CANARYS EMPLOYEE STOCK OPTION SCHEME



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CANARYS AUTOMATIONS LTD. BENGALURU

1. Name, Objective and Philosophy

1.1 This Scheme shall be called 'CANARYS ESOS'.

1.2 The Company strongly believes that an equity component in the compensation goes a long way in aligning the objectives of an individual with those of the organization. The underlying philosophy of CANARYS ESOS is to enable the Employees, present and future, to share the wealth that they help to create for the organization over a certain period of time.

1.3 The CANARYS ESOS is established with effect from August 14, 2023 and shall continue to be in force until:

(i) its termination by the Board; or

(ii) the date on which all of the Options available for issuance under the CANARYS ESOS have been issued and exercised.

1.4 The Board of Directors may subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the CANARYS ESOS.

2. Definitions and Interpretations

2.1 Definitions

The terms defined in this CANARYS ESOS shall have the meanings herein specified and terms not defined in this CANARYS ESOS shall have the meanings as defined in the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"), the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB Regulations**"), or in any statutory modifications or re-enactments thereof, as the case may be.

i. "**Agreement**" means the Employee Stock Option Agreement between the Company and the Option Grantee evidencing the terms and conditions of an individual

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Employee Stock Option. The Agreement is subject to the conditions of CANARYS ESOS.

ii. "**Applicable Law**" means the legal requirements relating to Employee Stock Options, including, without limitation, the Companies Act, 2103, SEBI Act, the SEBI SBEB Regulations and all relevant tax, securities, exchange control or corporate laws of India or any relevant jurisdiction or of any recognized stock exchange on which the shares are listed or quoted.

iii. "**Board**" means the Board of Directors of the Company.

iv. "**Companies Act**" means The Companies Act, 2013 and includes any statutory modifications or reenactments thereof.

v. "**Company**" means CANARYS Automations Limited.

vi. **"Company Policies / Terms of Employment"** mean the Company's policies for Employees and the terms of employment as contained in the employment letter and any other rules / bye-laws issued from time to time.

vii. "**Director**" means a member of the Board of the Company.

viii. "**Eligibility Criteria**" means the criteria as may be determined from time to time by the Nomination and Remuneration Committee for granting the Employee Stock Options to the Employees.

ix. "**Employee**" means (i) an employee of the Company (as designated by the Company) working in India or outside India; or (ii) a director of the Company, whether whole-time or not, including a non-executive director but excluding promoter director or an independent director or a member of the promoter group; or (iii) an employee, as defined in sub-clauses (i) or (ii) in this Clause 2.1 (ix) of a group company including Subsidiary Company or its associate company, in India or outside India or of a holding company of the Company but excludes:

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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 any body corporate, directly or indirectly, holds more than 10% of the issued and subscribed equity shares of the Company; and

c. an independent director within the meaning of Companies Act, 2013.

x. "**Employee Stock Option" or "Option**" means an Option granted to an Employee, which gives such Employee the right, but not an obligation, to purchase or subscribe at a future date the Shares underlying the Option at a pre-determined price.

xi. **"Exercise of an Option"** means making of an application by an Employee to the Company for issue of the Shares underlying the Options vested in him, in pursuance of the CANARYS ESOS, in accordance with the procedure laid down by the Company for the Exercise of Options.

xii. "**Exercise Period**" means such a time period within which the Employee should Exercise the Options vested in him in pursuance of the CANARYS ESOS.

xiii. "**Exercise Price**" means the price for Exercise of Options as determined by the Nomination & Remuneration Committee which shall not be less the face value of the equity shares and not more than the closing market price as on the previous day of the date of Grant communicated to the Employee vide the Agreement or such other mode as the Nomination & Remuneration Committee may deem fit.

xiv. "**Grant**" means issue of Options to the Employees under the CANARYS ESOS.

xv. **"Nomination and Remuneration Committee"** means a Committee constituted by the Board of Directors from time to time to administer CANARYS ESOS.

xvi. "**Option Grantee**" means an Employee who has been granted an Employee Stock Option in pursuance of the CANARYS ESOS and having a right but not an obligation to Exercise the Options.

