

Report - 2023

Island Aviation Services Ltd

This report comprises the Annual Report on Island Aviation Services Ltd, prepared in accordance with the Companies Act (10/96), Corporate governance Code for State-Owned Enterprises and the Articles of Association of the Company.

In this report, we condensed the annual milestones and strategic accomplishments of Island Aviation Services Ltd, aligning with our steadfast commitment to excellence, safety, customer satisfaction, and teamwork. Known as 'IAS' or 'the Company', and operating under the brand 'Maldivian', we are the leading domestic carrier in the Maldives, proudly connecting our nation both within and beyond its borders. This Annual Report contains forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events.

This report, adhering to the highest standards and regulatory frameworks, offers a transparent overview of our operational and financial performance for the year ending 31st December 2023. It is a testament to our commitment to our core values and strategic objectives that guide our business and contribute to our enduring success.



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Chairman's Statement



Mohamed Mihad
Chairman

It is my utmost privilege and pleasure to present the Annual Report of Island Aviation Services Ltd for the year ending 31st December 2023.

Enhancements in corporate governance are crucial for maintaining trust and ensuring accountability within the organization. As a stride to improve and adhere to the good governance principles, I would like to reinforce the board's shared vision to strengthening corporate governance throughout the organization.

Reflecting upon the past year, we have embarked on a transformative journey of recovery. Despite the challenges posed by the Covid-19 pandemic, we have demonstrated resilience and progress through strategic foresight and dedication. A key highlight is the progress made on our Board Endorsed Medium Term Strategic Plan 2021-2024, which has achieved over 71% completion despite the financial challenges we faced post-Covid-19. This significant achievement underscores our commitment to our strategic goals and our ability to adapt and thrive in the everchanging aviation industry.

As we navigate towards stabilization and growth, our focus remains on debt restructuring and operational optimization to ensure a sustainable future. Our commitment to reinforcing our position as the premier domestic carrier in the Maldives is underscored by our expansion efforts and ambitious fleet renewal program, seaplane network, and terminal facilities. The Board is committed in supporting the development of infrastructure within key areas such as Maafaru Airport, Engineering, and our Corporate Head Office. These developments are essential for supporting our operational needs and ensuring we are well-equipped to meet future demands.

Additionally, the company's vision to ascend to the international skies with the initiation of the 'wide-body project' marks a significant commitment from both the Government and the Board to strengthen the national carrier of the Maldives. This project will further contribute to the tourism industry, highlighting our role in supporting the nation's economic growth.

Equally important is our dedication to cultivating a strong safety culture across all aspects of our operations. Furthermore, we recognize the pressing need to minimize our environmental impact and address the challenges of climate change. In line with this commitment, we have taken proactive steps incorporate environmental factors within the value chain of the company.

Marking the success of the closing year, I extend profound gratitude to our exceptional team whose dedication, passion, and resilience serve as the bedrock of our success. Additionally, heartfelt appreciation is extended to our esteemed Board members for their invaluable guidance, ensuring the steadfast governance, oversight, and strategic vision necessary for our company's growth.

As we look ahead, we anticipate a continued journey of shared success, building upon our past achievements to navigate a secure and prosperous path forward in extending the Maldivian hospitality to our customers as the 'Friendliest Airline' of the skies.

Managing Director's Statement



Ibrahim Iyas
Managing Director

The past year has marked a transformative phase for Island Aviation Services Limited, as we embarked on a journey of recovery and growth. In the wake of the Covid-19 pandemic, the global aviation industry faced unprecedented challenges, and our organization was no exception. However, through implementation of our strategic plan and unwavering resilience, we have made significant strides towards stability and development. Despite experiencing financial downturns in 2020, 2021 and 2022, our financial performance has improved during 2023. Nonetheless, to ensure a sustainable future, we are committed to focusing on improving financial performance and enhancing operational efficiency.

Our commitment to establishing ourselves as the leading domestic airline in the Maldives remains at the forefront of our efforts. We are steadfast in pursuing our Fleet Renewal project, and we have already inducted 2 ATR 72-600 and 1 ATR 42-600 aircraft, with plans to complete the project by 2025. This initiative has led to operational improvements across our network, including a 14% increase in on-time performance, which now stands at an annual average of 75% since the induction of new ATR Aircraft complemented by progressive changes brought to our flight schedule and other operational improvements. These enhancements underscore our dedication to excellence and innovation, reflecting our mission to provide exceptional service to our customers and to play an essential role in connecting the islands of the Maldives.

