

Position Statement of Chairperson of Innodis Ltd

The chairperson is responsible for:

1. Meetings

- i. Chairing board and general meetings;
- ii. Upholding rigorous standards of preparation for meetings;
- iii. Running the board and ensuring its effectiveness in all aspects of its role, including regularity and frequency of meetings;
- iv. Setting the board agenda, taking into account the issues and concerns of all board members. The agenda should be forward looking, concentrating on strategic matters;
- v. Ensuring that there is appropriate delegation of authority from the board to executive management and board committees;
- vi. Ensuring the board's committees are properly structured with appropriate terms of reference;
- vii. Encouraging all board members to engage in board and committee meetings by drawing on their skills, experience, knowledge and, where appropriate, independence;
- viii. Ensuring that the directors receive accurate, timely and clear information, including that on the organisation's current performance, to enable the board to take sound decisions, monitor effectively and provide advice to promote the success of the organisation;
- ix. Managing the board to allow enough time for discussion of complex or contentious issues. The chairperson should ensure that directors (particularly nonexecutive directors) have sufficient time to consider critical issues and obtain answers to any questions or concerns they may have and are not faced with unrealistic deadlines for decision making.
- x. Ensuring that the decisions by the board are executed.

2. Directors

- i. Facilitating the effective contribution of non-executive directors and encouraging active engagement by all members of the board;
- ii. Ensuring constructive relations between the executive and non-executive directors.

3. Induction, development, succession and performance evaluation

- i. Ensuring that new directors participate in a full, formal and tailored induction programme;

- ii. Ensuring that the development needs of directors are identified and, with the company secretary having a key role, that these needs are met. The directors should be able to continually update their skills and the knowledge and familiarity with the company required to fulfil their role on the board and its committees;
- iii. Mentoring to develop skill and enhance directors' confidence and encourage them to speak up and make an active contribution at meetings;
- iv. Identifying the development needs of the board as a whole to enhance its overall effectiveness as a team;
- v. Overseeing a succession plan for the CEO and certain senior management appointments such as the CFO;
- vi. Ensuring the performance of the board, its committees and individual directors is evaluated at least once a year and acting on the results of such evaluation by recognising the strengths and addressing the weaknesses of the board. Where appropriate, through the nomination committee, proposing that new members be appointed to the board or seeking the resignation of others.

4. Relations with shareholders

- i. Ensuring effective communication with shareholders;
- ii. Maintaining sufficient contact with major shareholders to understand their issues and concerns, in particular discussing governance, strategy and remuneration with them;
- iii. Ensuring that the views of shareholders are communicated to the board as a whole so that all directors develop an understanding of their views.

5. AGM

- i. Arranging for the chairmen of board committees to be available to answer questions at the AGM and for all directors to attend.

In addition, the Chairperson should:

- i. Set the ethical tone for the board and the company and uphold the highest standards of integrity and probity;
- ii. Set the agenda, style and tone of board discussions to promote effective decision making and constructive debate;
- iii. Ensure that they are fully informed about all issues on which the board will have to make a decision, through briefings with the chief executive, the company secretary, and members of the executive management as appropriate;
- iv. Ensure clear structure for, and the effective running of, board committees;
- v. Ensure effective implementation of board decisions;

- vi. Promote effective relationships and open communication between executive and non-executive directors both inside and outside the boardroom, ensuring an appropriate balance of skills and personalities;
- vii. Build an effective and complementary board, and with the nomination committee, initiate change and plan succession in board appointments (except that of a successor as chairperson) subject to board and shareholder approval;
- viii. With the assistance of the company secretary, promote the highest standards of corporate governance. If full compliance is not possible, ensure that the reasons for non-compliance are fully understood, agreed by the board and explained to shareholders;
- ix. Ensure an appropriate balance is maintained between the interests of shareholders and other stakeholders (employees, customers, suppliers and the community);
- x. Ensure the long term sustainability of the business;
- xi. Ensure the continual improvement in quality and calibre of the executives;
- xii. Establish a close relationship of trust with the CEO and CPO, providing support and advice while respecting executive responsibility;
- xiii. Ensuring effective communication with shareholders and other stakeholders;
- xiv. Building and maintaining stakeholders trust and confidence in the company and in conjunction with the CEO, representing the company to key stakeholders.