

Karur Vysya Bank Employees Stock Option Scheme 2025

KARUR VYSYA BANK LIMITED



Employee Stock Ownership Plans



Version V.01

Karur Vysya Bank Limited

CIN: L65110TN1916PLC001295

Erode Road, Central Office, Karur, Tamil Nadu – 639 002

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1. Name, Objectives and Term of the Scheme

- 1.1 This employee stock option scheme shall be called the 'Karur Vysya Bank Employees Stock Option Scheme 2025' ("**KVB-ESOS-2025**" / "**Scheme**").
- 1.2 The KVB-ESOS-2025 is designed to give present and future employees a meaningful stake in the long-term shareholder value they help to create, while observing the Reserve Bank of India's standards for sound remuneration. By embedding equity-linked instruments in the pay mix, the Scheme aims to attract and secure high-calibre talent, motivate and retain them with rewards that are tied to risk-adjusted performance, sustainable profitability, and prudent risk-taking. Vesting schedules spread payouts over time, anchoring benefits to enduring business and risk outcomes and thus strengthening the alignment of employee interests with those of shareholders. At its core the Scheme cultivates an ownership mind-set: Employees may share in Equity appreciation, yet all benefits remain subject to vesting, deferral, malus, and clawback provisions that empower the Bank to adjust or recover compensation if later performance or conduct so requires, ensuring that deferred rewards continue to reinforce responsible behaviour and durable value creation.
- 1.3 The KVB-ESOS-2025 was formulated and approved by the Nomination and Remuneration Committee ("**Committee**") at its meeting held on July 17, 2025 and approved by the Board of Directors at its meeting held on July 24, 2025.
- 1.4 The KVB-ESOS-2025 shall be effective from August 21, 2025, being the date of Shareholders' approval. ("**Effective Date**")
- 1.5 The Nomination and Remuneration Committee as authorized may subject to compliance with requirements of the Applicable Laws, at any time alter, amend, suspend or terminate the KVB-ESOS-2025.
- 1.6 The KVB-ESOS-2025 shall continue in effect unless, terminated by the Board of Directors, or the date on which all of the Stock Options available for Grant under the KVB-ESOS-2025 have been granted and exercised; whichever is earlier.
- 1.7 Any such termination of the KVB-ESOS-2025 shall not affect Options already Granted and the powers of the Committee in relation to such Options; and the same shall remain in full force and effect as if the KVB-ESOS-2025 had not been terminated unless mutually agreed otherwise between the Option Grantee / Nominee / Legal Heirs and the Bank.

2. Definitions and Interpretations

In this KVB-ESOS-2025 unless the context clearly indicates a contrary intention, the following words or expressions including their grammatical variations and cognate expression shall, unless repugnant to the context or meaning thereof, have the meaning assigned herein:

2.1 Definitions

- i. "**Abandonment**" means absence of an Employee from work for a period of 30 days or more, as per Bank Policies as amended from time to time, without having communicated to his/her reporting manager or department of human resource of the Bank in writing any reason of absence.
- ii. "**Acceptance form**" shall mean the form that the Option Grantee has to submit either in

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- physical or electronic form, as the case may be, indicating his acceptance of the Grant/ the Grant Letter, in accordance with this KVB-ESOS-2025 on or before the Closing Date.
- iii. **“Applicable Law”** means every law relating to Employee Stock Option Schemes in force, including, without limitation to, Companies Act, 2013, SEBI (SBEB & SE) Regulations 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Banking Regulation Act, 1949, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, RBI circular as amended from time to time, and all relevant revenue, tax, securities or exchange control regulations or corporate laws of India to the extent applicable and the Applicable Law includes any provision of the applicable rule(s), regulation(s), notification(s), circular(s) or any other similar form of directives issued by the competent authority under the relevant Applicable Law.
- iv. **“Bank”** means The Karur Vysya Bank Limited, a company registered with the Reserve Bank of India as a scheduled commercial Bank with CIN L65110TN1916PLC001295 having its registered office at No.20, Erode Road, Vadivel Nagar, L.N.S., Karur, Tamil Nadu 639 002, India.
- v. **“Bank Policies/Terms of Employment”** means the Bank’s policies for Employees and the terms of employment as contained in the employment letter and the HR Policies of the Bank from time to time, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other employees and customers.
- vi. **“Bank’s Compensation Policy”** means Bank’s Policy on Compensation of Directors, Key Managerial Personnel, Material Risk Takers, Control Function Staff and all other employees of the Bank.
- vii. **“Board of Directors” or “Board”** in relation to a Bank, means the collective body of the Directors of the Bank.
Provided that the Board includes any Committee constituted by Board of Directors for the purpose of proper implementation and administration of the KVB-ESOS-2025.
- viii. **“Body Corporate”** shall have the same meaning as defined in section 2(11) of the Companies Act, 2013, as amended from time to time.
- ix. **“Clawback”** means a contractual agreement between the Option Grantee and the Bank, being evidenced on the acceptance of the Grant, in which case the Option Grantee shall relinquish any benefit that accrued to or return to the Bank any benefit that is received by such Option Grantee under circumstances specified at the time of Grant of Options or those defined in the Bank’s HR Policies from time to time including Bank’s Compensation Policy.
- x. **“Closing Date”** means 30 (Thirty) days from the date of receipt of the Grant Letter by the Option Grantee.
- xi. **“Companies Act”** means the Companies Act, 2013 and rules made thereunder and includes any statutory modifications or re-enactments thereof.
- xii. **“Corporate Action”** shall have the same meaning as ascribed under the SEBI (SBEB & SE) Regulations, and includes the following:
 - A change in the capital structure of the Bank as a result of bonus issue, right issue,

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stock split/sub-division of Shares or consolidation of Shares.

