STELCO
STATE ELECTRIC COMPANY LIMITED

STATE ELECTRIC COMPANY LIMITED

Sustainability Report

2024

Table of Contents

Page 3 **Overview**

4 Statement by Managing Director
5 Overview of the Company
7 Corporate Objectives
8 Service Provided Islands
9 Strategic Goals

Page 10 **Sustainability Pillars 1 Environment**

11 Energy Conservation
18 Statistics - Electricity consumption
20 Water Conservation
23 Waste Management
24 Environmental Incidents
27 Environmental Activities

Page 28 **Sustainability Pillars 2 - Health and Safety**

29 Health and Safety
30 Occupational Injuries
30 Risk Assessments
31 Awareness Programs

Page 32 **Sustainability Pillars 3 - Social Issues**

33 Employment Policies
36 Training
37 Gender Equality
38 Corporate Social Responsibility
40 Community Engagement

Page 43 **Sustainability Pillars 4 - Governance**

44 Corporate Governance
45 Complaints & Enquiries

Corporate Overview

- Managing Director's Message
- About STELCO
- Core Business
- Corporate Objectives
- Service provided islands
- Strategic Goals

Overview of the Company

History of the organization

Although the company was officially incorporated in 1997 as a corporate enterprise, STELCO has roots dating back to 1949, when electricity service provision was first initiated in Malé city.

Over the years, STELCO has expanded its operations, transforming from a corporate enterprise solely focused on electricity service provision to offering additional utility services such as water and sewerage.

Today, we provide electricity service to more than 89 thousand consumers (as at 31 Dec 2024) across 35 islands . Our utility services have also broadly expanded, with water services provided in 14 islands and sewerage services in over 19 islands.

Additionally, we have significantly improved our renewable energy production, with Solar PV production capacity today accounting for more than 7% of our total power generation sources.

We also operate a Sales Center in Malé city, retailing common electrical products, and a Service Center that provides engineering consultancy and other electrical-related services.

Message by the Managing Director

I am pleased to present the 2024 Environmental, Social, and Governance (ESG) Report, which highlights STELCO's continued efforts to embed sustainability into the core of our operations. As a leading utility service provider, we are fully aware of the environmental impact of our activities and remain firmly committed to reducing our carbon footprint while maintaining reliable service delivery nationwide.

In 2024, we achieved significant progress in expanding the share of renewable energy in our power generation mix, reducing overall emissions, and improving grid efficiency. Strategic investments in solar and hybrid energy systems have not only advanced our sustainability objectives but also strengthened our energy security and system resilience. Furthermore, we have adopted advanced water conservation measures and optimized wastewater treatment processes to reduce environmental degradation.

Our commitment to social responsibility remains equally strong. Over the past year, we have supported numerous corporate social responsibility (CSR) initiatives focused on community development, youth empowerment, and nationwide events. We continue to prioritize employee well-being by fostering a safe working environment, promoting professional development, and supporting mental health through targeted programs.

From a governance standpoint, we have further reinforced our compliance frameworks, ensuring alignment with industry best practices and regulatory requirements. Enhanced risk management strategies have been introduced to address both environmental and operational challenges, and our corporate policies are continuously updated to meet global sustainability standards.

Looking ahead, we are focused on leveraging digital innovation to drive our sustainability agenda, using data-driven insights to improve operational efficiency and transparency. Through collaboration with our stakeholders, we are confident in our ability to build a more resilient, sustainable, and future-ready infrastructure.

Hussain Fahmy
Managing Director, STELCO

Our Core Business

1

Electricity

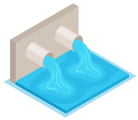
Our core business is generating, transmitting, and distributing electricity in Malé and AA, ADh, V, and Kaafu atoll regional islands

2

Water

Utility Water services provision in 14 islands.

3



Sewerage

Utility sewerage services provision in 19 islands.

4

Business Centre

STELCO Showroom

Sale of electrical products for various energy needs

Service Centre

Electrical engineering solutions

RENEWABLE ENERGY

Net Metering Solar

Net Metering connections of Solar PV systems

Avikatha

Roof rental to STELCO for Solar PV Installation

Greenlife Solar

Solar PV Installations

Electric Vehicles

Electric Vehicles charging stations

Corporate Objectives

Our Vision

Prosperity through excellence in utility service

Our Mission

Provide efficient and reliable utility services using renewables and modern technologies.

Core Values

Excellence
Our services and operations are exceptional, reliable and efficient.

Integrity
Trust, transparency and honesty in conducting business and taking responsibility for our actions

Teamwork
Promote staff development and cultivate an engaging work environment where everyone is valued & respected.

Customer Centric
Striving to be honest, friendly and courteous and treat all customers as valued customers.

Health & Safety
Ensuring a healthy and safe environment for both our staff and customers while guaranteeing the safety of the service we deliver.

Sustainability
Creating long term value by using innovation and modern technology to improve quality of service focusing on ecological, social and economic development.

Strategic Objectives

STELCO focuses on operational excellence by improving efficiency, upgrading infrastructure, and fostering innovation to meet rising demand and long-term goals. Empowering its workforce and using performance benchmarks are key to this aim.

Reliability is vital, as STELCO supports national infrastructure. The company consistently works to reduce service interruptions, ensuring uninterrupted power supply to all customers.

Strategic Direction

STELCO is also commited to sustainability by integrating ESG principles and expanding renewable energy. A customer-first approach, supported by digital tools, ensures effective service. Financially, STELCO aims for independence by diversifying revenue and setting strategic financial goals for long-term stability.

Service provided islands

Legend: Electricity Service | Water Service | Sewerage Service

Note: Map atoll locations are not accurate, and have been edited for visual representation.

Strategic Goals

Sustainability Pillars 1
Environment

- Energy Conservation
- Electricity Consumption
- Water Conservation
- Waste Management
- Environmental Incidents
- Environmental Activities

Energy Conservation

Renewable Energy

Over the past few years, STELCO has invested significantly to increase the level of renewable energy in power generation. Key projects include the installation of solar panels on STELCO powerhouses and on commercial and residential rooftops. These initiatives are a long-term strategic objective to enhance STELCO's renewable energy portfolio in power production.

We are actively working to diversify our energy mix by incorporating various renewable energy sources. While our current focus is on solar installations, we are also in the process of exploring the feasibility of other emerging renewable energy sources such as wind and ocean resources. Additionally, we have initiated projects that incorporate Battery Energy Storage Systems (BESS).

These efforts align with our commitment to support the government's goal of developing renewable energy systems capable of providing 33% of the nation's electrical needs.

Four Major schemes are currently employed by STELCO to increase renewable energy utilization

- Installation of Solar panels on STELCO powerhouses.
- Avikatha Roof Rental.
- Greenlife Solar installation.
- Net-Metering.

Energy Conservation

Greenlife Solar Installation

The Greenlife Solar Installation scheme, launched in 2020, was still operational in the past year. It allowed customers to apply for the installation of Solar PV systems on their residences, either on an upfront cash or installment payment basis, with the installation carried out by STELCO. Customers benefited from reduced electricity bills due to the power produced by the Solar panels being used for their consumption.

