

HCL TECHNOLOGIES LIMITED

Restricted Stock Unit Plan 2024

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HCL Technologies Limited - Restricted Stock Unit Plan 2024

1. Name and Purpose of Plan

- a) This Plan shall be called the 'HCL Technologies Limited - Restricted Stock Unit Plan 2024' ("**RSU 2024**" or "**Plan**").
- b) The objective of the Plan is to align the incentives of the management more closely with the interest of the shareholders; to enable the Company to attract good leadership talent; to align the compensation packages of leadership team more in line with our peers and to help retain people for longer period.

2. Definitions

Whenever used herein, the following terms shall have the meanings set forth below:

- a) "**Act**" means the Companies Act, 2013.
- b) "**Administrator**" means the Nomination and Remuneration Committee that administers the Plan either through itself or through the Trust.
- c) "**Applicable Law**" means all applicable laws, rules, regulations or bye-laws relating to the Plan, including, without limitation, the Act, the SEBI Regulations, the Insider Trading Regulations and all applicable relevant tax, securities, exchange control or corporate laws, rules, regulations or bye-laws of India or any relevant jurisdiction, or of any stock exchange on which the equity shares of the Company are listed or quoted and includes, any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws.
- d) "**Associate Company**" shall have the same meaning as ascribed to it under the SEBI Regulations.
- e) "**Award**" means a Grant of Restricted Stock Unit(s) under the Plan.
- f) "**Award Agreement**" means a written agreement in a form approved by the Administrator between the Company and the Grantee setting forth the terms and provisions applicable to an Award Granted to a Grantee under the Plan.
- g) "**Board**" means the Board of Directors of the Company.
- h) "**Change in Control**" means sale of Shares held by the shareholders of the Company, in one or more tranches, to any individual(s), entity(ies) or group(s) (other than to or between the current shareholders or their immediate relatives), or other actions, resulting in Change in Control of the Company.
- i) "**Company**" means HCL Technologies Limited, incorporated under the Companies Act, 1956, having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi, 110019.
- j) "**Control**" shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- k) "**Disability**" means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps a Grantee from performing any specific job, work or task which the said Grantee was capable of performing immediately before occurrence of such disability, as determined by the Administrator based on a certificate of a medical expert identified by the Company.

- l) **“Eligible Employee”** means:
- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
 - (ii) a director of the Company, whether a whole-time director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an independent director; or
 - (iii) an employee / director as defined in sub-clauses (i) or (ii) above, of a Subsidiary Company or Associate Company, in India or outside India.

but does not include—

- (a) an employee who is a Promoter or belongs to the Promoter Group; or
 - (b) a director who, either himself/herself or through his/her relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.
- m) **“Exercise”** means making of an application by a Grantee to exercise the Vested RSUs as per the Plan.
- n) **“Exercise Date”** means date of making of an application by a Grantee to Exercise the Vested RSUs as per the Plan.
- o) **“Exercise Period”** means the time period after Vesting within which the Grantee can Exercise the Vested RSUs pursuant to the Plan.
- p) **“Exercise Price”** means the price stated in the Award Agreement, which shall not exceed the par value of the underlying Shares to be transferred on Exercise of Vested RSUs, payable by the Grantee in order to Exercise the Vested RSUs pursuant to the Plan. For sake of clarity the Exercise Price can be zero also, subject to compliance with the Applicable Law.
- q) **“FEMA Regulations”** means the Foreign Exchange Management Act, 1999, as amended read with the applicable rules, regulations, notifications, circulars and orders framed thereunder.
- r) **“Grant”** means the grant of RSU to the Eligible Employee under the Plan. The term **“Granting”** or **“Granted”** shall be construed accordingly.
- s) **“Grant Date”** with respect to Award(s) means the date on which the Nomination and Remuneration Committee approves the Grant of Award(s) to the Eligible Employee(s) under the Plan or such other later date as determined by the Nomination and Remuneration Committee for each Grantee.

