

SEC/ESOS/163/2023-24**21.07.2023**

The Manager The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	The Manager Department of Corporate Services BSE Limited, Phiroze Jeejeebhoy Towers, Floor 25, Dalal Street, Mumbai- 400 001
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Ref.: Scrip Symbol: FEDERALBNK/Scrip Code: 500469

Dear Madam/ Sir,

Sub: Adoption of “The Federal Bank Limited Employee Stock Option Scheme 2023 and The Federal Bank Limited Employee Stock Incentive Scheme 2023” – Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Pursuant to Regulation 30 of the Listing Regulations, we hereby inform that based on the recommendation of the Nomination, Remuneration, Ethics and Compensation Committee (“NRC”), the Board of Directors of The Federal Bank Limited (the “Bank”) at its meeting held on July 21, 2023 has approved the adoption of “**The Federal Bank Limited Employee Stock Option Scheme 2023 (ESOS 2023) and The Federal Bank Limited Employee Stock Incentive Scheme 2023 (ESIS 2023)** in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, subject to approval of the shareholders of the Bank.

The Bank will seek approval of shareholder for the aforesaid Schemes at the ensuing Annual General Meeting.

The details required under Regulation 30 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, are given in the enclosed **Annexure – I**.

This is for your information & records.

Thanking you,

For The Federal Bank Limited

Samir P Rajdev
Company Secretary

Annexure I

Disclosure pursuant to SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13.07.2023 under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SI No.	Particulars	Description
1)	Brief details of options granted	Not applicable
2)	Whether the scheme is in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	Yes
3)	Total number of shares covered by these options	<p>The Options to be granted under The Federal Bank Limited Employee Stock Option Scheme 2023 (ESOS 2023) shall not exceed 1,50,25,025 Options (being 0.71% of the paid-up capital of the Bank (as on 31.03.2023)) (as adjusted for any changes in the capital structure of the Bank) exercisable into one equity share of having face value of Rs.2/- each for one option.</p> <p>The Options to be granted under The Federal Bank Limited Employee Stock Incentive Scheme 2023 (ESIS 2023) shall not exceed 63,48,603 Options (being 0.30% of the paid-up capital of the Bank as on 31.03.2023) (as adjusted for any changes in the capital structure of the Bank) exercisable into one equity share of having face value of Rs.2/- each for one option.</p>
4)	Pricing formula	<p>ESOS 2023</p> <p>The exercise price for options shall be linked to Market Price under this scheme and shall be determined by the NRC pursuant to Regulation 17 and other provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.</p> <p>ESIS 2023</p> <p>The exercise price for options shall be the face value of the equity shares i.e., INR 2 per option.</p>
5)	Time within which option may be exercised	<p>ESOS 2023</p> <p>The eligible employees shall be entitled to exercise the options within 5 years from the date of vesting of such options or such period as may be determined by the NRC.</p> <p>ESIS 2023</p>

		<p>The eligible employees shall be entitled to exercise the options within 4 years from the date of vesting of such options or such period as may be determined by the NRC.</p>
<p>6)</p>	<p>Brief details of significant terms</p>	<p>The options under ESOS 2023 and ESIS 2023 will be directly issued by the Bank to the eligible employees of the Bank and its group company(ies) including subsidiary company(ies) and associate company(ies) as may be decided by the NRC.</p> <p>NRC will act as the Compensation Committee for the implementation and administration of the Schemes (i.e., ESOS 2023 and ESIS 2023).</p> <p>The vesting period shall be minimum 1 year and maximum 5 years for ESOS 2023 and minimum 1 year and maximum 4 years for ESIS 2023, from the grant of options or such period as may be decided by the NRC from time to time.</p> <p>The vesting under ESIS 2023 is linked to Bank’s performance and / or individual performance or such other parameters as may be decided by the NRC.</p>

Note: Since options have not yet been granted, other details such as Options vested, Options exercised, Money realized by exercise of Options, Total number of shares arising as a result of exercise of options, Options lapsed, Variation of Terms of options, subsequent changes/cancellation/exercise of such Options, diluted earnings per share pursuant to issue of equity shares on exercise of Options etc. specified by SEBI are not applicable as of now and hence, not mentioned.