

A smiling woman wearing a brown headscarf and a patterned shirt stands in a market stall. She is surrounded by various fresh produce, including baskets of oranges and red onions. The background is slightly blurred, showing more market activity.

SOLVa

**SUSTAINABILITY
REPORT**



2022

Message from the Chairman of the Board of Directors



«We strive to create a fair and sustainable future for our clients and all stakeholders by providing a wide range of financial instruments, our knowledge, experience and support.»

Dear employees, clients and partners!

We are pleased to present you our second Sustainability Report, prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

The report presents a comprehensive overview of our approach to sustainability management, shedding light on the impact of our business on the economy, employees, society, and the environment.

2022 was a transformational year for Solva: in June we completed the reorganization of the shareholder structure, under which all operations conducted in Kazakhstan became legally independent from business in other countries.

We have also been preparing actively to convert Solva into a fully licensed second-tier bank in 2023.

As part of this process, we transformed a legal entity from an LLP into a JSC, created a new corporate governance structure, invested in the preparation of IT infrastructure for launching banking products and automated many processes. At the end of the year, we have reached the finish line and plan to complete the transformation in 2023.

Over the past two years, we have been paying special attention to increasing the share of micro, small and medium-sized businesses (SMEs) in our loan portfolio and developing a product line that would meet the needs of our business clients.

An important step for us was defining our new business mission and future development goals: we decided to focus on the financing of entrepreneurship in KZ and on the improvement of the population's welfare. In 2022, Solva showed a twofold increase in the SME portfolio compared to the previous year due to the launch of new programs and products.

The share of SMEs in the loan portfolio has reached an all-time high of 46%, marking a significant milestone for the Company. Moving forward, we are committed to further develop this segment, particularly through different inclusive programs. One such initiative is the "Women in Business" project, which aims to foster a conducive environment for women entrepreneurs and enhance the level of financial literacy in Kazakhstan. Moreover, our future plans involve the introduction of several new products, with a particular emphasis on financing green projects and technologies.

We continued to improve our responsible lending practices by developing a new policy to protect clients' rights, improving the management structure of these issues and consolidating all incoming appeals and complaints in a single database, which allowed us to help our clients more quickly in solving their issues.

In 2023, we are also gearing up to expand the role and responsibilities of our financial Ombudsmen. This initiative is aimed at ensuring that our borrowers can receive swift and expert assistance whenever they encounter controversial or non-standard situations. We aim to address any issues or challenges our customers may face with the utmost efficiency and professionalism.

We also can call 2022 the year of dynamic development of the sustainability agenda and the implementation of ESG principles in all areas of Solva's activities.

We joined several international initiatives such as 2XGlobal, CERISE+SPTF Client Protection Pathway, the National ESG Club and the UN Global Compact, implemented a large-scale study on our economic impact on the SME sector and began the process of developing an ESG strategy.

We also actively continued the implementation of social projects, including improving the level of financial literacy of the population.

Our employees are the heart of our business, and we devoted significant efforts during the reporting period to enhance the personnel management structure. Our focus extended to revamping our motivation and training programs to ensure a nurturing and fulfilling work environment. These initiatives are aimed at empowering our employees, fostering their professional growth, and ultimately reinforcing their pivotal role in the success of our business.

In this Report, you can get acquainted in detail with our approach and the results of our activities in each sustainability area.

I would like to thank the Company's employees for their invaluable contribution towards the growth and success of our collective business in 2022, as well as partners and clients who have expressed their trust in us. We look forward to continuing our fruitful collaborations and serving you with excellence in the future. Thank you all for being an integral part of the journey.

Sadyrov Shukhrat,

Chairman of the Board of Directors

Contents

About Company	4	Responsible business	21	Employees	43	Appendices	71
Brief information about the Company	5	Responsible lending	22	HR Policy	44	Stakeholder engagement	72
Our principles	6	Borrower's Rights Ombudsman Office	24	Staff composition	46	Contribution to the UN SDGs	75
Our achievements	7	Assistance to clients in emergency situations	25	Recruitment and adaptation of new employees	47	Performance in the reporting period	79
Inclusive finance	8	Working with appeals	26	Motivation and reward	49	About Report	81
Our products	9	Client satisfaction	28	Training and development	52	Material topics	82
New Solva products	10	Responsible marketing	29	Occupational safety	53	GRI Index	83
Our advantages	11	Economic impact on development of SMEs	30	Social initiatives	54	SASB	93
Our online services	12	Business Ethics	31	Women's entrepreneurship	55	Contacts	96
Key financial highlights	13	Countering corruption and fraud	32	Financial literacy	60		
Risk management	14	Human rights	36	Charity and volunteering	61		
Corporate governance structure	16	Personal data protection	38	Initiatives for clients	63		
Sustainability management structure	18	AML/CFT	41	Environmental care	68		
Sustainability strategy	19						
Our contribution to UN SDG	20						



About Company



Konstantin Barabanov

CEO of Solva Group Ltd

“ 2022 was transformational for Solva in many ways: we completely separated the business from the IDF Holding and formed an independent ownership structure within Kazakhstan, also in 2022 we transformed into a joint-stock company and made a strategic decision to transform the Company into a commercial bank, which will be completed in 2023.

We are especially proud that in the reporting year we focused our attention on supporting the SME sector, including women's entrepreneurship, by launching a number of projects and joining international initiatives.

