
RESTRICTED STOCK UNIT PLAN**RSU-2021****MPHASIS LIMITED**

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1 INTRODUCTION

- 1.1 Mphasis Limited (the “**Company**”) is adopting and giving effect to this Restricted Stock Unit Plan 2021 (the “**RSU Plan**” or “**Plan**”) for incentivising, inducing, rewarding and motivating the Employees to contribute effectively towards the future growth and profitability of the Company, align the Employees towards a common objective of creating value for the Company as well as to induce the Employees to remain in the service of the Company in accordance with the provisions of the applicable law, including, inter alia, Companies Act, 2013 (including Section 62), Securities and Exchange Board of India Act, 1992 and regulations framed thereunder including the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- 1.2 This document sets out the features of the RSU Plan, the benefits accruing to the Employees under the RSU Plan, the duties and responsibilities of the Company, Trust and the Employees, as well as the procedures to be followed in relation to the implementation, governance and monitoring of the RSU Plan. This document shall serve as the reference for the administration of the RSU Plan. This document requires to be carefully read and understood by all stakeholders (including the relevant Employees), and the procedures prescribed herein shall be diligently observed and adhered to, for the purposes of availing the benefits under the RSU Plan.
- 1.3 This RSU Plan will come into effect from 29 September 2021 (“**Effective Date**”), subject to receipt of any necessary approvals under applicable law.
- 1.4 The maximum number of Units to be Granted under this Plan shall not, upon Vesting, exceed 3,000,000 Shares (or such other adjusted figure for any re-organisation of capital structure undertaken in accordance with this Plan) (“**RSU Ceiling**”).
- 1.5 The RSU Plan is a scheme being adopted by the Company for the benefit of the Employees and, in no event whatsoever, is to be considered as part of their recurring compensation package. This Plan shall not form part of any contract of employment between the Company and any Employee.
- 1.6 The RSU Plan shall remain in force until: (a) all the Units which have been Granted have either been Vested or have lapsed in accordance with the terms herein; and (b) all the Shares which are operating under the Units which have Vested have been Settled and otherwise transferred by the Trust and the Trust does not hold any Shares. The RSU Plan, if required, may be closed by the Board of Directors prematurely, provided there are no Units outstanding under the Plan. In the event the Shares of the Company are delisted from all stock exchanges, then the Compensation Committee will formulate the manner in which this Plan should be applied going forward and shall make appropriate recommendations in this regard to the Board for consideration.

2. DEFINITIONS

2.1 Definitions

In this Plan:

“**Administering Agency**” means any business consulting or management consulting or similar agency appointed by the Company or the Compensation Committee for assisting the Compensation Committee and/or the Trust in administering this Plan;

“Automatic Exercise” means a Grantee electing unconditionally, at the time of accepting the Grant itself, to automatically exercise her/his right to receive Shares underlying all Units that Vest, in accordance with the Vesting Schedule and immediately upon Vesting pursuant to which: (a) as and when Units Vest in accordance with the Vesting Schedule and subject to the fulfilment of the terms and conditions of Vesting and Exercise as set out under this RSU Plan and the relevant Grant Letter(s)), such Units shall be automatically exercised at the time of such Vesting without the Grantee being required to furnish an Exercise Notice; and (b) the Trust shall proceed to Settlement pursuant to such Automatic Exercise in the manner set out in this RSU Plan;

“Board of Directors” or **“Board”** means the board of directors of the Company, as reconstituted from time to time;

“Company” means Mphasis Limited, a company incorporated under the Companies Act 1956 having its registered office at Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bangalore 560 048, India;

“Compensation Committee” means the ESOP compensation committee constituted by the Board of Directors from time to time, by whatever name called, in accordance with applicable law and the terms set out under this Plan;

“Date of Grant” means the date of the meeting of the Compensation Committee on which the Compensation Committee (or, with respect to Employees who are non-executive Directors, the Board) decides to make a Grant to identified Employees under the RSU Plan, and such date shall be specified in the Grant Letter issued to such Employee;

“Directors” means the directors appointed to the Board from time to time in accordance with applicable law, and the term **“Director”** shall be construed accordingly;

“Effective Date” has the meaning given to it in Clause 1.3;

“Employees” means such persons who are identified by the Compensation Committee (or, with respect to Employees who are non-executive Directors, the Board) as being beneficiaries of the RSU Plan, including the employees who are:

- (a) employees, whether exclusively working in India or outside India, of the Company; or
- (b) a director of the Company, whether whole time or not including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding Independent Directors; or
- (c) an employee as defined in (a) or (b) above of a subsidiary of the Company;

but shall exclude:

- (i) an employee who is a Promoter or belongs to the Promoter Group; and
- (ii) a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than ten per cent. (10%) of the outstanding Shares;



“Exercise” means: (a) the making of an application pursuant to the delivery of an Exercise Notice by an RSU Grantee to the Trust for the issue of Shares against the Vested Units pursuant to the RSU Plan; or (b) Automatic Exercise, as applicable, and **“Exercising”** shall be construed accordingly;