Explanation—For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

- t) **“Grantee”** means an Eligible Employee who has been Granted RSU under the Plan.
- u) **“Group”** shall have the same meaning as defined under the SEBI Regulations.

- v) **“Insider Trading Regulations”** means SEBI (Prohibition of Insider Trading) Regulations, 2015, and includes all amendments, circulars, notifications and clarifications issued there under and as amended from time to time.
- w) **“Nomination and Remuneration Committee” or “NRC”** means the Nomination and Remuneration Committee constituted by the Board from time to time, in accordance with Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, which shall also perform the role of the Compensation Committee under the SEBI Regulations.
- x) **“Plan”** means the “HCL Technologies Limited - Restricted Stock Unit Plan 2024”, as set forth herein and as amended from time to time.
- y) **“Promoter”** shall have the same meaning as defined under the SEBI ICDR Regulations, as amended.
- z) **“Promoter Group”** shall have the same meaning as defined under the SEBI ICDR Regulations, as amended.
- aa) **“Recognised Stock Exchange”** means the BSE Limited (BSE) and/or the National Stock Exchange of India Limited (NSE) on which Shares are listed.
- bb) **“Restricted Stock Unit” or “RSU”** means a restricted stock unit Granted pursuant to the Plan, comprising of a right but not an obligation Granted to a Grantee to apply for Shares at the Exercise Price, during or within the Exercise Period, subject to the requirements of Vesting.
- cc) **“Retirement”** means retirement from the employment as per the policy of the Company or its Subsidiary Company or Associate Company, as the case may be, on whose rolls the Grantee is last employed.
- dd) **“SEBI”** means the Securities and Exchange Board of India.
- ee) **“SEBI Act”** means the Securities and Exchange Board of India Act, 1992, and includes all amendments, regulations, circulars, notifications and clarifications issued there under and as amended from time to time.
- ff) **“SEBI ICDR Regulations”** means SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and includes all amendments, circulars, notifications and clarifications issued there under and as amended from time to time.
- gg) **“SEBI Regulations”** means Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes all amendments, circulars, notifications and clarifications issued there under and as amended from time to time.
- hh) **“Secondary Acquisition”** means acquisition of existing shares of the Company by the Trust on the platform of the Recognised Stock Exchange for cash consideration.
- ii) **“Shares”** means equity shares of face value of Rs. 2 each of the Company.
- jj) **“Subsidiary Company”** means any present or future subsidiary of the Company, as defined under the Act.
- kk) **“Successor”** of a Grantee means the legal representative of the estate of a deceased Grantee or the person or persons who shall acquire the right to Exercise RSUs by bequest or inheritance or by reason of the death of the Grantee.

- ll) **“Trust”** means ‘HCL Technologies Stock Options Trust’ an irrevocable trust set up by the Company.
- mm) **“Unvested RSU”** means a RSU in respect of which the Vesting conditions have not been satisfied and as such, the Grantee has not yet become entitled to Exercise the RSU Granted to him / her under the Plan.
- nn) **“Vesting”** means the process by which the Grantee becomes entitled to Exercise the RSU(s) Granted to him / her under the Plan. The term **“Vest”** or **“Vested”** shall be construed accordingly.
- oo) **“Vested RSU”** means a RSU for which the relevant Vesting conditions have been satisfied and the Grantee has become entitled to Exercise the RSU under the Plan.
- pp) **“Vesting Date”** means such date as mentioned in the Award Agreement on which the RSUs shall be Vested.
- qq) **“Vesting Period”** means the period during which the Vesting of the RSUs granted to the Grantee under the Plan takes place.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the SEBI Act, the Securities Contract (Regulation) Act, 1956, the Act, the SEBI ICDR Regulations or the SEBI Regulations.

