

Mikro Kapital

ESG and Impact Report 2024

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I. Introduction

In this report ("the Report"), Mikro Kapital's Fund ALTERNATIVE (the Fund, ALTERNATIVE) summarises its most recent environmental, social, and governance (ESG) and impact performance during the period of 1 January to 31 December 2024. Additionally, the Report covers the Fund's long- and medium-term plans and the remarkable events that occurred in 2024 at the publication date.

ALTERNATIVE's Report examines the Fund's economic, social, and environmental impacts as well as our goals and strategies for managing material topics. In addition, we provide information about our portfolio and our approach to sustainability and impact, including specific projects and initiatives. We also share our efforts to

integrate sustainability into all phases of the investment lifecycle. By publishing this annual ESG and Impact Report, ALTERNATIVE discloses its achievements, plans, and ambitions regarding environmental, social, and governance issues.

The Report was prepared with reference to the Global Reporting Initiative (GRI) standards, and applicable specific Sustainability Accounting Standards Board (SASB) indicators. Specific indicators of our impact were disclosed guided by Impact Reporting and Investing Standards (IRIS+), Principles for Responsible Investment (PRI) and Operating Principles for Impact Management (OPIM).





mikrokapital.com

You can find more about ALTERNATIVE's performance and data of previous reporting periods on the Mikro Kapital's website and in its 2023 Reports.

ESG and Impact

Report 2024



ESG Report 2023



Annual Report 2023

CEO's statement

Dear stakeholders,

I am pleased to present ALTERNATIVE's 2024 ESG and Impact Report. It reflects our continued commitment to responsible investing and sustainable development.

Last year marked a significant milestone for us. We conducted our first comprehensive impact assessment to evaluate and better understand the positive changes we are creating in the lives of our clients and communities. We have gained insights of how our impact is contributing to financial inclusion, job creation, and economic empowerment, particularly for underserved populations. The ripple effect of our businesses extends beyond our clients' communities bringing the United Nations' SDGs to life.

Inside this report, you will find detailed information on our key ESG performance indicators, strategic initiatives, and

the progress we have made. From promoting gender equality and supporting sustainable agriculture to reducing our environmental footprint, we are making change. We are always learning from our experiences, engaging with our stakeholders, and finding ways to do better.

Looking ahead, we remain focused on expanding our positive impact. Responsible investing is not only the right thing to do, but also a key driver of long-term value creation for our investors and the communities we serve. We are proud of our progress in 2024 and look forward to continuing our journey towards a more sustainable and equitable future.

Sincerely,

Johannes Feist

CEO of Mikro Kapital



Our mission

The mission of our business is professional input in economic development of micro, small and medium sized enterprises, by offering quality financial services as well as providing access to shared mobility options to everyone.

Our vision

We believe our actions will result in the future where all MSMEs have the resources they need to succeed, creating opportunities and prosperity for their communities.

Our strategy

Our corporate strategy is based on four pillars:

We place our clients at the centre of everything we do.

We look at our clients to provide a unique experience.

We focus on our long-term development and aim in way to achieve sustainable and profitable growth.

We take our responsibility towards society and local economies very seriously.

Sustainability

Sustainability is central to our strategy and business activities. We uphold ethical standards, ensuring openness, transparency, and compliance with all regulations. By prioritising sustainability, we build lasting trust with clients, investors, authorities, shareholders, and employees.



ALTERNATIVE at a glance

£435 million total assets



10

countries



169

operative offices



employees



2,627 175,625

end-borrowers



Our geography

MFI

Our headquarters offices are located in Luxembourg and Budapest. Our portfolio companies can be found in Armenia, Czechia, Hong Kong, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, and Uzbekistan.

Carsharing



ALTERNATIVE core impact metrics in 2024



46%

female end-borrowers

53% female employees in portfolio

60% rural end-borrowers



57%

clients in agriculture



companies

44%

first-time loan recipients



74%

clients reported an overall income increase



80% clients said

clients said their lives have improved

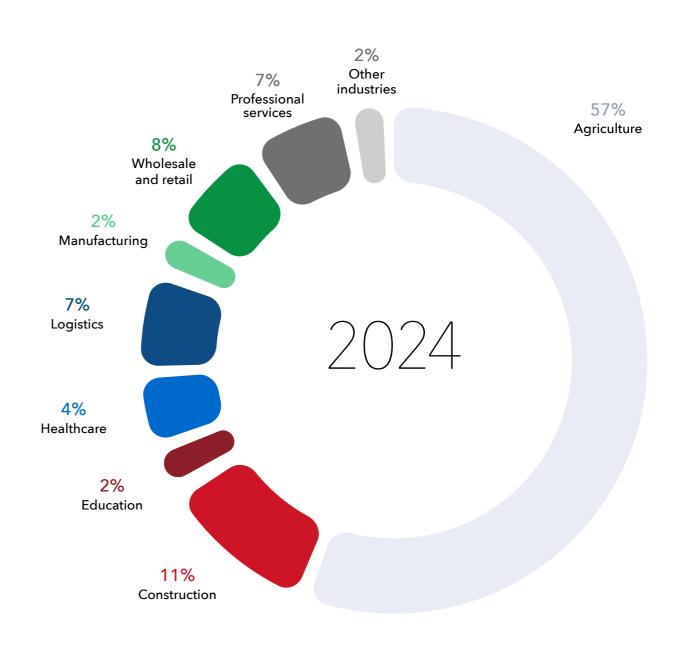


30% clients improved meal quality



64% clients gained more confidence

Industry diversification of lending and leasing investments



Main events in 2024



- Opened a new branch in Vanadzor
- Implemented Al-driven credit scoring for faster data-driven v approvals



• Introduced the management and adoption of fully electric cars to the fleet

Czechia



Kyrgyzstan

- Bailyk Finance secured a loan from EBRD to support youth-led SMEs in Kyrgyzstan under the Youth in Business Programme
- Mikro Leasing has increased its share of clients in the used-car sector, promoting more responsible and sustainable consumption in leasing



Moldova

- Completed the development of an Albased scoring solution, enabling faster service delivery to its customers
- Earned a BB- rating from Microfinanza Rating, highlighting its commitment to sustainability and responsible operations
- Received the B+ AFISAR© Rating Certificate from Agents for Impact Sustainability



- Received the B+ AFISAR© Rating Certificate from Agents for Impact Sustainability
- Expanded its partnership with ResponsAbility to support more entrepreneurs and farmers through business and agricultural lending



Tajikistan

- Received an award from the EBRD for its contribution to the financial sector and sustainable development
- Implemented automated AI-based small-loan pre-approval system



• Ranked #1 in Uzbekistan's leasing market by total financed transactions in 2024

Our people

ALTERNATIVE values its employees, promoting inclusion, equality, and growth. We ensure fair wages, safety, and diversity, with strict anti-discrimination policies. In 2024, no employee rights violations occurred, and 100% of full-time staff earned above the minimum wage.

Key 2024 data

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2,627 employees

2

53%

female employees

58%

newly hired women



51%

hires under 30 years old



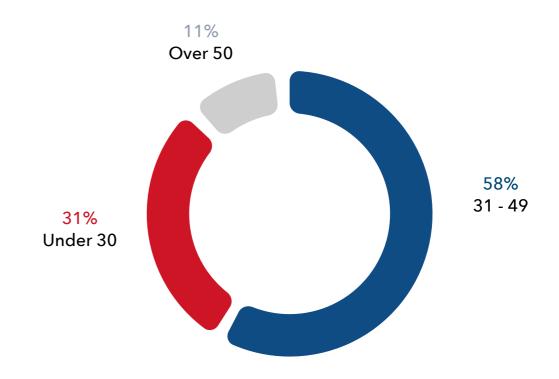
54
employees
are minority

representatives*



6%
unadjusted
gender pay gap

Employees by age, 2024



In 2024, ALTERNATIVE experienced a slight increase in employee numbers. 586 new employees were hired by our portfolio companies, with women accounting for 58% of the new hires. To support young talent, ALTERNATIVE encourages them to join our team and in 2024, 51% of new hires were under the age of 30.



^{*}ethnic minorities, gender minorities including women, seniors, and people with disabilities

Supporting women in the workplace

At ALTERNATIVE, we are committed to empowering women across our portfolio companies, who account to 53% of our workforce. Our dedication to equal hiring practices, transparent promotion processes, professional growth support, and fostering an inclusive work environment ensures that women receive fair and competitive salaries. Notably, while we have a 6% gender pay gap, in our carsharing business and microfinance institutions in Armenia and Kyrgyzstan, women on average earn more than men.

Our Female Leadership



In Armenia, we welcomed Astghik Sargsyan as the new CEO of Mikro Kapital Armenia. With a robust background in microfinance since 2008 and dual master's degrees in economics and applied mathematics from the Yerevan State University, Astghik has succeeded in achieving the company's best financial performance to date.



Our commitment to female empowerment is also exemplified by Bailyk Finance in Kyrgyzstan, a women-led microfinance institution. Under the leadership of CEO Chinara Moldazhanova since 2013, and with a predominantly female Board of Directors and senior management team, Bailyk Finance has significantly improved access to financial resources for women entrepreneurs. Chinara's 27 years of experience in microfinance have been pivotal in shaping the company's inclusive policies and societal impact.

Leading the Way with Tajikistan's Top Women in Banking

In 2024, our female employees from Tajikistan have been recognised as winners in the prestigious 20 Successful Women in Banking in the Republic of Tajikistan competition.





This annual competition acknowledges and rewards the outstanding achievements of women in Tajikistan's financial sector, highlighting their contributions to the industry's growth and development.

Non-financial support and education

At ALTERNATIVE, employee health and well-being are a top priority. We offer numerous non-material benefits to our employees.



