

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955



Updater Employee Stock Option Plan 2022

Updater Services Limited

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

TABLE OF CONTENTS

1. NAME, OBJECTIVE AND TERM OF THE PLAN.....	3
2. DEFINITIONS AND INTERPRETATION	3
3. AUTHORITY AND CEILING	8
4. ADMINISTRATION.....	9
5. ELIGIBILITY AND APPLICABILITY.....	10
6. GRANT AND ACCEPTANCE OF GRANT.....	11
7. VESTING SCHEDULE AND VESTING CONDITIONS.....	11
8. EXERCISE	13
9. SPECIAL PROVISIONS FOR EXERCISE IN CASE OF LISTING.....	13
10. EXERCISE IN CASE OF LIQUIDITY EVENTS.....	15
11. CASH SETTLEMENT OF VESTED OPTIONS.....	16
12. RIGHT TO PRESCRIBE FOR CASHLESS EXERCISE OF OPTIONS.....	16
13. LISTING.....	16
14. LAPSE OF OPTIONS	16
15. LOCK-IN OF SHARES.....	17
16. RESTRICTION ON TRANSFER OF OPTION.....	17
17. OTHER TERMS AND CONDITIONS	17
18. DEDUCTION/RECOVERY OF TAX.....	17
19. AUTHORITY TO VARY TERMS.....	18
20. MISCELLANEOUS	18
21. NOTICES.....	19
22. NOMINATION.....	19
23. ACCOUNTING AND DISCLOSURES	19
24. GOVERNING LAWS	20
25. JURISDICTION.....	20
26. SEVERABILITY.....	20

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

27. CONFIDENTIALITY21

1. Name, Objective and Term of the Plan

- 1.1 This employee stock options plan shall be called the ‘Updater Employee Stock Option Plan 2022’ (hereinafter referred to as “ESOP 2022”/ “Plan”).

The Primary Objective of this Scheme is to Motivate and Reward People to help create Long Term Value for the UDS Group. The purpose of rewarding people for past Value Creation at UDS and in some Group Companies such as Matrix Business Services India Private Limited(“Matrix”) and Denave India Private Limited(“Denave”) has been achieved to an extent through the ESOP Program Phase 1 and the individual Programs of Matrix and Denave. The Program Design will include the following Key Elements (The design excludes any specific individual commitments that may have been made):

1. Entity whose Stock is proposed to be granted
2. Total Grant Size
3. Scheme Timelines
4. Broad Scheme Construct:
 - a. Strike Price
 - b. Vesting Schedule
5. Tax Liability
6. Scheme Award/Grant Components
7. Coverage and Beneficiary Selection
8. Quantum of Award/Grant per Beneficiary
9. Concept of a “Group” Multiple
10. Quantum to be kept for “Future” Employees
11. Next Steps

The Company intends to use this Plan to attract, retain and motivate critical talents working with the Company and its subsidiary companies, as the case may be, by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views employee stock units as long-term incentive tools that would enable the Employees not only to become co-owners, but also to create wealth out of such ownership in future.

- 1.2 The ESOP 2022 will be established with effect from the date on which the shareholders of the Company have approved the Plan and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the ESOP 2022 have been issued and exercised, whichever is earlier.

- 1.3 Subject to provisions of Clause 18 of this Plan, the Board as authorized may at any time alter, amend, suspend or terminate the Plan.

2. Definitions and Interpretation

2.1 Definitions

- i. “Applicable Law” means every law relating to Options, Employee Stock

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

Options by whatever name called, including and without limitation to the Companies Act, 2013 and the rules framed thereunder, Securities and Exchange Board of India Act 1992, SEBI SBEB Regulations and includes any statutory modifications or re-enactments thereof and all relevant tax, securities, exchange control or corporate laws of India or of any relevant jurisdiction or of any Stock Exchange on which the Shares are listed or quoted or proposed to be listed or quoted.

- ii. **“Board”** means the Board of Directors of the Company.
- iii. **Catch-Up** means one more opportunity to get back the Performance based Vesting which was missed out for non-achievement of Performance Targets in a Financial Year.
- iv. **“Committee”** means the nomination and remuneration committee constituted by the Board from time to time, to administer and supervise the ESOP 2022 and other employee benefit plan/schemes, if any, comprising of such members of the Board as provided under Section 178 of the Companies Act to act as a compensation committee under Regulation 5 of the SEBI SBEB Regulations.
- v. **“Change in Control”** means sale of Shares held by the Current Shareholders to any individual(s), entity(ies) or group(s) other than the Promoter or Promoter Group, of more than 50% (fifty percentages) of the voting power in the Company and involving change of control over the affairs of the Company or in the constitution of the Board.

