



POLICY FOR DETERMINATION OF MATERIALITY

OF

RESTAURANT BRANDS ASIA LIMITED

(Formerly known as Burger King India Limited)

Document Control:

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1. Background

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**"), requires Restaurant Brands Asia Limited ("**Company**") to frame a policy for determination of materiality for disclosure of events or information to BSE Limited ("**BSE**") and National Stock Exchange ("**NSE**") of India Limited ("**Stock Exchanges**"), based on the criteria specified in the Listing Regulations ("**Policy**").

2. Scope of the Policy

The Policy will be applicable to all the events or information which fall under the criteria as disclosed under the section relating to the "Disclosure of events or information to Stock Exchanges". This Policy shall be read along with the Company's Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("**Code of Fair Disclosure**") framed in adherence to the principles for fair disclosure as outlined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

3. Key Managerial Personnel Authorized to Determine Materiality

Following Key Managerial Personnel shall be authorized for the purpose of determining materiality of an event or information and making disclosures to the stock exchanges under the Code of Fair Disclosure:

1. Group Chief Financial Officer & Chief Business Officer; and
2. Company Secretary & Compliance Officer.

The contact details of the authorized personnel shall also be disclosed to the Stock Exchanges as well as on the website of the Company.

4. Disclosures of Events or Information to Stock Exchanges

The events or information which will be necessary to be disclosed to the Stock Exchanges are divided into three categories as specified in the Listing Regulations:

- a. Events whose disclosure is mandatory and which would need to be disclosed without any application of the test/guidelines for materiality.

Following events or information shall be disclosed to the stock exchanges without any application of guidelines/ test on materiality:

- i. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in associate company of the Company or any other restructuring.

“Acquisition” would mean:

- *acquiring control, whether directly or indirectly; or,*
- *acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –*
 - *the Company holds shares or voting rights aggregating to twenty cent or more of the shares or voting rights in the said company; or*
 - *there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-paragraph and such change exceeds five per cent of the total shareholding or voting rights in the said company; or*
 - *the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30 of Listing Regulations.*

Provided that acquisition of shares or voting rights aggregating to five percent or more of the shares or voting rights in an unlisted company and any change in holding from the last disclosure made under this proviso exceeding two per cent of the total shareholding or voting rights in the said unlisted company shall be disclosed on a quarterly basis in the format as may be specified.

“sale or disposal of subsidiary” and “sale of stake in associate company” shall include:

- *an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the Company; or*
- *an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30 of Listing Regulations.*

“undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.

- ii. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
- iii. New Rating(s) or Revision in rating(s).
- iv. Outcome of meetings of the Board: The Company shall disclose to the Stock Exchanges, the outcome of meetings of the board of directors, held to consider or decide the following:
 - dividends recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - any cancellation of dividend with reasons thereof;
 - the decision on buyback of securities;

- the decision with respect to fund raising proposed to be undertaken including by way of issue of securities (excluding security receipts, securitized debt instruments or money market instruments regulated by the Reserve Bank of India), through further public offer, rights issue, American Depository Receipts/ Global Depository Receipts/ Foreign Currency Convertible Bonds, qualified institutions placement, debt issue, preferential issue or any other method;
 - increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/ dispatched;
 - reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - short particulars of any other alterations of capital, including calls;
 - financial results; and
 - decision on voluntary delisting by the Company from Stock exchanges.
- v. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- vi. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements.

Provided that such agreements entered into by the Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of Listing Regulations.

For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that Company shall or shall not act in a particular manner.

- vii. Fraud or defaults by a Company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the Company, whether occurred within India or abroad:

“Fraud” shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

“Default” shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

In case of revolving facilities like cash credit, an entity would be considered to be in ‘default’ if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than 30 (thirty) days.

Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the Company.

Fraud by senior management, other than who is promoter, director or key managerial personnel, shall be required to be disclosed only if it is in relation to the Company.

viii. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.