Our ambitions extend beyond domestic horizons. In alignment with government pledges and our Strategic Plan, we have initiated the aircraft sourcing process for the 'wide-body' aircraft project. This initiative aims to connect key tourist markets, beginning with China and eventually expanding to other long-haul destinations. This project will directly contribute to the tourism sector by enhancing accessibility to the major tourism source markets of the Maldives and facilitate growth of international tourist arrivals to Maldives. The induction of wide-body aircraft into our fleet marks a significant stride towards international expansion, elevating Maldivian on the global stage and reinforcing our status as the national carrier of the Maldives.

As we advance, our focus remains clear: execution of our strategic plan and striving back towards profitability. The challenges ahead are complex, but our commitment to operational excellence, strategic growth, and diversification remains steadfast. Our journey is powered by the dedication and passion of our team, the support of our stakeholders, and our collective vision for a brighter future.

In closing, I extend my heartfelt gratitude to the members of our beloved Maldivian family, our loyal stakeholders, and our valued customers. Your unwavering support and belief in our mission have been instrumental in navigating these challenging times. I am enthusiastic about the next chapter of our journey and confident that together, we will achieve our shared goals and reach new heights of success and innovation.



Vision

The friendliest Airline with unparalleled excellence..



Mission

Provide total customer satisfaction in the Airline Industry through innovative domestic and regional operations to the highest standards of professionalism and commitment.

Values

Excellence,
Safety,
Customers,
Teamwork

1. Our Company

Island Aviation Services Limited was incorporated in the year 2000 is wholly owned by the Government and registered on 24 September 2007. The Company operates as a State-Owned Enterprises (SOE) and is headquartered in the capital Male'. Our operational functions are carried out both in Headquarters and in additional facilities located in Henveyru building and at Airport. Our brand, Maldivian also the national airline of the country operates inter-island services within the county as well as international services to India, Bangladesh from its main hub at Velana International Airport. Additionally, we provide charter flights, special medical evacuation flights, and cargo flights upon request.

The Company's core business

- Airline Services
- Airport Lounge Services
- Airport Management & Operations
- Engineering & Maintenance Services
- Cargo Services
- Maldivian Holidays
- Maldivian Seaplane Service

Operational Fleets

Amount	Aircraft	Seats	
		Business Class	Economy Class
1	Airbus A320	14	138
2	Dash8- 200 series		37
7	Dash8- 300 series		50
11	DHC-6 Twin Otter (seaplanes)		15
2	ATR72-600		70
1	ATR42-600		46

1.1 Our Local Destinations



Kulhudhuffushi Airport,
Haa Dhaal Atoll



Hoarafushi Airport, Haa
Alif Atoll



Male' Kaafu Atoll



Maafaru Airport, Noonu
Atoll



Funadhoo Airport,
Shaviyani Atoll



Hanimaadhoo Airport, Haa
Dhaalu Atoll



Kadhdhoo Airport, Laamu Atoll



Kaadedhoo Airport, Ghaafu Alif Atoll



Madivaru Airport, Lhaviyani Atoll



Dharavandhoo Airport, Baa Atoll



Ifuru Airport, Raa Atoll



Thimarafushi Airport, Thaa Atoll



Fuvahmulaku Airport,
Gnaviyani Atoll



Gan International
Airport, Addu Atoll



Kooddo Airport, Ghaafu
Alif Atoll



Maavarulu Airport, Gaafu
Dhaalu Atoll



Faresmathoda Domestic
Airport, Gaafu Dhaalu Atoll

1.2 Our International Destination



Dhaka, Bangladesh



Thiruvananthapuram, India



Kochi, India



Bengaluru, India

1.3 Board of Directors as of December 2023



Ibrahim Iyas
Managing Director

Mr. Ibrahim Iyas appointed to the Board on 28th November 2023.

A qualified professional Mr. Iyas holds a Master of Engineering with Honors in Aeronautical Engineering at Imperial College of Science, Technology and Medicine (University of London)

He started his career in the aviation industry as Airworthiness Engineer at Civil Aviation Department and later joined as Manager of Safety and Quality at Island Aviation in 2008. He also served as Head of Safety and Quality, Head of Engineering and Director of Quality department.