- Merger, de-merger, reconstitution, spin-off, consolidation, amalgamation, reclassification of capital.
- xiii. **“Death”** shall have the same meaning as assigned to it under the ‘Human Resource Policy’ of the Bank, from time to time.
- xiv. **“Director”** shall have the same meaning as defined under section 2(34) of the Companies Act, 2013.
- vii. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Nomination and Remuneration Committee of the Board for granting the Employee Stock Options to the Employees.
- viii. **“Employee”** means:
- a) An Employee as designated by the Bank, who is exclusively working in India or outside India; or
 - b) A Director of the Bank, 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
- but does not include
- (i) An Employee who is a Promoter or a person belonging to the Promoter Group; or
 - (ii) A director who either himself or through his Relative or through any Body Corporate directly or indirectly holds more than ten percent of the outstanding Equity Shares of the Bank.
- ix. **“Employee Stock Option”** means an Option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date Shares underlying such option at a pre-determined price.
- x. **“Exercise”** means making of an Exercise Application by an Employee to the Bank for issue of Shares against Vested Options in pursuance of the KVB-ESOS-2025, in accordance with the procedure laid down by the Bank for Exercise of such Employee Stock Option.
- xi. **“Exercise Application”** means a written or electronic letter submitted by the Option Grantee to the Committee for exercising the number of Vested Options, in the mode and manner as prescribed by the Committee and in accordance with the provisions of the KVB-ESOS-2025.
- xii. **“Exercise Period”** means the time period after Vesting within which an Employee can Exercise his/her right to apply for Shares against the vested option in pursuance of the KVB-ESOS-2025.
- xiii. **“Exercise Price”** means the price approved by Nomination and Remuneration Committee being payable by an Employee for exercising the options granted to him in pursuance of the KVB-ESOS-2025.
- xiv. **“Grant”** means the process by which the Bank issues Employee Stock Option to the Employees under the KVB-ESOS-2025.
- xv. **“Grant Date”** means the date on which the Committee approves the Grant.
Explanation: For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

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- xvi. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xvii. **“KVB-ESOS-2025”/ “Scheme”** means the Karur Vysya Bank Employees Stock Option Scheme 2025 under which the Bank is authorized to grant Employee Stock Options to the Employees and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof from time to time.
- xviii. **“Letter of Grant”** means the letter issued to the Option Grantee either in written or electronic form, setting forth the terms and conditions applicable to such Grant under the KVB-ESOS-2025
- xix. **“Listing”** means the Listing of the Bank’s Shares on any recognized Stock Exchange as per Applicable Laws.
- xx. **“Malus”** means an arrangement that permits the Bank to prevent Vesting of all, or part of the Options granted to an Option Grantee in the event of failure to comply with the conditions for Vesting or upon happening of the trigger events as defined in the Bank’s HR Policies from time to time including Bank’s Compensation Policy. However, the malus arrangement shall not reverse the Vesting of already Vested Options.
- xxi. **“Market Price”** means the latest available closing price of Shares on the recognized Stock Exchange on which the Shares of the Bank are listed on the date immediately prior to the meeting of Nomination and Remuneration Committee in which Grant is made.
Explanation- If Shares are listed on more than one Stock Exchange, then the closing price of the Shares on the Stock Exchange having higher trading volume shall be considered as the Market Price.
- xxii. **“Misconduct”** means any of the following acts or omissions by an Option Grantee in addition to any relevant provisions prescribed in the Bank Policies/Terms of Employment amounting to violation or breach of terms of employment as determined by the Board:
- a) committing of any act warranting summary termination under law; or
 - b) conduct amounts to a serious breach by an Option Grantee of the obligation of trust and confidence to his employer; or
 - c) a finding by the Board that an Option Grantee has committed any material or consistent breach of any of the terms or conditions of employee service agreement/ terms of employment including any willful neglect of or refusal to carry out any of his duties or to comply with any instruction given to him by the Bank; or
 - d) conviction for, or admission of, any criminal offence, or any offence involving moral turpitude, bribery, corruption or other unethical business conduct; or
 - e) being disqualified from holding office in the Bank or any other company under any legislation or being disqualified or disbarred from membership of, or being subject to any serious disciplinary action by, any regulatory body within the industry, which undermines the confidence of the Board in the individual’s continued employment; or
 - f) having acted or attempted to act in any way which in the opinion of the Board has brought or could bring the Bank or any other group member into disrepute or discredit;
 - g) breach or violation of any Bank Policies/Terms of Employment;