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xvii. "**Permanent Disability**" 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 Nomination and Remuneration Committee based on a certificate of a medical expert identified by such Committee.

xviii. **"Promoter"** means a person :

(a) who has been named as such in a draft offer document or offer document (each as defined under the SEBI ICDR Regulations) or is identified by the issuer in the annual return referred to in section 92 of the Companies Act, 2013;

(b) who has control over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise; or

(c) in accordance with whose advice, directions, or instructions the Board is accustomed to act:

Provided that nothing in Sub-clause (c) shall apply to a person who is acting merely in a professional capacity.

Provided further that a financial institution, scheduled commercial bank, foreign portfolio investor other than individuals, corporate bodies and family offices, mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by SEBI from time to time, shall not be deemed to be a promoter merely by virtue of the fact that twenty per cent. or more of the equity share capital of the issuer is held by such person unless such person satisfy other requirements prescribed under the SEBI ICDR Regulations.

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(d) "Promoter Group" means (a) an immediate relative of the Promoter (i.e. spouse of that person, or any parent, brother, sister or child of the person or of the spouse); (b) persons whose shareholding is aggregated for the purpose of disclosing in the offer document "shareholding of the Promoter Group"; (c) as defined in the SEBI ICDR Regulations.

(e) "**Retirement**" means retirement as per the rules of the Company.

(f) "**Scheme / Plan /** " means a sub-scheme or plan under this CANARYS ESOS for Grant of Employee Stock Options to the Employees.

(g) "**SEBI Act**" means the Securities and Exchange Board of India Act, 1992 as amended, and includes all regulations and clarifications issued there under.

(h) "**SEBI SBEB Regulations**" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and includes all regulations and clarifications issued thereunder.

(i) "**Shares**" means equity shares of the Company arising out of the Exercise of Employee Stock Options granted under the CANARYS ESOS.

(j) "**Subsidiary Company**" means any present or future subsidiary company of the Company, as defined in the Companies Act.

(k) "**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.

(l) "**Vesting"** means the process by which the Option Grantee is given the right to Exercise the Employee Stock Options granted to him in pursuance of the CANARYS ESOS subject to Exercise conditions.

(m) **"Vesting Condition"** means any condition subject to which the Options granted would vest in an Option Grantee.

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(n) "**Vesting Period**" means the period during which the Vesting of the Employee Stock Option granted to the Employee, in pursuance of the CANARYS ESOS takes place.

(o) "**Vested Option**" means an Option in respect to which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option subject to fulfillment of Exercise conditions.

2.2 **Interpretation**

In this CANARYS ESOS, unless 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.

3. Authority and Ceiling

3.1 The shareholders of the Company, at their Annual General Meeting held on August 14, 2023 have approved the Grant of Employee Stock Options exercisable into such number of Equity Shares being not more than 43,50,000 (Forty Three Lakh Fifty Thousand) Equity Shares of the Company, under one or more Employee Stock Option Scheme(s) to the Employees of the Company.

3.2 The Nomination and Remuneration Committee in its meeting held on August 14, 2023 has resolved to issue to Employees under CANARYS ESOS, Employee Stock Options exercisable into such number of equity Shares being not more than 43,50,000 (Forty Three Lakh Fifty

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Thousand) Equity Shares of the Company, with each such Option conferring a right upon the Employee to apply for such number of equity shares of the Company as per the letter of grant given to them, in accordance with the terms and conditions of such issue.

3.3 Under CANARYS ESOS, the Company will issue fresh equity shares when the Vested Options are exercised by the Option Grantees.

3.4 Employee Stock Options that expire / lapse / get cancelled shall become available for future Grants, subject to compliance with all the Applicable Laws.