We can say that 2022 has become a turning point for Solva in the field of sustainability: we integrated ESG principles into Solva's work and strategy, issued the first sustainability report and conducted a research on the Company's economic contribution to the development of SMEs in Kazakhstan.

We are very pleased to present you the results of our work for 2022 in this Report

”

Brief information about the Company

Solva¹ is the market leader in unsecured non-bank financing in Kazakhstan. We offer digital financial products for micro, small and medium-sized businesses, as well as individuals.

In 2022, we focused on expanding the share of micro, small and medium-sized businesses (SMEs) in the loan portfolio, as well as improving the product line for financing SMEs.

In this regard, we have revised our mission and goals, and updated them in accordance with the chosen development strategy of our Company.

Our mission is to develop a healthy entrepreneurial environment for micro, small and medium-sized businesses, as well as to improve living standards in the Republic of Kazakhstan.

We are convinced that entrepreneurship is a diversified and inclusive sphere, where business owners, regardless of gender, age, religion, education level and social status are able to realize themselves.

Our goal is to create a user-friendly financial service which can be accessible for any Kazakhstan citizen engaged in entrepreneurial activities.

We aim to give our clients confidence and peace of mind when they choose our financial products to start and grow their businesses.

By the end of 2023, we plan to transform into a second-tier bank.

KZT 73,9 bln.

loan portfolio at the end of 2022

60 000 +

Solva clients in 2022

KZT 66 bln.

loans issued to clients from the SME sector in Kazakhstan since mid-2020

52 000

entrepreneurs have become clients of Solva

70%

clients from the SME sector – women entrepreneurs

81

Solva branches throughout Kazakhstan

¹ Microfinance Organization OnlineKazFinance JSC (hereinafter referred to as the Company or Solva).

Our principles

In our activities we are guided by the following principles:

Legality

We carry out our activities in strict accordance with the current legislation of the Republic of Kazakhstan.

Professionalism

We carry out our activities exclusively on a professional basis and attract highly qualified specialists to work. We regularly train our employees to maintain and improve their skills and professionalism.

Confidentiality

We take the confidentiality and security of personal data seriously, therefore we take extensive measures to ensure information security and protect the personal data of our clients, partners and employees.

Compliance with business ethics standards

All our employees, regardless of their job title, nature of work and position, are required to comply with business ethics standards when performing their tasks and duties.

Responsibility

We are sure that the lender should not mislead the client about the terms of microcredit, including the use of fine print and other tricks. Applying a client-oriented approach, we not only provide fast processing of user requests through technical support, but also openly and transparently inform clients about all loan terms.

Information transparency

We adhere to the policy of maximum openness and transparency of information about our activities and strive to be open in communications and provide employees, clients, partners and investors with complete and balanced information.

Our achievements



«B-»¹
Outlook «Stable»



Solva was recognized as the "Fintech Company of the Year" at the international forum Digital Almaty 2023³



Solva became **the first fintech company** in Kazakhstan to receive funding international impact investment manager Enabling Capital Ltd². The received funds will be used to finance SMEs and women's entrepreneurship in Kazakhstan



Solva received the "Industry Leader 2022" award for its contribution to the development of the industry and the economy of the Republic of Kazakhstan, and was also awarded the "Certificate of a Trustworthy Leader"



A multifunctional platform "Women in Business" was launched, which is aimed at supporting women entrepreneurs



Solva joined the UN Global Compact on Corporate Social Responsibility and Sustainability and expressed its commitment to the ten principles of the UN GC⁴



Solva became the first company in Kazakhstan to join the global gender capital sharing initiative 2XGlobal



Solva joined the National ESG Club

¹ Analysts at S&P Global Ratings have upgraded Solva's ratings to "B-/B", with a stable outlook. The Company's rating on the national scale has also been upgraded from "kzB+" to "kzBB-".

² One of the priority activities of Enabling Capital Ltd. is to increase the availability of financial services for all categories of clients and to provide international funding to financial companies specializing in lending to small and medium-sized businesses (SMEs) in emerging markets, together with the EMF Microfinance Fund.

³ This award was presented in January 2023, but we received the nomination in 2022.

⁴ The official joining took place in January 2023, however, the application for joining was submitted at the end of 2022.

Inclusive finance

We believe that everyone should have equal rights and equal access to receive financing for personal or business purposes.

Applying the approach of responsible lending, we strive to provide our clients with financial products and level of service that best meet their needs.

In 2022, we have released several new products, focusing on feedback from our clients.

We provide a variety of support to women entrepreneurs, including providing at least half of the monthly issuance in the SME segment to women entrepreneurs.

In 2022, these issues accounted for 70% of the total SME portfolio. In 2023, we plan to attract additional investments to finance business projects of women entrepreneurs of Kazakhstan.

Also in 2023, we plan to develop and launch a product line to provide financing for "green" projects and "green" technologies.¹



¹ The pilot product will be launched in June 2023.



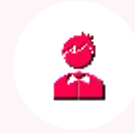
Our products

Solva works with two main client segments, providing wide access of the citizens to financial products:



Small & Medium Enterprise (SME):

- ▶ Microfinancing of SMEs, loan amount up to KZT 14 million for a period from 1 to 5 years
- ▶ Accounts receivable financing with Solva Factoring - amount up to KZT 20 million for a period up to 120 days
- ▶ Revolving credit line



Individuals:

- ▶ Consumer microfinancing of individuals up to 5 years, loan amount from KZT 200 thousand to KZT 5 million
- ▶ Refinancing of credits up to KZT 4 million for a period from 6 months to 5 years
- ▶ Solva Lite digital card

New Solva products

Revolving credit line

In 2022, we launched a new product for our SME clients – a revolving credit line.

