



ASIA CAPITAL JOINT-STOCK COMPANY
(Open Joint-Stock Company)

asia-capital.kg

19 Razzakov Street, Bishkek
Kyrgyz Republic,

Approved by the
Resolution of the Board
of Directors of
ASIA CAPITAL OJSC
as of August 15, 2025
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2024 Sustainable Development Report ASIA CAPITAL OJSC

Bishkek, 2025

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About the Company

Asia Capital OJSC is a dynamically developing broker in Kyrgyzstan. The Company operates within the scope of licenses for brokerage and dealer activities on the securities market as well as for activities on trust management of investment assets.

The Company's mission is to support clients on the way to reaching their financial goals by providing reliable services and advanced solutions. We strive to combine professionalism and innovation, offering a variety of tools and extensive knowledge to ensure effective asset management and long-term financial success.

Asia Capital's team of qualified professionals brings together expertise, responsibility and commitment to the best interest of our clients, delivering high quality service and building trust-based relationships underpinned by transparency and sustainable development.

In 2025, the Company underwent the process of transformation into a joint stock company. The Company plans to place an additional issue of its own ordinary shares during the third and fourth quarters of 2025. The placement is planned as part of a public offering on the Kyrgyz Stock Exchange (KSE). The Company is headquartered in Bishkek.

Corporate Governance

The Company maintains its corporate governance in accordance with the best international practices and the legislation of the Kyrgyz Republic.

The Company's corporate governance system is based on the following principles:

- Accountability – a clear distribution of powers and responsibilities among shareholders, the Board of Directors, executive bodies, and employees.
- Fairness – equal treatment of all shareholders, protection of their rights, and the opportunity to participate in the Company's governance.
- Transparency – regular disclosure of reliable information on financial results, ownership structure, and governance, ensuring open access of stakeholders to key information.
- Responsibility – recognition of the interests of all stakeholders, including local communities, and a commitment to partnership for sustainable development.
- Effectiveness – professional performance of the Board of Directors and its committees, succession planning, regular performance evaluation, and support for the Corporate Secretary.

Asia capital's corporate governance structure:

- General Shareholders' Meeting
- Board of Directors
- Sole executive body .

The General Shareholders' Meeting is the supreme management body of the Company. The Company ensures conditions for fair treatment of each shareholder by the Company's management bodies and controlling persons, including measures to prevent abuse of minority shareholders by major shareholders. Shareholders make decisions on the management of the Company at General Shareholders' Meetings. Shareholders are regularly provided with material information on the Company's activities to the extent sufficient for them to make informed and balanced decisions on the disposal of shares. Amendments and additions to the Company's Charter are made by decision of the General Shareholders' Meeting. The Company's shares are owned by private individuals, and the state has no stake in the Company.

The Board of Directors implements the Company's strategic management, approves its development strategy, goals, mission and policies, determines main principles and approaches to the organization of the risk management and internal control system in the Company, and controls activities of the Company's executive bodies.

Committees under the Board of Directors:

Committee	Functions
Strategy Committee	Participation in the development of the Company’s strategic plans as well as determination and revision of its long-term objectives. Analysis and submission of recommendations to the Board of Directors on strategic decisions regarding the identification of the Company’s priority areas of activity, along with the recommendations on the Company’s financial strategy. Oversight and analysis of significant aspects of the Company’s financial activities related to the Company’s capitalization, cash flow management, engagement of borrowed financial resources, investment of available funds, placement of securities, and acquisition or disposal of the Company’s shares.
Audit Committee	Oversight of the completeness and accuracy of financial reporting and monitoring of the reliability and effectiveness of the internal control system. Ensuring the independence and objectivity of the internal audit function. Review of the policy, action plan, and powers of the Internal Audit Service. Assessment of the independence, objectivity, and absence of conflicts of interest of the Company’s external auditors. Analysis and evaluation of the effectiveness of investigations into potential cases of fraud and misuse of confidential information. Supervision of the implementation of corrective actions addressing deficiencies identified by external auditors
Nomination and Remuneration Committee	Development of recommendations for the Board of Directors regarding the criteria for selecting candidates for positions within the executive body and heads of the Company’s structural units. Development of criteria and a system for evaluating the performance of the Company’s executive body, as well as criteria for determining the independence of a member of the Board of Directors. Development of the Company’s remuneration policy and remuneration system to ensure incentives for the effective work of directors and managers. Development of recommendations for the Board of Directors and preparation of decisions on matters related to the organization, monitoring, and oversight of the remuneration system. Approval of internal regulations establishing the procedure for determining the amounts of official salaries, compensation, incentives, and social payments. Approval of the Company’s payroll fund.
Risk Committee	Development of recommendations for the Board of Directors on methods for identifying, assessing, and optimizing the Company’s risk exposure and risk structure. Submission of recommendations to the Board of Directors regarding the approval of the aggregate level of risk acceptable to the Company in line with its strategic goals and objectives (risk appetite). Review of regular reports on material types of risk, status of risk limits, and results of stress testing. Oversight of the executive bodies with respect to the timeliness of risk identification, risk assessment, and the implementation of necessary risk management procedures.

The Board of Directors consists of 5 members, currently there are no women members. In accordance with Article 55 of Law No. 64 of the Kyrgyz Republic dated 27.03.2003 “On Joint-Stock Companies,” at least 30% of the Board of Directors in public companies must be independent members of the Board of Directors. Asia Capital has 3 independent directors (60%). All members of the Board of Directors have relevant experience in the industry. The Board of Directors meets at least once a year to discuss strategy, progress and updates. The average attendance rate at meetings is over 75%. Board members are re-elected every year, while the maximum term of office is 3 years. The average term of office of members of the Board of Directors is 1 year.

The Company is committed to the principles of equal opportunities when electing members of the Board of Directors, whose competencies and experience are duly considered, and the Board of Directors is free from discrimination on the basis of gender, age, nationality, etc.

