

RISK MANAGEMENT POLICY

OF

TRAVEL FOOD SERVICES LIMITED

The board of directors (“**Board**”) of Travel Food Services Limited (“**TFS**” or “**the Company**”) has adopted a Risk Management Policy (“**the Policy**”) in compliance with the requirements of Section 134(3) of the Companies Act, 2013 (“**the Act**”) and Regulation 17(9) and Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”).

The Policy may be amended from time to time, , in order to ascertain and mitigate the risk exposures of various functions of the Company as well as to be in line with the requirements of the Act and SEBI Listing Regulations.

1. Objective

The objective of this document is to articulate an effective Risk Management Policy and process for TFS to promote a proactive approach in identifying, evaluating, reporting, and mitigating risks associated with the business and, in turn to ensure sustainable business growth with stability.

2. Risk Management Approach:

The Risk Management is meant to ensure continuity of business and protection of interests of shareholders and thus covers all the activities within the Company and events outside the Company which have a bearing on the Company’s business.

The Board is responsible for framing, implementing, and monitoring the risk management plan for the Company. Further, as part of its oversight role, the Board expects it to be assured of a well- grounded organization wherein risk mitigation is considered in all aspects of its operations and strategy. Similarly, the management considers the protection of its personnel and assets as paramount to the existence of the Company.

It is therefore important to develop and implement an integrated risk management process through sound and proven methods which will minimize the impact of risk whilst protecting our teams and all of the Company’s assets.

3. Application of a consistent and effective risk management framework will:

- a. Enhance the organizational capabilities to anticipate the likely areas of risk and develop potential mitigation actions.
- b. Support effective decision making and planning through better understanding of risk exposures.
- c. Enable management to respond in a manner that reduces the likelihood of downside outcomes and increases the upside.
- d. Help coordination / integration – Breaking down internal silos by coordinating various pockets of risk management activity for efficiency.
- e. Contribute to Company’s profits by substantially optimizing the overall cost of risk.
- f. Increase the likelihood of achieving the strategic objectives of the Company.
- g. Enhance health and safety performance, as well as environmental protection.

- h. Improve stakeholders' confidence and trust.
- i. Help comply with relevant legal and regulatory requirements and international norms.

This Risk Management Policy applies to all Business Units, Divisions, and functions of TFS, as per current and revised organizational structures that would evolve from time to time. For subsidiaries, joint ventures, and associate companies, the respective board of directors shall be responsible for risk oversight.

However, the Risk Management Committee of the Company ("**Committee**") may periodically review the risk management of subsidiaries, joint ventures and associate companies of TFS.

4. Risk Management

TFS is committed to having an effective 'Enterprise Risk Management' system in place to ensure that the significant risks the Company may face are appropriately identified, assessed, treated, monitored, reported, and reviewed.

The Risk Management Policy is adopted to make risk management an integral part of decision-making process during regular business operations so as to strengthen the Company's management practices, demonstrable to the external stakeholders. A review of risks must be done concurrently with decision making for various projects or investments and all proposals must include the relevant risks along with mitigation actions and/or business cases, as appropriate.

4.1 Risk Vision

To develop the highest internal capabilities to ensure business continuity and address the issues, and be prepared for disaster management in optimum time, cost and efforts, enabled through the implementation of benchmarked processes across TFS group, for risk identification, assessment, mitigation and review keeping future risk alleviation in mind.

4.2 Risk Management

Risk management is a set of activities undertaken to continuously monitor organizational risks so as to ensure that any unmitigated or emerging risk does not grow beyond the risk appetite of the organization.

Management's response shall be to make and carry out decisions that will minimize the adverse impact of risk elements and, thereby, the accidental losses, upon the organization.

Risks to major key performance indicators are to be identified and cascaded to respective functions/ divisions for mitigation actions. Acceptable levels of tolerance are to be set for the identified risks.

The risk management process is vital to all the organizational resources and its stakeholders. In financial terms, it is vital to pursue the goals of the Company and to perform duties in an efficient and professional manner with manageable risks.

4.3 Risk Management Principles

For risk management to be effective, the Company shall at all levels comply with the principles given below:

i) Risk management creates and protects value.

Risk management contributes to the demonstrable achievement of objectives and improvement of performance in, for example, human health and safety, security, legal and regulatory compliance, public acceptance, environmental protection, product quality, project management, efficiency in operations, governance, and reputation.

ii. Risk Management is an integral part of all organizational processes.

Risk Management is not a standalone activity, and not separate from the main activities or processes of the organization. Risk management is part of the responsibilities of management and an integral part of all organizational processes, including strategic planning and all project and change management processes.

iii. Risk Management is part of decision making.

