

ACF: Advancing Sustainable Development Together

Contents

4	Message from the Chairperson of the Management Board	62	Responsible Lending
		62	Policy and Approaches to Responsible Lending
6	2024 Key Milestones and Events	62	Principles of Responsible Lending
10	About ACF	63	Support for Clients in Financial Difficulty
10	Company Profile	64	Management of Social and Environmental Risks in Lending Activities
11 12	Regional network Company History		
14	Loan Products	65	Responsibility to Society
		65	ACF's Participation in Industry Initiatives
16	The Macroeconomic Situation and	65	Tax Policy and Payments
10	the Microcredit Market	66	Financial Literacy and SME Support
20	Performance results	67	Charity and Support for Regions of Presence
20	Operating Indicators		
22	Financial Performance	68	Sustainable Development
23	Development Strategy	68	Approaches to Managing Sustainable Development
		69	Contribution to Achieving the UN Goals
24	Corporate Governance	70	Stakeholder Engagement
24	Corporate Governance System	71	Supplier Engagement
26	Supervisory Board		
40	Risk Management	72	Environmental Responsibility
		72	Environmental Impact
46	Interaction with Personnel	72	Waste Management
46	Personnel Management Policy	73	Water Resource Management
48	Recruitment	74	Greenhouse Gas Emissions and Electricity
50	Professional Training and Development		Consumption
53	Labor Protection and Health, Labor Safety		
54	Business Ethics and Anti-Corruption	76	Annexes
		76	Contact Information
56	Interaction with Clients	77	Glossary
56	Information Security		
59	Countering Financial Crimes		
61	Feedback Mechanisms		



The year 2024 marked a period of dynamic growth, strategic decisions, and strengthened positioning for ACF in Kazakhstan's microfinance sector. Our loan portfolio grew by 43% compared to 2023, with over 45,000 loans disbursed. At the same time, we maintained our portfolio-at-risk over 30 days at a healthy level of 5.1%. Over 27 years of operations, ACF has disbursed more than 331,000 microloans, totaling USD 339 million. Our Non-Performing Loan (NPL) ratio stood at 4.2%, which compares favorably to the 6.6% average among traditional MFIs in Kazakhstan at the end of the year.

For nearly three decades, we have supported rural households and small businesses by offering accessible and impactful financial solutions. In 2024, ACF continued to expand its outreach by opening five new rural branches, bringing the total to 66 offices across Kazakhstan.

The year was also marked by a number of significant developments. A key milestone was the formal recognition of the Sustainable Development Goals (SDGs) as strategic pillars of our operations. We identified five priority SDGs, which have been integrated into our operational model — reaffirming our commitment to our social mission. We launched mandatory environmental and social assessments for borrower businesses and began evaluating ACF's own environmental footprint.

Several foundational documents were also adopted during the year, including the ESG Policy, ESG Strategy for 2025–2026, Sustainability Policy, and Social Strategy. Together, these reflect our dedication to responsible business practices, environmental protection, social impact, and strong corporate governance.

Another important step was taken in enhancing our corporate governance: two new independent members joined the Supervisory Board, strengthening the Company's strategic leadership.

ACF's financial stability was reinforced by a number of key achievements. For the first time in our history, we successfully issued corporate bonds on the Kazakhstan Stock Exchange (KASE) — a clear signal of investor trust and our high standards in corporate governance. In addition, a capital infusion from our participant BOPA further boosted our capitalization and enabled us to expand our client support capacity.

Beyond financial services, we remained actively engaged in promoting entrepreneurship and financial literacy in rural regions. Through the educational project ALAU, in partnership with the Family Business Association, we provided training to over 1,100 rural entrepreneurs — equipping them with knowledge in financial literacy and business skills to grow and strengthen their enterprises.

ACF also maintained a strong presence in international and sectoral events, including the Asian Development Bank's Annual Meeting, the MFC International Conference in Krakow, and "Kazakhstan's Microfinance Sector: 20 Years of Sustainable Development." These engagements reflect our active role in sector development and forging new partnerships.

As we close the year 2024, we look to the future with confidence. The strategy adopted in 2023, combined with the positive outcomes of 2024, sets a clear direction for our continued growth. The initiatives we've launched have laid a strong foundation for achieving our ambitious goals. Challenges lie ahead, but we are confident that the ACF team — along with our clients and partners — will rise to meet them and reach new heights.

I extend my heartfelt gratitude to the ACF team, our clients, partners, and all who support and share our values. Together, we are creating positive change and contributing to a more stable and prosperous future.

Sincerely, Zhanna Zhakupova Chairperson of the Management Board Asian Credit Fund

2024 Key Milestones and Events

January

 Two new independent members joined ACF's Supervisory Board: Talgat Salikhov, Board Member of Tengri Partners Investment Banking (Kazakhstan) and Sevara Siradzheva, a highly qualified expert in digitalization and product development in the technology sector (Uzbekistan)

March

 ACF participated in the annual "Ring the Bell for Gender Equality" opening ceremony — a global initiative promoting gender inclusion and equality in sustainable development and ESG practices.

April

- ACF formally recognized all 17 UN Sustainable Development Goals (SDGs) as strategic priorities and selected five key SDGs to be integrated into its core business processes.
- Opened a new branch office in Myrzakent, Turkistan region.

May

- Received a subordinated loan of KZT 443.2 million from Triple Jump Financial Inclusion Resilience Fund B.V.
- ACF Chairperson Zhanna Zhakupova represented Kazakhstan's MFIs at the Asian Development Bank (ADB) Annual Meeting at the CEO Forum in Tbilisi.
- Management Board members Abdekeyev A.D. and Usenov U.O. participated in the international Creatio Conference.
- Opened new branch offices in Kyzylorda City and Chulakkurgan, Turkistan region

July

- ACF was a sponsor of the national forum "Kazakhstan's Microfinance Sector: 20 Years of Sustainable Development." This event highlighted microfinance as a tool for reducing inequality, fostering inclusive economic growth, and empowering entrepreneurship.
- Received a recognition award from the Association of Microfinance Organizations of Kazakhstan (AMFOK) for outstanding contributions to sector development.
- ACF Chairperson Zhanna Zhakupova was honored for her personal contribution to the formation and growth of AMFOK.
- ACF introduced mandatory Environmental & Social (E&S) assessments of borrower businesses as part of the loan review process.



Since its founding, ACF has supported over 132,000 clients across 10 regions, contributing to household resilience and SME development.

September

 Chairperson of the Supervisory Board Christian Andersen and Chairperson of the Management Board Zhanna Zhakupova traveled to the USA for high-level discussions on potential investment and debt financing. Meetings were held with DFC, MCE, DWM, Google, and KIVA, where ACF also delivered a presentation on its operations.

October

- ACF secured USD 4.0 million in additional capital and subordinated debt from existing participant BOPA, further strengthening the Company's financial base.
- Launched a partnership with the Family Business Association as part of the educational project ALAU, aimed at improving financial literacy among rural entrepreneurs. Over the course of two months, 34 training sessions were conducted across 9 branches, reaching 1,149 entrepreneurs.

November

- ACF entered the capital markets for the first time by issuing KZT 2.0 billion in bonds with a twoyear maturity on the Kazakhstan Stock Exchange (KASE).
- ACF celebrated its 27th anniversary in Kazakhstan's microfinance sector. Since its founding, ACF has supported over 132,000 clients across 10 regions, contributing to household resilience and SME development.
- Participated in the 60 Decibels Microfinance Index-2024 — a global benchmark that measures the real-world impact of financial services on clients. ACF is proud to contribute to this data-driven initiative, elevating the voices of microfinance clients and advancing transparency and accountability in the sector.
- Opened a new office in Alatau Batyr village, Turkistan region.

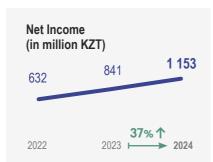
December

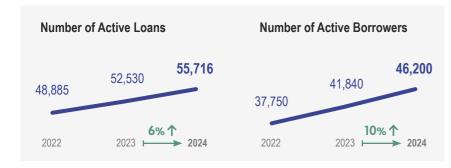
- Approved ACF's first formal ESG Policy, establishing the foundation for the Company's ESG framework.
- Endorsed ACF's first ESG Strategy (2025–2026), integrated within the Company's broader corporate development strategy.
- Supervisory Board members signed a "Social Performance Commitment Agreement," reaffirming their dedication to ACF's social impact objectives.
- Delivered 45 charitable initiatives aimed at addressing socially significant challenges.
- Opened a new branch office in Zhanabazar village, Turkistan region.

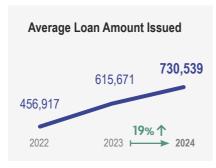


KEY INDICATORS FOR 2024



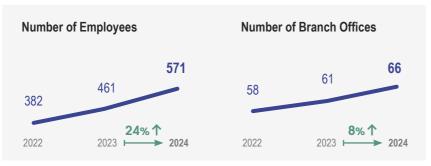














As of End-2024

59% of borrowers are women92% of borrowers are from rural areas97% Client Satisfaction Index91% of microloans issued for business development

Direct Economic Value Generated and Distributed

as of December 31, 2024

As a result of its operating activities, ACF generates direct economic value, which is subsequently distributed among key stakeholders, including shareholders, employees, and the broader community. This indicator reflects the Company's contribution to overall economic impact.

Direct Economic Value Generated	mln KZT
Net interest income (after loan loss provisions)	5,341
Net fee and commission income	0
Other operating income	25
Economic value distributed	7,502
Operating expenses	4,187
including employee compensation (with social contributions and payroll taxes)	2,748
including taxes other than corporate income tax	109
corporate income tax	332
dividend payments to ACF participants	126
Economic value retained (Net profit)	1,153

ANNUAL REPORT, 2024

About ACF

COMPANY PROFILE

Asian Credit Fund MFO LLC (hereinafter – ACF, the Company) is one of Kazakhstan's leading microfinance institutions (MFIs), providing simple and accessible microloans to households and small businesses in rural areas for the past 27 years. Since its inception, ACF has disbursed over 331,000 microloans totaling more than USD 339 million, with a strong focus on rural communities. These efforts have supported the development of small and medium enterprises, improved household financial resilience, and contributed to the overall economic well-being of underserved regions.

ACF is among the top 15 MFIs in Kazakhstan by total assets and ranks second in terms of active rural clients. The Company operates under microfinance license No. 02.21.0008.M, issued on March 4, 2021, by the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market.

ACF operates exclusively within the Republic of Kazakhstan. The Head Office is located in Almaty, and as of December 31, 2024, the Company had a network of one Head Office, 13 branches, and 66 service offices across 10 rural regions of the country.

ACF's strong social mission and commitment to client protection have earned it recognition in the international community, creating opportunities for effective cooperation with global development institutions. ACF actively partners with prominent international players in the microfinance sector, including Symbiotics, Triple Jump, BlueOrchard, ResponsAbility, DWM, Triodos, KIVA, MCE, BIB, Incofin, Grameen Credit Agricole, EMF Microfinance Fund, ADA, and FSFS.

The participants (shareholders) of ACF are:

- BOPA Pte. Ltd. 98.69%
- Karavella Invest LLP 1.31%

During the reporting period, BOPA Pte. Ltd. increased its participation from 98.32% to 98.69% through an investment of USD 2.0 million into ACF's equity capital.

ACF Mission

ACF's mission is to provide responsible, convenient, and client-centric financial services to micro and small entrepreneurs in rural areas, particularly women, to uplift the quality of life and resilience of households.

ACF Vision

To be the preferred microfinance lender for households and micro businesses in Kazakhstan in their path to resilience to the shocks and their well-being.

Core Values

Integrity and Respect for all

 We act in accordance with the Company's ethical standards and take responsibility for our words and actions. We recognize and accept that, despite individual differences, we are all equal members of society.

Honest, trusted relationship with clients, employees, stakeholders

 We build strong, effective partnerships based on mutual trust. Our reputation for quality, reliability, and honesty attracts the best employees and clients in rural regions and is widely respected across the sector.

High integrity and intolerance to corruption

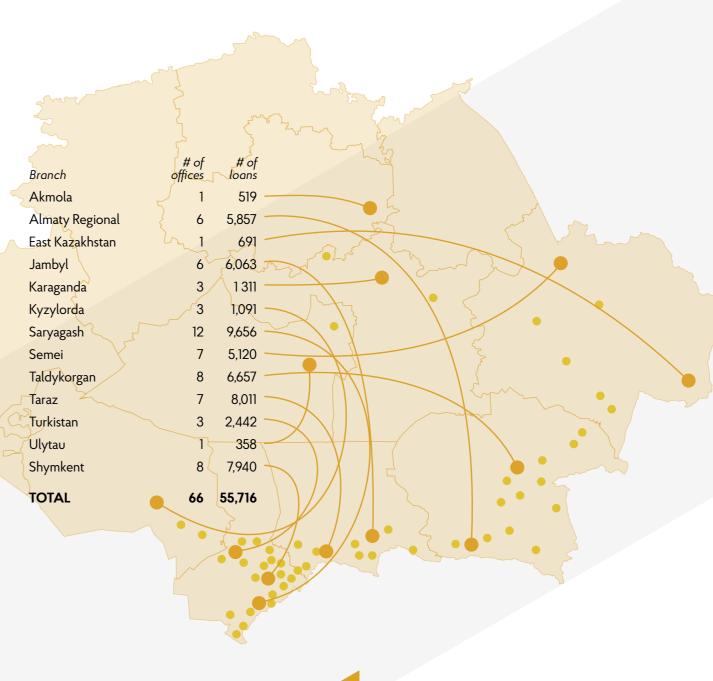
 We foster a corporate culture of zero tolerance for corruption at all levels. We are committed to building relationships rooted in integrity and ethical conduct.



In 2024, ACF expanded its regional footprint, increasing its number of offices from 61 to 66.

89% of all offices are located in rural areas.

REGIONAL NETWORK



COMPANY HISTORY

1997

 ACF was founded in November 1997 when Mercy Corps launched a program to support small and medium-sized enterprises (SMEs) in Kazakhstan. Operations were initially conducted under the Mercy Corps brand.

2001

Registration of ACF as a local non-profit organization under the name Asian Credit Fund Public Foundation. The National Bank of Kazakhstan granted a license to operate as a non-bank financial institution. ACF's mission focused on providing individual loans to support SME development.

2004

 Launch of a housing improvement loan program, supported by USAID, which provided ACF with a USD 1 million guarantee to expand access to housing finance.

2005

 Establishment of a commercial entity to attract additional capital for the Company's future development.

2006

 Opening of new regional branches in Semey and Karaganda.

2008

- Expansion of ACF's product offering through the introduction of group lending.
- · New branch launched in Taraz.



ACF completed its first bond issuance on the Kazakhstan Stock Exchange, strengthening financial sustainability and broadening its funding base.

2012

 Implementation of a green housing loan program for rural households. The initiative aimed to reduce energy consumption, improve comfort and property value for borrowers, and reduce CO2 emissions — contributing positively to Kazakhstan's environmental sustainability.

2013

- ACF received a "BB/Stable" rating from international rating agency MicroFinanza Rating.
- Launch of the Internal Academy to enhance staff training and professional development.

2014

Company name changed from Microcredit Organization "Asian Credit Fund" LLC to Micro-finance Organization "Asian Credit Fund" LLC, following the enactment of the Law on Microfinance Organizations in 2012.

2015

- New participants joined the Company: BOPA (Base of the Pyramid Asia), Singapore and Karavella Invest LLP, Kazakhstan.
- ACF was officially registered as an MFI in the National Bank's Registry.

2016

· Opening of the Shymkent branch.

2017

- ACF was awarded the SMART Campaign Client Protection Certification, confirming alignment with globally recognized client protection principles.
- Celebrated 20 years of operations. By this time, ACF had supported more than 117,000 entrepreneurs and households with financing totaling KZT 24.5 billion through a network of 37 offices, 20 of which were in rural district centers.

2018

- ACF received a "BB+" social rating from MicroFinanza Rating, recognizing the Company's strong balance between financial performance and social responsibility.
- Implementation of a new core banking system to improve operational efficiency, enhance functionality, and deliver higher service quality to clients.

2019

 BOPA became the majority participant, increasing its stake to 98.32%. This strengthened ACF's financial stability and created new opportunities for growth and innovation.

2020

- Launch of an in-house call center to improve customer service and collect client feedback, enabling ACF to respond quickly to client needs.
- Introduction of a waste sorting initiative at the Head Office in Almaty.
- Opened new branches in Almaty Region, Taldykorgan, Akmola, and Saryagash.

2021

- ACF received an official license to operate as a microfinance organization, reaffirming its credibility and compliance with industry standards.
- Launched a chatbot with mobile app functionality to enhance client communication and streamline service delivery.

2022

- Celebrated 25 years of operations. ACF had by then provided financing to over 118,000 rural households, totaling USD 256.8 million. In addition to financing, the Company conducted business and financial literacy training, as well as leadership and entrepreneurship development for rural youth.
- Joined the international CERISE and SPTF client protection initiatives, demonstrating its commitment to high service standards and ethical practices.
- Opened new branches in East Kazakhstan, Ulytau, and Kyzylorda regions.

2023

- Established the Management Board, providing strategic leadership and improving operational governance.
- · Launched a vehicle loan program.
- · Opened the Zhambyl regional branch.

2024

- Expanded the Supervisory Board from 4 to 7 members to strengthen strategic oversight and improve corporate governance.
- Publicly declared ACF's commitment to the Sustainable Development Goals (SDGs) and ESG principles.
- Completed its first bond issuance on the Kazakhstan Stock Exchange, enhancing financial sustainability and expanding funding sources.
- Secured USD 4.0 million in capital and subordinated debt from participant BOPA.
- · Introduced a centralized underwriting system.
- · Opened new branches in Turkistan and Zhetysay.



ACF provides a wide range of loan products for the population of Kazakhstan, aimed at supporting rural households and small businesses. Financing is available under transparent conditions, which contributes to business development, improvement in the quality of life, and the expansion of entrepreneurial activities. ACF's products are adapted to the needs of clients, take into account the specifics of their income, and allow for flexible management of financial obligations.

Business Loans for Micro- and Small Entrepreneurs

ACF supports entrepreneurs by providing financing for business development, increasing inventory, expanding production, and other business-related purposes.

Microloan Amount:

from K7T 100.000 to K7T 63 million.

Term:

up to 60 months

Purpose:

financing for agriculture, trade, services, and manufacturing.

Product Features:

- Flexible repayment schedule that considers income seasonality.
- No commissions.
- · Individual approach to application review.

The Company adheres to the principles of responsible financing, ensuring the transparency of loan conditions, the accessibility of financial solutions, and support for clients at all stages of interaction. The Company annually improves its loan products, adapting them to client needs, simplifying application processes, and providing convenient lending conditions that contribute to the long-term financial stability of borrowers and the development of local communities.



