

Annexure to the Board's Report

Disclosures under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time; and

B. Information regarding Diluted Earning Per Share on issue of shares pursuant to all the schemes covered under this Regulations in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time is disclosed in the notes to the Financial statements.

| A | Details related to ESOS | Marico Employee Stock Option Plan 2016 (Marico ESOP 2016) |
|---|---|--|
| 1 | Description of each Employee Stock Option Plan/Scheme that existed at any time during the year, including the general terms and conditions of each such Scheme/Plan: | |
| a | Date of shareholders' approval | At the Annual General Meeting held on August 5, 2016. |
| b | Total number of options approved under ESOS | Total number of stock options to be granted to the eligible employees of the Company and its subsidiaries shall not exceed in the aggregate, 0.6% of the issued equity share capital of the Company as on the commencement of Marico ESOP 2016 i.e. August 5, 2016. |
| c | Vesting requirements | Options shall vest not earlier than one year and not later than five years from the Grant Date. |
| d | Exercise price or pricing formula | Exercise Price: The Nomination and Remuneration Committee of the Board (Acting as the Compensation Committee) (hereinafter referred to as NRC) to determine the price under the various Scheme(s) notified under Marico ESOP 2016 in accordance with applicable provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014. |
| e | Maximum term of options granted | Exercise period to commence from the Vesting Date and will expire on completion of such period not exceeding 5 years from the Vesting Date. |
| f | Source of shares (primary, secondary or combination) | The source of shares is Primary. |
| g | Variation in terms of options | There was no variation in terms of Options. |
| 2 | Method used to account for Stock Options - Intrinsic or fair value. | Fair Value |
| 3 | Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. | Not Applicable. As per IND AS requirement, the company has to use fair value method. |

| 4 | Option movement during the year (For each ESOS): | Marico Employee Stock Option Plan 2016 (Marico ESOP 2016) | | | | | | | | | | | | | | |
|---|---|---|------------|---------------|----------|-----------|---------------|-------------|-----------|----------|-----------|------------|-------------|------------|-----------|------------|
| | | Scheme II | Scheme III | Scheme IV | Scheme V | Scheme VI | Scheme VII | Scheme VIII | Scheme IX | Scheme X | Scheme XI | Scheme XII | Scheme XIII | Scheme XIV | Scheme XV | Scheme XVI |
| | Number of options outstanding at the beginning of the period | 939,700 | 34,520 | 393,770 | 67,120 | 68,780 | 458,280 | 24,820 | 86,340 | 713,540 | 222,700 | 526,890 | 946,860 | - | - | - |
| | Number of options granted during the year | - | - | - | - | - | - | - | - | - | - | - | 160,690 | 425,100 | 82,970 | 874,820 |
| | Number of options forfeited / lapsed during the year | - | - | 11,550 | - | 19,340 | 75,180 | - | 18,930 | 102,180 | - | - | 96,970 | - | - | 36,310 |
| | Number of options vested during the year | 939,700 | 34,520 | 382,220 | 67,120 | 49,440 | 383,100 | 24,820 | - | - | - | - | - | - | - | - |
| | Number of options exercised during the year | - | 32,610 | 123,020 | 67,120 | 27,380 | 56,960 | 24,820 | - | - | - | - | - | - | - | - |
| | Number of shares arising as a result of exercise of options | - | 32,610 | 123,020 | 67,120 | 27,380 | 56,960 | 24,820 | - | - | - | - | - | - | - | - |
| | Money realized by exercise of options (INR), if scheme is implemented directly by the company | - | 32,610 | 32,805,314.80 | 67,120 | 27,380 | 17,773,684.80 | 24,820 | - | - | - | - | - | - | - | - |
| | Loan repaid by the Trust during the year from exercise price received | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| | Number of options outstanding at the end of the year | 939,700 | 1,910 | 259,200 | - | 22,060 | 326,140 | - | 67,410 | 611,360 | 222,700 | 526,890 | 1,010,580 | 425,100 | 82,970 | 838,510 |
| | Number of options exercisable at the end of the year | 939,700 | 1,910 | 259,200 | - | 22,060 | 326,140 | - | - | - | - | - | - | - | - | - |
| 5 | Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | |
|---|---|--|
| 6 | Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to - (a) senior managerial personnel; (b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year and (c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant. | <p>Details with respect to the grants made to the Senior management personnel shall be made available to the Members based on a request received by the Company at investor@marico.com.</p> <p>No employee of the Company received grant of Options during the year amounting to 5% or more of Options granted or exceeding 1% of issued Capital of the Company.</p> |
|---|---|--|