3.5 In case of a share-split where the face value of the shares is reduced below Rs. 2 or in case of consolidation of shares, the maximum number of Options available for being granted under CANARYS ESOS shall stand modified accordingly, so as to ensure that the cumulative face value (No. of shares X Face value per share) of the total Shares arising out of Exercise of Options that can be issued by the Company remains unchanged. In case of bonus issue, rights issue, sale of division, scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the vesting or exercise, the employees shall become eligible for an adjustment to be made to the number of options and the exercise price of the options granted.

3.6 If the number of Options that may be offered to identified Employee, during any one year, shall be equal to or more than 1% (one percent) of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant of Options, then the Company shall take prior approval from members of the Company by way of a special resolution.

3.7 All Options which lapse along with Options remaining outstanding (i.e. not granted) at any time shall be brought back to the Options pool as mentioned in Clause 3.1 and shall become available for future Grants, subject to compliance with applicable laws.

4. Administration

4.1 The CANARYS ESOS shall be administered by the Nomination and Remuneration Committee. All questions of interpretation of the CANARYS ESOS or any Employee Stock Option shall be determined by the Nomination and Remuneration Committee and such

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determination shall be final and binding upon all persons having an interest in the CANARYS ESOS or such Employee Stock Option.

4.2 The Nomination and Remuneration Committee shall in accordance with this Plan and Applicable Laws determine the detailed terms and conditions of the Employee Stock Options, including but not limited to:

(a) The quantum of Employee Stock Options to be granted under the CANARYS ESOS per Employee, subject to the ceiling as specified in Clause 3.2;

(b) The Eligibility Criteria subject to which an Employee would become entitled to be granted options under the Scheme;

(c) The Schedule for Vesting of Employee Stock Options;

(d) Vesting Conditions;

(e) The method for exercising the Vested Options;

(f) The conditions under which the Employee Stock Option vested in Employees may lapse in case of termination of employment for misconduct;

(g) The procedure for making a fair and reasonable adjustment to the number of Employee Stock Options and to the Exercise Price in case of a corporate action such as rights issues, bonus issues, scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the vesting or exercise,, sale of division and others. In this regard the following shall be taken into consideration by the Nomination and Remuneration Committee:

(i) the number and / or the price of the Employee Stock Options shall be adjusted in a manner such that the total value of the CANARYS ESOS remains the same before and after such corporate action;

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(ii) for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;

(iii) the Vesting Period and the life of the Employee Stock Options shall be left unaltered as far as possible to protect the rights of the Option Grantee

(h) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;

(i) The procedure for cashless exercise of Employee Stock Options, if required;

(j) Approve forms, writings and/or agreements for use in pursuance of the CANARYS ESOS.

(k) Frame suitable policies and systems to ensure that there is no violation of (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and (ii) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by any Employee.

(l) Frame any other byelaws, rules or procedures as it may deem fit for administering CANARYS ESOS.

(m) The procedure for funding the exercising of Vested Options in case if the Company wants to provide loans to the employees.

(n) The procedure for buy-back of specified securities issued under SEBI SBEB Regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:

(i) permissible sources of financing for buy-back

(ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and

(iii) limits upon quantum of specified securities that the company may buy-back in a financial year

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(o) Decide all other matters that must be determined in connection with an Option under the Plan.

(p) Such other acts as permitted under the Companies Act, 2013 and the SEBI SBEB Regulations.

(q) The terms and conditions of Grant of Employee Stock Option may be captured by way of Scheme/Plan, if any, made under the CANARYS ESOS.

5. Eligibility and Applicability

5.1 Only Employees provided in Annexure 1 are eligible for being granted Employee Stock Options under CANARYS ESOS. The specific Employees to whom the Options would be granted and their Eligibility Criteria would be determined by the Nomination and Remuneration Committee from time to time in terms of Annexure 1.

5.2 The CANARYS ESOS shall be applicable to the Company and any successor company thereof and Stock Options may be granted to the Employees and Directors of the Company as determined by the Nomination and Remuneration Committee at its own discretion.

