

# Disclosures regarding the unit-based employee benefit scheme offered by the Manager

## Details related to Unit Option Scheme

### A. Disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:

Embassy Office Parks Management Services Private Limited, Manager to Embassy Office Parks REIT (“**Manager**”), has created a Trust known as Embassy Office Parks REIT Employee Welfare Trust (“**EOP EWT**”) for the benefit of its employees. The Manager uses the Trust as a vehicle for distributing the units of Embassy REIT to its employees under the Employee Incentive Plan 2020.

The units distributed under this Plan are contributed by the Sponsors of Embassy REIT into the EOP EWT and the Manager does not bear any commitment or any obligation to acquire or distribute the units of Embassy REIT to its employees. Although the units pertain to Embassy REIT – which is not a part of the Manager entity – the EOP EWT is considered an extension of the Manager for accounting purposes in accordance with the Indian Accounting Standards (Ind AS). Consequently, the Manager does not account for the arrangement as a share-based payment under Ind AS 102. Instead, the units transferred by Sponsors of Embassy REIT to the EOP EWT are recognised as a financial asset and measured at fair value. Simultaneously, the obligation associated with holding these units on behalf of the employees till exercise of the options is classified as a financial liability, also measured at fair value.

### B. Description of Employee Incentive Plan 2020:

#### i. General terms and conditions

The Employee Incentive Plan 2020 (“Plan 2020”) is a scheme established by the Manager. The main objectives are to attract and retain talent, motivate employees to contribute to growth and profitability, recognize and reward employee efforts and association, and allow employees to share in the future growth and profitability of Embassy REIT. This is intended to align employee interests with Unitholders and foster retention.

The Plan was formulated by the Nomination and Remuneration Committee, approved by the Board, and the Unitholders, becoming effective from August 27, 2020. It remains in force until terminated by the Board or all Awards are issued and dealt with.

The Plan 2020 is governed by the laws of India and is subject to applicable law, including the SEBI REIT Regulations. Disputes arising from the Plan, Grant, or Vesting are subject to arbitration in Bengaluru, India.

The Plan is administered by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee has broad discretion in determining eligibility criteria, the terms and conditions of Awards, the quantum of Awards, vesting schedules, and other matters not explicitly covered in the Plan. The Committee can formulate special terms for individual employees or classes of employees. It may also appoint a third party to help administer the Plan.

Under the Plan, eligible employees may be granted awards and these awards, upon vesting, entitle the grantee to receive Units of the Embassy Office Parks REIT (“Units”).

The implementation of the Plan involves the EOP EWT, which holds Units for the benefit of the employees of the Manager and transfers them upon Vesting. Awards Granted under the Plan must vest no earlier than one year from the grant date, except in the event of death or permanent incapacity/disability. Vesting is subject to conditions specified by the Nomination and Remuneration Committee, which may include not being subject to disciplinary proceedings or meeting specific performance parameters. The Committee has the discretion to accelerate Vesting (subject to the minimum period), not vest awards, vest a lesser number, or modify the vesting schedule based on various factors, including the Grantee’s performance, conduct, or violation of company policies.

a. Date of unitholders' approval	August 27, 2020
b. Total number of options approved under unit option scheme	The maximum aggregate number of Units in respect of which Awards may be granted shall at no time exceed 2% of the total outstanding Units of the Embassy REIT from time to time.

c. Vesting requirements	The options shall not vest earlier than one year from the grant date or such other period as maybe determined by the Nomination and Remuneration Committee.
d. Exercise price or pricing formula	Nil
e. Maximum term of options granted	4 years
f. Source of units (primary, secondary, gift or combination)	Gift or combination
g. Variation in terms of options	The terms of the options were not varied during the year.

- ii. Material changes to Plan 2020 during FY 2025-26:** Plan 2020 was amended pursuant to resolutions of the Nomination and Remuneration Committee and the

Board dated April 29, 2025, for compliance with regulatory requirements pursuant to amendments to the REIT Regulations. Other than the foregoing, Plan 2020 was not amended during the year.

**iii. Method used to account for unit option scheme - Intrinsic or fair value**

The units transferred by Sponsors of Embassy REIT to the EOP EWT are recognised as a financial asset and measured at fair value. Simultaneously, the obligation associated with holding these units on behalf of the employees till exercise of the options is classified as a financial liability, also measured at fair value.

The units to be distributed under the said plan 2020 pertain to Embassy REIT, which is a separate legal entity from the Manager. The REIT itself is not a party to the Employee Incentive Plan, nor does it bear any financial obligation or commitment under the plan. Accordingly, there is no accounting impact on the financial statements of the REIT.

**iv. Option movement during the year (For each unit option scheme):**

Particulars	Details
Number of options outstanding at the beginning of the period	9,55,658
Number of options granted during the year	1,01,141
Number of options forfeited / lapsed during the year	54,352
Number of options vested during the year	1,81,559
Number of options exercised during the year	1,81,559
Number of units arising as a result of exercise of options	1,81,559
Number of options outstanding at the end of the year	8,20,888
Number of options exercisable at the end of the year	Nil

**v. Weighted-average exercise prices and weighted-average fair values of options**

The weighted-average exercise price is Nil.

The units to be distributed under the Plan 2020 pertains to Embassy REIT entity, which is not part of the Manager and hence accounting for share based payments under Ind AS 102 is not applicable to the Manager.

The units held by the EOP EWT are treated as a financial asset which is subsequently measured at fair value. The obligation of the EOP EWT is treated as a financial liability which is subsequently measured at fair value.