ACF is among the top 15 MFIs in Kazakhstan by total assets and ranks second in terms of active rural clients.

Microloans for Agriculture

ACF actively supports agricultural entrepreneurs by providing financing for farming activities.

Microloan Amount:

from K7T 100,000 to K7T 3 million

Term:

up to 36 months

Purpose:

purchase of agricultural machinery, livestock, seeds, fertilizers, and development of animal husbandry and crop production.

Product Features:

- Considers the seasonal nature of borrowers' income.
- · Option for early repayment without penalties.
- Partial deferral of payments during difficult periods.

In 2024, ACF financed more than 37,000 clients, which contributed to an increase in agricultural production volumes and an improvement in food security in the regions.

Consumer Microloans for Improving Quality of Life

In addition to supporting entrepreneurial activities, the Company provides financing to improve the quality of life for its clients.

Microloan Amount:

from KZT 50,000 to KZT 3 million

Term:

up to 36 months

Purpose:

home repairs, purchase of appliances, payment for education, and payment for medical services.

Product Features:

- · Simplified microloan application process.
- $\cdot \;\;$ Option for early repayment without penalties.

In 2024, more than 2,000 families used this product to improve their quality of life and living conditions.

The Macroeconomic Situation and the Microcredit Market

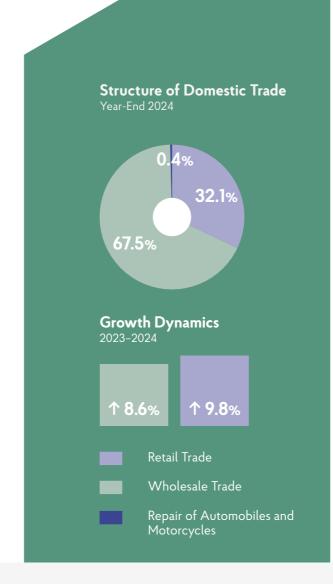
MACROECONOMIC CONDITIONS

In 2024, the economy of Kazakhstan showed signs of steady recovery, despite internal and external challenges. Economic growth accelerated, supported by a favorable external environment, stable fiscal policy, and government support measures. International rating agencies affirmed Kazakhstan's sovereign credit ratings: S&P at BBB- with a stable outlook, and Fitch at BBB with a similar outlook.

At the end of the reporting year, Kazakhstan's GDP amounted to KZT 135.251.7 billion, which is 4.8%

higher than the figure for year-end 2023. The main contributors to GDP growth were the trade sector (1.67%), industry (0.76%), construction (0.73%), and agriculture, forestry, and fisheries (0.52%). As a result, the GDP structure for 2024 was as follows: production of services at 58% of GDP, production of goods at 35%, and taxes on products at 7%.

The volume of domestic trade in 2024 grew by 9.1% compared to 2023. A significant share of the sector's total volume came from wholesale trade, which ac-



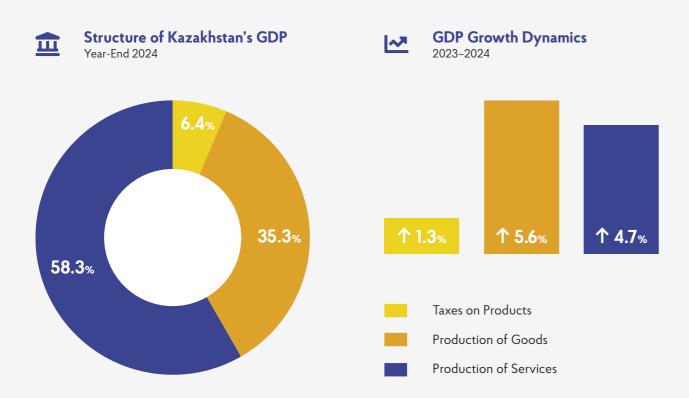
counted for 67.5%, retail trade for 32.1%, and the repair of automobiles and motorcycles for 0.4%. Wholesale trade volume grew by 8.6%, and retail trade by 9.8%.

In 2024, the gross output of livestock farming increased by 3.6% compared to 2023. The volume of livestock and poultry slaughtered in farms or sold for slaughter (live weight) grew by 3.9%, cow's milk production by 4.4%, and chicken eggs by 1.3%.

At the end of 2024, 45% of cattle were registered to household farms; 44.4% to peasant or farm enterprises and individual entrepreneurs; and 10.6% to agricultural enterprises.

For sheep: 39.5% were registered to household farms; 53.6% to peasant or farm enterprises and individual entrepreneurs; and 6.9% to agricultural enterprises.

The trade balance surplus at the end of 2024 was USD 21.8 billion, an increase of USD 3.1 billion for the year. This improvement was driven by a 3.1% increase in exports and a 1% decrease in imports. In 2024, revenues from the export of metals and metal products, as well as chemical industry products, increased. A restraining effect was caused by a decrease in the export of animal products and fuel and energy goods. The decrease in imports was mainly due to a reduction in the supply of machinery and equipment, which, in turn, was explained by the completion of an investment cycle at major oil fields.







Key macroeconomic factors remained stable external reserves and a moderate level of public debt.

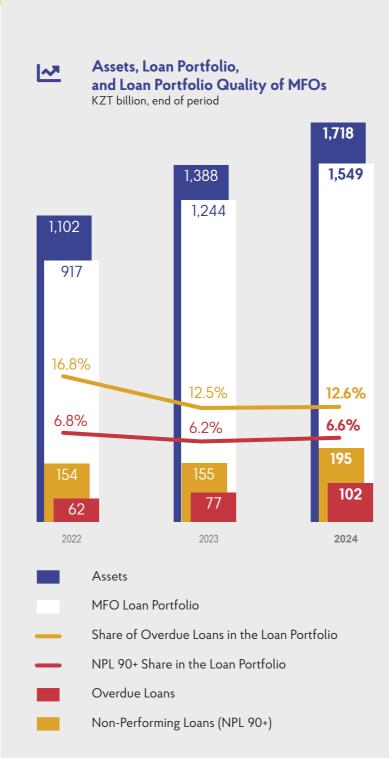
Inflation in 2024 was 8.6% (down from 9.8% a year earlier), remaining above the National Bank's target corridor. In response to inflationary risks, the regulator raised the base rate to 15.25%, which affected the cost of borrowing in the economy.

The Tenge weakened by 15% against the US dollar, ending the year at 525 Tenge per dollar. The main factors for the weakening of the national currency were the strengthening of the US dollar in global markets, fluctuations in commodity prices, and sanction restrictions against Russia. To stabilize the exchange rate, the National Bank conducted currency interventions in November and December of the reporting year totaling USD 1.36 billion and sold USD 10.2 billion from the National Fund during the year to finance budget transfers.

STATE OF THE MICROCREDIT MARKET

The microcredit sector in Kazakhstan continued to show growth in 2024, despite a slowdown in lending growth rates and a reduction in the number of market players. Increased regulation and market factors led to a decrease in the number of microfinance organizations (MFOs) from 229 to 214, while the sector's total assets grew by 24% to reach KZT 1.7 trillion. Loans to customers constituted the main component of assets (80%), the volume of which also increased by 24%, reaching KZT 1.5 trillion. The share of MFOs in the total volume of loans to the economy remained at 2.9%, with a significant portion of loans still being issued by banks. The share of non-performing loans (NPL 90+) remained at a relatively stable level of 6.6%.

The ten largest MFOs controlled 75% of the sector's assets and loan portfolio, and 50% of its net profit. Key market players continued to hold leading positions. KMF was the leading MFO, with assets of KZT 336.3 billion and a loan portfolio of KZT 281.6 billion. The Company has already received approval to be converted into a bank. Other major players included Toyota Financial Services and MyCar Finance, both of which are actively developing their auto lending segments. Solva, also known as OnlineKazFinance, improved its performance and plans to transform into a bank, although it received a rejection from the regulator. Rounding out the top five was Shinhan Finance, which strengthened its position through strategic partnerships with car dealerships. The statistics indicate that the sector is showing a consolidation trend, with a few large players forming the core of the market.





Number of Active MFO	S	
228	229	214

2023

Among the fast-growing market participants are Freedom Finance Credit, Mogo Kazakhstan, and Express Avans (TimeZaim), which are demonstrating active growth and development. The overall situation in the sector points to a gradual market transformation, where leading companies are diversifying their funding sources and striving to increase their stability in a changing economic environment.

2022

Financial indicators reflected the sector's growth, but with a slowdown in profitability. The financial regulator's decision in September 2024 to reduce the maximum annual effective interest rate for borrowers from 56% to 46% had a significant impact on financial performance. MFO revenues increased by 8%, while expenses rose by 12%, which led to a 9% decrease in profit to KZT 90 billion. Return on assets and return on equity also showed a negative trend, in contrast to the banking sector, where assets grew by 20% and

profitability by 17% over the same period. The asset structure changed slightly, but there was a noticeable increase in investments in securities and deposits placed. The share of loans in liabilities decreased, while bond issues and equity increased by 24%. This indicates a diversification of funding sources. The rising cost of borrowed funds and falling profitability have prompted leading players to convert into commercial banks, as previously noted.

ACF ranked 11th among the largest microfinance organizations in Kazakhstan. At the end of the reporting period:

- The Company's assets amounted to KZT 40.5 billion
- Loan Portfolio KZT 37.1 billion, meaning that loans represent almost the entire asset structure.
- Share in total sector assets 2.4%, indicating a relatively small but stable market position.

Loan Portfolio

Share

Top 15 Largest MFOs in Kazakhstan (as of year-end 2024, in thousands of KZT)

#	MFOs	Assets	(principal debt)	in Total Assets
1	MFO "KMF" JSC	336,348,553	281,631,331	19.6%
2	MFO "Toyota Financial Services Kazakhstan" LLP	256,507,904	209,495,418	14.9%
3	MFO "MyCar Finance" LLP	173,229,458	171,271,783	10.1%
4	MFO "OnlineKazFinance" JSC	129,856,099	123,058,776	7.6%
5	MFO "Shinhan Finance" LLP	102,793,080	95,465,411	6.0%
6	MFO "FREEDOM FINANCE Credit" LLP	64,524,295	56,395,031	3.8%
7	MFO "TAS FINANCE GROUP" LLP	63,434,755	58,595,682	3.7%
8	MFO "Arnur Credit" LLP	54,107,657	50,888,940	3.1%
9	MFO "Lending and Finance technologies" LLP	45,982,369	63,486,476	2.7%
10	MFO "R-Finance" LLP	41,843,031	33,685,323	2.4%
11	MFO "Asian Credit Fund" LLC	40,531,614	37,071,462	2.4%
12	MFO "FintechFinance" LLP	35,217,010	36,152,335	2.0%
13	MFO "Robocash.kz" LLP	32,201,608	40,315,820	1.9%
14	MFO "BNK Finance Kazakhstan" JSC	24,014,860	20,035,883	1.4%
15	MFO "Mogo Kazakhstan" LLP	22,753,618	15,152,331	1.3%

Performance results

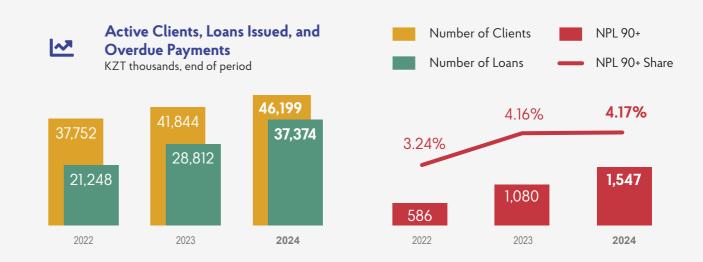
OPERATING INDICATORS

At the end of the reporting year, ACF demonstrated strong growth in key operating indicators. The loan portfolio increased by 43% compared to the previous year, reaching KZT 37.1 billion, fully in line with the established annual plan.

The number of active clients grew by 10% to 46,199, which represents 98% of the target figure. The average monthly disbursement volume was KZT 3.1 billion, 30% higher than the same indicator in 2023. The total volume of loans disbursed during the year reached KZT 37.4 billion.

At the end of 2024, loans issued to agricultural producers continued to dominate the Company's loan portfolio structure, with their share amounting to 81.5%. The share of business loans decreased from 13.4% in 2023 to 10.6%, while the proportion of consumer loans increased to 7.9% compared to 4.5% a year earlier, reflecting a rise in consumer activity among the Company's clients.

The NPL 90+ level was 4.2%, which is significantly lower than the market indicator of 6.6%. The Portfolio at Risk level (PAR 30+) remained stable at 5.06%,



which is slightly higher than the previous year's figure (4.99%) but is in line with forecast values.

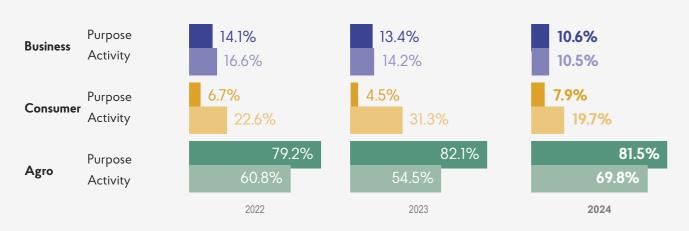
During the year, the Company expanded its regional presence, increasing the number of offices from 61 to 66. The Company opened two additional offices beyond the initial budget during the year, driven by high market activity and growing demand for microfinance services.

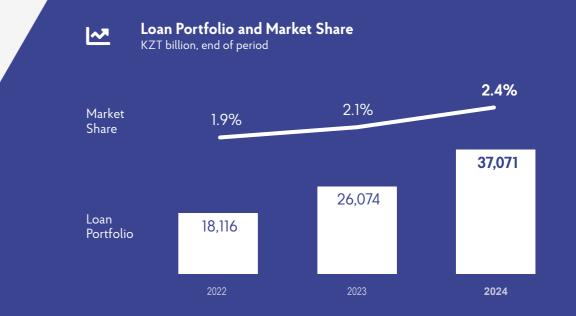
The Company places special emphasis on the development of rural regions. 89% of ACF's offices are lo-

cated in rural areas. The share of borrowers residing in rural areas has remained unchanged over the last 5 years at 92%.

ACF also continues to support financial inclusion for women, who make up 59% of the Company's total clients. They account for 56% of the active loan portfolio.

Analysis of Loan Portfolio Structure by Loan Purpose and Borrower Activity Type 2022-2024







As of December 31, 2024, the Company's consolidated assets amounted to KZT 40.3 billion, having increased by 24%, or KZT 7.5 billion, compared to the previous year. The main driver of asset growth was the increase in ACF's loan portfolio, which grew by 42%. The loan portfolio constituted 93% of total assets.

As of December 31, 2024, the Company's liabilities amounted to KZT 34.3 billion, an increase of 19%, or KZT 5.5 billion, from the previous year. Subordinated,

unsecured loans in KZT accounted for KZT 2.9 billion. 99% of liabilities are comprised of funds attracted from credit institutions.

The Company's equity as of December 31, 2024, stood at KZT 6.0 billion. The 49% increase in equity is due to capital growth from an additional contribution to the Charter Capital of KZT 954.0 million and the reinvestment of profit, which positively affects the Company's stability. Net profit for the year grew by 29%.

				criange
Indicator	2022	2023	2024	2024/2023
Assets	26,628,762,000	32,782,752,000	40,301,503,324	24%
Including loans to customers, of which:	18,341,789,000	26,364,604,227	37,540,954,078	42%
Provisions	782,951,444	1,326,402,643	1,868,828,575	41%
Liabilities	23,237,793,237	28,744,172,750	34,281,031,320	19%
Including funds from credit institutions	23,003,136,000	28,349,790,392	34,080,424,282	20%
Equity	3,390,968,763	4,038,579,251	6,020,472,003	49%
Including retained earnings	2,837,172,000	3,484,782,488	4,512,675,241	29%

The 42.8% increase in interest income and the 45.1% increase in interest expense at year-end 2024 compared to 2023 are related to the growth of the loan portfolio. As a result, net interest income was KZT 5.3 billion, an increase of 39.5% or KZT 1.5 billion in 2024.

Operating expenses increased by 39.2%, or KZT 1.2 billion, while the growth in operating expenses was lower than the growth in interest income, which indicates controlled business growth. At the end of 2024, the Company's net profit increased by 37.8% compared to the previous year, amounting to KZT 1.15 billion.

			change
2022	2023	2024	2024/2023
6.46	9.07	12.95	42.8%
6.46	9.07	12.95	42.8%
3.34	5.24	7.61	45.1%
2.81	4.51	6.69	48.2%
0.51	0.68	0.87	27.4%
0.02	0.05	0.05	10.5%
3.13	3.83	5.34	39.5%
0.01	0.27	0.35	28.1%
2.18	3.05	4.25	39.2%
0.97	1.05	1.44	37.5%
-0.16	-0.01	0.05	-581.6%
0.80	1.04	1.49	43.2%
0.17	0.20	0.33	66.0%
0.63	0.84	1.15	37.8%
	6.46 6.46 3.34 2.81 0.51 0.02 3.13 0.01 2.18 0.97 -0.16 0.80 0.17	6.46 9.07 6.46 9.07 3.34 5.24 2.81 4.51 0.51 0.68 0.02 0.05 3.13 3.83 0.01 0.27 2.18 3.05 0.97 1.05 -0.16 -0.01 0.80 1.04 0.17 0.20	6.46 9.07 12.95 6.46 9.07 12.95 3.34 5.24 7.61 2.81 4.51 6.69 0.51 0.68 0.87 0.02 0.05 0.05 3.13 3.83 5.34 0.01 0.27 0.35 2.18 3.05 4.25 0.97 1.05 1.44 -0.16 -0.01 0.05 0.80 1.04 1.49 0.17 0.20 0.33



According to the Strategic Plan, the Company's loan portfolio is projected to grow by an average of 35% to 40% annually over the 3-year period.

The ROA indicator reflects the amount of profit per unit of asset value. At the end of 2024, this indicator was 3.1%.

The ROE indicator reflects the amount of profit per unit of equity, i.e., how effectively the invested capital was used. At the end of 2024, the ROE indicator was 22.9%.

Profitability Ratio Dynamics

Indicator	2023	2024
Return on Assets (ROA)	2.80%	3.10%
Return on Equity (ROE)	22.50%	22.90%
Financial Leverage (Leverage Ratio)	4.0	3.9
Capital Adequacy Ratio (CAR)	16.90%	21.80%

DEVELOPMENT STRATEGY

The Company has adopted its next three-year Strategic Development Plan for 2024–2026. The strategic plan was developed based on an analysis of the competitive environment, a SWOT analysis of the Company itself, and customer-centricity. The Strategic Plan was approved by the Supervisory Board and the General Assembly of Participants in December 2023. The plan will be updated annually until its completion.

