



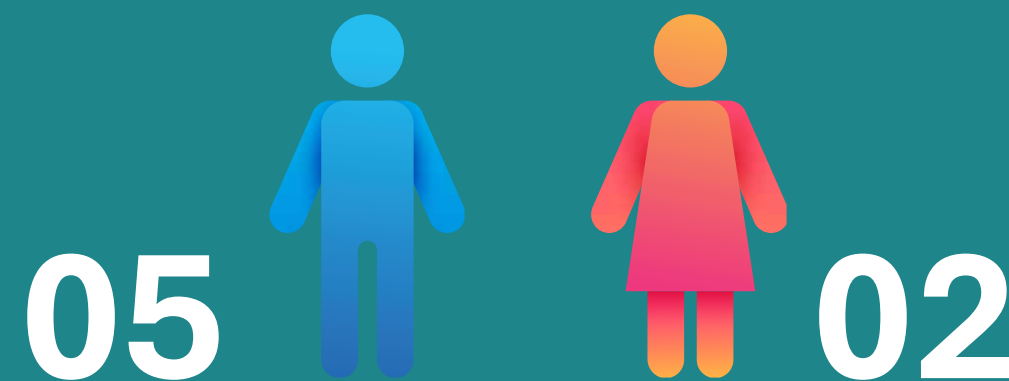
Corporate Governance Report 2024

BOARD COMPOSITION (EXECUTIVE VS NON-EXECUTIVE)

As of 31st December 2024, the Board of Directors of Maldive Gas Pvt Ltd comprises seven members, including one Executive Director and six Non-Executive Directors. This composition reflects the Company's strong adherence to independent oversight and aligns with governance best practices under the STO Group's Corporate Governance Code.

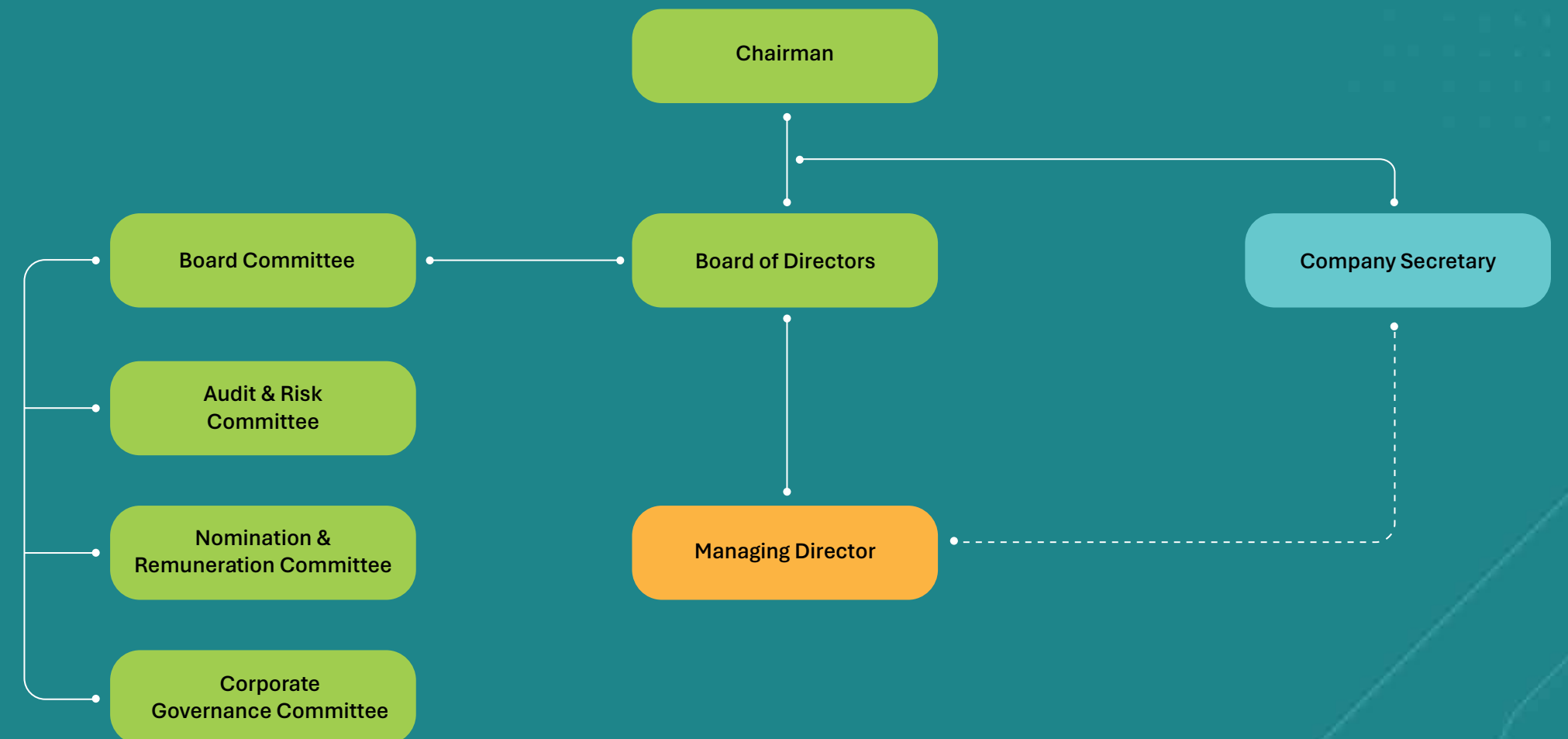
BOARD GENDER DIVERSITY

The Board maintains a gender-diverse structure with two female directors and five male directors. This 29% female representation contributes to balanced leadership and supports inclusive governance in line with evolving stakeholder expectations.



GOVERNANCE REPORTING STRUCTURE

Maldive Gas Pvt Ltd operates under a clear governance structure where three specialized Board Committees — Audit & Risk, Nomination & Remuneration, and Corporate Governance & Compliance — report directly to the Board of Directors. The Managing Director and Company Secretary also report to the Board, ensuring transparency, accountability, and separation of oversight and executive roles.



MEMBERS OF THE BOARD OF DIRECTORS



Mr. Mohamed Eman
Chairman / Independent Non-Executive

Appointed on 12th April 2023

Mr. Mohamed Eman brings over 12 years of leadership experience at State Trading Organization plc (STO), where he currently serves as Director of Construction Solutions, delivering exceptional performance in strategic resource management and operational efficiency.

Board & Governance Expertise: Appointed Chairman of Maldivé Gas Pvt Ltd (MGPL) by majority shareholder STO in April 2023.

Previously served as Non-Executive Director of MGPL and Board Director of Maldives Structural Products Pvt Ltd (2015–2020), contributing to governance, risk oversight, and strategic growth.

Professional Credentials: Holds a Bachelor of Arts in Economics and is a SAP Certified Application Associate (Materials Management), recognized globally for expertise in enterprise resource planning.



Mr. Abdulla Saleem Abdul Sattar
Director / Independent Non-Executive

Appointed on 3rd October 1999

Mr. Abdulla Saleem Abdul Sattar has been a cornerstone of Maldivé Gas Pvt Ltd (MGPL) since its founding in 1999, providing strategic oversight and governance expertise as a Director and Independent Non-Executive. His analytical rigor, strategic foresight, and deep industry knowledge have been instrumental in driving the Company's growth and operational excellence.

Professional Leadership: Director, Maldivé Gas Pvt Ltd: Instrumental in shaping major strategic decisions and fostering organizational alignment since inception.

Minority Shareholder (Champa Oil & Gas Pvt Ltd): Advocates for balanced governance and stakeholder inclusivity.

Governance & Institutional Expertise: Director, Kasa Holdings Pvt Ltd: Guides strategic investments and corporate governance for diversified portfolios.

Company Secretary, Champa Brothers: Ensures compliance and operational efficiency across business units.

Professional Credentials: 25+ Years of Industry Experience: Recognized for unparalleled problem-solving skills and identifying high-impact growth opportunities.