“Exercise Consideration” mean the amount payable by (or on behalf of) an RSU Grantee to the Trust as consideration for the Exercise of the Vested Units, being equivalent to the product of the Exercise Price and the number of Vested Units being Exercised;

“Exercise Notice” means the written notice issued by an RSU Grantee to the Trustee (in such form as prescribed by the Compensation Committee from time to time) for Exercising such number of Vested Units as such RSU Grantee may deem fit, but subject to the provisions of Clause 6 (*Exercise*);

“Exercise Period” means the time period which is sixty (60) months from the date of Vesting in accordance with the Vesting Schedule, within which an RSU Grantee (who has not elected for an Automatic Exercise) may exercise the right to apply for Shares against the Vested RSUs;

“Exercise Price” means the par value of the underlying Shares in respect of the Units that are Exercised;

“Grant Letter” means the letter of grant in such form as may be determined by the Compensation Committee (or, with respect to Employees who are non-executive Directors, the Board) from time to time and shall, mandatorily, contain the following details: (a) name of the Employee; (b) number of Units being Granted; (c) the Date of Grant; (d) the Vesting Schedule with the respective Vesting Dates; and (e) terms of Settlement;

“Grant” means the issue of the Units to an eligible Employee under the RSU Plan, and **“Granted”** shall be construed accordingly;

“Independent Directors” means an independent director of the Company as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

“Nominee” or **“Nominees”** means any of the parents, spouse, any child, brother or sister of the Employee or any other person nominated by the Employee under the RSU Plan who will be eligible to Settle the Units granted to an Employee upon the death of such Employee;

“Promoter Group” has the meaning given to it under the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018, provided where the promoter or promoter group of a company is a body corporate, the promoters of that body corporate shall also be deemed to be promoters of such company;

“Promoter” has the meaning given to it under the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;

“Restricted Stock Unit Plan 2021” or the **“Plan”** or the **“RSU Plan”** means this Restricted Stock Unit Plan 2021 of the Company and shall include any alterations, amendments, modifications, or variations made thereto from time to time by the Company;

“RSU Ceiling” has the meaning given to it in Clause 1.4 (*Introduction*);

“RSU Grantee” means an Employee to whom Units have been Granted pursuant to the RSU Plan;

“RSU Shares” means the Shares of the Company to be transferred to the RSU Grantee by the Trust (at Settlement) upon the Exercise of the Units granted under the RSU Plan in the manner set out under this Plan, and **“RSU Share”** shall be construed accordingly;

“SEBI Regulations” means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended or replaced from time to time and the guidelines issued thereunder;

“Settlement” means the event where the RSU Shares (underlying the Units which have Vested) have been transferred by the Trust to the relevant RSU Grantee in the manner set out under this Plan, and the term **“Settled”** shall be construed accordingly;

“Share” means an equity share of the Company and such other security of the Company which is convertible into an equity share of the Company, and **“Shares”** shall be construed accordingly;

“Trust” means the Mphasis Employees Equity Benefit Trust, being established under the Indian Trust Act, 1882 for administering the RSU Plan for the benefit of the Employees;

“Trustee” mean the trustees appointed by the Trust from time to time to administer the Trust;

“Units” means the right granted to an RSU Grantee, subject to the Grantee’s acceptance of the Grant, to receive the RSU Shares of the Company upon Vesting and Exercise under this RSU Plan;

“US Employee(s)” means any RSU Grantee that is a “United States person” within the meaning of 7701(a)(3) of the Code or otherwise subject to tax under the laws of the United States, any state or municipality thereof or the District of Columbia.

“Vested Unit” means a Unit which has Vested in accordance with the Vesting Schedule;

“Vesting Date” has the meaning given to it in Clause 5.1;

“Vesting Schedule” has the meaning given to it in Clause 5.1; and

“Vesting” means, with respect to a relevant Unit, the expiry of the relevant periods under the Vesting Schedule, upon which the RSU Shares shall be subject to Settlement in the manner set out in this RSU Plan, and **“Vest”** shall be construed accordingly.

All other terms in this RSU Plan, unless defined herein, shall have the same meaning as given to them under the SEBI Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the Companies Act, 2013 or any statutory modification or re-enactment thereof, as the case may be.

2.2 Interpretation

In this RSU Plan, unless the context otherwise requires:

- (a) References to “**include**” or “**including**” are to be construed without limitation.
- (b) References to a “**company**” include any company, corporation or other body corporate wherever and however incorporated or established.
- (c) The expressions “**body corporate**”, “**holding company**” and “**subsidiary**” shall have the respective meaning given in the Companies Act, 2013 (as amended).
- (d) The table of contents and headings are inserted for convenience only and shall not affect the construction or interpretation of the RSU Plan.
- (e) Unless the context otherwise requires, words in the singular include the plural and vice versa, and a reference to any gender includes all other genders.
- (f) References to Recitals, Clauses, Appendices, Annexures, Paragraphs, Preamble and Schedules are to recitals, appendices and annexures to, and clauses, paragraphs, preamble and schedules of the RSU Plan, all of which form an integral part of the RSU Plan.
- (g) References to any statute or statutory provision includes a reference to that statute or statutory provision as amended, consolidated or replaced from time to time (whether before or after the date of the RSU Plan) and includes any subordinate legislation made under the relevant statute or statutory provision.