Prior to being appointed as the Managing Director of IAS, Mr. Iyas was the Chief Operating Officer, in charge of overall management of the airline's operational areas.

He has also previously served as Board Director at Maldives Airports Company Limited.



Abdulla Saeed
Non- Executive Director

Mr. Abdulla Saeed was appointed to the Board on 26th December 2023.

An experienced Superintendent at the Maldives Customs Service Mr. Abdulla Saeed holds an MBA from Open University of Malaysia and Bachelor of Information Technology from Maldives College of Higher Education.

He also worked with the National Center for Information Technology as the leading project member in evaluation of hardware and software and knowledge management of Government Offices. Previously he has served as the Board Director of Maldives Tourism Development Corporation Plc and served as Board Director at STO Plc.



Mohamed Hassaan
Non- Executive Director

Mr. Mohamed Hassaan was appointed to the Board on 26th December 2023.

Hassaan holds a Bachelor's degree in Management and Marketing, from the Australian College of Business and Technology, Sri Lanka, affiliated with Edith Cowan university, Australia. He has worked at State Trading Organization Plc, Civil Service Commission, Mega Maldives, Ministry of Tourism and President's office.

Mr. Hassaan is currently the Assistant Under Secretary at the President's Office.



Ahmed Aboobakuru
Non- Executive Director

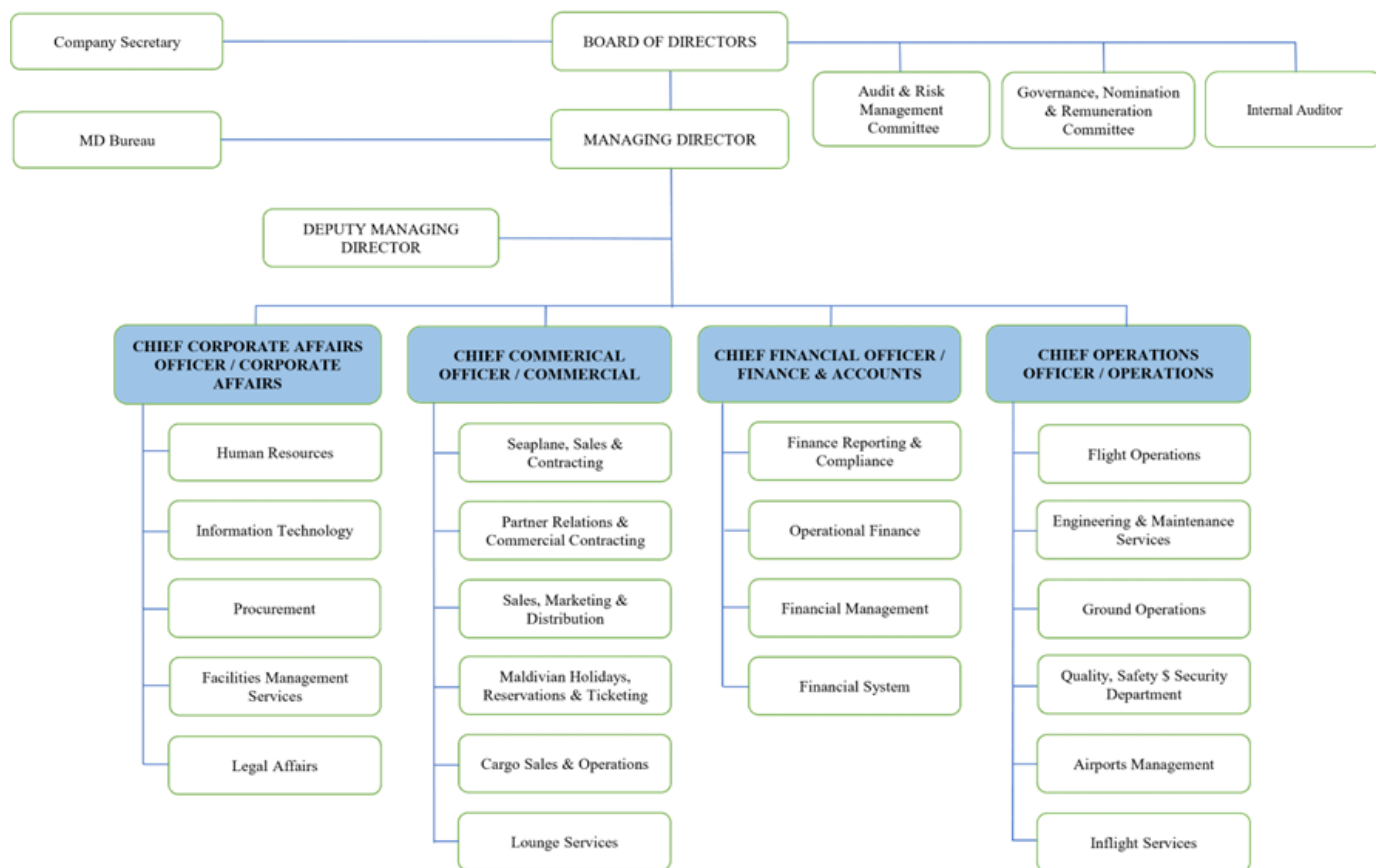
Mr. Ahmed Aboobakuru was appointed to the Board on 26th December 2023.