| 7 | A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: | Marico Employee Stock Option Plan 2016 (Marico ESOP 2016) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|------------|-----------|-----------------------|----------------------|------------|-----------------------|----------------------|-----------|------------|----------------------|-----------------------|-------------|------------|------------|----------------------|---------------------|---------------------|------------|------------|-------------|----------------------|------------|----------------------|------------|------------|-----------|-----------|
| | | Scheme II | Scheme III | Scheme IV | Scheme III (Part - 2) | Scheme IV (Part - 2) | Scheme V | Scheme III (Part - 3) | Scheme IV (Part - 3) | Scheme VI | Scheme VII | Scheme VI (Part - 2) | Scheme VII (Part - 3) | Scheme VIII | Scheme IX | Scheme X | Scheme IX (Part - 2) | Scheme X (Part - 2) | Scheme X (Part - 3) | Scheme XI | Scheme XII | Scheme XIII | Scheme XIII (Part 2) | Scheme XIV | Scheme XIII (Part 3) | Scheme XV | Scheme XVI | | |
| a | i) the weighted-average values of share price | ₹ 296.65 | ₹ 255.30 | ₹ 255.30 | ₹ 319.40 | ₹ 319.40 | ₹ 310.10 | ₹ 310.40 | ₹ 310.40 | ₹ 310.40 | ₹ 321.90 | ₹ 321.90 | ₹ 358.30 | ₹ 358.30 | ₹ 358.30 | ₹ 358.30 | ₹ 339.60 | ₹ 339.60 | ₹ 337.50 | ₹ 361.40 | ₹ 361.40 | ₹ 337.50 | ₹ 337.35 | ₹ 337.35 | ₹ 373.80 | ₹ 373.80 | ₹ 373.80 | | |
| | ii) the weighted-average values of exercise price | ₹ 280.22 | ₹ 1.00 | ₹ 256.78 | ₹ 1.00 | ₹ 302.34 | ₹ 1.00 | ₹ 1.00 | ₹ 307.77 | ₹ 1.00 | ₹ 307.77 | ₹ 1.00 | ₹ 316.53 | ₹ 1.00 | ₹ 346.47 | ₹ 1.00 | ₹ 1.00 | ₹ 346.47 | ₹ 1.00 | ₹ 357.51 | ₹ 346.00 | ₹ 357.65 | ₹ 357.65 | ₹ 346.00 | ₹ 330.38 | ₹ 330.38 | ₹ 372.10 | ₹ 1.00 | ₹ 372.10 |
| | iii) the weighted-average values of expected volatility | 25.80% | 26.10% | 26.10% | 26.70% | 26.70% | 26.30% | 23.10% | 23.10% | 25.50% | 25.50% | 23.84% | 23.84% | 22.54% | 22.54% | 21.68% | 23.40% | 23.40% | 22.27% | 22.27% | 22.14% | 23.13% | 23.13% | 22.94% | 24.68% | 24.47% | 24.83% | 24.51% | 24.51% |
| | iv) the weighted-average values of expected option life | 3.15 years | 3.5 years | 3.5 years | 3.08 years | 3.08 years | 3.40 years | 2.5 years | 2.5 years | 3.5 years | 3.5 years | 3 years | 3 years | 2.49 years | 2.49 years | 1.82 years | 3.49 years | 3.49 years | 3.07 years | 3.07 years | 3.45 years | 3.36 years | 3.36 years | 4.45 years | 3.94 years | 4.27 years | 3.5 years | 4.5 years | 4.5 years |
| | v) the weighted-average values of expected dividends | 0.96% | 0.96% | 0.96% | 1.07% | 1.07% | 0.96% | 1.07% | 1.07% | 1.07% | 1.07% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.29% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | |
| | vi) the weighted-average values of the risk-free interest rate | 7.25% | 6.75% | 6.75% | 6.25% | 6.25% | 6.25% | 6.50% | 6.50% | 6.75% | 6.75% | 7.50% | 7.00% | 7.30% | 7.30% | 7.29% | 7.39% | 7.39% | 7.04% | 7.04% | 6.35% | 6.86% | 6.86% | 6.42% | 4.90% | 4.90% | 4.65% | 4.98% | 4.98% |
| b | The method used and the assumptions made to incorporate the effects of expected early exercise; | Fair Value | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|--|--|--|--|--|--|---|---|---|--|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| c | How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and | Historical volatility of the share of the Company over the previous 3.5 years ended August 5, 2016, based on the life of options | Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2016, based on the life of options | Historical volatility of the share of the Company over the previous 3.08 years ended May 2, 2017, based on the life of options | Historical volatility of the share of the Company over the previous 3.40 years ended June 19, 2017, based on the life of options | Historical volatility of the share of the Company over the previous 2.5 years ended December 1, 2017, based on the life of options | Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2017, based on the life of options | Historical volatility of the share of the Company over the previous 3 years ended May 31, 2018, based on the life of options | Historical volatility of the share of the Company over the previous 2.49 years ended December 4, 2018, based on the life of options | Historical volatility of the share of the Company over the previous 1.82 years ended December 4, 2018, based on the life of options | Historical volatility of the share of the Company over the previous 3.49 years ended December 4, 2018, based on the life of options | Historical volatility of the share of the Company over the previous 3.07 years ended May 6, 2019, based on the life of options | Historical volatility of the share of the Company over the previous 3.45 years ended December 20, 2019, based on the life of options | Historical volatility of the share of the Company over the previous 3.36 years ended May 21, 2019, based on the life of options | Historical volatility of the share of the Company over the previous 4.45 years ended December 20, 2019, based on the life of options | Historical volatility of the share of the Company over the previous 3.94 years ended June 23, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.27 years ended June 23, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options | Historical volatility of the share of the Company over the previous 4.5 years ended December 1, 2020, based on the life of options |
| d | Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition. | NA | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Disclosures in respect of grants made in three years prior to IPO under each ESOS until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made. | NA | | | | | | | | | | | | | | | | | | | | | | | | | | |

