

## HINDALCO INDUSTRIES LIMITED

### Disclosure Pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on 31st March 2024:

- A. Relevant 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

The fair value of option at the grant date is expensed over the respective vesting period in which all of the specified vesting conditions are to be satisfied with a corresponding increase in equity as “Employee Stock Options Account”. In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the “Employee Stock Options Account” are transferred to the “Retained Earnings”.

- 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 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

16.62

- C. Details related to Employee Stock Option Schemes (ESOS) of the Company:

- i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –

Sr. No.	Particulars	ESOS-13 (stock options including Restricted Stock Units[“RSUs”])	ESOS – 2018 (stock options including Restricted Stock Units [“RSUs”])	ESOS- 2022 (stock options including Performance Stock Units [“PSUs”])
a.	Date of Shareholders’ approval	September 10, 2013	September 21, 2018	August 23, 2022
b.	Total number of options approved under ESOS	54,62,000	1,39,57, 302	1,68,28,000
c.	Vesting Requirements	Not earlier than one year and not more than five years from the date of grant of options and RSU.	Not earlier than one year and not more than four years from the date of grant of options; and not earlier	Not earlier than one year and not more than four years from the date of grant of options; and not earlier

Sr. No.	Particulars	ESOS-13 (stock options including Restricted Stock Units["RSUs"])	ESOS – 2018 (stock options including Restricted Stock Units ["RSUs"])	ESOS- 2022 (stock options including Performance Stock Units ["PSUs"])
			than one year and not more than three years from the date of grant of RSU.	than one year and not more than three years from the date of grant of PSU.
d.	Exercise price or pricing formula	Options: The exercise price is the previous day's closing price on the date on which the Nomination and Remuneration Committee finalized the specific number of options to be granted to the employee. RSUs/PSUs: The exercise price is at the face value of Rs. 1 /- each of the equity shares of the Company.		
e.	Maximum Term of Options granted	Five years from the date of vesting of options and restricted stock units/ performance stock units.		
f.	Source of shares	Primary	Secondary	
g.	Variation in Terms of options	Nil		

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 ESOS.

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	Not Applicable
The impact of this difference -On profits -On difference	

iv. Option movement during the year (For each ESOS):

Sr. No.	Particulars	Scheme 2013		Scheme 2018		Scheme 2022	
		Options	RSUs	Options	RSUs	Options	PSUs
1.	Number of options outstanding at the beginning of the year	4,385	27,553	73,39,063	18,21,752	-	-
2.	Number of options granted during the year	-	-	-	-	22,62,753	3,17,023
3.	Number of options forfeited / lapsed during the year	-	-	1,05,367	55,909	5,770	809
4.	Number of options vested during the year including options exercise and cancelled.	-	-	43,43,814	2,65,604	-	-
5.	Number of options exercised during the year	4,385	17,553	8,31,265	5,48,401	-	-
6.	Number of shares arising as a result of exercise of options	4,385	17,553	8,31,265	5,48,401	-	-
7.	Money realised by exercise of options (INR), if Scheme is implemented directly by the Company (Rs. In Crore)	₹ 7,32,952.75	₹ 17,553	Not Applicable			

Sr. No.	Particulars	Scheme 2013		Scheme 2018		Scheme 2022	
		Options	RSUs	Options	RSUs	Options	PSUs
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable		₹ 1,50,00,000/-			
9.	Number of options outstanding at the end of the year	-	10,000	64,02,431	12,17,442	22,56,983	316,214
10.	Number of options exercisable at the end of the year	-	10,000	43,43,814	2,65,604	-	-
v. Weighted-average exercise prices							
	i. equal or exceed to market price of the stock	-	-	-	-	Not Applicable	Not Applicable
	ii. less than the market price of the Stock	-	-	-	-	₹464.85	₹1
Weighted-average fair values of options							
	i. equal or exceed to the market price of the stock	-	-	-	-	Not Applicable	Not Applicable
	ii. less than the market price of the stock	-	-	-	-	₹173.99	₹443.36
vi.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to						
a.	Senior Management Personnel						
1.	Mr. Anil Mathew – Head – Policy Advocacy & Chief Risk Officer	-	-	-	-	15,385 @₹464.85	2,156 @Re. 1
2.	Mr. Aniruddha Kulkarni – Chief Strategy Officer	-	-	-	-	15,385 @₹464.85	2,156 @Re. 1

Sr. No.	Particulars	Scheme 2013		Scheme 2018		Scheme 2022	
		Options	RSUs	Options	RSUs	Options	PSUs
3.	Mr. Arun Kumar B-Head – Aluminium Downstream Strategic Projects	-	-	-	-	28,847 @₹464.85	4,041 @Re. 1
4.	Mr. Chandan Agrawal- CEO Eternia Business	-	-	-	-	15,385 @₹464.85	2,156 @Re. 1
5.	Ms. Geetika Anand- Company Secretary and Compliance Officer	-	-	-	-	10,770 @₹464.85	1,509 @Re. 1
6.	Mr. Kailash Pandey- Head Sambalpur Cluster	-	-	-	-	28,847 @₹464.85	4,041 @Re. 1
7.	Ms. Kopal Agrawal – Chief Procurement Officer	-	-	-	-	7,693 @₹464.85	1,078 @Re. 1
8.	Mr. Mazharullah Beig – Unit Head – Utkal Alumina	-	-	-	-	11,539 @₹464.85	1,617 @Re. 1
9.	Mr. Nagesh Narisetty – Head – Renukoot Cluster	-	-	-	-	28,847 @₹464.85	4,041 @Re. 1
10.	Mr. Nilesh Koul - CEO – Downstream Aluminium Business	-	-	-	-	57,693 @₹464.85	8,082 @Re. 1