Revolving credit line is a popular financial instrument for entrepreneurs, it helps to receive credit funds by parts within the limits established by the contract. The credit line gives the client the opportunity to take money not immediately, but as needed.

This product can help an entrepreneur to quickly close the cash gap, solve an emergency task or replenish working capital.

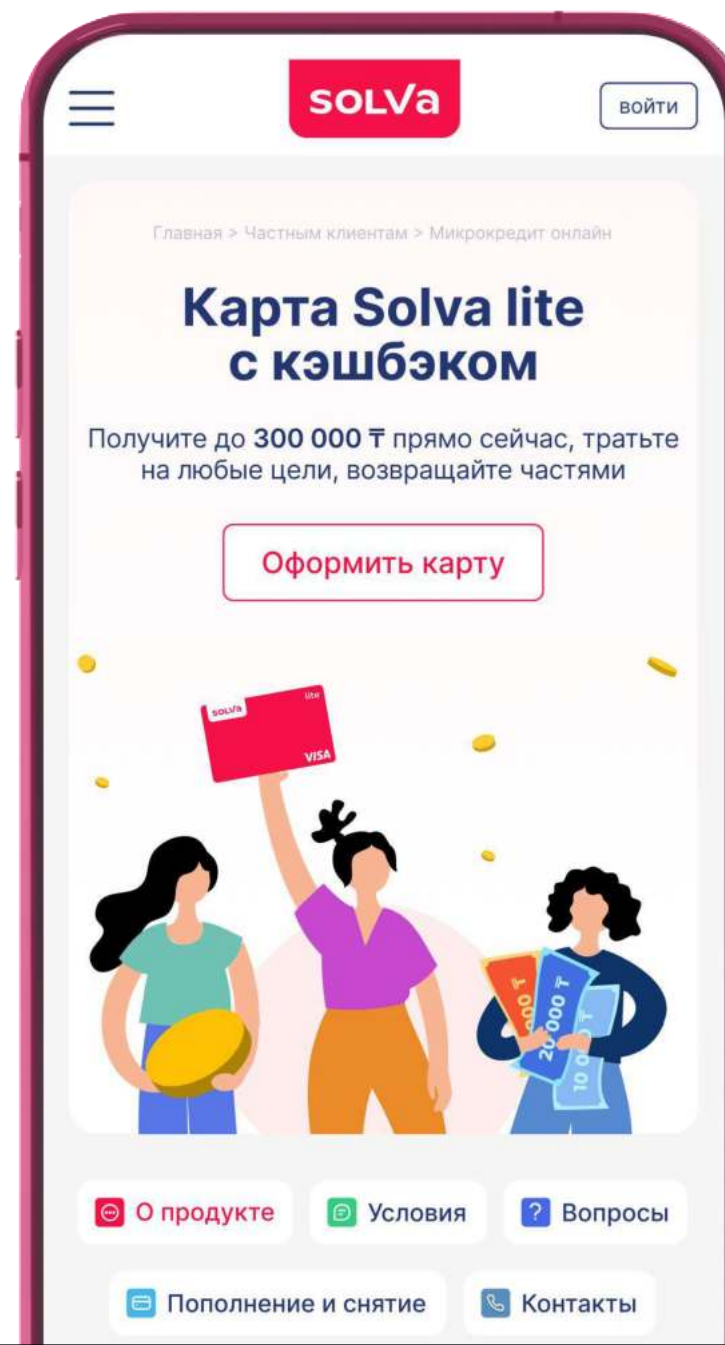
Interest is accrued only on the amount used, and not on the entire approved limit.

Solva Lite

In 2022, we also launched the Solva Lite Digital Card for individuals.

Solva Lite provides an opportunity for clients to receive up to KZT 300,000 to a digital card for making purchases in online stores, as well as withdrawing cash through a digital wallet for any needs.

In 2023, we plan to launch Solva Lite for our SME clients.



Our advantages

FAST

simple processing with a minimum of source documents

CONVENIENT

no need to visit office – everything can be done in the app online

UNSECURED

no need to pledge property or engage guarantors

FOR ANY PURPOSE

business development, working capital replenishment or cash gap

We have developed our own scoring system for SME clients and learned how to score SMEs by analysing their business turnovers.

We do not ask entrepreneurs to collect a large number of documents and provide securitisation in the form of real estate or vehicles. We make a credit decision based on more than 160 parameters which we collect and process automatically.

Investments in IT processes and automatisations helped us to build uniquely-fast application, scoring and disbursement process: on average, it only takes **7 minutes** to fill in an application for a new SME client, with approval time **from 30 seconds to 8 minutes**.

Our online services

We continue developing digital engagement with clients:

Our website <https://solva.kz/>

Solva mobile app

In 2022, we attracted **45% of all active users** to our Solva mobile application, and also added the Kazakh language, which allowed us to increase user loyalty and make the application more inclusive. Currently, about 2.5 thousand clients use the application in Kazakh.

We also started sending push notifications instead of SMS and autofill of the questionnaire according to data from the state database of individuals.

