

## ANNEXURE TO THE REPORT OF BOARD OF DIRECTORS

**Disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI Circular dated 16th June, 2015 on ESOP Disclosures for the financial year 2021-22**

Sl. No.	Particulars	Remarks
A	Disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Please refer to Note No. 40 of the Integrated Annual Report – FY 2021-22
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Rs. 37.53/-
C	<b>Details related to ESOS</b>	
i.	A description of each ESOS that existed at any time during the year, including general terms and conditions of each ESOS,	Details are provided in <b>Annexure-1</b>
ii.	Method used to account for ESOS – Intrinsic or Fair Value	The Company has calculated the employee compensation cost using the fair value method of accounting to account for Options issued under the "2012 HUL Performance Share Scheme".
iii.	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable
iv.	Option movement during the year (for each ESOS)	Details are provided in <b>Annexure – 2</b>

Sl. No.	Particulars	Remarks
v.	Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	The weighted-average exercise price and weighted average fair values of options exercised is Re. 1 and Rs 1,333.50 respectively
vi.	<p>A description of the method and significant assumptions used during the year to estimate the fair value of options at the time of grant including the following information:</p> <ul style="list-style-type: none"> <li>a) Risk-free interest rate</li> <li>b) Expected life</li> <li>c) Expected volatility</li> <li>d) Expected dividends</li> <li>e) The price of underlying share in the market at the time of option grant</li> <li>f) Weighted average market price of Company's shares on NSE at the time of grant</li> </ul>	Not applicable
	Methods used and assumptions made to incorporate effects of expected early exercise	Not Applicable
	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.
	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The expected life of share option is based on historical data. Future market conditions are not used for measurement of fair value.

Sl. No.	Particulars	Remarks
vii.	Employee wise details of options granted to -	
	a) Senior Managerial Personnel;	Details are provided in <b>Annexure – 3</b>
	b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	No employee of the Company received grant of options during the year amounting to 5% or more of options granted or exceeding 1% of issued capital of the Company
	c) identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	

Notes:

- i) Pursuant to approval of the Members at the Annual General Meeting held on 23rd July, 2012, the Company adopted the “2012 HUL Performance Share Scheme”, in place of ‘2006 HLL Performance Share Scheme’
- ii) The Maximum number of options to be issued per employee in a fiscal year did not exceed 1% of the outstanding issued share capital, in the line with Regulation 6(3)(d) of SEBI (Share Based Employee Benefits) Regulations, 2014.

On behalf of the Board

Nitin Paranjpe  
Chairman  
(DIN: 00045204)

Mumbai, 27th April, 2022

**Annexure- 1****Details related to ESOS**

<b>Sl.No.</b>	<b>Particulars</b>	<b>2012 HUL Performance Share Scheme (Period: 2013 to 2018)</b>
1	Date of shareholders' approval	<b>23rd July, 2012</b>
2	Total number of options approved under ESOS	<b>2.0 crores*</b>
3	Vesting requirements	3 years
4	Exercise price or Pricing formula	Book value of Re.1/-
5	Maximum term of options granted	3 years
6	Source of shares (primary, secondary or combination)	Primary
7	Variation in terms of options	Nil

\* includes number of shares allocated for allotment under the 2006 and 2012 Performance Share Schemes

**Annexure-2****Option movement during the year (for each ESOS)**

	<b>2012 HUL Performance Share Scheme (Period: 2013 to 2018)</b>
Number of options outstanding at the beginning of the period	25,049
Number of options granted during the year	Nil
Number of options forfeited / lapsed/ expired during the year	1,606
Number of options vested during the year	2,424
Number of options exercised during the year	23,443
Number of shares arising as a result of exercise of options	23,443
Money realised by exercise of options (INR)	Rs.0.0023 crores
Number of options outstanding at the end of the year	Nil
Number of options exercisable at the end of the year	Nil

**Employee wise details of options granted to Senior Managerial Personnel –**

<b>Name</b>	<b>Designation</b>	<b>Number of options granted during the year</b>	<b>Exercise Price</b>
Ritesh Tiwari	Executive Director, Finance & IT and Chief Financial Officer	Nil	1.00
Dev Bajpai	Executive Director, Legal & Corporate Affairs and Company Secretary	Nil	1.00
Wilhelmus Uijen	Executive Director, Supply Chain	Nil	1.00
Priya Nair	Executive Director, Beauty & Personal Care	Nil	1.00
Prabha Narasimhan	Executive Director, Home Care	Nil	1.00
Kedar Lele	Executive Director, Customer Development	Nil	1.00
Srinandan Sundaram	Executive Director, Foods & Refreshment	Nil	1.00
Vibhav Sanzgiri	Executive Director, Research & Development	Nil	1.00
Anuradha Razdan	Executive director, Human Resources	Nil	1.00