

INTEGRATED SUSTAINABILITY REPORT

1. STATEMENT BY MANAGING DIRECTOR

It brings me great pleasure to present the Annual Sustainability Report of Aasandha Company Limited for the financial year 2024, a testament to our commitment to transparency, responsibility, and progress into future endeavours.

2. INFORMATION/BACKGROUND OF THE COMPANY

Aasandha Company Limited, is a 100% government-owned Company governed by a Board of Directors appointed by the Privatization and Corporatization Board of Maldives. Aasandha Company Limited is registered at Ministry of Economic Development, under the Act No. 15/2011 on 21st December 2011.

3. OUR ESG JOURNEY

3.1 INTRODUCTION

In 2024, we continued to execute our ESG strategy and implementation plan. We worked to strengthen our internal capacity by creating awareness on the ESG targets under each pillar and the policies to be developed and adopted by all staff.

To reach the ESG targets, we have drafted the policies and guidelines relevant to each pillar. Once the policies are finalized, we will develop the Key Performance Indicators (KPIs) for different business units and continually monitor the progress towards meeting our ESG targets, and the Board of Directors ('the Board' hereinafter) will monitor regular progress updates.

Aasandha Company's Environmental, Social and Governance Report 2024 describes our sustainability performance and the challenges we encountered in 2024. It focuses on the ESG topics identified in the Guideline on Integrated Sustainability Reporting of SOEs published by the Privatisation and Corporatisation Board (Ref: 454/CIR/2024/5) on 3rd March 2024 and any area that are material to our business and our stakeholders.

This report has also been prepared with reference to the Global Reporting Initiative ('GRI') Standards.

Aasandha Company's ESG Champions are responsible for coordinating our data collection. To ensure the quality, accuracy and transparency of our ESG disclosure, we have continued to use Aasandha Company's "Three Lines of Defence" framework to collect and validate our ESG data, which is overseen by the Managing Director.



3.2 MATERIALITY ASSESSMENT

Whilst this report primarily reports on the pillars/topics identified in the Guideline on Integrated Sustainability Reporting of SOEs published by the Privatisation and Corporatisation Board (Ref: 454/CIR/2024/5) on 3rd March 2024.

However, had the management and those charged with governance identified additional ESG-related topics that are material for the company and its stakeholders, they are also covered in this report.

3.3 OUR SUSTAINABILITY PILLARS

The company Disclose information about the Company's sustainability related risks and opportunities (SRROs) that is useful to primary users of general-purpose financial reports (primary users) in making decisions relating to providing resources to the organisation.

- **ENVIRONMENT**
- **HEALTH AND SAFETY**
- **SOCIAL ISSUES**
- **GOVERNANCE**

PILLAR 1: ENVIRONMENT

To protect the planet for present and future generations, we are endeavouring to optimise the use of resources. We aim to conduct our business in an environmentally conscious manner and advocate for good practices in our value chain.

1. **Environmental Policies**

- At present the Company does have a policy and guidelines separately that promotes protecting or sustaining the environment and its natural habitat.
- No material accidents/ incidents related to the economic activities of the company that had an impact on the natural habitat, biodiversity, and the overall environment happened during the financial year 2024.



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2. Water

- In the ongoing operations of the Company's standardization project, a draft policy developed and a guideline for water conservation has been produced. It has yet to be formally endorsed and implemented. Strategies to ensure reduction of water consumption and reuse water efficiently are yet to be established.
- 744.38 CBM of water costing MVR 73,125.22 for the financial year 2024 (4.27% less compared to the year 2023).

3. Electricity

- In the ongoing operations standardization project, a draft of the policy developed and a guideline for electricity conservation has been produced. This would address the issue to a certain limit. It has yet to be formally endorsed. Strategies to ensure reduction of electricity usage and achieve environmentally friendly energy efficiency are yet to be established.
- *Total electricity consumed* 172,957.00 kWh of Power costing MVR 921,650.74 for the financial year 2024 (total cost spent 1.16% less)

4. Waste

- *Total waste produced* Not recorded yet. Major waste is household waste and used paper. The company has developed a draft policy and a guideline to be followed by the staff in managing waste within the Company.
- *Waste management procedures* assigned to WAMCO.

5. Environmental Activities

- The Company did not undertake any environmental activities during the period.
- No cost incurred on environmental activities since the company did not undertake any such activities during the period.

PILLAR 2: HEALTH AND SAFETY

1. Health and Safety Policies

- In the ongoing operations standardization project, a draft guideline to ensure health and safety of our staff has been produced. A draft of the health and safety policy developed during the period. It has yet to be formally endorsed by the Board. The policy including SOPS needs to be established to implement existing legislation on work safety, health and environment or ensuring occupational safety and workplace accident mitigation.: No assessments to identify health-related risks were conducted during the period.



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2. Work Injury

- There were no occupational injuries that affected the employees of the company during the period.

3. Awareness

- There were no general health and safety awareness sessions conducted for employees during the period. No awareness sessions were conducted for employees on the company's internal policies and procedures relating to health and safety (risk identification, risk management strategy etc.) during the period.