3. COMPENSATION COMMITTEE

- 3.1 The Compensation Committee shall consist of such number of persons as may be determined by the Board from time to time, provided that: (a) the members shall be appointed from amongst the Directors; and (b) the constitution of the Compensation Committee shall be in accordance with applicable law.
- 3.2 The Board shall, at its sole discretion, have the power to appoint any Director as a member of the Compensation Committee and to remove or replace any such Director so appointed. Any such appointment and/or removal shall be made pursuant to a resolution of the Board.
- 3.3 The Compensation Committee shall be entitled to invite any person to attend its meetings and participate in the discussions and deliberations, provided that such person(s) shall be under a legally binding obligation to keep all documents, deliberations and decisions made in such meetings as confidential, and provided further that no such person shall have any right or authority to vote in such a meeting.
- 3.4 The Compensation Committee, in the exercise of its powers, may require the Company to furnish any information and/or seek the assistance of any employee of the Company as it may deem fit to effectively discharge its duties.

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- 3.5 The Compensation Committee, in the exercise of its powers, may delegate (in part or full) the administration of the RSU Plan to the Trust for its implementation.
- 3.6 The Compensation Committee shall be entitled to meet (either physically or by way of any audio-visual or telephonic means or by way of passing resolutions by circulation, each in accordance with applicable law) as and when necessary to administer this Plan and to undertake all acts, deeds and things in relation to the administration, supervision and implementation of this Plan strictly in accordance with the terms hereunder and/or as may be directed by the Board from time to time. In addition, the Compensation Committee shall be entitled to formulate the detailed terms and conditions of the RSU Plan from time to time in relation to the following:
- (a) frame rules, regulations and procedures (which rules, regulations and procedures shall be subject to the prior approval of the Board) and prescribe forms and issue, or authorise any person to issue, circulars or orders (pursuant to such rules, regulations and/or procedures) in relation to the RSU Plan and may, from time to time, amend recall or replace such rules, regulations, procedures (any amendment to such rules, regulations and procedures being subject to the prior approval of the Board), forms, orders and circulars;
 - (b) the quantum of Units per RSU Grantee and in aggregate under the RSU Plan;
 - (c) the conditions under which Units may vest in RSU Grantees and may lapse in case of termination of employment;
 - (d) the Exercise Period within which the RSU Grantee can exercise the Vested Units (where the RSU Grantee has not elected for or been Granted RSUs subject to Automatic Exercise) and that Vested Units would lapse on failure to exercise the same within the Exercise Period;
 - (e) the specified time period and conditions under which an RSU Grantee may exercise the Vested Units in the event of termination or resignation;
 - (f) where the RSU Grantee has not elected for or been Granted RSUs subject to Automatic Exercise, the right of an RSU Grantee to exercise all Units that Vest at one time or various points of time within the Exercise Period;
 - (g) the procedure for funding the Exercise of the Units;
 - (h) 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;
 - (i) formulate the criteria for identifying Employees to whom the Units are to be Granted, and such criteria shall be subject to the prior approval of the Board;
 - (j) grant an extension of time for the exercise of the Units (other than Units subject to Automatic Exercise) upon a specific request made by the concerned RSU Grantee;

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- (k) formulate the procedure for making a fair and reasonable adjustment to the number of Units and the Exercise Price in case of corporate actions such as rights issue, bonus issue, sub-division, consolidation, merger, sale of division and other corporate actions taking into consideration the guidelines mentioned in the SEBI Regulations and in accordance with applicable law;
 - (l) formulate a policy for Grant, Vesting, Exercise and Settlement of Units in case of RSU Grantees who are on long leave;
 - (m) the re-allocation of unexercised, unsettled and forfeited Units;
 - (n) determine the method for contentment of any tax obligation arising in connection with the Units or Shares issued pursuant to Plan;
 - (o) delegate all or any of its administrative powers to one or more officers of the Company and/or to one or more sub-committees;
 - (p) formulate a policy of dealing with the unappropriated inventory of Shares being held by the Trust, if any;
 - (q) frame an appropriate policy with respect to the death or Permanent Incapacity of an RSU Grantee, subject to compliance with applicable laws; and
 - (r) frame suitable policies, procedures and systems to ensure that there are no violations of: (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations 2003, by any RSU Grantee, the Company and by the Trust.
- 3.7 In case of any dispute relating to the interpretation of the terms and conditions of the Plan, the decision of the Compensation Committee will be final and binding on the Employees.
- 3.8 The Company and/or the Compensation Committee may appoint an Administering Agency for assisting the Compensation Committee and/or the Trust in the administration of the RSU Plan in such manner as determined by the Compensation Committee.
- 3.9 No member of the Compensation Committee shall be personally liable for any decision or action taken in good faith with respect to administration of the Plan.