According to the Plan, the Company's long-term goal is to provide and expand access to financial services, namely microloans, for rural residents in the country's rural regions. The Company intends to continue expanding its presence in existing markets through the digitalization of lending processes and to carry out geographical expansion with a physical presence predominantly in rural regions. According to the Strategic Plan, the Company's loan portfolio is projected to grow by an average of 35% to 40% annually over the 3-year period. It is anticipated that this growth will be achieved through increased sales in current markets and by increasing the number of branches by at least 5 annually. Growth will also be driven by the adopted Plan for the digitalization of the Company's business processes, aimed at increasing the

efficiency of the credit process and reducing borrower service time, which will lead to increased loyalty to the Company. The digitalization plan includes a section on the further improvement of the Company's infrastructure and technological base, and the development of digital communication tools with borrowers, including but not limited to the development of mobile applications for credit staff and borrowers, and programs to improve the digital literacy of Company staff and borrowers. The Company intends to update its existing Automated Banking System to a technologically new one. This will allow the Company to build its technological capacity and differentiate its processes from competitors. The Strategic Plan includes the development and offering of specialized loan products for women entrepreneurs and "green" financing. The Plan also includes the further digitalization of other Company business processes beyond lending, such as an automated HR management system and electronic document management.

The growth of the Company's assets will be supported by additional capital injections from the Company's Participants and potentially new investors, as well as by obtaining funding from international investors, local banks, and the Kazakhstan Stock Exchange through the issuance of Company bonds.

The Company's HR policy will continue to focus on nurturing leaders from the current staff, so-called internal promotion. For positions requiring specialized knowledge and experience, hiring will be conducted externally.

The Company intends to strengthen its work on ESG, including corporate governance, risk management (including climate risks), and will continue its work on the social aspects of the Company's activities.

Corporate Governance

CORPORATE GOVERNANCE SYSTEM

ACF has established an effective corporate governance system that ensures transparency in decision-making processes. The Company's governance framework is built on the principles of integrity, fairness, respect for human rights, openness, transparency, ethical conduct, accountability, and professionalism.

The corporate governance system at ACF is based on efficient interaction among all governing bodies: the General Assembly of Participants, the Supervisory Board, its associated committees, the Management Board, and the Chairperson of the Management Board. The structure clearly defines the roles and responsibilities distributed among the Company's governance bodies.

ACF's approach to corporate governance is guided by the applicable laws and regulations of the Republic of Kazakhstan. The following internal

documents form the foundation of the Company's corporate governance framework:

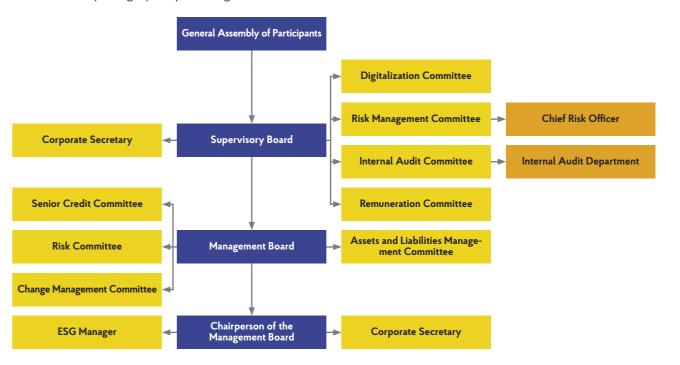
- Charter
- · Regulations on the Supervisory Board
- Regulations on the Audit Committee and the Risk Management Committee under the Supervisory Board
- Supervisory Board Compensation and Expense Reimbursement Policy
- · Regulations on the Management Board
- · Related Party Transactions Policy
- Corporate Governance CodeIncome Distribution Procedure
- Minutes of the Supervisory Board meetings
- Minutes of the General Assembly of Participants
- Resolutions of the Management Board and executive orders

The Company's approach to sustainable development is outlined in the Sustainability Policy, approved by ACF's Supervisory Board in March 2024.

STRUCTURE AND CORPORATE GOVERNANCE BODIES

The corporate governance structure of ACF is defined by the Company's Charter and internal regulatory documents. The key governing bodies include:

- · Supreme Body General Assembly of Participants
- · Governance Body Supervisory Board
- · Executive (Collegial) Body Management Board



PRINCIPLES OF CORPORATE GOVERNANCE

ACF recognizes its responsibility and the importance of a robust corporate governance system as a key factor in the Company's long-term success. The principles and procedures governing corporate governance are set out in the 'Corporate Governance Code', approved by the General Assembly of Participants. This Code supports the continuous improvement of the governance framework, ensuring greater transparency and alignment with international best practices.

An effective corporate governance structure requires respect for the rights and interests of all stakeholders and contributes to the Company's overall success — including sustainable growth in market value, financial stability, and long-term profitability.

Key Principles of Corporate Governance at ACF:

- · Protection of participants' rights and interests
- Effective oversight by the Supervisory Board and Management Board

- Transparency and objectivity in corporate disclosures
- Compliance with legal requirements and high standards of corporate culture and business ethics
- Effective human resource policies

Changes Introduced During the Reporting Period:

- On September 25, 2024, amendments were made to the Charter in connection with the redistribution of shares among participants of the LLC
- By resolution of the Supervisory Board dated May 13, 2024, Talgat Salikhov was appointed as a member of the Risk Management Committee
- By resolution of the Supervisory Board dated August 28, 2024, Jana Chmelnizki was appointed as a member of the Audit Committee
- By resolution of the Supervisory Board dated December 19, 2024, Talgat Salikhov was appointed as Chairperson of the Risk Management Committee

GENERAL ASSEMBLY OF PARTICIPANTS

The General Assembly of Participants is the highest governing body of ACF, where participants engage in governance by exercising their voting rights on agenda items.

In 2024, the General Assembly of Participants was convened 46 times, which included one Annual General Assembly of Participants and 45 Extraordinary General Assembly of Participants.

ACF has the following ownership structure:

- BOPA Pte LTD: ownership share 98.69%. BOPA is a holding company registered in Singapore. BOPA specializes in supporting microfinance organizations in their growth stage. The ultimate beneficial owners of BOPA are both individuals and legal entities, including international development institutions.
- Karavella Invest LLP: ownership share 1.31%. The founders of this company are employees of ACF.

As of December 31, 2024, the shares of the ultimate participants of BOPA Pte LTD are distributed as follows:

Ownership Share, %
30.31%
25.87%
17.33%
26.49%

The ultimate beneficial owners of Karavella Invest LLP are individuals from among the employees of MFO "ACF" LLC.

SUPERVISORY BOARD

The Supervisory Board is a permanent collegial governing body. The activities of the Supervisory Board are aimed at creating the necessary conditions to maintain the stability of the Company's operations and its development as a microfinance company, increasing capitalization and investment attractiveness, ensuring effective control over the management of assets, investment, and financial and economic activities, improving the effectiveness and transparency of internal governance mechanisms, enhancing the system of control and accountability of the Company's governing bodies, and observing the rights of the Company's participants.

The competencies of the Supervisory Board include the following matters:

- Petitioning the General Assembly of Participants to make amendments and additions to the Charter.
- Preliminary review of the financial statements before their submission to the General Assembly of Participants and making proposals on the distribution of income.
- Making decisions on the pledge of the Company's property in an amount not exceeding 75% of the Company's total property.
- Making decisions on concluding a transaction or a series of interconnected transactions as a result of which the Company acquires or disposes of property, if such a decision does not fall under the exclusive competence of the General Assembly of Participants.
- Presenting the business plan and annual budget, as well as an evaluation of the Supervisory Board's work, for consideration by the General Assembly of Participants.
- Preliminary review of the Credit, Accounting, and Tax Policies for their further approval by the General Assembly of Participants.

- Approving the ACF's HR Policy, internal regulations and rules of the Company, as well as other documents regulating the internal activities of the Company that are not assigned to the exclusive competence of the General Assembly of Participants.
- · Approving new programs and projects.
- Submitting proposals to the General Assembly of Participants regarding participation in other legal entities
- At any time, conducting audits of the financial and economic activities of the ACF's Management Board with the right of unconditional access to all of the Company's documentation.
- Appointing the Audit Committee of the Supervisory Board, the Head of the Internal Audit Department of the Company, the Internal Control Service, the Risk Manager, the Risk Management Committee of the Supervisory Board, and approving the Regulations on Internal Audit.
- Approving an independent auditor to conduct an audit and confirm the accuracy of the financial statements in accordance with the legislation of the Republic of Kazakhstan and IFRS.

The members of the Supervisory Board are accountable to the General Assembly of Participants. Members of the Supervisory Board are elected at the General Assembly of Participants for a term of 3 years and may hold their positions for no more than two consecutive terms, with the exception of members appointed by the Company's participants, who may hold their positions without any term limits. Candidates for membership on the Supervisory Board may be nominated by the Company's participants. Discrimination on any grounds is not permitted when forming the composition of the Supervisory Board. The election of members takes place within a transparent procedure that allows for the selection of candidates based on qualification requirements and personal qualities. The approval of a new member of the Supervisory Board is assigned to the Chairman of the Supervisory Board.

As of December 31, 2024, the Supervisory Board consisted of 7 members, of whom 2 were women (29%), and 6 members (86%) were independent board members. The members of the Supervisory Board are highly qualified specialists with skills in the financial and microfinance sectors, digitalization, and strategic business planning.

In 2024, 4 regular meetings and 45 extraordinary meetings of the Supervisory Board were held. At the regular meetings of the Supervisory Board, 55 issues were reviewed.

During 2024, a number of policies and internal documents approved by the Supervisory Board were updated to bring them into compliance with changes in the legislation of the Republic of Kazakhstan and changes in the Company's internal processes. In particular, the following documents were updated:

- · Updated "Related Parties Policy",
- Updated "Accounting Policy",
- · Adopted "Corporate Governance Code",
- · Adopted "Income Distribution Procedure",
- · Updated "Microloan Provision Procedure",
- Updated "Charter",
- · Updated "HR Policy" and "Code of Ethics",
- · A new organizational structure was adopted.

In the area of sustainable development, the Supervisory Board reviewed quarterly reports on the implementation of the ESG roadmap for 2024 and reviewed and approved the following documents regulating the sustainable development of ACF:

- · Sustainable Development Policy,
- Stakeholder Engagement Policy,
- · Environmental and Social Responsibility Policy,
- ESG Policy.
- Social Strategy, and
- ESG Strategy for 2025–2026.

In 2024, no performance evaluation of the Supervisory Board was conducted.



Share of Independent Members 86%(6 out of 7)

COMPOSITION OF THE SUPERVISORY BOARD



Christian Andersen
Chairman of the Supervisory Board,
representative of participant BOPA Pte LTD

Education:

 2004–2005 — International Institute for Management Development (IMD), Lausanne, Switzerland, Master of Business Administration

Work Experience:

- October 2011-Present BOPA Pte Ltd, Executive Director, Co-founder. Board Member: KIF (Timor-Leste), ACF (Kazakhstan), Chamroeun (Cambodia); Chairman of the Board Alliance (Myanmar)
- May 2008–September 2011 Intralox LLC, Japan, Manager and Team Lead for the Asia-Pacific Region
- September 2006-April 2008 Global Microfinance Group, Japan, Vice President, SE Asia
- · January 1999-October 2005 EAC Ltd. Japan, Regional Manager
- · October 1997 January 1999 EAC Ltd. Japan, Manager
- · October 1995-October 1997 EAC Trading Ltd, Denmark, Tender Manager



Marco de Natale
Independent Member of the Supervisory Board

Education:

- 1998–1999 Master of Science in Management Science and Engineering, Stanford University
- 1992–1997 Bachelor's in Economics and Finance, Luigi Bocconi University of Commerce (Università Commerciale 'Luigi Bocconi')

Work Experience:

- April 2019-Present LFS Advisory GmbH, Berlin, Strategic Finance Manager
- December 2017-November 2019 Pomegranate Impact Finance, Russia, Co-founder and Executive Director
- February 2015–September 2017 FINCA International, Russia, Executive Director
- January 2012–January 2015 FINCA International, Azerbaijan, Chief Financial Officer (CFO)
- November 2009–January 2012 BlueOrchard Finance, Africa and the Middle East, Regional Manager
- 2007-November 2009 Barclays Capital, Associate Director, Commodity Derivatives
- · 2004-2007 Credit Suisse First Boston, Southern Europe, Vice President
- · 2000–2004 Merrill Lynch, Southern Europe, Vice President
- 2003 Japan-Uzbekistan Small Business Support Program, Consultant on Microfinance and SME Lending



Senad Sinanovic *Independent Member of the Supervisory Board*

Education

· Certified Economist, MBA candidate

Work Experience:

- September 2000-Present Partner Microcredit Foundation, Bosnia and Herzegovina, Director
- September 1999–September 2000 MC/SEA, Economic Development Department (EDD), Bosnia and Herzegovina, Credit Manager
- June 1999–September 1999 MC/SEA, Economic Development Department (EDD), Bosnia and Herzegovina, Branch Director
- April 1997-June 1999 MC/SEA, Economic Development Department (EDD), Bosnia and Herzegovina, Loan Officer



Don Ginsel
Independent Member of the Supervisory Board

Education:

- · 2001–2002 Erasmus University Rotterdam, Business Administration
- 1995–2004 Delft University of Technology (Technische Universiteit Delft), Netherlands, Master's in Civil Engineering

Work Experience:

- · 2014-Present Holland FinTech, Founder
- · November 2017-Present FINTECH ÆRA, President
- · January 2013-Present Capital Waters, Co-founder
- · June 2010-Present Principe Management, Founder
- · February 2013-February 2016 Rockstart, Mentor
- · January 2013-September 2015 Stichting New Venture, Mentor
- · September 2013–June 2014 Fuel up, Commercial Director
- $\cdot\,\,$ June 2012–December 2012 Dnamo Incubator, Strategy Consultant
- · January 2012–December 2012 TU Delft, Business Development Manager
- January 2011–December 2011 ICOS Capital Management, Investment Manager
- June 2010-November 2011 ReSteel International BV, Financial and Operations Director
- May 2010–December 2010 Credit umbrella, Deutsche Bank Nederland N.V., Team Manager
- March 2008–July 2008 ABN AMRO Bank N.V., NEWbank Project Manager for Risk Management
- February 2007–February 2008 ABN AMRO Bank N.V., Assistant Director for Risk Management
- February 2004–January 2007 ABN AMRO Bank N.V., Financial Relationship Manager



COMPOSITION OF THE SUPERVISORY BOARD



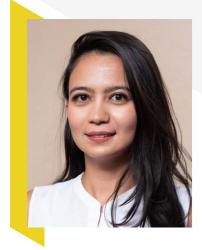
Jana Chmelnizki Independent Member of the Supervisory Board

Education:

· 2003 – Berlin School of Economics, Master's in Economics (Diplomkauffrau)

Work Experience:

- January 2017–December 2022 Advans Microfinance Organization, Myanmar, CEO
- September 2014-December 2016 FINCA Tajikistan Microfinance Credit and Deposit Institution, CEO
- · July 2013-August 2014 FINCA Malawi, CEO
- September 2010 June 2013 FINCA International, Latin America, Deputy Regional Director of Operations
- · August 2009-August 2010 FINCA Kyrgyzstan, Chief Operating Officer
- March 2008–July 2009 FINCA International, Ukraine, Regional Training and Technical Support Manager
- 2005–2006 Microfinance Bank of Azerbaijan, Branch Manager / Senior Banking Advisor
- 2003–2005 Financial Institution for Micro and Small Enterprises of Tajikistan, Microfinance and Lending Consultant
- 2003 Japan-Uzbekistan Small Business Support Program, Consultant on Microfinance and MSME Lending



Sevara Siradjeva *Independent Member of the Supervisory Board*

Education:

- · 2008–2011 University of Sunderland, MBA, Finance
- · 2006–2010 University of Westminster, Business Informatics

Work Experience:

- July 2022-Present EPAM Systems, Product Development
- · April 2022–July 2022 TBC UZ, Uzbekistan, Head of Front Office
- February 2021–July 2022 TBC UZ, Uzbekistan, Head of Customer Relations
- · April 2020-February 2021 TBC UZ, Uzbekistan, Agile Coach
- · March 2018-March 2020 D:CODE, Uzbekistan, Senior Product Manager
- October 2017–March 2018 UNDP, Information Technology Expert
- · November 2016–October 2017 B-DATA, United Kingdom, Project Manager
- · September 2016–October 2016 Optimizely, USA, Product Manager Intern



Talgat Salikhov *Independent Member of the Supervisory Board*

Education:

- 2012–2013 Imperial College London, United Kingdom, Master's in Transport and Business Management
- 2008–2011 The University of Nottingham, United Kingdom, Bachelor's in Civil Engineering

Work Experience:

- · 2023-Present Montazhspetsstroy JSC, Member of the Board of Directors
- · 2021-Present Tengri Partners Principal Investments LLP, Kazakhstan, CEO
- April 2018–2021 Tengri Partners Investment Banking JSC, Kazakhstan, Head of Financial Advisory and Merchant Banking, Member of the Board of Directors
- August 2017–April 2018 Center for Strategic Initiatives LLP, Kazakhstan, Project Manager
- October 2014–August 2017 PricewaterhouseCoopers LLP, Kazakhstan, Senior Consultant
- September 2013-November 2014 Mott MacDonald Group Ltd., United Kingdom, Transport Consultant
- 2003 Japan-Üzbekistan Small Business Support Program, Consultant on Microfinance and MSME Lending



COMMITTEES OF THE SUPERVISORY BOARD

For the purpose of effective governance, as of December 31, 2024, ACF had 4 functioning committees:

- · Internal Audit Committee
- · Risk Management Committee
- · Digitalization Committee
- · Remuneration Committee

Three of the four committees were chaired by independent members of the Supervisory Board.

Members of the Supervisory Board	Internal Audit Committee	Risk Management Committee	Digitaliza- tion Committee	Remunera- tion Committee
Christian Andersen	✓			✓
Senad Sinanovic		✓		
Marco de Natale	~	~		~
Don Ginsel		~	✓	
Jana Chmelnizki	✓		✓	
Talgat Salikhov		~		
Sevara Siradjeva			✓	

Internal Audit Committee

 $\begin{array}{l} \text{Committee Chairman} - \text{Marco de Natale} \\ \text{Number of members} - 3 \end{array}$

The Audit Committee was established to assist the Supervisory Board in fulfilling its oversight responsibilities. The Committee recommends the appointment or dismissal of auditors, agrees on the cost and quality of the audit, initiates investigations, requests information, monitors the implementation of board decisions, and engages experts when necessary.