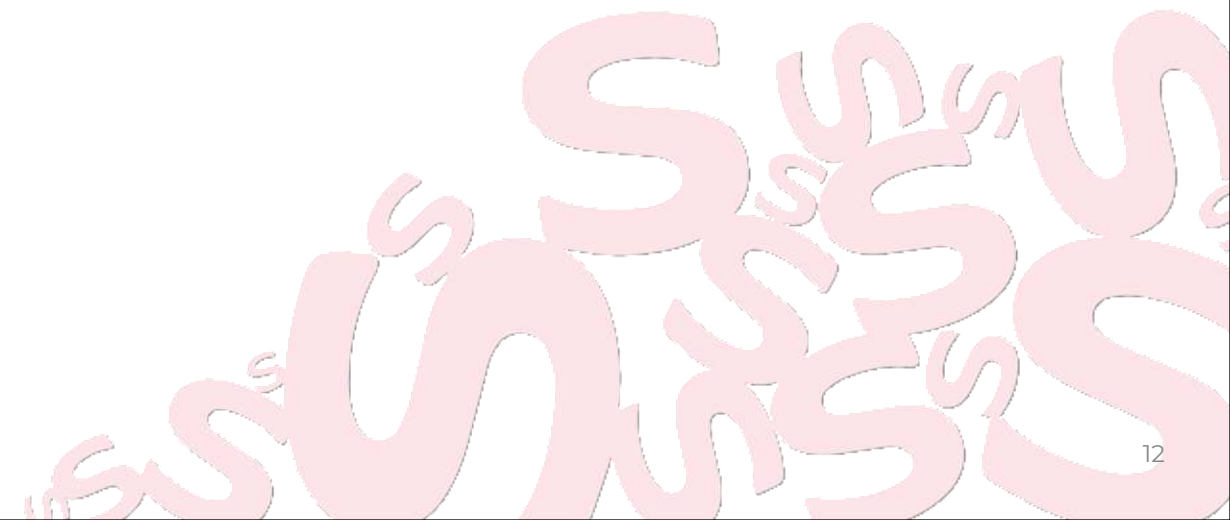
All changes and improvements are aimed at increasing the comfort of our clients and saving their time.

In our online services every client can **conveniently, easily and securely** apply for a microcredit, read all the terms and conditions and have regular access to information about their microcredit and **24/7 online support**.

In 2022, we completely updated the design of the client's personal account, in particular:

- focused on key information (for example, the loan amount, the payment amount and the payment method)
- combined the information into logical groups to increase the visibility and convenience of the client's analysis of loan information
- updated the design and layout to make it more pleasant and convenient for users to use

After the update, we got the first results: clients **spend less time in their personal account**, which means they navigate faster and solve their task in the new interface.



Key financial highlights



	2020, ths ₺	2021, ths ₺	2022, ths ₺	2022 vs 2021
Credit portfolio	34 718 389	61 237 292	69 296 721	13,2%
Capital	10 822 993	13 676 711	18 937 510	38,5%
Revenue	16 373 321	20 568 540	29 633 364	44,1%
Finance operating expenses	13 049 406	15 527 346	24 748 535	59,4%
Operating income	3 323 915	5 207 414	4 884 829	-6,2%
Income before income tax expense	3 606 249	5 239 868	4 264 997	-18,6%
Net income	2 841 611	4 449 449	3 700 599	-16,8%
ROE	36.3%	36.9%	23%	
ROA	9.1%	8.2%	5%	

Risk management

We are developing risk management processes in the Company to ensure the stability of its operations and the sustainability of its business. We take a risk-based approach to our work.

The General Director and the Risk Management division are responsible for the overall risk management in the Company:

- ▶ Approving the main principles of risk management and evaluating the Company's organisational structure for adequacy and compliance with these principles
- ▶ Identification of risks and methods of their minimization
- ▶ Supervising of the Company's risk management units activities, identifying gaps in risk management and taking appropriate measures

The Company currently has four main risks: credit risk, liquidity risk, market risk and operational risk.

Financial risk management is carried out by setting limits on transactions compliance with which is mandatory for the relevant departments and officials of the Company authorised to conduct these transactions.

The Company's structural subdivisions prepare regularly management reporting forms to provide the management bodies with the necessary information to make decisions.

Risk management



Credit risk	The risk that a borrower will be unable to repay a debt in full on due date	<p>When concluding transactions with high credit risk, restrictions are set in the form of limits on borrowers/credit products/other sections of the loan portfolio.</p> <p>The Company has also automated the process of managing limits and restrictions in order to monitor and eliminate credit risks in a timely manner.</p> <p>Credit risk is controlled at the stage of concluding transactions, the probability of default is estimated for each transaction in an automated format using scoring models or in manual mode. Weekly and monthly portfolio analysis is carried out for compliance with established risk standards. Risk standards are set during the budgeting process.</p>
Liquidity risk	Liquidity risk is the risk of a mismatch between the maturity of applications on active transactions and liabilities	Liquidity risk is managed by monitoring cash shortages/ surpluses and allocating and reallocating funds depending on maturity, liquidity reserves and cost conditions.
Market risk	The risk that the market value of future cash flows from crediting and raising investments will fluctuate due to changes in market conditions	We assess the impact of interest rate and exchange rate movements as a key parameter within this risk. The Company manages its currency risk by balancing financial assets and financial liabilities denominated in USD and EUR. The Company also hedges currency risk by entering into forward contracts for the most volatile currency.
Operational risk	Risk of system failure, human error, fraud, etc.	The Company cannot eliminate all operational risks but through its control framework and monitoring and response system it manages these risks. The control system provides for effective segregation of duties, access rights, approval and reconciliation procedures, staff training, and evaluation procedures, including internal audits.