Provided that sale of Shares by the Current Shareholder(s) among themselves, to any of their immediate relatives being spouse, son, daughter and parent, or to any company over which such selling Current Shareholder(s) have control, shall not qualify as Change in Control.
- vi. **“Control”** shall include the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner;
- vii. **“Companies Act”** means the Companies Act, 2013 read with rules issued thereunder from time to time and includes any statutory modifications or reenactments thereof.
- viii. **“Company”** means “Updater Services Limited”, a company registered in India under the provisions of the Companies Act, 1956, having CIN:U74140TN2003PLC051955 and having its registered office at No.2/302-A, UDS Salai, off old Mahabalipuram Road, Thoraipakkam Chennai Kancheepuram, TN - 600 097 and shall deem to mean

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

Holding company, as the context may require for the purposes of this Plan.

- ix. **“Company Policies/Terms of Employment”** means the Company’s policies for Employees and the terms of employment as contained in the employment letter and the Company handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers. Policies/terms of employment of the Subsidiary company as regards an Option Grantee on the payrolls of such Subsidiary company, shall be deemed to be “Company Policies/Terms of Employment” for such Option Grantee.
- x. **“Current Shareholders”** means a person whether a natural individual or a corporate entity or together with another person or corporate entity, who holds Shares in the paid-up equity share capital of the Company at the time of sale of Shares of more than 50% of the voting power of the Company and the term Current Shareholders refers to all such Current Shareholders of the Company.
- xi. **“Director”** means a member of the Board of the Company.
- xii. **“Eligibility Criteria”** means the criteria as may be determined from time to time by the Committee for granting the Options to the Employees.
- xiii. **“Employee”** means
- (i) a permanent employee of the Company working in India or out of India;
 - (ii) a Director of the Company, whether a whole time Director or not; or
 - (iii) an employee of a Holding or a Subsidiary of the Company;
- but excludes**
- a. an employee who is a Promoter or belongs to the Promoter Group;
 - b. a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company; and
 - c. a Director being an Independent Director.
- xiv. **“ESOP 2022”** means the Updater Employee Stock Unit Plan 2022 under which the Company is authorized to grant Options to the Employees.
- xv. **“Employee Stock Option”** means Options granted to an Employee, which gives such Employee the right, but not an obligation, to purchase at a future date the Shares underlying such Option at a pre-determined price.
- xvi. **“Exercise”** of an Option means expression of an intention by an Employee to the Company to purchase the Shares underlying the Options vested in him, in pursuance of the ESOP 2022, in accordance with the procedure laid down by the Company for Exercise of Options.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- xvii. **“Exercise Period”** means such time period commencing after Vesting within which the Employee should Exercise the Options vested in him in pursuance of the Plan, as more particularly specified at Sub-clause 8.2 of the Plan.
- xviii. **“Exercise Price/Strike Price”** means the price payable by an Option Grantee in order to Exercise the Options granted to him in pursuance of the ESOP 2022.
- xix. **“Fair Market Value”** means the value of a Share of the Company as determined by a registered valuer or an independent valuer, as required by Applicable Laws for the time being in force and appointed by the Company from time to time.
- xx. **“Grant”** means the process by which the Company issues Options to the Employees under ESOP 2022.
- xxi. **“Holding company”** means any present or future holding company of the Company, determined as per provisions of Section 2(46) of the Companies Act.
- xxii. **“Independent Director”** means a Director within the meaning of Section 149(6) of the Companies Act.