# Disclosures regarding the unit-based employee benefit scheme offered by the Manager (Contd..)

## vi. Employee wise details

### a. Senior Managerial Personnel

Sl. No	Name of Employee	Designation	Number of options granted during the year	Exercise Price
1.	Deepthi Dasan	Head – Human Resources	10,143	Nil
2.	Manish Kumar Manu	Chief Development Officer	20,286	Nil
3.	Abraham Koshy	Chief Design Officer	40,572	Nil
4.	Brijesh D'souza	Head – South Leasing	30,140	Nil

### b. Any other Employees who received a grant, in any one year, of options amounting to 5% or more of the option granted during that year

Sl. No	Name of Employee	Designation	Number of options granted during the year
<b>FY 2025-26</b>			
1.	Deepthi Dasan	Head – Human Resources	10,143
2.	Manish Kumar Manu	Chief Development Officer	20,286
3.	Abraham Koshy	Chief Design Officer	40,572
4.	Brijesh D'souza	Head – South Leasing	30,140
<b>FY 2024-25</b>			
1.	Amit Shetty	Chief Operating Officer	1,35,240
2.	Rishad Naval Pandole	Head – Leasing	81,144
3.	Abhishek Agrawal	Chief Financial Officer	81,144
4.	Ray Vargis Kallimel	Head – Asset Management	54,096
5.	Ritwik Bhattacharjee	Chief Executive Officer	54,096
6.	Donnie Dominic George	General Counsel	54,096
<b>FY 2023-24</b>			
1.	Vikaash Khdloya	Chief Executive Officer (upto June 30, 2023)	3,04,450
2.	Aravind Maiya	Chief Executive Officer (with effect from July 01, 2023)	2,36,879
3.	Ritwik Bhattacharjee	Chief Investment Officer	36,818
<b>FY 2022-23</b>			
1.	Vikaash Khdloya	Deputy Chief Executive Officer and Chief Operating Officer	2,70,035
2.	Ritwik Bhattacharjee	Chief Investment Officer	30,366
<b>FY 2021-22</b>			
1.	Vikaash Khdloya	Deputy Chief Executive Officer and Chief Operating Officer	7,24,434
<b>FY 2020-21</b>			
1.	Aravind Maiya	Chief Financial Officer	19,509
2.	Ritwik Bhattacharjee	Head - Investor Relations	14,682
3.	Rishad Naval Pandole	Regional Head – Commercial Leasing (North and West)	6,827
4.	Rajan M G	Head - Operations	4,631
5.	Rajendran Subramaniam	Head - Projects	4,154
6.	Ray Vargis Kallimel	Head – Corporate Finance	4,088
7.	Donnie Dominic George	General Counsel	3,238

**c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the unit capital of the REIT at the time of grant - Nil**

**vii. Description of the method and significant assumptions used during the year to estimate the fair value of options**

The units to be distributed under the Plan 2020 pertains to Embassy REIT, which is not part of the Manager, Accordingly, the provisions of Ind AS 102, Share based payment, are not applicable to the Manager.

The units held by the EOP EWT are recognized as financial assets in accordance with Ind AS 109, Financial Instruments, and are measured at fair value through profit or loss (FVTPL). The corresponding obligation of the EOP EWT to transfer units to eligible employees is accounted for as a financial liability, also measured at fair value through profit or loss, reflecting the EOP EWT's role as a pass-through entity for the benefit of the Manager's employees.

As the arrangement does not constitute a share-based payment transaction under Ind AS 102, Share-based Payment, from the perspective of the REIT, and since the REIT does not recognize any related expense or obligation, the disclosure of the fair value of such options is not applicable in the REIT's financial statements.

Weighted-average values of unit price	Exercise price	Expected volatility	Expected option life	Expected dividends	Risk-free interest rate	Any other inputs to the model
NA						

- Method used and the assumptions made to incorporate the effects of expected early exercise - N.A.
- How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility - N.A.
- Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition - N.A.

**C. Details related to Trust**

**i.** The following details, inter alia, in connection with transactions made by the EOP EWT meant for the purpose of administering the scheme under the regulations are to be disclosed:

**ii. General information on all schemes**

Sl. No.	Particulars	Details
1.	Name of the Trust	Embassy Office Parks REIT Employee Welfare Trust
2.	Details of the Trustee	Beacon Trusteeship Limited
3.	Any other contribution made to the Trust during the year	Nil

**iii. Brief details of transactions in units by the Trust**

Particulars	Details
Number of units held at the beginning of the year	14,59,088
Number of units acquired during the year through	
(i) primary issuance	-
(ii) secondary acquisition, also as a percentage of unit capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per unit	-
Number of units transferred to the employees	1,81,559
Number of units held at the end of the year	12,77,529

## Disclosures regarding the unit-based employee benefit scheme offered by the Manager (Contd.)

- iv. In case of secondary acquisition of units by the Trust – Not Applicable for FY 2025-26, as there was no secondary acquisition

Number of Units	As a percentage of unit capital as at the end of the year immediately preceding the year in which unitholders' approval was obtained
Held at the beginning of the year	<b>Not Applicable</b>
Acquired during the year	
Transferred to the employees during the year	
Held at the end of the year	

- v. Value of options granted under Plan 2020 as part of employee compensation:

Particulars	Details
Number of options that have been granted until date	<b>29,34,800</b>
Number of outstanding options	<b>8,20,888</b>
Number of options lapsed/been extinguished or cancelled	<b>13,38,640</b>

The units to be distributed under the Plan 2020 pertain to Embassy REIT, which is a separate legal entity from the Manager. Embassy REIT itself is not a party to the Plan 2020, nor does it bear any financial obligation or commitment under the Plan 2020. Accordingly, there is no accounting impact on the financial statements of Embassy REIT.

As the arrangement does not constitute a share-based payment transaction under Ind AS 102, Share-based Payment, from the perspective of Embassy REIT, and since Embassy REIT does not recognize any related expense or obligation, the disclosure of the fair value of such options is not applicable.