Voluntary health Insurance



Paid maternity and parental leave



Paid vacation and sick leave



Childcare support



Pension provisions



Transport compensation



Flexible working hours



Remote work options

Bailyk Finance champions health and well-being

In 2024, Bailyk Finance made **SDG 3: Good Health and Well-Being** a top priority, declaring it the Year of Health and Well-Being. Committed to the well-being of both employees and clients, the company launched impactful health initiatives throughout the year:

- Comprehensive medical check-ups for all employees
- Partnership with a leading health insurer for better care
- On-site medical screenings at our Head Office in Bishkek















КРУБ 10.03.2011 №346 КҮБӨЛҮГҮ

At ALTERNATIVE, we foster professional growth through diverse learning and development programmes. Our portfolio companies provide specialised training with external coaches and offer grants for higher education and new qualifications, ensuring continuous employee development.





100%

12.5

employees completed required internal trainings hours of training per employee

In 2024, ALTERNATIVE strengthened employee skills. Required courses covered sales, credit risk, and compliance, while on-the-job training focused on financial analysis and customer care. Employees also received safety, security, and fraud detection training, with specialised courses for credit specialists and cashiers and advanced sessions on CRM analytics and digital banking.



Improving green finance skills

IMON International is committed to sustainable development and gender inclusion, actively supporting initiatives that drive meaningful change.

On 26 November 2024, the company's female employees took part in a specialised climate finance training by GEFF Tajikistan. This session strengthened their expertise in gender-

inclusive finance while equipping them with the skills to effectively promote and expand access to GEFF products.

By empowering our team, we are advancing inclusive financial solutions and building a more sustainable future.

Our approach to sustainability



Our commitment to the UN SDGs

Our impact in carsharing

ALTERNATIVE aligns with the UN SDGs, prioritising six key goals where our activities and investments create the greatest impact.





Women make up 50% of our end-borrowers, with our MFIs offering tailored products and training for female entrepreneurs. We also promote gender equality in the workplace, where 53% of our employees are women, ensuring they feel valued and respected.





We support MSME growth through loans, financial literacy, and training, driving economic development and job creation. In 2024, 74% of borrowers reported increased income.

We also enhance employee well-being with health insurance, remote work options, and other benefits.





We foster inclusion by expanding financial access to underserved populations, with most end-borrowers from rural areas. We ensure accessibility in our offices, digital services, and affordable transport for diverse customers, including women and young drivers.





We advance eco-friendly transport through carsharing and rentals, cutting congestion and emissions. Our microfinance supports MSMEs, boosting economic resilience and inclusion. By funding sustainable mobility and infrastructure, we enhance urban sustainability and uplift underserved communities.





We promote sustainable mobility through carsharing services. By reducing private car ownership, optimising vehicle usage, and encouraging shared transport, we help minimise resource consumption and environmental impact, contributing to a more efficient and sustainable urban transport system.





We collaborate with global financial institutions, sustainability organisations, and industry peers to promote responsible investment and impactdriven finance. Through partnerships, we advance ESG standards, financial inclusion, and sustainable mobility, fostering economic growth and environmental responsibility across our markets.

Stakeholder engagement and material topics

ALTERNATIVE values stakeholders as key to success, fostering strong relationships with employees, shareholders, regulators, clients, and suppliers.

ALTERNATIVE's key stakeholders and their expectations and interests



Employees

- Employment
- Fair wages
- Equal opportunities
- Social benefits
- Opportunities for professional development



Shareholders

- Business development in compliance with ESG principles
- Alignment with international protocols and pledges
- Transparent disclosure of financial and non-financial information
- Profitability of business activities



Clients

- High-quality services
- Excellent customer experience
- Confidential data security
- Partnership with service companies
- Customised solutions



Investors

- Compliance with the conditions and requirements for investing (e.g. transparency of the business, financial results, reputation)
- Transparent and regular disclosure of financial and non-financial information
- Investment alignment with ESG principles



State and local regulatory authorities

- Compliance with laws
- Transparency of the business
- Payment of taxes
- Job creation



Local communities

- Job creation
- Payment of taxes to local budgets
- Transparency of the business
- Progress towards ESG-related goals
- Support for local business



Suppliers

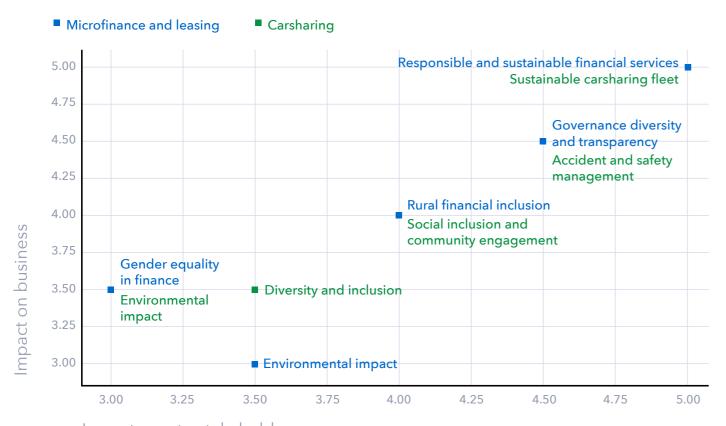
- Fair and clear procurement procedures
- Transparency of the business
- Timely payment for delivered products and provided services

Our materiality

To identify key sustainability topics, ALTERNATIVE conducted a comprehensive analysis of industry trends, regulations, and stakeholder expectations. Using surveys of executives, shareholders, and investors, along with benchmark analysis and public data, we prioritised material topics aligned with ESG goals.

In 2024, findings emphasized the need to tailor materiality across microfinance, leasing, and carsharing, leading to a refined reporting structure.

ALTERNATIVE materiality map 2024



Importance to stakeholders

The above material topics are disclosed throughout the Report through ALTERNATIVE's impact areas and performance metrics either in main text, appendices or through case studies and impact areas.

Corporate and ESG Governance

ALTERNATIVE upholds strong governance to protect stakeholders, ensure transparency, and align with strategic goals for lasting value.

Mikro Kapital's corporate governance structure as of Q1 2025

General Meeting of Shareholders

Board of Directors

Investment Committee Asset and Liabilities Committee

Portfolio company's Board of Directors

Portfolio company's Executive Management

Composition of the Board of Directors

ALTERNATIVE's Board brings diverse expertise in finance, banking, and SME support, ensuring a holistic approach to decision-making, risk assessment, and strategy. With a global team, the Board holds broad authority to guide the organisation's vision, governance, and stakeholder protection.



Dr. Johannes Feist



Mr. Michele Mattioda



Mr. Pape Saliou Ndao



Ms. Valeriia Elfimova



Mr. Thomas Heinig



Mr. Nicola Ragusa

ALTERNATIVE values board diversity as a driver of innovation and strategic advantage. With varied backgrounds, skills, and experiences, our board enhances decision-making, anticipates market trends, and fosters sustainable growth.

BoD diveristy



Gender diversity



Multinational board



Minority representation



Diverse academic backgrounds and skillsets



Various age groups from 35 to 61 years old

Corporate ESG Policies and Practices

ALTERNATIVE adheres to rigorous standards in corporate governance and risk management. Our corporate policies guide decisions of our Board and all our employees. The relevant business functions and the Legal Department in particular support the development of effective policies, internal implementation, and guidelines in this regard.

Our main ESG-related policies:







Code of Conduct

Anti-Corruption and Bribery Policy

Sanctions
Compliance Policy







Environmental Policy



Policy on Human Rights



Sustainability
Code of Conduct
for Suppliers



Responsible Investment Policy

Composition of the Board of Directors

In 2024, ALTERNATIVE updated its Responsible Investment Policy, defining impact management, governance, and investment procedures across the Fund. Portfolio companies must align operations and provide data for impact monitoring.

The Exclusion List, updated in late 2023, ensures responsible investment by restricting environmentally harmful and unethical industries.

ALTERNATIVE does not finance the following projects:



Illegal

activities













Radioactive materials







Weapons

and arms

Drift net fishing



Biodiversityharmful activities



Hazardous shipments



Unauthorized trade

ESG risk management

Using SASB and MSCI materiality maps, industry specifics, and market analysis, we identified key ESG risks by sector:



Microfinance investments

climate change, data security, client protection, financial transparency, labour rights, diversity, and governance integrity



climate impact, product lifecycle, safety, mobility innovations, data security, diversity, and corporate governance

The Sustainability Risk Policy was updated in 2024 to formalise ESG risk management. Portfolio companies report on their ESG risks and mitigation strategies, ensuring compliance with due diligence standards. ALTERNATIVE actively collaborates with companies to bridge sustainability gaps and meet minimum ESG requirements.

Business ethics

Our Board and management are aware that fostering honest business conduct is essential to the long-term prosperity of our organisation. In 2018, Mikro Kapital has approved its Code of Conduct, which applies to all its portfolio companies. This document provides a set of guidelines for our employees to adhere to.

Mikro Kapital operates based on the following values:

- We are RESPECTFUL we show respect for our internal and external clients
- We are RESPONSIVE we listen to our clients, staff, and our organisational counterparty, understand their needs, and do our best to fulfil them
- We are RESULTS-DRIVEN we are driven to achieve results for our clients, our staff, and our organisation

Anti-corruption

ALTERNATIVE upholds a zero-tolerance policy for bribery and corruption, ensuring ethical business practices. We enforce an Anti-Corruption and Bribery Policy at both corporate and portfolio levels. To promote transparency, we provide hotlines for employees to report concerns and allow direct communication with leadership. Our Compliance Department monitors corruption cases, investigates incidents, and enforces corrective measures.

Sanctions compliance

Due to runpredictable geopolitical climate worldwide, adherence to the existing economic and trade sanctions laws in all jurisdictions in which ALTERNATIVE invests became a pivotal goal necessary to ensure ethical and legally compliant approach to the investments of ALTERNATIVE.

At a corporate and portfolio company levels, we have firmly established ways of identifying, mitigating, and managing the risks of both primary and secondary sanctions violations, having a Sanctions Compliance Policy in place. To raise awareness and create a robust sanctions compliance system, ALTERNATIVE implements regular trainings of all the staff on both corporate and portfolio companies' level.