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- h) any other not included above but defined as misconduct in the Bank's rules or employee handbook and / or employment agreement and/or appointment letter.
- xxiii. **"Nomination and Remuneration Committee" / "Committee"** means the committee constituted or reconstituted by the Board from time to time, to administer and supervise the KVB-ESOS-2025 and other employee benefit schemes, comprising of such members of the Board as provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time to act compensation committee under Regulation 5 of the SEBI SBEB & SE Regulations.
- xxiv. **"Nominee" or "Beneficiary"** means the person or persons, designated by the Option Grantee or in the absence of any designation by the Option Grantee, a person or persons who is/ are entitled by the will or probate of the Option Grantee to receive the benefits specified in this Scheme, the legal heirs of the Option Grantee, if the Option Grantee dies intestate and includes the Option Grantee's executors or administrator, if no other Beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the Exercise of any powers conferred under the KVB-ESOS-2025 or any other agreements forming part thereof.
- xxv. **"Option"** means an Employee Stock Option within the meaning of the KVB-ESOS-2025.
- xxvi. **"Option Grantee"** means an Eligible Employee who has been granted an Employee Stock Option in pursuance of the KVB-ESOS-2025.
- xxvii. **"Permanent Incapacity"** means any incapacity of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Option Grantee from performing any specific job, work or task which the said Option Grantee was capable of performing immediately before such incapacitation, as determined by the Committee based on a certificate of a medical expert identified by the Bank.
- xxviii. **"Promoter"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended, from time to time.
- xxix. **"Promoter Group"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended, from time to time.
- xxx. **"RBI Circular"** means circulars RBI/2019-20/89 DOR.Appt.BC.No.23/29.67.001/2019-20 dated November 04, 2019, read with circular No. DOR.GOV.REC.44/29.67.001/2021-22 dated August 30, 2021, as amended from time to time and other circulars/ guidelines/advisories issued by RBI from time to time.
- xxxi. **"Relative"** shall have the same meaning as defined in section 2(77) of the Companies Act, 2013, as amended from time to time.
- xxxii. **"Retirement"** means retirement as per the rules of the Bank.
- xxxiii. **"SEBI SBEB & SE Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and reenacted from time to time and includes any clarifications or circulars issued thereunder.
- xxxiv. **"Secretarial Auditor"** means a company secretary in practice appointed by the Bank

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under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- xxxv. **"Shares"** means equity shares of the Bank having face value of Rs. 2 (Two) each and arising out of the exercise of Employee Stock Options granted under the KVB-ESOS-2025.
- xxxvi. **"Stock Exchange"** means the National Stock Exchange of India Ltd., or any other recognized Stock Exchange in India on which the Bank's Shares are listed or to be listed in future.
- xxxvii. **"Unvested Option"** means an Option in respect of which the relevant vesting conditions and vesting period have not been satisfied and as such, the Option Grantee has not become eligible to exercise the Option.
- xxxviii. **"Vested Option"** means an Option in respect of which the relevant vesting conditions and vesting period have been satisfied and the Option Grantee has become eligible to exercise the Option subject to fulfillment of terms of Exercise.
- xxxix. **"Vesting"** means the process by which the Option Grantee becomes entitled to receive the benefit of a Grant made to him/her in pursuance of the KVB-ESOS-2025.
- xl. **"Vesting Condition"** means the condition prescribed if any subject to satisfaction of which the Option granted would vest in an Option Grantee.
- xli. **"Vesting Date"** means the date on and from which the Option granted vests with the Option Grantee and thereby becomes exercisable.
- xlii. **"Vesting Period"** means the period during which the Vesting of the Option granted to the Employee, in pursuance of the KVB-ESOS-2025 takes place.
- xliii. **"Whole Time Director"** shall have the same meaning as defined in section 2(94) of the Companies Act, 2013, as amended from time to time.

2.2 Interpretation

In the KVB-ESOS-2025, unless the contrary intention appears:

- a)** *The singular includes the plural and vice versa;*
- b)** *The word "person" includes an individual, a firm, a Body Corporate or unincorporated body or authority;*
- c)** *Any word or expression importing the masculine, feminine or neutral genders only, shall be taken to include all genders;*
- d)** *Any word which is not defined under the Scheme and is not otherwise elaborated or addressed in the Letter of Grant or in the Bank's policies shall be interpreted in line with The Banking Regulation Act 1949, RBI Circulars, SEBI (SBEB & SE) Regulations, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislation, as the context requires.;*
- e)** *Articles, headings are for information only and shall not affect the construction of this document;*
- f)** *A reference to an article is respectively a reference to an article of this document; and*

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- g) Reference to any act, rules, statute or notification shall include any statutory modification, substitution or re-enactment thereof.*

3. Authority and Ceiling

- 3.1 The shareholders of the Bank by way of special resolution dated August 21, 2025 have authorized the Board/ the Nomination and Remuneration Committee to grant not exceeding 3,00,00,000 (three crore)¹ Employee Stock Options to the eligible Employees, in one or more tranches, from time to time under this Scheme, being exercisable into not exceeding 3,00,00,000 (three crore) equity shares of a face value of Rs. 2/- each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Bank, in accordance with the terms and conditions of such Grant.
- 3.2 The maximum number of Employee Stock Options that may be granted per Employee and in aggregate shall vary depending upon the designation and the appraisal / assessment process, however, shall not exceed 18,00,000 (eighteen lakhs) Options per eligible Employee. Subject to this ceiling, the Nomination and Remuneration Committee reserves the right to decide the number of Employee Stock Options to be granted in one or more tranches to each Employee.
- 3.3 Prior approval of shareholders by way of special resolution in the general meeting shall be obtained in case the Grant of Employee Stock Option to any identified Employee is equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Bank at the time of grant of Option.
- 3.4 If an Employee Stock Option expires, forfeited, surrendered, lapsed or becomes un-exercisable due to any other reason, it shall become available for future Grants, subject to compliance with the provisions of the Applicable Laws.
- 3.5 Where Shares are allotted consequently upon Exercise of an Employee Stock Option under the KVB-ESOS-2025, the maximum number of Shares that can be allotted under KVB-ESOS-2025 as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares allotted.
- 3.6 In case of a Share split or consolidation, if the revised face value of the Share is less or more than the current face value as prevailing on the date of coming into force of the KVB-ESOS-2025, the maximum number of Options available for being granted under KVB-ESOS-2025 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (No. of Shares X Face value per Share) prior to such Share split or consolidation remains unchanged after such Share split or consolidation. Thus, for example, if the prevailing face value of each Share is Rs. 2 per Share and the revised face value after the Share split is Re. 1 per Share, the total number of Shares available under KVB-ESOS-2025 would be (Shares reserved at Sub-Clause 3.1 x 2) Shares of Re. 1 each.