4. GRANT AND ACCEPTANCE

- 4.1 The Compensation Committee shall have the power to make a Grant, from time to time, to Employees other than non-executive Directors by determining the following parameters: (a) identifying the Employees (other than non-executive Directors) who should be Granted the Units in accordance with the provisions of this RSU Plan; (b) the number of Units to be Granted to such identified Employees; (c) the Date of Grant; (d) the Exercise Price; and (e) any additional terms and conditions which should be applicable to such Grant and the related Vesting, set limits on the maximum number of Units within the RSU Ceiling which may be Granted by the Compensation Committee at any particular time period,

and the Compensation Committee shall not Grant any Units in breach of such limits set by the Board; provided, however, that all Units granted to US Employees shall be subject to Automatic Exercise.

- 4.2 The Board shall have the power, from time to time, to make a Grant to Employees who are non-executive Directors by determining the following parameters: (a) identifying the Employees (being non-executive Directors) who should be Granted the Units in accordance with the provisions of this RSU Plan; (b) the number of Units to be Granted to such identified Employees; (c) the Date of Grant; (d) the Exercise Price; and (e) any additional terms and conditions which should be applicable to such Grant and the related Vesting, Exercise and Settlement, which parameters shall be communicated to the Compensation Committee by the Board and the Compensation Committee shall proceed to Grant such Units in the manner determined by the Board in accordance with the terms of this Plan; provided, however, that all Units granted to US Employees who are non-executive Directors shall be subject to Automatic Exercise.
- 4.3 The Compensation Committee shall issue a written intimation to the Trustee setting out the following details of the Grant: (a) the particulars of such identified Employee(s); (b) the number of Units to be Granted; (c) the Date of Grant; (d) the Exercise Price; (e) whether the RSU Grantee has elected for or been granted RSUs subject to an Automatic Exercise; and (f) any additional terms and conditions which shall be applicable to such Grant and the related Vesting and Settlement.
- 4.4 The Trust, through the Trustee, shall have the powers to implement the Grant by issuing the Units under the RSU Plan to the Employees identified by the Compensation Committee (and on the terms set out by the Compensation Committee in the written intimations issued under Clause 4.1) from time to time during the subsistence of this Plan. The Trust shall issue such Units only after making adequate disclosures as may be required under the SEBI Regulations to the proposed Employees and after issuing a Grant Letter.
- 4.5 The approval of shareholders by way of separate resolution shall be obtained by the Company in case of Grant of Units to: (a) identified Employees, during any one (1) year, equal to or exceeding one per cent. (1%) of the issued capital of the Company excluding outstanding warrants and conversions (as understood under SEBI Regulations) of the Company at the time of Grant of Units; and/or (b) Employees of its subsidiaries.
- 4.6 A Grant shall not be valid if, at the time of the Grant, the Employee is under a notice of termination of employment or engagement by the Company (and/or its subsidiaries, as relevant).
- 4.7 The Compensation Committee may, at its sole discretion, when making a Grant of Units, designate all such Units subject to Automatic Exercise upon acceptance of a Grant. Once the RSU Grantee elects for an Automatic Exercise, such election by the RSU Grantee cannot be changed.
- 4.8 The Company shall follow the fair value method for the valuation of the Units, or such other method as may be determined by the Compensation Committee.

5. VESTING

- 5.1 Subject to Clauses 6.1(b) and 6.1(c), there shall be a minimum Vesting period of one (1) year from the date of Grant of Units.

- 5.2 Subject to Clause 5.4, the Units Granted to an RSU Grantee shall Vest, in the proportion of 10:10:20:30:30 or such other proportion as may be determined by the Compensation Committee from time to time, over a period of up to five (5) years from the Date of Grant (such respective anniversaries, the “**Vesting Date**” and such schedule of Vesting, the “**Vesting Schedule**”).
- 5.3 It is clarified that a particular Vesting, as on a Vesting Date, shall be invalid (and the Units subject to such Vesting shall lapse) if the RSU Grantee is not in service of the Company (and/or the relevant subsidiary), either as a Director or an employee, as relevant, as on the Vesting Date.
- 5.4 In the event there is any ongoing investigation or proceeding against the RSU Grantee, the consummation of which, if not in the RSU Grantee’s favour, would permit the Company to terminate RSU Grantee’s employment for Cause, as defined below, then no Units Granted to such RSU Grantee shall either Vest or be eligible to be Exercised, until such investigation or proceeding has concluded and a final determination in such matter has been made, unless otherwise determined by the Board or the Compensation Committee in its sole discretion.