6. Grant of Options

6.1 Grant of Employee Stock Options shall be evidenced by the Employee Stock Option Plan in such form, as the Nomination and Remuneration Committee shall from time to time determine. Such Plan shall be deemed to incorporate all the terms of the CANARYS ESOS, as if the same were set out therein. In the event of inconsistency between the Plan and the CANARYS ESOS, the CANARYS ESOS shall prevail.

6.2 Unless otherwise provided by the Nomination and Remuneration Committee at the time when the Employee Stock Options are granted, the Employee Stock Options granted to an Employee shall be subject to the terms and conditions set forth in this CANARYS ESOS and the Plan as approved by the Nomination and Remuneration Committee.

6.3 The amount payable by the employee, if any, at the time of grant of option may be forfeited by the Company if the option is not exercised by the employee within the exercise period. The amount payable by the employee, if any, at the time of grant of option may be refunded

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to the employee if the option is not vested due to non-fulfillment of condition relating to vesting of option as per the scheme.

7. Vesting Period / Schedule / Conditions

Options granted under CANARYS ESOS would vest not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options would be subject to continued employment with the Company and thus the Options would vest on passage of time. However, in addition to this, the Nomination and Remuneration Committee may also, if it feels necessary in certain or in all cases, specify certain performance parameters – corporate, individual or a combination – subject to which the Options would vest in terms of Annexure 1.

As a prerequisite for a valid Vesting, a Grantee is required to be in employment or service of the Company on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on such date of Vesting.

The Nomination and Remuneration Committee may also, if it feels necessary in certain cases, specify an accelerated vesting schedule subject to the provision of SEBI SBEB Regulations.

The specific Vesting schedule and Vesting Conditions subject to which Options would vest would be detailed in writing and provided to the Option Grantee at the time of the Grant of Options.

8. Exercise

a) The options will be granted at the following exercise prices as decided by the Nomination and Remuneration Committee:

i. Post listing, at a price not more than closing market price as on the previous day of the date of the meeting of the Nomination and Remuneration

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Committee, in which options are granted/ shares are issued, on the stock exchange on which the shares of the Company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered and not less than the face value of the Equity Share as may be decided by the Nomination and Remuneration Committee;

ii. Prior to listing, at a price equal to the face value of the equity share or per share price determined by an independent valuer for the equity shares of the Company, as decided by the Nomination and Remuneration Committee, from time to time.

b) The Employee Stock Options granted shall be capable of being exercised within a period being not more than three years from the date of Vesting of the respective Employee Stock Options subject to successful completion of the IPO of the Company.

c) The Shares arising out of Exercise of Vested Options would not be subject to any lock-in period after such Exercise.

d) In the event of resignation / termination (other than due to misconduct or breach of Company Policies / Terms of Employment) of the Option Grantee from employment with the Company, all the Unvested Options shall stand forfeited on the date of submission of the resignation or termination, as applicable. However, all the Vested Options as on the date of submission of resignation / date of termination shall be exercisable by the Option Grantee before his last working day with the Company or before the expiry of the Exercise Period, whichever is earlier.

e) In the event of Retirement from employment with the Company, all Vested Options should be exercised by the Option Grantee as per the vesting and exercise schedule as given under the relevant Plan and/or CANARYS ESOS. All

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Unvested Options will continue to vest in accordance with the respective vesting schedules even after retirement or superannuation in accordance with the relevant Plan and/or CANARYS ESOS and Applicable Law.

f) In case the Option Grantee has been suspended or in case of an Option Grantee against whom an enquiry is being conducted for any reason, all Options shall stand suspended and shall not vest nor shall be exercisable until the enquiry is completed. If the Option Grantee is found guilty of misconduct under any such enquiry, the provision of Clause 8 (g) shall apply.

g) In the event of termination of the employment of an Option Grantee due to misconduct or breach of Company Policies / Terms of Employment, all the Stock Options granted to such Option Grantee, including all the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination; the date of such breach shall be determined by the Nomination and Remuneration Committee, and its decision on this issue shall be binding and final.