By the end of December 2024, more than 175 kWp of Solar PV systems had been installed by STELCO under the Greenlife scheme.

Net Metering

Adhering to the Net Metering regulation of the Maldives, STELCO has processed applications from customers installing solar PV systems on a Net Metering basis at their residences. Under the Net Metering scheme, customers purchase Solar installation equipment and accessories, install the system, and apply to STELCO for grid connection.

The power generated by the Solar panels is connected to customers' residences via a kWh meter, allowing them to utilize the power produced for their consumption. This reduces their consumption from the main grid and lowers customers utility bills.

As at 31st Dec 2024, more than 2,224 kWp of Solar PV systems had been integrated into the STELCO grid under Net Metering basis arrangements.

Energy Conservation

STELCO Powerhouse rooftops Solar PV Installations

Driven by the targeted aim of reducing reliance on conventional energy sources such as diesel and the financial savings associated with renewable energy adoption, STELCO has, in recent years, stepped up the installation of Solar PV systems on the rooftops of STELCO powerhouses.

We have successfully installed around 2,122 kWp of Solar PV systems at over 50 STELCO Powerhouses and premises rooftops, by end of December of 2024. This initiative is expected to significantly reduce fuel consumption and operational costs, contributing to a more sustainable and economically efficient energy production model.

Roof Rental Solar PV Installations

In June 2022, STELCO launched the Avikatha Roof Rental scheme, whereby customers can lease their rooftops to STELCO for the installation of solar panels in return for fixed monthly payments from STELCO. These payments are proportional to the number of Solar panels installed in the rented space.

As at 31st December 2024, more than 401 kWp of Solar PV systems had been installed through the Avikatha Roof Rental initiative.

Hybrid Energy Systems for Islands

The Renewable Energy Department continues to support the national transition toward sustainable and resilient energy systems through the hybridization of island-based power generation. This approach combines solar photovoltaics, battery energy storage systems, and diesel generators within an integrated framework, managed by an Energy Management System (EMS) that ensures optimal energy dispatch based on demand and resource availability.

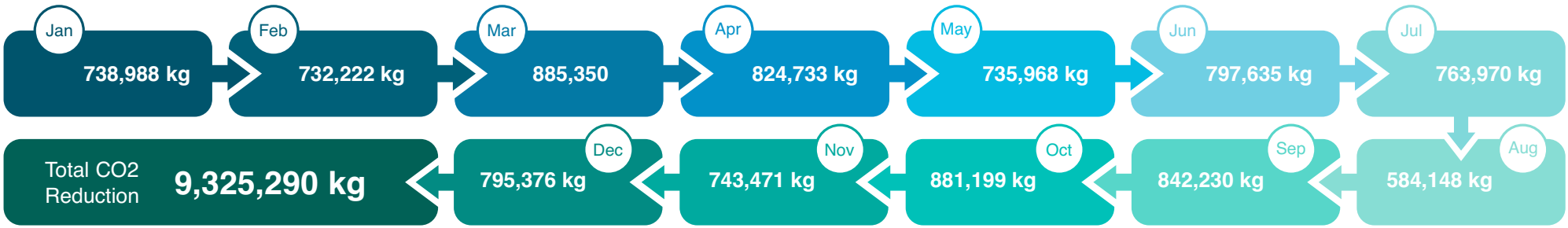
A key achievement in this area is the successful implementation of a hybrid system in V. Rakeedhoo. This system has enabled the complete shutdown of diesel generators for over twelve hours each day, resulting in notable fuel savings, a reduction in noise pollution, and improved environmental conditions for the island community.

In addition, the department actively participated in and supported the technical surveys conducted across all STELCO-managed islands under the Preparing Outer Islands for Sustainable Energy Development (POISED) project.

This project is led by the Ministry of Environment and is focused on deploying hybrid renewable energy systems to reduce the cost of electricity generation, lower greenhouse gas emissions, and ease the subsidy burden on the national budget. Through its involvement, the department ensured the incorporation of technical insights and operational considerations essential to the successful implementation of hybrid systems in the outer islands.

Total Installed Solar PV
(As at 31st December 2024)

	Capacity
Net Metering	2,224 kWp
Greenlife	175 kWp
STELCO Powerhouse	2,122 kWp
Power purchasing agreement	7,946 kWp
JICA	781 kWp
Avikatha	401 kWp
Special Projects	395 kWp
Total	**14,044 kWp**



Estimated GHG Emission Reduction (kg-CO2) in 2024

Demand side Management

Energy Conservation Programs

Every year, particularly during the first or second quarter, electricity consumption experiences a significant surge. This increase is primarily driven by higher usage from both residential and commercial consumers. Historically, electricity demand has exhibited a consistent upward trend of around 8-10% per year, putting significant pressure on STELCO's power generation infrastructure. Managing this growing demand presents a continuous challenge, requiring both short-term solutions and long-term strategic planning.

To address this growing demand, every year STELCO carried out multiple consumer-focused energy conservation programs. These initiatives aim to educate the public on responsible electricity use and offer practical strategies to reduce electricity wastage. Customers are encouraged to adopt energy-efficient technologies, implement better electricity management practices, develop better habits, such as turning off unused devices.

To further enhance public awareness, STELCO regularly broadcasts educational videos on local television channels and actively shares conservation tips through our social media platforms. These efforts aim to make energy-saving practices accessible and easy to implement for individuals, households, and businesses alike.

Benefits

The main objective of Demand-side management programs are to increase public awareness about energy conservation, ways in which to reduce energy wastage, and how usage of different appliances impact their energy bills. Through strategic planning, and collaborative efforts with the community, we aim to foster a culture of energy efficiency that ensures long-term economic and environmental benefits.

Improving Distribution Efficiency through Grid Upgrades and Smart Infrastructure

STELCO's Transmission and Distribution (T&D) department is dedicated to reducing energy losses and enhancing the efficiency of electricity delivery across Malé, Hulhumalé, and the regional islands under its operation. The department oversees a vast network of 0.4kV and 11kV distribution systems, which are continuously upgraded to meet growing demand and minimize technical losses.

To improve distribution efficiency, aged and undersized underground cables are being systematically replaced with higher-capacity alternatives, reducing losses, mitigating voltage drop, and increasing network durability.

On regional islands experiencing demand growth, legacy 400V distribution networks are being upgraded to 11kV, allowing for significantly improving voltage drop.

In urban centers like Malé and Hulhumalé, strategically located substations minimize distribution distances.

Several substations in Malé, originally designed for lower demand levels, are now being upgraded to add capacity. Due to space constraints in older single-story buildings, STELCO is replacing these with multi-story substations, enabling increased transformer capacity, improved operational safety, and easier maintenance access.

STELCO is also strengthening its network through smart grid technologies. Smart meters provide real-time consumption data and system diagnostics, enabling detection of non-technical losses (e.g., theft), identification of abnormal loading, and verification of voltage and supply quality. Substation monitoring and real-time grid analytics enhance precise fault localization, faster power restoration, and informed infrastructure planning.