6. EXERCISE

- 6.1 Subject to the terms and conditions of this Clause 6, as on a particular Vesting Date in accordance with the Vesting Schedule, and subject to fulfilment of the relevant conditions to Vesting, the RSU Grantee shall, subject to Clause 7.1, have the right to Exercise the Vested Units at any time during the Exercise Period (either in full or in tranches, unless an RSU Grantee has elected for or been granted an RSU subject to an Automatic Exercise, in which case all Vested Units shall be automatically Exercised upon Vesting), and the RSU Grantee shall acquire the corresponding RSU Shares from the Trust. The RSU Grantees (who have not opted for or been granted an RSU subject to an Automatic Exercise) may Exercise the Vested RSUs by sending one or more Exercise Notices to the Trustee at any time during the Exercise Period (subject to Clause 7.1), subject to the compliance with the formalities prescribed under this Plan.
- 6.2 Unless otherwise determined by the Compensation Committee at the time of a particular Grant, all Units that Vest shall be Exercised on a cashless basis through the Trust in the manner provided for under this RSU Plan, the Grant Letter, Companies Act, 2013 and the SEBI Regulations. The RSU Grantee shall: (a) if such RSU Grantee elects for or has been granted an RSU subject to an Automatic Exercise, then at the time of acceptance of the Grant; or (b) if such RSU Grantee does not elect for or has not been granted an RSU subject to an Automatic Exercise, then under the relevant Exercise Notice(s), authorise the Trust to deduct an appropriate number of Shares from the aggregate RSU Shares (that are Exercisable against the Vested Units) transferable to a particular RSU Grantee for the purposes of selling or otherwise disposing such deducted Shares (in the manner permitted under the SEBI Regulations) for covering the aggregate Exercise Consideration payable for the RSU Shares and, if so requested by the RSU Grantee at the time of authorisation, any applicable taxes that are specified in such authorisation. The proceeds from the sale of such deducted shares (to be undertaken in the manner permitted under the SEBI Regulations) may be applied by the Trust for repayment of any loan(s) or financial assistance from the Company for facilitating a cashless settlement. The balance number of RSU Shares (after such deduction) shall be Settled by the Trust in favour of the RSU Grantee in the manner set out under Clause 6.3.
- 6.3 If an RSU Grantee elects for or has been granted an RSU subject to an Automatic Exercise, then the

RSU Shares (that are Exercisable against Vested Units, and subject to deduction under Clause 6.2) shall be Settled by the Trust within seven (7) days from the Vesting Date. For all other cases, the period of Settlement shall be as set out in the relevant Grant Letter.

- 6.4 Upon receiving an Exercise Notice (or, for such Vested Units that are subject to Automatic Exercise, on or within seven (7) days from the Vesting Date), the Trustee shall apply to the Compensation Committee to cause the Company to issue and allot an appropriate number of Shares to the Trust, such that the Trust is able to transfer these Shares, at nil cost, to the RSU Grantee(s) whose Units (as Granted under this RSU Plan) have Vested and been Exercised. Upon receiving such an application from the Trustee, the Compensation Committee shall make all necessary and diligent enquiries with respect to such Units and Vesting Schedule and, upon being satisfied with the veracity of the Exercise Notices received by the Trustee, shall proceed to take such actions to cause the Company to issue and allot the appropriate number of Shares arising out of the Exercise to the Trust and, for so long as the Shares of the Company are listed on a stock exchange, shall take (and shall cause the Company to take) such steps so as to make appropriate listing applications to the relevant stock exchanges in accordance with Clause 17 with respect to such Shares being issued and allotted to the Trust. Upon the Shares being issued and allotted to the Trust, the Trustee shall promptly take all corporate actions so as to transfer the relevant number of Shares to the relevant RSU Grantee against the Vested Units being Exercised.
- 6.5 Units (other than Units that are subject to Automatic Exercise) which have Vested and not been Exercised by the RSU Grantees within the relevant Exercise Period shall lapse immediately upon the expiry of such Exercise Period.
- 6.6 Notwithstanding anything contained elsewhere in this Plan, the Compensation Committee:
- (a) if the Exercise of the Vested Units or Settlement of the RSU Shares (in relation to the Vested Units) through the Trust is prevented by any applicable law or regulation in force or pursuant to an order of any jurisdictional court, may defer or not permit the Exercise of the Vested Units and/or Settlement of the RSU Shares pursuant to the Vested Units so long as it is prohibited by applicable law or regulation and, in such an event, the Company shall not be liable to pay any compensation or similar payment to the RSU Grantee for any loss suffered due to such prohibition and the Exercise Period shall stand extended by such period but not beyond the tenure of the RSU Plan; and
 - (b) shall have the power to cancel all or any of the Units which have been Granted under the Plan, if so required, under any applicable law for the time being in force or pursuant to an order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the RSU Grantee for such cancelled Units.

7. DISCONTINUATION OF SERVICE

- 7.1 If, at any time, an RSU Grantee either: (x) has ceased to be employed by the Company (or any of its subsidiaries); or (y) is under notice (whether given or received) (such RSU Grantee, a “**Leaver**”), then:
- (a) in case the Leaver is categorised as a Good Leaver, then all Units which have not Vested as on the Cessation Date shall lapse and such Leaver shall be entitled to Exercise all Vested Units



(that are not subject to Automatic Exercise) within six (6) months from the Cessation Date. However, notwithstanding any other provisions of the Plan, where the Leaver is a Good Leaver on account of retirement or superannuation, in accordance with the rules of the Company, the Compensation Committee may, at its discretion and having regard to services of the Leaver, approve vesting of the Units, either in full or otherwise, which were granted to the Leaver and are otherwise not Vested. Upon approval of the Compensation Committee, such approved unvested Units shall Vest on the date of retirement/superannuation and Leaver shall be entitled to exercise all such Vested Units within six (6) months from the Cessation Date (provided that if such unvested Units are subject to an Automatic Exercise, then such Units shall be deemed to have Vested and Exercised as of the last date of employment of such Leaver with the Company, and shall be Settled within sixty (60) days from the from the date of approval of the Compensation Committee. It is clarified that until Compensation Committee grants its approval or rejection to the Vesting of the Units in the event of superannuation or retirement, such Units shall neither be considered as forfeited nor suspended, and shall continue to exist until the Compensation Committee makes such a determination;