During the reporting period, 5 meetings were held, and 21 issues were reviewed in accordance with its goals, objectives, and competencies.

Key highlights reviewed by the Committee in 2024:

- The Company's annual financial statements and the management letter
- Approval of the annual internal audit plan and budget for 2024
- Reports on the results of audits of branch activities
- Issues related to the ongoing activities of internal audit (organizational structure of internal audit, development and amendment of internal corporate documents)

Risk Management Committee

Committee Chairman – Talgat Salikhov Number of members – 4

The Committee assists the Supervisory Board in overseeing risk management, including policies and practices for managing credit, market, operational, and other risks. The Committee has the right to conduct investigations, engage experts, and propose changes to policies and programs to the Board.

During the reporting period, 4 meetings were held, at which reports on risks (credit, market risks, liquidity risk, operational risks), the results of stress testing and sensitivity analysis, and compliance with internal and external limits and prudential standards were reviewed.

Digitalization Committee

Committee Chairman – Don Ginsel Number of members – 4 (including one expert from BOPA)

The Committee focuses on the development and implementation of innovative digital financial solutions that support the strategic development of the Company. The Committee promotes the adoption of advanced technologies to improve the quality of services provided.

During the reporting period, 6 meetings were held, and 12 issues were reviewed in accordance with its goals, objectives, and competencies.

Key highlights reviewed by the Committee in 2024:

- Approval and implementation of the high-level digitalization plan
- Reports on the current status of major IT projects
- Approval of the tender application for the selection of an Automated Banking System (ABS)
- Reports on the status of the ABS selection project
- Emergency response plan for IT system failures

Remuneration Committee

 $\begin{array}{l} \text{Committee Chairman} - \text{Christian Andersen} \\ \text{Number of members} - 2 \end{array}$

The Committee was established to assist the Supervisory Board in fulfilling its duties of overseeing the remuneration system for executive management and other positions accountable to the Supervisory Board, including internal audit and risk management.

During the reporting period, 1 meeting was held, where issues were reviewed regarding the approval of the Management Board's annual achievements and compensation based on 2023 performance, and the setting of annual goals for Management Board members for 2024.



MANAGEMENT BOARD

The ACF Management Board was established in 2023. The Management Board is the highest collegial executive body of the Company, responsible for operational management and the implementation of the strategy approved by the Supervisory Board.

The main objectives of the Management Board's activities are to ensure the effective fulfillment of the tasks facing the Company and the implementation of its development strategy. In fulfilling these objectives, the Management Board is guided by the following core principles: honesty, integrity, reasonableness, prudence, regularity, as well as maximum observance of the rights and interests of the Company's participants and accountability to the decisions of the General Assembly of Participants and the Supervisory Board of the Company.

The Supervisory Board determines the quantitative and personal composition of the Management

Board, its term of office, the election of its Chairman and members, as well as the early termination of their powers.

As of the end of 2024, the Management Board consisted of 3 members, including one woman.

Meetings of the Management Board are held on a regular basis according to an approved schedule of meetings but can be convened on an extraordinary basis in case of urgency. During the reporting period, 45 meetings were held. In the area of sustainable development, the Management Board reviewed monthly reports on the implementation of the ESG roadmap for 2024, as well as policies and procedures, prior to their review by the Supervisory Board.

The effective operation of the Management Board is supported by the following committees:

Sustainable Development and Risk Management Corporate Social Responsibility Corporate Social

Senior Credit Committee

Implements and monitors
the implementation of
ACF's credit policy

Risk Committee

Reviews early response measures to risks

Change Committee

Approves changes
to the Company's IT systems
related to the improvement
of business processes in the field of
information technology and security

Asset and Liability Management Committee

Responsible for controlling financial risks: liquidity, interest rate, currency, as well as investment, operational, and credit risks

34 Annual report, 2024 Asian Credit fund 35

COMPOSITION OF THE CURRENT MANAGEMENT BOARD



Zhanna Zhakupova
Chairperson of the Management Board

Education:

- 2003–2005. Stonier Graduate School of Banking, American Bankers Association, Washington, D.C., USA
- 1994–1996. Kazakhstan Institute of Management, Economics and Strategic Research (KIMEP), MBA, Finance
- · 1984-1989. Tomsk Medical Institute, Pharmacist

Work Experience:

- · July 2023-Present MFO "ACF" LLC, Chairman of the Management Board
- · June 2006-July 2023 MFO "ACF" LLC, Executive Director
- · May 2002-June 2006 PF "ACF", Executive Director
- August 1998–May 2002 Mercy Corps, Kazakhstan, Head of Small Business Lending Program
- · August 1997-August 1998 Mercy Corps, Kazakhstan, Loan Officer
- August 1996–August 1997 USAID, Kazakhstan, Project Assistant for Privatization and Accounting Reform
- · May 1996-July 1996 Mercy Corps International, Kazakhstan, Accountant
- Prior to enrolling at KIMEP, she worked in several district pharmacies as a Senior Pharmacist and Deputy Manager



Azat Abdekeyev
Member of the Management Board

Education:

- · 2011-2013. University of Central Asia, Finance
- · 2000–2005. Kazakh National Technical University, Mechanical Engineering

Work Experience:

- · January 2019-Present MFO "ACF" LLC, Director of Business Development
- August 2018 January 2019 A Markets LLP, Director of the Representative Office for Brokerage Services
- December 2017–June 2018 VTB Bank Kazakhstan JSC (Subsidiary Bank), Branch Director
- August 2016–December 2017 Sberbank Kazakhstan JSC (Subsidiary Bank), Branch Director
- September 2014-August 2016 Sberbank Kazakhstan JSC (Subsidiary Bank), Deputy Branch Director for Retail Business
- February 2013-September 2014 Sberbank Kazakhstan JSC (Subsidiary Bank), Head of the Retail Business Department in the Corporate Channel
- September 2011–February 2013 Sberbank Kazakhstan JSC (Subsidiary Bank), Head of the Retail Business Department
- August 2007–September 2011 Sberbank Kazakhstan JSC (Subsidiary Bank), Regional Manager
- · January 2006-August 2007 BTA Bank JSC, Acquisition Manager
- · August 2005–January 2006 BTA Bank Kazakhstan JSC, Financial Advisor



Ulan Usenov *Member of the Management Board*

Education:

· 1996-2000 - American University in Kyrgyzstan, Business Administration

Work Experience:

- July 2023-Present MFO "ACF" LLC, Director of Business Support
- January 2019–July 2023 MFO "ACF" LLC, Director of Operations and Economic Affairs
- November 2009–January 2019 MFO "ACF" LLC, Director of Business Development
- September 2008-November 2009 MFO "ACF" LLC, Head of the Credit Administration and Information Systems Department
- December 2007–September 2008 Kompanion Financial Group, Kyrgyzstan, Head of Credit Administration
- September 2007-December 2007 Kompanion Financial Group, Kyrgyzstan, Branch Credit Manager
- November 2004–September 2007 Kompanion Financial Group, Kyrgyzstan, Credit Administrator
- November 2003-November 2004 UNIDO, Kyrgyzstan, National Expert/ Consultant on Financial Analysis and Investment Attraction
- December 2000-November 2003 National Bank of the Kyrgyz Republic, Economist, Senior Economist
- January 2000–December 2000 Dos-Kredo Bank OJSC, Specialist in the Investment and International Credit Lines Department



SUPERVISORY BOARD REMUNERATION

The procedure for calculating and paying remuneration to members of the Supervisory Board is regulated by the legislation of the Republic of Kazakhstan, the Charter, the Corporate Governance Code, and the decision of the General Assembly of Participants, and is established in the 'Remuneration and Expense Reimbursement Policy for the Supervisory Board of MEO "ACF" LLC' dated December 7, 2022.

The remuneration structure is based on the principles of effective governance, participation in meetings, and the fulfillment of duties within committees. The decision on remuneration is made by the Supervisory Board, taking into account the recommendations of the Remuneration Committee. Remuneration includes fixed payments (fees) for each meeting of the

Supervisory Board and participation in committees. According to the Remuneration and Expense Reimbursement Policy for the Supervisory Board, the Company compensates members of the Supervisory Board for the following expenses incurred in connection with their participation in meetings:

- Airfare to the location of the Board meeting and back.
- Accommodation for the time required to hold the meeting.
- · Transfers (to the airport and back).
- · Visa application expenses.
- Per diem expenses, paid to Board members for each day of their business trip.

In 2024, the total amount of remuneration paid to members of the Supervisory Board was KZT 31,287 thousand.

DIVIDEND POLICY

The ACF's Dividend Policy is focused not only on satisfying the interests of its participants but also on ensuring long-term financial stability, social responsibility, and an ecosystem contribution to the development of society.

The main objective of the Dividend Policy is to balance the economic interests of ACF's participants with social responsibility, which supports the concept of sustainable development within corporate activities.

The Company's Dividend Policy is based on the following principles, which contribute to achieving sustainable development:

• Financial stability and long-term development: The Dividend Policy takes into

account the need to maintain sufficient working capital to support the stability and development of the Company, as well as to ensure the Company's ability to meet its future obligations.

- Social responsibility: Within the framework of the dividend policy, the Company allocates a certain percentage of its annual net income to the Internal Social Fund to finance initiatives aimed at improving the financial literacy of clients, as well as to support charitable programs and other social projects.
- Balance of participants' interests: The Dividend Policy is focused on the equitable distribution of net income among participants, in proportion to their shares in the charter capital, which creates a fair and transparent system of relationships.

Key conditions determining the payment include:

- The absence of restrictions on dividend payments as stipulated by the legislation of the Republic of Kazakhstan.
- The availability of net income received after the payment of taxes and mandatory charges based on the results of the past financial year.
- The maintenance of financial stability. Dividend payments should not lead to a deterioration of the Company's financial condition or create a threat to its solvency.
- Contribution to the Internal Social Fund according to the approved percentage of annual net income.
- · A decision by the highest body of ACF.

Thus, the Company's Dividend Policy represents a strategic approach to profit distribution that supports a balance between economic stability and social responsibility.

The ACF's net profit for 2023, according to the audit report, amounted to KZT 837,254 thousand. In accordance with the decision of the General Assembly of Participants dated March 29, 2024, it was decided to pay dividends for 2023 in the amount of 15% of the annual net profit based on the results of the external audit. The dividend payment took place in April 2024 and amounted to KZT 107.0 million, excluding corporate income tax (CIT).

MANAGEMENT BOARD REMUNERATION

The remuneration system for the Chairman and members of the Management Board consists of a fixed monthly salary according to Grade 1 — the executive management salary level — with the payment of all required taxes and contributions to the state budget, and a variable component — an annual bonus. The amount of remuneration for Management Board members is determined and approved by the ACF Supervisory Board upon the recommendation of the Remuneration Committee. As additional compensation, members of the Management Board, like all ACF employees, have life insurance and are provided with corporate communication services. In addition to life insurance, Management Board members may have medical insurance.

The Grade thresholds may be revised every two years based on the results of a Kazakhstan labor market review performed by an independent consultant or company. The amount of annual bonuses is determined when setting annual targets for Management

Board members, based on the general scale of annual bonus sizes according to ACF's Bonus Policy, which is approved by the Supervisory Board.

The salaries of Management Board members are reviewed by the Supervisory Board's Remuneration Committee and approved by the Supervisory Board and the General Assembly of Participants of the Company. Annual targets are also set by the Supervisory Board upon the recommendation of the Remuneration Committee. At least one target must have a social or environmental focus. The size of annual bonuses is determined when setting goals, based on a unified scale in ACF's bonus policy. At the end of the year, after the Company undergoes an external audit and the achievement of the Company's goals is confirmed, the Remuneration Committee reviews the achievement of goals by each member of the Management Board. Based on the scores, the Committee recommends the amounts of the Management Board's annual bonuses to the Supervisory Board for approval. Changes to the Management Board's salary and the amount of the annual bonus are approved by the Supervisory Board and the General Assembly. If the Company does not achieve its goals, the annual bonus is not paid, or the Supervisory Board may approve a fixed amount as an incentive for management.

In 2024, the total amount of remuneration (including salary and annual bonuses) paid to members of the Management Board was KZT 98,787 thousand.

Bonus remuneration is not of a permanent nature and is paid depending on the results of the performance evaluation for the reporting financial year. The size of the bonuses is calculated individually for each member of the Management Board, taking into account the execution of key performance indicators (KPIs) set at the beginning of the reporting year.

RISK MANAGEMENT

Risk management at ACF is a continuous process that includes the identification, assessment, and monitoring of all major risks inherent in the Company's activities. The risk management process is crucial for maintaining the Company's stable profitability, and each individual employee of the Company is responsible for risks within their functional duties.

The Company is primarily exposed to credit risk, currency risk, and liquidity risk, as well as operational risks.

Risk Management Structure

The Company's risk management policy is aimed at identifying, analyzing, and managing the risks to which the Company is exposed. The primary method of risk management is setting limits for various risks and continuously monitoring them, as well as compensating for risks by creating provisions for potential losses. Risk management policies and procedures are reviewed on a regular basis to reflect changes in the market situation, offered products and services, and to comply with best practices.

Supervisory Board

The Company's Supervisory Board is responsible for the proper functioning of the risk management control system, for managing key risks, and for approving risk management policies and procedures. It also makes decisions on concluding a transaction or a series of interconnected transactions as a result of which the Company acquires or disposes of property, if such a decision does not fall under the exclusive competence of the General Assembly of Participants.

Company Management

The Company's management is responsible for implementing and monitoring the risk management process within the Company. The management ensures that the Company operates within the established risk limits. In turn, the relevant departments directly manage specific types of risks and, together with the legal counsel, conduct continuous monitoring of compliance with the requirements of current legislation.

Supervisory Board Risk Committee

The Risk Committee has overall responsibility for developing the risk management strategy and defines risk limits and risk ratio thresholds. It is responsible for important risk management issues and oversees the implementation of relevant decisions made regarding risks.

Risk Officer

The Risk Officer reports directly to the Supervisory Board and performs an independent risk management function. They develop the Risk Management Policy (system) and define risk limits for their further approval by the Supervisory Board. They oversee the implementation of the Risk Management Policy (system) approved by the Supervisory Board, interact with the ACF Management Board and Risk Owners, and participate in the work of collegial bodies for managing credit and market risks. The Risk Officer provides the Risk Committee of the Supervisory Board with a risk report on a regular basis. They organize and conduct the risk committee chaired by the Chairman of the Management Board.

Audit Committee

The main objective of the Audit Committee is to assist the Company's Supervisory Board in the effective execution of its function of controlling the Company's financial and economic activities, assessing the adequacy of the internal control system, and monitoring the effectiveness of internal and external audits.

Risk Owners

Within the framework of risk management, each structural unit is responsible for implementing and carrying out procedures related to risk management. It develops internal policies and procedures aimed at identifying, assessing, and controlling risks within its activities and area of responsibility, in accordance with the Risk Management Policy (system) approved by the ACF Supervisory Board.

Internal Audit

The Company's risk management processes are annually reviewed by the Internal Audit Department, which examines both the adequacy of procedures and the Company's compliance with these procedures. The

Internal Audit Department discusses the results of its reviews with management and presents its findings and recommendations to the Audit Committee.

Organization of the Risk Management System

The organization of the risk management system at ACF is built on four lines of defense:

- First line: at the level of structural units and branches, in terms of identifying, assessing, and monitoring risks.
- Second line: at the level of the Chairman of the Management Board and collegial bodies, in terms of risk control.
- Third line: at the level of the Risk Committee of the Supervisory Board and the Risk Officer, in terms of assessing the effectiveness of risk management.
- Fourth line: at the level of the Internal Audit Service of the Supervisory Board, in terms of the compliance of current business processes with the Company's internal regulatory documents, as well as the compliance of these documents with the current legislation of the Republic of Kazakhstan.

Operating Environment

Emerging markets, including Kazakhstan, are subject to economic, political, social, judicial, and legislative risks that differ from those of more developed markets. The laws and regulations governing business in Kazakhstan can change rapidly, and there is a possibility of their arbitrary interpretation. The future direction of Kazakhstan's development largely depends on the state's tax and monetary policies, adopted laws and regulations, and changes in the country's political situation. As Kazakhstan produces and exports large volumes of oil and gas, its economy is particularly sensitive to changes in global oil and gas prices. The Company's management monitors current changes in the economic situation and takes measures it deems necessary to maintain the stability and development of the Company's business in the near future. However, the impact of changes in the economic situation on the future operating results and financial position of the Company is difficult to determine at this time.

Credit Risk Management

ACF considers credit risk to be the probability of failing to receive profit or incurring losses as a result of borrowers or counterparties of ACF failing to fulfill their obligations in accordance with the terms specified in their agreements.

The maximum credit risk exposure is limited to the carrying value of financial assets, with the exception of secured loans issued. Most of the loans issued by the Company are, at initial issuance, secured by guarantees from individuals.

The main methods of credit risk management are assessing the borrower's solvency and checking their credit history. Starting from mid-2024, the Company transitioned from decentralized to centralized underwriting, which is intended to provide a more unified and independent approach to verifying the documents submitted for assessing borrowers' solvency and the subsequent approval of loans. In addition, ACF offers a variety of loan products designed for different segments of the population with varying risk profiles.

The primary metric for the loan portfolio's risk is the ratio of the principal amount of all loans with an overdue period of 30 or more days on the reporting date to the total principal of the entire loan portfolio. The Company has a system of internal limits that define ACF's appetite for credit risk. To minimize credit risk, ACF creates provisions for potential losses from loan portfolio impairment in accordance with the requirements of IFRS 9. The Company calculates expected credit losses (ECL) on a group and individual basis based on migration matrices, adjusted for the impact of macroeconomic factors, to assess expected shortfalls in cash flows, which are discounted using the effective interest rate.

The Company uses a wide range of forward-looking information as baseline economic data, namely:

- GDP index.
- · Oil production volume.
- · Global price of Brent crude oil.
- · NBK refinancing rate.
- · Inflation level.

40 Annual report, 2024

Liquidity Risk Management

Liquidity risk is the risk that the Company will be unable to meet its obligations as they fall due under either normal or stressed conditions.

The main source of funding for ACF is medium-term loans with a maturity of up to 3 years in tenge and in foreign currency, received from foreign financial institutions. In addition to standard loans, the Company also uses subordinated loans, which are included in the calculation of Tier 2 capital.