An experienced business entrepreneur who has served for 25 years in the public and private limited companies. He started his career at the Ministry of Home Affairs and then later served at State Trading Organization Plc.

He has also served as Board Director at State Electric Company Limited and at Maldives Transport and Contracting Company.

Mr. Ahmed Aboobakuru is currently the Board Director of Denicon Construction and Trading Pvt Ltd and Managing Director of Dynamic Construction and Trading Pvt Ltd.

1.4 Organizational Structure



1.5 Executive Management

1. Managing Director
2. Deputy Managing Director
3. Chief Financial Officer
4. Chief Operations Officer
5. Acting Chief Corporate Affairs Officer





2. Governance Report

2.1 Corporate Governance Statement

As a State- Owned Enterprises, Island Aviation Services Ltd, is governed in accordance with the principles set forth in Company's Act (10/96), Corporate Governance Act for State- Owned Enterprises and the Articles of Association. The Company is committed to continuously intensifying the standards of Corporate Governance principles and practices to improve and maintain a healthy balance of fairness, responsibility, transparency, and accountability.

These principles empower the Board with the necessary authority and processes to effectively review and evaluate company operations as needed. Additionally, these guidelines ensure that the Board can make decisions independently of Management. The company continuously updates these guidelines, reflecting changes in relevant legislation and international codes. These revisions include policies and procedures for governing subsidiaries and commercial activities, a manual for Board Directors, and a Code of Ethics. Island Aviation also regularly reviews its Board and Committee Charters, along with guidelines for Annual General Meetings and Annual Reports, reinforcing its commitment to robust governance.

2.2 Prime responsibility of the Board of Directors of Island Aviation Services Ltd

- Developing the corporate vision, mission, and strategies.
- Developing business plans and budgets
- Identifying operational risks and its mitigation strategies
- Monitoring the financial performance and assets management
- Establishing the right technology direction
- Overseeing the general business of IASL
- Deciding on the dividend policy
- Publishing the required reports for shareholders.
- Framing an appropriate governance and sustainability outline for the Company

2.3 Board Composition

In accordance with the Company's Articles of Association, the Board comprises of 7 members of those 7 members, 5 are Non- Executive Members and 2 are Executive Members, including Managing Director and Deputy Managing Director for the year 2023. The Chairman and Managing Director's roles and responsibilities are stated in the Company's Article of Association. The table below indicates the current composition of the Board of Directors.

Name	Position	Appointed Date
Mohamed Mihad	Chairman	8 th January 2024
Ibrahim Iyas	Managing Director	28 th November 2023
Ali Saleem	Deputy Managing Director	8 th February 2024
Mohamed Hassaan	Non- Executive Director	26 th December 2023
Abdulla Saeed	Non- Executive Director	26 th December 2023
Ahmed Aboobakuru	Non- Executive Director	26 th December 2023

The table below indicates the composition of the Board of Directors for the year 2023.