Human rights

ALTERNATIVE fully respects and upholds universal human rights, ensuring equal opportunity, non-discrimination, workplace safety, and freedom of association while opposing forced and child labour, bribery, and unethical practices. We adhere to the UN Universal Declaration of Human Rights, ILO Fundamental Conventions, and other international human rights treaties.

Operating in full compliance with local and international laws, ALTERNATIVE enforces its Human Rights Policy across customers, suppliers, and employees. Customers must comply with all legal regulations, monitored by our Compliance Department, with non-compliant entities excluded from commercial relationships.

International principles, partnerships, and collaboration

ALTERNATIVE upholds the UN Global Compact's Ten Principles, embedding human rights, labour standards, environmental protection, and anti-corruption into its operations.

We align with international human rights treaties, EBRD & IFC standards, and the SMART Campaign for client protection. Supporting the Paris Agreement, we integrate ESG criteria as a UN PRI signatory and follow the Operating Principles for Impact Management (OPIM).





To advance impact investing, we collaborate with IRIS+ (GIIN) and the Impact Management Project (IMP) to standardize performance metrics

Mikro Kapital is an active member or partner of the following organisations:



European Bank for Reconstruction and Development ("EBRD")



Ente Nazionale per il Microcredito



European Investment Fund ("EIF")



European Microfinance Network



Microfinance Enhancement Facility ("MEF")



Global Impact Investing Network



Association of the Luxembourg Fund Industry ("ALFI")



Operating Principles for Impact Management (OPIM)



Association of European Businesses ("AEB")



Programme for the Competitiveness of **Enterprises and SMEs**



Cassa Depositi e Prestiti



The Orange Bond Initiative





International Fund for Agricultural Development



The Council for Inclusive Capitalism



60 Decibels



Swiss Sustainable Finance



Impact area #1: Gender equality

Gender equality is vital for meaningful financial inclusion, driving economic growth and wider market opportunities. According to the World Bank's Global Findex, women are 7% less likely than men to have a bank account, and nearly one billion women still lack basic financial services. The IFC also reports that 70% of women-owned SMEs in developing regions remain underserved. By closing these gaps, ALTERNATIVE aims to empower women through tailored products and services, advancing social and economic progress.



46%

of our end-borrowers are women

In 2024, ALTERNATIVE and 60decibels conducted an impact assessment among end-borrowers, including women from diverse regions. For many, ALTERNATIVE offered the only viable loan option. Key challenges to receive credit elsewhere included limited capital access, stringent collateral requirements, credit biases, and cultural or legal hurdles. Our portfolio companies have adopted policies to ensure women can access financial services regardless of cultural or ethnic background, even with no prior credit history.



44%

of our female clients are accessing loans for the first time



38%

of women could not find an alternative to our loans Additionally, some of our MFIs have credit products tailored specifically for women. For instance, IMON International has introduces a special loan for aspiring women entrepreneurs to start their own business.

"

'Loans to women consistently outperform standard loans, as women tend to be more responsible than men—a fact observed worldwide. While initiatives like 'Women in Business' may not yield immediate revenue, they provide significant hidden value by enhancing our overall portfolio quality',

Gulbakhor Makhamova, one of IMON's founders.

At ALTERNATIVE, we understand that supporting female entrepreneurs goes hand in hand with fulfilling our broader mission of driving sustainable economic progress. We are pleased to report that our impact assessment provided valuable insights into how our female end-borrowers have advanced not only in their businesses but also in their everyday lives.



86%

women reported overall life improvement



77%

women increased their income



57%

women boosted spending on home improvements



35% women spent

women spent more on children's education



32%

women increased the number of quality meals

Across the regions where we operate, women have taken loans to launch tailoring businesses, open small grocery stores, expand agribusinesses, or invest in new equipment for home-based crafts. Many have succeeded in turning a single line of credit into a thriving enterprise, enabling them to hire local staff, contribute to community development, and invest in their children's education.





ESG and Impact

Report 2024



Albina's journey with Mikro Leasing in Kyrgyzstan

Albina, a passionate educator in Kyrgyzstan, had a dream of shaping young minds. She founded a private kindergarten, creating a safe and nurturing environment for children while providing jobs for local teachers. However, logistical challenges-like unreliable transportation—threatened to slow her progress.

In 2024, she discovered Mikro Leasing Kyrgyzstan on Instagram and took a step toward greater efficiency. Leasing a Hyundai Sonata gave her the mobility she needed to manage daily operations seamlessly, reducing costs and ensuring that her kindergarten runs smoothly. Today, her business is thriving, and the impact reaches far beyond the classroom walls.

Beauty business expansion with Mikro Kapital Armenia

For over 10 years, Marine Gevorgyan has been a driving force in Gyumri's beauty industry, running her own salon offering hairdressing, makeup, and cosmetology services. Starting with a US\$50,000 investment, she has not only expanded her services but also trains the next generation of beauty professionals.

To keep up with industry trends, Marine needed to upgrade her equipment. With financing from Mikro Kapital Armenia, she invested in advanced hair removal technology, enhancing service quality and attracting more clients.

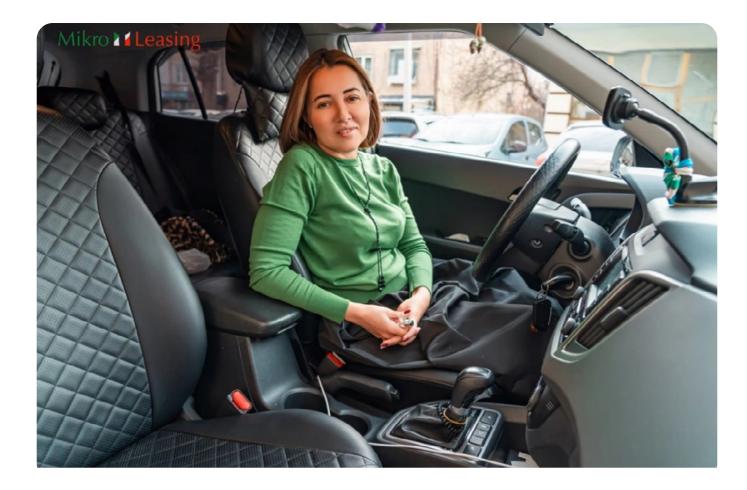




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Dinara's journey with Mikro Leasing in Uzbekistan



In Tashkent, the Uzbek capital, Dinara had always dreamed of building something of her own—a business that would not only provide for her family but also inspire other women to pursue their ambitions. In 2011, with the unwavering support of her family, she took a leap of faith and founded her own travel agency. It was not easy. At times, she doubted herself, even considering leaving Uzbekistan altogether. But her family believed in her, pushing her to stay and build her dream.

Over the years, Dinara has not only grown her business but also built a strong network of female entrepreneurs-women who support and uplift each other through shared experiences. They meet at industry events, travel together, and stand by one another in tough times, proving that unity is a powerful force in business.

But no journey is without challenges. When Dinara needed to expand, she turned to Mikro Leasing Uzbekistan, a trusted partner that provided her with the financial tools to grow. Their flexible terms and reliable service helped her scale her operations, making her agency even more competitive.

Report 2024

Today, Dinara is a successful businesswoman, a dedicated wife, and a mother who still makes time to drive her child to school. As she reflects on her journey, she encourages other women to dream big, take risks, and believe in themselves.

> "Success comes when you dare to take the first step. Never be afraid to build something grand-because with the right support, anything is possible"

> > **Dinara's Journey with Mikro** Leasing in Uzbekistan

Our support extends beyond just providing capital. Training and capacity-building initiatives are integral to our methodology. Our MFIs organize workshops on financial literacy, business planning, and savings strategies so that women can build long-term resilience in their ventures.

IMON International Women's Forum 2024: Empowering Futures





In September 2024, IMON International, with support from USAID, hosted a groundbreaking Women's Forum, bringing together more than 80 participants to inspire, educate, and connect.

A key milestone was the launch of a digital platform designed to empower women and youth through online training, mentoring, and remote financing—opening doors to new opportunities.

+08

women took part in the Forum

The Forum also featured masterclasses, experience sharing, and dynamic discussions, equipping participants with the knowledge and support to drive change in their communities and beyond.





Forume. It is the start of a new chapter in my life. I found like-minded women, received valuable advice, and realised I am not alone on this journey

Munisa, one of the Forum's participants



Impact area #2: Improving rural economies





Today about 1.7 billion adults remain unbanked worldwide, many in rural areas. In emerging Europe, nearly 30% lack formal banking, while in Central Asia, fewer than half have bank accounts. By expanding credit, savings, and digital tools, rural communities can thrive



