USFB/CS/SE/2026-27/52

Date: July 14, 2026

To,

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Symbol: UJJIVANSFB

BSE Limited
Listing Compliance
P.J. Tower,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code: 542904

Dear Sir/Madam,

Sub: Response to Institutional Investor Advisory Services India Voting Recommendation Letter dated July 9, 2026

This is to inform that we have received voting recommendation dated July 9, 2026, issued by the proxy advisor firm - Institutional Investor Advisory Services (IiAS) and received by us on July 11, 2026 at 9:30 PM IST. The recommendation concerns the resolution for the approval of the 'Ujjivan Restricted Stock Units Plan – 2026', as detailed in the notice of the 10th Annual General Meeting dispatched to the Members of the Bank and filed with the stock exchanges on June 30, 2026.

Our formal clarification regarding the IiAS recommendation is enclosed herewith.

We kindly request you to publish this letter on your platform to ensure shareholders are fully informed while taking their voting decision.

This intimation shall be available on the website of the Bank at www.ujjivansfb.bank.in

We request you to take note of the above.

Thanking you,

Yours faithfully,
For UJJIVAN SMALL FINANCE BANK LIMITED

Sanjeev Barnwal
Digitally signed by Sanjeev Barnwal
Date: 2026.07.14 16:11:24 +05'30'

Sanjeev Barnwal
Company Secretary and Head of Regulatory Framework

Encl: As mentioned above

To,

Institutional Investor Advisory Services India Limited
DGP House, Grou'1d Floor,
88-C Old Prabhadevi road,
Prabhadevi, Mumbai 400025

Sub: Clarification on recommendation made in your proxy report

This is regarding your report dated July 9, 2026 providing your recommendations on our AGM resolutions.

Firstly, we hereby put on record that we have always appreciated the in-depth analysis which IiAS does while making its recommendations and has always been very informative to us and we sincerely appreciate your recommendations for supporting six AGM resolutions (Resolutions, 1,2,3,5,6 & 7), and noted your below remarks and concern raised on the RSU resolution (No. 4 of our AGM Notice):

> *"The company seeks shareholders' approval for the Ujjivan RSU Scheme-2026, which will result in a 1.0% dilution on the expanded capital base, with upto 20.0 mn RSUs proposed to be granted to the senior leadership. The exercise price shall be the face value of the share. The vesting of RSUs would be subject to continued employment with the bank and in addition, the committee shall also specify certain performance criteria subject to satisfaction of which the RSUs would vest. In cases where the vesting of options is performance-based, we expect companies to provide detailed disclosures on weightages with respect to the metrics, performance targets, or a commitment to disclose such targets in the annual report after vesting. In the absence of clarity regarding vesting of options, we do not support the resolution."*

On the above remarks and concern, we hereby state that below grant conditions for RSUs as stated in clause a. of the explanatory statement to the resolution 4 of the AGM Notice, will also be applicable for each vesting of these RSUs i.e the vesting of RSUs subsequent to grant:

> *"The RSUs shall be granted subject to the achievement of specified performance criteria by the Bank. In particular, grant shall occur only upon the Bank achieving not less than 105% of its budgeted revenue and profit targets, as approved by the Board."*

We hereby reiterate that each vesting shall occur only upon the Bank achieving not less than 105% of its budgeted revenue and profit targets, as approved by the Board.

We also bring to your kind attention the below clause (b) of explanatory statement to RSU Resolution No. 4 of the AGM Notice:

"Vesting of RSUs would be subject to continued employment with the Bank and has not served any notice of resignation. In addition to this, the Committee shall also specify certain performance criteria subject to satisfaction of which the RSUs would vest. The Committee shall have the authority to determine the performance parameters applicable to an Employee or a class of Employees, based on their respective roles, and to assign relative weightages to each parameter as it deems appropriate."

Referring to the above clause (b), we hereby also confirm that once the Bank satisfies the first condition of vesting i.e. achieved 105% of its budgeted revenue and profit targets, Individual performance rating should be at least "Meets Expectations" (ME) and above, to be eligible for getting these RSUs vested.

We confirm that the Bank will disclose three key elements in its forthcoming Annual Reports: the actual targets required for RSU vesting, the performance achieved against those targets to satisfy the initial vesting condition, and the individual metrics driving the final vesting. These disclosures ensure complete transparency for our stakeholders and align with evolving governance best practices.

We sincerely request IiAS to consider our above written clarification and help support our RSU resolution No. 4 of AGM Notice based on our said commitment.

Thanking you,

Yours faithfully,
For UJJIVAN SMALL FINANCE BANK LIMITED

Sanjeev Barnwal Digitally signed by Sanjeev Barnwal
Date: 2026.07.14 16:11:49 +05'30'

Sanjeev Barnwal
Company Secretary and Head of Regulatory Framework