- In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than 24 (twenty) four hours of receipt of such reasons from the auditor.
- In case of resignation of an independent director, the following details shall be disclosed to the Stock Exchanges by the Company, within 7 (seven) days from the date of resignation:
 - The letter of resignation along with detailed reasons for the resignation as given by the independent director.
 - Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - Confirmation from the said independent director that there is no other material reasons other than those provided.
 - The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the disclosures as above.
- In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the Company within 7 (seven) days from the date that such resignation comes into effect.
- In case the Managing Director or Chief Executive Officer of the Company was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than 45 (forty-five) days in any rolling period of 90 (ninety) days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).

ix. Appointment or discontinuation of share transfer agent.

x. Resolution plan / Restructuring in relation to loans / borrowings from banks / financial institutions including the following details:

- (i) Decision to initiate resolution of loans/borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
- xi. One-time settlement with a bank.
 - xii. Winding-up petition filed by any party/creditors.
 - xiii. Issuance of notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the Company.
 - xiv. Proceedings of annual and extraordinary general meetings of the Company.
 - xv. Amendments to memorandum and articles of association of Company, in brief.
 - xvi. (a) (i) Schedule of analysts or institutional investors meet at least 2 (two) working days in advance (excluding the date of the intimation and the date of the meet); (ii) Presentations prepared by the company for analysts or institutional investors meet, post earnings or quarterly calls shall be disclosed to the recognized stock exchanges prior to beginning of such events.

For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

The Company shall not disclose the names in the schedule of analysts or institutional investors meet in case of group meeting/conferences. For one on one meeting directly scheduled by the Company, it shall disclose the names of the said investors.

(b) Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means, in the following manner:

- (i) The audio recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
 - (ii) the video recordings, if any, shall be made available on the website within forty-eight hours from the conclusion of such calls;
 - (iii) the transcripts of such calls shall be made available on the website along with simultaneous submission to recognized stock exchanges within five working days of the conclusion of such calls.
- xvii. The following events in relation to the corporate insolvency resolution process ("CIRP") of

the Company as a corporate debtor under the Insolvency and Bankruptcy Code, 2016, (“**Insolvency Code**”) if applicable:

- Filing of application by the Company for initiation of CIRP, also specifying the amount of default;
- Filing of application by financial creditors for initiation of CIRP against the Company, also specifying the amount of default;
- Admission of application by the National Company Law Tribunal (“**NCLT**”), along with amount of default or rejection or withdrawal, as applicable;
- Public announcement made pursuant to order passed by the NCLT under Section 13 of the Insolvency Code;
- List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“**IBBI Regulations**”);
- Appointment/ replacement of the Resolution Professional;
- Prior or post-facto intimation of the meetings of the Committee of Creditors;
- Brief particulars of invitation of resolution plans under Section 25(2)(h) of Insolvency Code in the form specified under Regulation 36A(5) of the IBBI Regulations;
- Number of resolution plans received by the Resolution Professional;
- Filing of resolution plan with the NCLT;
- Approval of resolution plan by the NCLT or rejection, if applicable;
- Specific features and details of the resolution plan as approved by the Adjudicating Authority under the IBBI Regulation, not involving commercial secrets, including details such as;
 - Pre and Post net-worth of the company;
 - Details of assets of the company post CIRP;
 - Details of securities continuing to be imposed on the companies’ assets;
 - Other material liabilities imposed on the company;
 - Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - Details of funds infused in the company, creditors paid-off;
 - Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - Impact on the investor – revised P/E, RONW ratios etc.;
 - Names of the new promoters, key managerial personnel, if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - Brief description of business strategy.
- Any other material information not involving commercial secrets;

- Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
- Quarterly disclosure of the status of achieving the MPS;
- The details as to the delisting plans, if any approved in the resolution plan.

xviii. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by Company:

- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
- b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.

For the above purpose, forensic audit refers to the audits, by whatever name called, which are initiated with the objective of detecting any mis-statement in financial statements, misappropriation, siphoning or diversion of funds and does not include audit of matters such as product quality control practices, manufacturing practices, recruitment practices, supply chain process including procurement or other similar matters that would not require any revision to the financial statements disclosed by the Company.

xix. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of the Company, in relation to any event or information which is material for the Company in terms of regulation 30 of Listing Regulations and is not already made available in the public domain by the Company.

"social media intermediaries" shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021

xx. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

(a) search or seizure; or

(b) re-opening of accounts under section 130 of the Companies Act, 2013; or

(c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- name of the authority;
- nature and details of the action(s) taken, initiated or order(s) passed;
- date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- details of the violation(s)/contravention(s) committed or alleged to be committed;
- impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

xxi. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

- (a) suspension;
- (b) imposition of fine or penalty;
- (c) settlement of proceedings;
- (d) debarment;
- (e) disqualification;
- (f) closure of operations;
- (g) sanctions imposed;
- (h) warning or caution; or
- (i) any other similar action(s) by whatever name called;

along with the following details pertaining to the actions(s) taken or orders passed:

- name of the authority;
- nature and details of the action(s) taken, or order(s) passed;
- date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- details of the violation(s)/contravention(s) committed or alleged to be committed;
- impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

Imposition of fine or penalty shall be disclosed in the following manner along with the details pertaining to the action(s) taken or orders passed as mentioned in the sub-paragraph:

(i) disclosure of fine or penalty of rupees one lakh or more imposed by sectoral regulator or enforcement agency and fine or penalty of rupees ten lakhs or more imposed by other authority or judicial body shall be disclosed within twenty four hours.