Mr. Abdullah Mohamed
Managing Director / Executive Director

Appointed on 30th November 2023

Mr. Abdullah has over a decade of public service experience. He previously served as Minister of State and Deputy Minister, and has led major governance reforms. He is a UNDP-Certified Governance Lecturer.

Professional Leadership: Managing Director, Maldives Gas Pvt Ltd (MGPL): Appointed in 2023 to oversee strategic growth, operational efficiency, and stakeholder value creation.

Minister of State, Ministry of Home Affairs: Spearheaded policy reforms to enhance public service delivery and intergovernmental coordination.

Deputy Minister, Ministry of Economic Development: Advanced initiatives to strengthen trade frameworks, labor standards, and cooperative-sector growth.

Governance & Institutional Expertise: Chairman, SABAH Maldives Cooperative Society: Led this ministry-affiliated organization in fostering inclusive economic participation and cooperative governance.

Registrar of Associations, “Malé City” Council: Streamlined regulatory compliance for civil society organizations, ensuring transparency and accountability.

Professional Credentials: UNDP-Certified Governance Lecturer: Designed and delivered curriculum for Civil Service Association training programs, advancing governance best practices under UNDP partnerships.



Mrs. Aminath Juwaida
Director / Independent Non-Executive

Appointed on 10th January 2021

Mrs. Aminath Juwaida is a strategic leader with 15+ years of expertise in procurement, policy reform, and enterprise systems, driving operational excellence at State Trading Organization Plc (STO) and contributing to Maldives Gas Pvt Ltd’s (MGPL) governance framework.

Professional Leadership: Director, Maldives Gas Pvt Ltd: Provides independent oversight and strategic guidance, promoting adherence to established governance standards.

Manager of Procurement-Medicals, STO: Leads high-value procurement strategies for medical supplies, optimizing cost efficiency and supply chain resilience.

Governance & Institutional Expertise: Policy Implementation Champion: Spearheaded organizational-wide policy and procedural reforms since 2015, with compliance and operational transparency.

SAP Systems Integration: Core team member of STO’s landmark SAP ‘GO LIVE’ implementation (2010), modernizing systems for supermarket and regional outlets.

Professional Credentials: MBA in General Management (Edith Cowan University, Australia).



Mr. Mohamed Husham
Director / Independent Non-Executive

Appointed on 05th February 2024

Mr. Mohamed Husham is a dynamic leader with 13+ years of expertise in administration, project management, and organizational safety, driving operational excellence at State Trading Organization Plc (STO) and contributing strategic oversight to Maldives Gas Pvt Ltd (MGPL).

Professional Leadership: Director, Maldives Gas Pvt Ltd: Provides independent oversight, supporting the company’s strategic and operational priorities.

In-House Project Manager, STO: Leads cross-functional projects, delivering timely and cost-effective solutions across administration, property management, and safety protocols.

Governance & Institutional Expertise: Secretary, Emergency Health and Safety Committee (2023–2019): Spearheaded safety initiatives, enhancing workplace compliance and emergency preparedness across STO facilities.

Property & Tenant Management: Optimized tenant relations and facility operations for STO-owned properties, ensuring high occupancy rates and maintenance standards.

Professional Credentials: With over 12 years at STO progressing from Administration and HR roles to leadership positions, is recognized for consistent performance and strategic problem-solving, and holds a BA (Hons) in Business Administration from the University of Bedfordshire, along with a Pearson BTEC Level 5 HND Diploma, an Associate’s Degree in Business Management from MAPS College, and a Diploma in Business from Maldives National University.



Mrs. Fathmath Fazath
Director / Independent Non-Executive

Appointed on 05th February 2024

Mrs. Fathmath Fazath is a visionary leader with 26+ years of expertise in strategic planning, organizational development, and stakeholder engagement, cultivated through her distinguished career at State Trading Organization Plc (STO). Her journey from Sales Representative to senior leadership exemplifies her commitment to growth, innovation, and operational excellence.

Professional Leadership: Director, Maldives Gas Pvt Ltd (MGPL): Provides independent governance oversight, aligning strategic initiatives with long-term organizational goals.

Senior Leader, STO: Advanced through progressive roles since 1998, driving sales growth and operational efficiency across business units.

Governance & Institutional Expertise: Leadership Development: Spearheaded organizational development programs, fostering a culture of continuous improvement and employee empowerment.

Strategic Planning: Instrumental in designing and executing STO’s market expansion strategies, enhancing customer engagement and brand loyalty.

Professional Credentials: MBA in General Management (Australian Institute of Business).

Global Leadership Training: Completed programs in strategic leadership, change management, and team dynamics through institutions such as Harvard Business School Online and INSEAD.



Mr. Mohamed Anwar Moosa
Director / Independent Non-Executive

Appointed on 01st January 2025

Mr. Mohamed Anwar Moosa is a strategic leader with 14+ years of expertise in biomedical engineering and healthcare innovation, blending technical acumen with governance excellence to drive advancements in healthcare technology and operational efficiency.

Professional Leadership: Director, Maldives Gas Pvt Ltd (MGPL): Provides independent governance oversight, integrating healthcare technology insights into strategic decision-making.

Biomedical Engineering Manager, STO: Leads multidisciplinary teams in deploying cutting-edge medical technologies, ensuring compliance with global healthcare standards (2020–Present).

Biomedical Engineer, STO: Spearheaded technology integration projects to optimize healthcare delivery systems (2020–2018). Redeveloped Biomedical engineering unit at STO, to become one of the prominent after sales services team in the country, for Medical devices.

Biomedical Engineer, Ministry of Health: Lead engineer at the Ministry of Health, providing technical support in installation, and breakdown services for medical devices in all public hospitals in the atolls. Provided technical consultation for Healthcare infrastructure and diagnostic & therapeutic services that use medical devices.

Governance & Institutional Expertise: Healthcare Technology Advancement: Advocated for the adoption of innovative diagnostic and treatment technologies, enhancing patient care outcomes.

Healthcare Economics Training: Collaborated with the Informa Group (Dubai) to design and deliver specialized programs on healthcare economics and financing, empowering professionals with strategic financial planning skills.

Professional Credentials: Bachelors of Engineering, in Biomedical Engineering (Anna University, Chennai, India). Masters of Science, in MedTech Innovation & Entrepreneurship (King’s College London, London, United Kingdom) Certified Healthcare Economics Trainer (Informa Group, London).

Core Competencies: Medical Devices (Consultancy, Service Management & Commercials) | Healthcare Economics | Regulatory Compliance (Healthcare Infrastructure & Devices) | Cross-Functional Team Leadership | Entrepreneurial Leadership

Introduction

The Corporate Governance Report for 2024 underscores our steadfast commitment to ethical business practices and robust governance. In a rapidly evolving regulatory and stakeholder landscape, this report details the strategic measures we have implemented to enhance our corporate governance frameworks. Key initiatives include strengthening transparency, bolstering accountability, and deepening stakeholder engagement each aimed at fostering sustainable organizational growth.

Furthermore, our adherence to the Code of Corporate Governance established for the STO Group of Companies reaffirms our dedication to upholding the highest industry standards. This report not only chronicles our progress but also sets a clear roadmap for continued excellence in governance.

Purpose and Nature of the Company

Maldive Gas Private Limited was established in 1999 as a joint venture between STO and Champa Oil & Gas Private Limited, with the primary objective of supplying Liquefied Petroleum Gas (LPG) to the nation. Initially, both partners held equal stakes in the venture; however, a strategic acquisition by STO, which involved purchasing an additional 40% stake from Champa Oil & Gas, solidified STO's position as the majority shareholder.

From its inception, Maldive Gas has operated under a robust ownership structure that has evolved to support its growing market presence. The strategic shift in shareholding reflects the company's commitment to reinforcing its financial strength and market leadership.

