



ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

(CIN: L66010MH2000PLC127837)

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Disclosure pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Sr. No.	Particulars	Details
A	Relevant disclosures in terms of 'guidance note for employee share-based payment issued by ICAI or any other relevant accounting standard from time to time.	Relevant disclosures in this regard (i.e. salient features of the scheme, valuation methodology, the number and weighted average exercise prices of stock options, impact on revenue account if the Company followed the fair value method for valuing its options etc.) is made in the audited financial statements of the Company. (Refer note 3.19 of Standalone Financial Statements for FY2023 and ESOP section in Director's report for FY2023)
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.	Diluted EPS for the financial year ended March 31, 2023, is ₹ 5.63 per share (March 31, 2022: ₹ 5.23 per share)
C	Details related to ESOS	
(i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:	Refer Annexure I

	<ol style="list-style-type: none"> 1. Date of Shareholders approval 2. Total number of options approved under ESOS. 3. Vesting requirements 4. Exercise price/pricing formula 5. Maximum term of options granted. 6. Source of shares (primary/ secondary or combination) 7. Variation in terms of options 	
(ii)	Method of accounting used to account for ESOS (intrinsic or fair value)	Intrinsic value method
(iii)	Where the Company opts for expensing the options using the intrinsic value of the options the difference between the employee compensation so computed and the employee compensation cost that would have been recognized had the company used the fair value method for accounting. The impact of this difference on profit and EPS shall be disclosed.	The Company follows intrinsic value method and hence there is no charge in Profit and Loss Account. Had the company followed fair value method based on binomial tree model valuing its options compensation cost for the year ended would have been higher by ₹ 703,355 thousand (March 31, 2022: ₹ 587,352 thousand) and the proforma profit after tax would have been ₹ 7,403,300 thousand (March 31, 2022: ₹ 6,953,958 thousand). On a proforma basis, the company's basic and diluted earnings per share would have been ₹ 5.15 (March 31, 2022: ₹4.84) and ₹5.14 (March 31, 2022: ₹4.82) respectively. Refer note 3.19 of Standalone Financial statements for FY 2023.
(iv)	Option movement during the year (for each ESOS)	Refer Annexure II
(v)	Weighted average exercise price and weighted average of fair values of options shall be disclosed for options whose exercise price is less/equals /exceeds the market price of stock	The weighted average price of options exercised during the year ended March 31, 2023, is ₹ 384.94 (year ended March 31, 2022: 381.95)

		The weighted average of fair values of options granted during the year ended March 31, 2023, is ₹ 157.48 (year ended March 31, 2022: ₹ 124.88)
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(vi) Employee wise details (name of the employee, designation, number of options granted during the year, exercise price) of options granted to:

A. Directors and Senior Managerial Personnel

ESOP Grant to Whole-time Directors (For FY2023)

Name of Employee	Designation	No. of options granted	Exercise Price (Amount in ₹)
NS Kannan	Managing Director & CEO	4,35,500	541

The following key management persons and senior management personnel (SMP), other than wholetime Director, were granted stock options of the Company up to a maximum of 1,47,400 options to an individual, aggregating to 710,900 options during FY2023.

Sr. No.	Name	Designation
1	Judhajit Das	Chief-Human Resources
2	Satyan Jambunathan	Chief Financial Officer
3	Amit Palta	Chief Distribution Officer
4	Deepak Kinger	Chief Risk & Compliance Officer
5	Manish Kumar	Chief Investments Officer
6	Sonali Chandak	Company Secretary

Note: Mr. Souvik Jash, Appointed Actuary of the Company was granted 109,200 options of the Company during the year ended March 31, 2023 pending IRDAI approval. These options are not included in the aggregate options specified above since they have not yet been granted.

B.	Any other employee who receives a grant in any year of option amounting to 5% or more of options granted during the year	Nil
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	Nil

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

(a)	The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Refer Annexure III
(b)	The method used and the assumptions made to incorporate the effects of expected early exercise	Binomial tree model Refer Annexure III for assumptions.
(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Based on historic volatility determined on the basis of Nifty 50
(d)	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Refer Annexure III

Annexure I

ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED EMPLOYEES STOCK OPTION SCHEME (2005)

Particulars	Details
Date of shareholders' approval	<ul style="list-style-type: none"> • Original scheme approved at the EGM dated March 28, 2005 • Amendment approved by the members of the Company vide its EGM dated February 24, 2015 • Amendment approved by the members of the Company at its Annual General Meeting held on July 17, 2017 • Amendment approved by the members of the Company at its Annual General Meeting held on July 17, 2019 • Amendment approved by the members of the Company at its Annual General Meeting held on June 25, 2021
Total number of options approved under ESOS	<ul style="list-style-type: none"> • The aggregate number of shares issued or issuable since March 31, 2016 pursuant to the exercise of any Options granted to the Eligible Employees issued pursuant to the Scheme or any other

	stock option scheme of the Company, shall not exceed 3.54% of the number of shares issued at March 31, 2016
Vesting requirements	<ul style="list-style-type: none"> The Options granted to the Participant may vest in or more tranches as may be decided by the Committee and as stipulated in the Award Confirmation. Provided, however, there shall be a minimum period of one year between the grant of Options and vesting of Options
Exercise price or pricing formula	<ul style="list-style-type: none"> The exercise price shall be determined by the Board Nomination & Remuneration Committee in concurrence with the Board of Directors of the Company on the date the options are granted and shall be reflected in the award confirmation.
Maximum term of options granted	<ul style="list-style-type: none"> The exercise period commences from the date of vesting and expires on completion of such period not exceeding five years from the date of vesting of Options as may be determined by the Board Nomination & Remuneration Committee for each grant
Source of shares (primary, secondary or combination)	<ul style="list-style-type: none"> Primary
Variation in terms of options	NA

Annexure II

Movement of options during the year ended March 31, 2023

Particulars	Number of options
Outstanding at the beginning of the year	20,184,630
Add: Granted during the period	5,227,730
Less: Forfeited/lapsed during the period	199,690
Less: Exercised during the period	1,270,555
Outstanding at the end of the period	23,942,115

Particulars	Number of options
Exercisable at the end of the year*	13,559,815

* Vested options available for exercise at the end of the financial year

Out of the total outstanding stock options of the previous year 6,858,285 options are vested during the year ended March 31, 2023 and ₹ 489,089 thousand was realised by exercise of options during the year ended March 31, 2023.

Annexure III

Details as on April 16, 2022 (latest grant date in FY 2023)

Particulars	16-04-2023	16-04-2024	16-04-2025	Basis
Risk free rate (%)	6.19	6.54	6.79	G-Sec yield at grant date for tenure equal to the expected life of options
Expected life of the options (in years)	3.50	4.50	5.50	Simplified method (average of minimum and maximum life of options)
Expected dividend yield (%)	0.37	0.37	0.37	Based on recent dividend declared
Expected volatility (%)	21.56	19.78	18.44	Based on historical volatility determined on the basis of Nifty 50
Weighted Average Exercise Price	541	541	541	Share price on date of grant