4. Administration

- 4.1 The KVB-ESOS-2025 shall be implemented through direct route for extending the benefits to the Eligible Employees by the way of fresh allotment from the Bank.
- Provided that** if prevailing circumstances so warrant, the Bank may change the mode of implementation of the KVB-ESOS-2025 subject to the condition that a fresh approval of the

¹ Current outstanding pool 3,00,00,000 options has been adjusted to 3,60,00,000 options vide corporate action pursuant to Bonus issue made in 2025

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shareholders by a special resolution is obtained prior to implementing such a change and that such a change is not prejudicial to the interests of the Option Grantee.

- 4.2 The Bank will allot fresh Shares to the Option Grantee upon valid Exercise of Options in accordance with terms and conditions of the KVB-ESOS-2025.
- 4.3 The KVB-ESOS-2025 shall be administered by the Nomination and Remuneration Committee. All questions of interpretation of any issues arising out of KVB-ESOS-2025 or in respect of any Employee Stock Options granted thereunder, shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all the parties concerned (including but not limited to, Option Grantee and/or Employee and their Nominees / legal heirs), persons having an interest in the KVB-ESOS-2025.
- 4.4 The Committee is also authorized to interpret the KVB-ESOS-2025, to establish, amend and rescind any rule(s) and regulation(s) relating to the KVB-ESOS-2025 and to make any other determinations that it deems necessary or desirable for the administration and implementation of the KVB-ESOS-2025. The Committee may correct any defect, omission or reconcile any inconsistency in the KVB-ESOS-2025 in the manner and to the extent the Committee deems necessary or desirable and to resolve any difficulty in relation to implementation of this KVB-ESOS-2025 and to take any action which the Committee is entitled to take.
- 4.5 The Nomination and Remuneration Committee shall in accordance with the KVB-ESOS-2025 and Applicable Law, inter alia, have powers to do/determine the following:
- a) To adopt rules and regulations for implementing the Scheme from time to time.
 - b) To identify the Persons eligible to participate in the Scheme.
 - c) The quantum of Options to be granted under the KVB-ESOS-2025 per Employee, subject to the ceiling as specified in Para 3.1;
 - d) the determination of Eligibility Criteria and determine the grant of Options to the Employees;
 - e) To Grant Options to one or more Eligible Employees.
 - f) To define and extend the period of acceptance of Grant.
 - g) To decide the Vesting Period subject to minimum and maximum period of Vesting as stated in KVB-ESOS-2025.
 - h) To determine the Vesting schedule for each Option Grantee.
 - i) To decide upon the mode and manner of Exercise.
 - j) the Exercise Period within which the Employee should exercise the Options and that such Options would lapse on failure to exercise it within the Exercise Period;
 - k) the specified time period within which the Employee shall exercise the Vested Option in the event of termination or resignation of an Employee;
 - l) the right of an Employee to exercise all the Options vested in him at one time or at various points of time within the Exercise Period;
 - m) the procedure for making a fair and reasonable adjustment to the number of Options 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 following shall be taken into consideration by the Nomination and Remuneration Committee:
 - i. the number and the price of Options shall be adjusted in a manner such that total value of the Options remains the same after the corporate action.

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- ii. the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantee.
 - n) the procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
 - o) the conditions under which Options vested in Employees may lapse in case of termination of employment for misconduct;
 - p) withdraw, recall, cancel or accept surrender of Options already granted/to be granted, to re-grant such withdrawn, recalled, cancelled or surrendered Options, to issue fresh Options, in one or more tranches, in lieu thereof at such Exercise Price and in such manner during such Exercise Period and on such terms and conditions as the Nomination and Remuneration Committee deems fit in the best interests of the Bank and its Employees;
 - q) may re-price the options which are not exercised, whether or not they have been vested if the scheme is rendered unattractive due to fall in the price of the shares in the market, provided that such re-pricing is not detrimental to the interest of the Option Grantee and subject to necessary approvals prescribed by regulations governing the Scheme; and
 - r) To determine the procedure for funding the Exercise of Options, including the procedure for cashless exercise of options, if required.
 - s) To appoint such agents as it shall deem necessary for the proper administration of the KVB-ESOS-2025.
 - t) To delegate its duties and Applicable Laws determine administrative powers in whole or in part as it may decide from time to time to any person(s) or sub-committee.
 - u) approve forms, writings and/or agreements for use in pursuance of the KVB-ESOS-2025.
- 4.6 The Nomination and Remuneration Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Bank and the Employees, as applicable.
- 4.7 A member of the Board of Directors/ Committee shall abstain from participating in and deciding on any matter relating to the Grant, vesting and Exercise of any Options to himself.

5. Eligibility and Applicability

- 5.1 Eligible Employees within the meaning of the KVB-ESOS-2025 are eligible for being granted Employee Stock Options.
- 5.2 The Nomination and Remuneration Committee shall invite recommendations of the management of the Bank, for identification of the Employees who could be granted Options based on the various criteria such as performance and/or the merit of the Employees as indicated by the periodical performance appraisal or the minimum period of service put in by the Employee/ her cadre and designation in the Bank or his/her present and potential contribution to the success of the Bank or the key functional areas in which the Employee is involved or such other criteria or factors as may be deemed relevant and appropriate as may be decided by the Nomination and Remuneration Committee.
- 5.3 The specific Employees to whom Employee Stock Options would be granted and their Eligibility Criteria would be determined by the Nomination and Remuneration Committee. The Grants to be

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made to the whole-time/ executive Directors shall be determined by the Nomination and Remuneration Committee and, where appropriate, would be sent to the Reserve Bank of India for its approval.