Control over liquidity risk is carried out at the level of the Finance Department, the Asset and Liability Management Committee (ALCO), and the Risk Committee of the Supervisory Board. ALCO reviews the cash flow forecast weekly over short-term, medium-term, and long-term horizons. ALCO is guided by the limits and ratios established by the Supervisory Board. ALCO also monitors the Company's currency position, interest rate, and term gap analysis. Management controls this risk through periodic analysis of maturity dates, defining the Company's strategy for the next financial period. This process includes a weekly assessment of expected cash flows and, if necessary, adjustments are made to financing and borrowing needs at both the operational (up to 1 year) and strategic (over 1 year) levels.

Market Risk Management

Market risk is the risk that the fair value of future cash flows from financial instruments will fluctuate due to changes in market parameters, such as interest rates, exchange rates, and debt instrument prices. Market risk is managed and controlled using sensitivity analysis. The Company does not have significant concentrations of market risk, with the exception of foreign currency concentration. The Company is not exposed to interest rate risk, as the rates on financial assets and liabilities are fixed.

Currency risk is managed through a system of limits on the open currency position, as well as through the use of hedging strategies.

Operational Risk Management

Operational risk is the risk arising from system failure, personnel errors, fraud, or external events. When a control system ceases to function, operational risks can harm the reputation, have legal consequences, or lead to financial losses. The Company cannot assume that all operational risks have been eliminated, but through a control system and by monitoring and responding appropriately to potential risks, the Company can manage such risks. The operational risk management system includes the development of internal regulatory documents, a clear division of duties, powers, and responsibilities among departments and employees, streamlined access rights, and approval and reconciliation procedures, as well as staff training.

Operational risk management is an integral part of all ACF business processes, which are clearly systematized and regulated. In doing so, the Company adheres to the philosophy that every ACF employee is a participant in the operational risk management system, whose functional duties are, among other things, aimed at identifying and assessing risks for the most effective decision-making by the Company's management.

INTERNAL AUDIT DEPARTMENT

The Internal Audit Department (IAD) conducts its activities based on the core principles of the International Professional Practices Framework for Internal Auditing, developed by The Institute of Internal Auditors Inc., as well as on the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, and other fundamental requirements and principles of the professional practice of internal auditing.

The main task of the Internal Audit Department is to provide independent and objective assurance and consulting services aimed at improving the Company's operations. Internal audit helps the Company achieve its objectives by using a risk-oriented approach to the analysis and improvement of internal control, risk management, and corporate governance processes. In its activities, the IAD is guided by the principles of independence, objectivity, professional competence, and ethics, and also applies international standards of internal auditing.

IAD employees adhere to the Code of Ethics, which includes the principles of integrity, objectivity, confidentiality, and professional conduct.

Organizational Structure

The staff size of the IAD is 4 people. The department is headed by a director, who is appointed by the Board of Directors upon the recommendation of the Audit Committee.

Ensuring Independence and Objectivity

The independence of the IAD is guaranteed by its functional subordination to the Audit Committee, which is chaired by an independent member of the Supervisory Board. The powers, tasks, and responsibilities of the department are enshrined in the Regulation on Internal Audit, approved by the Audit Committee.

Main Areas of Activity

The IAD carries out its activities in accordance with the annual audit plan in all areas of the Company's operations. The department monitors the timeliness and effectiveness of the implementation of audit recommendations, as well as the correctness of the measures taken. The plan is approved by the Audit Committee; additionally, the IAD performs unscheduled tasks as assigned by the Chairman of the Audit Committee.

The Head of the IAD regularly reports to the Audit Committee and the Supervisory Board on the execution of the annual audit plan and the results of reviews. Based on the audit results, proposals for improving internal control are developed. The Head of the IAD regularly interacts with the Chairman of the Audit Committee and reports monthly on the work performed, as well as on the current status of the department's activities.

The Head of the IAD also participates in annual strategic sessions for the Branch Directors and Heads of the Company's Head Office. Within these meetings, the most frequently recurring audit recommendations and their control measures are highlighted to minimize repeat risks. In addition, the head presents a presentation dedicated to the interaction of branch and Head Office employees with internal audit.

Audit Reviews and Monitoring

- The Head of the IAD is responsible for preparing the annual plan of audit reviews and the budget, taking into account a risk-oriented approach. In 2024, the IAD conducted audits of 16 processes in the Head Office and branches. All planned reviews were completed in full, and unscheduled audits were also conducted as assigned by the Company's management.
- The results of all reviews have been brought to the attention of the Company's Management Board and the management of the branches and Head Office. The implementation of recommendations is tracked through the Company's automated system. The IAD provides a quarterly report to the Company's Management Board and the Audit Committee on the progress of implementing recommendations and the effectiveness of the measures being taken.

EXTERNAL AUDIT

Bln accordance with the principles of transparency and accountability, ACF conducts an annual external audit of its financial statements. The independent audit is carried out in accordance with International Standards on Auditing. The audit includes an assessment of the Company's financial condition, the reliability of its accounting statements, and the compliance of its activities with applicable regulatory requirements. Based on the results of the audit, an opinion is provided confirming the reliability and correctness of the presented financial information.

The selection of an external auditor to audit the Company's financial statements is conducted in accordance with the "Rules for Engaging an External Audit," approved by a decision of the Audit Committee of the Supervisory Board in 2022, and is carried out by the same Committee.

The audit of the Company's financial statements for 2024 was conducted by the audit firm Grant Thornton LLP.

COMPLIANCE WITH LEGISLATION

In accordance with the Law of the Republic of Kazakhstan "On Microfinance Activities," the Company's activities are regulated by the state body that exercises control and supervision over the financial market and organizations. ACF adheres to high standards of compliance with the legislation of the Republic of Kazakhstan and the requirements of the financial Regulator, avoiding serious violations of these requirements.

During the reporting period, one incident of a breach of the cryptographic protection of a personal data da-

tabase was recorded, which did not lead to a leak of personal data of clients or employees. The inspection was carried out by the Information Security Committee of the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan.

As a result of the inspection, a fine of KZT 369,200 was imposed on the Company. ACF recognizes the importance of this incident and has already taken the necessary measures to avoid similar violations in the future. No other violations were recorded during the reporting period.



The company adheres to a principle of zero tolerance and takes all reasonable measures to control and prevent conflicts of interest.

CONFLICT OF INTEREST MANAGEMENT

ACF recognizes the importance of preventing conflicts of interest to ensure transparency and objectivity in decision-making. Although the Company does not currently have a separate approved policy on conflict of interest management, this issue is regulated by internal corporate governance procedures.

The Company adheres to a principle of zero tolerance and takes all reasonable measures to control and prevent conflicts of interest.

Conflicts of interest are managed through the following key mechanisms:

- Employees' compliance with their duties in accordance with the legislation of the Republic of Kazakhstan, the Company's internal regulatory documents, job descriptions, and adherence to the provisions of the Related Parties Policy.
- A balanced organizational structure, with a clear delineation of responsibilities between departments/units.
- Disclosure of information about relationships between related parties, regardless of whether transactions were conducted with them or not.
- Disclosure of information on the remuneration of the Company's key management personnel.

- Informing the Company's management of cases where the personal or business interests of employees may affect the performance of their official duties.
- A prohibition on loan officers processing and issuing loans to their relatives, friends, or other persons with whom they have personal connections that could affect the objectivity of the decision.
- A prohibition on the transfer of confidential information to third parties.
- · The Code of Ethics.

To prevent conflicts of interest among members of the Supervisory Board and the Management Board, the list of related parties is regularly updated. The Internal Audit Department takes comprehensive measures to identify conflicts of interest, and upon request, the Conciliation Commission resolves conflicts of interest that arise among ACF employees in the course of performing their professional duties. During the reporting period, no confirmed incidents related to conflicts of interest that could have led to financial or reputational damage for the Company were identified.

Interaction with Personnel



ACF's personnel management policy is aimed at ensuring the effective, fair, and transparent management of human resources within the Company. Employees are a key factor in achieving the organization's strategic goals, and the Company strives to create conditions in which every employee can realize their potential and contribute to overall development and success.

Personnel management in the Company is carried out in accordance with:

- · The labor legislation of the Republic of Kazakhstan.
- · The Company's HR policy.
- · The Code of Corporate Ethics.
- \cdot $\;$ The Company's internal policies and procedures.

The personnel management policy is a tool for building strong, mutually beneficial, and long-term relationships between the Company and its employees. It fosters a culture of trust, a high level of employee engagement, and a readiness for change and innovation.

Personnel management is based on attracting, retaining, and developing qualified staff, as well as forming and improving the corporate culture and implementing best practices in human capital management.

The responsibility for implementing the personnel management policy is assigned to the Personnel Management and Development Department. This unit is responsible for:

- · Hiring and onboarding of employees.
- · Formalizing employment relationships.
- Training, development, and evaluation of personnel
- Organizing internal communications and employee engagement.
- · Personnel motivation.
- Collection and provision of HR analytics and automation of HR processes.

The Company's management team, including Branch Directors and Office Heads, bear personal responsibility for the local implementation of the HR policy and the formation of productive teams.

The main principles of ACF's corporate culture include:

- Honesty, mutual respect, and fairness creating an environment where all employees have equal opportunities for professional growth.
- Development and training the Company invests in training sessions, online courses, and mentoring.
- Recognition of achievements moral and material incentives for high results and contributions to the common mission.
- Safe and comfortable working conditions prioritizing labor protection and the well-being of employees.
- Zero tolerance for discrimination strict adherence to ethical standards and feedback procedures.

The Company actively implements digital tools for personnel management:

- Automated systems for personnel records and timekeeping.
- · Online learning platforms.
- Electronic surveys for employee engagement and satisfaction.
- ESG indicators in the evaluation system for key personnel.

All of this allows for the creation of a flexible, adaptive, and effective personnel management system that ensures the sustainable development of the organization.



EMPLOYMENT

As of December 31, 2024, the number of personnel was 571, including 436 women (76.4%) and 135 men (23.6%). The total number of employees increased by 24%. It should be noted that the share of women in the Company reaches 76%. The share of women in all management positions was 53%. In the reporting year, all Company employees worked under permanent employment contracts.



	31 Dec. 2023	31 Dec. 2024
Total number of staff	461	571
Full-time Employees	461	571
Part-time Employees	0	0
Personnel Structure by Gender	461	571
Men	137 (30%)	135 (24%)
Women	324 (70%)	436 (76%)
Personnel Structure by Age		
Under 30 years	114 (25%)	205 (36%)
30–50 years	312 (68%)	323 (57%)
Over 50 years	35 (8%)	43 (8%)
Personnel Structure by Employee Category		
Board of Directors	6	7
Management Board	3	3
Other positions	452	561
Percentage of employees with disabilities	0.9%	0.5%

Personnel by Region of Presence

		Gender		
Region	Number	Men	Women	
Total	571	436	135	
Head Office (Almaty)	81	46	35	
Almaty Regional Branch	45	33	12	
Taraz Branch	55	53	4	
Jambyl Branch	49	43	6	
Shymkent Branch	74	57	17	
Kyzylorda Branch	21	17	4	
Turkistan Branch	27	20	7	
Saryagash Branch	86	49	37	
Karaganda Branch	20	16	4	
Akmola Branch	5	5	0	
Ulytau Branch	6	6	0	
Semei Branch	42	38	4	
East Kazakhstan Branch	7	7	0	
Taldykorgan Branch	53	46	5	

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46 Annual report, 2024 Asian Credit fund **47**

Representation of Women in the Company

Share of women in the total number of personnel	77%
Supervisory Board	40%
Management Board	33%
Managers	54%
Specialists of various levels and functions	82%

Personnel Turnover for the Reporting Period

Overall personnel turnover	41%
Personnel turnover by gender	
Men	11%
Women	30%

In 2024, the personnel turnover rate at ACF was 41% and was mainly due to the failure to meet targets and expectations regarding working conditions in the context of high inflation. A significant contribution to the increase in the personnel turnover ratio was made by the introduction of a new position in the branch network — the Sales Manager. Voluntary turnover was 97%. Changes in business processes and the introduction of new roles in the operating model had a significant impact on this indicator. The Company conducted an analysis of the reasons for dismissals and developed an action plan aimed at reducing turnover and increasing employee retention, especially in the branch network.

	Number	%
New Employees by Gender, persons		
Man	81	25%
Woman	246	75%
New Employees by Age, persons		
Under 30 years	118	36%
30–50 years	183	56%
Over 50 years	26	8%
Departing Employees by Gender, persons		
Man	57	27%
Woman	155	73%
Departing Employees by Age, persons		
Under 30 years	76	36%
30–50 years	128	60%
Over 50 years	8	4%

RECRUITMENT

ACF is an equal opportunity employer and, when hiring for vacant positions, is guided by the principles of non-harassment and providing equal opportunities to candidates.

The Company's policy is to employ qualified specialists with high professional qualities, without discriminating against candidates for vacant positions on any grounds, including race, color, religion, gender, nationality, political views, age, disability, HIV/AIDS status, marital status, etc.

The Company structures its hiring processes with an emphasis on the professional and personal competencies of candidates, alignment with corporate values and ethical standards, gender and age diversity, sustainability, and development potential.

Hiring decisions are made exclusively based on an objective assessment of the qualifications and experience of the candidates. The Company strives to ensure equal access to vacancies regardless of the candidate's region of residence.

In 2024, the following channels were used to attract candidates:

- · Internal talent pool.
- Career websites and online platforms (hh.kz, LinkedIn, etc.)
- · Recruitment agencies.
- · Referral program.
- · Social media.
- Collaboration with employment centers in the regions, etc.

Personnel recruitment in the branch network, which consists of 14 branches in 10 regions of Kazakhstan, is carried out within a centralized HR policy but with a high degree of involvement from local management. Branch Directors and Sales Office Heads play a key role in attracting, selecting, and making decisions on hiring employees in the regions.

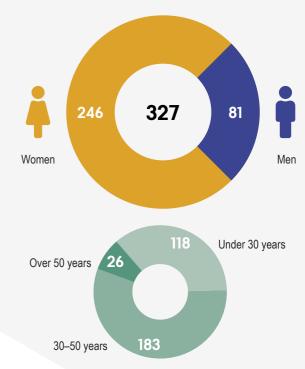
Heads of departments are directly responsible for the quality and productivity of the hired employees; their duties include monitoring the effectiveness of new employees and working on their motivation and training.

After being hired, employees go through an onboarding process, which includes:

- Introductory training (an orientation session) about the Company, taking into account the values of sustainable development.
- An introduction to processes and business products, corporate ethical standards, and labor discipline requirements.
- Mentoring from managers and experienced colleagues.
- Regular feedback during the probationary period.

At the end of the probationary period, Branch Directors and heads of departments at the Company's head office, with the participation of the HR Director, make a decision on the employee's future work and professional development.

Number of Hired Personnel for the Reporting Period



Number of Hired Personnel by Region

Region	Number	%
Head Office (Almaty)	21	6%
Almaty Regional Branch	24	7%
Taraz Branch	36	11%
Jambyl Branch	22	7%
Shymkent Branch	38	12%
Kyzylorda Branch	19	6%
Turkistan Branch	28	9%
Saryagash Branch	63	19%
Karaganda Branch	15	5%
Akmola Branch	2	1%
Ulytau Branch	5	2%
Semei Branch	23	7%
East Kazakhstan Branch	6	2%
Taldykorgan Branch	25	8%

PROFESSIONAL TRAINING AND DEVELOPMENT

Personnel training and development at the Company is a critical area of sustainable development and part of the Company's ESG strategy. The training system is aimed at:

- Developing competencies in line with the Company's business processes.
- Forming a talent pool and developing leadership qualities.
- · Adhering to the principles of ethics, anti-corruption culture, and information security.
- · Improving the quality of customer service.

The organization adheres to the principle: investment in human capital is an investment in the quality of services provided, business sustainability, and social value.

Since 2014, the Company has had a Training Department that implements a centralized knowledge management model, covering all levels of personnel — from interns to top managers. Training is conducted in the following areas:

- Internal Training: conducted by the Company's business trainers and mentors, includes in-person and remote formats (LMS, video courses, webinars, etc.)
- External Training: carried out through collaboration with training centers, universities, and training organizations. Employees are sent to courses, seminars, and internships.
- Individual Training: initiated by employees and their managers, taking into account professional tasks and career development.

Scope and Categories of Training

- Introductory training for new employees includes courses on corporate culture, safety procedures, AML/CFT, and anti-corruption policy.
- Periodic training on key topics: information security, risk management, code of ethics.
- Training for credit personnel specialized courses on lending, negotiations, and legal proceedings.



 Training for managers — Executive MBA, leadership and management training, internships.

To evaluate training effectiveness, the following are used:

- · Testing (passing score no less than 80%).
- · Interviews with line managers.
- Tracking changes in the KPIs of employees and departments.
- Annual appraisals and individual development plans.

Sustainability and Development:

- The Company has a mentoring institute, which promotes knowledge transfer and ensures succession.
- Key employees have the opportunity to obtain a second higher education degree or international certifications. The Company pays for such training partially or in full.
- Training is accompanied by budget planning and monitoring of return on investment (ROI in training).

The training and development of personnel and the continuous career growth of employees are an integral part of ACF's business model.

Comparative data on training shows a constant quantitative growth in employee training, which indicates increased attention to developing competencies within the organization. This is especially important

in the context of digitalization and constant changes in financial regulation. ACF's performance indicators confidently demonstrate that investment in personnel is not just an HR tool, but an integral part of a sustainable growth strategy. A strong team, systematic training, and modern digital solutions are the key to ACF's success as a company focused on long-term value for clients and society.

PERSONNEL EVALUATION SYSTEM

The Company has implemented a transparent and multi-level personnel evaluation system aimed at supporting professional growth, motivating employees, and ensuring a high level of corporate culture.

Main Principles

Transparency and Objectivity:

All employees are informed in advance about the evaluation criteria, which are uniform and clear. At the beginning of the year, each employee is given targets based on SMART goals.

Regularity:

Evaluations are conducted twice a year — mid-year, to ensure that employees are moving in the right direction in their work and meeting their targets, and at the end of the year.

Link to Development:

Employees who excel in meeting their planned targets are included in the talent pool. The results of the evaluation are used to form individual development plans and to make decisions on training, career growth, and the motivation system.

Feedback:

During a mandatory personal conversation, each employee receives detailed feedback from their direct supervisor on key competencies and KPI achievement, as well as comments from senior management, and expresses their vision for their future growth and development within the Company.

The result of this systematic work on personnel evaluation is a well-structured system for forming a talent pool for employees of the branch network and administrative staff of the ACF Head Office.

Based on the results of the annual evaluation, each employee, provided they meet and exceed their targets, can be considered for a promotion, further development, and training. The appraisal scores received by employees during the annual evaluation are taken into account when calculating the annual bonus for administrative staff and affect the size of the bonus.

The evaluation system in the Company is seen not as a control tool, but as a mechanism for development and engagement that contributes to the formation of a sustainable and responsible business.