These combined efforts reinforce STELCO's commitment to energy conservation by improving grid performance, reducing waste, and maximizing the use of generated electricity. Through investments in smarter technologies and capacity upgrades, STELCO is building a more reliable, efficient, and sustainable power distribution network.

Energy Conservation

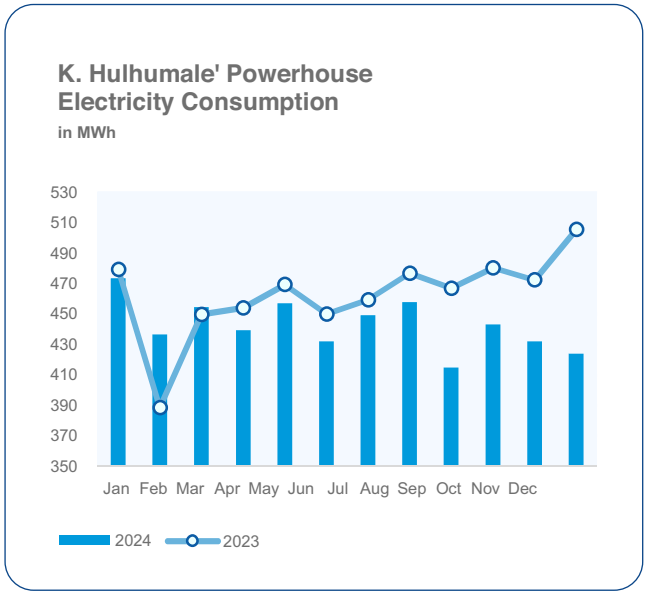
Efficiency-Driven Operations

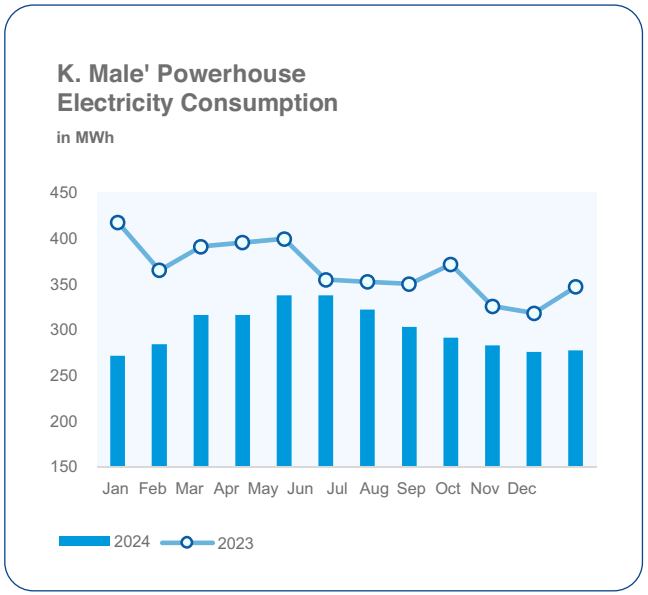
At the Hulhumalé powerhouse, a portion of the electricity generated is allocated to essential auxiliary systems such as seawater pumps, fuel pumps, air compressors, and control units, all of which are critical to the plant's operation. Electricity is also used to support routine functions, including office operations, workshop tools, and other staff-related facilities.

On average, internal energy consumption accounts for approximately 1.5% of the total electricity generated, well below the department's target threshold of 4%. This reflects ongoing efforts to ensure that the majority of energy produced is directed toward core generation activities, with minimal allocation to internal use.

In recent years, a number of infrastructure upgrades have been implemented with the goal of enhancing energy efficiency. These improvements have contributed to reduced operational costs and support broader sustainability efforts by minimizing energy waste. As of now, no formal electricity conservation strategy has been implemented at the powerhouse.

Electricity Consumption





Powerhouse Electricity Consumption Trends

For Male' and Hulhumale' in 2023, Q1 (Jan-Mar) showed the highest average consumption (Male': 391,440 kWh/month; Hulhumale': 459,300 kWh/month), while Q4 (Oct-Dec) was lowest for both islands.

In 2024, this pattern repeated with Q1 remaining the peak period and Q4 the lowest. Total powerhouse electricity consumption across all islands decreased by 7.7%, from 12.59 million kWh in 2023 to 11.63 million kWh in 2024.

Hulhumale' powerhouse had the highest electricity consumption in both years (2023: 5.55M kWh; 2024: 5.31M kWh), while V. Thinadhoo recorded the lowest (2023: 27,890 kWh; 2024: 35,445 kWh).

All STELCO Powerhouses
2023 Electricity Consumption

12.6 GWh

All STELCO Powerhouses
2024 Electricity Consumption

11.6 GWh

% Change

-7.7%

In general, Powerhouse electricity consumption decreased by around 963 MWh (7.7%) from 2023 to 2024.

STELCO Powerhouses Electricity Consumption 2023 & 2024 (in MWh)

Island	2023 (MWh)	2024 (MWh)	% Change
K. Kaashidhoo	128	132	3%
K. Gaafaru	149	138	-7%
K. Dhiffushi	109	156	44%
K. Thulusdhoo	86	86	0%
K. Himmafushi	21	20	-5%
K. Hulhumale	5,551	5,314	-4%
K. Thilafushi	98	88	-10%
K. Gulhifalhu	72	73	1%
K. Male'	4,391	3,615	-18%
K. Vilingili	352	150	-57%
K. Gulhi	87	91	4%
K. Maafushi	84	115	36%
K. Guraidhoo	144	168	17%
Aa. Thoddoo	63	85	35%
Aa. Ukulhas	76	95	25%
Aa. Mathiveri	71	68	-3%
Aa. Bodufolhudhoo	33	41	27%
Aa. Feridhoo	69	69	1%

Island	2023 (MWh)	2024 (MWh)	% Change
Aa. Maalhos	69	74	6%
Aa. Himandhoo	44	116	167%
Aa. Rasdhoo	118	96	-19%
Adh. Mandhoo	29	38	30%
Adh. Omadhoo	54	56	5%
Adh. Hangnameedhoo	43	64	46%
Adh. Mahibadhoo	120	108	-10%
Adh. Kumburudhoo	65	64	-2%
Adh. Dhigurah	91	101	12%
Adh. Fenfushi	69	90	31%
Adh. Dhihdhoo	41	40	-1%
Adh. Dhangethi	31	54	75%
V. Fulidhoo	38	34	-10%
V. Felidhoo	60	53	-12%
V. Thinadhoo	28	35	27%
V. Keyodhoo	71	64	-9%
V. Rakeedhoo	37	33	-10%
TOTAL	**12,592**	**11,628**	-8%

Water Conservation (RO Plants)

Sustainability in Water Usage

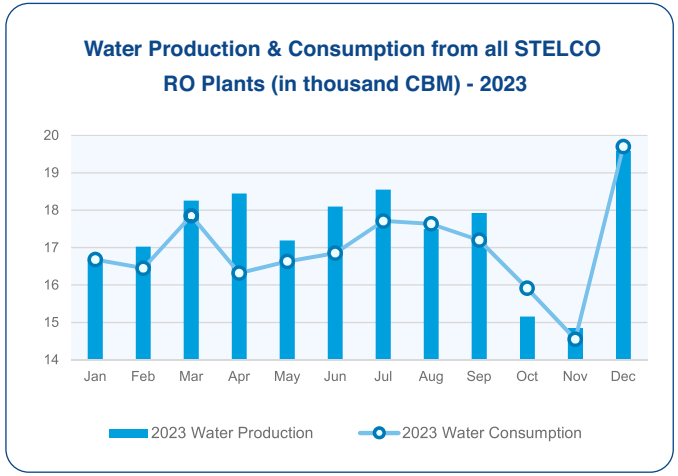
While our sustainability policies are still in development, we adhere to guidelines to enhance environmental protection and sustainability during water and sewerage operations.