Corporate governance structure

2022 was a year of transformation for Solva: the Company was separated from the IDF Holding and a new ownership structure was formed within Kazakhstan.

Also in December 2022, another important change took place in the Company: the Company was transformed from a limited liability partnership into a joint-stock company.

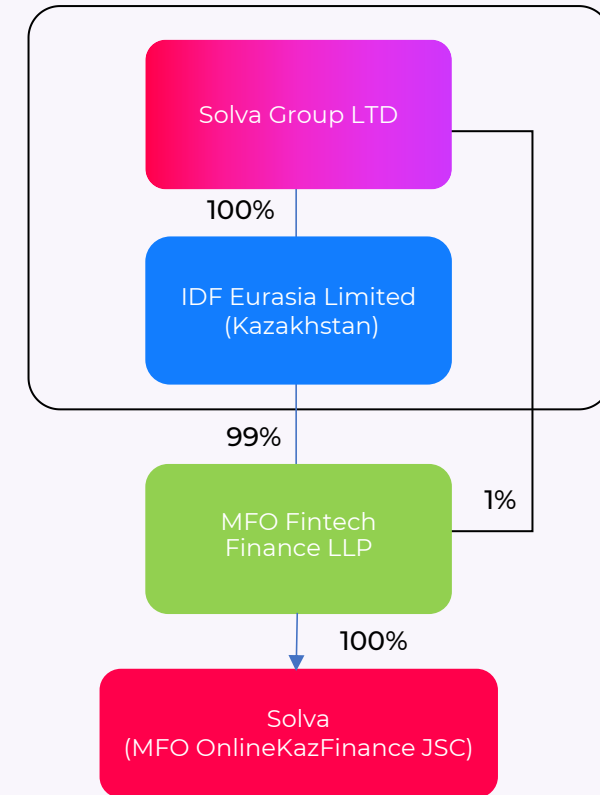
The transformation of the Company into a JSC was connected with our plans for further growth and development of financing for small and medium-sized businesses and further transformation into a commercial bank.

Due to changes in the organizational and legal form, we have also made changes in the corporate management structure.

A new Solva Charter was developed and approved, according to which the main management bodies in the Company from December 2022 became Sole Shareholder, Board of Directors and General Director.¹

¹ Until December 2022 and the transformation of the Company into a JSC, the main management bodies in the Company were General Meeting of Members, Supervisory Board and General Director. You can read more about the past corporate governance structure in the Report on Sustainable Development for 2021, published on the Solva [website](#).

Shareholding structure*:



*In 2023, it is planned to restructure the corporate structure without changing the beneficial owners

Corporate governance structure

The highest management body in the Company is the Sole Shareholder, who makes decisions on the most significant issues of the Company's activities, including changing the Company's Charter, approving annual financial statements, making decisions on reorganization, etc.

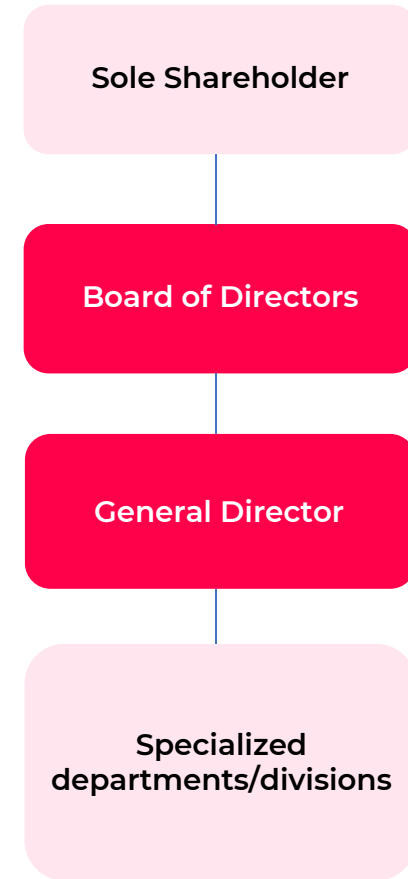
The general management of the Company's activities is carried out by the Board of Directors, consisting of three people: one representative of the Company and two independent members.

The competence of the Board of Directors includes determining the Company's priority areas of activity and strategy, planning long-term development, approving strategic policies and regulations, and resolving other issues.

The Board of Directors meets at least 4 times a year.

The General Director manages the current activities of the Company.

He approves the organizational structure and staffing, internal regulatory documents, organizes the current work of the Company and solves other issues related to daily activities.



Sustainability management structure

The Company has identified responsible persons for managing sustainability issues.

The general management of the Company's activities in the field of sustainability is carried out by the Board of Directors.

The Board of Directors approves the ESG strategy and considers the most important issues in this area, such as updating goals, mission, monitoring their implementation, approving a sustainability policy, etc. The Board of Directors also makes decisions on critical issues and monitors the implementation of the sustainability set goals.

