

**GOVERNANCE, NOMINATION AND
REMUNERATION COMMITTEE
CHARTER**

ISLAND
AVIATION SERVICES LIMITED





Contents

1. INTRODUCTION	3
1.1. Scope	3
1.2. Purpose	3
1.3. Constitution	3
1.4. Secretary	3
1.5. Quorum.....	4
1.6. Meeting frequency	4
1.7. Meeting attendees.....	4
2. PRIMARY RESPONSIBILITIES	4
3. REPORTING PROCEDURES	6



THE CHARTER OF THE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

1. INTRODUCTION

The aim of this document is to set out the charter for the Governance, Nomination and Remuneration (GNR) committee of the Board of Directors (Board) of Island Aviation Services Limited (IAS).

1.1. Scope

This charter governs the operation of the GNR Committee of the Board of IAS and details the Committee's responsibilities and how it would carry out those responsibilities.

1.2. Purpose

(a) The purpose of the GNR Committee is to assist the Board in ensuring the appropriate governance, nomination and remuneration policies are established and maintained. The ultimate responsibility for the approval and endorsement of each such policy rests with the Board.

(b) The GNR Committee will ensure overseeing nomination of Board and Board Committee members, to address Board and Board Committees succession issues and to ensure that the Board and the Board Committees have the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

1.3. Constitution

(a) The GNR Committee shall be constituted by a resolution of the Board.

(b) The GNR Committee shall be appointed by the Board from among the Non-Executive Directors of the Board and shall consist of not less than three members.

(c) The Board shall appoint a Chairperson to the Committee.

(d) Directors will be appointed to the GNR Committee for a term of two years.

(e) In the absence of the Chairperson of the Committee, another member of the Committee shall be elected as the chairperson for any particular meeting.

1.4. Secretary

(a) The Company Secretary shall act as the secretary of the Committee and shall be responsible, in conjunction with the Committee Chairperson, for drawing up the agenda and circulating the Committee papers prior to each meeting.



- (b) The Minutes of each Committee meeting should be prepared and with prior circulation to the Committee members should have to be finalized and attended to signing off in the following meeting of the Committee. All such signed minutes should have to be archived and retained.

1.5. **Quorum**

The Quorum for a Committee meeting shall be two members.

1.6. **Meeting frequency**

- (a) The GNR Committee may meet as it deems necessary, but not less than once in every quarter.
- (b) Any GNR Committee member or the secretary may call for a meeting of the GNR Committee with the approval of the by Chairperson of the Committee, at any time to consider any matters falling within this charter. A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the GNR Committee.

1.7. **Meeting attendees**

Members of the Board, Executive management officials and any other shall attend meetings by invitation.

2. **PRIMARY RESPONSIBILITIES**

2.1. The GNR Committee, in its role with regards to the Governance issues, shall have the following primary responsibilities:

- (a) Assisting the Board in establishing and adhering to appropriate governance policies, practices and procedures.
- (b) Assisting the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies.
- (c) Regularly monitoring and recommending to the Board any modifications of the Principles of Corporate Governance which may be necessary.
- (d) Making recommendation to the Board on corporate governance policies, practices and procedures.
- (e) Periodically, reviewing and assessing the adequacy of the company's code of conduct, code of ethics for executive officers and such other policies for the needed assurances for appropriate and ethical corporate practices, assessing their compliance with applicable laws, rules and procedures set out under such codes and policies covered under corporate governance codes published by PCB, and Ministry of Finance of Maldives.
- (f) Establishing procedures for the Committee to oversee the evaluation of the Board.



2.2. The GNR Committee, in its role with regards to Remuneration issues, shall have the following primary responsibilities:

- (a) Review, approve and oversee the implementations of remuneration policies to support the long-term business strategy and values of the company.
- (b) Recommending to the Board a framework of remuneration and the specific remuneration packages for each Director and the Executive Directors and establish and determine KPI's of the executive management by which performance can be measured.
- (c) Annually reviewing remuneration of the company, incentive strategy, performance targets, bonus payments etc. and make recommendation to the Board.
- (d) Reviewing the company's recruitment, retention and termination policies and procedures and make recommendations to the Board.

2.3. The GNR committee, in its role with regards to nomination issues, shall have the following responsibilities:

- (a) Assessing the composition of the Board from time to time, with the determination of having a Board with Directors of diverse expertise and experience conducive to the core business and functions of the company and make recommendations to the Board for onward processing through the Privatization and Corporatization Board of the Ministry of Finance.
- (b) Making recommendations to the Board on the nomination, selection and appointment of Chief level staffs of the Company by carrying out interviews or otherwise as deemed appropriate.

2.4. The Committee in fulfilling its responsibilities shall have the right on the following:

- (a) Request documents, reports, explanations and other relevant information from the Managing Director, Executive Management Officers or any other staff of the Company and its Advisors.
- (b) Invite the Managing Director, Executive Management Officers and or any other staff of the company and its Advisors to their meetings for the purpose of questioning for needed explanations and clarifications.
- (c) Utilize the services of outside consultants, experts and advisors.
- (d) Perform any other duty as may be required by the Board within the scope of the Committee.



3. REPORTING PROCEDURES

- 3.1. All Minutes of the Committee meetings shall be adopted by the Committee.
- 3.2. The Committee shall report to the Board on regular basis, but not less than once in every three months with a summary of decisions and recommendations made by the Committee.