- xxiii. **“Listing”** means listing of the Company’s Shares on any recognized Stock Exchange in India which includes listing of Shares pursuant to initial public offering of Shares as per Applicable Laws.
- xxiv. **“Liquidity Event”** means any event or transaction as decided and approved by the Board/Committee as liquidity event for the purposes of this Plan, from time to time, which more particularly includes the following events:
 - a. Change in Control conferring a right of drag along to the Current Shareholders in terms of provisions of Sub-clause 9.1 of the Plan;
and
 - b. Any other event, which the Board/Committee may designate as a liquidity event for the purpose of the Plan.
- i. **“Misconduct”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to violation or breach of terms of employment as determined by the Committee after giving the Employee an opportunity of being heard:
 - (i) dishonest statements or acts of an Employee, with respect to the Company;
 - (ii) any misdemeanour involving moral turpitude, deceit, dishonesty or fraud committed by the Employee;
 - (iii) gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- Company;
- (iv) breach by the Employee of any terms of his employment agreement or the Company's policies or other documents or directions of Company;
 - (v) participating or abetting a strike in contravention of any law for the time being in force;
 - (vi) misconduct as provided under the labour laws after following the principles of natural justice;
 - (vii) committing of any act warranting summary termination under law;
 - (viii) being convicted of any criminal offence; and
 - (ix) Any other act or omission not included above, but defined as misconduct in the Company's rules or Employee handbook and / or employment agreement and/or appointment letter.
- xxv. **"Option"** means Employee Stock Option within the meaning of this Plan.
- xxvi. **"Option Grantee"** means an Employee who has been granted an Option in pursuance of the ESOP 2022 and has accepted such Grant as required under the Plan and shall deem to include nominee/ legal heir of such Option Grantee in case of death of Option Grantee to the extent provisions of the Plan is applicable.
- xxvii. **"Permanent Incapacity"** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Board.
- xxviii. **"Plan"** means ESOP 2022 within the meaning of this document.
- xxix. **"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.
- 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.
- Provided that where the Promoter or Promoter Group of the Company is a body corporate, the Promoters of that body corporate shall also be deemed to be Promoters of the Company.
- xxx. **"Retirement"** means retirement as per the rules of the Company or subsidiary company as the case may be.
- xxxi. **"Shares"** means equity shares of the Company of face value of Rs. 10 (Ten) each fully paid-up including the equity shares arising out of the Exercise of Options granted under ESOP 2022.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- xxxii. **“Stock Exchange”** means the National Stock Exchange of India Limited (NSE), BSE Limited (BSE) or any other recognized stock exchanges in India on which the Company’s Shares are listed or to be listed in future.
- xxxiii. **“Subsidiary(ies)”** means any present or future subsidiary company(ies) of the Company as per the provisions of the Companies Act.
- xxxiv. **“SEBI SBEB Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and re-enacted from time to time, and includes any clarifications or circulars issued thereunder.
- xxxv. **“Unvested Option”** means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option.
- xxxvi. **“Vested Option”** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option.
- xxxvii. **“Vesting”** means earning by the Option Grantee, of the right to Exercise the Options granted to him in pursuance of the ESOP 2022.
- xxxviii. **“Vesting Condition”** means any condition subject to which the Options granted would vest in an Option Grantee.
- xxxix. **“Vesting Period”** means the period during which the Vesting of the Option granted to the Employee, in pursuance of the ESOP 2022 takes place.