Asia Capital annually evaluates the performance of the Board of Directors and its Committees to assess their effectiveness. The evaluation is based on questionnaires approved by the Board of Directors according to established criteria. Independent experts or external consultants with the required qualifications may also be engaged by decision of the Board of Directors.

The executive body (the Management Board) manages the Company's day-to-day operations, ensures the implementation of strategy, and coordinates the work of its divisions. The executive body consists of one person – the Chief Executive Officer (CEO), who is appointed by the Board of Directors. The CEO's remuneration includes fixed and variable components, with the variable part tied to the Company's annual financial results. The CEO holds 16.8% of the Company's shares. The ratio of the CEO's annual remuneration to that of employees is 1.67.

CEO's Remuneration/Employees' Remuneration Ratio

Indicator	Amount
CEO's annual remuneration (including all bonuses)	2,500 ths. KGS
Average and median annual salary of employees, excluding CEO	1,500 ths. KGS
CEO's remuneration/employees' remuneration ratio	1.67

Compliance

Asia Capital treats compliance, business ethics and anti-corruption as a crucial element of its corporate governance and sustainable development system. In its activities, the Company is guided by the principles of legality, honesty, equality and zero tolerance of any form of corruption or unfair competition. For this purpose, the Company has developed and operates internal documents, including the Code of Ethics, the Anti-Corruption Policy and the Conflict of Interest Policy, which apply to all employees and are binding.

The Conflict of Interest Policy of Asia Capital OJSC establishes principles for identifying, preventing and resolving possible situations of conflict of interest, as well as obligations of employees to disclose them. The Compliance Officer is responsible for identifying conflicts of interest. In 2024, there were no cases of conflicts of interest in the Company.

The Chinese Wall principle is implemented to minimize the risk of using insider information and to prevent the intersection of the interests of clients and the Company:

- units performing active operations in the interests of clients are functionally and organizationally separated from employees dealing with the Company's positions on organized markets;
- the compliance department is isolated from business units and retains its independence in exercising control.

The Company has implemented the **Three Lines of Defense principle**:

1. **The first line** includes business lines that are responsible for identifying conflicts of interest, complying with AML procedures, and enforcing the Conflict of Interest Policy.
2. **The second line** addresses monitoring and control by the compliance department, which includes reviewing complaints, conducting inspections and supervising the activities of the professional participant's compliance officers.
3. **The third line** is the internal audit and the Board of Directors, which annually assess the effectiveness of the internal control system based on the reports of the internal audit service.

Every year, the Compliance Officer prepares and submits an annual report on the management of conflicts of interest to the Company's CEO for review and approval. Upon approval, the Report is considered by the Board of Directors.

Responsibility for managing anti-corruption activities is distributed at all levels. The Corporate Ethics Department implements anti-corruption activities and procedures, monitors, reviews and investigates employee complaints of corruption offenses, and generates reports. The executive body appoints persons in charge of developing anti-corruption procedures and ensures integration of requirements of the anti-corruption management system into the Company's processes. The Board of Directors approves the Anti-Corruption Policy and analyzes information on the status and functioning of the anti-corruption management system provided by the Company's executive bodies.

No cases of corruption, money laundering or violations of business ethics were reported during 2024. There were also no complaints from employees or clients through existing anonymous feedback channels.

Asia Capital does not lobby or fund any political parties or companies.

Confidentiality and Personal Data Protection

Asia Capital pays special attention to the protection of personal data and confidential information, ensuring compliance with national legislation and international standards. The Company has adopted the Information Policy as well as the Personal Data Processing Policy, which establishes the procedure for collection, storage, use and transfer of personal data.

The Company's activity in the field of personal data processing is in strict compliance with the requirements of Law No. 58 of the Kyrgyz Republic dated April 14, 2008 "On Personal Data". The Information Security Department (ISD) exercises internal control over compliance of personal data processing with the legislation, internal policies, and data protection requirements.

Personal data may be disclosed to third parties (private or state organizations) only:

- upon the consent of the data owner;
- or where expressly provided for by the legislation of the Kyrgyz Republic.

The retention period of information in corporate files is 5 years, after which the data is subject to destruction or archival in line with internal procedures. Processing of personal data of clients and employees is conducted upon their informed consent only.

Over the entire period of the Company's operation, no complaints from clients about data confidentiality violations (leaks, unauthorized access or information theft) have been recorded. This confirms the effectiveness of the internal control system and existing information security measures.

Economic Performance

Asia Capital demonstrates sustainable positive dynamics of financial results, which reflects the effectiveness of the business model and strategic decisions. Direct economic value (operating income) increased from 11.6 million KGS in 2022 to 35 million KGS in 2024. This growth was primarily due to an increase in revenue to 32 million KGS in 2024 (compared to 4.5 million KGS in 2022). At the same time, revenues from other sources amounted to 3 million KGS. The main part of expenses falls on operating costs (24 million KGS) and personnel costs. Undistributed economic value in 2024 amounted to 10 million KGS, which shows a favorable result for further investment in business development and implementation of sustainable development initiatives.

Indicator	Unit of Measure	2022	2023	2024
Direct Economic Value (Operating Income)	million KGS	11.60	19.40	35.00
Including:				
Revenue	million KGS	4.50	3.70	32.00
Income	million KGS	7.10	15.70	3.00
Distributed Economic Value	million KGS	6.00	16.40	30.50
Including:				
Operating costs	million KGS	5.60	12.70	24.00
Personnel costs	million KGS	0.40	3.70	6.50
Tax payments	million KGS	0.90	0.70	1.11
Undistributed economic value	million KGS	7.89	5.60	10.06
Profit before tax	million KGS	8.79	6.30	11.17
Taxes (accrued/reported)	million KGS	0.90	0.70	1.11
Taxes paid	million KGS	0.90	0.70	1.11

Investments in the infrastructure of Kyrgyzstan amounted to 10 million KGS in 2023 and 12 million KGS in 2024. Those funds were used to finance a company developing a network of charging stations for electric vehicles.