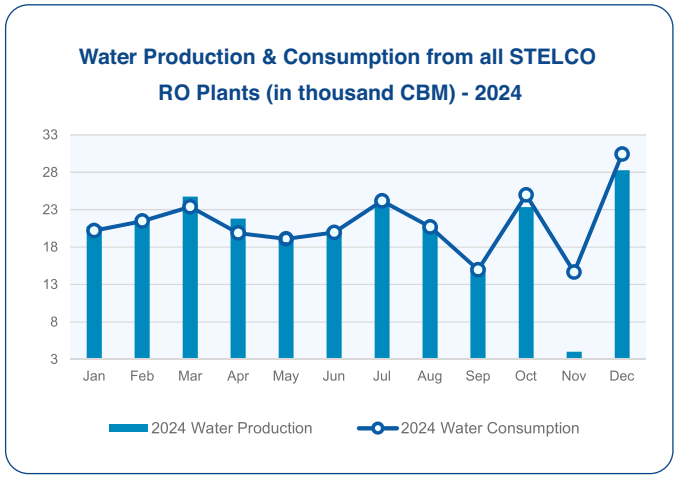
Operation of the department includes several key elements to ensure efficient water use and sustainability. Firstly, we conduct monthly water audits to identify usage patterns and areas of excessive consumption.

Further, by using the installed water readings and the distribution/production data, we are able to determine any significant water loss in our systems. Secondly, we prioritize leak detection and repair by regularly assessing the production and distribution meters data.

We have also implemented a prompt rectification and repair plan for water systems with higher NRW (Non-revenue Water) loss.

For 2024, the difference in water production and consumption (consumption being higher than production) is due to water balance of previous year in storage and RWH product water in consumption.





Water Conservation

Water Production & Consumption (all STELCO RO Plants) 2023 & 2024

Water Production	(cbm)
2023	209,291
2024	244,214
% Change	+17%

Water Consumption	(cbm)
2023	203,479
2024	254,041
% Change	+25%

Water Conservation Strategies

For water systems, we currently implement energy-efficient technologies for water production and distribution to reduce overall energy consumption.

The brine discharge and sewerage outfall locations are selected and constructed based on the approved Environmental Impact Assessments (EIA) to mitigate adverse environmental effects.

We are committed to a water conservation strategy that will assist lower costs, enhance system reliability, conserve resources, and strengthen our leadership in sustainability and compliance, benefitting our team at STELCO.

Male' Powerhouse Water Conservation.

At the Male' Powerhouse, seawater is converted into service water for our engines using a desalination plant. Though, the plant has a production capacity of 42 tons of fresh water over a 24-hour period, recent actual production on a daily basis has varied between 3 and 4 tons.

This water is stored in a 1,000 cubic meter storage tank and is primarily used for engine cooling, maintenance, and fire-fighting purposes.

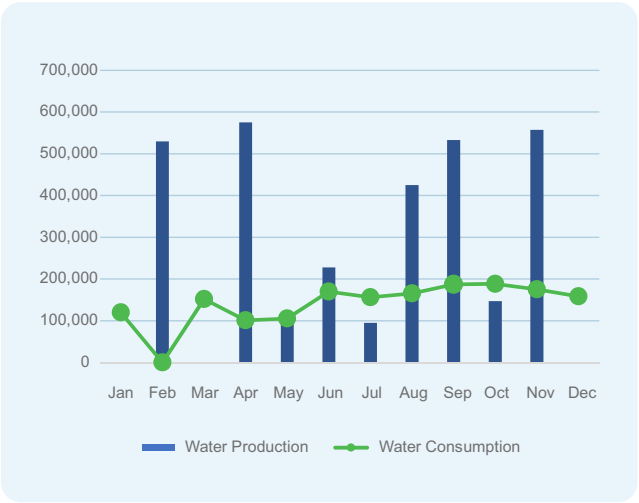
Sewerage Operations

In sewerage systems, we optimize pump station capacities to minimize energy use, and we plan to establish scheduled tests for the groundwater infiltration within the sewerage mains and to prevent unnecessary groundwater extraction.

Furthermore, we are planning the deployment of Sewage Treatment Plants (STPs) on major islands to ensure that the treated effluent meets environmental standards before discharge through sea outfalls.

Water Conservation (Hulhumale' Powerhouse)

Hulhumale' Powerhouse Internal Water Production and Consumption in 2024



Hulhumale' power plant is equipped with two multi-effect desalination plants, which are operated with the aid of an HRSG (Heat Recovery Steam Generator) system connected to two of the generator exhaust systems.

This method captures waste heat from engine exhaust, converting it into a valuable resource and improving power generation efficiency. This process helps lower water acquisition costs by reducing reliance on external suppliers. If the plant were to depend entirely on purchased water, the cost of power generation would increase significantly. By integrating this approach, we optimize energy use and contribute to environmental sustainability by minimizing thermal energy losses.

The water produced is stored in a tank with a total capacity of 800 cubic meters. To ensure safety and emergency preparedness, 80% of this water is allocated to our firefighting system. An in-house water generation system enhances the reliability of power generation by ensuring uninterrupted cooling for the diesel engines.

Hulhumale' Powerhouse (2024)	Litres
Water Production	3,185,500
Water Consumption	1,679,960

Waste Management

Powerhouse Waste Management

In Malé and Hulhumalé powerhouses, the company has established guidelines for the handling and disposal of waste.

Daily waste produced from power plants is classified into two distinct categories: domestic waste and industrial waste. Domestic waste, is collected and delivered to WAMCO for disposal each day.

Industrial waste, which arises from the operational processes of the power plants, is handled differently. This type of waste is managed by a third-party contractor, and its disposal occurs on a periodical basis rather than daily.

This arrangement allows for specialized handling and processing of industrial waste, ensuring that it is disposed of in a manner that minimizes impact on the environment.

Auction of Used Lube oil

In Malé powerhouse, where the majority of our power generation operations are carried out, we store used lubricating oil in drums. These drums are then auctioned off for recycling and potential reuse.

Sustainable Waste Handling

STELCO follows comprehensive Standard Operating Procedures (SOPs) to uphold environmental safety in all our operations. These SOPs cover hazardous material handling, refueling, and management of diesel.

Improper handling of used luboil, batteries, and electrical cables poses environmental risks. STELCO's SOPs ensure these materials are stored, transported, and disposed of responsibly. To reduce noise pollution, sound attenuators are installed in exhaust systems, minimizing disruption to nearby communities and ecosystems.