3. Effective Date and Term of Plan

The Plan shall become effective on and from the date of receipt of approval of the Company's shareholders i.e. <<, to be updated>>. The Plan will continue to be in effect for a period of 8 years from the date of approval by the Company's shareholders unless terminated earlier by the NRC.

4. Number of RSUs/ Shares Pursuant to Plan

Subject to adjustments pursuant to Section 14 of the Plan, a maximum of 84,60,000 (Eighty Four lakhs sixty thousand) RSUs, may be Granted under the Plan, which on Exercise would entitle not more than 84,60,000 (Eighty Four lakhs sixty thousand) Shares, with each such RSU conferring a right upon the Grantee to apply for one Share, in accordance with the terms and conditions of the Plan.

If a RSU expires, lapses or is forfeited due to any reason, it shall be brought back to the RSU pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Law.

Where Shares are transferred consequent upon Exercise of RSUs under the Plan, the maximum number of Shares that are subject to RSUs referred above shall stand reduced to the extent of such Shares transferred.

The maximum number of RSUs to be Granted to an Eligible Employee under the Plan shall not exceed 13,00,000 (Thirteen lakhs) RSUs, which on Exercise would entitle not more than 13,00,000 (Thirteen lakhs) Shares.

5. Administration of Plan

The Nomination and Remuneration Committee shall be responsible for the administration and superintendence of the RSU Plan and it shall delegate the administration/ implementation of the RSU Plan to the Trust in accordance with the requirements of the Applicable Law.

The NRC shall, in accordance with the Plan and Applicable Law, determine the following:

- a) Eligibility criteria for grant of RSUs to the Eligible Employees - In determining the eligibility of an employee to receive Grant of RSU, as well as in determining the number of RSU to be Granted, the NRC may consider the position and responsibilities of the employee, the nature and value of the employee's services to the Company / Subsidiary Company or Associate Company and accomplishments whether directly or through its Subsidiary Company or Associate Company, the employee's present and potential contribution to the success of the Company whether directly or through its Subsidiary Company or Associate Company and such other factors as the NRC may deem relevant;
- b) the number of tranches in which the RSUs are to be Granted and the number of RSUs to be Granted in each such tranche;
- c) the procedure and terms in respect of Grant, Vesting and Exercise of RSUs including the procedure and terms of Vesting and Exercise for Grantee(s) on long leave;
- d) the quantum of RSUs to be Granted to each Eligible Employee under the Plan, subject to the ceiling as specified in Section 4 of the Plan;
- e) the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of RSUs and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, *inter alia*, be taken into consideration by the NRC:
 - (i) the number and the price of RSUs shall be adjusted in a manner such that total value of the RSUs remains the same after the corporate action;
 - (ii) the Vesting Period and the life of the RSUs shall be left unaltered as far as possible to protect the rights of the Eligible Employee(s) who is/are Granted such RSUs.
- f) the conditions under which RSUs may be Vested, Exercised, lapsed, expired or forfeited including treatment of RSUs in case of death, Disability, suspension / termination of employment due to misconduct, fraud, breach of duties or such other similar reasons;
- g) the Exercise Period within which the Grantee should Exercise the RSUs and that the RSUs would lapse on failure to Exercise within the relevant Exercise Period;
- h) the procedure for funding the Exercise of RSUs, subject to the Applicable Law;
- i) the procedure for cashless exercise of RSUs, in accordance with the Applicable Law;
- j) the procedure for surrender, lapse, expire or forfeit of RSUs, if required;
- k) the procedure for buy-back of specified securities issued under 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;
- l) framing appropriate procedures and rules, as may be required, for Granting, Vesting and Exercise of RSUs and amending, altering, modifying or rescinding such procedures and rules from time to time;
- m) obtaining permissions from and making periodic reports to regulatory authorities, as may be required and ensuring compliance with Applicable Law;
- n) provide for any statutory, contractual, regulatory or such other matters as may be necessary for the administration and implementation of the Plan in accordance with Applicable Law; and

- o) approve forms, writings and/or agreements for use in pursuance of the Plan.
- p) To authorise the Chief People Officer ('CPO') or such other officer of the Company, as the NRC may decide to – (i) execute on behalf of the Company Award Agreement(s) for the RSUs as granted by the NRC and (ii) to determine the number of RSUs to be granted on the basis of the amount approved by the NRC by applying the closing market price of the Company's share on the date immediately prior to the future date of grant of RSUs as determined by the NRC and accordingly execute the necessary Award Agreement(s).