Sustainable Development Management

The Company's sustainable development management system is aimed at integrating ESG principles into all key business processes as well as ensuring transparency and strategic alignment with the Company's long-term goals. Sustainable development management is implemented in accordance with the Sustainable Development Policy, Corporate Governance Code, Human Rights Policy, Anti-Corruption Policy, and Sustainable Development Risk Management Policy.

The highest level of responsibility for sustainability issues is vested in the Board of Directors. The Board approves strategic priorities, goals and key ESG documents, and also reviews and approves annual Sustainability Reports.

To ensure effective oversight, the Board has the Strategy Committee, which:

- develops strategic plans and sustainability objectives;
- oversees the integration of ESG principles into the business strategy;
- assesses how the established priorities are being met and provides recommendations to the Board of Directors.

The Management Board of the Company is responsible for practical implementation of the Board of Directors' decisions in the field of sustainable development. Its duties include:

- organizing activities of departments and coordination of ESG practices implementation;
- exercising control over adherence to internal policies and external requirements;
- ensuring compliance with the national legislation and international standards.

At the operational management level, an ESG Officer is appointed, who:

- coordinates the implementation of sustainable development activities;
- monitors, collects and analyzes data;
- prepares non-financial reports;
- interacts with key stakeholders.

All employees and officials of the Company contribute to the achievement of ESG goals by performing their job duties in accordance with the Sustainable Development Policy.

Stakeholder Engagement

To ensure effective implementation of the sustainable development strategy, the Company arranges systematic work with stakeholders. Engagement is based on the principles of respect, transparency and responsibility, which makes it possible to consider interests of key groups, inform them about activities in a timely manner and ensure a meaningful dialog. Every year, the Company conducts stakeholder opinion surveys, the results of which are used to identify important topics and further integrate them into the sustainable development management and reporting processes.

Stakeholder Map

Stakeholders	Expectations	Engagement Method
Clients (investors, individuals, corporate clients)	Transparency of fees and services, protection of interests and funds, competitive rates, high-quality consultations	In-person and online service, consultations, publications on products and risks, newsletters, web site
Employees	Fair working conditions, career opportunities, rights and equality	Internal trainings, satisfaction surveys, meetings with management, corporate mailings

Shareholders and investors	Long-term value, business model transparency, risk management, legal compliance	Annual reports, disclosure of non-financial information (GRI, IFRS S1/S2), shareholders' meetings
Regulators	Compliance with legislation, participation in financial market development	Reporting, official notifications, participation in consultations and working groups, meetings

Personnel

In its activities, Asia Capital rigorously adheres to the requirements of the Labor Code of the Kyrgyz Republic, which guarantees the observance of employees' rights, their social protection and safe working environment. The Company has established the Human Resources Policy, Regulations on Occupational Health and Safety, and the Human Rights Policy, which enshrines the obligations to ensure equal opportunities and non-discrimination.

Employees of the Company are guaranteed the payment of salaries above the minimum wage level in Kyrgyzstan, no overtime in excess of the established working hours, annual paid vacation, fair remuneration regardless of gender, and a 1-month notice in case of dismissals or layoffs as per the Labor Code.

The highest level of control over HR issues is exerted by the Nomination and Remuneration Committee of the Board of Directors, which approves internal HR documents and policies, and sets strategic priorities for employee development and motivation.

The number of employees has grown from 7 in 2022-2023 to 13 in 2024, reflecting the increased operational workload and the need for additional specialists. The gender structure of the workforce remains relatively stable, with men accounting for 69-71%, while the share of women shows a positive trend, from 29% in 2022 to 31% in 2024. The Company strives to maintain gender balance. The age structure is marked by the predominance of employees aged 30-50, whose share increased from 57% to 69%, which is related to the focus on specialists with sufficient experience and professional competencies.

Number of Employees in 2022-2024

Indicator	Unit of Measure	2022	2023	2024
Number of employees at year-end	persons	7	7	13
Number of employees by gender				
Men	persons	5	5	9
	%	71%	71%	69%
Women	persons	2	2	4
	%	29%	29%	31%
Number of employees by age				
Under 30	persons	2	2	4
	%	29%	29%	31%
30-50	persons	4	4	9
	%	57%	57%	69%
50+	persons	1	1	0
	%	14%	14%	0%

In terms of employment contracts, permanent employees prevail, which indicates the stability of the workforce and focus on long-term labor relations. The majority of employees are working full time (9 persons in 2024), while there are still employees with flexible employment (3 persons).

Indicator	Unit of Measure	2022	2023	2024
Employees by contract duration:				
Permanent employees:	persons	6	6	11
Temporary employees:	persons	1	1	2
Employees by working pattern:				
Full time	persons	5	5	9

Part time	persons	2	2	3
Non-employee personnel	persons	0	0	1

Equal Opportunities

The Company ensures fair treatment of all employees regardless of gender, age, nationality, religion, ethnicity or other characteristics. The principles of gender equality and non-discrimination are enshrined in internal documents, including the Human Rights Policy, and are practically reflected in recruitment, training, career development and remuneration processes. There were no incidents or complaints of discrimination against coworkers in 2022-2024.

In 2024, women accounted for 31% of the workforce, with the proportion of women in leadership positions reaching 7.14% and 11.11% among line managers. In the Company's top management, women are represented at 7.14%. Analysis of the gender pay gap showed an average difference of 5%, which generally corresponds to the level typical for the financial sector of the region. To reduce this gap, the Company continues to improve the compensation and promotion system, ensuring equal conditions for all employees.

Gender Pay Gap (KGS)	Women	Men
Directors (salary)	150 000	170 000
Directors (salary+other bonuses and compensations)	250 000	270 000
Managers (salary)	100 000	100 000
Managers (salary+other bonuses and compensations)	120 000	120 000
Specialists (salary)	80 000	80 000

	2024
Average gender pay gap	5%
Median gender pay gap	5%
Average gender bonus gap	5%
Median gender bonus gap	5%

The Company firmly observes the prohibition on the use of child labor and forced labor. Any form of participation in or facilitation of human trafficking is also excluded. These commitments are in line with both international standards and requirements of the legislation of the Kyrgyz Republic.