Fuel storage systems are designed to mitigate the impact of oil spills and leaks. Daily-use and bulk diesel are stored in specialized tanks, each enclosed within bund walls to contain potential spills and protect soil and groundwater.

Environmental Incidents

Although our Standard Operating Procedures (SOPs) are developed to minimize the likelihood of environmental incidents, such incidents do occur. When they do, we take strict measures to investigate and address them to prevent recurrence.

Environmental Incidents Management

Our commitment to environmental protection, safety, and operational integrity means we take occurence of environmental incidents seriously. In instances where environmental incidents take place, we initiate corrective actions to identify the incident causes and based on our findings, we implement remedial actions to mitigate the risks of such incidents from happening again.

This approach is part of our continuous improvement framework and aligns with our Environmental Management System (EMS) protocols.

In 2024, environmental incidents occurred in K. Thilafushi powerhouse, V. Fulidhoo powerhouse, ADh. Hangnaameedhoo powerhouse and K. Kaashidhoo powerhouse.

All incidents were isolated, stemming from human error, and we took action to prevent similar events from occuring in future.

Legal adherance

Multiple environmental laws apply to our operations, particularly those focused on environmental protection. These regulations serve as essential guidelines, ensuring that we comply with legal requirements aimed at safeguarding natural resources and minimizing environmental impact. By integrating these laws into our operational framework, we uphold our commitment to responsible business practices while contributing to broader environmental conservation efforts.

Adhering to these legal frameworks is a key aspect of our sustainability initiatives. We incorporate these regulations into our Standard Operating Procedures (SOPs), ensuring that compliance is an integral part of our daily operations. This approach reinforces our dedication to long-term environmental responsibility.

Environmental Impact Assessment (EIA)

Prior to initiating any new projects, STELCO ensures that an Environmental Impact Assessment (EIA) is conducted to identify potential environmental risks and to minimize negative impacts on the environment.

EIA reports are outsourced to qualified, independent third-party consultants aiding informed decision making and strengthening sustainability or projects.

Environmental Laws

STELCO operates in full compliance with Maldivian laws, adhering to key regulations on environmental protection, climate action, utility management, and energy governance to ensure sustainable and responsible operations.

1. **Environment Protection Act 4/93**
2. **Tree Protection Act 12/2011**
3. **Climate Emergency Act 9/2021**
4. **Utility Regulatory Act 26/2020**
5. **Energy Act 18/2021**

Fuel Storage

Fuel Storage & Handling

STELCO relies on diesel fuel to meet a significant portion of its power generation requirements. Diesel serves as a crucial energy source, ensuring a consistent and reliable electricity supply across various operational centers.

To support this, the company utilizes strategically placed fuel storage tanks at regional powerhouse sites to store diesel safely and efficiently. Proper storage and handling are vital not only for maintaining operational efficiency but also for ensuring environmental protection and compliance with regulatory standards.

Fuel tank reservoirs are designed and constructed to meet strict safety standards. Fuel storage facilities include cement flooring and bund walls to prevent fuel seepage into the ground. These structural enclosures are intended to contain accidental leaks within a controlled area, thereby preventing contamination of the surrounding environment.

Fuel System Monitoring

STELCO has implemented control measures to monitor its diesel fuel system, enabling early containment of issues like oil spills to minimize fuel loss and environmental impact. Regular inspections and maintenance ensure the system remains in optimal condition and operates efficiently.

Sustainability Pillars 1

Environmental Activities

As part of STELCO's pledge to plant 500,000 trees, by the end of October 2024, the company has successfully planted a total of 41,544 trees across 33 islands.

STELCO's 500,000 Tree Planting initiative

The Government of the Republic of Maldives initiated the 5 million tree plantation program on the occasion of World Environment day on June 2024, with the aim of safeguarding the country's fragile ecological systems and mitigating the impact of climate change for the benefit of current and future generations.

To assist the government in this pledge, STELCO committed to planting 500,000 trees within the same timeframe. In order to achieve this objective, STELCO has carried out several tree plantation events in various islands in which it operates in.

Introduction of Electric Vehicle (EV) Charging Stations

Four EV charging stations establishment at Dhonadharaadha Hingun has been planned, capable of accommodating up to eight electric vehicles at the same time.

The installation of these stations serves as an important milestone in supporting Malé's growing electric vehicle user's community.

Sustainability Pillars 2

Health and Safety

- Health and Safety
- Occupational Injuries
- Risk Assessment
- Awareness Programs

Health & Safety in Solar Installation Works

23 kWp

Greenlife Solar PV Installations by STELCO in 2024

336 kWp

Avikatha Solar PV Installations in 2024

395 kWp

Special Projects Solar PV Installations, financed and installed by STELCO in 2024

We remain steadfast in enhancing the health and safety of our staff engaged in field operations, particularly in high-risk environments such as rooftop solar installations. Working at heights presents significant challenges, requiring strict adherence to safety protocols to prevent accidents and injuries.

To ensure a safe working environment, we continuously implement comprehensive measures that align with industry best practices and regulatory standards.

Safety in high risk works

Our commitment to safety includes the mandatory use of essential personal protective equipment (PPE) for all installation personnel. This includes safety vests, helmets, harnesses, and specialized safety shoes designed specifically for rooftop work. Additionally, our installation staff utilize GEDA lifts for safe panel handling on steep roofs.

These protective measures are crucial in safeguarding our staff from potential hazards such as falls, electrical risks, and weather-related dangers.

Regular training and safety awareness programs play a crucial role in reinforcing our commitment to health and safety. In March 2024, we conducted internal training sessions to emphasize the critical safety protocols that must be followed during rooftop solar installations.

Sustainability Pillars 2

Health & Safety in Technical Works

Health and safety are essential in all our routine operations. We provide personal protective equipment for field staff—gloves, safety shoes, boiler suits, and uniforms—to reduce occupational injuries. We also invest in safer tools, such as Battery cable cutters, to simplify tasks like cable cutting, and Electric Ladder lifts used to lift solar panels to rooftops.

Due to the high-voltage nature of substation work and electrocution risks, staff are well-trained and work under strict supervision to avoid accidents.

Electricity transmission, especially at substations, is inherently hazardous. Contact points often carry voltages of 11,000 volts or more, posing serious danger. To protect these critical infrastructure points and deter vandalism, we've built elevated perimeter walls around substations in Male' city.

Substations are also equipped with CCTV surveillance to detect and prevent vandalism. Clear, visible warning signs are posted at entry points, alerting the public to high-voltage hazards.

The rise in reported occupational injuries from 2023 to 2024 is attributable to establishment of improved reporting systems and greater staff awareness, leading to more accurate documentation of all work-related incidents and hazards.

Workplace Injuries 2023

Major occupational Injury	5
Minor occupational Injury	5
TOTAL	**10**

Workplace Injuries 2024

Major occupational Injury	8
Minor occupational Injury	104
TOTAL	**112**

Risk Assessments

Carried out in 2023	1
Carried out in 2024	1

Basic Fire Awareness Training Program

In 2024, a Basic Fire Awareness Program was conducted for 668 staff to enhance fire safety knowledge and emergency response skills. The training covered key topics such as fire behavior, types of fires, and prevention methods.

