

Nomination and Remuneration Committee Charter
Maldives Tourism Development Corporation PLC

30th June 2014

1. Nomination and Remuneration Committee

- 1.1 The Charter of the Nomination and Remuneration Committee of the Maldives Tourism Development Corporation (MTDC) plc is written for the benefit of the Committee and to state the membership and functions of the Committee. The Remuneration and Nomination Committee shall be considered as one single committee after considering the composition of the Board.

2. Function of the Committee

The Nomination and Remuneration Committee is appointed by the Board to assist the Board on matters relating to it. The Committee will perform and discharge its duties as stipulated by the Maldives Capital Development Authority's Code of Corporate Governance (CMDA). The function of the Committee is;

- 2.1 To evaluate and ascertain the track record, professional qualification, experience and competence of the candidates for the appointment of directors.
- 2.2 To advise the government of the experience and skill that the company requires its directors to possess. To ascertain that the Board of the Company is formed in compliance with the Articles of the Company and to review the service of the Directors to the Company satisfactorily twice a year.
- 2.3 To formulate guidelines and rules for the appointment of Chief Executive Officer (CEO), Chief Financial Officer (CFO) and appointment of senior officials according to the organizational structure of the Company.
- 2.4 To establish rules relating to work agreement, time period provided for termination of employment and dismissal of an employee without violating rights enjoyed by an employee under the law.
- 2.5 To determine fundamental issues relating to salaries and incentives of Directors, Chief Executive Officer (CEO), Chief Financial Officer (CFO) and senior officials of the Company.
- 2.6 To prepare the employment agreement, period of termination, and financial due to be given for dismissal of an employee.
- 2.7 To determine financial and other incentives to encourage the performance of the employees.
- 2.8 To harmonize the rules placed to comply with the Company's Human Resources Policy with the Strategic Direction as decided by the Company's Board.

3. Membership of the Committee and Structure

- 3.1 The Company's Board of Directors will appoint members to the Nomination and Remuneration Committee. The Committee will receive financial incentive as determined by the Board and the Board has the absolute authority to appoint and remove members from the Committee.
- 3.2 The Committee is formed amongst Non-Executive Directors and the minimum number of the members of the Committee is three(03). More than half of the Committee along with the Chairman of the Committee must be independent members.

4. Committee Meeting

- 4.1 The Nomination and Remuneration Committee may hold meetings as required and according to its charter, the Committee must hold minimum one sitting annually.
- 4.2 The quorum of the Nomination and Remuneration Committee is two (02) members, out of which one member should be the Chair of the Committee. The Committee must appoint a Chairman from among the members present in a meeting where the Chairman of the Committee is absent and has not appointed a replacement.
- 4.3 Each member of the Committee will cast one vote, and the Chairman would not be permitted to give casting vote.
- 4.4 The Committee may finalize its decisions through a Circular Resolution.
- 4.5 The minutes of the meeting shall be maintained either by the Secretary of the Company or a senior employee appointed by the Committee and must get the signature of the members within seven working days.

5. Responsibility and Duty of the Committee

Must review the Charter of the Nomination and Remuneration Committee and submit any changes proposed by the Committee to the Board and must assist the Board on the following matters.

General

- 5.1 To review general principles relating to the company's overall nomination and remuneration and to ensure that the company's senior administrative positions are attractive to fair and competent individuals to join the Company .
- 5.2 To introduce changes to policies and rules relating to salary, incentives and employment.

Directors Remuneration

- 5.3 To determine salary and incentives of Executive Director and assess the performance of the employees.
- 5.4 To render opinion on amending article to the employment agreement or changes to the salary and incentives of directors.

Remuneration of Non-Executive Directors

- 5.5 To render opinion on determining the salary of Non-Executive Directors to the Board, and advise the Board on the remuneration package after reviewing the salary and incentives given to same size of companies to attract directors to the company.
- 5.6 Where Committee sees it appropriate, to advise the Board to seek opinion from outside the Company.

Remuneration of Employees

- 5.7 Give advice to determine the salary of the Company's employees.
- 5.8 Advise the Board on revising the salary of the Company's employees.

Evaluate the contenders for Directors

- 5.9 To evaluate candidates for the post of directors and determine the most eligible and competent and share such information with the shareholders.
- 5.10 To introduce measures to evaluate the performance of directors.

Appointment of Chief Executive Officer (CEO)

- 5.11 To advise the Board on the appointment, removal and job description of the Chief Executive Officer.
- 5.12 To evaluate and study the performance and competency of the Chief Executive Officer and submit any proposed change to the Board.

Appointment of Chief Financial Officer (CFO)

- 5.13 To advise the Board on the appointment, removal and Job Description of the Chief Financial Officer.
- 5.14 To evaluate and study the performance and competency of Chief Financial Officer and submit any proposed change to the Board.

Employing Company Staffs

- 5.15 To delegate the responsibility of placement of staffs within the company to the Managing Director of the Company in accordance with Company's Human Resource Policy.

Annual Review

- 5.16 To review once a year the performance of the Committee and submit the following to the Board:
- The performance of the job and targets achieved in accordance with the Committee's Charter and Objectives.
 - Targets to be achieved for the year ahead.
 - Any revision or changes to be introduced to the Nomination and Remuneration Committee Charter.

Annual Report

- 5.13 Inclusion of a statement by the Nomination and Remuneration Committee in the Annual Report of the Company.

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