Name	Position	Appointed Date	Removed Date
Ahmed Shamheed	Chairman/ Non- Executive Director	6 th February 2019	18 th November 2023
Mohamed Mihad	Managing Director/ Executive Director	6 th January 2021	28 th November 2023
Aishath Jennifer	Deputy Managing Director/ Executive Director	3 rd February 2019	26 th December 2023
Abdulla Amir	Non- Executive Director	6 th February 2019	26 th December 2023
Nizar Hassan	Non- Executive Director	07 th April 2021	26 th December 2023
Ismail Ali Manik	Non- Executive Director	6 th January 2021	26 th December 2023
Azheel Ahmed	Non- Executive Director	6 th February 2019	26 th December 2023

2.4 Process of Appointment of New Directors

The process for the re-election and appointment of new directors is overseen by the Privatization and Corporatization Board (PCB). This structured approach ensures that the leadership of the company aligns with the strategic direction and governance standards set forth by the government, ensuring a cohesive and effective management team at the helm of the company's operations.

2.5 Board Meetings

The Board of Directors held a total of 15 Board meetings during the year 2023. The Annual General Meeting of 2022 was held on 13th November 2023.

The Company Secretary drafts the agenda for each meeting in consultation with Chairman and Managing Director.

On 26th December 2023, the above-mentioned Board of Directors were removed. Following this change the new Board of Directors is as follows:

Name	Position
Ibrahim Iyas	Managing Director/ Executive Director
Ahmed Aboobakuru	Non- Executive Director
Abdulla Saeed	Non- Executive Director
Mohamed Hassaan	Non- Executive Director

2.6 Key decisions and recommendations by the Board during the year

1. Approved Board Annual Plan 2023
2. Approved Audited Financials 2021
3. Approval of Quarterly Financials
4. Discussion of new revenue measures
5. Board Endorsement for Staff Loan and Retirement Policy
6. Discussion on International Expansion Plan
7. Approval for fleet renewal and Dash Phase out
8. Discussion on Company Rebranding
9. Approved Audited Financials 2022
10. Approved Annual Budget 2024
11. Board Induction for appointment of new Board.

2.7 Board Committees

The Board delegates its work to the respective Committees of the Board. All committees function in accordance with the approved Terms of Reference. As of, there are 2 committees- Audit and Risk Management (ARM) Committee, Governance, Nomination and Remuneration (GNR) Committee. The Board appoints members and the chairperson of each committee.

2.8 Board Evaluation

At Island Aviation Services Ltd, the Board actively monitors and reviews its performance through a carefully structured evaluation framework. In 2023, the company followed the evaluation criteria implemented in the year 2022 for assessing the performance of the Chairman, Executive and Non-Executive Directors, the Board, its committees, and the Company Secretary. This evaluation involved an online questionnaire, enabling directors to reflect on the Board's functionality and their individual effectiveness. The process is due to be completed, highlighted areas for improvement, focusing on aspects like board composition, skills, strategy, performance, and governance. This systematic approach ensures continuous enhancement of the Board's effectiveness.

2.9 Conflict of Interest

In accordance with the Board approved Conflict of Interest Policy, Directors are required to declare any conflict of interest they may have, and follow the procedures set out in the Code of professional Conduct for Board Members. Directors shall abstain from participating in discussions and voting on occasions where potential conflicts of interest arise.

Directors must disclose any company, association, or other affiliation where their immediate family members hold significant interest, this information is reviewed annually. This information is reviewed and where required, tallied with relevant authorities to confirm the information provided.

2.10 Internal Control, Risk Management

Board of Directors is collectively responsible for maintaining a solid internal controls to protect the Company's investments and assets. The company identifies the financial and operational risks that have an influence on the company's performance and the Board implements adequate policies to reduce the risks.

Audit and Risk Management Committee closely supervises and assesses the functions of Internal Audit.

2.11 Board Induction, Training and Development

The Company conducts an orientation program for newly appointed Directors to provide an understanding on the company's operations and to familiarize them on the Company's governance, policies, and functions. In 2023, newly appointed Directors underwent comprehensive induction processes and conducted site visits as part of their orientation and familiarization with company's operations

The orientation program for the new Directors organized by the Company Secretary plays a pivotal role in facilitating a smooth transition and integration for Directors into their new roles.

2.12 Code of Conduct Compliance Affirmation

The construction of the Annual Report for Island Aviation Services Ltd is diligently aligned with the company's Code of Conduct. This adherence ensures that the report upholds the highest standards of integrity and transparency, reflecting the company's commitment to ethical business practices. By complying with the Code of conduct, the report provides stakeholders with a reliable and accurate representation of the company's operations and achievements.