Regarding labor protection, the Company has adopted the Occupational Health and Safety Regulations. The Company ensures safe and decent working conditions, minimizes occupational risks and applies preventive measures to protect the health of employees. Fire safety, occupational health, and safety briefings are regularly conducted and the information is recorded in the relevant logbook.

Hiring of Employees

In 2024, the Company demonstrated positive dynamics in hiring new employees due to the expansion of the Company's operations and growth in the services provided. Six new employees were hired in the reporting year, of which 67% were men and 33% - women. Young specialists

and employees under 50 years old were hired in 2024. The average cost of hiring an employee decreased from 100 thousand KGS in 2023 to 80 thousand KGS in 2024, which points to the optimization of recruitment processes.

Indicator	Unit of Measure	2023	2024	2025
New employees hired in the reporting year	persons	7	0	6
By gender				
Men	persons	5	0	4
Percentage of men	%	71%	0%	67%
Women	persons	2	0	2
Percentage of women	%	29%	0%	33%
By age				
Under 30	persons	2	0	4
30-50	persons	4	0	3
50+	persons	1	0	0
Proportion of vacancies closed by internal candidates	%	0	100%	0
Average cost of employee recruitment	KGS	100 000	100 000	80 000

In 2024, the turnover rate was 11%, with only men over 50 (8%) quitting.

Personnel Training and Motivation

In 2024, the total number of staff training hours amounted to 160 hours, which is twice as much as in 2023 (80 hours). The average number of training hours per employee increased from 20 hours in 2023 to 30 hours in 2024.

Employees of the business units participate in industry forums and congresses, which enables them to keep abreast of current market trends. Compliance and AML employees receive training on regulatory requirements and best practices in anti-money laundering. On average, KGS 100 thousand was spent on training per employee in 2024.

Indicator	Unit of Measure	2023	2024
Total number of training hours per year	hours	80	160
Men	hours	40	80
Women	hours	40	80
By age:			
Under 30	hours	20	40
30-50	hours	20	40
50+	hours	0	0
Average number of training hours per employee per year	hours	20	30

The Company has adopted the Personnel Motivation Regulations, which provide for linking remuneration to the Company's financial results at year-end. The employee performance evaluation system is based on KPIs and is conducted once a year. Results of the evaluation determine the level of achievement of goals and performance of each employee, which directly affects the level of remuneration.

Return on Human Capital Investment in 2022-2024

Indicator	Unit of Measure	2022	2023	2024
Company's revenue	million KGS	12.0	20.0	35.0
Operating costs	million KGS	5.6	12.7	24.4
Personnel costs (salaries+bonuses)	million KGS	0.4	2.7	6.5
Return on investment		17.0	3.7	2.6

Employees are provided with vacations, flexible schedules and remote work, paid parental leave, leave for the second parent, and family leave as support measures. The system of access control to workplaces ensures monitoring of working hours, and overtime payments are made to employees as required.

Environmental Aspect

Asia Capital does not produce any significant impact on the environment. Yet, the Company strives to take care of the environment and reduce its own footprint.

The volume of heat and electricity consumption amounted to 210.2 GJ. Fuel consumption amounted to 105.6 GJ. Gasoline is consumed by the Company's vehicles.

Energy Consumption	Unit of Measure	2022	2023	2024
Consumption of energy (fuel) from non-renewable sources	GJ	211.2	211.2	105.6
Gasoline	GJ	211.2	211.2	105.6
Electricity and heat energy consumption	GJ	80	80	104.6
Electricity	GJ	8.8	8.8	16.4
Heat energy	GJ	71.2	71.2	88.3
Total energy consumption	GJ	291.2	291.2	210.2

The energy intensity in 2024 amounted to 0.00001 GJ/thousand KGS .

Energy Intensity	Unit of Measure	2022	2023	2024
Total energy consumption	GJ	291.20	291.20	210.24
Revenue	ths. KGS	11 031	1 532 768	32 384 066
Energy Intensity	GJ/ths. KGS	0.026	0.00019	0.00001

Greenhouse Gas Emissions

The main sources of direct emissions are the Company's gasoline-powered vehicles. In 2022-2023, the emission level was 14.64 tons of CO₂e. annually. In 2024, the indicator has dropped to 7.32 tons CO₂e due to optimization of fleet use and reduction of travel intensity.

Indicator	Unit of Measure	2022	2023	2024
Direct greenhouse gas emissions (Scope 1)	tons, CO ₂ e	14.64	14.64	7.32

Indirect emissions are formed through consumption of electricity and heat energy. Emissions remain insignificant (0.65 tons CO₂e in 2024), which is explained by the high share of hydropower in the energy balance of Kyrgyzstan. Thermal energy is the main source of indirect emissions. In 2022-2023 the level was 8.23 tons CO₂e and in 2024 increased to 10.2 tons CO₂e. This growth is attributed to the expansion of business operations and expansion of the Company's office space, which required a larger heat supply volume.

Indicator	Unit of Measure	2022	2023	2024
Indirect greenhouse gas emissions from electricity	tons, CO ₂ e	0.35	0.35	0.65
Indirect emissions from heat energy	tons, CO ₂ e	8.23	8.23	10.20
Indirect greenhouse gas emissions (Scope 2)	tons, CO ₂ e	8.576	8.576	10.849

In the long run, the Company considers switching to alternative modes of transportation and finding solutions to reduce its carbon footprint in the heating season.

The intensity of greenhouse gas emissions has decreased significantly due to the Company's expansion and increased revenues.

Indicator	Unit of Measure	2022	2023	2024
Total emissions	tons, CO ₂ e	23.21	23.21	18.17
Revenue	ths, KGS	11 031	1 532 768	32 384 066
Intensity of emissions	tons, CO ₂ e/ths. KGS	0.0021	0.000015	0.000001

Waste

Waste generation volumes are insignificant. In the reporting period, there is a stable level of waste generation, which is associated with the nature of brokerage activities, where the main share is office and administrative waste.