- 5.4 The Employee Stock Options granted to an Employee shall be subject to the terms and conditions set forth in the KVB-ESOS-2025 and additional requirements set forth, if any, in the letter of Grant.
- 5.5 The KVB-ESOS-2025 shall be applicable to the Bank, and any successor bank thereof.

6. Grant and Acceptance of Grant**6.1 Grant of Employee Stock Options**

- a) Grants contemplated under the KVB-ESOS-2025 shall be made on such day and month as decided by the Nomination and Remuneration Committee at its discretion.
- b) Each Grant of Employee Stock Option under the KVB-ESOS-2025 shall be made in writing by the Bank to the eligible Employees in such form as may be approved under KVB-ESOS-2025 from time to time, specifying the number of Options granted, Exercise Price, Vesting schedule, Vesting Date, and other terms and conditions thereof.
- c) Nothing in the KVB-ESOS-2025 or in any Option granted pursuant to the KVB-ESOS-2025 shall confer on any Employee, any right to continue in the employment of the Bank or interfere in any way with their right to terminate the Employee's employment at any time.
- d) No amount shall be payable by an Employee at the time of Grant of Options.
- e) Subject to the Corporate Action(s) taken by the Bank, if any, the Grant of 1 (One) Option to an Employee under this KVB-ESOS-2025 shall entitle the Option Grantee to apply for 1 (One) Share in the Bank upon payment of Exercise Price, applicable taxes and other charges, if any.

6.2 Acceptance of the Grant

- a) Any Employee who wishes to accept the grant made under this Scheme must deliver to the Bank a duly signed acceptance of the letter of Grant on or before the date ("Closing Date") to be decided by the Nomination and Remuneration Committee, as specified in the letter of Grant.
- b) Any Employee who fails to deliver the signed acceptance of the letter of Grant on or before the Closing Date stated above shall be deemed to have rejected the Grant unless the Nomination and Remuneration Committee determines otherwise.
- c) Upon acceptance of the Grant in the manner described above, the Employee henceforth as an Option Grantee shall be bound by the terms, conditions and restrictions of the Scheme and the letter of Grant. The Option Grantee's acceptance of the Grant of Employee Stock Options under the Scheme, within the time period provided, shall constitute an agreement between the Option Grantee and the Bank, as to the terms of this Scheme and the Grant document.

7. Vesting Schedule/ Conditions

- 7.1 Employee Stock Options granted under KVB-ESOS-2025 would vest not before **1 (One) year** and not later than **3 (Three) years** from the date of Grant of such Employee Stock Option. The Nomination and Remuneration Committee may at its discretion change the vesting schedule

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provided that such change is not detrimental in the interest of the Employees. The Options could vest in tranches.

Provided that in case where Employee Stock Options are granted by the Bank under the Scheme in lieu of Employee Stock Option held by a person under a similar plan in another company ("Transferor Company") which has merged, demerged, arranged or amalgamated with the Bank, the period during which the Employee Stock Options granted by the Transferor Company were held by him shall be adjusted against the minimum Vesting Period required under this Sub-clause.

Provided further that in the event of Death or Permanent Incapacity of an Option Grantee, the minimum Vesting Period shall not be applicable and in such instances, all the Unvested Options shall vest with effect from date of the Death or Permanent Incapacity.

- 7.2 Vesting of Options will be made on a yearly basis.
- 7.3 The Option Grantee is not required to pay any amount at the time of the Vesting of Options.
- 7.4 As a prerequisite for a valid vesting, an Option Grantee is required to be in employment or service of the Bank on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on the such date of Vesting.
- 7.5 The Options shall vest essentially on the condition of retention as per provisions of the SEBI SBEB & SE Regulations. In addition to this pre-requisite, the Vesting may also be subject to achievement of performance criteria namely periodical performance appraisal or potential contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance or such other criteria as may be stipulated at its discretion by the Nomination and Remuneration Committee from time to time with regard to various class/ classes of Employees. The Vesting dates in respect of the Options granted under this Scheme may at the sole and absolute discretion of the Committee vary from Employee to Employee or any class thereof and/or in respect of the number or percent of Options granted.
- 7.6 The specific Vesting schedule and Vesting Conditions subject to which Vesting would take place would be outlined in the Letter of Grant given to the Option Grantee at the time of Grant of Employee Stock Options.
- 7.7 The Options not vested during any year due to non – fulfilment of performance conditions as mentioned in the respective Letters of Grant the Option Grantee shall lapse from the hands of the Option Grantee.
- 7.8 Further any fraction entitlement, to which the Option Grantee would become entitled to upon Vesting of Options, then the Options to be actually vested be rounded off to the nearest lower integer. Accordingly, in the last Vesting, the number of Options to be vested shall include the Options which was not earlier vested due to fraction adjustment.
- 7.9 In the event there is any ongoing investigation or proceeding against the Option Grantee in connection with or relating to a Misconduct (as defined above), then no Options granted to such Option 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 Committee in its sole discretion.
- 7.10 The Option Grantee is not required to pay any amount at the time of Vesting of Options.
- 7.11 **Vesting of Options in case of Employees on long leave:**
The period of leave shall not be considered in determining the Vesting Period in the event the

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Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Nomination and Remuneration Committee.