2.2 Interpretation

In this Plan, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender;
- e) a reference to a Schedule includes a reference to any part of that Schedule which is incorporated by reference.
- f) The terms defined in ESOP 2022 shall for the purposes of ESOP 2022 have the meanings herein specified and terms not defined in ESOP 2022 shall have the meanings as defined in the Companies Act or Applicable Laws as the context

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

requires. Reference to any Act, Rules, Statute or Notification shall include any statutory modifications, substitution or re-enactment thereof.

3. Authority and Ceiling

- 3.1 The shareholders of the Company shall vide a special resolution approve the Plan authorizing the Committee to grant not exceeding 18,50,000 (Eighteen Lakhs Fifty Thousand only) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 18,50,000 (Eighteen Lakhs Fifty Thousand only) Shares of face value of Rs.10 (Ten) each fully paid up, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.
- 3.2 The maximum number of Options under ESOP 2022 that may be granted to any identified Employee and in aggregate to all the Employees shall be decided by the Committee.

However, the Grant of Options under ESOP 2022 to all identified Employees, shall not, at any time exceed the total Option pool size approved by the shareholders for ESOP 2022.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- 3.3 If an Option expires, lapses or becomes un-exercisable due to any reason or gets cancelled, it shall be brought back to the Options pool as mentioned in Sub-clause 3.1 and shall become available for future Grants, subject to compliance with all Applicable Laws.
- 3.4 Where Shares are issued consequent upon Exercise of an Option under the ESOP 2022, the maximum number of Shares that can be issued under ESOP 2022 as referred to in Clause 3.1 above shall stand reduced to the extent of such Shares issued.
- 3.5 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 this Plan, the maximum number of Shares available for being granted under ESOP 2022 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. 10 per Share and the revised face value after the Share split is Rs. 5 per Share, the total number of Shares available under ESOP 2022 would be (Shares reserved at Sub-Clause 3.1 x 2) Shares of Rs. 5 each. Similarly, in case of bonus issue, etc. the available number of Shares under ESOP 2022 shall be revised to restore the value.

4. Administration

- 4.1 The ESOP 2022 shall be administered by the Board of the Company. The Board may delegate some or all the functions relating to administration of the ESOP 2022 to the Committee in which case the rights, powers, duties or liabilities of the Board to the extent delegated shall be discharged by the Committee to the extent delegated.
- 4.2 All questions of interpretation of the ESOP 2022 shall be determined by the Board/Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2022 or in any Option issued thereunder. Neither the Company nor the Board shall be liable for any action or determination made in good faith with respect to ESOP 2022 or any Options granted thereunder.
- 4.3 The Board shall in accordance with this Plan and Applicable Laws determine the following:
- (a) The quantum of Option to be granted under the ESOP 2022 per Employee, subject to the ceiling as specified in Para 3.1;
 - (b) The Eligibility Criteria for grant of Option to the Employees;
 - (c) The Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- (d) The specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;
- (e) 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;
- (f) The procedure for making a fair and reasonable adjustment to the number of Option and/or 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 Board:
 - (i) the number and/or the Exercise Price of Option shall be adjusted in a manner such that total value of the Option remains the same before and after such corporate action; and
 - (ii) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.
- (g) The procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;
- (h) The conditions under which Option vested in Employees may lapse in case of termination of employment for misconduct;
- (i) The procedure for cashless Exercise of Option, if required;
- (j) 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; and
- (k) Approve forms, writings and/or agreements for use in pursuance of the ESOP 2022.

5. Eligibility and Applicability

- 5.1 Only Employees within the meaning of this Plan are eligible for being granted Options under ESOP 2022. The specific Employees to whom the Option would be granted and their Eligibility Criteria shall be determined by the Committee.
- 5.2 The Plan shall be applicable to the Company, its Holding company or its subsidiaries and any successor company thereof and Options may be granted to the Employees of the Company and/or its Holding company or subsidiaries, as determined by the Committee at its sole discretion.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

5.3 Appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

6. Grant and Acceptance of Grant

6.1 Grant of Options

(a) Grants contemplated under the Plan shall be made on such day and month as decided by the Committee at its discretion.

(b) Each Grant of Option under the Plan shall be made in writing by the Company to the eligible Employees by way of Grant Letter containing specific details of the Grant, and disclosure requirements, as prescribed under Applicable Laws.

6.2 Acceptance of the Grant

Any eligible Employee who wishes to accept the Grant made under this Plan must deliver to the Company a duly signed acceptance of the letter of Grant on or before the date (“Closing Date”) which shall not be more than 60 days from the date of the Grant, as specified in the letter of Grant. On receipt by the Company of the signed acceptance, the eligible Employee will become an Option Grantee.