- (b) in the event of death of a Leaver in the course of employment of the Company and/or its subsidiaries or her/his Directorship, all the Units which have been Granted to such RSU Grantee under the Plan until the date of death shall Vest in the legal heirs or Nominees of the deceased Leaver with effect from the date of his/her death;
- (c) in case the Leaver is categorised as a Permanent Incapacity Leaver, then all Units which have been Granted to such Leaver as on the date of Permanent Incapacity shall Vest in him/her on the date of Permanent Incapacity; or
- (d) in case: (i) a Leaver is categorised as a Bad Leaver; or (ii) a Leaver is declared insolvent or bankrupt, then all outstanding Units which have been Granted and not yet Exercised as on that date to such Leaver shall lapse.

7.2 For the purposes of this Clause 7:

“Bad Leaver” means an RSU Grantee who is a Leaver as a result of: (a) dismissal for Cause; (b) voluntary resignation from the employment with the Company by the RSU Grantee, unless such resignation qualifies the RSU Grantee to be designated as a Good Leaver; or (c) being designated as a Bad Leaver as set out under the proviso of the definition of **“Good Leaver”**;

“Cause”, with respect to a particular RSU Grantee, shall have the meaning given to the term in such RSU Grantee’s Employment Arrangement, provided, if no such definition exists in such Employment Arrangement, shall mean: (a) breach by the relevant RSU Grantee of his/her service contract, other contract of employment, any confidentiality or any non-competition agreement with the Company and/or its subsidiaries, as relevant; (b) any act of dishonesty, fraud or misrepresentation or similar misconduct on the part of the RSU Grantee with respect to any of the Company and/or its subsidiaries; (c) any willful misfeasance or willful misconduct or other act or omission which is detrimental to the Company’s and/or its subsidiaries’ businesses or reputation; (d) act or acts constituting a criminal offence under applicable law, it being agreed that minor traffic offences (not involving a custodial sentence) will not constitute Cause under this clause (d); (e) significant underperformance by the RSU

Grantee, of her/his identified performance objectives, as decided by the Board and/or the Compensation Committee; (f) breach by the relevant RSU Grantee, as determined by the Company, of the Company's policy on the prevention of sexual harassment at workplace, in force from time to time; or (g) any other act which would permit summary dismissal under applicable law or employment terms;

"Cessation Date" means the earliest date on which an RSU Grantee either ceases to be an employee or a director and who does not begin or continue otherwise to provide services to the Company and/or any of its subsidiaries or commences his notice period or any period of gardening leave;

"Employment Arrangement" means any term or terms as set out in a RSU Grantee's employment agreement or offer letter with the Company or any of its subsidiaries or in the documents evidencing the RSU Grant, that has been approved by either the Board or the Compensation Committee;

"Good Leaver" means an RSU Grantee who is a Leaver as a result of: (a) retirement at the retirement age under terms of employment or retirement pursuant to a voluntary retirement scheme floated by the Company from time to time; (b) ill-health preventing continued employment, as determined by the Compensation Committee based on a certificate of one or more medical experts identified by the Compensation Committee; (c) redundancy; (d) dismissal, including constructive dismissal (which shall include resignation for "Good Reason", to the extent such concept is defined in such RSU Grantee's Employment Arrangement) other than for Cause; (e) voluntary resignation from the employment with the Company by the RSU Grantee (provided that if there is an ongoing investigation or proceeding against such RSU Grantee as on the Cessation Date in connection with or relating to an event of Cause, then such RSU Grantee shall not be a Good Leaver unless the Compensation Committee specifically designates such RSU Grantee as a Good Leaver); or (f) for any other reason, if the Compensation Committee so decides, provided that an RSU Grantee who is a Good Leaver at the Cessation Date may be recharacterised as a Bad Leaver if after the Cessation Date the RSU Grantee breaches the terms of any confidentiality or non-compete, non-solicit, non-disparagement provisions of his employment contract or any other agreement between him and the Company (or any of its subsidiaries) from time to time;

"Permanent Incapacity" means disability of any nature suffered by an RSU Grantee in the course of his employment with the Company (or its subsidiaries, if applicable), or his Directorship, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an RSU Grantee from performing any specific job, work or task which the said RSU Grantee was capable of performing immediately before such disablement, as determined by the Compensation Committee based on a certificate of one or more medical experts identified by the Compensation Committee, provided such permanent incapacity was not self-inflicted (including through substance or alcohol abuse); and

"Permanent Incapacity Leaver" means an RSU Grantee who is a Leaver as a result of Permanent Incapacity.

- 7.3 It is clarified that the date of the termination of employment of an RSU Grantee shall be the date of termination of the employment specified by the Company in the letter of termination issued by the Company to such RSU Grantee.