Waste General Volume	Unit of Measure	2022	2023	2024
Non-hazardous waste	tons	2.1	2.1	3.9

Paper waste and plastics are transferred to specialized organizations that have licenses for collection, disposal and recycling. Additionally, the Company implements measures to reduce paper consumption by switching to electronic document management and optimizing processes.

Sustainability-Related Disclosures (IFRS S1, S2)

Climate Risk Management and Sustainable Development

Climate risks and ESG risks are integrated into the Company's overall risk management system. These are overseen by the Board of Directors through the Risk Committee. Sustainability risks have equal priority with financial and non-financial risks and are included in the unified risk management system.

Main tasks of the Committee are as follows:

- control over activities of executive bodies and interaction with management on ESG and climate risks;
- development of recommendations for the Board of Directors and senior managers on sustainability risk management;
- prioritization and participation in the development of risk management policy;
- regular assessment of the risk management system efficiency taking into account international practices;
- review of reports on material risks, stress testing, limits and restrictions, as well as analysis of cases when established limits are exceeded;
- development of proposals on the Company's risk appetite, target risk structure and limits for the business units.

The Committee also conducts preliminary review of internal policies and regulations in the field of risk management, prepares recommendations to the Board of Directors and participates in forming proposals for their improvement.

The Strategy Committee of the Board of Directors determines relevant categories of ESG and climate risks and opportunities and includes them in the Company's Development Strategy.

The sole executive body is responsible for the implementation of the approved risk management strategy. Its functions include:

- control over the implementation of policies and procedures by employees and departments;
- preparation of reports and proposals for the Risk Committee and the Board of Directors;
- organization of implementation of risk management procedures and measures;
- realization of the Sustainability Risk Management Policy.

The Company's Compliance Officer inspects the Company's activities and those of its units for compliance with legal requirements and internal risk management documents. He or she prepares reports and proposals to the executive body to improve the risk management system.

Reporting to Management on ESG Risks and Climate Risks and Associated Opportunities

The following levels and frequency of reporting have been established to ensure adequate oversight and control:

- **The executive body** receives information when a new risk or opportunity is identified, as well as when the significance of previously identified risks changes (by analogy with financial risks included in the risk-universe of the Company).
- **The Risk Committee and the Board of Directors** receive consolidated reports and recommendations at least quarterly.

Responsibility for managing sustainability risks and opportunities is formalized in the Company's internal documents, including the Corporate Governance Code and profile policies. Pursuant to the Corporate Governance Code, the Board of Directors has the highest level of responsibility for strategic oversight. It approves priorities and goals in the field of sustainable development and delegates these issues to the competence of the Strategy Committee and the Risk Committee.

The Company has approved the Sustainability Policy and the Sustainability Risk Management Policy, which specify duties of management bodies and outline approaches to identifying, assessing and managing ESG -related and climate risks. Job descriptions and mandates of managers and employees contain requirements for the obligatory implementation of internal policies and procedures, including the mandatory consideration of ESG factors when making decisions.

When concluding transactions with clients, Asia Capital honors compliance with the criteria of the national green taxonomy. Control procedures are implemented in applications and contracts for transactions, and client's activities are assessed for compliance with local and international legislation (absence of lawsuits and prosecutions, fines and injunctions). When issuing instruments compliant with the national or international green taxonomies, the Company must identify risks and opportunities related to sustainable development (both in terms of the financial instrument and its issuer, and in terms of the impact of its issuance on the Company).

Processes to Identify Climate Risks and ESG Risks

Due diligence is performed on clients before working with them to ensure:

- compliance with the national sustainability taxonomy;
- compliance with local and international ESG requirements (including whether or not there are any lawsuits, fines and injunctions).

As part of KYC procedures, clients fill in questionnaires that include non-financial questions related to sustainable development and potential sustainability risks posed by the client's/counterparty's activities are taken into account.

When structuring issues of securities or other instruments in the field of sustainable development, the Company, together with the client, creates a Green Framework that defines the goals and criteria for sustainable financing.

The Board of Directors controls the completeness and reliability of financial and non-financial reports prior to their publication. Committees of the Board of Directors regularly interact with external auditors on issues of non-financial reporting and disclosure of ESG indicators.

When analyzing non-financial risks, the Company considers potential impact of clients' and counterparties' activities on sustainable development. The Company does not cooperate with companies that apply discriminatory or corrupt practices, as well as those that use non-responsible sourcing.

Climate risks and ESG risks are taken into account in the Company's financial planning and annual budgeting.

When managing climate risks and ESG risks, the Company adheres to the following principles:

- Avoidance: avoidance of certain activities or transactions if the level of climate risk or ESG risk is deemed unacceptable.
- Limitation: setting limits and thresholds to manage the level of risk.
- Mitigation: development and implementation of measures to reduce the likelihood of risk occurrence or minimize its consequences.

Strategy

Asia Capital has identified sustainability risks in 2025.

ENVIRONMENTAL FACTORS				
ESG Factor	Risk Description	Risk Factors	Response to Risk	Opportunities
Carbon dioxide emissions	Risk of increased costs associated with the payment of	Introduction of regulatory instruments having a direct impact on the ability to use	Inventory of emission sources. Development of a strategy to	Issuance and promotion of green bonds, ESG funds, and investment