The NRC shall frame suitable policies and systems to ensure that there is no violation of Applicable Law, including the Insider Trading Regulations, the SEBI Regulations and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 and such other applicable SEBI regulation(s) as may be introduced from time to time.

The NRC may appoint a third party/agency to administer the Plan and support employee communication, on its behalf.

6. Eligibility, Applicability and Grant

RSU may be Granted from time to time, based on the eligibility criteria (including but not limited to performance, merit, grade, conduct and length of service of the Eligible Employee), as may be determined by the Administrator, subject to the Applicable Law. Each RSU grant will be evidenced by an Award Agreement that will specify such terms and conditions (including time and/or performance based conditions for Vesting) as the Administrator, in its sole discretion, will determine. No amount is payable upfront at the time of grant of RSU.

The Grant of the RSUs and the Shares to be transferred to the non-resident Eligible Employees on the Exercise shall subject to the requirements of the FEMA Regulation.

Nothing in the Plan or in any RSU Granted pursuant to the Plan shall confer on Grantee any right to continue in the employment or interfere in any way with the right of the Company or its Subsidiary Company or Associate Company to terminate the Grantee's employment at any time.

7. Requirements of Vesting of RSUs Granted under the Plan

i. Period and condition of Vesting:

The Vesting Period of RSU Granted shall not be less than a period of 1 year, and which may extend to a maximum of 5 years, from the date of the Grant, as may be decided by the Administrator and stated in the Award Agreement. However, in case of death or disability, the minimum vesting period of 1 year shall not apply.

The RSUs shall Vest in the Eligible Employee subject to continuing employment with the Company or any subsidiary of the Company or Associate Company

The Vesting of RSUs shall be in accordance with the schedule and the terms as specified in the Award Agreement (including time and/or performance based conditions for Vesting).

In the event the Grantee is on sabbatical, the Vesting Date of his/her RSUs may be extended, as per the discretion of the NRC.

ii. Vesting of RSU Granted to Grantee may expire or lapse or forfeit or accelerate (as the case may be) in the following circumstances:

- RSU Granted to the Grantee shall expire if the Vesting related requirements set forth in the Award Agreement are not satisfied.

- In the event of death of the Grantee, RSU Granted under the relevant Award Agreement shall Vest on the date of death in the legal heirs or nominees of the deceased Grantee, as the case may be, in accordance with the Plan.
- In the event of Disability of the Grantee, RSU Granted under the relevant Award Agreement shall Vest in the Grantee on the date of the Disability in accordance with the Plan.
- In the event of retirement/superannuation, the tenure & performance based Unvested RSUs shall Vest proportionately in the Grantee on the date of retirement/superannuation.

In accordance with the Company policy, the proportionate RSUs shall be calculated by dividing the Unvested RSUs by the number of days in which these RSUs were to be Vested as per the Award Agreement and multiplying by the number of days from the date of Grant till the date of retirement/superannuation, any fraction RSU arising due to this calculation to be rounded up.

- In the event of termination of employment due to resignation of the Grantee, RSUs Granted under the relevant Award Agreement which are not yet Vested in the Grantee shall automatically expire on the last date of employment with the Company or Subsidiary Company or Associate Company (as the case may be).
- In the event of termination of employment of the Grantee due to misconduct, the RSUs will lapse if the employment is terminated prior to Vesting. Where the RSUs are Vested in the Grantee, the unexercised RSUs may be forfeited if the Grantee's employment is terminated for misconduct.