offices in remote or underdeveloped regions



60%

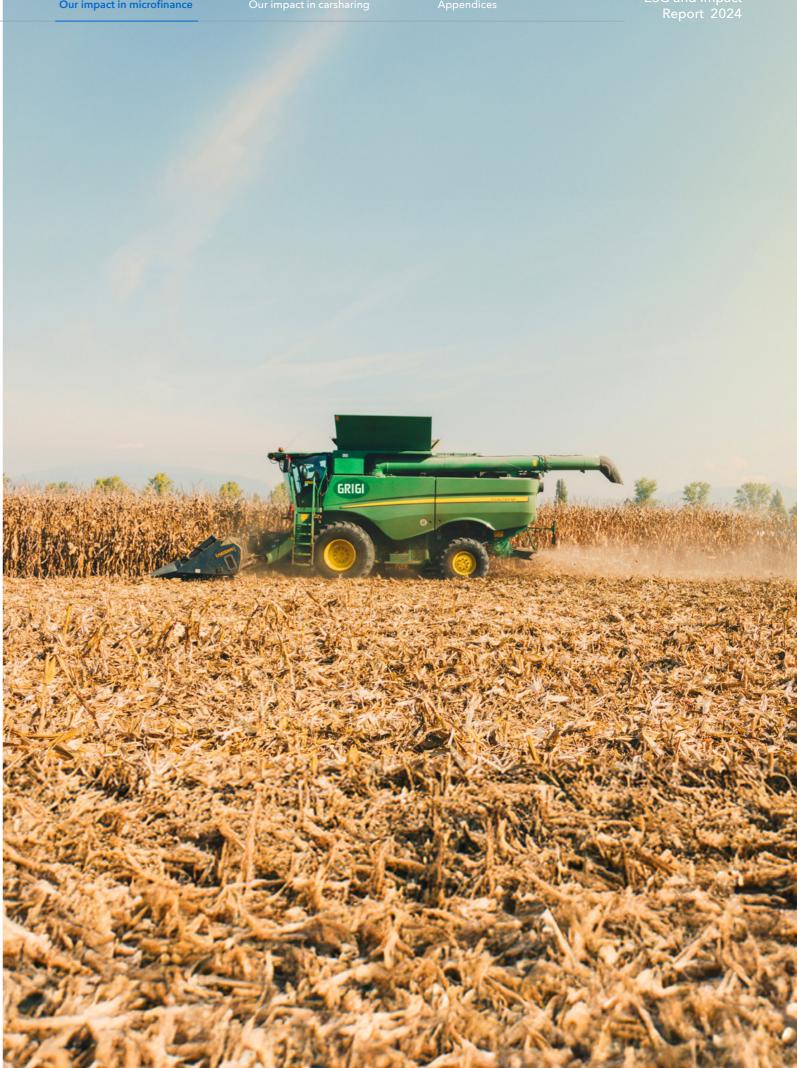
clients are from rural communities



23%

clients are served through digital channels

ALTERNATIVE focuses on supporting rural communities, which account for more than half of our client base. We open new offices in remote regions and launch more digital services to improve access to our offerings. We also create specialised financial products that address local needs and organise educational programmes that enhance financial literacy.





Bringing financial opportunities to every corner of Kyrgyzstan

At Bailyk Finance, financial inclusion is more than a mission—it is a commitment to ensuring that everyone, no matter where they live, has access to opportunities. With 78% of its clients from rural areas, the company is dedicated to reaching even the most remote communities across Kyrgyzstan.

With 48 offices already serving rural borrowers, Bailyk Finance took another bold step in February 2024, opening a new branch in Shamaldy-Say, in Jalal-Abad Region. More than just a financial centre, this welcoming space is a lifeline for underserved families, providing them with the resources and support to build stronger, more secure futures.

By continuously expanding its reach, Bailyk Finance is not just offering financial services—it is empowering dreams, strengthening communities, and paving the way for a more inclusive tomorrow.



Preserving cultural heritage of rural areas



Bailyk Financeis helping to keep centuries-old craftsmanship alive by providing tailored financial support to artisans in regions with rich folk traditions. Their specialised product enables local craftsmen to continue creating textiles, tableware, musical instruments, carpets, furniture, and jewellery, preserving cultural heritage while building sustainable livelihoods for generations to come.

Shazada Arzybaeva is more than an entrepreneur—she is a changemaker in her village. Through sheer determination, she built a thriving sewing business that not only sustains her family but also creates jobs for local women.

Three years ago, she turned to Bailyk for a loan to expand her workshop. With the funds, she invested in professional sewing machines, setting the stage for growth. As demand soared, she secured additional financing for raw materials, transforming her business into a flourishing enterprise.

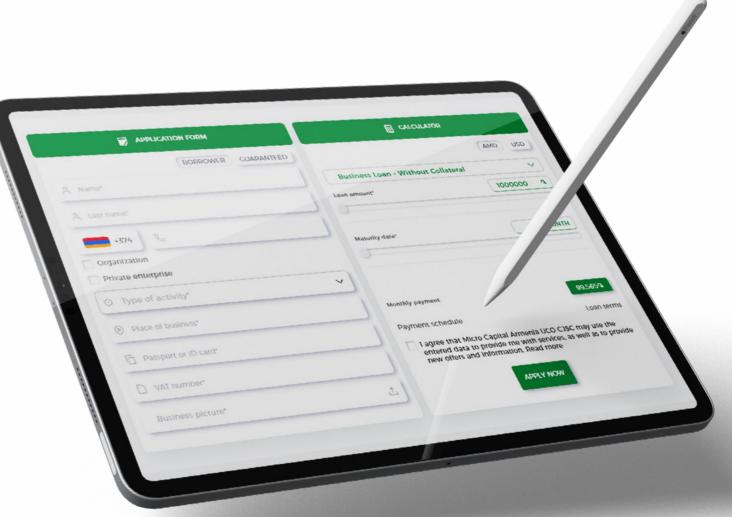
As a mother of multiple children, Shazada knows the power of financial independence. Today, her workshop employs 15 women, offering them stable incomes and brighter futures. 15 women received jobs through this partnership

Expanding financial access through digital innovation

Access to financial services remains a significant challenge for individuals in remote regions, particularly in villages and towns without physical bank branches. Recognising this gap, Mikro Kapital Armenia has implemented online application tools to simplify loan and leasing processes for end-borrowers. This enables clients to apply for financial services without visiting a physical office.

95%

clients in Armenia are served through digital channels The adoption of digital channels has been remarkably successful, with 95% of clients now served online. Encouraged by this success, the company plans to launch a dedicated mobile app in 2025, further improving accessibility and convenience for customers.



ESG and Impact

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Impact area #3: Support for agriculture through microfinance

Globally, smallholder farmers produce over 70% of the food supply. In emerging Europe, agriculture employs 10% of the workforce, while in Central Asia, farmers face water scarcity and market limitations. Microfinance bridges these gaps by providing affordable credit, insurance, and financial tools for better seeds, equipment, and irrigation.



57%

ALTERNATIVE clients do business in agriculture sector



14%

end-borrowers are smallholder farmers





Tailored product for agriculture





Mikro Kapital's Management on their site-visit to a green house owner in Armenia

Across Moldova, Romania, Tajikistan, and Kyrgyzstan, our microfinance institutions are fuelling agricultural success with specialized loans tailored to farmers' needs. These funds help purchase seeds, herbicides, and pesticides, finance essential fieldwork, acquire modern farming equipment, and build or repair storage facilities—ensuring greater productivity and sustainability.

In Tajikistan, we go even further by offering a dedicated microloan for well drilling, helping farmers secure reliable water sources for their crops. Meanwhile, our leasing companies in Kyrgyzstan and Uzbekistan provide specialised machinery leasing, giving farmers access to the tools they need to increase efficiency and harvest success.

At Mikro Kapital Moldova, we are also proud participants in the FIDA II Agricultural Revitalisation Project, a vital initiative financed through a loan from the International Fund for Agricultural Development (IFAD), granted to the Government of the Republic of Moldova. This project is dedicated to supporting the development of the real sector, empowering farmers with the resources, technology, and financial solutions needed to revitalise agriculture and drive long-term growth.



Supporting agriculture growth in Romania

Mihai R.Z. is a seasoned farmer from Romania with over 30 years of experience. His family business, founded by his father in 1989, has since expanded into one of the largest farming enterprises in Iaşi County. He cultivates vegetables both in open fields and in a greenhouse, growing tomatoes, cucumbers, peppers, aubergines, and root vegetables. His produce is sold wholesale to large institutions such as hospitals and kindergartens. Owning 5 hectares of agricultural land and managing an additional 50 hectares, Mihai's business plays a key role in the region's agricultural supply chain.

Recognising the need for financial support, Mihai turned to Mikro Kapital Romania. Over the years, he has received four rounds of financing, which helped him secure essential supplies and pay workers. His farm employs 15 workers for six months each year.

With Mikro Kapital's financial support, Mihai has improved operational efficiency, expanded production, and strengthened his supply chain.

From passion to agriculture prosperity

After 10 years in agriculture, Octavian Frunze took a bold step and established the Frunze Octavian Nicolai Peasant Farm, following in his brothers' footsteps. Driven by passion and a commitment to growth, he chose to focus on vegetable cultivation, embracing innovation and sustainability.

Octavian's journey with financing taught him valuable lessons. His first loan came with high interest, highlighting the importance of reading contract clauses carefully and choosing the right financial partner. Today, he works with Mikro Kapital Moldova, where he found favourable lending conditions to support his expansion.



"This year I decided it was time to expand my greenhouse area, for which I opted for Mikro Kapital, where the lending conditions were more favourable. This time I was very careful with the contract clauses"

To increase profitability and resilience, he expanded his cultivated area and diversified by planting peppers in new greenhouses. He meticulously analysed costs before taking out a loan, ensuring he only borrowed what was necessary—a testament to his strategic planning and financial wisdom.

Octavian's story is a powerful reminder that success in agriculture is not just about hard work, but also about making informed, forward-thinking financial decisions. Through adaptability, careful planning, and the right partnerships, he continues to cultivate a thriving, sustainable future.

Family farming in the south of Tajikistan

IMON International offers leasing of affordable and quality greenhouses to smallholder farmers. With high-quality construction materials, which are not easy to find on the local market, these greenhouses offer a controlled environment, ensuring better crop yields and more reliable food production. For many families, this means not just food on the table but also a small, steady income.



Saidjalol leased a greenhouse from IMON and expects to repay it within a year. His accounting background helps him plan effectively:

"I acquired this 20m×6m×4m greenhouse for around US\$7,000 in February 2024. I planted 500 tomato saplings, each projected to yield 20 kg. Selling at approximately US\$1 per kilo, the first harvest alone could generate US\$10,000."

Normurod from Khuroson is a former police officer. His yard has always been the backbone for the family's food and a small additional income, but the harsh climate often ruined his crops, leaving his family in uncertainty. Now, Normurod stands proud, his greenhouse thriving with fresh cucumbers and bell peppers.

"This is my first greenhouse," he shares. "Leasing it from a bank was a big decision, but I took the risk. I am committed to working hard, growing crops year-round, and providing a better life for my family."