Participants learned how to use fire extinguishers and basic firefighting tools, along with safe evacuation procedures. Emphasis was placed on personal safety practices, including staying low in smoke and using protective equipment. The program aimed to build awareness, boost confidence, and ensure staff are better prepared to respond calmly and effectively during fire emergencies, promoting a safer workplace environment for all.

Basic Fire Awareness ProgramTraining

668 staff
in 2024

Basic First Aid Training

668 staff
in 2024

Basic First Aid Training Programs

In 2024, Basic First Aid Training was provided to 668 staff members. The program covered essential skills such as CPR, recovery position, wound care, burn treatment, managing fractures.

These skills equipped staff to stabilize victims and prevent conditions from worsening until professional help arrives. Staff were nominated from all powerhouses, emphasizing the importance of having a well-prepared first response team across the organization.

Sustainability Pillars 3
Social Issues

- Staff Policies
- Staff Training
- Gender Equality
- Community Projects
- About STELCO
- Service provided islands

Employment Policies

Having clear staff policies, such as grievance policy, prevention of sexual harassment policy, employee whistle-blowing policy, and others offers numerous benefits to STELCO as well as its employees.

These policies provide a structured approach to managing issues that may arise, ensuring fairness and transparency.

Key benefits

- **Legal Compliance**
- **Workplace Safety**
- **Professional Conduct**
- **Risk Reduction**
- **Transparency**
- **Improved Productivity**

Key Employment Policies

Following are some of the key employment policies implemented within the organization.

- Grievance Policy
- Prevention of sexual harrassment policy
- Whistle blowing policy
- Uniform dress code policy
- Staff leave policy
- Staff higher education policy
- Employment policy
- Employee welfare policy
- Retirement and redundancy policy
- Gender Equality Law implementation policy
- Transfer policy
- Childcare scheme guideline
- Hajj and Umra policy

Employment Policies

Grievance Policy

A policy for employees to report workplace-related complaints and have such complaints addressed in a swift, consistent, and fair manner.

Prevention of Sexual Harassment Policy

A policy forbidding sexual harassment in the workplace, including communication to employees about what types of behavior constitute sexual harassment, as well as mechanisms for reporting and handling harassment cases and taking disciplinary actions.

Staff Whistle blowing policy

A mechanism for employees to report cases of suspected fraud, corruption, or improper activities and have them addressed and dealt with through the company's internal reporting mechanisms.

Uniform Dress Code Policy

This specifies how and the conditions uniform can be worn during work

Staff Leave Policy

A policy that outlines the types of leave available to company staff, procedures for applying for leave, and leave eligibility.

Staff Higher education policy

A policy that outlines how the company will provide training and scholarship opportunities to STELCO staff, address skill shortages, detail the process for applying for and selecting scholarship recipients, and describe the coverage of fees and allowances awarded to staff during their higher education.

Employment Policy

A policy regarding how the company will recruit staff for vacancies, including the application and selection process, how applicants will be short-listed, interviewed, and evaluated.

The policy also outlines employee compensation, procedures for staff termination or retirement, employment agreements, and other issues related to employees.

Employment Policies

Staff related policies help to ensure fairness, productivity, employee growth, safety, and transparency for company and staff.

Employee welfare policy

A policy that outlines the benefits and support provided to employees through welfare.

Retirement and redundancy policy

This policy outlines the conditions and benefits employees will receive upon retirement, such as the retirement benefit package. It also details the procedures and support provided to employees in the event of job layoffs or restructuring, including severance packages, outplacement services, and retraining opportunities.

Transfer policy

This policy is a set of guidelines established to regulate the process of transferring employees from one department or role to another within the organization. It typically outlines the procedure for requesting transfers, eligibility criteria, reasons for transfers, and the support provided during the transition.

Stelco childcare scheme guideline

This guideline outlines the process for reimbursement provided to staff who use services from child care centers in the Maldives, up to a limit of MVR 2,000

Hajj and Umra policy

This policy outlines the guidelines, conditions, and eligibility criteria for staff who wish to participate in the annual draw for selecting Hajj and Umrah winners. The selected staff members are fully sponsored by STELCO for their Hajj and Umrah trips

Gender Equality Law (18/2016) Implementation

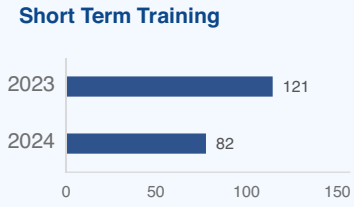
The Gender Equality Act (18/2016) ensures equal rights and non-discrimination. STELCO implemented internal policy to promote workplace gender equality to align with national standards.

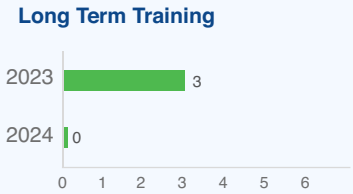
Staff Training

Staff Training

Staff training plays a crucial role in strengthening STELCO's operational efficiency, ensuring compliance with safety regulations, and developing a highly skilled workforce capable of driving innovation and productivity. By investing in continuous training programs, STELCO not only enhances its competitive edge but also cultivates a work environment that prioritizes professional growth and skill development.

In 2024, 82 short term training courses were carried out, providing 1514 opportunities for staff, with an average 5-7-hour duration for trainings.





Training Expenditure

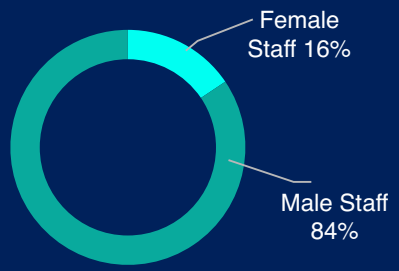
2023	MVR 23 million
2024	MVR 3 million

Challenges

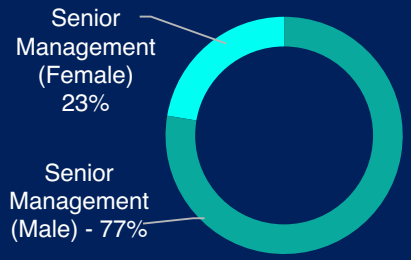
Long-term training programs pose a challenge, as employees who leave the organization after completing training result in a loss of valuable skills and expertise.

Additionally, Island Powerhouse faces obstacles in implementing effective staff training initiatives. The geographical dispersion of employees makes it difficult to conduct centralized training sessions, while budget constraints limit both the scope and quality of training opportunities.

Gender Composition STELCO Staff



Female Staff in Senior Management (STELCO)



Gender Composition

Male staff	1700
Female staff (including interns)	313
TOTAL	**2013**

Female Staff in Senior Management

Deputy Managing Director	1
Chief Financial Officer	1
Heads of Department	3
Unit Heads	16
TOTAL	**21**

Male Staff in Senior Management

Managing Director	1
Deputy Managing Director	2
Chief Technical Officer	1
Chief Internal Auditor	1
Heads of Department	14
Unit Heads	53
TOTAL	**72**

Gender Equality

The ratio of women in the workforce currently stands at 16%. Research indicates that increasing female representation in the workplace can contribute to enhanced organizational productivity and workplace efficiency. Additionally, a diverse leadership team fosters a more inclusive work environment, leading to higher employee morale and improved overall performance.