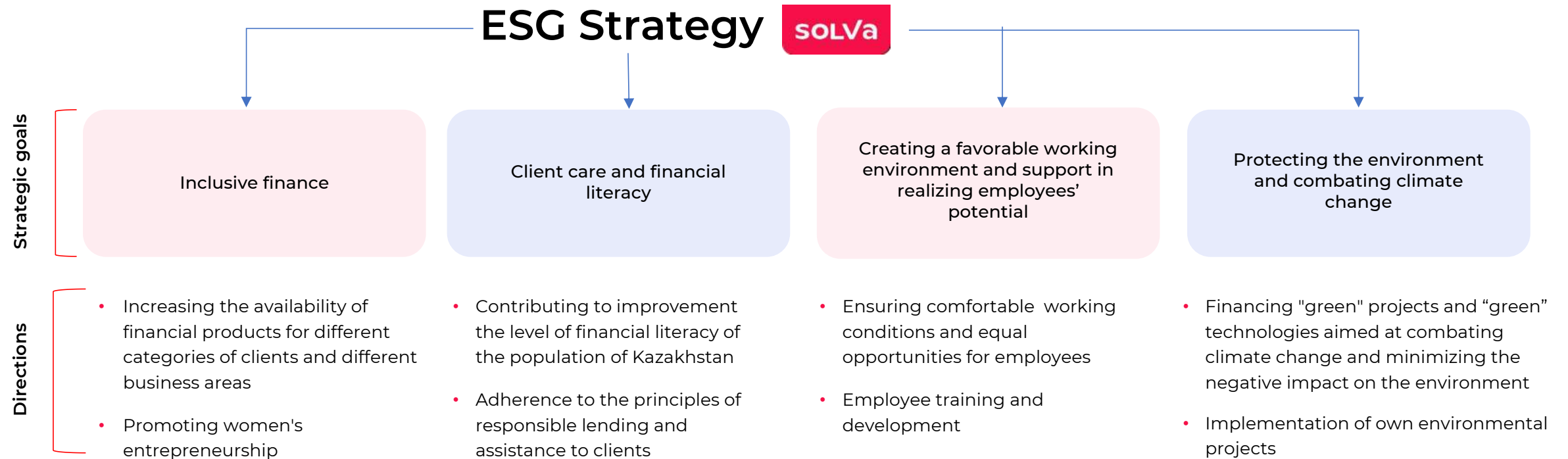
The Head of ESG is the main coordinating body that implements a systematic approach to sustainability management in the Company, manages the implementation of the action plan based on corporate standards, provides expert support to other departments in the field of ESG, and is responsible for monitoring and reporting in this area.

Some functional units (HR, Department of internal and economic security, etc.) are also involved in the implementation of sustainability projects.



Sustainability strategy

In 2022, we began work on the development of the Solva ESG Strategy and the Sustainability Policy.¹ This Strategy reflects the most important sustainability strategic goals, directions and tasks for us. In order to achieve them we plan to direct our maximum efforts.



You can read more about our ESG approach and the tasks set within each goal and direction in our [Sustainability Policy](#) and [ESG Strategy](#) published on the Company's official website.

¹ The Strategy and Sustainability Policy was approved and adopted by the Board of Directors in June of 2023. This information is important for the Company, so we publish information about it in the report for 2022. The Company's work on achieving strategic goals began back in 2022.

Our contribution to UN SDG

We are committed to the sustainability principles. Going beyond the conventional financing, we place a lot of emphasis on the economic, social and environmental responsibility of business.

At the beginning of 2023¹ Solva joined the UN Global Compact on Corporate Social Responsibility and Sustainable Development and expressed its commitment to the Ten principles of the UN Global Compact in the field of human rights, labour, environment and anti-corruption.

Solva also supports the UN Sustainable Development Goals (SDGs), adopted in 2015 by the UN General Assembly and seeks to contribute to their achievement. Having analysed the Company's activities for the purpose of the SDGs and internal targets, we have identified **three priority** SDGs where Solva's core activities have the greatest impact in 2022.

WE SUPPORT



We have implemented a number of training programs to improve the level of financial literacy of the population of Kazakhstan.

We also provide all our employees with the opportunity for professional training and access to an educational platform for them and their family members.



We create equal opportunities for professional growth, development and leadership of women and adhere to gender equality among employees.

We also provide women with access to financial products and equal opportunities in financing their businesses. In 2022, we created a multifunctional platform "Women in Business".



We strive to develop a cohesive and qualified team, provide decent working conditions and create conditions for career and professional growth.

We are also working to expand our product line for SMEs in order to improve access to finance and contribute to improving the well-being of the population of Kazakhstan.

In addition, we have identified 6 additional SDGs where the Company can also contribute to positive change:



You can read more about our contribution to each of the SDGs in the Appendix to this Report.

¹ The Report was prepared in the spring of 2023, so some important information is also provided for the beginning of 2023.

Responsible business



Ernar Orazbayev

Director of the Protection of Borrowers' Rights Department

“ We build our corporate culture on the principles of openness, responsibility, fairness and respect. In 2022, we continued to improve our practices to protect the clients' rights, strengthening the function of Ombudsmen and client support services.

We have improved the system of handling requests and measuring the net promoter score and implemented additional measures to minimize the risk of fraud. We also conducted a large-scale research to determine the Solva's economic contribution to the development of SMEs in Kazakhstan.

Now it is important for us not to slow down the achieved pace and continue to implement best practices in our daily activities.

”

Responsible lending

The priority of our work is to **take care of our clients** and provide them with high-quality, convenient, affordable and technological products and services.

In its work, Solva adheres to the principles of openness, reliability and completeness of the information provided about its activities and all microcredit conditions, and also follows all the requirements of the legislation of the Republic of Kazakhstan.

In 2022, we developed and approved a **Client Rights Protection Policy**, which defines general principles of interaction with clients and protection of their rights and interests, guiding the Company in its activities. This Policy is publicly available on the Company's official website.

We regularly improve our experience of interaction with clients, and at the end of 2022 we began a major transformation of our overall structure for managing these issues: we formed a separate borrower rights protection department, which will include the Company's financial ombudsmen who assist clients in settling overdue debts.