Another farmer is Saodat. In addition to her main job as a cleaner at a local hospital, she is an experienced yard farmer. She compares her new greenhouse with her old, amateur-constructed one, and counts the advantages:

"It is sturdier, maintains a consistent temperature, and uses water more efficiently. Plus, the design allows for better airflow and sunlight, which means my tomatoes are growing healthier and faster than ever before."

With the money she earns from the plot, Saodat spends on herself and her daughters, no longer needing to ask the men at home for money. She even convinced her brother, Rustam, a high school history teacher who lives in a neighbouring village to get a greenhouse, too

"My daughter-in-law mostly takes care of the yard,' he says, smiling at his grandchildren. 'I teach her how to work. Already in the first month we sold cucumbers for about US\$5 a day. This is a good support."





Impact area #4: Mitigating climate change through green loans

Climate change poses a growing threat to agriculture, infrastructure, and livelihoods worldwide. In Central Asia, temperatures have risen by 1.5°C since the mid-20th century, increasing droughts and water shortages. Emerging Europe faces similar challenges, with over 60% of farmland at risk of soil degradation due to climate change.

At ALTERNATIVE, we actively support green initiatives by providing specialised financing for sustainable projects. Our green loans help businesses invest in renewable energy, energy-efficient equipment, and eco-friendly agricultural practices.

Green loan opportunities at Bailyk Finance

For years, Bailyk Finance has been driving sustainability by offering green loans that help homes and businesses embrace renewable energy solutions. From solar panels and water heaters to electric fencing and energy-efficient power systems, these loans empower clients to invest in a cleaner, more sustainable future.

Now, Bailyk Finance is taking its commitment even further with a specialised green loan for the tourism industry. Designed for guest houses, yurt camps, camp-sites, and tour operators, this initiative supports the purchase of eco-friendly equipment and energy-efficient renovations, cutting heating costs while protecting the environment.

Beyond financing, Bailyk Finance is equipping entrepreneurs with knowledge—offering educational videos on sustainable renovations and renewable energy. By combining financial support with practical guidance, they are helping businesses thrive while making a lasting impact on the planet.

Bringing renewable energy to the pasture

For years, Dilbar Töröbekova and her husband have dedicated their lives to animal husbandry, living year-round in a remote pasture 60 km away from Jalal-Abad. Their home—a self-sustaining haven—includes a barn, a garden, and an orchard, where they grow strawberries and apples to sell at the market.

But life in the mountains came with a challenge—no electricity. Determined to improve their living conditions, Dilbar took out her first loan of €1,500 to invest in solar energy. With the funds, they installed photovoltaic panels, bringing power to their home for the first time.





Now, their solar system runs an electric separator, charges phones, powers a small TV, and provides reliable lighting. This simple yet transformative investment has made daily life easier, increased productivity, and brought new comfort to their home in the highlands.

Dilbar's story is a testament to the power of renewable energy—not just in protecting the environment, but in empowering people, creating opportunities, and transforming lives in the most remote corners of the world.





Driving a greener future with Mikro Leasing Uzbekistan

At Mikro Leasing Uzbekistan, sustainability goes beyond financing—we are committed to reducing environmental impact through innovative transport solutions.

In addition to green loans, we promote eco-friendly mobility by offering hybrid and electric vehicle leasing, helping businesses and individuals' lower emissions and reduce fuel consumption.

To support the transition to clean energy, we also provide leasing options for charging stations, making electric vehicle adoption easier for taxi services, public transport, and private users.

By empowering sustainable transport, we are not just leasing vehicles—we are paving the way for a cleaner, greener Uzbekistan.

GEFF Tajikistan and IMON International partnership

Through a strong partnership with GEFF Tajikistan, IMON International is empowering farmers and agribusinesses to embrace modern, energy-efficient technologies. By providing investment grants, they help businesses upgrade equipment, enhance productivity, and reduce environmental impact.

A dedicated GEFF team supports clients at every stage—from project development to investment evaluation and implementation, ensuring smooth and effective adoption of sustainable solutions.





GEFF financing extends beyond agriculture, supporting MSMEs in food processing, transport, and households, as well as green technology suppliers. Funding is available for pre-approved eco-friendly technologies from the Green Technology Selector and custom projects that cut energy, water, or resource use by at least 20%.

700+

loans issued within GEFF project



Impact area #1: Affordable access to a car

Carsharing enhances social mobility by providing a cost-effective alternative to car ownership. It helps low-income families, students, and gig workers access jobs, education, and essential services, fostering inclusion and economic opportunity while optimizing urban resources.



16,353 monthly active users



20% users are female



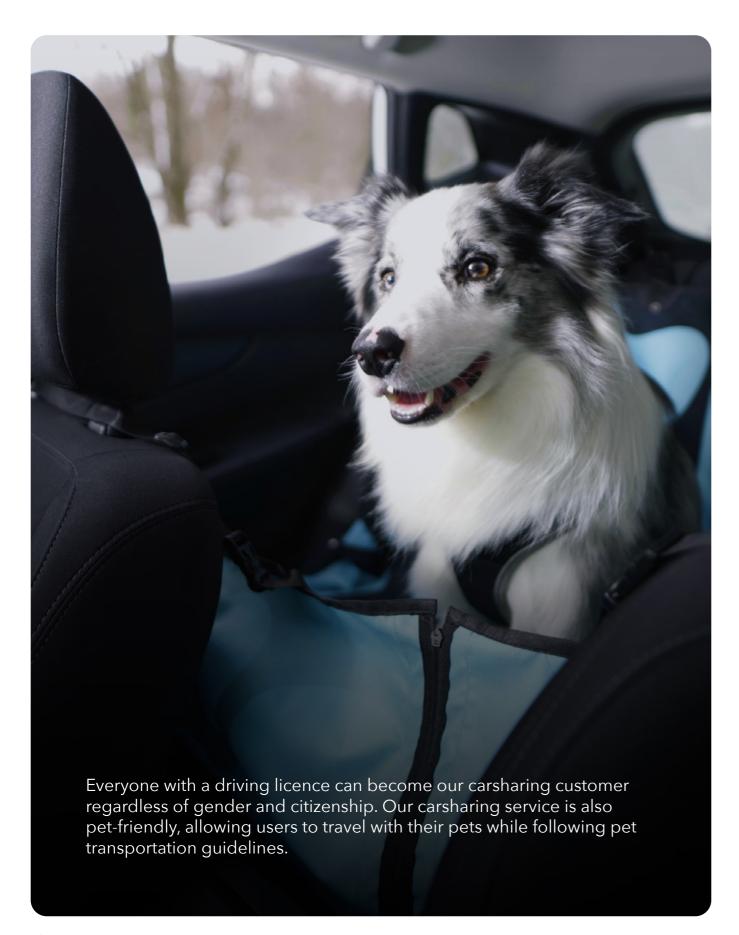
30% customers do not own a car



68% clients are under years old

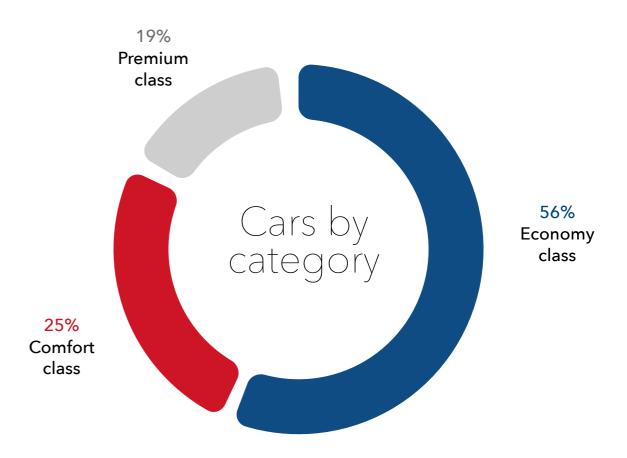
Mikro Kapital Introduction Who we are Our approach to sustainability Our impact in microfinance Our impact in carsharing Appendices

ESG and Impact Report 2024

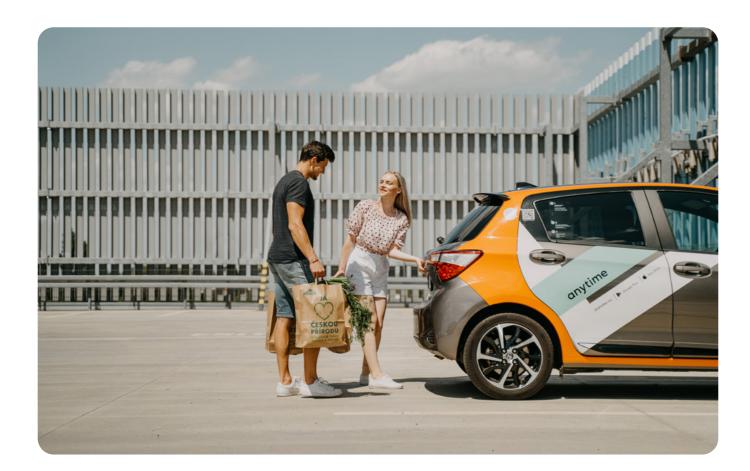


Our diverse fleet includes cars of various classes to cater to different budgets and preferences.





Carsharing services in both our geographies offer a more affordable alternative by allowing users to pay only for the time they use a vehicle, thereby eliminating the high fixed costs associated with private car ownership. We frequently offer special deals, promo codes, and discounts to make our services even more accessible.



Bringing mobility to suburbs and new cities

In 2024, Anytime Kazakhstan took a bold step toward bridging transportation gaps in suburbs of Almaty. Recognizing the challenges faced by residents—limited public transport and the high costs of personal vehicles—the company expanded its carsharing service to underserved areas. This initiative not only increased accessibility and convenience, but also transformed everyday mobility for thousands. Anytime extended its end-zone area by more than 15 km, ensuring even greater reach and flexibility for users.





+15km rental end-zone Also, in 2024, Anytime Czechia has extended its carsharing service to Pilsen, reinforcing our dedication to sustainable and accessible urban transportation. This expansion provides individuals with a seamless, flexible travel solution between Prague and Pilsen, making commuting for work, business, or leisure more efficient while reducing dependency on personal car ownership and public transportation.