50 Annual report, 2024

MOTIVATION AND REMUNERATION

The Company uses a transparent and fair remuneration system, focused on the qualifications, responsibility, and performance of each employee. Remuneration is based on:

- · A base salary.
- · A variable part (bonuses, premiums, KPIs).
- Compensatory payments (e.g., allowances for transactions for cashiers).

The Company creates competitive working conditions for all employees — working conditions that attract and retain employees, contribute to their motivation and high productivity, including the following aspects:

Fair Remuneration:

The level of employee remuneration corresponds to the average market rate for the industry and regions of presence.

Work Flexibility:

The Company uses different work modes — both in the office and remotely, and applies different work schedules for the convenience of personnel.

Bonuses and Premiums:

All categories of ACF employees have the opportunity to receive additional payments for achievements and meeting key performance indicators (KPIs). For this purpose, monthly bonus policies have been developed for credit personnel, quarterly policies for branch network management and branch administrative staff, and an annual bonus policy for head office administrative staff.

ACF strives to ensure equal pay for equal work, regardless of gender. Regular monitoring and auditing of internal salary structures help to identify and eliminate disparities, promoting fairness and equality.

All company employees have access to social benefits, including:

- · Mandatory life and health insurance.
- Compensation for corporate mobile communication expenses.
- Compensation for travel and accommodation expenses on business trips, if required for operational needs.
- · Parental leave.
- A flexible schedule or the option for partial remote work.

To increase personnel engagement, non-material incentives are implemented:

- An internal recognition and appreciation program.
- · Corporate events.
- Professional development (training courses, certifications).
- · Participation in social projects and ESG initiatives.
- Opportunities for career growth within the organization.

The remuneration and motivation policy is part of the corporate culture and is discussed on a regular basis through:

- · Annual employee satisfaction surveys.
- · Feedback to management on motivation issues.
- Employee participation in the development of bonus programs.

CORPORATE EVENTS

To strengthen team spirit and create a healthy work atmosphere, the Company holds a number of internal corporate events throughout the year. They contribute to increasing employee engagement, building trusting relationships within the team, and strengthening corporate identity. Such events include:

- Teambuilding: off-site and internal team events focused on joint problem-solving, developing communication, and strengthening team cohesion.
- Holiday Events: organizing corporate holidays (New Year, March 8, Nauryz, etc.), as well as congratulating employees on their birthdays and significant personal events.

- Health and Sports Days: participation in sports competitions, football tournaments, running marathons, and other events promoting a healthy lifestyle.
- Educational Meetings and Trainings: conducting internal seminars and training programs, including discussions on ESG topics as part of the corporate culture.

Such activity strengthens the internal resilience of the organization, forms a positive company image in the market, and contributes to the realization of social responsibility principles.

LABOR PROTECTION AND HEALTH, LABOR SAFETY

The Company recognizes that the safety and health of its employees are an integral part of sustainable development and corporate responsibility. In its activities, ACF adheres to a principle of zero tolerance for occupational injuries and systematically implements measures to prevent accidents.

Main directions of the labor protection policy:

- · Regular safety briefings and training.
- · Monitoring of working conditions at workplaces.
- Compliance with labor legislation and sanitary requirements.

According to data for 2024, the injury rate at the Company was at a zero level, which indicates the high effectiveness of the preventive measures and safety culture in place.

At ACF, all employees, regardless of their position, are covered by the labor protection system. Mandatory briefings on safety and fire safety are conducted:

- · Upon hiring.
- · When working conditions change.
- · On a scheduled basis twice a year.

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The Company supports a healthy lifestyle and cares about the work-life balance of its employees. The following initiatives are implemented:

- Mandatory life and health insurance for all employees.
- Additional voluntary life and health insurance for employees who frequently travel on business.
- Financial assistance to sick employees and their family members in cases requiring long-term treatment for critical illnesses.
- A flexible work schedule, including partial remote work.
- Corporate events with a focus on physical activity and stress prevention teambuilding, participation in sports competitions, football tournaments, and running marathons.

BUSINESS ETHICS AND ANTI-CORRUPTION

ACF recognizes the importance of adhering to high standards of business ethics and combating corruption as an integral part of the sustainable development and long-term success of the Company. The Company's policy is aimed at ensuring transparency, honesty, and responsibility in all aspects of its activities.

To ensure work on developing a culture of business ethics among employees, as well as on complying with principles and requirements aimed at combating corruption, the Company is guided by the following documents:

- · Anti-Corruption Policy.
- · Code of Ethics.
- · Corporate Ethics Guide.
- · Whistleblower Policy.

Ethical Principles and Code of Conduct

ACF adheres to strict ethical standards set out in the Code of Ethics and the Corporate Ethics Guide, which apply to all employees. These documents are a set of corporate rules and standards of employee con-

duct that regulate the ethical aspects of relationships among employees in the course of their work at the Company, the interaction of employees with external parties (clients, partners, government representatives, competitors), and convey the norms and rules of employee behavior in private life.

The main corporate values transmitted through the Code of Ethics and the Corporate Ethics Guide are:

- · Honesty and respect for others.
- Trusting relationships with clients, employees, and partners.
- · Honesty, integrity, and intolerance of corruption.

The standards of the Code of Ethics and the Corporate Ethics Guide are mandatory for all Company employees.

Anti-Corruption

The Company has an "Anti-Corruption Policy and Procedures" and a "Whistleblower Policy" approved by the Supervisory Board. The requirements of these Policies are mandatory for all Company employees.

The Anti-Corruption Policy is designed to resolve situations in which an employee is suspected of participating in illegal activities or questionable behavior involv-

ing the financial or physical assets of ACF. It is aimed at ensuring that Company employees adhere to the highest standards of financial responsibility, requiring conscientious and ethical behavior.

At ACF, any form of corruption, including fraud, theft, misappropriation, unresolved conflicts of interest, false claims, and bribery, is prohibited and strictly unacceptable. Employees who participate in or assist in any form of corruption will be subject to disciplinary action, up to and including dismissal, and may be held civilly or criminally liable. Similar actions by partners will be regarded as a breach of their agreement with ACF, which may be followed by the termination of the agreement, a ban on future cooperation with ACF, and/or civil or criminal liability.

The Whistleblower Policy provides communication channels that ensure the confidentiality of informing the Company's internal audit department or management about potential instances of corruption.

As part of its zero-tolerance policy towards corruption, ACF has implemented a system of internal control and compliance procedures aimed at preventing, detecting, and investigating corrupt activities.

These measures include:

- Conducting quarterly training on anti-corruption policy for employees.
- Upon hiring, all employees are required to familiarize themselves with the Anti-Corruption Policy and the Whistleblower Policy.
- A mechanism for anonymous reporting of instances of fraud and corruption.

Percentage of employees trained on ethics and anti-corruption policy: 100%

Number of identified cases of ethical violations:

During the reporting period, no confirmed corruption violations were identified at ACF, nor were any fines or other sanctions imposed in connection with corruption violations. No confirmed reports of corrupt practices in the Company's activities were received through feedback channels with employees and clients.

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HUMAN RIGHTS AND NON-DISCRIMINATION

ACF adheres to a zero-tolerance policy for discrimination. The Company believes that all people are equal, regardless of gender, language, religion, age, social origin, health status, or ethnic and racial background. In 2024, ACF expanded its non-discrimination clause to include internationally recognized protected categories in the hiring of employees, and in relation to current employees, clients, and partners. In its activities, in relationships within the workforce,

and with stakeholders, the Company fosters an atmosphere of mutual respect and does not welcome actions that contribute to or encourage others to violate human rights.

The Company's key commitments within the framework of human rights protection include:

- Equal opportunities in the hiring, training, and promotion of employees to management positions
- Guarantees of decent working conditions, fair pay, and respect for employee rights.
- A ban on any form of forced and child labor within the Company's activities.

 The development of a culture of respect among employees and stakeholders.

During the reporting period, no confirmed incidents related to discrimination or violation of employee rights were recorded at ACF. In the event that complaints of discrimination or violation of the rights of employees or clients are identified:

- Each complaint is treated confidentially and impartially.
- An internal investigation is appointed, based on the results of which corrective measures are taken
- · Responsible persons may be subject to disci-

plinary action, up to and including termination of employment.

ACF strives for the continuous improvement of its human rights protection and non-discrimination practices, creating conditions for equality, inclusivity, and respect in all its activities.

Interaction with Clients

INFORMATION SECURITY

ACF considers information security to be one of the key elements of sustainable business development. We recognize the importance of protecting client and employee data. In our activities, we use advanced technologies to protect information, regularly update our cybersecurity systems, and train employees on the principles of secure data handling.

Data Protection Principles and Policy

The Company adheres to strict information protection standards based on international and national regulations. To prevent leaks and unauthorized access to data, multi-level security systems are employed, including encryption, access control, and activity monitoring.

Every employee is responsible for complying with the "Information Security Policy." Unauthorized use of data or violation of internal rules may result in disciplinary measures in accordance with the legislation of the Republic of Kazakhstan.

Technologies and Protection Measures

To ensure security, the following are used:

- Attack detection and prevention systems that monitor suspicious activity in real time.
- Two-factor authentication mechanisms that provide an additional layer of account protection.
- Regular updates and testing of the IT infrastructure, including vulnerability checks and penetration tests.

In addition, the Company has an incident management system that allows for a prompt response to any potential threats.

Control and Risk Management

All information security processes are coordinated by the Information Security Department, headed by the Chief Information Security Specialist. The department is responsible for risk analysis, the implementation of new protection technologies, and the coordination of responses to cyber incidents.

The effectiveness of cybersecurity is controlled by the Risk Committee of the Supervisory Board, and overall oversight in this area is the responsibility of a member of the Management Board who oversees information security.

Future Initiatives and Development

The Company continues to improve its approaches to data protection by developing a long-term information security strategy. In the future, it is planned to enhance threat analytics, expand monitoring tools, and implement modern risk management solutions.

Client security is our priority, and we make every effort to ensure the reliable protection of information in the digital age.

Information Security Training

ACF pays special attention to improving the qualifications of its employees in the field of information security. The awareness and professional training of personnel are key elements of effective data protection and the prevention of cyber threats.



The awareness and professional training of personnel are key elements of effective data protection and the prevention of cyber threats.

Training and Testing Programs

To increase the competency level of employees, a cybersecurity training system has been implemented, which includes:

- Basic online training for new employees within the first month of employment.
- Mandatory testing after completing the course to confirm knowledge of basic security rules.
- Regular training and seminars for specialists working with critical data.
- Specialized courses for employees of IT departments, who undergo external training every two years.
- Appraisal of employees working with financial transactions at least once a year.

Information Dissemination Methods

Various methods are used to effectively communicate key aspects of information security:

- Corporate emails and notifications through the internal mail system.
- Training webinars and video presentations for employees.

Client Awareness

In addition to internal training, the Company actively works to increase the cyber awareness of its clients. Information on the safe use of digital services is provided through:

- The corporate website, which contains recommendations on data protection.
- Information stands in offices, containing key rules for protecting personal data.

Training and education of employees and clients are an important part of the Company's security strategy, aimed at preventing threats and creating a reliable information protection system.

Protection of Personal Data

ACF strictly complies with the legislation of the Republic of Kazakhstan in the field of personal data protection and information confidentiality. To ensure the security of client and employee data, comprehensive protection measures, regulated by internal regulatory documents, have been developed and implemented.

Principles of Working with Personal Data

All processes related to the processing of personal data are regulated by the internal "Information Protection Policy," which is mandatory for all Company departments. This Policy covers the processing of:

- · Data of clients and their representatives.
- · Information about counterparties.
- Personal data of the Company's employees and managers.

Responsibility for compliance with the data processing policy is assigned to the Information Security Department, which carries out monitoring, control, and the implementation of up-to-date measures to ensure data security.

Collection, Processing, and Storage of Personal Data

Personal data is processed in the Company only with the consent of the data subject or in cases provided for by law. The main principles of working with data include:

- Purpose limitation data is processed exclusively for predefined purposes.
- Processing minimization information is collected and stored only to the extent necessary to fulfill obligations to clients and partners.
- Security and confidentiality access to data is restricted to authorized employees, and the necessary data protection measures comply with legal requirements.

Clients' personal data, including information provided through internet resources and mobile applications, is protected using modern encryption technologies and access control mechanisms.

Control and Leak Prevention

The Company implements strict control over the processing of personal data and the prevention of leaks. Key measures include:

- Segregation of data access employees are granted access only to the information necessary to perform their job duties.
- Security monitoring and auditing regular checks of data processing systems for compliance with legal requirements.
- Interaction with suppliers work with external partners is carried out in accordance with internal information protection standards.

In the event of data leak incidents, measures are immediately taken to eliminate them and prevent their recurrence.

Rights of Personal Data Subjects

According to the legislation of the Republic of Kazakhstan, the Company's clients and employees have the right to:

- Know about the presence of their personal data at the Company, as well as to receive information containing:
 - » Confirmation of the fact, purpose, sources, and methods of personal data collection and processing.
 - » A list of their personal data.
 - » The terms of personal data processing, including their storage periods.
 - » Demand that the Company change and supplement their personal data if there are grounds confirmed by relevant documents.
 - » Demand that the Company block their personal data if there is information about a violation of the conditions for collecting and processing personal data.
 - » Demand that the Company destroy their personal data, the collection and processing of which were carried out in violation of the legislation of the Republic of Kazakhstan, as well as in other cases established by the Law of the Republic of Kazakhstan "On Personal Data and Their Protection" and other regulatory legal acts of the Republic of Kazakhstan.
 - » Withdraw consent for the collection, processing, distribution in publicly available sources, transfer to third parties, and cross-border transfer of personal data, except in cases provided for by paragraph 2 of Article 8 of the Law of the Republic of Kazakhstan "On Personal Data and Their Protection."
- Give consent (or refuse) to the Company for the distribution of their personal data in publicly available sources of personal data.
- The protection of their rights and legitimate interests, including compensation for moral and material damage.
- Exercise other rights provided for by this Law and other laws of the Republic of Kazakhstan.

Responsibility for Breach of Confidentiality

Non-compliance with the established norms for the protection of personal data entails liability, which may include:

- · Disciplinary action, up to and including dismissal.
- Civil liability, including compensation for damages.
- Criminal liability in cases of gross violations of the law.

ACF adheres to the principle of strict confidentiality and data protection, guaranteeing the security of information for all clients and employees. In the reporting year, not a single case of a breach of client confidentiality was recorded.

COUNTERING FINANCIAL CRIMES

ACF has developed and implemented Internal Control Rules for the purpose of Countering the Legalization (Laundering) of Criminally Obtained Proceeds, the Financing of Terrorism, and the Financing of the Proliferation of Weapons of Mass Destruction (hereinafter — AML/CFT/CPF Rules) in accordance with the requirements of the Law of the Republic of Kazakhstan of August 28, 2009, "On Countering the Legalization (Laundering) of Criminally Obtained Proceeds and the Financing of Terrorism," subordinate acts of state authorized bodies, as well as taking into account the AML/CFT/CPF Requirements for organizations engaged in microfinance activities, approved by the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan (ARDFM).

Internal control in the field of AML/CFT is carried out to ensure compliance with the requirements of legislative and other regulatory legal acts of the Republic of Kazakhstan and is aimed at identifying and managing risks associated with the legalization (laundering) of illegally obtained proceeds and the financing of terrorism.

The main objective of internal control in the field of AML/CFT is to prevent the involvement of ACF, including Company employees, in the legalization (laun-

CLIENT SATISFACTION

The Company places great importance on client satisfaction, considering it a crucial aspect of social responsibility and sustainable development. The Company constantly strives to improve the quality of its service and ensure it meets the needs of its clients by offering them individual solutions that contribute to their financial well-being.

The Company actively collects feedback from clients through various channels and uses the data received to improve its products and services. The Company annually assesses the level of satisfaction with ACF's products and services. In 2024, this indicator was 97%. An analysis of survey results, complaints, and suggestions is conducted annually to identify potential areas for improvement and to provide more effective solutions that meet the changing needs of our clients.

Maintaining a high level of client satisfaction plays a key role in strengthening long-term relationships and contributes to the sustainable development of both the clients and the Company as a whole.

dering) of illegally obtained proceeds and the financing of terrorism, i.e., in financial crimes, as well as to ensure the implementation of and compliance with the Rules by all Company employees, taking into account the following requirements:

- Participation of all employees in the process of internal control for AML/CFT purposes, regardless of their position, within their competence.
- Observance of microloan secrecy and maintaining the confidentiality of information received in the process of internal control for AML/CFT purposes.
- Exclusion of employee participation in the legalization (laundering) of illegally obtained proceeds and the financing of terrorism.
- Prevention of informing clients or other persons about the measures taken by the Company as a result of internal control for AML/CFT purposes.

The heads of authorized ACF departments are responsible for ensuring the implementation of the

AML/CFT/CPF Rules in their respective departments. In particular, the heads of authorized departments (heads of head office structural units, branch directors, office curators are responsible for conducting the initial assessment of a client for the purpose of identifying whether the client is engaged in the legalization (laundering) of money obtained illegally and/or the financing of terrorism).

The procedure for assessing the degree (level) of risk is an integral part of identifying clients/beneficial owners and establishing and identifying their representatives.

ACF pays increased attention to transactions with money or other property conducted by clients classified as having a high degree (level) of risk (non-standard clients, as well as clients with a high degree (level) of risk).

The organization's services (products), as well as the methods of their provision, that increase the risk of ML/TF are:

- Remote client servicing, including servicing via personal computers, telephones, and electronic terminals.
- Issuance of loans in cash in an amount exceeding KZT 3,000,000.
- New products and business practices, including information transfer mechanisms using new and developing technologies for both existing and new products.
- Types of clients whose status and/or activities increase the ML/TF risk include, but are not limited to:
- » A public official, their spouse, and close relatives.
- » Persons located (registered) in foreign states, as well as branches and representative offices of such persons located in the Republic of Kazakhstan.
- » Persons engaged in the issuance of digital assets, the organization of their trading, as well as the provision of services for exchanging digital assets for money, valuables, and other property.
- Non-profit and charitable organizations, religious associations

The effectiveness of internal control for AML/CFT purposes is assessed in accordance with the principles of the three lines of defense:

 The first line of defense in the AML/CFT internal control system consists of branch departments servicing clients, as well as the credit administration department (CAD) that supports/executes client operations/transactions and develops business processes. The CAD must perform procedures to comply with AML/CFT requirements, including control procedures (reconcili-

- ations, checks, self-control, etc.), and understand threats and risks within their functions, being responsible for risk management and achieving business indicators.
- The second line of defense is risk management and departments responsible for managing specific types of risk. their task is to provide support in risk management matters. The compliance function belongs to the second line of defense and provides control functions accountable to the Company's management. Control functions are based on uniform principles, including risk management tools, as well as the development of operational response plans and measures to improve the AML/CFT internal control system.
- The third line of defense provides an independent, periodic assessment of the effectiveness of the established internal control and risk management system (the previous two lines of defense), carried out by the internal audit service, the results of which are reported to the Supervisory Board, the ACF executive body, or other services in accordance with the Company's internal processes and regulatory documents.