6.3 Any eligible 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 Committee determines otherwise.

7. Vesting Schedule and Vesting Conditions

- a. Strike Price: INR 300/- for each ESOP/Share (Strike Price at a Valuation of Approx. 1600 Crores.)
- b. Vesting Schedule: Vesting to be done over 4 years in a predetermined ratio, subject to Scheme Award/Grant components defined hereunder.
 - i. Vesting will be subject to the following Service Conditions:
 1. 1st Tranche will vest only post 1 year of service for all ESOPs from the date of Grant. No fractional vesting for Tenure based vesting or Performance based vesting if not in service for 1 year from the date you are entitled for the grants. For both Tenure based vesting as well as Performance based vesting, vesting will happen over a period of 4 years. In the case of Performance based ESOPs, vesting will be based on achievement of performance targets. No fractional vesting for Tenure or Performance based vesting except as specified in ESOP 2022.
 2. For < 6 months served during the year - no Fractional Vesting will take place,
 - ii. For >= 6 months served during the year - 50% of the tenure related Grant will vest, No vesting for performance related ESOPs.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- iii. For full year served - 100% of the Tenure and Performance based Grant will vest though employee may or may not be on the Rolls of the Company on date of Vesting.
 - c. If the Employee leaves/retires before full Vesting, they may exercise the Vested Options at any time upto 5 years post vesting or 30 days from the date of Listing, whichever is later. The balance unvested Options will lapse. Notwithstanding anything contained in this Scheme, in the event of happening of a Liquidity Event, the Vested Options shall be exercised by the Option Grantees within the time limit specified by the Board in this regard.
2. Scheme Award/Grant Components:
- a. Tenure Based:
 - i. 50 % of total Grant is based on Tenure served
 - ii. 10% will vest in each of the first 2 years and 15% will vest in the 3rd & 4th year.
 - iii. The Vesting Dates will be:
 1. FY 23 : Tenure Based Vesting on first anniversary from date of grant subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct.
 2. FY 24 : Tenure Based Vesting on April 01st '24, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct.
 3. FY 25 : Tenure Based Vesting on April 01st'25, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct.
 4. FY 26 : Tenure Based Vesting on April 01st'26, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct.
 - b. Performance Based:
 - i. The Total Grant minus the Tenure based Grant of 50%, i.e. the Balance 50% of the total Grant, will be Performance based.
 - ii. 25% of the 50% (12.5%) will vest in each year (i.e. for 4 years) as per the below Scheme:
 1. The Performance Targets will be the Agreed EBITDA Targets agreed with each Company namely Denave India Private Limited(Denave), Matrix Business Services India Private Limited(Matrix), Avon Solutions & Logistics Private Limited(Avon), Fusion Foods & Catering Private Limited(Fusion), Tangy Supplies & Solutions Private Limited(Tangy)& Updater Services Limited(UDS) for each of the 4 Years. Performance Targets for the Financial year shall be decided and communicated around March month preceding the said Financial year or during April of the said Financial Year with each of the aforesaid Companies except for the Year 2023 which is already determined.
 2. Identified Group Resources - CEO, CFO, Etc, will have UDS Group level Targets and will be mentioned in their individual grant letters.
 3. The Triggers (the performance achievement at which the "Performance" element of Award is Triggered) will be:
 - a. <90%: NIL
 - b. >=90 and <95%: 50%
 - c. >=95% and <96: 60%
 - d. >=96% and <97: 70%
 - e. >=97% and <98: 80%
 - f. >=98% and <99: 90%

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.

CIN: U74140TN2003PLC051955

g. $\geq 99\%$: 100%

- iii. There will be a “Catch-Up” opportunity available in case a Company does not meet its Targets in any particular Financial Year (<80% achievement). In other words you will have one more opportunity to get back the Performance based Vesting which you missed out. In case of missing out the Performance based ESOPs for a particular Financial year, it will be carried forward for one more year and you have the opportunity of getting it provided the targets of the next Financial Year is achieved. If the targets are not achieved in the second year as well, the Performance based ESOPs of the first year shall lapse.
- iv. All Performance based awards will operate as per the same standardized and transparent Targets to ensure that the Company is aligned to ONE Number.
- v. The Vesting Dates will be:
- 1- FY 23 : Performance Based Vesting on first anniversary from date of grant, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct and depending on the performance achieved.
 - 2- FY 24 : Vesting on July 1st '24, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct and depending on the performance achieved.
 - 3- FY 25 : Vesting on July 1st'25, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct and depending on the performance achieved.
 - 4- FY 26 : Vesting on July 1st'26, subject to the condition that the Grantee is in service of the Company and no notice of termination has been served for misconduct and depending on the performance achieved.
- c. For Global Flight Handling Services Private Limited(Global) & Wynwy Technologies Private Limited which is “Pre-Revenue” and in Start-Up mode, the Vesting Schedule will start from FY 24 (Year 2) and will be for 3 years.

The Vesting schedule and specific Vesting Conditions subject to which Vesting would take place shall be specified in the letter issued to the Option Grantee at the time of Grant.

7.4 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 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 Committee.