8. Requirements of Exercise of Vested RSUs under the Plan

i. Exercise Date and Process of Exercise

- a) Subject to the terms of the Award Agreement, the RSUs shall be deemed to be Exercised on that date when the Administrator receives a written or electronic notice of the Exercise from the Grantee entitled to Exercise the Vested RSUs along with a cheque/demand draft in respect of the payment of the Exercise Price and applicable taxes in the manner as may be communicated by the Administrator to the Grantees. All the payments towards the Exercise may also be made by way of RTGS or NEFT or such other mode of transfer to the bank account as may be permitted by the Administrator.
- b) Cashless Exercise – Sell to Cover: The Grantee shall provide a written or electronic notice to exercise the vested RSUs. In order to fund the exercise price and applicable taxes on all the exercised RSUs (collectively referred as '**Exercise Cost**'), the Grantee shall request/ authorize the HCL Trust to sell such number of equity shares such that the net sale proceeds (selling price /less all related expenses/taxes) of the said equity shares is sufficient to fund the Exercise Cost. The HCL Trust after selling these equity shares shall recover the Exercise Cost and transfer the balance equity shares (equity shares against exercised RSUs less equity shares sold by HCL Trust) to the Grantee. A detailed procedure in this regard shall be communicated by the Administrator to the Grantee.

- c) **Cashless Exercise – Sell All:** To the extent permitted by applicable laws and subject to any specific approval that may be required from SEBI and/or any other statutory/regulatory authority in this regard and subject to any condition(s)/procedure(s) as may be prescribed or imposed by such authorities, the Grantee may be permitted to exercise all the vested RSUs through a cashless exercise procedure. A detailed procedure in this regard shall be communicated by the Administrator to the Grantee.

The Administrator in regard to above can fund or permit the empaneled stock brokers to make suitable arrangements to fund the Grantee for payment of Exercise Price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to Exercise of RSUs Granted under the Plan and such amount shall be adjusted against the sale proceeds of some or all the Shares of such Grantee.

ii. **Exercise Period**

- (a) **While in employment:** The Vested RSUs shall be exercised by the Grantee within the maximum period of 6 months from the date of Vesting of RSUs, or such other shorter period as may be prescribed by the NRC at time of Grant and as set out in the Award Agreement.
- (b) **In case of separation from employment:** RSUs can be exercised as per provisions outlined below:

No.	Separations	Vested RSUs	Unvested RSUs
1	Termination of employment due to resignation	All the Vested RSUs as on the last date of employment shall be exercisable by the Grantee within 90 days from the last date of employment with the Company/ Subsidiary Company or Associate Company (as the case may be) or within the Exercise Period, whichever is earlier.	All the Unvested RSUs as on the last date of employment with the Company / Subsidiary Company or Associate Company (as the case may be) shall stand expired .
2	Retirement or Superannuation	All the Vested RSUs as on the date of retirement/superannuation shall be exercisable by the Grantee within 90 days from the last date of employment with the Company/ Subsidiary Company or Associate Company (as the case may be) or within the Exercise Period, whichever is earlier.	In the event of retirement/superannuation, the Unvested RSUs shall Vest proportionately in the Grantee on the date of retirement/superannuation. The above RSUs that get Vested on the date of retirement/superannuation shall be exercisable by the Grantee within 90 days from the date of retirement/superannuation.
3	Death	All the Vested RSUs as on the date of death shall be exercised by the Grantee's	All the Unvested RSUs as on the date of death shall be deemed to have been Vested on the date of