(ii) disclosure of fine or penalty imposed which are lower than the monetary thresholds specified in the clause (i) above on a quarterly basis in the format as may be specified.

- xxii. Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013.

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b. Events which may be disclosed to the Stock Exchanges based on the test of materiality:

The events or information as mentioned below shall be disclosed to the stock exchanges based on the application of the test of materiality.

Criteria for determination of materiality of inverts/ information are as outlined hereunder:

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. the omission of an event or information, which is likely to result in significant market reaction if the said omission came to light at a later date; or
- iii. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (a) 2 (two) percent of turnover, as per the last audited consolidated financial statements of the Company;
 - (b) 2 (two) percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - (c) 5 (five) percent of the average of absolute value of profit or loss after tax, as per the last 3 (three) audited consolidated financial statements of the Company.
- iv. in a case where the criteria specified in (i), (ii) and (iii) is not applicable, any event or information which in the opinion of the Board, is considered material and needs disclosure.

The key managerial personnel authorized under this Policy will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above.

In addition to this, the key managerial personnel while determining the materiality will do so on a case-to-case basis depending on specific facts/circumstances relating to the information/event and apply such other qualitative/quantitative criteria if required and as may be deemed appropriate to the event.

Following events or information shall be disclosed to the stock exchanges on application of guidelines for determining materiality:

- i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- ii. Any of the following events pertaining to the Company:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
- iii. Capacity addition or product launch.
- iv. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- v. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
- vi. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.

- vii. Effect(s) arising out of change in the regulatory framework applicable to the Company.
- viii. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
- ix. Frauds or defaults by employees of the company which has or may have an impact on the Company.
- x. Options to purchase securities including any ESOP/ESPS Scheme.
- xi. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
- xii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- xiii. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

c. Any other event/information that is likely to affect business:

Such events may include but not be limited to the following:

- i. Any other information/event which is in the nature of major development that is likely to affect business of the Company such as change in accounting policy that may have a significant impact on the accounts of the Company, emergence of new technologies, etc.; and
- ii. Any other information exclusively known to the Company which may be necessary to be disseminated to enable the holders of the securities of the Company to apprise its position and to avoid the establishment of a false market in such securities.

However, without prejudice to para (a), (b) and (c), the Company shall make disclosure of any event/information which may have a material effect on the Company, as specified by the Board from time to time. Further, the Company shall, with respect to disclosures referred to in this Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations. The Company may also, on its own initiative, confirm or deny any reported event or information to the Stock Exchanges.

The Company shall provide specific and adequate reply to all queries raised by the Stock Exchanges with respect to any event or information.

5. Timelines for disclosure of an Event/Information to the stock exchanges

Unless otherwise specific timeline provided in Regulation 30 of Listing Regulation and this Policy, all the events or information which are required to be disclosed in terms of this Policy, shall be disclosed to the stock exchanges as soon as reasonably possible and in any case not later than the following:

- (a) 30 (thirty) minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken:

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- (b) 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (c) 24 (twenty-four) hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

Provided that if all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of clause viii of events or information which shall be disclosed to the stock exchanges on application of guidelines for determining materiality as specified in this policy, is maintained in the structured digital database of the company in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the company:

Provided further that in case the disclosure is made after the timelines specified in this Policy, the Company shall, along with such disclosure provide the explanation for the delay.

6. Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors. **Guidance on when an Event/Information is Deemed to be occurred**

The events/information shall be said to have occurred upon approval of Board in certain events, for example further issue of capital by rights issuance and in certain events/information after receipt of approval of both, the Board and shareholders of the Company. Certain events which are price sensitive in nature like declaration of dividends etc. will be deemed to have occurred and disclosed on approval of the Board pending shareholder's approval.

Events such as natural calamities or disruption can be said to have occurred when the Company becomes aware of the event/information.

7. Disclosures on Website

The Company shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of (5) five years and thereafter as per the Archival Policy of the Company.

8. Amendments to the Policy

The key management personnel authorized under this Policy will review the Policy from the perspective of the Listing Regulations and determine the events/information for disclosure as may be amended by the Securities and Exchange Board of India from time to time. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.