8. OTHER CONDITIONS

- 8.1 Units which have been Granted to an Employee shall not be transferable to any other person.
- 8.2 No person other than the RSU Grantee to whom the Unit is Granted shall be entitled to Vesting the Unit or other benefit, except in case of a deceased RSU Grantee or an RSU Grantee suffering from Permanent Incapacity in accordance with the provisions of this Plan.
- 8.3 The Units granted to an Employee shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner.
- 8.4 Each of the Trust and the Trustee shall (and the Trustee shall cause the Trust to) abide by the provisions of this Plan, the provisions of all policies formulated by the Compensation Committee pursuant to this Plan as well as all directions, notifications and communication from the Compensation Committee and/or the Board in relation to the provisions of this Plan and/or policies promulgated under this Plan, and the Trust shall not, in any manner whatsoever, deviate from the Plan, such policies, or any such directions, notifications and communication without the prior approval of the Compensation Committee and/or the Board.

9. MISCELLANEOUS

- 9.1 With respect to an RSU Grantee, for the Units which have not Vested, or for the Vested Units that have not been Exercised, in case of any changes made to the equity share capital of the Company by reason of any corporate action such as consolidation, sub-division, or conversion of shares into stock or by capitalisation by bonus issue or in any other manner, appropriate adjustments to the extent permissible under applicable law for the time being in force may be made either to the number or the Exercise Price of Units granted, to reflect such change without in any way affecting the rights of the relevant RSU Grantees or diluting or enlarging the benefits of the RSU Plan. It is clarified that such RSU Grantees shall not have a right to participate in any further issuance of Shares including pursuant to rights issue or a preferential issuance.
- 9.2 In the event of a re-organisation of the Company either by corporate action, merger, amalgamation, acquisition or otherwise, the rights of the RSU Grantees shall be altered in the same way as the other shareholders of the Company. In case of absence of any such corresponding employee benefit scheme (comparable to this Plan) in the resulting company, the amalgamating companies shall have the right to give effect to this Plan under the merger process for the benefit of the RSU Grantees.
- 9.3 Neither an RSU Grantee, nor successors in interest, shall have any of the rights of a shareholder of the Company with respect to the Units granted, until the Trust, transfers the RSU Shares in the name of the RSU Grantee.
- 9.4 For so long as this Plan is in operation, the RSU Grantee shall not utilise or disclose any unpublished information or indulge in insider trading and shall be solely responsible for ensuring full compliance with all applicable laws, including the SEBI Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange

Board of India (Prohibition of Insider Trading) Regulations, 2015, the Foreign Exchange Management Act, 1999 or the Companies Act, 2013.

- 9.5 The RSU Grantee shall not divulge or disclose any details of the RSU Plan to, or discuss such details with, any person, except with the prior permission of the Company obtained in writing, including information relation to Units Granted, the Exercise Price, the terms of the Grant, the terms of Automatic Exercise, the Vesting Schedule, the Exercise Price, the terms of Settlement and any other information relating to the commercial, legal or administrative aspect of the RSU Plan.
- 9.6 The RSU Shares received *in lieu* of the Units shall rank *pari passu* with the then existing Shares of the Company and shall be subject to the Memorandum and Articles of Association of the Company.
- 9.7 The RSU Grantee s who receive RSU Shares by virtue of Vesting, Exercise and Settlement of the Units issued under this Plan shall be entitled to receive all regular benefits of the shareholders of the Company, including receiving like dividends and bonus shares, if any, announced by the Company from the date of Settlement of the RSU Shares to the RSU Grantees' name.
- 9.8 The existence of the Plan and the Grants made hereunder shall not in any way affect the right or the power of the Board of Directors or the shareholders or the Company to make or authorise any change in the capital structure of the Company, including any further issue of equity or debt or other securities having any priority or preference with respect to the Shares or the rights thereof.

10. APPOINTMENT OF NOMINEE

- 10.1 The RSU Grantee may appoint any relative (as defined under the Companies Act, 2013) (with no prior criminal record and who has, as on the date of nomination, never faced any investigation or enquiry or charge-sheeted before a court of competent jurisdiction for act or acts constituting a criminal offence under applicable law, barring minor traffic offences (not involving a custodial sentence)) as Nominee(s) for the purpose of exercising the rights, subject to the obligations, in terms of this Plan. The RSU Grantee shall have the right to revoke such nomination at any time and a fresh nomination may be made upon such revocation, provided that such nomination shall automatically stand revoked and void *ab initio* in the event such Nominee is designated as an accused in any investigation or enquiry or charge-sheet before a court of competent jurisdiction for act or acts constituting a criminal offence under applicable law, barring minor traffic offences (not involving a custodial sentence).
- 10.2 In the event of death of the RSU Grantee, the Nominee specified as aforesaid shall alone be entitled to exercise the rights of the RSU Grantee concerned and the Company shall not be liable in relation to any rights and obligations amongst the legal heirs *inter se* the RSU Grantee is concerned.
- 10.3 Where the RSU Grantee has not made the nomination as above, then the person appointed as nominee by the RSU Grantee under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 shall be deemed to be the Nominee for the purposes of this Plan.
- 10.4 If the RSU Grantee fails to make a nomination as mentioned in this Clauses 10.1 to 10.3, the Units shall vest on legal heirs in the event of her/his death with effect from the date of his/her death.