The purpose of these changes is to separate the function of ombudsmen into an independent function for making more objective and impartial decisions in favour of the client.



Solva joined the **CERISE+SPTF Client Protection Pathway*** and expressed its commitment to the Client Protection Standards developed by CERISE+SPTF.

Solva undertakes to use these standards to improve its own methods of interaction with clients.

**Client Protection Pathway is an initiative to accelerate the implementation of standards for the protection of clients' rights in the financial sector.*

Our core principles:

Transparency at all levels of communication

Respect for client rights and business ethics

Regular interaction and feedback collection

Fair, impartial, thorough approach to work with each appeal

Assistance to clients in the settlement of overdue debts

Ensuring the protection and confidentiality of personal data

Anti-fraud measures

Responsible lending

We strictly follow the principle that all microcredit terms and conditions should **be transparent, complete, understandable** and accessible to each of our clients. In the process of applying for a microloan, each of our clients can read all the terms and conditions of the microloan as well as the terms and conditions of the agreement.

The Company also publishes full information about all the terms and conditions of the microloan on our own website.

We are always happy to answer any question that comes up and to provide a personalized approach to any problem that may arise.

The Company does not allow the provision of information that misleads the client about the subject of the contract concluded with him/her, as well as information that may lead to an ambiguous interpretation of the microcredit terms.

It is also unacceptable to use small print or other tricks that may mislead the client.

We are aware of our responsibility in terms of checking the financial capabilities of the client to obtain a microloan in order to avoid over indebtedness and creating serious financial difficulties for the client.

Therefore, Solva pays special attention to a thorough check of the client's financial capabilities before approving the loan application and concluding the contract.

In accordance with the internal rules for the provision of microloans, the borrower is obliged to confirm his/her income in one of the proposed ways, so we can make sure that the requested amount corresponds to his/her financial capabilities.

We also always check the client's credit history by sending a request to the credit bureau.

If during the verification process we see that the requested amount exceeds the client's capabilities, or the client has a number of outstanding credit debts, then we either propose alternative microcredit conditions that will correspond to the borrower's income level, or refuse to provide services.

We adhere to strict standards in the way our employees engage and communicate with our clients. Our business ethics do not tolerate any form of aggression, abusive or disparaging words, suppression or threats. Our communications are always based on the principles of respect, openness, honesty and loyalty. We always strive to minimize the risk of unethical behavior by our employees through regular monitoring and training.

Borrower's Rights Ombudsman Office



Solva cares about the financial well-being of its clients, therefore, the Company has a virtual office of the Borrower's Rights Ombudsman, which regularly conducts procedures to **resolve overdue debts** in the event of situations that make it difficult for our clients to meet their obligations, and to **resolve conflict situations** on an individual basis.

At the beginning of 2023, the Ombudsman office was separated into a borrower rights protection department.¹

In the future, this will allow us to ensure greater efficiency and independence in handling appeals and complaints from our clients.

Any client can apply to the office of the Ombudsman with a request for assistance in settling overdue debts or other appeal/complaint.

The Ombudsman personally reviews each incoming appeal/complaint and monitors compliance with the rights of clients provided for in the legislation of Kazakhstan and internal documents of the Company.

The appeal/complaint is considered within no more than 15 days from the date of receipt of all necessary documents, after which we send a response to the e-mail of the applicant.

We always find a way to accommodate the requests of our borrowers by taking maximum support measures if necessary and considering providing individual repayment schedules and other conditions for debt repayment. In 2022, we provided **more than 1,600 clients** with individual schedules with deferral and restructuring of payments, including for the principal debt.

The Ombudsman is always on the Client's side and is guided by his/her rights and interests.

In 2023, we plan to improve client protection work by expanding the function of ombudsman and strengthen our competencies through additional training of personnel, which together will allow us to increase the efficiency of the Company in protecting the clients' rights and the professional skills of the team.

Any of our borrowers can seek help or advice from the Ombudsman:

Leave a request on the website:

[Reception of the Ombudsman](#)

Send an appeal to the email address:

dolg@solva.kz

Call the hotline:

+7 701 006 35 35

¹ The Report was prepared in the spring of 2023, so some important information is also provided for the beginning of 2023.

Assistance to clients in emergency situations

The Company is always ready to help clients in an emergency situation. We always follow the ongoing events in Kazakhstan, and act proactively to provide the maximum possible and prompt assistance.

The events that took place in Kazakhstan in January 2022 directly affected our clients: hundreds of entrepreneurs suffered property and financial losses, and we could not stay away. We have developed a set of measures for borrowers who find themselves in a difficult situation. We provided direct financial assistance and a deferral of obligations for 3 months.

Also in 2022 in Kostanay region and Zhetysai (Turkestan region) we have provided assistance to our clients affected by the fires. All affected clients were provided with support measures in the form of deferred payments for 5 months, and the necessary work was carried out with credit bureaus so that overdue debts would not affect their credit history.



Working with appeals



We take all the appeals and complaints received from our clients very seriously.

We strive to ensure an objective, comprehensive and timely consideration of the received appeals/complaints and provide a detailed response.

All appeals/complaints sent by clients through all communication channels are received into a single database.

This approach allows us to aggregate all appeals from clients and form a history of appeals and correspondence with a specific client.

We carefully study each appeal and provide a response no later than 15 calendar days.