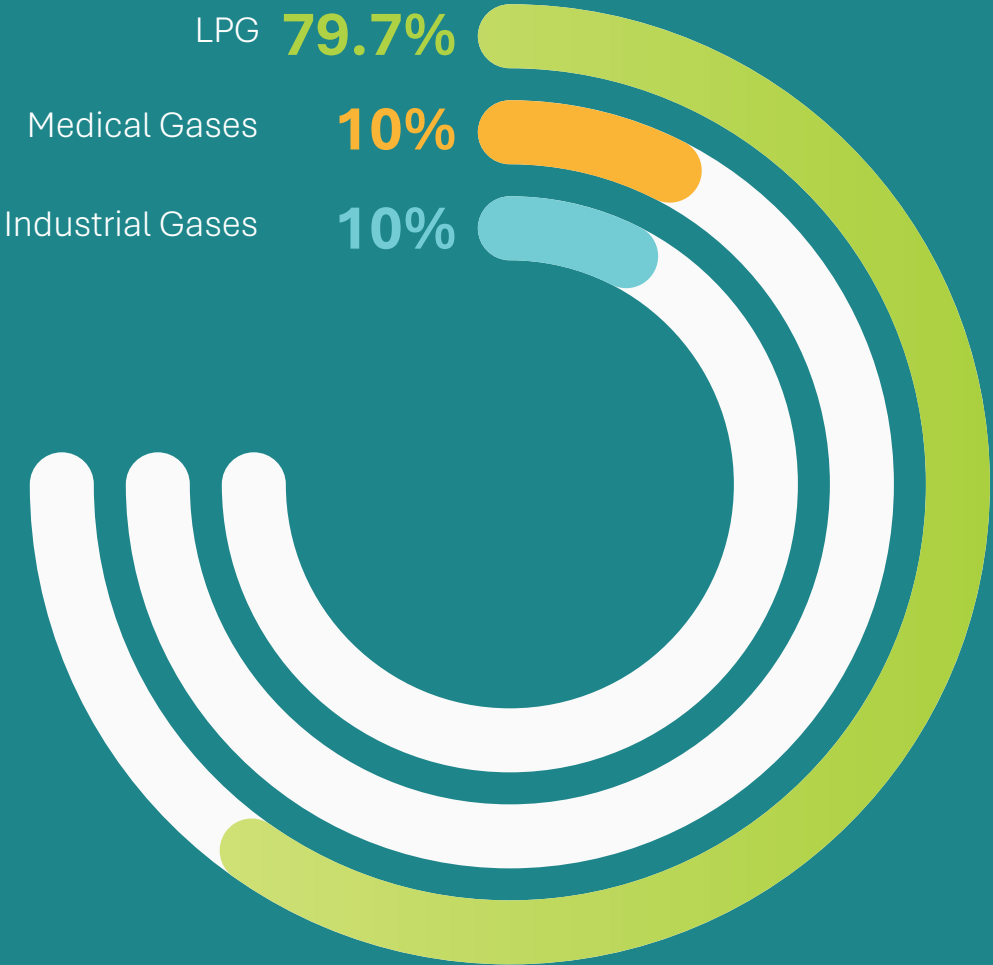


Product Portfolio and Market Reach

Maldives Gas Pvt Ltd offers a diverse range of products that cater to various sectors including residential, commercial, and industrial markets. The company's primary revenue driver remains LPG, contributing 79.7% of total revenue, followed by medical and industrial gases. MGPL has strategically expanded its market reach, particularly in the Greater Malé region, where its household market share has increased to 58%. Additionally, the company is actively exploring opportunities in new markets such as medical nitrogen and liquid CO₂ production. Its service offerings extend to hotels, resorts, cafes, and restaurants, as well as the broader atoll regions, ensuring comprehensive coverage across diverse customer segments.

Through the implementation of innovative solutions and customer-centric services, MGPL continues to build on its market leadership while focusing on long-term growth and diversification.

Revenue Contribution by Product



Strategic Initiatives and Infrastructure

MGPL's strategic initiatives are designed to foster growth, improve operational efficiency, and expand infrastructure to support future demand. Key initiatives include the ongoing Thilafushi Storage Expansion Project, which will significantly increase storage capacity, and the development of the Male' Sales Unit, which is set to enhance sales and logistics capacity. The company is also pursuing the Thinadhoo Project, which aims to enhance distribution and accessibility in regional areas.

To further strengthen its position, MGPL has embraced technological advancements, such as real-time vehicle tracking and the automation of human resource processes, improving overall service delivery and internal efficiencies. The strategic combination of these initiatives underlines the company's commitment to infrastructure development and operational excellence, ensuring its readiness for future growth and market demands.

Maldives Gas Pvt Ltd has demonstrated resilience, adaptability, and forward-thinking in 2024, positioning itself as a leading player in the Maldivian energy sector. The company's proactive approach to market expansion, strategic infrastructure investments, and operational enhancements reflect a robust framework for sustainable growth. MGPL remains dedicated to fostering a culture of innovation, community engagement, and employee development while maintaining its commitment to ethical governance and corporate responsibility. As the company progresses into 2025 and beyond, it is poised to continue creating long-term value for its stakeholders, guided by its vision of operational excellence and market leadership.

The Board Charter

The Board of Directors at Maldivé Gas Pvt Ltd is entrusted with the critical responsibility of leading the Company, ensuring effective governance, and safeguarding long-term shareholder value. The Board Charter serves as the guiding framework that enables directors to fulfill their corporate governance duties with clarity and integrity. This document provides a comprehensive outline of the board's roles, responsibilities, organizational structure, and operational procedures, underscoring the significance of sound governance practices in driving the Company's strategic vision.

Key responsibilities outlined in the Board Charter include:



Establishing a Strategic Direction

The Board is tasked with formulating and overseeing the strategic direction of the Company, ensuring that it aligns with the overall vision and objectives.



Ensuring Legal and Regulatory Compliance:

The Board ensures that the Company adheres to all applicable laws, regulations, and industry standards, safeguarding its reputation and operational integrity.



Monitoring Financial Performance

The Board oversees the financial health of the Company, ensuring that performance is closely monitored, and strategies are in place to enhance financial stability and growth.



Technology and Information Systems Oversight

The Board ensures that adequate technology and information systems are in place to support operational effectiveness, strategic decision-making, and secure data management.



Stakeholder Communication

The Board is also responsible for ensuring that necessary reports and disclosures are made to stakeholders in a timely and transparent manner, fostering trust and maintaining a strong relationship with the Company's investors, employees, and the wider community.



Executive Oversight

The Board is responsible for the appointment, retention, and performance evaluation of the Managing Director and Executive Management, ensuring that leadership is aligned with the Company's goals and objectives.



Developing a Governance Framework:

The Board is responsible for creating and maintaining a robust governance framework, grounded in clearly defined policies that support effective decision-making and organizational integrity.



Risk Management:

The Board evaluates operational risks and works to implement appropriate risk mitigation measures to minimize potential adverse impacts on the Company.

By adhering to this Board Charter, Maldivé Gas Pvt Ltd and its operations are grounded in industry-leading governance principles, thereby achieving long-term sustainability and success.

Tenure

In 2024, the Board of Directors of Maldivé Gas Pvt Ltd (MGPL) experienced notable changes, reflecting the Company's commitment to maintaining a dynamic and capable leadership team. The following changes occurred during the year:

- On 5th February 2024, Non-Executive Director Ali Nabeeh was removed from the Board. Concurrently, Fathimath Faazath and Mohamed Hushaam were appointed as new directors, expanding the Board to seven members.
- On 27th November 2024, Mariyam Paruveen Abdul Faththah resigned from her position at the majority shareholding company, STO, leading to her removal from the Board. Subsequently, Mohamed Anwar Moosa was appointed as a Non-Executive Director to fill the vacancy left by her departure.

Throughout the year, no director exceeded a tenure of six years on the Board, ensuring that leadership remains fresh, with diverse perspectives contributing to the Company's decision-making process.

Purpose of Appointment of Directors

Nominations for board positions are made by the shareholders, as stipulated in the Articles of Association. The majority shareholder has the authority to appoint 6 members to the Board, while the minority shareholder appoints 1 member. All appointments are communicated to the Board through shareholder resolutions. In selecting new directors, consideration is given to factors such as qualifications, skills, experience, and diversity in age and gender.