By integrating designated home zones in both cities, users can begin their journey in one and end it in the other, eliminating the need to return the vehicle to its original location



Impact area #2: Road safety

Carsharing enhances social mobility by providing a cost-effective alternative to car ownership. It helps low-income families, students, and gig workers access jobs, education, and essential services, fostering inclusion and economic opportunity while optimizing urban resources.



500,000 rides



rides without incidents

What makes our carsharing fleet safe?



New and

reliable cars









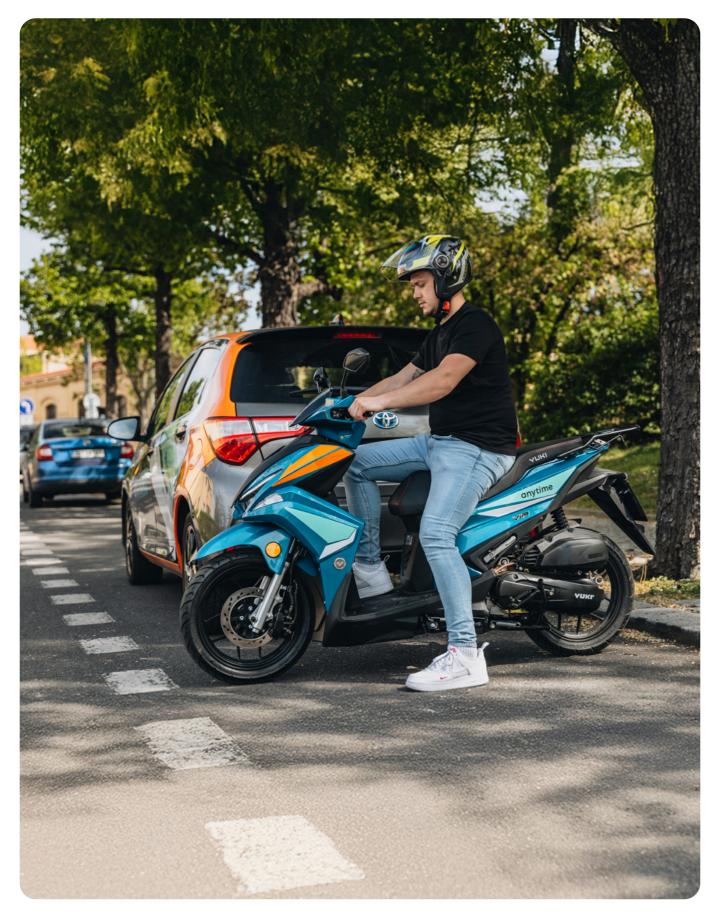


Enhanced safety



Young fleet (average age of our vehicles is three years)









At Anytime, safety is a fundamental priority in our approach to mobility. All our vehicles are equipped with advanced security features, ensuring a reliable and protected driving experience. When introducing scooters in Czechia, we carefully considered how to enhance user safety. As a result, each scooter is provided with a helmet, with select models including an additional one for passengers.

Educating drivers for a safer carsharing experience

At Anytime, safety is a fundamental priority in our approach to mobility. All our vehicles are equipped with advanced security features, ensuring a reliable and protected driving experience. When introducing scooters in Czechia, we carefully considered how to enhance user safety. As a result, each scooter is provided with a helmet, with select models including an additional one for passengers.





But safety is not just about following the rules-it is also about creating a positive experience for everyone. We encourage drivers to maintain cleanliness inside the vehicles and practice courteous communication with fellow road users. To reinforce this, we launched a special customer mailing campaign, reminding users to keep cars clean and report any issues.



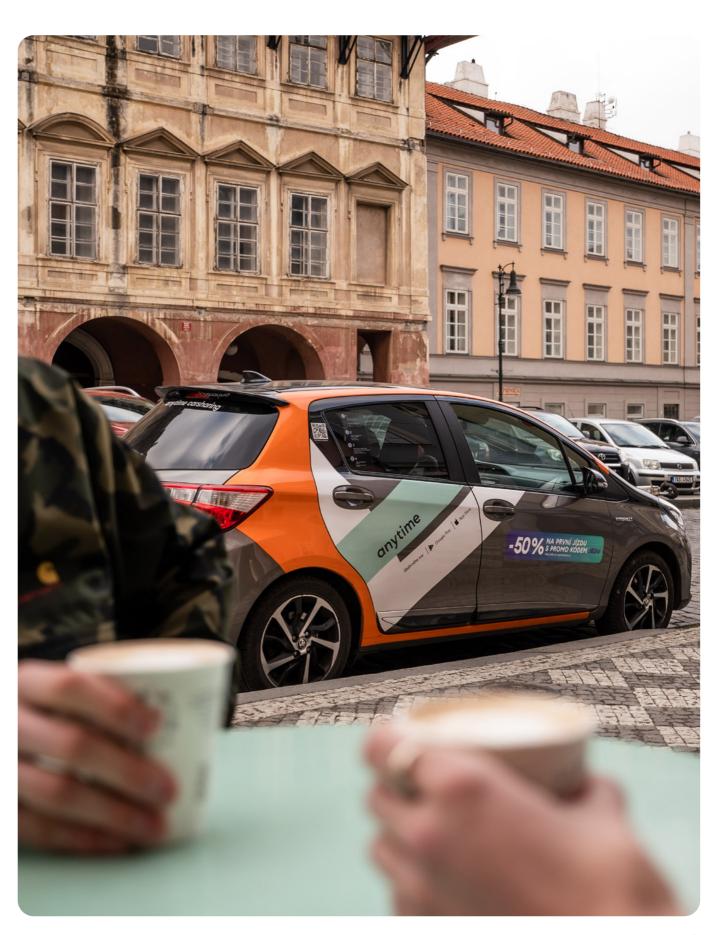
Mise čistá auta začíná!

Všichni bychom chtěli jezdit čistými a uklizenými auty. My sice auta pravidelně čistíme, ale po každém pronájmu je zkontrolovat nemůžeme. Přispějte svou troškou do mlýna a společně se tento týden zaměříme na to, aby auta nevypadala jako to, co vidíte na úvodním obrázku

Našli jste při pronájmu znečištěné auto, ve kterém je špína jakéhokoliv druhu? Nahlaste nám to! Před každým pronájmem máte 3 minuty zdarma na kontrolu stavu vozu. Pokud tedy najdete například špinavé sedačky, není nic jednoduššího, než to při kontrole nahlásit. Tento týden za hlášení odměňujeme bonusy na další jízdu.

Jak na to:
- v režimu prohlídky klikněte na tlačítko "nahlásit potíže" - z menu vyberte políčko "auto je špinavé" a zaklikněte jej odešlete hlášení a získejte bonus 30 Kč jako omluvu a poděkování

Chci se zapoji

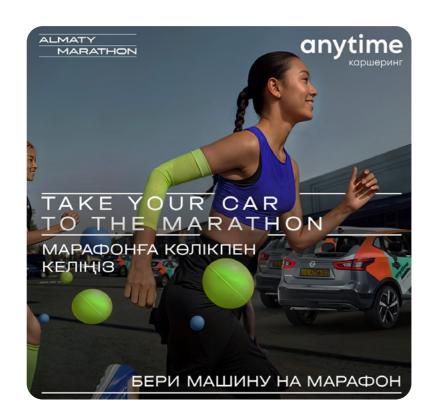


Impact area #3: Community engagement

Carsharing goes beyond transportation—it fosters a sense of community and social responsibility. By partnering with local events, supporting sustainability initiatives, and promoting inclusive mobility, carsharing services contribute to the well-being of urban communities.

Supporting the Almaty Marathon 2024

In October 2024, Anytime proudly partnered with the Almaty Marathon, Kazakhstan's largest running event, to celebrate the spirit of endurance and community. As a testament to our commitment to sustainable mobility and active lifestyles, we provided free carsharing rides to race winners, ensuring they could travel home comfortably after conquering the course.



This initiative not only eased post-race fatigue but also enhanced the overall experience for participants, allowing them to focus on their achievement while we took care of the journey ahead.



Our carsharing companies also help customers plan their leisure activities. We create special selections of interesting places to visit by car, design travel routes both within the country and abroad, and introduce special rates for tourism, making trips even more accessible and enjoyable.

Connecting people to culture: Anytime Kazakhstan's new app feature

Mobility extends beyond transportation—it is also a gateway to enriching experiences. To support this vision, we have introduced the 'Cultural Development' section in our mobile application's news feed, enabling users to stay informed about a diverse range of cultural events.



Providing up-to-date information on theatres, concerts, exhibitions, cinemas, and other cultural activities, this feature facilitates the discovery and planning of leisure experiences with greater ease. By improving accessibility to cultural events, we aim to encourage increased participation in the arts and foster a stronger sense of engagement within the local community.