h) In the event of termination of an Option Grantee from the Company due to reasons of Permanent Disability of the Option Grantee, all the Unvested options as on the date of such Permanent Disability shall also vest immediately and all Options granted can be exercised by the Option Grantee or, in case of his death, by the nominee or legal heirs immediately after, but in no event later than six months from the date of termination of the Option Grantee or before the expiry of the Exercise Period, whichever is later.

i) In the event of the death of Option Grantee while in employment, all the Options granted to him till such date shall vest in the legal heirs or nominees (if specified by the Option Grantee) of the deceased Option Grantee and can be exercised by the legal heirs or nominees of the deceased Option Grantee immediately after,

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but in no event later than six months from the date of death of the Option Grantee or before the expiry of the Exercise Period, whichever is later.

j) In the event of abandonment of employment by an Option Grantee without the Company's consent, all the Options granted to such an Option Grantee, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand terminated with immediate effect. The Nomination and Remuneration Committee, at its sole discretion, shall decide the date of abandonment by the Option Grantee and such decision shall be binding on all concerned.

k) In the event of separation of the Option Grantee from employment with the Company for reasons other than those mentioned above, all the Unvested Options shall stand cancelled as with effect from that date and the Nomination and Remuneration Committee will decide whether the Vested Options on the date of separation can be exercised by the Option Grantee or not, and such decision shall be binding and final.

l) In the event of an Employee being transferred or deputed amongst the Company, and it Subsidiaries or associate company, at instance of or with consent of the Company, the Option Grantee will continue to hold all Vested Options and can Exercise them anytime within the Exercise Period. All Unvested Options shall vest as per the Vesting schedule.

9. Appointment of Nominee

An Option Grantee may by written notice appoint a person as his nominee(s) for the purpose of exercising the rights in case of death of the Option Grantee, subject to the obligations, in terms of the Plan. The Option Grantee has the right to revoke such nomination at any time and a fresh nomination may be made on such revocation. In the event no nomination has been made by the Option Grantee then the legal heirs of the Option Grantee shall be entitled to the Options as per the provisions of this Plan.

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10. Surrender of Options

An Option Grantee / legal heirs / nominee may surrender any or all of the Options at any time, whether Vested or not. The entitlement to such surrender shall be limited prior to the lapse of the Exercise Period.

11. Other Terms and Conditions

11.1 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 Employee Stock Option and becomes a registered holder of the shares of the Company.

11.2 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 4.2 (g) of CANARYS ESOS. Only if the Employee Stock Options are vested and exercised and the Option Grantee is a valid holder of the shares of the Company, the Option Grantee would be entitled for bonus or rights shares as shareholder of the Company.

11.3 No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to Exercise the Employee Stock Option except in the event of the death of the Option Grantee.

11.4 The Employee Stock Option shall not be transferred, pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any other manner.

12. Tax Liability

The Company shall have the right to deduct from the Employee's salary, any tax obligations, whether of the Company or of the Employee, arising in connection with the Employee Stock Option or the Shares acquired upon the Exercise thereof. The Company shall have no

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obligation to deliver Shares to the Option Grantee until such tax obligations have been satisfied by the Option Grantee.

13. Authority to vary terms

The Nomination and Remuneration Committee may, if it deems necessary, vary the terms of CANARYS ESOS, provided that such variations are not detrimental to the interests of the employees and subject to the SEBI SBEB Regulations, the Applicable laws and the shareholders' approval.

14. Miscellaneous

14.1 Government Regulations

This CANARYS ESOS shall be subject to all Applicable Laws, and approvals from governmental authorities. The Grant and the allotment of shares under this CANARYS ESOS shall also be subject to the Company requiring Employees to comply with all Applicable Laws and be subject to the approval of the Company's Counsel.

14.2 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 of any and all liability in respect of the failure to issue or sell such shares.

14.3 The Grant of an Employee Stock Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his contract of employment nor does the existence of a contract of employment between any person and the Company gives such person any right or entitlement to have an Employee Stock Option granted to him in respect of any number of shares or any expectation that an Employee Stock Option might be granted to him whether subject to any condition or at all.