As outlined in the Articles of Association, the Board of Directors of Maldivé Gas Pvt Ltd (MGPL) must comprise a minimum of three members and a maximum of seven. For the majority of 2024, the Board was composed of seven members, maintaining a balance between executive and non-executive directors. Of the seven members, six were non-executive directors, and one was an executive director serving as the Managing Director.

In terms of gender diversity, the Board included three female directors. However, in late November 2024, Mariyam Paruveen Abdul Faththah, one of the female non-executive directors, was removed from the Board following her resignation from her position at the majority shareholding company, STO. Despite this change, the Board continued to consist of seven members by the end of the year due to the appointment of Mohamed Anwar Moosa as a non-executive director in late November.

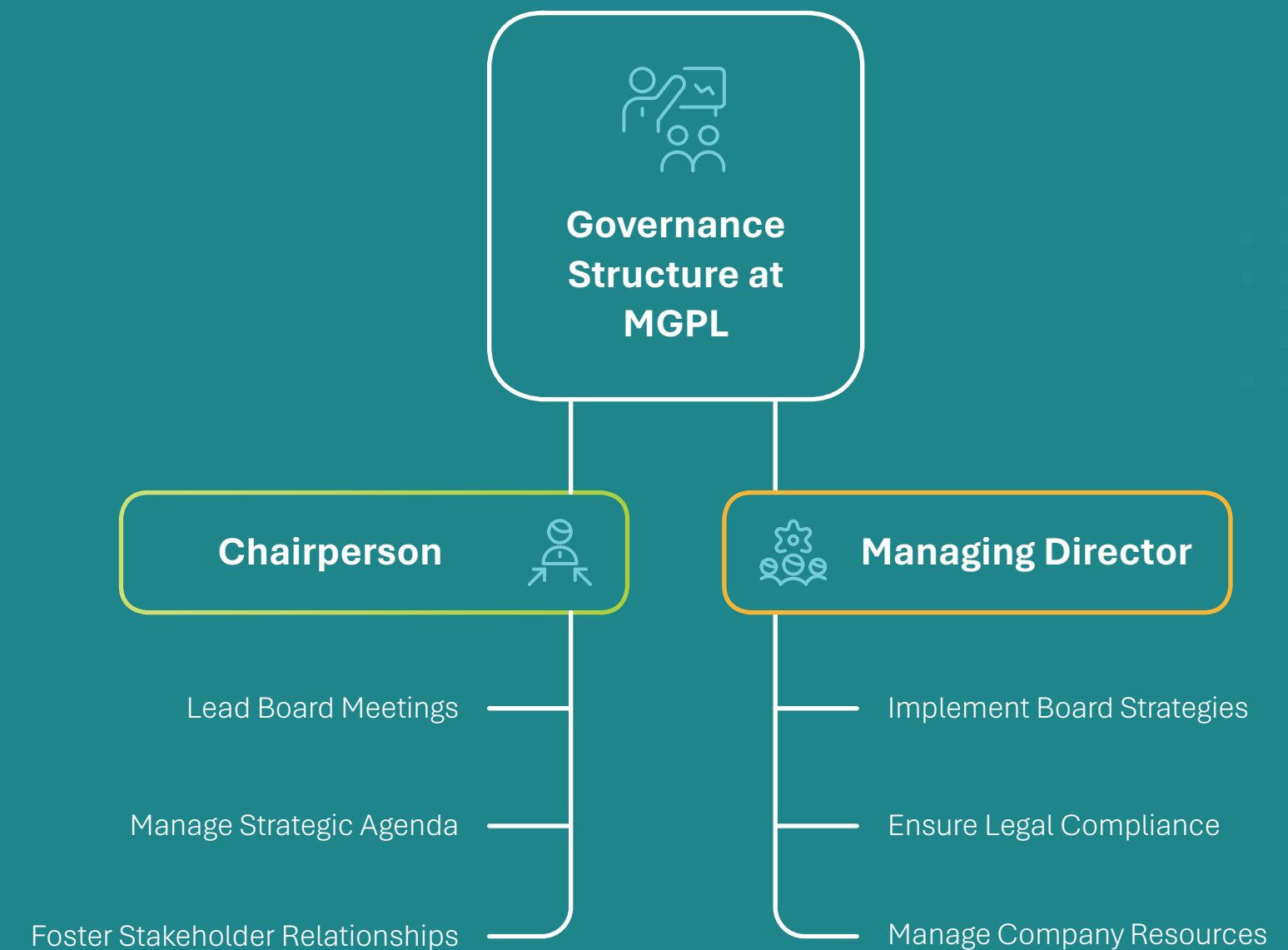
Name	Position on Board	Initial Appointment Date	Date of Change in Position	Resigned / Removed Date
Mohamed Eman	Current Chairman, Former Board Member	06th May 2011	12th April 2023	
Abdullah Mohamed	Current Managing Director	30th November 2023		
Abdulla Saleem Abdul Sattar	Director	03rd October 1999		
Ali Nabeeh	Director	10th January 2021		05th February 2024
Aminath Juwaida	Director	10th January 2021		
Fathimath Fazath	Director	05th February 2024		
Mohamed Hushaam	Director	05th February 2024		
Mariyam Paruveen Abdul Faththah	Former Director	19th June 2023		27th November 2024
Mohamed Anwar Moosa	Director	01st January 2025		

Segregation of duties between Chairperson and the Managing Director

At Maldive Gas Pvt Ltd (MGPL), the roles of Chairperson of the Board of Directors and Managing Director are held by distinct individuals, ensuring a clear segregation of duties and maintaining a robust governance structure. The responsibilities of both positions are clearly defined in the Board Charters, providing a transparent framework for their respective functions.

- **Chairperson's Role:** The Chairperson's primary responsibility is to lead the Board of Directors, ensuring that it functions effectively and provides strategic oversight. The Chairperson presides over board meetings, manages the strategic agenda, and ensures the timely provision of critical information for sound decision-making. Furthermore, the Chairperson plays a key role in identifying and addressing the development needs of the Board, conducting annual performance evaluations, and fostering positive relationships with shareholders, stakeholders, and other key parties
- **Managing Director's Role:** The Managing Director is accountable for the day-to-day operations of the Company. This role includes overseeing the implementation of the Board's strategies, ensuring that operations comply with applicable laws and regulations, and managing the Company's resources efficiently. The Managing Director is also responsible for setting the organization's objectives, formulating strategies to achieve them, and leading the team to execute these strategies.

Both the Chairperson and the Managing Director have confirmed that they have no personal or familial relationships with each other or with any of their immediate family members, ensuring that there is no conflict of interest in their respective roles.



Enhancing Board Competence



Global Engagement

Participation in international conferences and programs.



Targeted Training

Directors enhance skills in key areas through specialized training.



Ongoing Development

Continuous learning opportunities are provided for board members.



Induction Program

New directors are oriented to company operations and governance.

Board Induction and Continuing Education

Maldivé Gas Pvt Ltd (MGPL) places a strong emphasis on ensuring that its Board of Directors is well-equipped with the necessary knowledge and expertise to effectively govern the Company. To support this, the Company offers an extensive orientation program for newly appointed directors, designed to familiarize them with the Company's operations, governance procedures, and strategic objectives. This induction program, managed by the Company Secretariat, provides new directors with a comprehensive understanding of their roles and responsibilities within the organization.

In addition to the induction program, MGPL is committed to the ongoing professional development and continuous learning of its Board members. The Company ensures that each director possesses the necessary skills, knowledge, and experience to address complex issues and contribute meaningfully to the Company's governance and strategic decision-making.

In 2024, all Board members participated in a series of targeted training sessions aimed at enhancing their competencies in key areas relevant to their roles. These training opportunities included participation in global energy conferences and specialized programs focusing on areas such as internal controls, risk management, and gaining fundamental knowledge of the oil and gas industry. The Board was actively engaged in these diverse learning opportunities, ensuring that it remains well-prepared to navigate the evolving challenges within the energy sector.