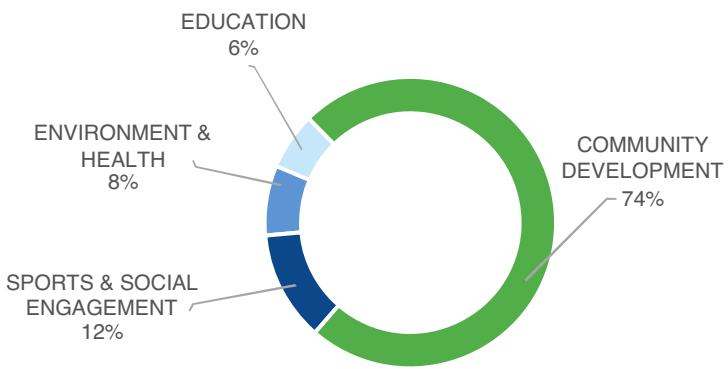
Ratio of female representation in Board of Directors

As of 31st Dec 2024, there is 1 female director serving on the STELCO Board of Directors. The ratio of female representation on the STELCO Board stands at 14%.

Corporate Social Responsibility

CSR expenditure by category

Category	%
Environment and health	8%
Sports and social engagement	12%
Community development	74%
Education	6%



STELCO's corporate social responsibility initiatives underscore the company's commitment to making a positive impact on society and the environment.

In an era where corporations are expected to act ethically and responsibly, STELCO acknowledges its obligation to contribute to community welfare and promote social good. CSR activities are carried out by STELCO, according to a Board endorsed policy which outlines the framework through which STELCO will assess its corporate actions and provide support to initiatives that benefit society.

Eligible areas for CSR assistance include renewable energy projects, sports and entertainment events organized by registered entities, social and religious functions, environmental protection initiatives, and disaster relief during crises.

By prioritizing applications from communities where STELCO operates, the company aims to build trust and strengthen relationships with key stakeholders.

Power system inspection assistance at Dhoonidhoo – Jan 2024

Assistance with power system assessment, upgrade, communications, police job attachment training.

K. Gaafaru BML ATM - Oct 2024

Assisting with the construction of new building in K. Gaafaru, for the placement of Bank of Maldives new ATM. Work carried out in collaboration with BML.

Strengthening Community Relations

STELCO's CSR efforts extend beyond direct community support; they also serve as a means of strengthening relationships with the people it serves. Investing in local development fosters goodwill, trust, and loyalty among residents, which in turn enhances STELCO's standing as a responsible corporate entity.

When communities witness tangible improvements in their living conditions due to STELCO's initiatives, they develop a deeper appreciation and trust in the company. This positive public perception translates into stronger community support, ensuring smoother business operations and fostering a cooperative relationship between STELCO and the regions it serves.

Furthermore, STELCO's CSR programs enhance its brand reputation, setting it apart as a socially conscious and ethical organization. In today's business landscape, consumers and stakeholders increasingly value companies that prioritize sustainability and social responsibility. By demonstrating an ongoing commitment to CSR, STELCO not only enhances its corporate image but also strengthens its position in the market.

In 2024, STELCO spent MVR 3.2 million on CSR projects, mainly on community development (MVR 2.3 million), and smaller contributions for sports and social ventures (MVR 0.4 million), education (MVR 0.2 million), and MVR 0.2 million on environmental/health ventures.

Telethon (Maldivians with Palestine) - June 2024

Donation of MVR 500,000/- with contributions from STELCO staff, to the fund "Maldivians with Palestine".

CSR Drone handover to MNDF - Dec 2024

Deepsea Diving drone, and High-rise firefighting drone donated to MNDF under CSR.

Community Engagement

The past year, STELCO has carried out various community engagement activities focused on social support, environmental sustainability, and education. These included disaster relief, mosquito eradication, tree planting, and educational events like facility tours and Children's Day celebration events incorporating activities to promote awareness of engineering.

The company also supported skills development through electrician training, particularly for women in technical fields.

STELCO carries out these activities to strengthen public relationships, contribute to national development, raise service awareness, and support social and environmental well-being.

These efforts align with its corporate social responsibility goals of enhancing brand image, fostering customer loyalty, and offering valuable community feedback to improve services. STELCO's involvement reflects its role as a socially responsible, community-focused organization.

Assisting residents impacted by rainfall - Jan 2024

Provision of sandbags to locations impacted by heavy rainfall in Male' city.

Renovation of Historic Monuments - Feb 2024

Renovation of Friday Mosque, Minaret (hukuru miskiy), Medhu Ziyaaraiy, & Kalhu Vakaru mosque.

Technical assistance to Fenaka - Jan 2024

Signing of memorandum on providing technical assistance , and training to Fenaka staff.

K.Gaafaru Women Electrician course - Feb 2024

Carried out in collaboration with K.Gaafaru womens development committee.

"Eid Ali" (Shining Eid) initiative - April 2024

Eid lights distribution & installation, supporting government vision to spread Eid Spirit in Maldives

Mosquito eradication program (K. Thulusdhoo) May 2024

Mosquito eradication and island cleanup program carried out in collaboration with K. Thulusdhoo institutions.

Childrens day celebration - May 2024

Celebration of Children's Day, kids' evening event which provided info on Engineering / electricity topics.

Mosquito eradication campaign - Adh. Kunburudhoo May 2024

Assisting Island Council with the Mosquito eradication campaign carried out on May 2024.

Assisting Aa. Thoddoo Rainfall impacted homes - May 2024

Assisting islanders affected by heavy rainfall in Aa. Thoddoo - May 2024

500,000 Trees Plantation (STELCO) - June 2024

Tree plantation event carried out in multiple STELCO islands, as part of World Environment day.

Assisting residents impacted by rainfall - Aug 2024

Assisting residents impacted by heavy rainfall in Male' city by providing sandbags to impacted locations.

Polytechnic Students visit - Oct 2024

Visit by Polytechnic students to view Power Generation area and generator overhaul works.

Aa. Thoddoo Rainfall impacted households assistance - Nov 2024

Assisting islanders affected by heavy rainfall in Aa. Thoddoo - Nov 2024

Renovation of Islamic Centre Minaret - Nov 2024

Renovation of Islamic Centre's minaret, and incorporation of a fish pond to mark 40th Aniversary of Islamic Centre.

Temporary Workstations Setup Dharubaaruge - Dec 2024

Assisting with setting up temporary workstations in Dharubaaruge for Ministry staff affected by Dec 12th fire.

Electrician Training Course (women) - Dec 2024

Carried out in Aa. Thoddoo, in collaberation with Aa. Thoddoo Women's development committee.