Carbon footprint of products	carbon footprint compensation tax. Risk of prohibition of activities and manufacture of products exceeding the established emission limits.	materials and technologies in the manufacture of products with a carbon footprint.	decarbonize production processes and achieve carbon neutrality*. Application of technologies for CO2 capture and storage Formation of product lines with a smaller carbon footprint. Purchase of carbon offsets (carbon units that offset the Company's emissions).	products considering climate criteria. Competitive advantage in the local market as a broker offering ESG instruments and services for “responsible” investments
Climate change	Physical climate risks	Property damage caused by natural disasters (fire, drought, flood, typhoon, hurricane, etc.).	Integration of possible global climate change scenarios into the Company's strategy and development of preventive actions.	Preparedness of business for climate change. Long-term sustainable development.
Waste and pollution	Fines, suspension or prohibition of activities. Loss of reputation.	Toxic emissions and waste from product manufacturing. Violation of norms and regulations for recycling of used products and goods. Environmental pollution due to an accident at a production facility.	Development of the Company's program and policy for disposal of industrial waste and household garbage. Use of fast-degradable packaging. Integration into the business model of the closed cycle economy. Risk insurance Creation of risk self-financing funds.	Reduced costs due to more efficient use of materials. Reduced waste management costs, including recycling costs.
Limited natural resources	Lack of raw materials for manufacturing products. Risk of decline in the value of assets	Depletion of non-renewable fossil energy resources of biogenic origin (coal and oil) and renewable resources (land degradation deforestation). Loss of biodiversity.	Efficient use of land and water resources. Reduction of fossil fuel extraction through the use of renewable energy sources. Re-equipping of food systems.	Competitive advantage in the long term by increasing the share of ESG products. Reduction of own operating costs due to energy saving, transition to digital documents and reduction of paper turnover.
SOCIAL FACTORS				
ESG Factor	Risk Description	Risk Factors	Response to Risk	Opportunities
Human resources management. Labor relations	Professional staff drain	Low staff motivation and productivity drive.	Introduction of the internal HR audit system.	Enhancement of the Company's competitiveness by

		Low level of employee involvement in the organization. Lack of professional growth programs. Unofficial labor remuneration.	Development of the HR strategy to prevent/minimize demographic, qualification, education and motivation risks. Fair salaries.	minimizing HR-related risks.
Human rights	Professional staff drain.	Forced labor. Discrimination.	Human rights compliance policies and procedures with further integration into the comprehensive risk management system and sustainable development program.	Reputation of the Company as a reliable and responsible employer.
Labor protection. Health and safety.	Risk of harm to health as a result of exposure to harmful and (or) hazardous production factors when an employee performs duties under an employment contract.	Failure to comply with labor protection rules and requirements. Industrial accidents and man-made disasters.	Integrated system of comprehensive risk management and internal control with the program of preventive measures to prevent / minimize consequences in case the risks occur.	Reputation of the Company as a reliable and responsible employer providing safe working conditions.
Quality of services	Risk of harm during service delivery.	Services of inadequate quality.	Integrated quality management system	Competitive advantage.
Communities	Public opposition	Actions initiated by the community to hinder business activities.	Development of stakeholder engagement programs and policies. Charitable activities and social investments in the regions of operations.	Good reputation of the Company for excellent socially responsible business conduct.
Supply chains	Risk of failure to meet service delivery deadlines, business interruption due to non-fulfillment of contractual obligations by suppliers.	Ineffective checking and interaction with suppliers	Active engagement with partners to create shared value.	Reduction of the risk of supply chain disruptions.
Personal data protection	Risk of claims and penalties due to breach of confidential data. Reputational risks. Risk of suspension of operations	Leakage of personal data	Arrangement of organizational and technical measures to prevent personal data leakages	Steady and sustainable business development.

CORPORATE GOVERNANCE FACTORS

ESG Factor	Risk Description	Risk Factors	Response to Risk	Opportunities
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Strategy	Risk of decline in the shareholder value and investment attractiveness of the business.	No link between ESG initiatives and strategy.	Development of a long-term strategy to integrate ESG factors and reflect key impacts, risks and opportunities.	Long-term sustainable business development that ensures growth of the shareholder value.
Structure and composition of governing bodies	Risk of failure to meet business targets.	Insufficient qualification of top management and the Board of Directors regarding their awareness of the Company's long-term risks and opportunities. The structure and composition of the governing bodies are not in line with the business strategy and sustainable development goals.	Alignment of the structure and composition of governing bodies with the strategy. Introduction of independent directors to the Board of Directors. Creation of the system of remuneration for members of the governing bodies based on the criteria for assessing the achievement of goals and objectives to address ESG factors and sustainable development issues.	Long-term sustainable business development that ensures growth of the shareholder value.
Statutory regulation	Risk of sanctions and injunctions restricting or hindering business operations.	Lack of compliance with and monitoring of national and international sustainable development directives and regulations.	Establishment of the system of continuous monitoring and control of compliance with the requirements and tendencies in the field of sustainable development.	Long-term sustainable business development that ensures growth of the shareholder value
Standards and values	Risk of loss of reputation.	Violations related to occupational health and safety of employees; violations related to working conditions, human rights or sustainable procurement.	Development of the favorable behavioral environment and management culture. Development of internal policies, including the Code of Ethics and the Human Rights Policy.	Long-term sustainable business development that ensures growth of the shareholder value
Transparency and reporting	Risk of loss of reputation.	Incorrect sustainability reporting or failure to fulfill commitments. Non-transparent ownership structure. Business reputation of beneficial owners.	Information transparency. Publication of Sustainability Reports. Participation in ESG ratings.	Impact of ESG ratings on the growth of the shareholder value.
Risk management and internal controls	Risk of failure to meet business targets.	No systematic analysis and assessment of ESG factors and associated risks and opportunities.	Development of appropriate policies. Creation of a risk-oriented culture	Long-term sustainable business development that ensures growth of

		No systemic control.	reflecting the Company's values.	the shareholder value
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The Company's main assets, which are financial instruments on organized securities markets, are potentially exposed to ESG risks.

Impact of Risks and Opportunities on the Company's Financial Position

The Company has assessed the potential impact of ESG-related and climatic factors on its financial position, results of operations and cash flows. This analysis is of a forecast nature and reflects possible effects in the medium term.

Digitalization and paperwork reduction programs are being planned, and further reductions in administrative costs are on the horizon. This will reduce waste disposal costs and improve resource efficiency.

- Paper savings: up to 1 million KGS;
- Reduced disposal costs: up to 2 million KGS.

Strengthening the corporate culture of sustainable development and increasing the Company's attractiveness as an employer should lead to lower personnel recruitment and retention costs. Reduction of personnel recruitment costs are expected to be up to 10 million KGS.