Sr. No.	Particulars	Scheme 2013		Scheme 2018		Scheme 2022	
		Options	RSUs	Options	RSUs	Options	PSUs
11.	Mr. Praveen Kumar Maheshwari – Chief Financial Officer	-	-	-	-	57,693 @₹464.85	8,082 @Re. 1
12.	Mr. Rohit Pathak – CEO Copper Business	-	-	-	-	57,693 @₹464.85	8,082 @Re. 1
13.	Mr. S Kananand-Head – Manufacturing Centre of Excellence	-	-	-	-	7,693 @₹464.85	1,078 @Re. 1
14.	Mr. Samik Basu- Chief Human Resources Officer	-	-	-	-	57,693 @₹464.85	8,082 @Re. 1
15.	Mr. Saurabh Khedekar - CEO – Chemicals Business	-	-	-	-	15,385 @₹464.85	2,156 @Re. 1
16.	Mr. Sukanta Das – Chief Logistics Officer	-	-	-	-	11,539 @₹464.85	1,617 @Re. 1
17.	Mr. V R Shankar – Chief Legal Officer	-	-	-	-	28,847 @₹464.85	4,041 @Re. 1
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						
	Mr. Satish Pai – Managing Director					11,53,847 @₹464.85	1,61,638@Re. 1
c.	Identified employee 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 - Nil						

Sr. No.	Particulars	Scheme 2013		Scheme 2018		Scheme 2022	
		Options	RSUs	Options	RSUs	Options	PSUs
vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information						
a.	the weighted - average values of share price						
	Exercise price	-	-	₹375.95 to ₹436.50	₹ 1	₹464.85	₹1
	Expected volatility	-	-	42.23 % to 38.93 %	42.23 % to 38.93 %	38.74% to 43.19%	44.27%
	expected option life	-	-	4.43 to 6.43 Years	8 Years	2.91 to 4.91 years	3.58 years
	Expected dividends	-	-	1.05% to 0.90%	1.05% to 0.90%	0.66%	0.66%
	the risk-free interest rate	-	-	7.09% to 7.28%	7.23% to 7.29 %	6.99% to 7.03%	7.01%
	any other inputs to the mode	-	-	-	-	-	-
b.	the method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Method					
c.	how expected volatility was determined, including an explanation of the	<p>The following factors have been considered:</p> <ul style="list-style-type: none"> <li>- The Closing price of the Company's share on the National Stock Exchange of India Limited (NSE) on the date previous to grant date.</li> <li>- Adjustment of the aforesaid closing price for the expected dividend yield over the expected life of the options / RSUs.</li> </ul>					

Sr. No.	Particulars	Scheme 2013		Scheme 2018		Scheme 2022	
		Options	RSUs	Options	RSUs	Options	PSUs
	extent to which expected volatility was based on historical volatility;	- Zero coupon Government Bond rate representing the risk-free interest rate. - The expected life of the options / RSUs i.e. the period upto the vesting date plus the average of the exercise period corresponding to each vesting. - Implied volatility of the Company's stock price on NSE based on the price data of last one year upto the date of grant.					
d.	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	-Exercise price has been adopted as given by the Company.					

D. Details related to Employee Stock Purchase Scheme: Not Applicable

E. Details related to SAR: Not Applicable. The Company has granted SARs to certain eligible employees. However, all the SARs are cash settled

F. Details related to General Employee Benefit Scheme / Retirement Benefit Scheme: Not applicable

G. Details related to Trust

Sr. No.	Particulars	Details
i.	<b>General Information of the schemes</b>	
	Name of the Trust	Hindalco Employee Welfare Trust
	Details of the Trustee	Mr. Sanjeeb Chatterjee, Mr. Jayant Jain, Mr. Mukesh Agarwal and Ms. Anupama Mohan
	Amount of loan disbursed by company / any company in the group, during the year	₹1,02,84,41,895



	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	₹3,79,26,89,513	
	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	-	
	Any other contribution made to the Trust during the year	-	
ii.	<b>Brief details of transactions in shares by the Trust</b>		
	Number of shares held at the beginning of the year	92,19,067	
	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	24,37,484	
	Number of shares transferred to the employees / sold along with the purpose thereof	13,79,666	
	Number of shares held at the end of the year	1,02,76,885	
iii.	<b>In case of secondary acquisition of shares by the Trust</b>	<b>Number of Shares</b>	<b>As a percentage of paid-up equity capital as at 31st March,2024</b>
	Held at the beginning of the year	92,19,067	0.004%
	Acquired during the year	24,37,484	0.001%
	Sold during the year	-	-
	Transferred to the employees during the year	13,79,666	0.001%
	Held at the end of the year	1,02,76,885	0.005%