PILLAR 3: SOCIAL ISSUES

1. Employment policies

- Two new policies were approved and endorsed by the Board during the period. In addition, revisions of three policies started during the period. Transparency in the Recruitment process has been addressed via the newly implemented Jobs Portal, where the score sheet will be published during the selection process. Policies and procedures, including SOPs of the sections were reviewed and changed.

2. Training Opportunities

- 117 employees were trained through 20 training programs during the period.
- Training hours were not recorded during the period.
- *Employee training costs* as per HR records, MVR 3,912.93 (A total of 25 staff was trained through Udemy 12 programs).

3. Gender Equality

- 64.11 percent of the company's workforce consists of female employees.
- Out of the 18 employees at the Management Level (Heads of Sections and above), 11 are female, including the Managing Director.
- 29 percent of the Board Directors consists of female representatives.

4. Community Engagement

- No community engagement activities were carried out by the company during the period.
- No CSR projects were undertaken by the company during the period.



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- No cost incurred by the company since no community engagement activities and CSR projects were carried out during the period.

PILLAR 4: GOVERNANCE

Aasandha Company continues to maintain and uphold high standards of corporate governance and consistently reviews and enhances its corporate governance framework through a structured hierarchy.

Since 2023, our Board has 07 Directors, which comprises of one Executive Director and six Non-executive Directors ('NEDs'). Among the 06 NEDs, all were classified as Independent NEDs. There is a strong independent element on the Board, to ensure the independence and objectivity of the Board's decision-making process as well as the thoroughness and impartiality of the Board's oversight of the management.

1. Governance Policies

- To promote good governance and compliance to existing corporate governance codes, the Company's code of conduct policy was endorsed and implemented. Revision of the Company's Conflict of Interest Policy was also completed during the period. In addition, work was initiated to draft the Company's Strategic Action Plan (2025 to 2030), the Work Plan and the Business Plan during the period.

2. Disclosure and Transparency

- The company has a separate component / tab on the website for governance related matters and publications. Annual, Audit, and Governance report: Completed during the period. The organization endeavours to adhere to all applicable laws, regulations, and the Corporate Governance Code. We have diligently published the annual reports, audit reports, and governance reports for the preceding three years. Additionally, the quarterly financial reports for the same period have been made available on the company's website. However, in its ongoing pursuit of compliance and continuous improvement, the company acknowledges the need to formulate certain mandated policies, such as the Grievance Policy. Furthermore, most of the information mandated by the Right to Information Law and the Corporate Governance Code is disclosed on the company's website.
- The website was developed and maintained internally by our developers. No additional cost incurred. During this period, Company website redesign work was initiated.

3. Complaints

- No formal legal and regulatory complaints received, registered, and resolved by the company during the period.
- No formal procurement complaints received, registered, and resolved by the company during the period.
- During the year 2024, two employee grievances were received.



4. OUR ESG GOVERNANCE

The Company is committed to maintaining and upholding a high standard of governance over our ESG journey, with a view to safeguarding the interests of our shareholders, customers, employees and other stakeholders.

Below are the governance processes, controls and procedures the Company uses to monitor, manage and oversee SRROs.

BOARD/ CORPORATE GOVERNANCE AND COMPLIANCE COMMITTEE / RENUMERATION COMMITTEE / AUDIT & RISK COMMITTEE

- Endorse the ESG plan and report
- Provide direction and approve the Company's ESG matters
- Reviews and comment on ESG progress updates at least twice a year
- Note the results of materiality assessment (in case of any additional topics)

EXECUTIVE MANAGEMENT

- Facilitates the Board's oversight of ESG matters by endorsing and recommending key ESG matters for Board's approval
- Approves the results of materiality assessment (in case of any additional topics)
- Directs and manages the Company's progress towards reaching its ESG targets



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5. STRATEGY

Company's strategy for maintaining SRROs.

1. Setting levels at which ESG will be monitored

- Defining sustainability as an annual change programme.
- Agreed definition of ESG and its importance to the company.

2. Assessing the significance

- Determining which ESG risks and opportunities are of strategic significance to the company.
- Identify ESGs and assess all issues relevant to material business of the company.
- List down all material ESG issues and select few strategically significant issues.

3. Integrate strategically significant ESG issues into the business strategy of the company

- Positioning the HR Executive as leading person to implement the strategy
- Building a core team to act as a catalyst
- Develop staff with sustainability expertise
- Engaging HR in hiring the right talent and to identify gaps
- Involving accounts section and compliance to manage energy and environment risk
- Competitive benchmarking of human resources in research and innovation
- Sustainability KPIs and measurement and reporting

4. Stakeholder Communication

- Shape the company's ESG messages to stakeholders in the context of strategy and long-term value creation
- Address the information needs of stakeholders
- Board Directors to be competent in ESG matters



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5. Board Oversight

- Ensure that the board has the right knowledge and information to coordinate strategies developed under the ESGs.
- It also requires the company to adjust the strategic objectives of company's core business to the social challenges arising in the context of sustainability.