11. GOVERNMENT REGULATIONS

- 11.1 This Plan shall be subject to all applicable laws, rules, regulations, notifications and to such approvals from any governmental agencies as may be required under applicable law. The Grant of Units under this Plan shall entitle the Company to require the employees to comply with such requirements.

12. GENERAL RISKS

- 12.1 Participation in this Plan shall not be construed as any guarantee of return on the equity investment. Any loss due to fluctuations in the market price of the equity and the risks associated with the investment are that of the RSU Grantee alone.

13. TAX LIABILITY

- 13.1 In the event of any tax liability arising on account of the Grant, Vesting or Exercise of the Units, and/or Settlement of the RSU Shares, such liability shall be that of such RSU Grantee alone and shall be borne and paid by the RSU Grantee at the time of Exercise of the Units or within such time as may be prescribed under applicable law. The RSU Grantee shall indemnify the Company and the Trust against any tax or other liabilities that may be imposed on the Company and/or the Trust on account of the Grant, Vesting or Exercise of the Units and/or the Settlement of the RSU Shares in such form as may be prescribed by the Compensation Committee. The Company shall have the power to collect or recover such taxes from the RSU Grantee.
- 13.2 All the tax liabilities arising on disposal or transfer of RSU Shares by the RSU Grantees shall be borne by the RSU Grantee directly.
- 13.3 If the Company (or any of its subsidiaries) incurs any taxation liability pursuant to the Exercise of a Vested Unit, then the Company shall be entitled to either deduct the same from the salary of such RSU Grantee or to sell or procure the sale of such number of Shares (being otherwise transferred or transferable to the RSU Grantee pursuant to the Exercise) so as to ensure that the relevant entity incurring the tax liability receives an amount which is sufficient to discharge the tax liability of such entity.

14. ALTERATION OF THE PLAN

- 14.1 The Compensation Committee may, pursuant to an approval of the shareholders of the Company by special resolution passed at a general meeting, at any time and from time to time revoke, add to, alter, amend or vary all or any of the terms and conditions of this Plan as approved by the shareholders but not yet exercised, provided that no variation, alteration, addition or amendment to this Plan may be made if it is prejudicial/detrimental to the interest of the RSU Grantee. However, the Compensation Committee may vary the terms of the RSU Plan to meet any regulatory requirement without seeking shareholders' approval by special resolution.

15. SUBSEQUENT PLANS

- 15.1 Nothing contained in the Plan shall be construed to prevent the Company from implementing any other subsequent plan for granting units and/or share purchase rights, which is deemed by the

Company to be appropriate or in its best interest.

15.2 The Company reserves the right to carry forward the lapsed, unexercised and forfeited Units to a new plan.

15.3 No Employee or other person shall have any claim against the Company as a result of such action.

16. SEVERABILITY

16.1 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

16.2 In the event that any term, condition or provision of this Plan being held to be a violation of any applicable law, statute or regulation, the same shall be severable from the rest of this Plan and the remaining part of the Plan shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Plan.

17. LISTING OF SHARES

17.1 The RSU Shares to be issued, allotted and transferred under the Plan shall, where required, be notified immediately upon allotment to the recognised stock exchange(s) where the securities of the Company are listed.

17.2 In case a new issue of Shares is made under the RSU Plan, Shares so issued and transferred shall be promptly listed on all recognised stock exchange(s) where the existing Shares are listed, subject to the conditions specified in the SEBI Regulations.

17.3 The Company shall comply with all other requirements prescribed by the stock exchanges for the implementation of this Plan.

18. ARBITRATION

18.1 All disputes arising out of or in connection with the Plan or the Grant shall be referred to for arbitration to a single Arbitrator to be appointed by the Compensation Committee. The arbitration proceedings shall be in accordance with the Arbitration Rules of the Singapore International Arbitration Centre. The place of Arbitration shall be Bangalore, India.

19. APPLICABILITY OF THE SEBI REGULATIONS

19.1 All amendments made from time to time to the SEBI Regulations, insofar as they apply to this Plan, shall automatically form a part of this Plan. The Board is authorised to give effect to such amendments in the text of this Plan.

20. RE-PRICING

20.1 Subject to the approval of the shareholders of the Company by special resolution, the Compensation Committee is authorised, as set out under the SEBI Regulations, to re-price the Units which are not Exercised, whether or not they have been Vested, if the Units were rendered unattractive due to a fall

in the price of the Shares of the Company in the stock market.

20.2 Such re-pricing shall be applicable to all outstanding Units which are Granted on specific Date of Grant.

20.3 Such re-pricing shall not be detrimental to the interests of the Employees.

21. CONTRACT OF EMPLOYMENT

21.1 This Plan shall not form part of any contract of employment between the Company and the Employee. The rights and obligations of any Employee under the terms of office or employment with the Company shall not be affected by participation in this Plan or vice versa.

21.2 Nothing in this Plan shall be construed as affording such an individual any additional rights as to compensation or damages in consequence of the termination of such office or employment for any reason.

This Plan is purely at the discretion of the Company (represented by the Board and the Compensation Committee).