



Disclosure pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (SEBI ESOP Regulations)

Hindustan Unilever Limited Performance Share Plan Scheme 2024:

Pursuant to the approval of Shareholders of the Company through Postal Ballot obtained on 5th March 2024, the Board of Directors of Hindustan Unilever Limited (the Company) has been authorised to introduce and implement Hindustan Unilever Limited Performance Share Plan Scheme 2024 (HUL PSP 2024 / Scheme) to the Eligible Employees of the Company and/or its Subsidiary Companies.

A maximum of 20,00,000 (Twenty Lakh only) stock options may be granted under HUL PSP 2024, which on exercise would entitle not more than 20,00,000 (Twenty Lakh only) equity shares of ₹ 1 each, with each such stock option conferring a right upon the grantee to apply for one equity share of the Company, which may be adjusted for any corporate action(s) in terms of the Scheme.

The HUL PSP 2024 shall be administered by the Nomination and Remuneration Committee (NRC) in accordance with Companies Act, 2013 and SEBI ESOP Regulations. The NRC may further delegate its power to administer the Scheme to ESOP Committee or Company Secretary or Executive Director, Human Resources of the Company or such other persons as may be determined by the NRC from time to time, as permissible under the Applicable Laws.

The Scheme contemplates only new / fresh / primary issue of equity shares by the Company.

A certificate from the Secretarial Auditors of the Company that the HUL PSP 2024 has been implemented in accordance with the SEBI ESOP Regulations and in accordance with the resolutions passed by the Shareholders of the Company, will be made available at the Annual General Meeting (AGM), electronically.

The disclosures pursuant to Regulation 14 of the SEBI ESOP Regulations for HUL PSP 2024 are as follows:

A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

Not Applicable. During the Financial Year 2023-24, the Company has not granted any stock options to the eligible employees under the Scheme.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard (IND AS) 33- Earning per share' (Erstwhile 'Accounting Standard 20 - Earnings Per Share') issued



by Central Government or any other relevant accounting standards as issued from time to time.

Not Applicable. During the Financial year 2023-24, the Company has not granted any stock options to the eligible employees under the Scheme.

C. Details related to the Scheme:

(a) Date of shareholders' approval	5th March, 2024
(b) Total number of options approved under the Scheme	20,00,000
(c) Vesting requirements	The Stock Options granted to any Employee shall vest within the Vesting Period in the manner as set forth in the Grant letter subject to maximum period of 3 years from the date of grant. There shall be a minimum period of one year between the Grant of Stock Options and Vesting of Stock Options. Subject to the terms of the Scheme, the Vesting of Stock Options shall be time based (period of service) and / or Performance based (market capitalization, revenue, EBITDA, Return on capital employed, underlying sales growth, free-cash flow, underlying operating profit, market share and such other parameters as may be determined by the NRC) as mentioned in the Grant Letter.
(d) Exercise price or pricing formula	The exercise price for the purpose of grant of Stock Options shall be the face value of equity shares or such higher value as may be determined by the NRC.
(e) Maximum term of options granted	The Scheme is established with effect from 5th March, 2024, and shall continue to be in force until earliest of any of the following event (i) its termination by the Board (as defined hereinafter) as per the terms of the Scheme and applicable law, or (ii) the date on which all the Options (as defined hereinafter) available for issuance under the Scheme have been issued and



Exercised (as defined hereinafter) or have been cancelled or lapsed or surrendered under the Scheme and the NRC does not intend to re-issue these cancelled or lapsed or surrendered Options, or (iii) expiry of 5 years from the date of establishment of the Scheme.

- (f) **Source of shares (primary, secondary or combination)** The Scheme contemplates only new / fresh / primary issue of equity shares by the Company.
- (g) **Variation in terms of options** Not Applicable. The Company has not granted any stock options during the Financial Year 2023-24.
- (h) **Method used to account for Scheme** The Company shall use the Fair Value Method for valuation of the Options as prescribed under the Accounting Standards, as applicable and notified by appropriate authorities from time to time.
- (i) **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 to the Company since the Company is opting for the Fair Value Method to account for the Scheme.
- (k) **Option movement during the year**

Number of options outstanding at the beginning of the period	Nil. The Company has not granted any stock options during the Financial Year 2023-24.
Number of options granted during the year	



Number of options forfeited / lapsed during the year	
Number of options vested during the year	
Number of options exercised during the year	
Number of shares arising as a result of exercise of options	
Money realized by exercise of options (INR), if scheme is implemented directly by the company	
Loan repaid by the Trust during the year from exercise price received	
Number of options outstanding at the end of the year	
Number of options exercisable at the end of the year	

(l) 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:

Not Applicable. The Company has not granted any stock options during the Financial Year 2023-24.

(m) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Not Applicable. The Company has not granted any stock options during the Financial Year 2023-24.
Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;	
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

- (n) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information –

The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Not Applicable. The Company has not granted any stock options during the Financial Year 2023-24.
The method used and the assumptions made to incorporate the effects of expected early exercise;	
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	
Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	

Disclosures in respect of grants made in three years prior to IPO under each ESOS –
Not Applicable