| B | Details related to SAR | Scheme VIII | Scheme IX | Scheme X | Scheme XI |
|---|--|--|---------------------------------------|--|---------------------------------------|
| 1 | Description of each Stock Appreciation Right (SAR) scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including - | | | | |
| a | Date of shareholders' approval: | Approved by NRC on December 1, 2017*. | Approved by NRC on December 6, 2018*. | Approved by NRC on December 21, 2019*. | Approved by NRC on December 2, 2020*. |
| | | *The Marico Employee Stock Appreciation Rights Plan 2011 (STAR Plan) was initially approved by the Board of Directors of the Company at its meeting held on January 27, 2011 and subsequently the modified STAR Plan was approved by the Board of Directors at its meeting held on June 22, 2015 and the same was recommended to the shareholders. The STAR Plan was then approved by the Shareholders at their meeting held on August 5, 2015, in order to align the STAR Plan with the requirements of the SEBI (Share Based Employee Benefits) Regulations, 2014. NRC has, from time to time, notified STAR schemes under the STAR Plan as authorized under the aforementioned resolutions. | | | |
| b | Total number of shares approved under the SAR scheme | The secondary acquisitions by the Trust shall not be more than: i) 5% of the paid up equity share capital of the Company as at the end of the financial year, immediately preceding the year in which approval of the shareholder was obtained for such secondary acquisitions; ii) 2% in a financial year of the paid up equity share capital as at the end of the previous financial year; and iii) 0.5% of the paid up equity share capital of the Company for each participant, during a financial year. | | | |
| c | Vesting requirements | As determined by NRC in the respective Schemes notified under the Plan. | | | |
| d | SAR price or pricing formula | Average of Closing Market Price for a period of 22 Working Days (of the the Stock Exchange) immediately preceding the Grant date. | | | |
| e | Maximum term of SAR granted | Period not exceeding 5 years from the Grant Date | | | |
| f | Method of settlement (whether in cash or equity) | Method of settlement is Cash settlement. | | | |
| g | Choice of settlement (with the company or the employee or combination) | Choice vests with the Company. | | | |
| h | Source of shares (primary, secondary or combination) | Source of acquisition is Secondary. | | | |
| i | Variation in terms of scheme | None | | | |
| 2 | Method used to account for SAR - Intrinsic or fair value. | Fair Value | | | |
| 3 | Where the company opts for expensing of SAR using the intrinsic value of SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. | Not Applicable. As per IND AS requirement, the company has to use fair value method. | | | |