6. RISK MANAGEMENT

(a) Company's processes and related policies to identify, assess, prioritise, and monitor sustainability-related risks.

- A portion on sustainability-related risks will be added to the company's risk management framework which is currently being reviewed and revised this year.

(b) Company's processes and related policies to identify, assess, prioritise, and monitor sustainability-related opportunities.

- A portion of sustainability-related opportunities will be added to the company's risk management framework which is currently being reviewed and revised this year.
- Moreover, there will be a portion in the risk management framework regarding aligning the framework with company's strategy.

(c) Extent to which, and how, the processes in (a) and (b) are integrated into and inform the organisation's overall risk management process.

- For the year 2025, the Risk Management plan includes adding these parts to the company's risk management framework and starting the implementation process, hopefully enabling the company to address sustainability-related risks and opportunities.

7. KEY METRICES-PERFORMANCE DATA SUMMARY

Disclose information for each target set or required to meet.

For each SRRO,

(a) metrics required by an applicable ISSB Standard; and

(b) metrics used to measure and monitor that SRRO and its performance in relation to that SRRO, including progress towards any targets the organisation has set, and any targets it is required to meet by law or regulation.

								TARGETS		
Name of target	Definition of target	YES/NO(where applicable)	Metric used to set target and monitor progress	Source of metric used: (i) ISSB Standards (ii) law or regulation (iii) other source	Quantitative/ qualitative?	2022 (prior Year)	2023 (Current year)	2024	2025	2026
PILLAR 1: ENVIRONMENT										
Environmental Policies	A. Environmental policies									
	1. Is Policy(s) in existence?	No	BoD-approved policy	PCB-Guideline	Qualitative					

	2. If not, target date to develop policy(s)									0	
	B. Number of environment-related accidents/incidents		0	PCB-Guideline	Quantitative	0	0	0	0	0	
Water	A. Water conservation strategy										
	1. Is water conservation strategy in existence?	A draft guideline developed A draft of the policy developed	Need to be endorsed by the BoDs	PCB-Guideline when developing the policy	Qualitative						
	2. If not, target date to develop									0	
	B. Total water consumed	744.38 CBM									
Electricity	A. Energy conservation strategy										
	1. Is the Strategy in existence?	A draft guideline developed	Need to be endorsed by the BoDs	PCB-Guideline when developing the policy	Qualitative						

		A draft of the policy developed									
	2. If not, target date to develop										●
	B. Total electricity consumed	172,957 Unit KWH									
Waste	A. Waste Management Policy										
	1. The Policy in existence?	A draft of the policy developed	Need to be endorsed by the BoDs	PCB-Guideline when developing the policy	Qualitative						
	2. If not, target date to develop										●
	B. Waste management procedures										
	1. SOPs in existence?	A draft guideline developed Waste disposed through WAMCO			Qualitative						
	2. If not target date to develop										●
	C. Amount of Waste Produced	Not monitored									

Environmental Activities	A. Number of environmental activities	NIL								
	B. Total cost of environmental activities	NIL								

PILLAR 2: HEALTH AND SAFETY

Health and safety Policies	A. Health and safety policies established by the Company during the period									
	1. Policy/procedures in existence?	NO		PCB-Guideline when developing the policy	Qualitative					
	2. If not target date to develop								●	
	B. Number of Risk Assessments carried out by the Company	NIL								
Work Injury	Toal number of occupational injuries	NIL								
Awareness	Total number of sessions carried out to aware employees on the established health and safety SOPs/Policies	NIL								

PILLAR 3: SOCIAL ISSUES



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Employment Policies	A. Employment policies established by the Company										
	1. Policy/procedures in existence?	YES (majority developed)		PCB-Guideline when developing the policy and Employment Law	Qualitative						
	2. If not, target date to develop									●	
Trainings	A. Total number of employees trained	117									
	B. Total Employees training hours	Not Monitored									
	C. Total Employees training costs	MVR 3,912.93									
Gender Equality	A. Ratio of female representative in workforce	64.11%									
	B. Ratio of female representation in senior management positions	11 out of 18									
	C. Ratio of female representation in Board of Directors	29%									
Community Engagement	A. Number of community engagement activities	NIL									
	B. Number of CSR Projects	NIL									
	C. Community engagement and CSR project costs	NIL									

PILLAR 4: GOVERNANCE										
Governance Policies	A. Governance policies established during the period:									
	1. Is Policy/procedures in existence?	YES (Majority developed)		PCB-Guideline when developing the policy	Qualitative					
	2. If not target date to develop									
Disclosure and Transparency	A. Is Annual audit and Governance Report published?	YES								
	B. Has a separate tab on the website for Governance related matters and publications?	YES								
	C. Is the Annual Report and Governance Report of past 3 years published on Website?	YES								
	D. Total Website enhancement costs in relation to governance and transparency	NIL								
Complaints	A. Total number of legal or regulatory complaints received and resolved	NIL								
	B. Number of procurement related complaints received, registered, and resolved	NIL								
	C. Number of employees grievances received, registered, and resolved	02								



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