Board Remuneration

Board remuneration is decided and enforced by the shareholders. As such, following are the board fee structure and the total board fees received to each director in 2024.

Board fee Structure	
Monthly board allowance for chairman and directors including executive members	MVR 5,000.00
Sitting fee per board meeting	MVR 300.00
Sitting fee per committee meeting	MVR 250.00
Total fees received to directors in 2024	
Total	MVR 438,537.93

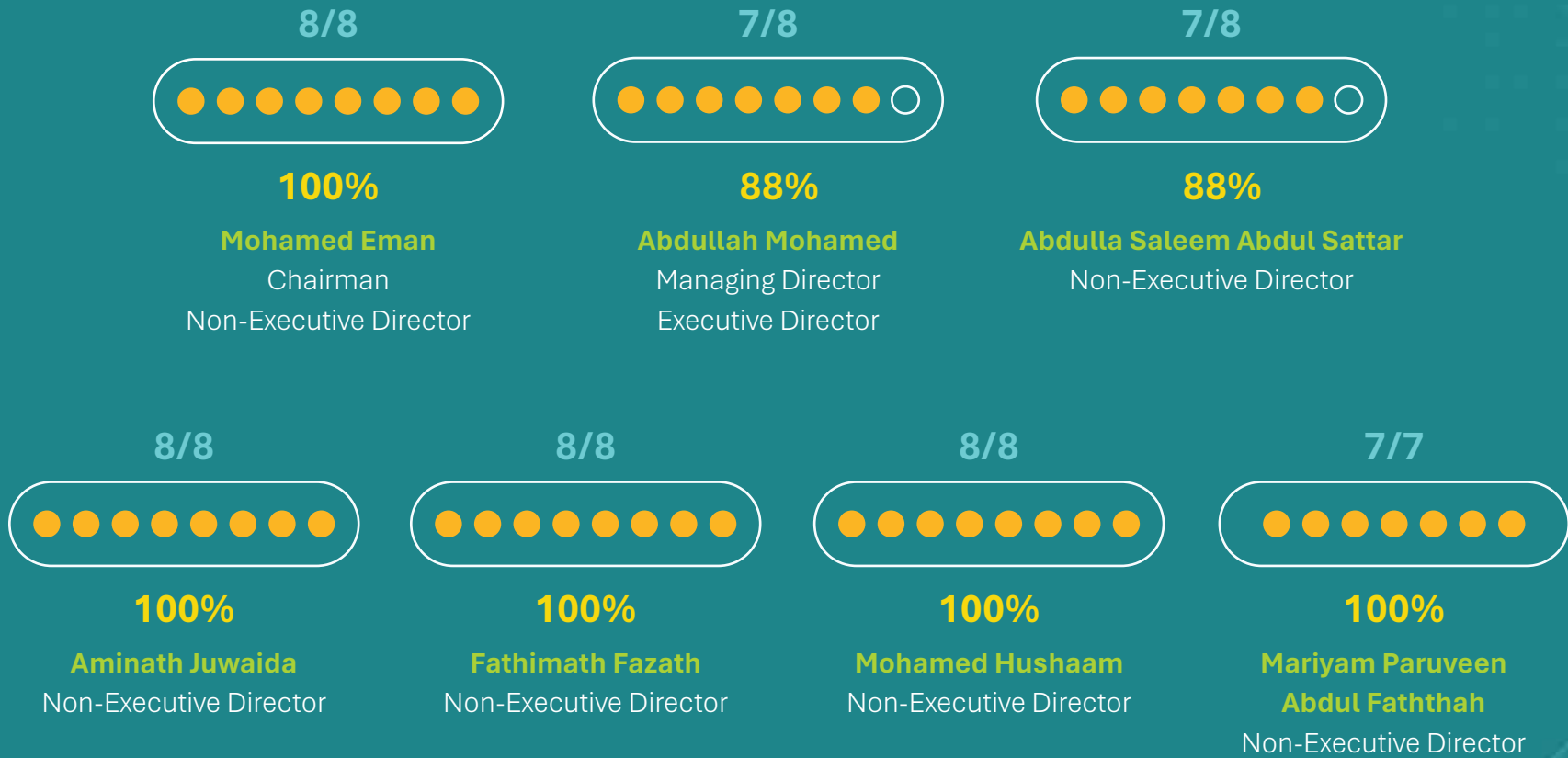
In line with common corporate practices and considering market competitiveness, the individual remuneration details of top management and executive directors are not disclosed in this report.

Board Meetings and attendance

In 2024, a total of eight Board meetings were held, with the Board of Directors dedicating significant time and attention to company affairs and strategic decision-making. These meetings provided the opportunity for the directors to review performance, discuss key initiatives, and guide the Company towards its long-term goals.

The Company Secretary, in collaboration with the Chairman and Managing Director, is responsible for drafting the agenda for each meeting. Directors were notified in accordance with the Articles of Association and were empowered to suggest additional items for discussion as needed.

The following table outlines the attendance of directors at the Board meetings held in 2024:



This high level of attendance demonstrates the commitment of the Board members to their duties and their dedication to overseeing the Company’s strategic direction and governance.

Board Proceeds and Major Decisions

Maldives Gas Pvt Ltd (MGPL) ensures that its Board of Directors is fully equipped with the necessary information to make informed decisions. The Board is granted access to essential company data, and executive team members and managers are regularly invited to attend board meetings to provide additional insights and context. Board materials, including agendas and related documents, are distributed in advance via email prior to meetings, ensuring directors have ample time to review and prepare.

To keep the Board well-informed about the Company’s performance, management consistently shares comprehensive reports, including updates on budgets, forecasts, quarterly financials, stock status reports, and monthly management accounts. Additionally, the Chief Audit Executive provides the Audit and Risk Committee with relevant audit reports, and when necessary, shares critical audit-related information with the Board.

Throughout the year, the Board made several significant decisions, including:

- **Committee Restructure:** Changes were made to the committees of Maldives Gas Pvt Ltd, and the Corporate Governance Committee’s title was revised to the Corporate Governance and Compliance Committee.
- **Organizational Structure Changes:** The Board approved changes to the organizational structure on April 7th, 2024.
- **Retail Shop Investment in Male City:** The Board approved a new investment for the operation of a retail shop in Male City, with an ideal shop size of 2,000 sq. ft

These decisions reflect the Board’s commitment to ensuring the Company’s continued growth, operational excellence, and financial stability.



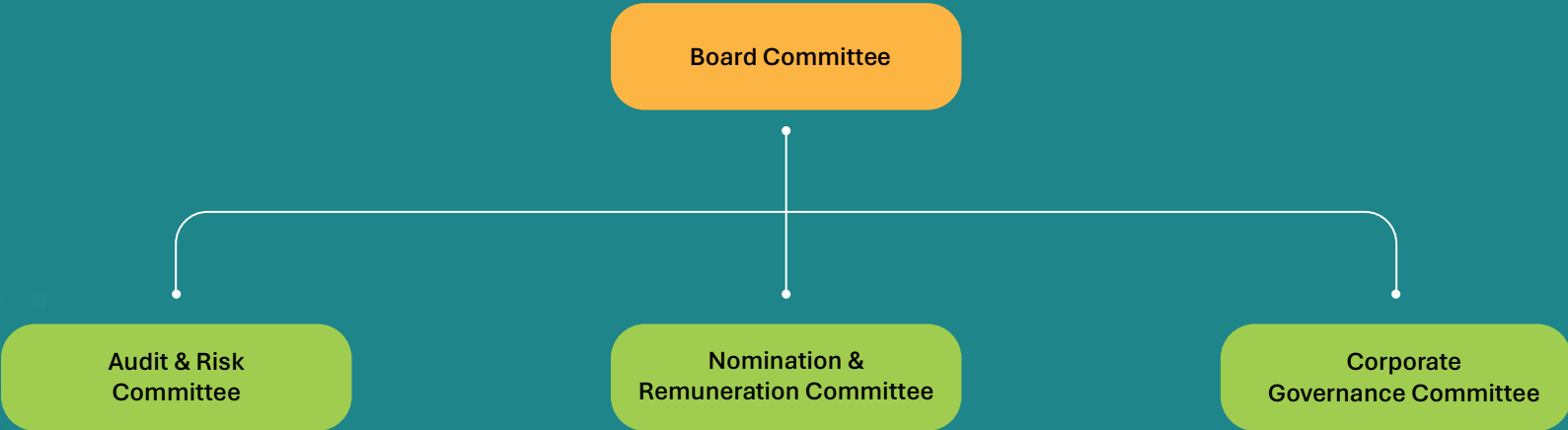
Non-Executive Directors Meeting

In alignment with the Board Charters and Governance Code, the non-executive directors of Maldive Gas Pvt Ltd (MGPL) held a meeting separate from the executive members of the Board. The primary objective of this meeting was to evaluate the efficiency of the information exchange between management and the Board. Special emphasis was placed on key aspects such as the quality and timeliness of communication, enabling non-executive directors to remain fully informed and actively involved in decision-making processes of the Company. This meeting served as an opportunity for the non-executive directors to independently assess governance practices and performance.



