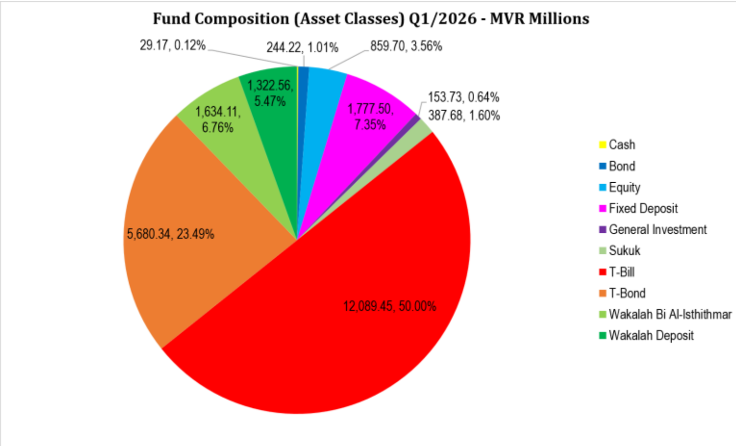
Summary of MRPS Investments



- 80.25% of the Fund is heavily invested in Government/Sovereign financial instruments.

(Data as at 31 March 2026)

"Pension assets are managed in accordance with the Maldives Pension Act & shall not be property of the Asset Manager"

Pension Supervision Department
Capital Market Development Authority
5th Floor, Ma. Uthuruvehi, Keneree Magu
Phone: (+960) 333 6619
Email: mail@cmda.gov.mv
Website: www.cmda.gov.mv

CMDA

Capital Market Development Authority

The role of Asset Managers in the Maldivian Pension System

" Custodians have the contractual responsibility to safeguard the assets under custody and report those assets accurately on their system "

Who is an Asset Manager?

Asset Managers are legal entities licensed for the purpose of asset management and they act as fiduciaries. The Maldives Pension Act (8/2009) defines Asset Manager as a legal entity that invests and manages pension assets, or provides advice to the MPAO on investments of pension assets under a contractual agreement.

How Asset Managers are supervised?

Asset Managers are licensed and supervised by the Capital Market Development Authority (CMDA). CMDA monitors whether pension assets are invested and managed in accordance with the Maldives Pension Act and Statement of Investment Principles endorsed by the Board of Maldives Pension Administration Office (MPAO). Moreover, CMDA supervises the investment performance of the pension assets. Pension assets shall be invested in such a way to maximize profits to the beneficiaries of MRPS. CMDA monitors whether the following are taken into account by the Assets Managers while investing;

- Security of assets
- Diversity of investments
- Investing in assets which yield the maximum profit
- Maintenance of adequate liquidity

Conditions to be fulfilled by Asset Managers

Maldives Pension Act requires the following conditions to be fulfilled by Asset Managers;

- ✓ License of the asset manager shall not be suspended temporarily and shall not be subject to any enforcement actions
- ✓ Shall not have any relationship with the Custodian or any member of the Board of MPAO
- ✓ Shall not lend or borrow from the Custodian or any associated part

The Maldives Pension Act requires MPAO to select external Asset Managers through a competitive bidding process only. Currently, pension assets are managed by the MPAO.

Asset Manager's Responsibilities

- ✓ Sourcing investments for the MRPS fund in accordance with the Maldives
- ✓ Pension Act and the Statement of Investment Principles
- ✓ Ensure diversification of investments of the pension fund
- ✓ Perform the appropriate due diligence to substantiate the long term value of the investments
- ✓ Oversee the assigned portfolios and undertake asset management responsibilities
- ✓ Develop appropriate ongoing investment management strategies of MRPS
- ✓ Determine, implement and maintain a portfolio strategy of asset allocation
- ✓ Manage the pension assets in accordance with the Asset Management Agreement

Allowable Investments under Maldives Pension Act

- ❖ Bank accounts and monetary funds such as bank deposits held in banks licensed by the Maldives Monetary Authority (MMA)
- ❖ Securities issued and guaranteed by the Government of Maldives
- ❖ Listed securities in the Maldives Stock Exchange
- ❖ Mutual and Investment Funds duly approved in the Maldives
- ❖ Pension Assets can be invested outside Maldives in accordance with Section 16 (e) of the Maldives Pension Act.

"Pension assets shall be invested in a manner to maximize profits for the members of MRPS"