All three lines of defense must ensure the timely detection of and response to risks in order to perform their roles effectively.

All three lines of defense must ensure the timely detection of and response to risks in order to perform their roles effectively.

Client identification is the responsibility of the structural units that directly interact with the client and carry out control and monitoring of their activities. Identification of the client (their representative) and the beneficial owner is carried out before establishing a business relationship.

ACF employees, within their functional duties, identify transactions subject to financial monitoring and suspicious transactions in accordance with Order No. 13 of the Chairman of the Agency of the Republic of Kazakhstan for Financial Monitoring dated February 22, 2022, "On Approval of the Rules for the Submission by Financial Monitoring Subjects of Information on Transactions Subject to Financial Monitoring, and the Signs for Determining a Suspicious Transaction" (hereinafter — Order No. 13).

The qualification and training requirements for MFO officials are set in accordance with the requirements of the authorized body, as well as the regulatory legal acts of the authorized state body for the regulation and supervision of the financial market and financial organizations.

Employee Training in AML/CFT

The purpose of training ACF employees on AML/CFT is to develop the skills necessary for them to comply with the regulatory legal acts of the Republic of Kazakhstan, as well as the Company's internal documents in the field of AML/CFT.

The list of ACF structural units whose employees must undergo AML/CFT training (hereinafter — the List) is approved by the Chairman of the Management Board in the manner established by the Company. Training is conducted in accordance with the Company's employee training plan for AML/CFT issues for the current year. The plan includes the training topics, schedule, and the names and initials of the persons responsible for conducting it. In addition, employees of the AML/CFT structural unit undergo periodic external training in the field of AML/CFT.

The Company's employee training and preparation program in the field of AML/CFT is analyzed for the need to update it:

- · At least once a year.
- When existing regulatory legal acts of the Republic of Kazakhstan in the field of AML/ CFT change or new ones come into force.

FEEDBACK MECHANISMS

In its activities, the Company strives for transparency and open dialogue with all stakeholders. For this purpose, ACF has feedback mechanisms that allow employees, clients, partners, and other interested parties to report emerging problems, possible violations, suggest improvements, and ask any questions that arise.

ACF provides several ways to submit inquiries, including:

- · A free Hotline at 5061
- WhatsApp at +7 771 765 3982
- Email at info@acfund.kz
- Contact through the corporate website www. asiancreditfund.com
- Written inquiries via Kazpost or through branch specialists
- Surveys and interviews regular study of employee and client opinions to assess satisfaction levels.

Anonymous inquiries from clients and third parties are not accepted for consideration.

All complaints and suggestions received are registered and transferred to the responsible department. Within 15 days, the applicant is provided with a written response to their request. ACF uses the feedback channel as a method of collecting information for the subsequent improvement of service quality and increasing the satisfaction level of clients and employees.

A generalized analysis of complaints and inquiries is presented quarterly for review by the Supervisory Board, which oversees the functioning of the complaint review mechanism, ensuring its independence and objectivity.

The Company regularly assesses the effectiveness of its feedback mechanisms and takes measures to improve them. This includes analyzing the inquiries received, updating complaint review processes, and introducing new communication channels.

The Company guarantees the confidentiality of inquiries and the protection of applicants from any form of pressure or persecution. Feedback is an important tool for enhancing corporate responsibility and the sustainable development of ACF.

ASIAN CREDIT FUND 61

Responsible Lending



TO RESPONSIBLE LENDING

The Company is committed to the principles of transparency, ethical conduct, and social responsibility in its lending activities. In its operations, the Company strives to ensure the accessibility of financial services for the rural population of Kazakhstan, as well as to provide loan products that take into account the needs of clients and their financial capabilities.

PRINCIPLES OF RESPONSIBLE LENDING

ACF's responsible lending is based on the following principles:

- Transparency providing clients with complete and understandable information about loan products, including interest rates, commissions, repayment terms, and the possible consequences of non-repayment.
- Ethical Conduct adhering to the standards of fair business practices, treating clients fairly, and excluding unfair practices.
- Social Responsibility providing microloans that contribute to the sustainable development of clients and their communities, without negatively impacting their financial situation.
- Ensuring Accessibility developing products adapted for micro- and small entrepreneurs, especially in rural areas.
- Development of Client-Oriented Products ACF's loan products take into account the needs of clients and their real financial capabilities.
- Prevention of Over-Indebtedness we assess the solvency of borrowers by considering their income and obligations, thereby excluding the risk of over-lending.

ACF adheres to the principle of informed lending, helping clients not only to obtain financing but also to avoid a debt burden.

To achieve this:

- Solvency assessments are conducted taking into account all sources of a client's income and obligations.
- Clients are offered individual solutions for the microloan amount and term, based on their real capabilities.
- In 2024, the Company introduced new credit scoring approaches, which allow for a more accurate prediction of financial risks and reduce application review times for clients with a stable financial position.

Client Protection Principles

In its lending activities, the Company is committed to observing the Client Protection Principles, which were developed within the framework of international standards for responsible finance. These principles are aimed at forming fair, ethical, transparent, and trusting relationships with clients, as well as protecting their financial interests:

- Appropriate Product Design and Delivery. ACF develops and provides loan products that consider the income level and solvency of borrowers.
- Prevention of Over-Indebtedness. Loan officers conduct a thorough assessment of clients' solvency to eliminate the risk of financially overburdening them.
- Transparency. The Company provides complete and clear information about its loan products in two languages. The information includes the interest rate, repayment terms, and the possible consequences of non-fulfillment of obligations.



The new credit scoring system provides more accurate risk predictions and speeds up the processing of customer applications.

- Responsible Pricing. The Company ensures a fair level of interest rates, maintaining a balance between the accessibility of microloans for clients and the financial stability of the Company.
- 5. Fair and Respectful Treatment of Clients. The Company's specialists adhere to the principles of fair and respectful treatment of clients regardless of their gender, age, social status, or other factors. Discriminatory or aggressive methods when interacting with clients are prohibited in the Company.
- 6. Privacy of Client Data. Protecting the personal information of borrowers is one of the Company's priorities. All information is stored in accordance with regulatory requirements and is not transferred to third parties without their consent, except in cases provided for by the Laws of the Republic of Kazakhstan.
- 7. Mechanisms for Complaint Resolution. The Company has accessible, free, and effective ways for clients to submit and have their claims reviewed. ACF provides clients and third parties with the opportunity to voice their grievances and guarantees a timely response and a fair resolution of their issues.

Annually, ACF continues to improve its approaches to responsible lending, guided by the best international practices, ensuring accessibility, fairness, and long-term financial stability for its clients.

SUPPORT FOR CLIENTS IN FINANCIAL DIFFICULTY

As part of its responsible lending policy, ACF pays special attention to supporting clients who are facing temporary financial difficulties. Understanding that the sustainability of the business and the well-being of our borrowers' families directly depend on their ability to meet their obligations in a timely manner, the Company has developed a set of measures aimed at restoring their solvency.

ACF offers individual solutions for debt restructuring, taking into account the needs of each client. Our loan officers provide consultations, helping borrowers find optimal ways out of difficult financial situations.

In 2024, we expanded our restructuring programs and introduced the practice of partial debt forgiveness. More than 500 clients were able to take advantage of this opportunity, which allowed them to stabilize their financial situation and continue developing their households. Additionally, flexible payment schedules were introduced for borrowers temporarily experiencing financial difficulties.

For the most vulnerable categories of clients, there is a program for forgiving small debts in the event of the loss of the household's primary breadwinner. These measures not only help to reduce the debt burden but also strengthen the trust between ACF and its clients.



MANAGEMENT OF SOCIAL AND ENVIRONMENTAL RISKS IN LENDING ACTIVITIES

ACF recognizes that lending activities can have a significant impact on the social and environmental landscape. In this regard, in 2024, the Company introduced a systemic approach to managing social and environmental risks within its credit policy. This approach allows for the timely identification, assessment, and minimization of the possible negative consequences of the Company's loan portfolio.

The Company's policy for managing environmental and social risks in its lending activities was developed in accordance with the methodological recommendations of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan.

The key elements of our policy include:

- Thorough due diligence of potential borrowers and refusal to lend to clients whose activities could lead to significant environmental, social, and ethical violations.
- Integration of environmental and social factors into decision-making processes when analyzing loan applications.
- Monitoring and reporting, which includes verifying borrowers' compliance with environmental and social obligations.

The process of assessing socio-environmental risks includes three main stages.

- At the first stage, a thorough check of potential borrowers is conducted, and lending is refused to clients whose activities could lead to significant environmental, social, and ethical violations.
- At the second stage, during the business analysis, the social and environmental aspects of the client's business are collected and analyzed. ACF includes potential violations of labor rights of clients' employees, failure to provide safe working conditions, and the use of child labor as social risks. Environmental risks associated with borrowers' activities may include environmental pollution, depletion of natural resources, and non-compliance with environmental standards.
- At the third stage, monitoring is implemented, during which clients' compliance with the requirements set by the Credit Committee is assessed throughout the entire loan term.

As part of its ESG risk management, ACF carries out continuous monitoring and reporting. A monthly assessment of the environmental and social risks of the loan portfolio allows the Company to identify potential threats in a timely manner, and the results of the analysis are presented to the Supervisory Board on a quarterly basis.

As of the end of the reporting period, 99% of ACF's loan portfolio was in the low-risk sector.

ACF'S PARTICIPATION IN INDUSTRY INITIATIVES

For many years, the Company has been an active participant in the development of the microfinance sector in Kazakhstan, serving as a member of the Association of Microfinance Organizations of Kazakhstan (AMFOK). This allows the Company to contribute to the improvement of the regulatory framework, exchange experiences with industry partners, and promote best practices in sustainable finance. ACF actively collaborates with AMFOK on industry initiatives, participating in working groups, conferences, and consultations with regulatory bodies. The Company helps to advance the best practices of microfinance and sustainable development, strengthening the sector's position in the country's economy.

Affirming ACF's leadership position in the industry, the Chairman of the Management Board was elected to the AMFOK Council for the third consecutive time, for a term extending to July 2026.

Furthermore, in 2024, ACF was one of the sponsors of the Forum "The Microfinance Sector of Kazakhstan: 20 Years of Sustainable Development," confirming its commitment to strengthening the microfinance sector and enhancing its role in ensuring financial inclusion.

ACF does not receive financial support from government bodies in the form of subsidies, tax breaks, or other forms of financing. The Company's activities are carried out using its own funds and attracted investments.

ACF adheres to the principle of political neutrality and does not provide financial support to political parties, candidates, or political campaigns. The Company focuses exclusively on the development of the microfinance sector and social support for the population,

observing the principles of transparency and business ethics

Participation in industry initiatives allows the Company not only to share its experience but also to shape a more sustainable and inclusive financial system aimed at supporting small businesses and improving the quality of life of the population.

TAX POLICY AND PAYMENTS

ACF recognizes the importance of taxation as a primary source of state funding and a crucial instrument for achieving the long-term social and economic goals of the Republic of Kazakhstan. ACF's Tax Accounting Policy is based on the Tax Code of the Republic of Kazakhstan and is aimed at regulating tax accounting, taking into account the principles of compulsoriness, certainty of taxation, fairness, taxpayer integrity, unity of the tax system, and transparency of the tax legislation of the Republic of Kazakhstan.

The Company strictly complies with all requirements of the tax legislation of the Republic of Kazakhstan, guaranteeing the timely filing of tax returns and the payment of taxes within the established deadlines and in the proper amount. This helps maintain a high degree of responsibility and transparency in relations with government bodies and society. ACF avoids the use of aggressive tax planning schemes and tax evasion and does not support the use of tax havens or jurisdictions that do not cooperate with authorized tax authorities. The Company also does not provide tax advice to its clients and does not encourage practices aimed at tax evasion.

ACF's Tax Accounting Policy is approved by the Company's General Assembly of Participants. The policy was developed in accordance with the Tax Code of the Republic of Kazakhstan, regulatory legal acts, international financial reporting standards, and internal documents governing the Company's activities. It regulates approaches to fulfilling tax obligations, methods of tax accounting, and information disclosure for tax reporting purposes. All decisions on the recognition of taxable objects, income, and expenses are made based on a consensus of the employees responsible for fulfilling tax obligations.

The principles of reasonable diligence and professional judgment serve as the basis for all decisions made, which ensures that tax practices comply with both legislative requirements and the Company's internal standards.

Tax accounting is managed within the accounting department, headed by the Chief Accountant, to whom the responsibility for forming and implementing the Tax Policy is delegated. As of the end of 2024, the Company had 13 branches registered as independent payers of taxes and other mandatory payments to the budget.

Responsibility for compliance with the Tax Policy rests with the Chairman of the Management Board and the Chief Accountant of the Company.

The Company adheres to a conservative approach regarding uncertain tax positions and always favors the position of the tax authorities in cases where there is ambiguity in the interpretation of tax law norms. Compliance with tax obligations and minimization of tax risks are an important part of our long-term sustainable development strategy.

In the reporting period, there were no significant changes in the tax management, strategy, control, or approaches of the Company to taxation.

FINANCIAL LITERACY AND SME SUPPORT

ACF actively supports the improvement of financial literacy among its clients, understanding the importance of this skill for sustainable business development and financial well-being. A low level of financial literacy can lead to negative consequences for both consumers of financial services and society as a whole. It often leads to making inefficient decisions, ineffective cash management, high levels of personal debt, bankruptcy, exposure to fraud risks, and the passing of negative financial experiences to future generations.

Understanding and acknowledging this problem, the Company annually organizes training for the rural population, both independently and in collaboration with various partners, including government bodies.

In 2024, the educational project 'ALAU' was successfully launched in partnership with the Association of Family Business, aimed at supporting small and micro-businesses in the country's regions. From October to December 2024, more than 1,100 entrepreneurs from 10 regions of Kazakhstan received training on key aspects of running a business, including business modeling, financial literacy, managing cash flow gaps, and strategic development. As a result of this project, entrepreneurial communities were created for knowledge exchange and partner search.

In 2025, the Company plans to expand this program with a focus on developing business communities in the regions and increasing financial literacy among entrepreneurs. Also in 2025, the launch of the "100 Concessional Loans" program is planned, aimed at supporting promising business initiatives in the regions by providing entrepreneurs with financing on favorable terms.

CHARITY AND SUPPORT FOR REGIONS OF PRESENCE

ACF's charitable activities are carried out in accordance with the "Charity Policy," aimed at supporting socially vulnerable segments of the population, as well as developing culture, sports, and environmental initiatives

In the reporting year, ACF implemented 46 charitable projects totaling KZT 6.3 million.

Support for Socially Vulnerable Groups

ACF provided targeted assistance to low-income families and children's institutions. In 2024, material aid was provided in the form of food packages, clothing, school supplies, medicines, and other necessary goods.

Main projects:

- Children's homes and boarding schools: assistance to orphans and children left without parental care.
- Support for large and low-income families: provision of food packages, clothing, and school supplies.
- Support for people with disabilities: purchase of medical equipment and essential goods for rehabilitation centers.
- Support for the PF "Council of Veterans of the Great Patriotic War, Home Front Workers, and Children of the War."

Support for Sports and a Healthy Lifestyle

ACF promoted sports among children and adults by supporting sporting events.

Key projects:

- Sponsorship of football tournaments for amateur teams aged 35+.
- Sponsorship of football tournaments for young athletes.

Development of Culture and Creativity

The Company sponsored an event to support young talents in the city of Karkaralinsk, aimed at developing the creative potential of youth.

Support for Education and Financial Literacy

ACF contributed to creating equal educational opportunities for children and young people, as well as to increasing financial literacy among the younger generation. Projects were conducted in the Zhambyl region.

Key projects:

- Conducting lectures for students of Baizak College No. 3.
- Conducting financial literacy lessons for schoolchildren

Environmental Initiatives

As part of its sustainable development strategy, ACF has begun implementing environmental projects, which will become a mandatory part of the branches' charitable programs starting in 2025.

Implemented initiatives:

- Support for the "SYR QORGANY SEKSEUIL" project - planting saxaul on the dried-up bed of the Aral Sea.
- · Organizing community cleanup days in city parks.
- Planting trees in the Company's regions of presence.

In 2024, changes were made to the Charity Policy in accordance with ESG principles: starting from 2025, the mandatory implementation of environmental initiatives will be included in the program of charitable projects for the branches.

Sustainable Development

APPROACHES TO MANAGING SUSTAINABLE DEVELOPMENT

ACF recognizes its responsibility in implementing sustainable business practices and promoting the ESG agenda within the Company. In the reporting year, ACF began an active process of ESG transformation, not only to comply with the regulator's requirements but also to implement best practices in responsible business conduct. The management of sustainable development issues was gradually integrated into the existing corporate governance system. Thus, strategic oversight in the field of sustainable development, the approval of fundamental policies and initiatives, and the assessment of results achieved are carried out by the Supervisory Board. Starting in 2024, the Supervisory Board introduced quarterly ESG reporting to its agenda. Matters of responsible business conduct are on the monthly agenda of the Management Board. The Management Board ensures the execution of the Company's development strategy in the area of sustainable development and compliance with the policies and procedures approved by the Supervisory Board. The coordination of activities in the context of sustainable development, the implementation of the action plan to achieve goals, and the provision of reports to the Management Board and the Supervisory Board fall under the competence of the ESG Manager. The heads of the respective departments are responsible for the practical implementation of specific activities.

ACF's Internal Documents in the Field of Sustainable Development

During the reporting period, a number of key documents regulating the Company's activities in the field of sustainable development were developed and approved.

- · Sustainable Development Policy.
- · ESG Policy.
- Environmental and Social Responsibility Policy.

Various aspects of sustainable development are regulated by separate internal regulatory documents:

- Anti-Corruption Policy
- Code of Ethics
- · Corporate Ethics Guide
- Stakeholder Engagement Policy
- Social Strategy
- · Charity Policy

Compliance with these policies is mandatory for all ACF employees.

PARTICIPATION IN ASSOCIATIONS

ACF actively participates in the activities of national and international associations. Membership in these organizations allows the Company to effectively express its positions, build a constructive dialogue with participants in the microfinance market, and exchange knowledge. Such interaction contributes to the adoption of leading global practices and enhances business sustainability.