| 4 | SAR movement during the year (For each SAR scheme): | STAR VIII | | | | STAR IX | | | STAR X | | | STAR XI |
|---|--|---|------------|-------------|------------|-----------|------------|-------------|-----------|------------|-------------|-----------|
| | Particulars | Tranche I | Tranche II | Tranche III | Tranche IV | Tranche I | Tranche II | Tranche III | Tranche I | Tranche II | Tranche III | Tranche I |
| | Number of SARs outstanding at the beginning of the year | 167,140 | 26,370 | 24,000 | 35,580 | 320,110 | 20,320 | 33,820 | 346,350 | - | - | - |
| | Number of SARs granted during the year | - | - | - | - | - | - | - | - | 39,740 | 6,130 | 541,180 |
| | Number of SARs forfeited / lapsed during the year | 11,110 | - | - | 9,830 | 46,650 | 3,700 | - | 48,340 | - | - | 11,780 |
| | Number of SARs vested during the year | 156,030 | 26,370 | 24,000 | 25,750 | - | - | - | - | - | - | - |
| | Number of SARs exercised/settled during the year | - | - | - | - | - | - | - | - | - | - | - |
| | Number of SARs outstanding at the end of the year | - | - | - | - | 273,460 | 16,620 | 33,820 | 298,010 | 39,740 | 6,130 | 529,400 |
| | Number of SARs exercisable at the end of the year | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 5 | "Employee-wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to - (a) senior managerial personnel; (b) any other employee who receives a grant in any one year of SAR amounting to 5% or more of SAR granted during that year and (c) identified employees who were granted SAR, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant." | Details with respect to the grants made to the Senior management personnel shall be made available to the Members based on a request received by the Company at investor@marico.com. No employee of the Company received grant of SARs during the year amounting to 5% or more of SARs granted or exceeding 1% of issued Capital of the Company. | | | | | | | | | | |
| 6 | Disclosures in respect of grants made in three years prior to IPO under each SAR scheme until all SARs granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such SARs shall also be made. | NA | | | | | | | | | | |

| Details related to Trust | | | |
|--|---|-----------------------------------|-----------------------------------|
| The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed: | | | |
| | Particulars | Details - FY21 | Details - FY20 |
| I. | General Information | | |
| 1 | Name of the Trust | Welfare of Mariconians Trust | Welfare of Mariconians Trust |
| 2 | Details of the Trustee(s) | IDBI Trusteeship Services Limited | IDBI Trusteeship Services Limited |
| 3 | Amount of loan disbursed by company / any company in the group, during the year | 166,000,000 | 42,000,000 |
| 4 | Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year | 328,988,664 | 214,644,522 |
| 5 | Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee | NIL | NIL |
| 6 | Any other contribution made to the Trust during the year | NIL | NIL |
| II. | Brief details of transactions in the shares by the Trust | | |
| 1 | Number of shares held at the beginning of the year; | 1,021,790 | 1,084,150 |
| 2 | Number of shares acquired during the year : | 465,400 | 180,470 |
| | (i) through primary issuance | - | - |
| | (ii) through secondary acquisition | 465,400 | 180,470 |
| 3 | Acquisition as a percentage of paid up equity capital as at the end of the previous financial year, | 0.04% | 0.01% |
| 4 | Weighted average cost of acquisition per share | 400.03 | 306.81 |
| 5 | Number of shares sold/vested to the employees | 235,260 | 242,830 |
| 6 | Purpose of shares sold | Vesting of STAR Scheme VIII | Vesting of STAR Scheme VII |
| 7 | Number of shares held at the end of the year. | 1,251,930 | 1,021,790 |
| III. | In case of secondary acquisition of shares by the Trust | | |
| | Number of shares | | |
| 1 | Held at the beginning of the year | 1,021,790 | 1,084,150 |
| 2 | Acquired during the year | 465,400 | 180,470 |
| 3 | Sold during the year | 235,260 | 242,830 |
| 4 | Transferred to the employees during the year (Number of shares vested) | 232,150 | 242,830 |
| 5 | Held at the end of the year | 1,251,930 | 1,021,790 |

Date: April 30, 2021