



BOARD CHARTER

Contents

1. Introduction.....	1
2. Purpose	1
3. Composition of the Board	1
4. Role and Duties of the Board (as a whole) and Board Directors.....	1
5. Role of the Chairperson of the Board.....	2
6. Role of the Managing Director/Executive Director	2
7. Role of the Company Secretary.....	3
8. Board Meetings & Procedures	4
9. Board Committees.....	4
10. Board Performance Assessment	4
11. Reporting.....	4
12. Review of Charter.....	5





1. Introduction

The Board of Directors (“the Board”) of Island Aviation Service Limited (the Company”) have drawn up this Board Charter (“Charter”) which is subject to the provisions of the Code of Corporate Governance for State Owned Enterprises.

2. Purpose

This Charter sets out:

2.1 The roles, functions, rights, and responsibilities of the Board

2.2 The policies and practices of the Board in respect of its duties, functions, and responsibilities.

3. Composition of the Board

3.1 The Company shall maintain a unitary Board which shall comprise of Executive and Non-Executive Directors with a majority of Independent Non-Executive Directors.

3.2 The Chairman of the Board shall preferably be an Independent Non-Executive Director.

4. Role and Duties of the Board (as a whole) and Board Directors

4.1 The board must always act in the best interest of the company.

4.2 The board shall periodically review compliance reports of all laws applicable to the company.

4.3 The board shall set performance objectives and evaluating of the performance for the company and management and approving the management remuneration connected with corporate performance.

4.4 Establishing technology and information systems sufficient to operate the company efficiently and effectively

4.5 The Board should ensure the integration and alignment of the risk management system with the corporate and operational objectives and also that risk management is undertaken as a part of normal business practice.

4.6 A fiduciary duty to perform their duties in good faith in a manner that they believe to be in the best interests of the company.

4.7 A fiduciary duty to avoid any conflict of interest.





- 2 -

4.8 Review the performance of Management in meeting agreed goals and objectives and monitor the reporting performance.

4.9 Formulate or approve, monitor, and review corporate strategy, within the framework of the overall corporate objectives.

5. Role of the Chairperson of the Board

The Chairperson of the Board should lead the Board to ensure its effectiveness and should have specific responsibilities that include:

5.1 Setting the agenda for Board meetings.

5.2 Ensuring that accurate information is circulated to the Board of Directors timely to enable them to make informed decisions.

5.3 encouraging constructive relations between the Board and the Management.

5.4 facilitating the effective contribution of non-executive directors, during and outside Board meetings.

5.5 maintaining sound relations with the Company's shareholders and ensuring that the principles of effective communication and pertinent disclosure are followed.

5.5 overseeing the agenda for AGM and representing the board in AGM and other communications with shareholders.

5.6 ensuring that new directors receive a full, formal and tailored induction on joining the Board and that all directors continually update their skills and the knowledge and familiarity with the company required to fulfill their role both on the Board and Board committees.

5.7 ensuring that monitoring and evaluation of Board and director appraisals are carried out and reported annually.

5.8 promoting high standards of corporate governance, overseeing compliance by the Company with this Code and signing the Corporate Governance Statement to be attached to the Company's Annual Report; and

5.8 overseeing the compliance of the company with the relevant laws and regulations.

6. Role of the Managing Director/Executive Director

6.1 develop and recommend to the Board a long-term vision and strategy for the Company that will generate satisfactory levels of shareholder value.





- 3 -

6.2 develop and recommend to the Board annual business plans and budgets that support the Company's long-term strategy.

6.3 In the development of these plans, it is essential that the CEO/MD ensures a proper assessment of the risks under a variety of possible or likely scenarios is undertaken and presented to the Board.

6.4 strive consistently to achieve the Company's financial and operating goals and objectives and ensure that the day-to-day business affairs of the Company are appropriately managed and monitored.

6.5 serve as the chief spokesperson for the Company on all operational and day-to-day matters. The Chairperson and CEO/MD should discuss and agree with the Board the division of responsibilities for communication to shareholders and other stakeholders.

7. Role of the Company Secretary

7.1 develop and recommend to the Board a long-term vision and strategy for the Company that will generate satisfactory levels of shareholder value.

7.2 ensuring that the conduct of the general meetings is consistent with the law, the PCB regulations and with the Company's articles and by-laws.

7.3 supporting effective Board administration and serving as liaison between the Directors and Management.

7.4 providing the Board as a whole and directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company

7.5 assisting and advising the Chairperson of the Board and reporting to the Board on the Company's compliance with the corporate governance requirements, this Code and other internal corporate rules and policies, the Company charter and by-laws and any other relevant laws or regulations;

7.6 monitoring and arranging procedures for compliance with relevant regulatory and legal requirements, providing clarifications to the Board regarding the requirements of laws, this Code, rules of corporate conduct for the Company, charter and other legal acts, and introducing to newly elected Board members this Code and the legal acts regulating the Company's corporate governance and provides any clarifications requested by the Board;





- 4 -

7.7 ensuring timely, accessible and accurate filing of corporate statutory records as required by the law (Board meeting minutes), PCB and by the Company's articles and by-laws; and

7.8 the minutes of Board meetings shall be signed by the Company Secretary and the Company Secretary must ensure that the minutes are signed by the Board Directors present at the meeting

8. Board Meetings & Procedures

The Board should have its annual plan which provides for a number of meetings to be held and the tentative agenda items. The agenda of board meetings should be sent to all directors at least 3 to 5 working days in advance of the meeting, together with all relevant documentation, so that directors may have time to familiarize themselves with the agenda items and the supporting documentation.

9. Board Committees

9.1 The Board is authorized to establish Committees, in which Non-Executive Directors shall play an important role, to assist it in the execution of its duties, powers and authorities. The Board shall delegate to each of the Committees established, such authority as is required to enable such Committees to fulfil their respective functions.

9.2 The Board shall constitute the following Committees: Audit & Risk, Nomination, Remuneration and any such other Board Committees as may be necessary from time to time

9.3 The Chairman of each Committee shall report back to the Board at each Board meeting embracing a general principle of transparency and full disclosure.

10. Board Performance Assessment

The Board shall be responsible for undertaking regular performance assessments of the Board's performance. The Board should develop a policy and procedures for the annual evaluation.

11. Reporting

11.1 Proceedings of all minutes are minuted and signed by the Chairman and the Company Secretary.

11.2 Minutes of all Board meetings are circulated to Board members and approved by the Board at the next subsequent meeting.





12. Review of Charter

Review of this Charter shall be done and approved by the Board of Directors as and when required.

Approved Date:	November 2022
Effective Date:	November 2022

