



REMUNERATION COMMITTEE CHARTER

Revision history:

Document	Date approved	Version	Custodian	Approved by
Remuneration Committee Charter	November 2018	No. 1	Remuneration Committee	Board
Remuneration Committee Charter	March 2020	No. 2	Remuneration Committee	Board
Remuneration Committee Charter	March 2021	No. 3	Remuneration Committee	Board

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1. Introduction

The Remuneration Committee (REMCO) is a Committee of the Board of Directors (the "Board") of Inter-Ocean Aviation Finance Corporation including its subsidiaries ("the Company") to which the Board has delegated certain oversight responsibilities.

2. Objective

REMCO (the Committee) was established to ensure that remuneration arrangements support the strategic aims of the Company and enable the recruitment, motivation and retention of all staff, including the senior Executives while also complying with the requirements of the applicable laws and regulations. The Committee has the delegated responsibility for establishing the remuneration structure and performance evaluation process for all staff, senior management, Directors, and the Chairperson of the Board, including pension rights and any remuneration payments.

The Committee does not relieve the Board of its responsibilities in any way.

3. Composition

3.1 The Committee shall comprise of at least 3 members and the majority should be non-executive members and where possible, independent.

3.2 The Chairperson of the Board shall not be the Chairperson of the Committee.

3.3 The Chairperson of the Committee shall be an independent non-executive Director.

3.4 The Board shall appoint the members and the Chairperson of the Committee.

3.5 Appointments to the Committee will be for a period of time as the Board requires.

3.6 Only members of the Committee have the right to attend Committee meetings. However, other executive Directors, senior managers of staff and external advisors may be invited to attend for all or part of any meeting as and when appropriate and necessary.

3.7 The Board may at any time remove members from the Committee and fill any vacancy created by such removal.

4. Meetings

4.1 The Committee shall meet at least three times a year and otherwise as required.

4.2 A quorum for a meeting of the Committee is a majority of the members present in person, by video conference, webcast or telephone.

4.3 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairperson.

4.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting reports shall be sent to Committee members and to other attendees, as appropriate, at the same time.

4.5 The Committee shall normally invite the Chairperson of the Board to attend meetings to discuss the performance of other Executive Directors and to make proposals as necessary.

4.6 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

4.7 Draft minutes of committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chairperson it would be inappropriate to do so.

5. Annual General Meeting

5.1 The Committee Chairperson should attend the Annual General Meeting to answer any shareholder questions on the Committees activities.

6. Responsibilities of the Committee

The Committee shall:

6.1 Have responsibility for setting the remuneration policy for all Directors and the Company's Chairperson, including pension rights and any remuneration payments. The Board shall approve the remuneration of the non-executive directors. No director or senior manager shall be involved in any decisions as to their own remuneration.

6.2 Recommend and monitor the level and structure of remuneration for senior management and other staff.

6.3 Consider all factors which it deems necessary including relevant legal and regulatory requirements, the principles of the Mauritian National Code of Corporate Governance and associated guidance. The objective of the remuneration policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long strategic long-term goals.

6.4 Review the on-going appropriateness and relevance of the remuneration policy as and when needed but at a minimum on an annual basis.

6.5 Within the terms of the agreed policy and in consultation with the Chairperson of the Board, the Group CEO and the Group Executive Director, as appropriate, determine the total individual remuneration package of each Executive Director, the Company Chairperson and other designated senior Executives including bonuses, incentive payments and share options.

6.6 Obtain reliable, up-to-date information about remuneration in other Companies of comparable scale and complexity. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.

6.7 Approve the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve the total annual payments made under such schemes.

6.8 Communicate the criteria as set by the Shareholders to calculate the profit pool in advance to the upcoming financial year to Senior Management.

6.9 Review the proposed amount to be made available for bonuses (Executive Directors, Senior Management and Group) based on financial performance for the past financial year. This includes reviewing the method and calculation against the criteria as set-in advance by the Shareholders and communicated to the Committee in February of each year (See point 6.8 above). This includes salary increases as increases are awarded based on performance.

6.10 Review and approve the targets set and Key Performance Indicators (KPI's) for Executive Directors, in advance to the start of the financial year. The Committee as led by the lead independent Director and Chairperson of the Committee, with the assistance of the Chairperson of the Board will lead this process.

6.11 Review and approve the planned performance review process in advance to the start of the financial year by which targets set for Executive Directors are cascaded down to employees.

6.12 Perform a review on the mid-year performance of Executive Directors against performance targets (KPI's) set for the year.

6.13 Perform a review on the mid-year performance review process (KPI's) for employees of the Group.

6.14 Perform a review on the year end performance of Executive Directors against performance targets (KPI's) set for the year.

6.15 Review the outcome of the year-end performance review process for the employees of the Group.

6.16 Review at least annually the Pilot and Base Manager performance review process followed by the Group in relation to these categories of employees.

6.17 Review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors and other designated senior Executives and the performance targets to be used.

6.18 Recommend to the Board and Shareholders for approval, any Long-Term Incentive awards based on the required criteria.

6.19 Recommend to the Board for approval, the vesting of any Long-Term incentives and

achievements of the required criteria for payment, and within cash flow constraints.

6.20 Determine the policy for, and scope of, pension arrangements for each Executive Director and other designated senior Executives.

6.21 Perform an annual review of remuneration related policies including but not limited to overtime and subsistence and allowance policies.

6.22 Perform an annual review of leave policies.

6.23 Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

6.24 Oversee any major changes in employee benefit structures throughout the Company or group.

6.25 Review the policy in relation to authorization of expense claims for Directors.

6.26 Perform an annual review of the succession plans prepared by the Corporate Governance, Ethics and Nominations Committee.

6.27 Receive feedback on or request any internal or external audits relating to human resources or payroll, findings and actions. If any actions, to receive feedback from Management in a subsequent meeting.

6.28 Review the Human Resources report prepared by Management biannually.

6.29 Work and liaise as necessary with all other Board committees.

7. Reporting responsibilities

7.1 The Committee Chairperson shall report to the Board in writing on its proceedings after each meeting on all matters within its duties and responsibilities.

7.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

7.3 The Committee shall ensure that provisions regarding disclosure of information are fulfilled and produce a report of the Company's remuneration policy and practices to be included in the Company's annual report and ensure each year that it is put to shareholders for approval at the AGM. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.

7.4 Through the Chairperson of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.

8. Remuneration

8.1 Having regard for the functions performed by the members of the Committee in addition to their functions as Directors in relation to the activities of the Committee, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board. Such special remuneration shall be in addition to the annual fees payable to directors.

8.2 The Chairperson of the Committee shall, in addition to his or her remuneration as member, receive a further sum as determined by the Board.

9. Other matters

The Committee shall:

9.1 Have access to outside or other independent professional advice as it considers necessary to carry out its duties.

9.2 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.

9.3 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.

9.4 Give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of Directors.

9.5 Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.