No.	Separations	Vested RSUs	Unvested RSUs
		nominee or legal heir(s) within a period of 1 year from the date of death.	death and shall be exercised by the Grantee's nominee or legal heir(s) within a period of 1 year from the date of death.
4	Disability	All the Vested RSUs as on the date of Disability shall be exercised by the Grantee or by the nominee/ legal heir(s) (in case Grantee is incapacitated to exercise) within a period of 1 year from the date of Disability.	All the Unvested RSUs as on the date of Disability shall be deemed to have been Vested on the date of Disability and shall be exercised by the Grantee or by the nominee/ legal heir(s) (in case Grantee is incapacitated to exercise) within a period of 1 year from the date of Disability.

iii. Exercise in tranches

Each Grantee may, at his/her discretion, Exercise all or part of the Vested RSU within the Exercise Period, and can choose to Exercise (in compliance with Applicable Laws) all or part of the Vested RSU in tranches during the Exercise Period.

iv. Lapse of RSUs

The RSUs not exercised within the Exercise Period as mentioned above shall lapse without any obligations whatsoever on the Company. The Grantee shall have no right over such lapsed RSUs.

9. Implementation of Plan

The Plan will be implemented through the Trust mechanism wherein the Trust shall acquire the Shares through Secondary Acquisition(s). No fresh shares shall be issued by the Company either to the Trust or to the Grantee under the Plan.

i. Transfer of Shares on Exercise of Vested RSU

On Exercise of Vested RSUs by the Grantee in accordance with the process specified in the Award Agreement, the Trust shall transfer the Shares into the demat account of the Grantee.

ii. Cashless Exercise of RSUs

To the extent permitted by the Applicable Law and subject to any specific approval that may be required from SEBI and/or any other statutory/regulatory authority, the Administrator may allow cashless exercise of RSUs to the Grantee. The Grantees who wish to Exercise their RSUs on cashless basis would be required to intimate to the Company at the time of exercising their RSUs.

10. Non-transferability of RSU

- a) The RSU Granted to Grantee under the Plan shall not be transferable or assignable to any person, except in the event of death or Disability of the Grantee, in accordance with the terms of the Plan.

- b) The RSU Granted under the Plan shall not be transferred, pledged, hypothecated, mortgaged, or otherwise alienated or encumbered in any other manner.
- c) No person other than the Grantee to whom the RSUs are Granted shall be entitled to Exercise the RSUs except in the event of the death or Disability of the Grantee.
- d) In the event that Grantee who has been Granted RSUs under the Plan is transferred or deputed to an Associate Company prior to Vesting or Exercise of RSUs, the Vesting and Exercise as per the terms of Grant shall continue in case of such transferred or deputed Grantee, even after the transfer or deputation subject to Applicable Law.

11. Rights as a Shareholder

Neither the Grantee nor any person entitled to Exercise the Grantee's rights in the event of death or Disability shall have any rights as a shareholder of the Company with respect to the RSUs, except to the extent of any Share that have been transferred upon the Exercise of the Vested RSUs.

12. Lock-in

The Shares arising out of Exercise of Vested RSUs shall not be subject to any lock-in restriction, except such restrictions as may apply under the Applicable Law.

13. Taxation

The Administrator may, in its discretion, require the Grantee to pay to the Company at the time of Exercise of any Vested RSU the amount that the Administrator deems necessary to satisfy the Company's obligation to withhold income or other taxes incurred by reason of the Exercise. Where the Exercise of a Vested RSU does not give rise to an obligation by the Company to withhold federal, state or local income or other taxes on the date of Exercise but may give rise to such an obligation in the future, the NRC / Trust may, in its discretion, make such arrangements and impose such requirements as it deems necessary or appropriate. Notwithstanding anything contained in the Plan to the contrary, the Grantee's satisfaction of any tax-withholding requirements imposed by the NRC / Trust shall be a condition precedent to the Company's obligation as may otherwise be provided hereunder to provide shares to the Grantee, and the failure of the Grantee to satisfy such requirements with respect to the Exercise of a Vested RSU shall cause such RSU to be forfeited.