7.5 Acceleration of Vesting in certain cases

Subject to elapse of minimum Vesting Period of 1 (one) year from the date of Grant:

- (i) The Committee shall have the power to accelerate Vesting of any or all Unvested Options at its sole discretion.
- (ii) The Options remaining unvested as on date of meeting of the Committee considering the proposal for such acceleration, may at the discretion of the Board be deemed to vest with effect from that date or from such other date as the Committee may determine.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

8. Exercise

8.1 Exercise Price

- (a) The Exercise Price per Option shall be determined by the Committee which shall not be less than the face value of the Share as on date of Grant of such Option. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter at the time of Grant.
- (b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or in such other manner as the Committee may decide from time to time.

8.2 Exercise Period

(a) **Exercise while in employment/ service:**

The Vested Options can be exercised by the Option Grantees:

within a period of 5 years from the date of vesting or 30 days from the date of Listing, whichever is later. Notwithstanding anything contained in this Scheme, in the event of happening of a Liquidity Event, the Vested Options shall be exercised by the Option Grantees within the time limit specified by the Board in this regard.

(b) **Exercise in case of separation from employment/ service:**

The Vested Options can be exercised by the Option Grantee as under:

S. No.	Events of separation	Vested Options	Unvested Options
1	Resignation / termination (other than due to Misconduct)	All the Vested Options as on date of resignation/ termination shall be exercised by the Option Grantee within a period of 5 years from the date of vesting or 30 days from the date of Listing, whichever is later. Notwithstanding anything contained in this Scheme, in the event of happening of a Liquidity Event, the Vested Options shall be exercised by the Option Grantees within the time limit specified by the Board in this regard.	All the Unvested Options as on date of resignation/ termination shall stand cancelled with effect from date such resignation/ termination.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

2	Termination due to Misconduct	All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.
3	Retirement	All the Vested Options as on date of Retirement shall be exercised by the Option Grantee within a period of 5 years from the date of vesting or 30 days from the date of Listing, whichever is later. Notwithstanding anything contained in this Scheme, in the event of happening of a Liquidity Event, the Vested Options shall be exercised by the Option Grantees within the time limit specified by the Board in this regard.	All Unvested Options on the date of Retirement shall stand cancelled with effect from date of Retirement.
4	Death	All the Vested Options as on date of death shall be exercised by the nominee or legal heir of the Option Grantee within a period of 5 years from the date of vesting, or 30 days from the date of Listing, whichever is later. Notwithstanding anything contained in this Scheme, in the event of happening of a Liquidity Event, the Vested Options shall be exercised by the nominee or legal heir within the time limit specified by the Board in this regard.	All the Unvested Options as on the date of death shall be deemed to vest immediately and may be exercised as per provisions applicable for Vested Options.
5	Permanent Incapacity	All the Vested Options as on date of Permanent Incapacity can be exercised by the Option Grantee within a period of 5 years from the date of vesting or 30 days from the date of Listing, whichever is later. Notwithstanding anything contained in	All the Unvested Options as on the date of incurring such disability shall be deemed to vest immediately and may be exercised as per provisions applicable for Vested Options.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

		this Scheme, in the event of happening of a Liquidity Event, the Vested Options shall be exercised by the Option Grantees within the time limit specified by the Board in this regard.	
6	Abandonment of employment	All the Vested Options shall stand cancelled with effect from such date as determined by the Committee.	All Unvested Options shall stand cancelled with effect from such date as determined by the Committee.
7	Termination due to reasons apart from those mentioned above	The Committee shall decide whether the Vested Options as on that date can be settled or not, and such decision shall be final.	All Unvested Options on the date of such termination shall stand cancelled unless otherwise required by Applicable Laws.

8.3 Procedure of Exercise:

The Vested Options can be exercised by the Option Grantees by a written application to the Company in the format as may be prescribed in due course keeping in view the administrative and/ or the legal requirements prevailing at that time.