Expansion of the range of services, growth of the Company, listing of the Company's shares on the stock exchange and growth of investor confidence may boost revenue and capitalization of the Company.

- Growth of revenue from core activities: up to 5 million KGS;
- Growth of the Company's capitalization: up to 50 million KGS;
- Expected growth of the Company's value (IPO): up to 3 billion KGS.

Currently, there are no statistics on the imposition of fines and sanctions; however, the Company continues to monitor potential regulatory risks. Savings on prescriptive measures (in annual terms): up to 10 million KGS. According to the Company's calculations, the total cost of risk amounts to 80 million KGS.

Metrics and Objectives

Metrics	Value (KGS)
Underwriting, advisory and securitization revenues with the integration of ESG factors, by sector	32 (10) million
Number and total value of ESG-inclusive investments and loans, by sector	1 (10 million)
Number and value of underwriting, advisory and securitization transactions	1
Number and value of proprietary investments and loans, by sector	5 000 (trade, charging stations, financial intermediation)
Number and value of market making transactions in fixed income, equities, foreign exchange, derivatives and commodities segments	10 000
Number and total volume (in monetary terms) of transactions where the Company acted as a market maker	2 (2 billion KGS)

Climate Risks

Climate risk management is embedded in the overall risk management system in accordance with the Company's Risk Management Policy. The Board of Directors approves and monitors the implementation of climate goals. Directors are highly competent, for example, the Chairman of the Strategy Committee provides overall management of the Center for Green

Finance at the Union of Banks of Kyrgyzstan, while the independent director of the Company has an IFRS ACCA & ProDipSust diploma.

Progress against goals is monitored by the executive body as part of the assigned responsibility to monitor the achievement of the goals of the Company's Development Strategy, as well as at meetings of the Board of Directors and its Committees. The Strategy Committee is responsible for the climate goals. If they are achieved, the responsible directors are awarded remuneration, along with a bonus for the achievement of the Company's financial results.

Climate Risks:

1. Physical Risks

Extreme weather conditions (floods, storms, sharp temperature changes) may disrupt the operation of offices and IT infrastructure, posing a threat to business continuity.

To mitigate these risks, the Company implements Disaster Recovery Planning (DRP), placing key infrastructure elements in “cold” and “hot” reserves.

Possible consequences: losses up to 5 million KGS, interruption of operations for 2 days.

2. Regulatory Risks

Introduction of new requirements for accounting and disclosure of GHG emissions, including within the framework of national requirements and international standards (IFRS S2, TCFD), may require additional investments in monitoring and reporting.

Possible consequences: personnel training costs or outsourcing of 2 persons - up to 300 thousand KGS per month for the period of 6 months.

3. Market Risks

Decrease in the value of carbon-intensive assets (coal, oil) may affect clients' investment portfolios and profitability of transactions.

4. Legal Risks

The future may bring tougher national regulations (e.g. mandatory reporting of GHG emissions, carbon tax or quotas), which will create additional operational and compliance responsibilities for financial intermediaries.

Climate Opportunities:

1. Growth in demand for green investments

The market for green bonds and climate-oriented products is expected to grow as the national taxonomy of sustainable finance develops in Kyrgyzstan and interest in ESG instruments increases. This will open up new investment solutions for brokers.

2. Cost optimization

Internal carbon footprint reduction (digitalization, energy efficiency in offices, logistics optimization) cuts operating costs and demonstrates climate responsibility.

3. Reputational advantages

A proactive stance on climate issues, transparent disclosure of GHG emissions data and participation in sustainable finance contribute to the Company's image as a responsible financial intermediary and enhance its competitiveness in the marketplace.

Strategy

High cost of imported energy sources in Kyrgyzstan (low reserves of own energy resources) led to the growing demand for alternative options (wind generation, electric charging stations and electric cars). This factor has triggered the development of an infrastructure of sustainable financial instruments. Asia Capital is engaged in underwriting of such instruments and receives up to 30% of its revenue from this activity.

The Company forecasts that there is a tendency to growth of sustainable financial instruments due to the evolution of alternative energy technologies. The sustainable segment may occupy up to 50% by the end of 2026 and up to 75% of Asia Capital's revenue structure by the end

of 2027. It is planned to issue green bonds in 2026. Energy-intensive projects in the energy sector are expected to decrease and be replaced by green projects.

In 2024-2025, since the Company has no production facilities and no capital infrastructure, climate adaptation costs have been minimal, being represented by the cost of backup power supply and installation of air conditioners. There is an increase in securities prices of producers of renewable energy / alternative generation.

About the Report

The Sustainability Report of Asia Capital OJSC (hereinafter referred to as the “Report”) depicts the Company's ESG activities and achievements for the period from January 1 to December 31, 2024. The Report covers all branches within the scope of reporting of Asia Capital OJSC prepared in accordance with IFRS. This is the Company's first ESG report and subsequent annual reports are planned for publication. Unless otherwise stated, the data is as of December 31, 2024.

The Report has been compiled in accordance with IFRS S1&S2, Global Reporting Initiative (GRI) sustainability reporting standards with due regard to Law No. 64 of the Kyrgyz Republic dated March 27, 2003 “On Joint-Stock Companies” and Guidelines of the Kyrgyz Stock Exchange on Implementation of ESG Principles and Reporting. The Report is addressed to a wide range of stakeholders: government agencies, mass media, customers, public organizations, experts and others. This report was approved by the Board of Directors on August 15, 2025. The Sustainability Report is approved by the Board of Directors and communicated to stakeholders through publication on the Company's corporate website.

Management of Material Topics

1. Identification of Material Topics

The analysis of material topics was conducted for the first time, further it is planned to conduct it annually. The Company prepares the Sustainable Development Report in accordance with IFRS S1&S2 and GRI Standards, taking into account the specifics of brokerage activities in the Kyrgyz Republic. Interests of key stakeholders as well as areas of strategic development of the Company were also factored in when preparing the Report.