14. Changes in Capital Structure

- i. If the Company at any time be involved in a merger, consolidation, dissolution, liquidation, re-organization, exchange of shares, sale of all or substantially all of the assets or stock of the Company/Subsidiary Company or Associate Company or a transaction similar thereto;
- ii. If any stock split, stock consolidation, bonus issue, right issue, buy-back, reclassification, recapitalization or other similar change in the capital structure of the Company, shall occur;
- iii. If any other event shall occur which in the judgement of the NRC necessitates action by way of adjusting the terms of the outstanding RSUs,

then the NRC may forthwith take any such action as in its judgement shall be necessary to preserve to the Grantees rights substantially proportionate to the rights existing prior to such event, including, without limitation, adjustments in (a) the number and kind of Shares subject to each RSU, (b) the Exercise Price, and/or (c) the number and kind of Shares available under Section 4 of the Plan. To the extent that such action shall include an increase or decrease in the number of Shares subject to outstanding Grants, the number of Shares available under Section 4 of the Plan above shall be increased or decreased, as the case may be, proportionately.

If a change in capital structure occurs, then the NRC may make such adjustments as the NRC, in its discretion, determines are necessary or appropriate in light of the Change in Capital Structure, provided that the NRC determines that such adjustments do not have a substantial adverse economic impact on the Grantee as determined at the time of the adjustments.

The judgement of the NRC with respect to any matter referred to in this Section shall be conclusive and binding upon each Grantee without the need for any amendment to the Plan.

15. Miscellaneous

- (a) Neither the existence of the Plan nor the fact that an individual has on any occasion been Granted a RSU shall give such individual any right, entitlement or expectation that he/she has or will in future have any such right, entitlement or expectation to participate in the Plan by being Granted a RSU on any other occasion.
- (b) The rights Granted to a Grantee upon the Grant of a RSU shall not provide the Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company or Subsidiary Company or Associate Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- (c) Participation in the Plan shall not be construed as any guarantee of return on any investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments is that of the Employee only. The Company shall not in any way be responsible for the loss, if any, that may arise as a result of any fluctuation in the market price of the Shares of the Company.

16. Confidentiality

Employees shall keep the details of the RSUs Granted to them strictly confidential and shall not share with, or disclose the said details to, any other person. In case of non-adherence of the provisions of this Section, the NRC will have the authority to deal with such cases as it may deem fit in its absolute discretion. Any decision as may be taken by the NRC in this regard will be final and binding on all concerned.

17. Conformance to the Accounting Policies

The Company shall conform with the requirements of the 'Guidance Note on Accounting for employee share-based Payments' or accounting standards as may be prescribed by the Institute of Chartered Accountants of India ('ICAI') or such other accounting standard as may be applicable from time to time, including the disclosure requirements prescribed therein. Where the existing Guidance Note or accounting standards do not prescribe accounting treatment or disclosure requirements for employee stock option plans then the Company shall comply with the relevant accounting standards as may be prescribed by the ICAI from time to time.

18. No restriction on Corporate Action

The existence of the Plan and any Grant made hereunder shall not in any way affect the right or the power of the NRC/Board 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 of the Company 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 would have an adverse effect on the Plan or any Grant made under the Plan. No Eligible Employee or other person shall have any claim against the Company as a result of such action.

19. New Plan

Nothing contained in the Plan shall be construed to prevent the Company from implementing any other new plan, in accordance with the Applicable Law, for Granting any further share based employee benefits, which are deemed by the Company to be appropriate or in its best interest, whether or not such action would have any adverse impact on the Plan or any Grant made under the Plan. No Employee or other person shall have any claim against the Company as a result of such action.

20. Notices

All notices under the Plan shall be in writing, and if to the Company, shall be delivered to the Chief People Officer ('CPO') or emailed to the CPO at Office-of-CPO@hcl.com; and if to the Grantee, shall be delivered or e-mailed to the Grantee at the postal/e-mail address appearing in the records of the Company. Such addresses may be changed at any time by written notice to the other party.