9. Exercise in case of Liquidity Events:

9.1 Exercise arising from Drag along rights in case of Change in Control:

- (a) Notwithstanding anything contained elsewhere in this Plan, in case prior to Listing, to facilitate the Change in Control within the meaning of this Plan, the Current Shareholders shall have to drag-along all the Shares underlying the Vested Options of the Option Grantees and all unvested options as on the date of the event will automatically vest, subject to elapse of minimum Vesting Period of 1 (one) year from the date of Grant. However, this drag-along shall be on terms not less favourable than those of the sale of the Shares held by the Current Shareholders as more particularly mentioned hereunder.
- (b) The Current Shareholders desiring to Exercise their rights stated in sub-clause (i) above shall deliver a written notice ("Notice") to each Option Grantee setting out the salient feature of the Change in Control and details of the terms and conditions including number of Shares to be dragged-along, price per Share, the manner and mode of transfer of Shares.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- (c) Option Grantees shall Exercise the Vested Options to meet the drag-along obligation as set out in the Notice. The new Shares arising out of the Exercise of Vested Options pursuant to the Notice shall be offered by the Option Grantee. **However, in case the Option Grantee chooses not to Exercise, such number of Vested Options as specified for Exercise in the Notice shall lapse on expiry of specified Exercise Period.**
- (d) Each Option Grantee shall take all necessary and desirable actions in connection with the completion of the Change in Control, including executing agreements and instruments and taking other actions as may be reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions and other provisions and agreements, as the case may be, required to complete the Change in Control.
- (e) If an Option Grantee fails for any reason to take any of the actions described above particularly after, he/she shall be deemed to have appointed any Company Director nominated by the Company as his/her attorney, on his/her behalf and in his/her name, with full power, to execute, complete and deliver any document or instrument or to take any other action, including to receive the proceeds of the sale and to give good quittance for the sale price in order to complete the Change in Control the Option Grantee shall confirm and ratify the acts of such Company Director acting as his attorney under this Sub-clause.

9.2 Listing or an Initial Public Offering

Post Listing of the Shares of the Company on a Stock Exchange, Option Grantee can sell Shares in the secondary market or otherwise any time in accordance with Applicable Laws and Company Policy, subject to any restriction on the transferability of Shares as per Applicable Laws.

10. Cash Settlement of Vested Options

- 10.1 Prior to Listing, the Board at its discretion shall have the right, without any obligation, to prescribe for cash settlement of any or all unexercised Vested Options.
- 10.2 The consideration for the cash settlement shall be determined with reference to the Fair Market Value prevailing as on date of Board meeting approving such proposal. In case of cash settlement, excess of such Fair Market Value over relevant Exercise Price shall be paid.
- 10.3 To the extent unexercised Vested Options are settled by way of cash payment, all rights of the Option Grantee therein including the right to Exercise such Options deemed to be settled and extinguished with effect from date of receipt of the cash payment.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

11. Right to prescribe for cashless Exercise of Options

Notwithstanding anything contained in the foregoing provisions relating to Exercise of Options, the Board is entitled to specify such procedures and mechanisms for the purpose of implementing the cashless Exercise of Options as may be necessary and the same shall be binding on all the Option Grantees. The procedure may *inter alia* require the Option Grantees to authorize any person nominated by the Company to deal with the Options on the Option Grantees' behalf till the realization of sale proceeds.

12. Listing

Upon Listing, the Option Grantee or his nominee/ legal heirs, where applicable, can sell Shares in the open market at any time in accordance with Applicable Laws and policies of the Company, subject to any lock in period as per Applicable Laws.

13. Lapse of Options

The Vested Options not exercised within the respective Exercise Periods prescribed in Sub-clauses of Clause 8 shall lapse and be deemed to be cancelled on expiry of such Exercise Period. The Option Grantee shall have no right or recourse over such lapsed/ cancelled Options.

14. Lock-in of Shares

The Shares arising out of Exercise of Vested Options would not be subject to any lock-in period after such Exercise except such restrictions as prescribed under the Applicable Laws.

15. Restriction on transfer of Options

15.1 The Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

15.2 Options 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.

15.3 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 holder, in which case provisions at Sub-clause 8.4 would apply.

16. Other Terms and Conditions

16.1 Listing of Shares

In case of Listing, the Board is authorized to do such acts, deeds and things including but not limited to amendment of this Plan to make the Plan compliant of any Applicable Laws prevailing at that time including imposition of lock-in restrictions for certain classes of Employees.

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- 16.2 The Employee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a Shareholder in respect of Options granted, till Shares underlying such Options are allotted on Exercise of such Option.
- 16.3 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (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 Company.
- 16.4 If the Company issues bonus or rights Shares, the Option Grantee will not be eligible for the bonus or rights Shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with Clause 4.3(f) of ESOP 2022.

