clause 31 above, be subject to the exclusive jurisdiction of Courts in Mumbai, India.