Refer to our website for the Code of Conduct

<https://maldivian.aero/corporate/legal/code-of-conduct.html>

2.13 Relationship with Shareholders

The company values its relationship with shareholders highly and endeavors to maintain a transparent and open communication channel. We timely updates on our projects and business segments are shared throughout the year via various media channels and our official website.

Additionally, significant business developments are communicated to shareholders through official announcements, press releases and posts on our website. We are committed to keeping our shareholders informed and engaging them in sustaining the growth and success of our company.

2.14 Declaration by the Board of Directors

The Board of Directors of Island Aviation Services Ltd declare that this report has been prepared in compliance with the Companies Act of the Republic of Maldives (Act No.: 10/96), Corporate Governance Code for State-Owned Enterprises and the Articles of Association of the Company. The Board of Directors declare that the information presented in this Annual Report is true and accurate and that there are no other facts, the omission of which would make any statement herein misleading or inaccurate.

2.15 Future Outlook

The board is confident in its current composition, believing it possesses the requisite expertise to support management in executing the company's strategic and business objectives. We are unwavering in our commitment to advancing the company's long-term vision.

Therefore, we confirm that the company is well positioned to continue its operations and implement its planned initiatives. We remain optimistic about the company's prospects and are confident in our management and Board of Directors ability to drive sustainability growth and value creation.

Mohamed Mihad
Chairman

Ibrahim Iyas
Managing Director

3 Audit and Risk Management Committee

The Audit and Risk Management (ARM) Committee was established in accordance with the requirements of SOE Governance Code.

3.1 Responsibilities of the Committee

The primary responsibility of the Committee is to oversee the Company's corporate financial reporting, including the relationship with the external auditors, as well as the Company's internal control and risk management framework and to assist the Board with any judgements and decisions-making required in this regard. This remained a key focus of the committee during the year 2023, with its activities being consistent with prior years and in line with its terms of reference.

3.2 Composition of Members and Attendance

The Committee is composed of 4 Members. During the year 2023, the ARM Committee held 6 meetings. Senior Management members attended committee meetings as and when required by the Committee. For the year 2023, the following members served on the Audit and Risk Management Committee

Name	Position
Azheel Ahmed	Chairperson/ Non- Executive Director
Ismail Ali Manik	Non- Executive Director
Abdulla Amir	Non- Executive Director
Nizar Hassan	Non- Executive Director

The Committee is committed to maintaining high standards of transparency and internal controls.



3.3 Key major activities

1. Presentation of 4th Quarter of 2022.
2. Presentation of Audit Plan
3. Presentation of Receivables / Payables Report
4. Kick off meeting with External Auditors
5. Review of the Company's Credit Policy
6. Review report on the Dash Fleet and Flying School Insurance
7. Cost evaluation / review of China operations
8. Presentation of Audited Financial Statement 2022

3.4 Internal Audit

The Committee is well satisfied with the performance of the Internal Audit function, its independence and objectivity and the adequacy and effectiveness of the internal controls established.

3.5 External Audit

The shareholders appointed KPMG as the External Auditors for the year 2023. During the year, the firm has not provided any non- audit related services to the Company, hence confirming their independence.

3.6 Risk Management

The risks on an operational scale is being managed within the Safety & Security Department.

3.7 Conclusion

The Committee is satisfied with the activities carried out during the year 2023

3.8 Risk Overview

Effective risk management and internal controls are necessary to protect the Company from exposure to unnecessary risks and ensure the sustainability of the Company's business activities. Our Risk-based approach and Safety & Security policy mandated by the Maldives Civil Aviation Regulation (MCAR) enables the Company to respond to the dynamic aviation environment, evolving business demands, as well as to seize new business opportunities.

The overall responsibility for risk management and internal control system of the company lies with the board of directors.

Committee Chairperson

4. Governance, Nomination and Remuneration Committee

The Governance, Nomination and Remuneration (GNR) Committee has a dual focus.

4.1 Responsibilities of the Committee

Firstly, it monitors and reviews the company's approach to Corporate Governance, implementing and developing governance systems. This includes overseeing and monitoring sustainable development targets, policies, and progress, aligning with global sustainability focus and stakeholder expectations. Secondly, the committee ensures the Board's composition is optimal for strategic guidance, considering diversity and succession. It also assesses the consistency and fairness of the Board and organizational pay relative to company performance.