21. Regulations and Approvals

- (a) The Grant of RSU pursuant to the Plan and the obligation of the Company to provide the Shares with respect to the RSU Granted under the Plan shall be subject to Applicable Law.
- (b) The NRC may make such changes to the Plan as may be necessary or appropriate to comply with the rules and regulations of any government authority or to obtain tax benefits applicable to RSUs.
- (c) Each RSU is subject to the requirement that, if at any time the NRC determines, in its discretion, that the transfer of Shares pursuant to the Plan requires approval from any of – the SEBI, the Recognised Stock Exchange, any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the Grant of RSU or the transfer of Shares, no RSUs shall be Granted or payment made or Shares transferred, in whole or in part, unless such approval has been effected or obtained free of any conditions in a manner acceptable to the NRC.

22. Interpretation and Other Rules

The NRC may make such rules and regulations and establish such procedures for the administration of the Plan, as it deems appropriate. Without limiting the generality of the foregoing, the NRC may:

- (i) Determine the conditions under which a Grantee will be considered to have retired or become disabled and whether any Grantee has done so;
- (ii) Subject to the SEBI Regulations, determine the extent, if any, to which any RSUs may be Vested or exercised on an accelerated basis or RSUs shall be lapsed, expired or forfeited (whether or not such lapse, expire or forfeiture is expressly contemplated hereunder);
- (iii) Interpret the Plan and the Award Agreements hereunder, with such interpretations to be conclusive and binding on all persons and otherwise accord the maximum deference permitted by law; and
- (iv) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof.

Unless otherwise expressly provided hereunder, the NRC, with respect to any RSU, may Exercise its discretion hereunder at the time of the Award or thereafter. In the event of any dispute or disagreement as to the interpretation of the Plan or of any rule, regulation or procedure, or as to any question, right or obligation arising from or related to the Plan, the decision of the NRC shall be

final and binding upon all persons (including, but not limited to, Eligible Employees and their nominee(s) or legal heir(s)) having an interest in or affected by the Plan or such RSU.

23. Amendment to the Plan

Subject to the Applicable Law, the NRC/Board may modify/amend the Plan in such manner and at such time as it shall deem advisable, except that no amendment shall be made which may adversely affect a Grantee with respect to RSUs previously Granted unless such amendments are in connection with compliance with Applicable Law and approval wherever required for any modification/amendment is obtained from the shareholders of the Company in terms of Applicable Law.

Notwithstanding the above, the Board/NRC may revise any of the terms and conditions of this Plan to meet any regulatory requirement without seeking shareholders' approval.

24. Indemnification

To the maximum extent permitted by the Applicable Law, the Company shall indemnify and hold harmless the members of the Board and the members of the NRC and the trustees of the Trust from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act or omission to act in connection with the performance of such person's duties, responsibilities and obligations under the Plan, other than such liabilities, costs and expenses as may result from the gross negligence, bad faith, wilful misconduct or criminal acts of such persons.

25. Captions

The use of captions in the Plan is for convenience. The captions are not intended to provide substantive rights.

26. Arbitration

All disputes arising out of or in connection with the Plan or the Grant, Vesting or Exercise shall be referred for arbitration to a sole arbitrator to be appointed by the NRC with the consent of the Grantee. The arbitration proceedings shall be in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place of Arbitration shall be New Delhi, India and the proceedings shall be conducted in English.

27. Governing Law

The Plan shall be governed by the laws of the India without reference to principles of conflict of laws.

28. Severability

In the event any one or more of the provisions contained in RSU 2024 shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of RSU 2024, but RSU 2024 shall be construed as if such invalid, illegal or unenforceable provision had never been set forth herein, and RSU 2024 shall be carried out as nearly as possible according to its original terms and intent. In the event of any inconsistency between any of the provisions of the Plan and the Applicable Law, the provisions as under the Applicable Law shall prevail.

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