Board Committees

The Board of Directors at MGPL relies on the expertise and assistance of its various committees, which play a critical role in supporting the Board’s decision-making process and ensuring sound governance. These committees include:



Each year, the Board appoints the Chairpersons and members of these committees and evaluates their effectiveness to ensure continued alignment with the Company’s strategic and compliance objectives.

All committees operate under Board-approved charters that clearly define their duties and responsibilities. The Audit and Risk Committee is required to meet at least quarterly, while the other committees are expected to convene at least twice a year. Meeting agendas and durations are determined by the respective Chairpersons in consultation with the Company Secretary.

Audit and Risk Committee

Responsible for overseeing financial reporting, internal control systems, and risk management frameworks. In 2024, the Committee reviewed quarterly financial reports, internal audit findings, external audit coordination, and risk mitigation plans. It also provided recommendations on budget approvals and dividend declarations.

Nomination and Remuneration Committee

Oversees succession planning, leadership recruitment, and remuneration structures. In 2024, the Committee evaluated senior appointments including a Deputy Managing Director, reviewed compensation frameworks, and endorsed workforce expansion initiatives. The Committee’s decisions are subject to final Board approval. For operational efficiency, nomination and remuneration functions are managed through a single joint committee.

Corporate Governance and Compliance Committee

Charged with monitoring governance practices, ethical compliance, and internal policy enhancements. The Committee conducted reviews of HSE policies, board evaluation criteria, and updates to the Company’s governance manual. It ensured that regulatory obligations and STO’s Code of Conduct were adequately implemented.

All committees worked closely with senior management, including the Chief Financial Officer (CFO), General Manager of Human Resources (HR GM), and Head of Internal Audit. Their contributions reinforce MGPL’s commitment to transparency, accountability, and ethical operations.

Audit and Risk Committee



Ms. Aminath Juwaida
Chairperson



Mr. Abdulla Saleem Abdul Sattar
Non-Executive Director



Mr. Mohamed Husham
Non-Executive Director

Focus Area: Financial Oversight and Risk Management

Composition:

The Audit and Risk Committee was established in adherence to the Governance Code, comprising four members, with at least one member possessing sufficient financial expertise or experience. In 2024, there was a change in the committee’s membership following the resignation of Mariyam Paruveen Abdul Faththah from her position at the parent company, STO. Previously serving as the Chairperson, she was withdrawn from the committee.

Primary Responsibilities:

The Audit and Risk Committee is responsible for overseeing key financial and risk-related activities, including:

- Reviewing financial reports and statements to ensure accuracy and compliance.
- Assessing the Company’s risk exposure and recommending mitigation strategies.
- Overseeing both internal and external audit processes.
- Ensuring compliance with applicable regulatory requirements.

Meetings and Attendance:

The Committee convened four meetings in 2024, with the Chief Internal Auditor (CIA) and Chief Financial Officer (CFO) making presentations when required. Below is the attendance record of committee members for the year:

Name	Post in Committee	Joined Date	Removed Date	Attendance (no. of meetings attended / no. of meetings held)	Attendance %
Ali Nabeeh	Former Chairperson (Until 11th February 2024)	20th January 2021	11th February 2024	-	-
Mariyam Paruveen Abdul Faththah	Former Chairperson (From 11th February 2024 – 5th December 2024)	14th September 2023	5th December 2024	4/4	100%
Abdulla Saleem Abdul Sattar	Non-Executive Director	19th February 2019	-	4/4	100%
Aminath Juwaida	Current Chairperson, Non-Executive Director	12th April 2023	-	4/4	100%
Mohamed Hushaam	Non-Executive Director	11th February 2024	-	3/4	75%

Major Activities:

The Committee actively contributed to various strategic decisions and governance activities in 2024, including:

Advised the Board to declare an interim dividend of MVR 5 million for the year 2024.

- Reviewed and had no objections to the new internal audit structure and the internal audit plan for 2024.
- Reviewed the procurement price comparison audit report.
- Approved the revised annual work plan of the Internal Audit Department.
- Reviewed and provided feedback on the annual budget for 2025.
- Reviewed the special audit report and provided recommendations for the Board’s consideration prior to submission to the STO Audit.

The committee’s work continues to ensure robust financial oversight and risk management, contributing to the Company’s continued compliance and sound financial health.

Nomination and Remuneration Committee



Mr. Abdullah Saleem Abdul Sattar
Chairperson



Ms. Aminath Juwaida
Non-Executive Director



Mr. Mohamed Husham
Non-Executive Director



Ms. Fathimath Fazath
Non-Executive Director

Focus Area: Shaping the leadership and compensation framework of the organization.

Composition:

The Nomination and Remuneration Committee was formed in adherence to the Governance Code, comprising three members. In 2024, there were several changes in the composition of the Committee:

- Mr. Ali Nabeeh was removed from the committee.
- The position of Chairperson transitioned from Ms. Aminath Juwaida to Mr. Abdullah Saleem Abdul Sattar.
- Ms. Fathimath Faazath and Mr. Mohamed Hushaam, both of whom joined the Board of Directors in 2024, were welcomed as new members of the Committee.

Primary Responsibilities:

The Committee is entrusted with overseeing key aspects of leadership appointments and remuneration policies, including:

- Identifying suitable candidates for management appointments.
- Conducting regular reviews of the Company's remuneration policies and practices to ensure they remain competitive and in alignment with industry standards.
- Recommending adjustments to management composition as needed.
- Evaluating the performance and remuneration of executive management.
- Ensuring that management compensation is aligned with the Company's corporate objectives and values.

Meetings and Attendance:

In 2024, the Committee held four meetings, where the Chief Financial Officer (CFO) and HR General Manager (HR GM) made presentations when required. The following table summarizes the attendance of committee members.

Name	Post in Committee	Joined Date	Removed Date	Attendance (no. of meetings attended / no. of meetings held)	Attendance %
Aminath Juwaida	Former Chairperson, Non-Executive Director	20th January 2021	11th February 2024	6/7	75%
Ali Nabeeh	Non-Executive Director	12th April 2023	05th February 2024	1/1	100%
Abdulla Saleem Abdul Sattar	Current Chairperson, Non-Executive Director	1st January 2015	-	7/7	100%
Fathimath Fazath	Non-Executive Director	9th June 2024	-	5/6	75%
Mohamed Husham	Non-Executive Director	9th June 2024	-	6/6	100%

Major Activities:

In 2024, the Nomination and Remuneration Committee was involved in several important activities, including:

- Conducted interviews and evaluations for executive level roles to enhance leadership capacity.
- Reviewed the harmonized salary structure to ensure alignment with competitive and equitable remuneration practices.
- Assessed manpower requirements for 2024 and raised no objections to proposed additions, provided they remain within the approved budget framework.

These activities demonstrate the Committee's commitment to ensuring the Company's leadership structure and remuneration policies align with its strategic objectives and the evolving needs of the business.