4.2 Composition of Members

The Governance, Nomination and Remuneration Committee is comprised of three Non-Executive Directors. During the year 2023, the GNR Committee held 8 meetings. Senior Management members attended committee meetings as and when required by the Committee. As of 2023, the following members served on the Governance, Nomination and Remuneration Committee.

Name	Position
Abdulla Amir	Chairperson/ Non- Executive Director
Ismail Ali Manik	Non- Executive Director
Azheel Ahmed	Non- Executive Director

The Committee is committed to maintaining high standards of transparency and internal controls.

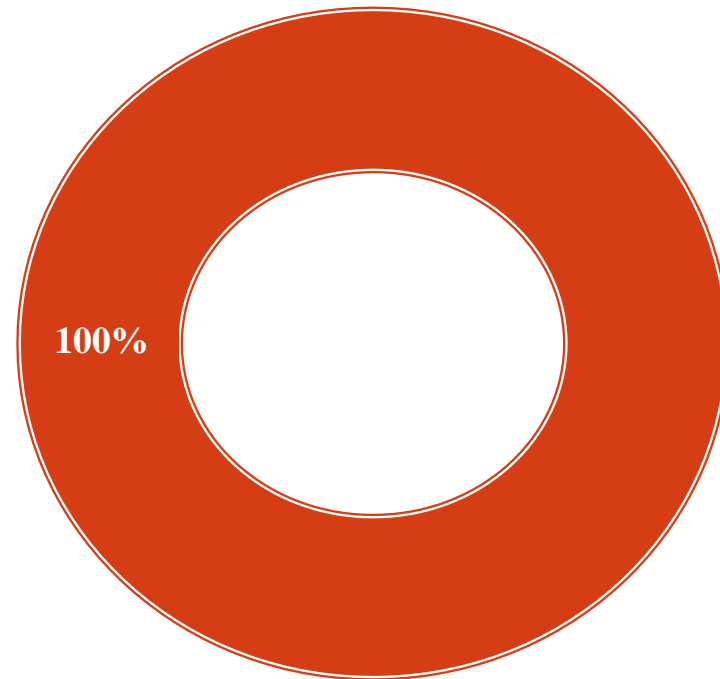


4.3 Key Major Activities

1. Staff Loan Policy
2. Presentation of Corporate Governance Report 2021 by External Auditors
3. Retirement Policy
4. Presentation of Procurement Policy
5. Revision to Duty Travel Allowance
6. Review for the post of Chief Commercial Officer
7. PCB Governance Review 2022

Committee Chairperson

5. Shareholding Structure & Disclosure of Ownership



Disclosure Statement on Ownership Exercise

In the latest reporting period, there have been no changes in the ownership of Island Aviation Services Ltd. The Government of the Maldives remains the sole shareholder, retaining 100% ownership of the company



6. Sustainability Report

Island Aviation Services Ltd, plays a vital role in connecting remote communities, facilitating tourism and driving economic development.

Our company is committed to operating in an environmentally responsible and sustainable manner while providing safe and reliable air transportation services to our customers.

Our sustainability pillars are

Environmental



To protect the environment and mitigate climate change through efficient operations and eco-friendly initiatives.

- Lowering emissions and noise
- Protecting or sustaining the environment and its resources

Social: Building safe, inclusive empowered communities.



Prioritize employee well-being, diversity and inclusion fostering a culture of respect and collaboration to drive positive impact within our organization and communities.

- Gender Equality
- Inclusive development

Governance



To ensure transparency, accountability and ethical conduct in all aspects of our operations. Our robust governance framework guides decision-making, promoting long-term sustainability and stakeholder trust.

- Ethical Policies
- Accountability

1. Environmental

Our company is committed to environmental preservation and climate change mitigation. Our dedication to sustainability is reflected in the implementation of various environmental policies and initiatives throughout our operations.

Aerodrome Manual: For each of the five airports (Maafaru, Madivaru, Thimarafushi, Dharavandoo and Ifuru) we have integrated an aerodrome manual to ensure the protection of environmental habitat, including the appropriate number of trees and other ecological features.