17. Deduction/Recovery of Tax

- 17.1 The liability of paying taxes, if any, in respect of Options granted pursuant to this Plan 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 of Company or its Holding company or subsidiary companies working abroad, if any.
- 17.2 The Company shall have the right to deduct from the Employee'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.
- 17.3 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

18. Authority to vary terms

For the purpose of efficient implementation and administration of the ESOP 2022, the Board may, if it deems necessary, vary the terms of ESOP 2022, including pursuant to meeting any regulatory requirements, subject to the Applicable Laws and the conditions of the shareholders' approval, in such manner which is not detrimental to the interest of employee.

19. Miscellaneous

19.1 Government Regulations

This ESOP 2022 shall be subject to all Applicable Laws, and approvals from government

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

authorities. The Grant and the allotment of Shares under this ESOP 2022 shall also be subject to the Company requiring Employees to comply with all Applicable Laws.

19.2 Inability to obtain authority

The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company from any and all liability in respect of the failure to issue or sell such Shares.

19.3 Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an 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 this Plan by being granted an Option on any other occasion.

19.4 The rights granted to an Option Grantee upon the grant of an Option shall not afford the Option 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, its Holding company or its subsidiaries for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

19.5 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 Option in whole or in part.

19.6 Participation in Plan 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 Option Grantee alone.

20. Notices

20.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2022 shall be in writing. The communications shall be made by the Company 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 Company; and/ or
- ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; and/ or
- iii. Emailing the communication(s) to the Option Grantee at the official email address provided if any by the Company during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

20.2 All notices of communication to be given by an Option Grantee to the Company in respect of ESOP 2022 shall be sent to the address mentioned below:

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

Designation : **Head - Human Resource**

Address : **Updater Services Limited**

No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam
Chennai Kancheepuram, TN - 600 097.

E-mail : facility@uds.in; Raghu.tangirala@uds.in

21. Nomination

The Employee has to nominate a person as his/her nominee. The nominee in case of death or legal incapacity of Employee shall be the legal representative recognized by the Company as the inheritor of the Employee in respect of all rights and liabilities for the purposes of this Plan.

22. Accounting and Disclosures

22.1 The Company shall follow the rules/regulations applicable to accounting of Options with reference to Intrinsic Value of Shares or any other applicable rules/regulations as on date of Grant.

22.2 The rules/regulations to be followed shall include but not limited to the IND AS/ Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein.

23. Governing Laws

23.1 The terms and conditions of the ESOP 2022 shall be governed by and construed in accordance with the laws of India including the Income Tax Laws and Foreign Exchange Laws mentioned below.

23.2 Income Tax Laws

The provisions of the Income Tax Act, 1961 and Rules made thereunder as amended and enacted from time to time shall be applicable in respect of taxability of Employees and the Company arising out of any transaction in the Options.

23.3 Foreign Exchange Laws

In case any Options are granted to any Employee being resident outside India belonging to the Company, its holding company or its subsidiaries, 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 Company has to comply with such requirements as prescribed in connection with grant, vest, Exercise of Options and allotment of Shares thereof.

24. Jurisdiction

Updater Services Limited

Regd. Office: No.2/302-A, UDS Salai, Off Old Mahabalipuram Road, Thoraipakkam Chennai
Kancheepuram, TN - 600 097.
CIN: U74140TN2003PLC051955

- 24.1 The Courts in Chennai, Tamil Nadu shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2022.
- 24.2 Nothing in this Sub-clause will however limit the right of the Company to bring proceedings against any Employee in connection with this ESOP 2022:
- (i) in any other court of competent jurisdiction; or
 - (ii) con-currently in more than one jurisdiction.

25. Severability

In the event any one or more of the provisions contained in this ESOP 2022 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this ESOP 2022, but ESOP 2022 shall be construed as if such invalid, illegal, or unenforceable provision had never been set forth herein, and the ESOP 2022 shall be carried out as nearly as possible according to its original intent and terms.

26. Confidentiality

- 26.1 An Option Grantee must keep the details of the ESOP 2022 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 Company or that of its affiliates. In case Option Grantee is found in breach of this confidentiality Clause, the Company has undisputed right to terminate any agreement and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality Clause shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Committee shall have the authority to deal with such cases as it may deem fit.
- 26.2 On acceptance of the grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan 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.

-----End of Plan-----