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14.4 Neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Plan by being granted an Employee Stock Option on any other occasion.

14.5 The rights granted to an Option Grantee upon the Grant of an Employee Stock Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

14.6 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Employee Stock Option in whole or in part.

15. Notices

All notices of communication required to be given by the Company to an Option Grantee by virtue of this CANARYS ESOS shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company and any communication to be given by the Option Grantee to the Company in respect of CANARYS ESOS shall be sent to the address mentioned below:

Canarys Automations Limited

No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road,

Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India

16. Governing Law and Jurisdiction

16.1 The terms and conditions of the CANARYS ESOS shall be governed by and construed in accordance with the laws of India.

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16.2 The Courts of Bengaluru, Karnataka, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this CANARYS ESOS.

16.3 Nothing in this Clause will however limit the right of the Company to bring proceedings against any Employee in connection with this CANARYS ESOS:

(i) in any other court of competent jurisdiction; or

(ii) Concurrently in more than one jurisdiction.

The Board of Directors and Shareholders of the Company have approved the CANARYS ESOS at their respective meetings held on August 11, 2023 and August 14, 2023.

Annexure 1

<table>
<tr><th>Class of Employees</th><th>Grant</th><th>Vesting Period</th><th>Vesting Percentage</th></tr>
<tr><td>Senior Leaders</td><td>The Maximum number of options available to each eligible Employee would be decided by the Nomination & Remuneration Committee at the time of Grant of Options and shall be set out in the Grant letter.

The employees would be granted Options under the Scheme based on various parameters such as past work performance, period of service, rank or designation and such other parameters as may be decided by the Nomination & Remuneration Committee from time to time.</td><td>All the Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 5 (five) years from the Grant Date.

The Vesting Dates and/or number or percentage of options to be vested in respect of the Options granted under the Scheme may vary from employee to employee or any class thereto and shall be set out in the Grant letter.</td><td>50% of the Options will be Time-Based Options (TBO) and 50% of the Options will be Performance-Based Options (PBO) as under:

<table><tr><td>Year</td><td>TBO</td><td>PBO</td></tr><tr><td>1</td><td>20%</td><td>15%</td></tr><tr><td>2</td><td>20%</td><td>20%</td></tr><tr><td>3</td><td>20%</td><td>30%</td></tr><tr><td>4</td><td>20%</td><td>35%</td></tr><tr><td>5</td><td>20%</td><td>-</td></tr></table>
PBO will be linked to company performance, Geo Expansion / Solution Creation / Lateral Sub-Domain Expansion, Run Rate Sign Up and Vision Realization.The Nomination & Remuneration Committee will inform</td></tr>
</table>

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<table>
<tr><td></td><td></td><td></td><td>the employee of fulfillment of conditions for PBO 30 days prior to date of vesting.</td></tr>
<tr><td>Business Units Heads</td><td>The Maximum number of options available to each eligible Employee would be decided by the Nomination & Remuneration Committee at the time of Grant of Options and shall be set out in the Grant letter.

The employees would be granted Options under the Scheme based on various parameters such as past work performance, period of service, rank or designation and such other parameters as may be decided by the Nomination & Remuneration Committee from time to time.</td><td>All the Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 5 (five) years from the Grant Date.

The Vesting Dates and/or number or percentage of options to be vested in respect of the Options granted under the Scheme may vary from employee to employee or any class thereto and shall be set out in the Grant letter.</td><td>50% of the Options will be Time-Based Options (TBO) and 50% of the Options will be Performance-Based Options (PBO) as under:

<table><tr><td>Year</td><td>TBO</td><td>PBO</td></tr><tr><td>1</td><td>20%</td><td>15%</td></tr><tr><td>2</td><td>20%</td><td>20%</td></tr><tr><td>3</td><td>20%</td><td>30%</td></tr><tr><td>4</td><td>20%</td><td>35%</td></tr><tr><td>5</td><td>20%</td><td>-</td></tr></table>
PBO will be linked to Business Units performance, company performance and Business Units expansion (Multiple Tech Stack, Solution offering, Framework Creation, Aliance Partners, New Opportunity Created Successfully). The Nomination & Remuneration Committee will inform the employee of fulfillment of conditions for PBO 30 days prior to date of vesting.</td></tr>
<tr><td>Senior Managers – Operations/ Technical/ Business Development</td><td>The Maximum number of options available to each eligible Employee would be decided by the Nomination & Remuneration Committee at the time</td><td>All the Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 5 (five)</td><td>50% of the Options will be Time-Based Options (TBO) and 50% of the Options will be Performance-Based Options (PBO) as under:</td></tr>
</table>

CANARYS AUTOMATIONS LTD. BENGALURU

<table>
<tr>
<td></td>
<td>of Grant of Options and shall be set out in the Grant letter.

The employees would be granted Options under the Scheme based on various parameters such as work performance, period of service, rank or designation and such other parameters as may be decided by the Nomination & Remuneration Committee from time to time.</td>
<td>years from the Grant Date.

The Vesting Dates and/or number or percentage of options to be vested in respect of the Options granted under the Scheme may vary from employee to employee or any class thereto and shall be set out in the Grant letter.</td>
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<table>
<tr><th>Year</th><th>TBO</th><th>PBO</th></tr>
<tr><td>1</td><td>20%</td><td>15%</td></tr>
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<tr><td>4</td><td>20%</td><td>35%</td></tr>
<tr><td>5</td><td>20%</td><td>-</td></tr>
</table>
PBO will be linked to Individual Performance (KPI Driven & Objective Based), Business Units performance and Company performance.The Nomination & Remuneration Committee will inform the employee of fulfillment of conditions for PBO 30 days prior to date of vesting.
</td>
</tr>
<tr>
<td>Support (HR, Finance, IT, TA, RMG, Operations)</td>
<td>The Maximum number of options available to each eligible Employee would be decided by the Nomination & Remuneration Committee at the time of Grant of Options and shall be set out in the Grant letter.

The employees would be granted Options under the Scheme based on various parameters such as work performance, period of service, rank or designation and such other parameters as may be decided by the Nomination & Remuneration</td>
<td>All the Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 4 (four) years from the Grant Date.

The Vesting Dates and/or number or percentage of options to be vested in respect of the Options granted under the Scheme may vary from employee to employee or any class thereto and shall be set out in the Grant letter.</td>
<td>100% of the Options will be Time-Based Options (TBO) as under:
<table>
<tr><th>Year</th><th>TBO</th></tr>
<tr><td>1</td><td>15%</td></tr>
<tr><td>2</td><td>20%</td></tr>
<tr><td>3</td><td>30%</td></tr>
<tr><td>4</td><td>35%</td></tr>
</table>
</td>
</tr>
</table>

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	Committee from time to time.		

Note: In relation to PBO above, if the performance target is not met in a Financial Year ("Shortfall FY"), that performance target will be taken to be met if the actual performance in the Financial Year immediately following the Shortfall FY ("Next FY") exceeds the performance target for the Next FY at least by the amount of the difference between the performance target and actual performance for the Shortfall FY. In that case, the Performance Based Options for the Shortfall FY and the Next FY will be taken to vest in respect of the Next FY (provided the Employee has not ceased to be employed by the Company). Similarly, If the performance target is met in a Financial Year ("Excess FY"), that excess performance of Excess FY will be carried forward to meet if the actual performance in the Financial Year immediately following the Excess FY ("Next FY") is less than the performance target for the Next FY by the amount of the difference between the performance target and actual performance for the Excess FY and any excess performance thereafter shall not be eligible to be carried forward further. In case the performance parameters pertaining to the Company are not met in any particular FY, the Nomination and Remuneration Committee shall have the power to grant a relaxation on the Vesting of PBO based on such performance parameters for reasons to be recorded in writing in NRC minutes.

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For CANARYS AUTOMATIONS LTD.

Managing Director