Corporate Governance and Compliance Committee



Mr. Mohamed Husham
Chairperson



Mr. Abdullah Saleem Abdul Sattar
Non-Executive Director



Ms. Fathimath Fazath
Non-Executive Director

Focus Area: Good governance.

Composition:

The Nomination and Remuneration Committee was formed in adherence to the Governance Code, comprising three members. In 2024, there were several changes in the composition of the Committee:

- Initially, Ms. Fathimath Faazath was appointed as a member of the committee, with Mr. Abdulla Saleem Abdul Sattar serving as the Chairperson.
- Ms. Aminath Juwaida later assumed the role of Chairperson of the committee.
- Following the resignation of Ms. Mariyam Paruveen Abdul Faththah, the committee saw further changes, with Mr. Mohamed Hushaam becoming the new Chairperson

Primary Responsibilities:

The committee is responsible for overseeing and enhancing the governance framework of the Company, ensuring that best practices are followed, and ensuring compliance with relevant regulations and standards. The key responsibilities of the Corporate Governance and Compliance Committee include:

- Reviewing and recommending enhancements to the company's corporate governance framework.
- Maintaining governance structures that reflect leading industry practices
- Overseeing the development, implementation, and adherence to a comprehensive Code of Conduct for directors, employees, and stakeholders.
- Regularly reviewing and updating the Code of Conduct to ensure its continued relevance.

Meetings and Attendance:

In 2024, the Corporate Governance and Compliance Committee held four meetings. Presentations were made by the Chief Financial Officer (CFO), Procurement GM, Operations GM, and HR GM when required. The attendance of the members in these meetings is outlined below:

Name	Post in Committee	Joined Date	Removed Date	Attendance (no. of meetings attended / no. of meetings held)	Attendance %
Aminath Juwaida	Former Chairperson (From 9th June 2024 - 5th December 2024), Former Non-Executive Director	20th January 2021	5th December 2024	4/4	100%
Abdulla Saleem Abdul Sattar	Former Chairperson (From 11th February 2024 – 9th June 2024), Non-Executive Director	12th April 2023		4/4	100%
Mariyam Paruveen Abdul Faththah	Non-Executive Director	14th September 2023	5th December 2024	4/4	100%
Fathimath Fazath	Non-Executive Director	11th February 2024	-	4/4	100%
Mohamed Hushaam	Current Chairperson, Non-Executive Director	5th December 2024	-	-	-

Major Activities:

The committee was actively involved in various governance activities throughout 2024, including:

- Reviewing updates to the procurement policy and procedures.
- Providing input on the Health and Safety (HSE) policy.
- Reviewing revisions to the Board evaluation guidelines.

The committee's efforts reflect its ongoing commitment to enhancing the governance structure, ensuring compliance with best practices, and safeguarding the interests of all stakeholders.

Conflict of Interest and Materially Significant, Related Party Transactions

Maldivé Gas Pvt Ltd (MGPL) has implemented a Disclosure of Interest Policy, which was approved by the Board. According to this policy, Directors are required to disclose any significant interest they or their immediate family members may hold in any company, association, or other affiliations. This ensures transparency and prevents conflicts of interest from affecting the governance of the Company. The disclosed information is carefully reviewed and, when necessary, cross-referenced with relevant authorities to verify its accuracy.

In 2024, no significant or material related party transactions occurred, ensuring that the Company's operations remained free of conflicts of interest and aligned with governance best practices.

Good governance, Policies and Procedures

Over the years, the Board of Directors of Maldivé Gas Pvt Ltd (MGPL) has consistently reviewed and enhanced the Corporate Governance principles to fulfill its responsibility to stakeholders. These principles play a critical role in ensuring the Board is equipped with the necessary authority and processes to effectively oversee and evaluate the Company's operations and performance.

MGPL adheres to the Corporate Governance Code of the STO Group of Companies, and where applicable, adopts other best practices and good governance standards to maintain a high level of integrity and transparency in its operations.

The Company also complies with various Group Policies that are enforced by the shareholders, including but not limited to:

Conflict of Interest and Declaration Policy



reinforcing the need for disclosure and ethical handling of any director or employee conflicts of interest.

Blacklisting Policy



guidelines to blacklist or avoid business dealings with parties that have a history of non-compliance or malfeasance, protecting the Company from risky associations.

Vessel and Vehicle Management Policy



standards for the operation and maintenance of the Company's transport assets, ensuring safety and efficiency.

Whistleblower Policy



procedures that allow stakeholders to report any misconduct or violations anonymously and without fear of retaliation.

In addition to these Group Policies, MGPL has implemented a comprehensive set of internal policies governing its processes and procedures. These internal policies cover areas such as procurement, finance, human resources and health and safety,. They are designed to promote operational efficiency, ethical behavior, and regulatory compliance, ensuring that the Company operates in line with its values and stakeholder expectations.

Company Secretary

The Company Secretary plays a vital role in supporting the Board of Directors and its individual members by providing guidance on how to effectively fulfill their responsibilities in the best interests of the Company. This includes ensuring compliance with legal, regulatory, and governance requirements, and facilitating the Board's ability to make informed decisions.

To maintain the highest level of governance, the Company Secretary continuously updates her knowledge of Corporate Governance best practices and relevant regulations, ensuring that she remains well-informed on the latest developments. She also ensures that directors are regularly supplied with the necessary information to support their decision-making processes.

The Board continues to express confidence in the competency and experience of the Company Secretary, acknowledging her contribution to the smooth functioning of the governance framework and the Board's effectiveness.

Management Review and Responsibilities

Maldivé Gas Pvt Ltd (MGPL) is committed to improving the welfare of its key stakeholders, including customers, employees, and shareholders, by continuously enhancing its services and addressing the major concerns of all parties involved. The Company recognizes that achieving this vision relies on sustainable growth, the introduction of innovative products under strong brands, operational excellence, and the dedication of a skilled and committed workforce.

The management team plays a crucial role in driving these objectives forward by fostering a culture of continuous improvement, ensuring that operations are streamlined for efficiency, and aligning strategies with long-term corporate goals. By focusing on these core areas, MGPL strives to create value and maintain strong relationships with all its stakeholders, ensuring sustained success and growth for the future.



Internal and External Audit

Maldivé Gas Pvt Ltd (MGPL) maintains an independent Internal Audit function to ensure that the Company's operations are conducted in accordance with the highest standards of governance and internal controls. The Internal Auditor reports functionally to the Chairperson of the Audit and Risk Management Committee and administratively to the Managing Director. This structure ensures impartiality and objectivity in the evaluation of the Company's management, governance, and internal control processes, while systematically proposing enhancements to improve effectiveness.

The External Auditors are appointed annually at the Annual General Meeting. In 2023, PricewaterhouseCoopers was appointed by the shareholders as the Company's external auditors. The performance of the external auditors is regularly reviewed by the Audit and Risk Management Committee to ensure that their work remains thorough and reliable.

MGPL follows the International Financial Reporting Standards (IFRS) to ensure the accuracy of its financial statements, providing reasonable assurance on the integrity and correctness of the financial reporting.

Both the Board of Directors and management value the independent and impartial opinions and recommendations of the internal and external auditors. The Company is committed to addressing any findings highlighted in the auditors' reports, ensuring continuous improvement in governance and operations.

Internal Control, Risk Management and Compliance

Maldivé Gas Pvt Ltd (MGPL) has established robust internal control and risk management frameworks to ensure the Company effectively achieves its objectives, including efficient operations, compliance with applicable laws and regulations, and reliable financial reporting. These frameworks define the Company's control environment, which influences both individual and collective behavior across the organization. The control environment is built upon a foundation of policies, procedures, manuals, codes of conduct, and IT-generated controls, all of which are supported by the organizational structure that clearly outlines responsibilities and authority, grounded in shared values.

The Board of Directors holds ultimate responsibility for establishing an effective internal control system. The Managing Director is tasked with maintaining and enforcing internal controls to ensure the organization's processes are operating as intended. The Audit and Risk Committee plays a key role in assisting the Board by overseeing the adequacy and effectiveness of the relevant manuals, policies, and significant accounting principles.