Sustainability Pillars 4

Corporate Governance

- Board and Governance
- Legal Enquiries
- Procurement Enquiries
- Customer Enquiries

Corporate Governance Policies

Board Evaluation Policy

This policy promotes good governance and ensures continuous development and improvement of the board's processes and procedures.

Internal Audit Policy

This policy outlines the requirement and framework for the internal audit function's of the company.

Code of Ethics

Code of ethics aims to prevent, detect and eliminate activities related to breaches of the code and established internal standards.

Enterprise Risk Management (ERM) Policy

This policy sets out the rules and mandatory principles for STELCO to ensure that the risk management is widely spread, learnt, adopted and practiced throughout STELCO as a prudent management practice, which is linked to STELCO's strategy and a key enabler of better performance of STELCO.

Corporate governance policies are crucial for establishing and maintaining accountability, transparency, and ethical behavior. We continuously develop policies to meet company's requirements.

Benefits

This year marks the second consecutive year that ESG report is being published. The company has consistently demonstrated transparency by publishing its annual reports on it's website. These reports offer valuable insights into our financial performance, governance practices, and operational strategies.

To make this information easily accessible, STELCO has a dedicated corporate governance section on its website. A separate tab in the downloads section allows stakeholders to conveniently access governance-related documents and policies.

Enquiries

We strive to address all queries and complaints as promptly as possible. When submitted, enquiries and complaints are forwarded to the relevant departments in order to take action.

Legal enquiries

We do not receive a significant number of legal complaints. In 2021, a legal case was filed against STELCO in Malé, alleging failure to mitigate fumes from the powerhouse located near residential homes. This case was decided in favor of STELCO by the Civil Court in 2023, but has since been appealed in High Court.

To reduce the number of legal and regulatory complaints, we recognize the need to regularly review and update our Standard Operating Procedures (SOPs) and policies.

Keeping such documents updated and effective is essential for addressing potential issues pro-actively and ensuring compliance with legal requirements.

By doing so, we can enhance our operational practices, minimize misunderstandings, and foster better communication with stakeholders.

Procurement related enquiries

Procurement related complaints	2023	2024
Received	4	0
Registered	4	0
Resolved	**4**	**0**

Over the past two years, most complaints formally submitted to STELCO regarding procurement issues have been related to contract extensions and payment-related matters.

In 2023, we addressed and resolved each formal complaint submitted to the company (in writing). To minimize errors caused by mis-communication and misinformation, we have included a special terms and conditions page in the contract.

In 2024, no formal complaints were submitted to the company regarding procurement (in writing or via email).

Customer Statistics

Customer Complaints & Enquiries	2023	2024
Phone Calls	19,812	31,360
Social Media	11,164	63,876
Resolved	**30,976**	**32,604**

STELCO operates a contact center that functions continuously, providing support for customer inquiries, service-related complaints, and issue reporting. The above table presents the total number of formal customer complaints received and resolved during the years 2023 and 2024.

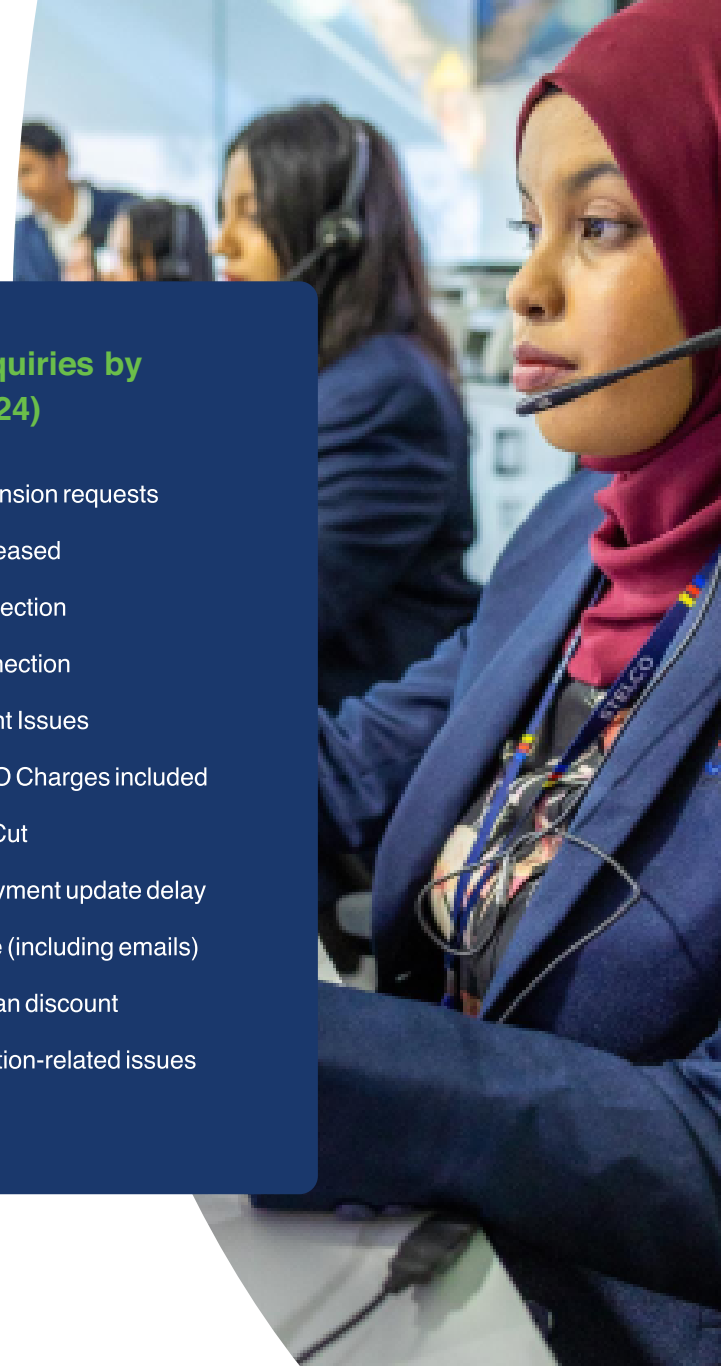
We ensure all complaints submitted via our official communication channels, including Viber, Telegram, and WhatsApp, are addressed with care and professionalism.

In 2024, the majority of customer complaints and enquiries were regarding bill increase, reconnection difficulties, unexpected power outages, disconnections, and requests for bill extensions. Customers also reported issues with the mobile application, payment problems, and delays in updating MIB payments.

Additional enquiries from customers included questions regarding WAMCO charges, Ramazan discount, and finance-related customer queries.

Complaints & Enquiries by Request Type (2024)

2,211 - 10%	Bill extension requests
6,442 - 30%	Bill Increased
4,337 - 20%	Reconnection
2,295 - 11%	Disconnection
1,417 - 7%	Payment Issues
102 - 0.5%	WAMCO Charges included
3,561 - 17%	Power Cut
69 - 0.3%	MIB Payment update delay
35 - 0.1%	Finance (including emails)
47 - 0.2%	Ramazan discount
894 - 4%	Application-related issues
21,410	**Total**



STELCO
STATE ELECTRIC COMPANY LIMITED

STATE ELECTRIC COMPANY LIMITED
2024 ESG REPORT