

## NOMINATION AND REMUNERATION POLICY

OF

### TRAVEL FOOD SERVICES LIMITED

#### 1. Introduction

The Nomination and Remuneration Policy (“**Policy**”) of Travel Food Services Limited (“**TFS**” or “**Company**”) is formulated under the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”) and other applicable laws (hereinafter referred to as “**Relevant laws**”).

#### 2. Definitions

- a. ‘**Board**’ means Board of Directors of the Company.
- b. ‘**Director/s**’ means directors of the Company.
- c. ‘**Committee**’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time, in accordance with the Act and applicable Listing Regulations.
- d. ‘**Company**’ means Travel Food Services Limited.
- e. ‘**Independent Director**’ means a Director referred to in Section 149(6) Act and rules and Listing Regulations.
- f. ‘**Key Managerial Personnel**’ / ‘**KMP**’ means following people, which includes people identified by the Company under sub-section 51 of section 2 of the Act.
  - i) the Managing Director or Chief Executive Officer or manager
  - ii) the Whole-time Director
  - iii) the Chief Financial Officer;
  - iv) the Company Secretary;
  - v) such other officer, not more than one level below the directors who is in whole-time employment, designated as KMP by the Board; and
  - vi) Any other person as defined under the Act from time to time
- g. ‘**Senior Management**’ / ‘**SMP**’ means officers/personnel of the Company includes;
  - i) Key Managerial Personnel
  - ii) One level below the Chief Executive Officer and Managing Director who are members of the core management and functional heads
  - iii) Any other officer as determined by the NRC and the Board from time to time.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 3. Objective and Purpose

The objectives and purpose of this Policy are:

- 3.1. To formulate the criteria for determining qualifications, competencies, positive attributes, and independence for appointment of a director (Whole-time/non-executive/independent/nominee) of the Company and
- 3.2. To recommend policy relating to the remuneration of the Directors, KMP, and SMP to the Board of Directors of the Company

This includes reviewing and approving corporate goals and objectives relevant to the compensation of the Directors, evaluating their performance in light of those goals and objectives, and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve Directors' compensation based on this evaluation; making recommendations to the Board with respect to KMP and SMP compensation and recommending incentive-based compensation and equity-based plans that are subject to approval of the Board.

### 4. Constitution of the Nomination and Remuneration Committee

- 4.1. The Board has constituted the “Nomination and Remuneration Committee” of the Board on 27th November, 2024. This is in line with the requirements under section 178 the Companies Act, 2013 (“Act”) and Regulation 19 of the Listing Regulations. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.
- 4.2. The Board has authority to reconstitute this Committee from time to time.

### 5. General

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;  
Part – B covers the appointment and removal of Directors, KMPs and SMPs; and  
Part – C covers remuneration for Directors, KMPs and SMPs

#### **Part – A: Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The following matters shall be dealt with by the Committee: -

(a) ***Size and composition of the Board:***

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive, non-executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

The Committee shall also assist the Board in ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective, rand gender. The policy on Board diversity is available, at Company official website

(b) ***Directors:***

Formulate the criteria determining qualifications, positive attributes of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise, and experience for the position.

(c) ***Succession plans:***

Establishing and reviewing Board, KMP and SMP succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and SMP.

(d) ***Evaluation of performance:***

- (i) Make recommendations to the Board on appropriate performance criteria for the Directors.
- (ii) Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third-party facilitator in doing so.
- (iii) Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

(e) ***Recoupment Policy:***

The Committee is responsible for recommending to the Board, the application of the Recoupment Policy in relation to any incentive-based compensation (as defined in the recoupment policy), that shall be recovered from the current or past KMP and SMP or any current or past executive reporting to the CEO in the event of an accounting restatement.

(f) ***Remuneration framework and policies:***

The Committee is responsible for reviewing and making recommendations to the Board on:

- a. Remuneration of whole-time Directors to be presented for shareholders' approval including severance, if any.
- b. Individual and total remuneration of non-executive Directors and the chairperson (if non- executive), including any additional fees payable for membership of Board

- committees;
- c. the remuneration and remuneration policies for KMP and SMP including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
    - (i) attract and motivate talent to pursue the Company's long term growth;
    - (ii) demonstrate a clear relationship between executive compensation and performance;
    - (iii) be reasonable and fair, having regard to best governance practices and legal requirements and
    - (iv) balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals
  - d. the Company's incentive compensation and equity based plans including a consideration of performance thresholds and regulatory and market requirements;

## **PART – B: Policy for appointment and removal of Directors, KMPs and SMPs**

### ***(a) Appointment criteria and qualifications***

1. The Committee shall ascertain the integrity, qualification, expertise, and experience of the person identified for appointment as Director, KMP or SMP and recommend to the Board his/her appointment. The Committee has the discretion to decide whether qualification, expertise, and experience possessed by a person is sufficient/satisfactory for the position.
2. To identify a person to be appointed as Director, KMP or Senior Management - they should possess adequate qualifications, expertise, and experience for the position he/she is considered for.
3. To identify a person to be appointed as Director, they should possess an impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
4. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended for such role shall meet the description.
5. For the purpose of identifying suitable candidates, the Committee may;
  - a. use the services of external agencies, if required
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity and
  - c. consider the time commitments of the candidates
6. The Company shall appoint or continue the employment of a person as Managing Director /whole-time Director and non-executive Director who has not attained the maximum age of retirement as prescribed under relevant laws.

7. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
8. The Company shall not appoint any resigning independent director, as a whole-time director, unless a period of one year has elapsed from the date of resignation as an independent director.

**(b) *Term / Tenure***

1. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director and CEO or whole-time Director as per the relevant laws. The Company shall not appoint or continue the employment of any person as a whole time Director who is below the age of twenty-one years or has attained the age of seventy years. Provided that a person who has attained the age of seventy years may be appointed or his term may be extended by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

The Company shall not appoint or re-appoint any person as its Managing Director & Chief Executive Officer or as a whole-time director for a term exceeding five years at a time.

2. Non-Executive & Non Independent Director

The Company shall not appoint or continue the employment of any person as a non-executive Director who has attained the age of seventy years, unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person. A non-executive director's office is subject to retirement by rotation at the Annual general meeting in the manner as specified under Relevant Laws.

3. Independent Director

An Independent Director shall be appointed / re-appointed in the manner as specified under relevant laws.

A declaration of independence shall be taken from each of the Independent Directors at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the

circumstances which may affect his status as an independent director.

An Independent Director shall hold office for a term up to five years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms

**(c) Removal**

Due to reasons for any disqualification mentioned in the Act, SEBI Listing Regulations and rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

**(d) Retirement**

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Act and this Policy. The Board will have the discretion to retain the Directors, KMP and SMP in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company, subject to approvals as required under the relevant laws.

**PART – C: Policy relating to the remuneration for Directors, KMP and SMP**

**(a) General**

1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Act, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
5. The Non Executive Directors shall be paid sitting fees for attending meeting of Board and Committees thereof and meeting of the shareholders of the Company, as may be approved by the Board from time to time in accordance to the Relevant Laws.

**(b) Remuneration to KMPs and SMPs**

The pay program for KMP and SMP has been designed around three primary pay components: Base/Fixed Pay, Performance Bonus and Stock Incentives. These three components together constitute the “Total Rewards” of the KMP and Senior Management.

1. **Base/ Fixed pay:** It is guaranteed pay and paid periodically, usually monthly or as per payroll policy of the Company.
2. **Performance Linked Bonus:** Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPI) as established by the Committee.
3. **Stock Incentives:** Stock or Equity based incentives can be either time based or performance based equity grants. Time based stock incentives, in the form of Stock Appreciation Rights (“SARs”) or/and Restricted Stock Units (“RSUs”) and/or stock options, are vested based on continuation of service. Performance based stock incentives, in the form of Stock Options and/or SARs, vest upon the achievement of certain performance parameters. The stock incentives are governed by the TFS Stock Plans as approved by the shareholders or any other plans as may be amended.
4. Annual Increments to the existing remuneration / compensation structure of all KMPs and SMPs shall be recommended by the Committee to the Board

The total rewards for KMP and SMP is designed to ensure their continued alignment with organizational goals. The Committee aims to ensure that KMP and SMP pay is reflective of market pay, consisting of a mix of base/ fixed pay, performance bonus and stock incentives. The emphasis on stock incentives ensures alignment with shareholders’ interests, through a continued focus on the Company’s sustainable, long term performance.

**(c) Remuneration to other employees**

The compensation for other employees would be as per the compensation policy of the Company, as revised through the annual compensation review process from time to time and approved by the Managing Director, in consultation with the Head- HR.

**(d) Minimum remuneration to Whole-time Directors**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to Directors including the Managing Director or whole-time director in accordance with the provisions of Schedule V of the Act.

The fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if they exceed the limits prescribed under the Listing Regulations.

**(e) Remuneration to Non-Executive / Independent Directors**

Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of relevant laws. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Non- Executive / Independent Directors in accordance with the provisions of Schedule V of the Act.

- i. Stock incentive: The Independent Directors shall not be entitled to any stock incentive of the Company.
- ii. The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

## **6. Governance**

Being part of SSP Group plc, the Company is committed to maintaining high standards of corporate governance. While striving to align its policies with group-wide policies wherever appropriate, the Company will ensure compliance with applicable laws and consider local circumstances and best practices of its Promoters.

## **7. Policy review**

- (a) This Policy is framed based on the provisions of the Act and rules thereunder and the requirements of Listing Regulations with the Stock Exchanges.
- (b) In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- (c) This policy shall be reviewed by the Nomination and Remuneration Committee, periodically. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.