8. Exercise**8.1 Exercise Price**

- a) The exercise price per option shall be, the prevailing Market Price of an equity share of the Bank as on date of grant of option.
- b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Bank, or in such other manner and subject to such procedures as the Nomination and Remuneration Committee may decide from time to time.

8.2 Exercise Period**(a) While in employment/ service:**

The Exercise Period in respect of a Vested Option shall be a maximum of **2 (Two) years** from the date of respective Vesting of such Option(s).

(b) Exercise Period in case of cessation from employment/ service:

The treatment of Vested and Unvested Options is outlined herein below:

S. No.	Separations	Vested Options	Unvested Options
1	Resignation / Termination (other than due to misconduct or breach of Bank Policies/Terms of Employment)	All the Vested Options as on date of submission of resignation/ date of termination can be exercised by the Option Grantee before his last working day or before the expiry of the Exercise Period, whichever is earlier.	All the Unvested Options on the date of submission of resignation / date of termination shall stand cancelled with immediate effect from that date.
2	Termination due to misconduct or due to breach of Bank Policies/Terms of Employment	All the Vested Options on the date of termination shall stand cancelled with immediate effect from the date of such termination.	All the Unvested Options on the date of such termination shall stand cancelled with immediate effect from the termination date.
3	Retirement (Including retirement approved under a Voluntary Retirement Scheme)	All the Vested Options can be exercised by the Option Grantee before the expiry of 60 days from his last working day or before the expiry of the Exercise Period, whichever is earlier.	All the Unvested Options as on date of such Retirement shall continue to vest as per Vesting schedule, even after date of Retirement as per the Scheme and exercise period shall be as determined by the Nomination and Remuneration Committee.
4	Death	All Vested Options Granted as on date of death, shall immediately vest as in the hands of legal heirs / Nominee of the	All the Unvested Options as on the date of death shall vest immediately and be exercised by the Option Grantee's

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S. No.	Separations	Vested Options	Unvested Options
		deceased Option Grantee on that date. All the Vested Options be exercised by the Option Grantee's nominee or legal heirs immediately after death, but in no event later than 12 (twelve) months from the date of death of the Option Grantee.	nominee or legal heir not later than 12 (twelve) from the date of death of the Option Grantee.
5	Termination due to Permanent Incapacity	All the Vested Options may be exercised by the Option Grantee immediately after permanent incapacitation, but in no event later than 12 (twelve) from the date of permanent incapacitation of the Option Grantee.	All the Unvested Options as on the date of incurring Permanent Incapacity shall vest immediately with the Option Grantee and be exercised not later than 12 (twelve) from the date of permanent incapacitation of the Option Grantee.
6	Abandonment	All the Vested Options shall stand cancelled with effect from the date of abandonment as determined by the Nomination and Remuneration Committee.	All the Unvested Options shall stand cancelled with effect from the date of abandonment as determined by the Nomination and Remuneration Committee.
7	Suspension of employment/ service pending enquiry/ decision	All the Vested Options as on date of such suspension shall be kept in abeyance and shall not be capable of being exercised until re-instatement. Upon re-instatement, the period of abeyance shall be added to unexpired Exercise Period as on date of suspension. In case the employment/ service is terminated after the enquiry, all the Vested Options shall be deemed to lapse on the date of such termination.	All the Unvested Options as on date of such suspension shall be kept in abeyance and shall not be capable of being vested as per prescribed Vesting schedule, until re-instatement. Upon re-instatement, it shall be deemed as if the Vesting of such Options have never ceased during the period of abeyance. In case the employment/ service is terminated after the enquiry, all the Unvested Options shall be deemed to lapse on the date of such termination.

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S. No.	Separations	Vested Options	Unvested Options
9	Termination due to any other reason apart from those mentioned above	The Nomination and Remuneration Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of such cessation shall stand cancelled with effect from that date.

- 8.3 A Vested Option shall be deemed to have been exercised when an Option Grantee makes an Exercise application in writing to the Bank or by any other means as decided by the Nomination and Remuneration Committee, for the issuance of Share against such Option vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise.
- 8.4 All Vested Options can be exercised by an Option Grantee either in lump sum or in one or more tranches, however, within the Exercise Period applicable for such Vested Options.
- 8.5 Upon valid Exercise the Bank will allot requisite number of Shares to the Option Grantee by following due share allotment process and Shares so allotted shall rank pari-passu to the existing Shares of the Bank.
- 8.6 Upon such an allotment, the Option Grantee shall become a member of the Bank.
- 8.7 Notwithstanding anything contained elsewhere in the KVB-ESOS-2025, the Bank , may not allot Shares, in the event of the Option Grantee being found guilty of an offence involving fraud, misfeasance, moral turpitude, misconduct, gross negligence, breach of trust and in such an event(s) the rights under the Options (whether vested or not) shall lapse, forthwith, without any claim on, or recourse to the Bank .
- 8.8 If the Vesting or Exercise of Options is prevented by any law or regulation in force and/or the Bank is forbidden to allot the Shares pursuant to Exercise of Options under such law or regulation, then in such an event the Bank shall not be liable to compensate the Option Grantee.
- 8.9 **Disclosure to Stock Exchanges as an when an Option is exercised**
As and when an Option is exercised, the Bank shall make a disclosure to the Stock Exchanges concerned as per Regulation 10(c) of the SEBI SBEB & SE Regulations.
- 8.10 **Lapse of Options**
Failure to Exercise Options within this time period, shall result in lapsing of Vested Options in the hands of Option Grantee and the Option Grantee shall have no right over such lapsed or cancelled. The said lapsed options shall then be treated as per clause 3.4 of the KVB-ESOS-2025.
- 9. Lock-in**
- 9.1 The Shares allotted to the Grantees pursuant to Exercise of Options shall be subject to no lock-in period from the date of allotment. The Grantee is free to sell the Shares.
- 10. Exit route in case of de-listing**
If the Bank gets de-listed from all the recognized Stock Exchanges, then the Nomination and Remuneration Committee shall have the power to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the then prevailing Applicable Laws.