The Company's internal control systems are reinforced by detailed instructions for the delegation of authority, manuals, policies, procedures, codes of conduct, and the employee handbook, which delineate the limits of authority and responsibilities for all employees. In addition, these internal guidelines are aligned with external laws and regulations, ensuring a comprehensive control environment that mitigates risks and maintains compliance.

The Board is satisfied with the adequacy of the existing internal controls in place, and remains committed to upholding high standards of risk management and compliance across all operations.

Information Exchange Efficiency

Defines the organizational control framework and influences behavior.



Compliance Guidelines

Ensures alignment with laws and regulations for risk management.



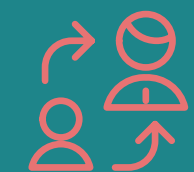
Delegation of Authority

Outlines limits of authority and responsibilities for employees.



Oversight Mechanisms

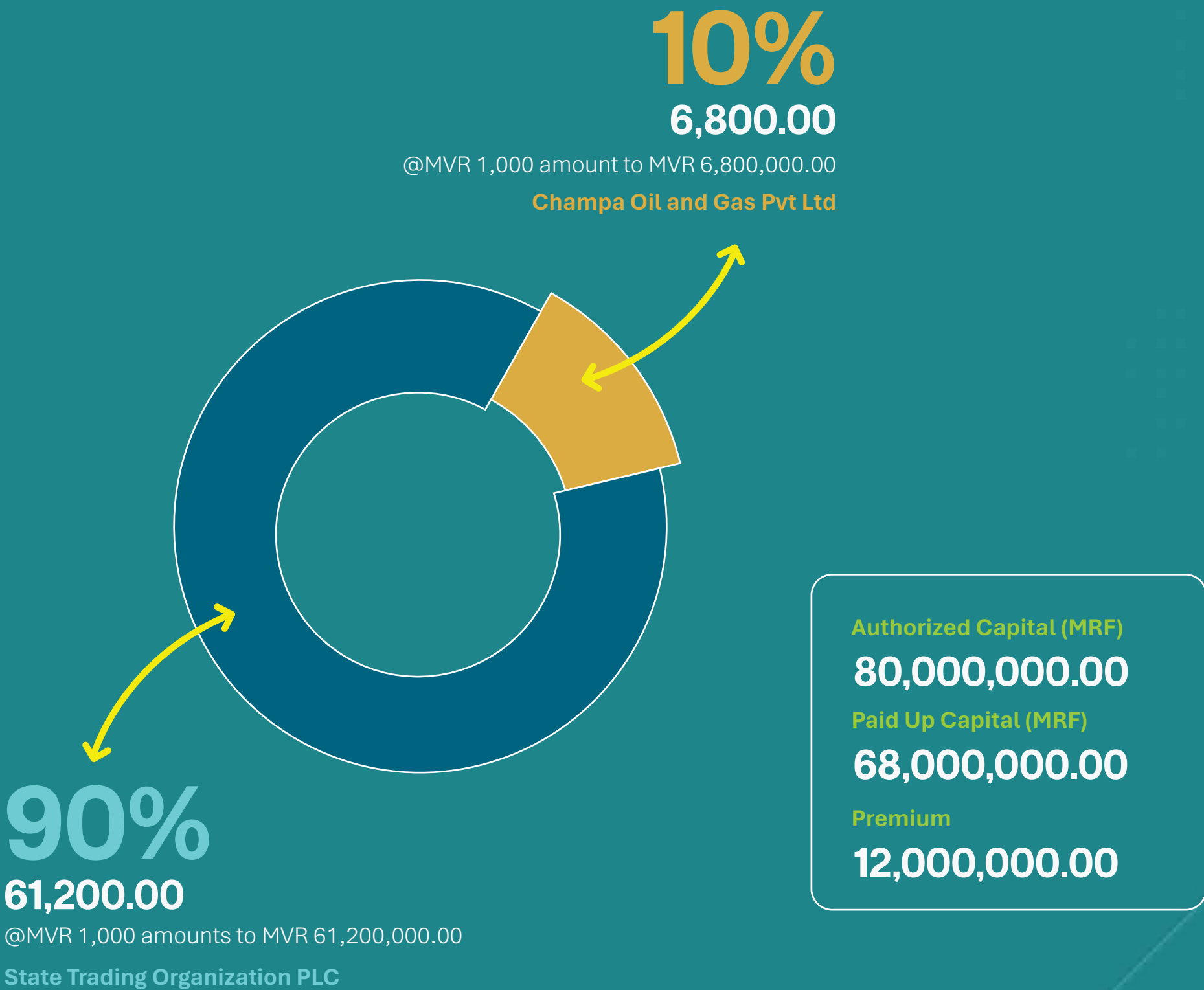
Involves the Board and committees in monitoring controls.



Shares, Shareholding and Shareholder voting rights

Maldive Gas Pvt Ltd (MGPL) has two ordinary shareholders, with 90% of the shares held by State Trading Organization plc and 10% held by Champa Oil and Gas Pvt Ltd. The Company has issued a total of 68,000 authorized shares. Each share entitles the holder to an equal proportion of the Company’s assets and earnings, and carries the same rights in terms of dividends.

According to the Articles of Association, each share carries one vote, ensuring that voting rights are directly linked to the number of shares held. Voting typically occurs by a show of hands, where each member casts one vote. However, if shareholders holding 10% or more of the shares, or their proxies, are present at the meeting, they may request a poll. In such cases, voting will be conducted based on the number of shares represented rather than on a show of hands.



Systems for Raising Concerns

Maldivian Gas Pvt Ltd (MGPL) has implemented appropriate mechanisms to ensure that employees, management, and other stakeholders can raise any concerns regarding non-compliance, fraud, or other misdemeanors within the Company. These mechanisms allow concerns to be raised on a confidential basis, ensuring protection for those who report issues in good faith.

The Company has established whistleblower facilities and dedicated portals through which stakeholders can submit their concerns directly to the relevant officers and the Board of Directors. These systems provide a secure and transparent way to raise and address issues. They foster a culture of accountability and ethical behavior within the organization.

Annual General Meeting

The decision-making rights of shareholders are exercised primarily at the Company's General Meetings. MGPL's Annual General Meeting (AGM) is held in the first half of each year, providing shareholders with the opportunity to review the Company's performance and vote on key matters concerning the governance and operations of the business.

. At the AGM, shareholders can ask questions, approve financial statements, appoint auditors, and vote on any resolutions proposed by the Board or shareholders. This forum is a cornerstone of shareholder engagement, ensuring that ownership rights are respected and that major decisions reflect the collective will of the shareholders.

1. Dividend

In 2024, the Board of Directors declared two dividends for the financial year ending 31st December 2024.

First, an interim dividend of MVR 5,000,000.00 (five million Rufiyaa) was declared and paid during the year. Subsequently, the Board declared a final dividend, bringing the total dividend for 2024 to MVR 11,000,000.00 (eleven million Rufiyaa)

These dividends reflect the Company's strong financial performance and its commitment to delivering returns to shareholders.

2. Details of Non-Compliance

MGPL did not incur any penalties or sanctions from regulators or authorities in 2024 due to non-compliance issues

The Company proactively ensures that it complies with all applicable statutory and regulatory requirements. Any compliance issues identified (for example, through internal audits or regulatory notices) are promptly addressed and rectified to maintain full adherence to laws and standards. This track record attests to MGPL's robust compliance culture and effective internal controls in regulatory matters.

Going Concern Declaration and Future Outlook

The Board of Directors of Maldivé Gas Pvt Ltd (MGPL) is confident in the current composition of both the Board and Management, believing that their collective expertise and experience will provide vital support in helping the Company achieve its strategic and business objectives. This strong leadership foundation fosters a prevailing sense of optimism regarding the Company's future prospects.

The Board remains fully committed to advancing the Company's long-term vision, and as such, affirms that the Company is capable of proceeding with confidence. The Board is committed to carrying out its operations, implementing proposed plans, and achieving projected results effectively, ensuring sustainable growth and success in the years ahead.



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