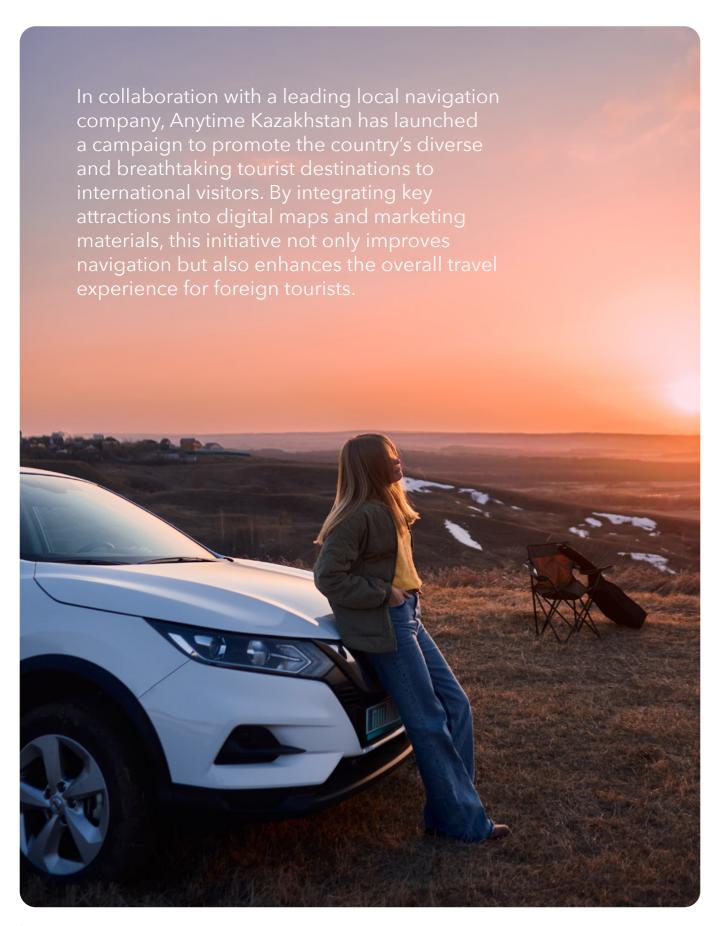
Promoting local and international tourism

At Anytime Czechia, we strive to make travel more seamless, inspiring, and accessible for our users. Our platform regularly features curated local travel routes, guiding users to breathtaking destinations, including ski resorts, mountains, lakes, and historic castles. Whether exploring the beauty of the Czech landscape or embarking on cross-border journeys to Germany, Poland, and Slovakia, Anytime offers the flexibility to travel with ease.

Beyond providing mobility solutions, we also create engaging experiences for our community. One such initiative was our special summer quiz, where passengers completed tasks in exchange for exclusive discounts and prizes.





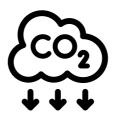


Impact area #4: Environmental impact of carsharing

Carsharing offers a multitude of ecological benefits, making it a compelling solution for promoting sustainable transportation practices.

The Environmental benefits of carsharing

Reduced Carbon Emissions:



Carsharing can reduce CO2 emissions by up to 10-15% per year.

Decreased Traffic Congestion:



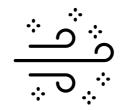
Carsharing can reduce the number of vehicles on the road, leading to less traffic congestion

Conservation of Resources:



Carsharing can save up to 10-20 gallons of gasoline per month per user.

Improved Air Quality:



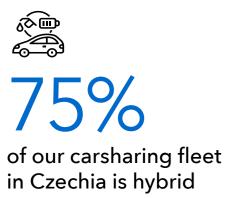
Carsharing can reduce air pollution by decreasing the number of cars on the road and promoting the use of cleaner, more fuelefficient vehicles.

Preservation of Green Spaces:



Carsharing can help reduce the need for new parking lots and garages, preserving green spaces and reducing urban sprawl.

Our carsharing fleet mainly consists of hybrid cars. By choosing hybrids, we ensure a greener, more cost-effective, and comfortable carsharing experience.





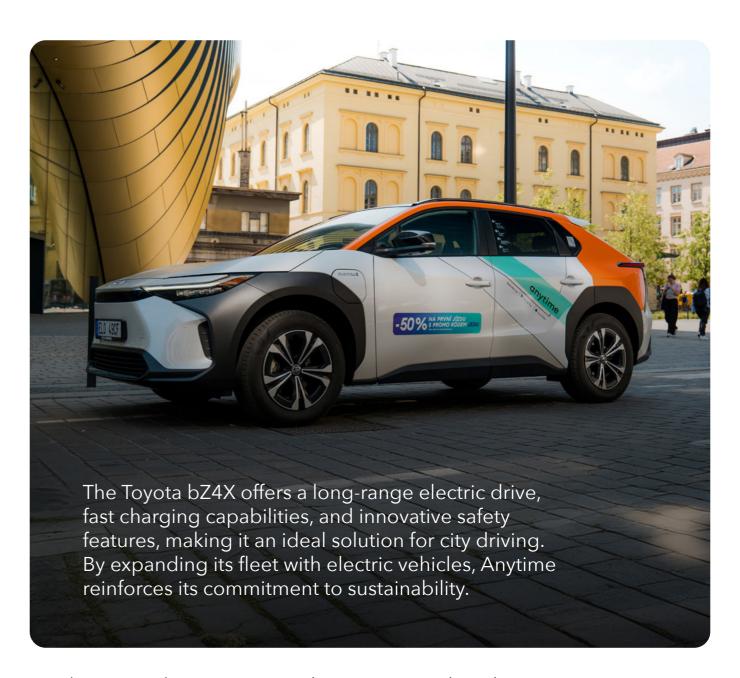
added a fully electric car to our carsharing fleet in Czechia

Connecting People to Culture: Anytime Kazakhstan's New App Feature





Anytime in Czechia introduced the fully electric Toyota bZ4X FWD to its fleet in 2024. This addition brings zero-emission mobility to users, reducing the environmental impact of urban travel while integrating state-of-the-art technology for a smoother, more efficient ride.



We also constantly monitor our carsharing emissions based on fuel consumption of our fleet.

3,439
metric tons of CO₂ are our Scope 1 emissions

(carsharing fleet)

Anytime plans to further reduce its CO_2 emissions by expanding its fleet with more hybrid and fully electric vehicles. This shift towards eco-friendly cars will lower fuel consumption, decrease urban pollution, and support sustainable mobility, reinforcing the company's commitment to greener transportation.



GRI Content Index

ALTERNATIVE has reported the information cited in this GRI content index for 2024 with reference to the GRI Standards.

GRI Standard	Disclosure	Comments	Section of the Report
GRI 2: General Disclosures 2021	2-1 Organisational details	Mikro Kapital Management S.A. 10, Rue C.M. Spoo L-2546 - LUXEMBOURG GD. of Luxembourg	
GRI 2: in the organisation's (Ro sustainability (Mo reporting 2021 Lea Coo Mik IMC Kaz		Mikro Kapital IFN JSC (Romania), Mikro Kapital Company LLC (Moldova), Mikro Kapital S.P.A. (Italy), Mikro Kapital Armenia UCO CJSC (Armenia), Mikro Leasing LLC (Uzbekistan), Microcredit Company Bailyk Finance LLC (Kyrgyzstan), Mikro Leasing LLC CJSC MDO (Kyrgyzstan), IMON International (Tajikistan), D Mobility Kazakhstan (Kazakhstan), D Mobility Czech Republic s.r.o. (Czech Republic)	
	2-3 Reporting period, frequency and contact point	The ESG Report is produced on an annual basis. The current Report discloses information for the reporting period from 1 January 2024 to 31 December 2024. For any information about the Report please refer to funds@mikrokapital.com.	

GRI Standard	Disclosure	Comments	Section of the Report
GRI 2: General Disclosures 2021	2-4 Restatements of information	The Report does not contain any restatements of information provided in previous reports.	
	2-5 External assurance	The Report did not undergo external assurance procedures. The non-financial data was reviewed internally.	
	2-6 Activities, value chain and other business relationships		II. Who we are. ALTERNATIVE at a glance.
	2-7 Employees		II. Who we are. Our people.
	2-9 Governance structure and composition		III. Our approach to sustainability. Corporate and ESG Governance.
	2-11 Chair of the highest governance body		III. Our approach to sustainability. Corporate and ESG Governance.
	2-12 Role of the highest governance body in overseeing the management of impacts		III. Our approach to sustainability. Corporate and ESG Governance.

GRI Standard	Disclosure	Comments	Section of the Report
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts		III. Our approach to sustainability. Corporate and ESG Governance.
	2-14 Role of the highest governance body in sustainability reporting		III. Our approach to sustainability. Corporate and ESG Governance
	2-15 Conflicts of interest		Mikro Kapital Group Anti- Corruption and Bribery Policy.
	2-23 Policy commitments	Various policy commitments are disclosed throughout the Report. For specific policies of Mikro Kapital please refer to funds@mikrokapital.com	
	2-25 Processes to remediate negative impacts		Mikro Kapital Responsible Investment Policy, Mikro Kapital Sustainability Risk policy.
	2-26 Mechanisms for seeking advice and raising concerns		III. Our approach to sustainability. Corporate ESG Policies and Practices.
	2-27 Compliance with laws and regulations	No significant instances of non-compliance with laws and regulations during the reporting period were identified.	

GRI Standard	Disclosure	Comments	Section of the Report
GRI 2: General Disclosures 2021	2-28 Membership associations		III. Our approach to sustainability. International principles, partnerships, and collaboration.
	2-29 Approach to stakeholder engagement		III. Our approach to sustainability. Stakeholder engagement and material topics.
	2-30 Collective bargaining agreements	41% of employees are covered by collective bargaining agreements. In Italy and Tajikistan - 100%.	
GRI 3: Material Topics 2021	3-1 Process to determine material topics		III. Our approach to sustainability. Stakeholder engagement and material topics.
	3-2 List of material topics		III. Our approach to sustainability. Stakeholder engagement and material topics.
	3-3 Management of material topics	partial disclosure	III. Our approach to sustainability. Stakeholder engagement and material topics.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	partial disclosure	IV. Our impact in microfinance. V. Our impact in car sharing.
	203-2 Significant indirect economic impacts	partial disclosure	IV. Our impact in microfinance. V. Our impact in car sharing.

GRI Standard	Disclosure	Comments	Section of the Report
GRI 206: Anti- competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti- trust, and monopoly practices	No legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	3,439 metric tons CO2e (car sharing fleet)	V. Our impact in car sharing.
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	According to the Mikro Kapital's Supplier Code of Conduct, Suppliers must conduct their activities with due respect for the environment and take initiatives to reduce their ecological footprint.	Mikro Kapital's Supplier Code of Conduct
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		II. Who we are. Our people.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part- time employees		II. Who we are. Our people.