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11. Restriction on transfer of Employee Stock Option

- 11.1 The Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 11.2 Employee Stock Option shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions at Sub-clause 8.2(b) would apply.
- 11.3 No person other than the Employee to whom the Option is granted shall be entitled to exercise the Option except in the event of the death of the Option Grantee, in which case provisions at Sub-clause 8.2(b) would apply.

12. Rights as a shareholder

- 12.1 The Option Grantee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of Employee Stock Option granted, till Shares underlying such Employee Stock Option are issued and allotted upon exercise thereof.
- 12.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Bank (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee exercises the Option and becomes a registered holder of the Shares of the Bank.
- 12.3 If the Bank issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Employee Stock Option or the Exercise Price or both would be made in accordance with Sub-clause 4.5 (m) of KVB-ESOS-2025.

13. Deduction of Tax

- 13.1 The liability of paying taxes, if any, in respect of Employee Stock Options granted pursuant to the KVB-ESOS-2025 and the Shares issued pursuant to exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees working abroad, if any.
- 13.2 The Bank shall have the right to deduct from the Option Grantee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement/any dues payable.
- 13.3 The Bank shall have no obligation to deliver Shares until the Bank's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

14. Malus/ Clawback

- 14.1 Subject to compliance of the Applicable Laws, the Bank reserves the right of executing Malus/ Clawback arrangements in circumstances as specified at the time of Grant of Employee Stock Option or those defined in the Bank's Compensation Policy/ HR policies from time to time.

15. Authority to vary terms

- 15.1 For the purpose of efficient implementation and administration of the KVB-ESOS-2025, the Nomination and Remuneration Committee may, if it deems necessary, vary the terms of KVB-ESOS-

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2025, including pursuant to meeting any regulatory requirements, subject to the Applicable Laws and the conditions of the shareholders' approval, by way of a special resolution, in such manner which is not detrimental to the interest of employee.

Provided that the Bank shall be entitled to vary the terms of the KVB-ESOS-2025 to meet any regulatory requirement without seeking shareholders' approval by way of a special resolution.

16. Miscellaneous

- 16.1 The maximum quantum of benefits that will be available to every Eligible Employee under the KVB-ESOS-2025 will be the difference between the Market Value of Bank 's Share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Employee.
- 16.2 The KVB-ESOS-2025 shall not confer on any person any legal or equitable rights (other than those to which he would be entitled as an ordinary member of the Bank) upon allotment of Shares pursuant to Exercise of Options against the Bank , either directly or indirectly or give rise to any cause of action in law or in equity against the Bank .
- 16.3 The Option Grantee shall abide by the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 as may be amended from time to time, Bank 's Code of Conduct for prevention of insider trading and Code of practices and procedures for fair disclosure of unpublished price sensitive information adopted by the Bank under SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the Option Grantee shall indemnify and keep indemnified the Bank in respect of any direct or indirect liability arising as a result or consequence of the violation of above, if applicable.
- 16.4 **Government Regulations**
This KVB-ESOS-2025 shall be subject to all Applicable Laws, and approvals from governmental authorities. The Grant and the allotment of Shares under this KVB-ESOS-2025 shall also be subject to the Bank requiring Employees to comply with all Applicable Laws.
- 16.5 **Inability to obtain authority**
The inability of the Bank to obtain authority from any regulatory body having jurisdiction over the Bank, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Bank of any and all liability in respect of the failure to issue or sell such Shares.
- 16.6 Unless otherwise intended, the Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person and the Bank give such person any right or entitlement to have an Employee Stock Option granted to him in respect of any number of Shares or any expectation that an Employee Stock Option might be granted to him whether subject to any condition or at all.
- 16.7 Neither the existence of the KVB-ESOS-2025 nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in the KVB-ESOS-2025 by being granted an Employee Stock Option on any other occasion.
- 16.8 The rights granted to an Option Grantee upon the grant of an Employee Stock Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in

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consequence of the loss or termination of his office or employment with the Bank for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