Lowering emissions and noise

Fleet transition from DHC-8 to ATR has helped IASL reduce noise footprint. The certified effective perceived noise (EPN db) levels of the ATR is lower than DHC-8 aircraft by approx. 6.9 %. Further IASL reviews and implements mitigating actions/guidelines published by aeronautical authorities at our destinations (local, domestic and overflight) to limit effects of noise.

Fleet transition from DHC-8 to ATR has also helped IASL to contribute to a marginal increase in fuel efficiency of our operations. ATR aircrafts are more than 3% fuel efficient than the DHC-8 aircraft as per ATR. IASL has implemented a fuel monitoring function within flight operations department to monitor. Data from fuel monitoring can be utilized to improve fuel efficiency of operations in future.

Protecting or sustaining the environment and its resources

IASL has implemented CORSIA requirements as published by ICAO and MCAA. CORSIA is a market-based mechanism introduced by ICAO to offset CO2 emissions in aviation. CORSIA complements other measures introduced by ICAO to reduce CO2 emissions. IASL is in compliance with Monitoring, Verification and Reporting requirements of CORSIA. As Maldives is a participating state in CORSIA scheme, IASL is required to offset emissions. The number of emissions to be offset will be based on IASL operations and sector growth factor published by the ICAO.

IASL will work on offsetting requirements in 2024/2025 period.

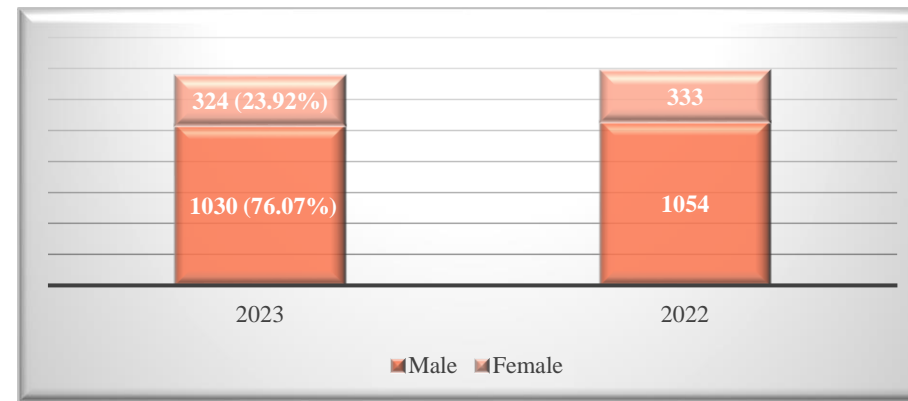
2. Social: Building Safe, inclusive and empowered communities

To ensure employee well-being, our company conducted the following new policies during the year 2023.

- Introduction of Hajj Policy and Umrah Leave Policy as a benefit for staff throughout the Company.
- Staff Loan policy was introduced to provide an interest-free loan facility, as an additional means of financial support for staff.
- Scholarship Policy for finance and similar areas were introduced to assist in employee growth. Further, the same policy was introduced to recognize IASL as an ACCA approved employer.
- Buddy Ticket policy was reintroduced for employees as a staff benefit.
- Additional accommodation facilities were sourced to alleviate staff concerns.
- Amana Takaful was selected as the Company Insurance provider for the year 2023, providing the opportunity for staff to enroll their dependents in the scheme as well.

Gender Equality

In the year 2023, the Company has experienced changes in its workforce composition. Below is the comparative analysis of employee's statistics for the years 2023 to 2022. As of 2023, the workforce comprised 1030 male employees and 324 female employees, while the board of directors consisted of 6 males with 1 female appointees till November 2023. During the end, board of directors consisted of 4 males with no female appointees.



Gender equality showed 76.07% of male and 23.92% of female for the year 2023

Inclusive Development

In the year 2023 the company prioritizes employee development. A total of 696 employees underwent training across 156 different training courses. Additionally, 59 locally and 97 international trainings were conducted.

3. Governance

Our board is responsible in implementing ethical policies, procedures and decision-making processes related to environmental, social and economic issues.

Additionally covers transparency measures, stakeholder engagement efforts and mechanisms for monitoring and reporting sustainability performance.

Name of Company

Island Aviation Services Ltd.

Registered Address

Dar Al Eiman Building, Majeedhee

Magu, Maafannu, Malé 20345

Republic of Maldives

Island Aviation Services Ltd.

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