GRI Standard	Disclosure	Comments	Section of the Report
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Each Mikro Kapital's portfolio company has its own Occupational health and safety management system in accordance with the local legislation. General commitment to health and safety are also disclosed in Mikro Kapital Group Policy on Human Rights.	
	403-2 Hazard identification, risk assessment, and incident investigation	Each Mikro Kapital's portfolio company has its own Occupational health and safety management system in accordance with the local legislation. General commitment to health and safety are also disclosed in Mikro Kapital Group Policy on Human Rights.	
	403-3 Occupational health services	Each Mikro Kapital's portfolio company has its own Occupational health and safety management system in accordance with the local legislation. General commitment to health and safety are also disclosed in Mikro Kapital Group Policy on Human Rights.	

GRI Standard	Disclosure	Comments	Section of the Report
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Each Mikro Kapital's portfolio company has its own Occupational health and safety management system in accordance with the local legislation. General commitment to health and safety are also disclosed in Mikro Kapital Group Policy on Human Rights.	
	403-5 Worker training on occupational health and safety	100% employees conduct initial and planned occupational health and safety training depending on entity and country of operation.	
	403-6 Promotion of worker health	Each Mikro Kapital's portfolio company has its own Occupational health and safety management system in accordance with the local legislation. General commitment to health and safety are also disclosed in Mikro Kapital Group Policy on Human Rights.	
	403-8 Workers covered by an occupational health and safety management system	100% permanent full-time employees	

GRI Standard	Disclosure	Comments	Section of the Report
GRI 404: Training And Education 2016	404-2 Programmes for upgrading employee skills and transition assistance programmes		II. Who we are. Our people.
	404-3 Percentage of employees receiving regular performance and career development reviews	100% of permanent full-time employees receive regular performance and career development reviews.	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		III. Our approach to sustainability. Corporate and ESG Governance
	405-2 Ratio of basic salary and remuneration of women to men		II. Who we are. Our people.
GRI 406: Non- discrimina- tion 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were identified in the reporting period.	

GRI Standard	Disclosure	Comments	Section of the Report
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No operations and suppliers in which the right to freedom of association and collective bargaining may be at risk in the reporting period.	
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	No operations and suppliers at significant risk for incidents of child labour in the reporting period.	
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	No operations and suppliers at significant risk for incidents of forced or compulsory labour in the reporting period.	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	No incidents of violations involving rights of indigenous peoples in the reporting period.	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	partial disclosure	IV. Our impact in microfinance.V. Our impact in car sharing.

GRI Standard	Disclosure	Comments	Section of the Report
GRI 413: Lo- cal Communi- ties 2016	413-2 Operations with significant actual and potential negative impacts on local communities	partial disclosure	IV. Our impact in microfinance. V. Our impact in car sharing.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	According to the Mikro Kapital's Supplier Code of Conduct, Suppliers must have respect for human rights and not allow any harassment, physical or mental punishment or any other form of abuse.	Mikro Kapital's Supplier Code of Conduct
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No sufficient incidents of non-compliance concerning the health and safety impacts of products and services identified.	
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	All requirements for product and service information and labelling were met in the reporting period.	
	417-2 Incidents of non-compliance concerning product and service information and labelling	No sufficient incidents of non-compliance concerning product and service information and labelling in the reporting period.	

GRI Standard	Disclosure	Comments	Section of the Report
GRI 417: Marketing and Labelling 2016	417-3 Incidents of non-compliance concerning marketing communications	No sufficient incidents of non-compliance concerning marketing communications in the reporting period.	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints concerning breaches of customer privacy and losses of customer data in the reporting period.	

SASB Content Index

SASB Asset Management & Custody Activities, SASB Consumer Finance, SASB Car Rental and Leasing

Code	Accounting metric	Unit of measure	Section of the Report	Comments
Transparen	t Information & Fair Adv	vice for Cus	tomers	
FN-AC270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	Reporting currency		During the reporting period, there were no significant monetary losses as a result of legal proceedings associated with the marketing and communication of financial product-related information to new and returning customers.

Code	Accounting metric	Unit of mea- sure	Section of the Report	Comments	Code	Accounting metric	Unit of measure	Section of the Report	Comments		
Transparent Information & Fair Advice for Customers					FN-AC410a.2	Description of approach		III. Our ap-			
FN-AC270a.3	Description of approach to informing customers about products and services			The Organisation informs its clients about its products and services through various marketing channels including direct sales, website, marketing materials, events, social media etc.	Rusinoss	to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies		proach to sustainability			
						Business ethics					
Employe	Employee Diversity & Inclusion				FN-AC510a.2	Description of whistleblower policies and procedures		III. Our approach to sustainability.	For more information refer to Mikro Kapital		
FN-AC330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees		II. Who we are. Our people.	Percentage of gender representation is disclosed for all employees as a consolidated number.				Corporate ESG Policies and Practices.	Group Anti- Corruption and Bribery Policy		
					Custome	er Privacy					
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory				FN-CF220a.2	Total amount of monetary losses as a result of legal	Reporting currency		During the reporting period,			
FN-AC410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening		II. Who we are. Main events in 2024			proceedings associated with customer privacy			there were no significant monetary losses as a result of legal proceedings associated with customer privacy.		

Code	Accounting metric	Unit of measure	Section of the Report	Comments	Code	Accounting metric	Unit of measure	Section of the Report	Comments	
Data Security					Customer Safety					
FN-CF230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Number, Percentage (%)		During the reporting period, there were no cases of data breaches (including those involving personally identifiable information). TR-CR250a.1 TR-CR250a.1 Fleet Fu	Percentage rental fleet vehicles rated by NCAP programmes with an overall 5-star safety rating, by region	Number		Average NCAP ranking of the car models in MIKRO FUND car sharing fleet is 4.86.		
					Fleet Fuel Economy & Utilisation					
FN-CF230a.3	Description of approach to identifying and addressing data security risks		III. Our approach to sustainability. Corporate ESG Policies and Practices		TR-CR410a.1	Day-weighted average rental fleet fuel economy, by region	Number		Average usage of fuel per 100km by the whole car sharing fleet is 7.74 litres.	
					Activity N	Metric - CR				
Selling Practices					TR-CR000.A	Average vehicle age	Months		30 months	
FN-CF270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Reporting currency		During the reporting	TR-CR000.B	Total available rental days	Number		365 days	
				period, there were no significant monetary losses as a result of legal proceedings associated with the selling and servicing of products	TR-CR000.C	Average rental fleet size	Number of vehicles		1,053 cars	

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ESG and Impact Report 2024

Main outcomes of the Impact Assessment with 60 Decibels in 2024

Access



44%

clients access loan for the first time



35%

clients could not find an alternative

Business impact



74%

clients increased their income



22%

clients increased paid employee count

Household impact



80%

clients improved quality of their lives



30%

clients increased number and quality of meals



34%

clients increased spending on their children's education



47%

clients increased spending on house improvements

Client protection



97%

clients see our lending and leasing agents as fair and respectful



94% clients never

clients never experienced and unexpected change of fee



30%

clients started worrying less about their finances

Resilience



64%

clients improved the ability to manage finances



48%

clients improved their saving habits

Agency



64%

clients increased their confidence because of the investment



61%

clients improved their ability to achieve business goals because of the investment



95%

clients never experienced a challenged with our MFIs 59

Net Promoter Score

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ESG and Impact Report 2024

Impact metrics in 2024

Mikro Kapital Armenia 💳



26 employees



69% female employees



1,226 end-borrowers

Impact metrics in 2024

Mikro Kapital Romania 💶



81 employees



65% female employees



2,442
end-borrowers



27%

female clients



17%

clients from

rural areas

 $\stackrel{\mathsf{x}}{\equiv}$

32%

clients accessing loans for the first time



27%

female clients

5 / /o

rural areas

≚≚

clients accessing loans for the first time



63%

clients reported

increased income



5/% clients improved quality of life



25% clients increased spendings on home

improvements



/1% clients reported

clients reported increased income



87%

clients improved quality of life



24%

clients increased spendings on home improvements

Net Promoter Score

Net Promoter Score

Impact metrics in 2024

Mikro Kapital Moldova 🛂



employees



female employees



end-borrowers

Impact metrics in 2024

Mikro Leasing Uzbekistan ==



employees



female employees



clients



female clients



clients from

rural areas



clients accessing loans for the first



female clients



clients from rural areas



clients accessing loans for the first time



clients reported

increased income



clients improved

quality of life



time

clients increased spendings on home

improvements



clients reported increased income



clients improved quality of life



clients increased spendings on home improvements

Net Promoter Score

Net Promoter

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Impact metrics in 2024

Bailyk Finance

Kyrgyzstan 🔼





employees



female employees



13,177 clients

Impact metrics in 2024

Mikro Leasing Kyrgyzstan





employees



female employees



end-borrowers

ESG and Impact

Report 2024



female clients



clients from

rural areas



clients accessing loans for the first time



female clients



clients from rural areas



clients reported increased income



clients improved quality of life



clients increased spendings on home improvements

110

Net Promoter Score

Mikro 🛂 Kapital Introduction Who we are Our approach to sustainability

Our impact in microfinance

Impact metrics in 2024

Impact metrics in 2024

Imon International

Tajikistan ==





employees



female employees



152,811

clients



Mikro Kapital Italy

employees

female employees

end-borrowers

female clients



clients from

rural areas



clients accessing loans for the first time



female clients



clients from rural areas

clients reported

increased income



clients improved

quality of life



clients increased spendings on home improvements

Net Promoter

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ESG and Impact Mikro 🛂 Kapital Introduction Who we are Our approach to sustainability Our impact in microfinance Our impact in carsharing **Appendices**

Impact metrics in 2024

Anytime Czechia





employees



monthly active



users

cars



years old average car age



female employees



female users



scooters



hybrid and

electric cars

registered users



users do not own a car



economy class cars

Impact metrics in 2024

Anytime Kazakhstan



employees



monthly active users



female employees



female users



Report 2024

registered users



cars



economy class cars



years old average car age

Important notice and disclaimer

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