ACF is a member of the following associations:

- · Association of Microfinance Organizations of Kazakhstan.
- · Fundacja Microfinance Centre.
- · Atameken National Chamber of Entrepreneurs.

Participation without Membership (Reporting and Interaction)

Despite the absence of formal membership, ACF maintains regular interaction and provides reporting to the following organizations:

- Client Protection Pathway (as an organization that has committed to protecting client rights).
- · Kazakhstan Stock Exchange (KASE).

CONTRIBUTION TO ACHIEVING THE UN GOALS

ACF recognizes that the long-term sustainable development of its business depends on solving global challenges in the social, environmental, and economic spheres, and shares a commitment to international and national goals, standards, and principles in the field of ESG and sustainable development, including the UN Sustainable Development Goals (SDGs).

ACF takes the UN Sustainable Development Goals into account in its activities and strategic planning. In 2024, ACF identified 5 UN SDGs as priorities for itself:

ACF's Contribution in 2024

SDG 1	45,817 clients received financing from ACF totaling KZT 37.4 million
No Poverty	• 59% of borrowers are women
	92% of borrowers are from rural areas
SDG 2	Opened 5 new offices in remote rural regions of the country
Zero Hunger	 1,149 clients were trained as part of the 'Alau' educational project, aimed at improving financial literacy Based on a sample survey of clients conducted by 60 Decibels — the world's leading consumer research company for social impact:
	 37% of respondents noted an increase in their income after receiving a loan from ACF 23% noted an improvement in their financial literacy
	 30% noted an improvement in their quality of life 35% noted that their ability to achieve their goals is directly related to their cooperation with ACF Provided charitable support amounting to KZT 6.3 million
SDG 4	637 employees underwent internal training and 31 underwent external training
Quality Education	 12 new courses for employees were created
	 Employees were given access to over 1,000 courses on the Eduson platform
	 2 financial literacy lessons were conducted for schoolchildren in the Zhambyl region
SDG 5	76% of employees at ACF are women
Gender Equality	52% of management positions are held by women
	 29% of the ACF Supervisory Board are women
	59% of borrowers are women
	 98% of clients who completed financial literacy training are women
	 An expanded non-discrimination policy clause was added to the HR Policy regarding current employees and candidates during hiring, which covers all internationally recognized protected categories
SDG 8	 Provided employment for more than 570 people, 86% of whom are from rural regions of Kazakhstan
Decent Work and	Annual salary increases
	·



Economic Growth

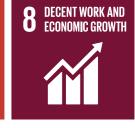


ACF is a responsible taxpayer.

• 90% of loans issued were for entrepreneurship development







68 ANNUAL REPORT, 2024

ENGAGEMENT WITH INTERESTED PARTIES

In its daily activities, ACF actively engages with a diverse range of stakeholders. According to the "Policy on Engagement with Interested Parties within the Framework of Sustainable Development," the Company's key stakeholders are its participants (shareholders), clients, employees at all levels, investors and creditors, suppliers and partners, professional

communities, government bodies and the regulator, the media, and local communities.

To improve the effectiveness of its engagement, ACF annually collects feedback from priority stakeholders and uses it to improve its business processes. Feedback is collected by measuring client satisfaction levels, measuring personnel engagement levels, and obtaining feedback from participants, members of the Supervisory Board, creditors, and the regulator.

Methods of Stakeholder Engagement

Stakeholders	Methods and Channels of Engagement
Participants, Supervisory Board, and Investors	 General assembly of participants Quarterly meetings of the Supervisory Board Communication through various channels (email, telephone, presentations, online and offline meetings) Provision of annual, social, and audit reports Publications on the LinkedIn social network and ACF's corporate website
Personnel	 Access to the Management Board (online and offline meetings) Corporate Telegram channel Employee surveys, including assessment of engagement and loyalty levels Hotline for reporting violations Team-building events Employee training portal System for collecting and processing employee ideas Formation of corporate culture and values
Regulator, government bodies	 Provision of reports with full information disclosure Audit reports Commissions, inquiries, inspections
Creditors	 Communication through various channels (email, telephone, online and offline meetings) Provision of annual, social, and audit reports Provision of complete and timely reporting Publications on the LinkedIn social network and ACF's corporate website
Suppliers and Partners	 Conducting meetings and negotiations Interaction during the performance of work or provision of services
Clients	 Provision of a hotline Face-to-face interaction with clients in the Company's offices Client satisfaction surveys Receipt and processing of complaints and suggestions Publications on social media and the corporate website Communication via the call center and WhatsApp Provision of financial literacy training
Local Communities and the Media	 Charity and support for regions of presence Communication through social media, the media, and the corporate website
Industry Communities	 Participation in meetings on the development of the microfinance sector Participation in conferences, forums, and other industry events Participation in surveys and research on the micro-finance sector



Adhering to the principles of transparency and integrity, ACF sets cost minimization as one of its main goals in procurement.

SUPPLIER ENGAGEMENT

ACF carries out the procurement of goods, works, and services in accordance with the "Procurement Regulations." The Company's procurement activities are built on the principles of transparency, integrity, and compliance with the legislative requirements of the Republic of Kazakhstan. As part of its sustainable development strategy, the Company strives to optimize procurement processes and increase the efficiency of its interaction with suppliers.

The main principles that the Company adheres to in the procurement process are:

- The principle of business process continuity, which involves providing all departments with the necessary goods and services, avoiding downtime and emergency situations.
- The principle of interaction, which involves close communication between all Company departments to ensure timely deliveries.
- The principle of economic efficiency, which involves the Company's commitment to minimizing procurement-related costs.
- The principle of partnership, which involves building long-term and mutually beneficial relationships with suppliers and contractors.
- The principle of competition and openness, which involves selecting suppliers and contractors on the basis of free competition, taking into account requirements for their reliability and the security of transactions.
- The principle of centralization and decentralization, depending on an economically sound approach to procuring groups of goods.
- The principle of reasonable control, which involves continuous work on internal and external controls, analyzing the timeliness of branch requests, the level of offered prices, the quality of purchased products and services, the reliability of suppliers and contractors, and possible risks.
- The principle of standardization of the procurement process, which involves striving for maximum transparency in the procurement process.

The Company has implemented a control system for large procurements:

- Procurements with a total value of more than USD 25,000 for a single transaction are reviewed and approved by the Supervisory Board
- Procurements with a total value of KZT 1.0 million and above (for IT equipment – from KZT 100,000 and above) are reviewed by the Procurement Committee.

At the same time, to comply with the principle of competition and economic efficiency, the Company considers proposals from at least three suppliers before making a procurement decision. This approach allows for the minimization of risks associated with inflated prices, limited choice, dependence on a single supplier, and the possible lobbying of interests of individual suppliers, and also helps to ensure the high quality of the goods and services purchased.

ACF supports all efforts to maintain a high share of local supplier participation in the procurement process in order to support business and stimulate the national economy. In the reporting year, 98% of suppliers were Kazakhstani companies.

ACF's plans for the coming years include the introduction of supplier audits in accordance with social and environmental criteria, aligned with international requirements in the field of sustainable development, which will enhance the Company's reputation as a responsible market participant.

ASIAN CREDIT FUND 71

Environmental Responsibility

ENVIRONMENTAL IMPACT

Given the specifics of its operations, the Company does not have environmental aspects that are accompanied by high environmental risks, and the level of its own impact on the environment is not significant. Nevertheless, ACF recognizes the importance of minimizing its negative environmental impact and strives for the rational use of resources. Thus, in the reporting year, the Company began the systematic tracking of environmental indicators, which was an important step in forming its environmental

In the reporting year, the Company did not violate the environmental legislation of the Republic of Kazakhstan and was not subject to fines from environmental regulatory authorities.

WASTE MANAGEMENT

Most of the waste generated during the Company's operations is classified as non-hazardous

Since 2020, ACF has been conducting separate waste collection at its head office, contributing to the reduction of waste sent to landfills. In the Company's other branches, separate waste collection is not possible due to the lack of collection and disposal companies in the rural regions of Kazakhstan.

ACF collaborates with the Company "Eco Network," which is authorized to collect, transport, and dispose of separately collected waste. Waste is accumulated in special eco-bins, which are manufactured by the Society for the Blind. In this way, the Company not only makes its small contribution to reducing its environmental footprint and raising employee awareness about the principles of separate waste collection but also contributes to supporting socially vulnerable groups of the population. In the reporting year, the Company's head office handed over 789 kg of office waste.

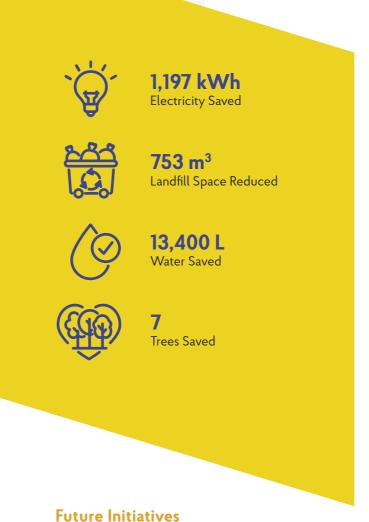
The disposal of archival documents is carried out through the Company "Reisswolf Kazakhstan," which specializes in the secure destruction of data and documents throughout Europe. In the reporting year, the Company disposed of 2,596 kg of archival documents.

Volume of Waste Generated at Head Office, kg

Type of Waste	2023	2024
Total	2,231.6	3,383.9
Plastic	99.4	83.2
Aluminum	6.4	3.7
Glass	76.7	31.0
Waste Paper	564.1	670.0
Archival Documents	1,485.0	2,596.0

In 2024, the Company made significant progress in reducing waste volumes in key categories such as plastic, aluminum, and glass. Compared to 2023, the volume of plastic waste decreased by 16%, aluminum by 42%, and glass by 60%. This result was achieved by strengthening the corporate culture of responsible consumption. Key measures that influenced the reduction in waste volumes included switching to reusable materials, phasing out single-use plastics in offices, and actively training employees on the rules of separate waste collection. 670 kg of waste paper was collected and recycled at the head office. The volume of paper purchased by the branches is monitored, which amounted to 19 tons in the reporting year. Practical measures that ACF is taking to reduce paper use include a gradual transition to electronic document management, the automation of various internal processes, refraining from printing documents unnecessarily, and optimizing the printing process.

The disposal of computer, electronic, and office equipment in 2024 was carried out in three branches and the head office through V-Recycling.kz LLP. In 2024, the Company did not provide detailed statistics on the weight of waste handed over for disposal. According to the LLC's documentation, ACF's property was disposed of in accordance with the requirements of sanitary-epidemiological, environmental, and other norms and rules of the Republic of Kazakhstan, namely, by being ground down for further processing into secondary raw materials for domestic producers.



In 2025, the Company plans to conduct an approximate accounting of the amount of waste generated in the ACF branch network.

WATER RESOURCE MANAGEMENT

Water consumption at ACF is predominantly for domestic purposes (for office needs). The consumption of bottled water in ACF offices in the reporting year was 32,280 L.

All of the Company's offices are located in rented buildings where water supply and sanitation are managed by the property owners. In the reporting year, the property owners did not provide data on the actual volume of water consumption, which limited the ability to monitor and quantify it.

Despite this, ACF recognizes the importance of the rational use of water resources. In the long term, the Company is considering collaborating with landlords to obtain more detailed information on water use and to develop additional measures for its optimization.

Office Placement and **Protected Natural Areas**

ACF recognizes the importance of preserving natural areas and biodiversity, so when opening new offices, the Company does not place them near protected natural zones, national parks, or other ecologically vulnerable territories. This allows for the minimization of potential environmental impact and excludes possible negative influence on ecosystems.

Future Initiatives

In 2025, ACF will continue to strengthen its principles of sustainable development and plans to develop an "Environmental Strategy," which will be an important step in systematizing and improving the management of the environmental aspects of the Company's activities. As part of this strategy, the Company plans to define key environmental goals aimed at minimizing negative environmental impact and to develop indicators and assessment methods based on international practices, which will allow for the objective measurement of progress and increase the transparency of its activities in the field of ecology.

CLIMATE CHANGE

Climate change is one of the most serious threats of the 21st century, affecting the safety, health, and well-being of billions of people, as well as the state of ecosystems and biodiversity. In the World Economic Forum's Global Risks Report 2024, climate change was noted as one of the key long-term risks facing humanity. Rising temperatures, extreme weather events, loss of biodiversity, and a shortage of natural resources pose serious threats to the economy and business. Overcoming these requires coordinated efforts from governments, businesses, and society, aimed at integrating climate strategy, reducing emissions, and adapting to new realities.

Greenhouse Gas Emissions and Electricity Consumption

In 2024, ACF conducted its first analysis of greenhouse gas emissions for the years 2024 and 2023. The assessment was carried out in accordance with the "Methodology for Calculating the Carbon Footprint of ACF's Activities," approved by the Management Board in September 2024. The calculation methodology was developed in accordance with the requirements of the following international and Kazakhstani regulatory acts:

- Methodology for Calculating Greenhouse Gas Emissions and Removals of the Republic of Kazakhstan.
- List of industry benchmarks for regulated sectors of the economy of the Republic of Kazakhstan within the national system for greenhouse gas emissions quoting.
- United Nations Framework Convention on Climate Change (UNFCCC), 1992.
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
- Strategy for Achieving Carbon Neutrality of the Republic of Kazakhstan by 2060: The approved document "Strategy for Achieving Carbon Neutrality of the Republic of Kazakhstan by 2060."
- · 2022 IPCC Sixth Assessment Report.

- Greenhouse Gas Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
- ISO 14064-1:2018 "Greenhouse gases Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals."

Within this methodology, the Company's carbon footprint is represented by the calculation of the impact of the following significant aspects:

- Direct GHG emissions (Scope 1) from the operation of its own vehicle fleet.
- Indirect GHG emissions (Scope 3) from the operation of third-party vehicles as part of the Company's activities, emissions from purchased electricity in rented offices, and emissions generated from employee business trips using air and rail transport.
- In accordance with the requirements of the methodological guidelines for quantifying the volume of indirect energy-related greenhouse gas emissions (GHG Protocol), the value of indirect energy-related emissions is reported with an accuracy of 1 ton of CO2.
- Greenhouse gas emissions are expressed in tons of CO2-equivalent and cover emissions of CO2, CH4, and N2O.

In 2024, ACF calculated emissions from purchased electricity in 44 out of 64 offices and did not calculate indirect emissions from the use of thermal energy due to a lack of data for calculation.

Energy resource consumption in 2024 amounted to 293,057 kWh (in 2023 – 207,578 kWh). The increase in energy resource consumption is related to the increase in the number of offices providing electricity data (+12 offices).

Emissions from the operation of owned (Scope 1) and leased transport (Scope 3) were calculated according to the requirements and principles of the Greenhouse



Moving from acknowledging climate risks to taking concrete action, ACF has implemented a system to accurately calculate and analyze its own emissions.

Gas Protocol and in accordance with the 2022 IPCC Guidelines for National Greenhouse Gas Inventories (Sixth Assessment Report). Based on the calculations for year-end 2024, greenhouse gas emissions from owned and leased transport amounted to 695 tons of CO2-equivalent.

Emissions from the consumption of electrical energy (Scope 3) were calculated using the location-based method with territorial emission factors for energy production for the Republic of Kazakhstan, data for which are contained in the List of benchmarks in the regulated sectors of the economy of the Republic of Kazakhstan. Based on the calculations for year-end 2024, greenhouse gas emissions from the consumption of electrical energy amounted to 233 tons of CO2-equivalent.

Emissions from employee business trips using air and rail transport (Scope 3) were calculated using an open service for carbon footprint calculation. Based on the calculations for year-end 2024, greenhouse gas emissions from business trips amounted to 31 tons of CO2-equivalent.

Greenhouse Gas Emissions, tons of CO2-equivalent

	2023	2024
Scope 1	14,700	11,171
Scope 2	-	-
Scope 3	792,726	948,183
Total	807,426	959,354

Greenhouse Gas Emissions by individual greenhouse gas, tons

	2023	2024
CO2	787,899	904,438
CH4	1,956	5,465
N2O	17,537	49,450
Total	807,392	959,354

Greenhouse Gas Emissions, tons of CO2-equivalent

	2024
Employee travel	31,486
Electricity consumption	233,075
Fuel combustion by vehicles	694,793

Future Initiatives:

In the future, ACF plans to achieve 100% data collection for electricity in all offices, introduce an assessment of heat consumption, and develop initiatives to improve energy efficiency.

CLIMATE CHANGE MANAGEMENT

In 2024, ACF did not carry out special measures for managing climate risks. However, recognizing the growing importance of this topic and the requirements of sustainable reporting standards, the Company plans to implement a climate risk management system in 2025.

As part of this process, ACF intends to integrate the approaches of IFRS S1 & S2, which will allow the

Company to more effectively assess and disclose information about climate-related risks and opportunities. This step is aimed at increasing the transparency and sustainability of its activities, as well as at complying with international requirements in the field of ESG reporting.

Annexes

CONTACT INFORMATION

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Telephone

Corporate Website

Email for feedback on the report

Contact person for investors and shareholders

Auditor Details

Registrar Details

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GLOSSARY

ACF (Company)	Microfinance Organization "Asian Credit Fund" LLC
ALCO	Asset and Liability Management Committee
AMFOK	Association of Microfinance Organizations of Kazakhstan
AML/CFT	Anti-Money Laundering / Countering the Financing of Terrorism
ARDFM	Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan
BOPA	Base of the Pyramid Asia — an ACF participant
CH4	Methane
CIT	Corporate Income Tax
CO2	Carbon Dioxide
Creatio	A global provider of a no-code platform for workflow automation and CRM
ESG	Environmental, Social, and Governance
GDP	Gross Domestic Product
GHG	Greenhouse Gases
GRI	Global Reporting Initiative
НО	Head Office
HR	Human Resources
IAD	Internal Audit Department
IFRS	International Financial Reporting Standards
IT	Information Technology

KASE	Kazakhstan Stock Exchange
KPI	Key Performance Indicators
kWh	Kilowatt-hour
LLC/LLP	Limited Liability Company / Limited Liability Partnership
MFC	Microfinance Centre
MFO	Microfinance Organization
N2O	Nitrous Oxide
NBK	National Bank of Kazakhstan
NPL	Non-Performing Loans
PAR	Portfolio at Risk
ROA	Return on Assets
ROE	Return on Equity
ROI	Return on Investment
SDGs	Sustainable Development Goals (UN)
SMART	A method for setting goals: Specific, Measurable, Achievable, Relevant, and Time-bound
SME	Small and Medium Enterprises
SWOT	Strengths, Weaknesses, Opportunities, Threats
UN	United Nations
USAID	United States Agency for International Developmen

NOTES

Financial Support That Creates Opportunities

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