Risk management helps decision makers make informed choices, prioritize actions and distinguish between alternative courses of action.

iv. Risk Management helps to manage uncertainty.

Risk management explicitly takes account of uncertainty, the nature of that uncertainty, and how it can be addressed.

v. Risk Management is systematic, structured, and timely.

A systematic, timely and structured approach to risk management contributes to efficiency and to consistent, comparable, and reliable results.

vi. Risk Management is based on the best available information.

The inputs to the process of managing risk are based on information sources such as historical data, experience, stakeholder feedback, observation, forecasts, and expert judgement. However, decision makers shall inform themselves of, and shall take into account, any limitations of the data or modelling used or the possibility of divergence among experts.

vii. Risk Management is tailored.

Risk management is aligned with the organization's external and internal context and risk profile.

viii. Risk Management takes human and cultural factors into account.

Risk management recognizes the capabilities, perceptions and intentions of external and internal people that can facilitate or hinder achievement of the organization's objectives.

ix. Risk Management is transparent and inclusive.

Appropriate and timely involvement of stakeholders and, in particular, decision makers at all levels of the organisation, ensures that risk management remains relevant and up to date. Involvement also allows stakeholders to be properly represented and to have their views taken into account in determining risk criteria.

x. Risk Management is dynamic and responsive to change.

Risk management continually senses and responds to change. As external and internal events occur, context and knowledge change, monitoring and review of risks take place, new risks emerge, some change, and others disappear.

xi. Risk Management facilitates continual improvement within the organization.

The Company shall develop and implement strategies to improve their risk management maturity alongside all other aspects of the business functions.

4.4 Risk Universe

The risk universe of TFS shall include all its operational units and locations and projects and prospective investments. All investments made by TFS in its subsidiary companies shall also form part of this structure and process. The review of risks shall include the following but not limited to:

- Strategic Risks
- Financial Risks
- Compliance Risks
- Sectoral Risks
- Sustainability (Particularly ESG related) Risks
- Information Technology Risks including Cyber Security Risks
- Operational Risks
- Reputation Risks
- Business Continuity Plan

4.5 Risk Management Process

In order to implement risk strategy, the management shall follow a uniform six-step risk management process:

- i. Risk Identification
- ii. Risk Assessment
- iii. Risk Prioritization
- iv. Develop & Implement Risk Response
- v. Develop Portfolio View
- vi. Review & Monitoring

4.6 Integration of Risk Management Process

Risk management is not a stand-alone discipline but needs to be integrated with the existing business processes to deliver the greatest benefits. As a minimum, risk management must be integrated with the core processes and all critical risks identified must be recorded and risk plans framed in risk register(s).

4.7 Composition of Risk Management Committee

The Committee shall have a minimum of three Members with the majority of them being members of the Board, including at least one Independent Director. The Chairperson of the Committee shall be a member of the Board and senior executives of the Company may be members of the Committee.

The Company Secretary shall act as the Secretary to the Committee. The Secretary will be responsible for taking adequate minutes of the proceedings and reporting on actions taken in the subsequent meeting.

The Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

4.8 Quorum

The quorum necessary for transacting business at a meeting of the Committee shall be either two members or one-third of the members of the Committee, whichever is higher, including at least one member of the Board of the Company being present.

A duly convened meeting of the Committee at which the requisite quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4.9 Meetings

The Committee shall meet at least twice annually or as frequently as may be considered necessary by the Chairperson of the Committee. There should not be a gap of more than 210 days between two consecutive meetings.

5. (a) Roles and Responsibilities of Risk Management Committee :

The Committee would be the apex body whose responsibilities shall include the following:

- i) To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. The appointment, removal and terms of remuneration of chief risk officer (if any) shall be subject to review by Risk Management Committee;
- vii. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the board of directors.

6. Role and Responsibilities of the Risk Officer

The Committee shall oversee and monitor the risk universe of the Company through a Risk Officer, if any, appointed by the Company. The Risk Officer shall be responsible to identify, review and mitigate all the risks associated with the business and functions of the Company including those specified under the heading 'Risk Universe' (Sec. 4.4). The Risk Officer shall keep the Committee apprised of the risks relating to financial, reputational and sustainability related concerns. The Committee shall provide guidance to the Risk Officer on a periodic basis in mitigating the major risks envisaged by the Risk Officer.

7. Amendment

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and / or amend any part of the Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to the Policy.

8. Communication of this Policy

The Policy shall be posted on the website of the Company.

9. 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.

10. Reporting

- i) The Committee shall report and update the Board periodically, on risk-related matters.
- ii. The Annual Report of the Company shall disclose, the composition of the Committee, meetings, attendance, and risk-related disclosures under SEBI Listing Regulations, as may be necessary to comply with the requirement.