A comprehensive analysis using international standards and best practices was carried out to identify material topics:

- Reporting benchmarks of similar companies in Central Asia and international brokers;
- National regulatory requirements, including the Kyrgyz Stock Exchange (KSE) and legislation of the Kyrgyz Republic;
- Recommendations of leading ESG rating agencies (S&P Global, MSCI ESG Ratings).

2. Materiality Assessment and Prioritization

To assess the materiality of certain topics, the Company arranged a survey and consultations with stakeholders: employees, customers, regulators and business partners. Representatives of various stakeholder groups participated in the survey and assessed the proposed topics by their importance and potential impact on the Company's operations.

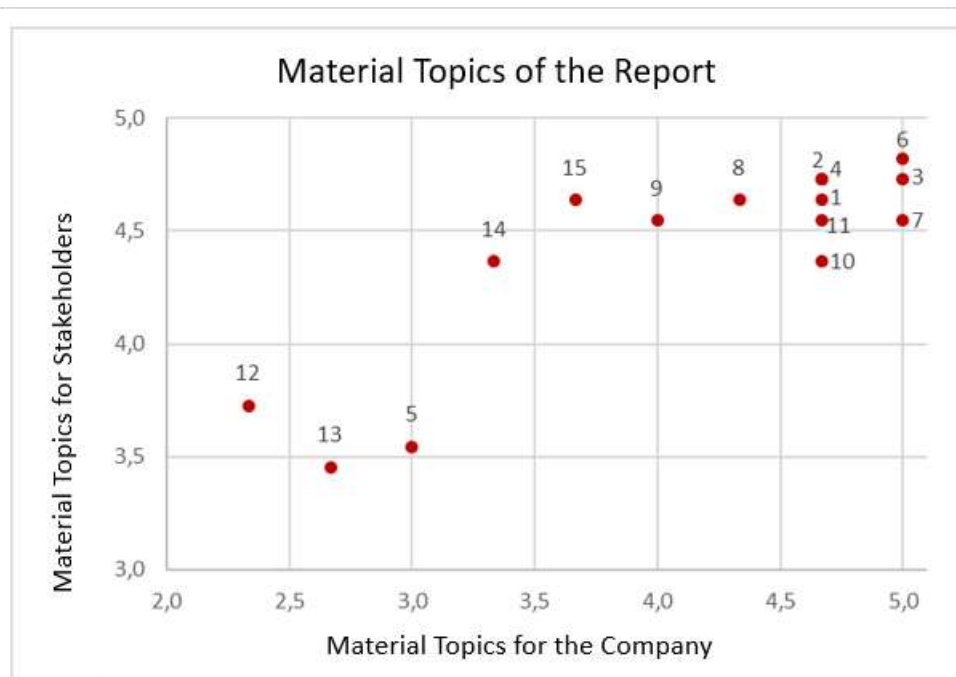
The results of the analysis were structured along two axes:

- Material topics for the Company;
- Material topics for the stakeholders.

This process resulted in the approved list of prioritized topics:

1. Corporate governance
2. Business ethics and anti-corruption
3. Economic Performance
4. Risk Management
5. Procurement practice
6. Personal data protection
7. Employment
8. Employee motivation and support
9. Diversity and equal opportunities
10. Education and development
11. Health and safety of consumers and employees
12. Greenhouse gas emissions
13. Climate risks

- 14. Waste
- 15. Energy consumption



The most significant issues that affect the Company have been identified:

- For a brokerage firm, managing market, credit and operational risks is directly related to business sustainability. Insufficient control leads to the loss of clients, along with regulatory fines and lack of credibility.

Management strategies:

- Risk management system implementation (risk identification, assessment and monitoring);
- Diversification of investment instruments;
- Risk Committee under the Board of Directors;
- Compliance with the requirements of the National Bank of the Kyrgyz Republic.
- Corrupt practices in interaction with government agencies and clients lead to the risk of losing the license and serious reputational damage .

Management strategies:

- Zero tolerance policy towards corruption;
 - Anti-corruption trainings for employees;
 - Channel for anonymous complaints;
 - Mandatory disclosure of conflicts of interest.
 - Customer data is an important asset. Leakage or hacking can lead to fines under the Law of the Kyrgyz Republic “On Personal Data” as well as loss of trust and customers.
- Management strategies:
- Implementation of the Information Policy and Personal Data Processing Policy;
 - Appointment of a person responsible for information security;
 - Use of cold/hot backup, passwords and encryption;
 - Training of employees in data protection principles.

The list of topics included those issues that had the greatest impact on external stakeholders:

- The broker has a key influence on clients through risk management of their investments. Insufficient risk management can lead to losses and mass complaints, undermining the credibility of the stock market. On the other hand, responsible risk management and disclosure strengthen the market and encourage the development of financial culture in society.
- Personal data of clients (passport data, financial transactions, investment history) is one of the most sensitive assets. Any leakage can lead to financial damage to clients and loss of trust in the company. In Kyrgyzstan, the topic of personal data protection is regulated by the Law “On Personal Data”, and violation entails fines and reputational damage.

Glossary

AML – Anti-Money Laundering

DRP – Disaster Recovery Planning

ESG - an approach to company management that takes into account environmental, social and corporate aspects

GRI - International Sustainability Reporting Standards (Global Reporting Initiative)

IFRS S1&S2 – IFRS General Requirements for Sustainable Development Disclosure and Climate Disclosure (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures)

IPO – initial public sale of shares of the joint-stock company (Initial Public Offering)

KPI – Key Performance Indicators

KYC – Principle for identifying and establishing the identity of the counterparty before conducting a financial transaction (know your customer)

TCFD –Task Force on Climate-related Financial Disclosures

GJ – Gigajoule

ISD - Information Security Department

IT - Information Technology

KR - Kyrgyz Republic

KSE - Kyrgyz Stock Exchange

IFRS - International Financial Reporting Standards

OJSC - Open Joint-Stock Company

GHG - Greenhouse gases

PD - Personal data

Material topics are topics that reflect the organization's most significant economic, environmental and social impacts, as well as topics that significantly influence stakeholders' assessments and decisions.

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