- 16.9 **General Risks:** The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Employee Stock Option in whole or in part.
- 16.10 Participation in KVB-ESOS-2025 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Employee alone.
- 16.11 Any Option Grantee to whom the Options are granted under this KVB-ESOS-2025 may at any time, surrender his Options to the Bank. In such case the Bank would not be liable to pay any compensation to the Option Grantee on account of his surrender of Options. The Options so surrendered will be added back to the pool of the KVB-ESOS-2025 and pursuant to this the Option Grantee shall cease to have all rights and obligations over such Options.
- 16.12 In case of merger/ de-merger/amalgamation/spin off/ consolidation, the suitable adjustments shall be made as per determined in the relevant KVB-ESOS-2025Scheme of such reconstitution merger/de-merger/ amalgamation / spin-off which is not prejudicial to the interest of the Option Grantee.
- 16.13 In the event of severance of employment of a Option Grantee, as a part of reconstitution / /amalgamation / sell-off or otherwise, the Options granted and not exercised before such reconstitution / amalgamation / sell-off, shall be exercised as per the terms and conditions determined in the relevant KVB-ESOS-2025of such reconstitution / amalgamation / sell-off not prejudicial to the interest of the Option Grantee.
- 16.14 **Nomination of Beneficiary:**
Each Option Grantee under the KVB-ESOS-2025 is required to nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the KVB-ESOS-2025 is to be delivered in case of his or her death before he receives all of such benefit. In case nomination is not obtained for any reason, nomination filed with HR as a part of employment conditions shall be taken into consideration. Each such nomination shall revoke all prior nominations by the same Option Grantee, shall be in a form prescribed by the Bank and will be effective only when filed by the Option Grantee in writing with the Bank during the Option Grantee's lifetime. If the Option Grantee fails to make a nomination, the Shares shall Vest on his/her legal heirs in the event of his/her death.
- 16.15 **Listing:**
Shares so issued/allotted to the Option Grantee pursuant to the Exercise of Options by the Option Grantee under this KVB-ESOS-2025 shall be listed immediately on all the recognized stock exchange(s) where the existing Shares of the Bank are listed.

17. Accounting and Disclosures

- 17.1 RBI's clarification dated August 30, 2021 on Guidelines on compensation to Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff advised the banks to fair value share-linked instruments on the date of grant using Black Scholes Model, accordingly the Bank has changed its accounting policy from intrinsic value method to fair value method for all employee stock options granted to be granted thereafter.

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17.2 The Bank shall use fair value method or such other method as prescribed by the RBI from time to time. Compensation cost will be booked in the books of account of the Bank over the Vesting Period. The Bank shall comply with the disclosure requirements and accounting policies specified in the SEBI (SBEB & SE) Regulations 2021.

17.3 The Bank shall make necessary disclosures in the Board Report as prescribed under SEBI SBEB & SE Regulations from time to time.

18. Certificate from Secretarial Auditors

18.1 The Nomination and Remuneration Committee shall at each annual general meeting place before the shareholders a certificate from the Secretarial Auditors of the Bank that the KVB-ESOS-2025 has been implemented in accordance with the SEBI SBEB & SE Regulations and in accordance with the resolution of the Bank in the general meeting.

19. Governing Laws

19.1 The terms and conditions of the KVB-ESOS-2025 shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below. In the event of any variation between the provisions of the Scheme and the SEBI Regulations, the provisions of the SEBI Regulations shall prevail over the Scheme and the provisions of the Scheme shall be deemed to have been amended so as to be read in consonance with the SEBI Regulations from time to time.

19.2 Foreign Exchange Laws

In case any Employee Stock Options are granted to any Employee being resident outside India working outside India, the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder as amended and enacted from time to time shall be applicable and the Bank has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Employee Stock Options and allotment of Shares thereof.

20. Notices

20.1 All notices of communication required to be given by the Bank to an Option Grantee by virtue of this KVB-ESOS-2025 shall be in writing. The communications shall be made by the Bank in any one or more of the following ways:

- (i) Sending communication(s) to the address of the Option Grantee available in the records of the Bank; or
- (ii) Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
- (iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

20.2 Any communication to be given by an Option Grantee to the Bank in respect of KVB-ESOS-2025 shall be sent at the address mentioned below or e - mailed at:

Chief Human Resources Officer - Human Resource, Karur Vysya Bank Limited,

Registered Office: No.20, Erode Road, Vadivel Nagar, L.N.S., Karur, Tamil Nadu 639 002, India

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21. Jurisdiction

- 21.1 The Courts in Karur, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this KVB-ESOS-2025.
- 21.2 Nothing in this Clause shall however limit the right of the Bank to bring proceedings against any Employee in connection with this KVB-ESOS-2025:
- (i) in any other court of competent jurisdiction; or
 - (ii) concurrently in more than one jurisdiction.

22. Severability

- 22.1 In the event any one or more of the provisions contained in the KVB-ESOS-2025 shall for any reason be held to be invalid, illegal, or unenforceable under Applicable Laws; in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of the KVB-ESOS-2025 in which case the KVB-ESOS-2025 shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the KVB-ESOS-2025 shall be carried out as nearly as possible according to its original intent and terms.

23. Modification of Scheme:

- 23.1 Subject to the Applicable Laws, the Committee may, at any time:
- i. Revoke, add to, alter, amend or vary all or any of the terms and conditions of the KVB-ESOS-2025 or any of the rights and obligations of the Option Grantee.
 - ii. Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the specific Option Grantee or class or category of Option Grantee. Each of such sets of special terms and conditions shall be restricted in its application to those specific Option Grantee or class or category of such Option Grantee.
- 23.2 Any amendment, variation or modification under the KVB-ESOS-2025 shall not be prejudicial to the interest of the Option Grantee of the Bank.

24. Confidentiality

- 24.1 An Option Grantee must keep the details of the KVB-ESOS-2025 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Bank or that of its affiliates. In case Option Grantee is found in breach of this Clause, the Bank shall have undisputed right to terminate any agreement/Grant and all unexercised Employee Stock Option shall stand cancelled immediately. The decision and judgment of the Nomination and Remuneration Committee regarding breach of this Clause on confidentiality shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this Clause, the Nomination and Remuneration Committee shall have the authority to deal with such cases as it may deem fit.
- 24.2 On acceptance of the Grant of Option offered by the Bank, it shall be deemed that as if the Option Grantee has authorized the Bank to disclose information relating to the Option Grantee during the process of implementation of the KVB-ESOS-2025 or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need-to-know basis.

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