In 2022, we have provided additional training to employees in the client support service, which allowed us to increase the efficiency and speed of work to address client appeals and complaints.

In 2022, 6,605 appeals were received through all communication channels, most of which related to the settlement of overdue debts and were sent to the office of the Ombudsman (see the section "Borrower's Rights Ombudsman Office").

100% of the received appeals were reviewed by our client support specialists and responses were provided.

Also during 2022, we received 540 complaints from our clients. Each complaint was investigated and a response was sent to the client. According to the results of investigations, 240 appeals were found to be justified, and we took measures to eliminate the identified issues.

Thus, the ratio of the number of complaints received from clients to the number of loans issued in 2022 was 0.7%.

Also, our clients have the right to send a complaint to the Ombudsman at the AMFOK or to the financial regulatory authority (ARDFM).

Solva is always open and interested in resolving a controversial issue coming through any channels.

In 2022, 69 complaints were registered through regulatory authorities. All complaints were processed and investigated, after an investigation we identified 13 violations, which were subsequently eliminated.

You can send an appeal or complaint through the following channels:

for any appeals

post@solva.kz

Whatsapp chat

+7 701 493 84 85

Hotline

+7 701 006 35 35

Write a letter to the mailing address:

050000, Republic of Kazakhstan, Almaty, Almalinsky district, Seifullin Avenue 502, Turar Business Center, 9th floor

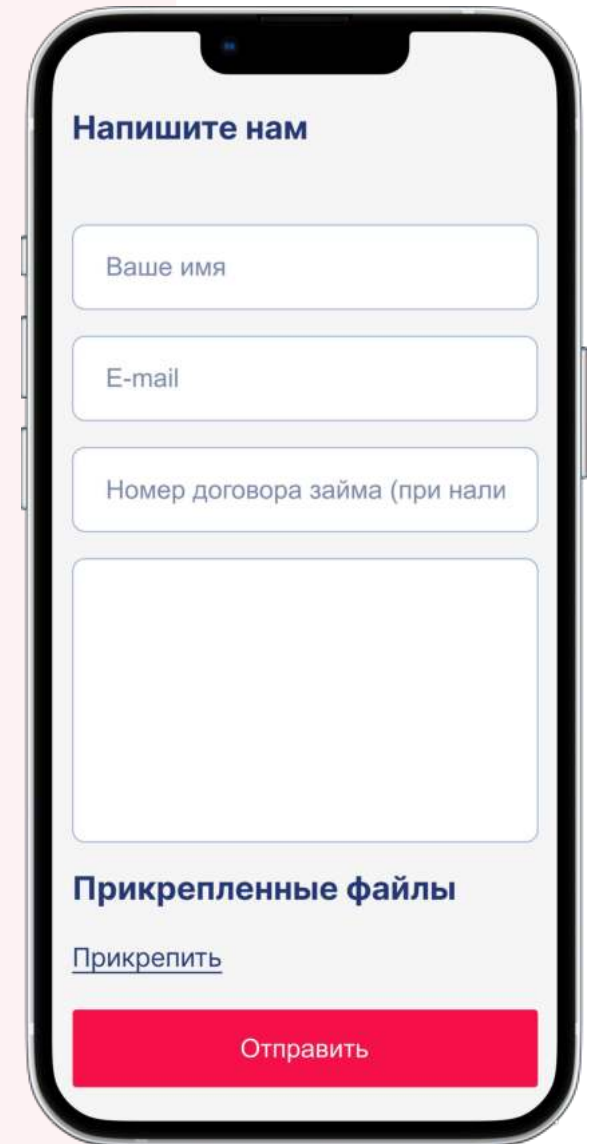
Working with appeals

We are sure that it is important to provide clients as many channels as possible to communicate with us and we always try to listen to their feedback.

Their satisfaction is our main goal.

At the end of 2022, we provided our clients with the opportunity to write appeals and reviews in our Solva app.

We have updated the functionality of our app, adding to it the ability to mark satisfaction with the app itself or our work.



Client satisfaction

In 2022, we implemented a large project to change the approach to measuring the NPS (Net Promoter Score).

In accordance with the current methodology, we conduct telephone surveys of clients, which is the most effective method of communication. Surveys are conducted daily, and on a monthly basis we prepare a detailed report with the results of the surveys conducted separately for each category of clients: individuals, SME clients and Solva Lite clients.

The results are also presented monthly to the Company's top management and department heads.

We always carefully analyse the dynamics of the NPS and the feedback received during conversations with clients.

Based on the results of the survey, we try to implement the recommendations received or eliminate the identified shortcomings. Also, in case of deterioration of the NPS, we identify possible causes that we seek to eliminate in the future.

In 2023, we plan to create a monthly list of tasks for each department based on the survey results.

58

NPS indicator among clients in 2022 ¹

¹ The NPS indicator in 2022 is lower than in 2021 due to the fact that the approach and methodology for measuring this indicator has been completely changed.

Responsible marketing

Solva is one of the leaders in the microfinance market in Kazakhstan. We are constantly developing our brand and increasing its recognition, including through innovation and strengthened marketing competencies.

As a responsible business, we strictly comply with the legislation of Kazakhstan in the field of marketing communications and advertising. We are careful in our marketing communications, and do not offer to take a microcredit if it does not correspond to the real financial capabilities of the client.

Since 2022, we have been coordinating absolutely all our marketing materials with the legal department in order to avoid any violations of the law or incorrect interpretation of the posted information.

In the event of a dispute over marketing communications and product promotion, we always adhere to more conservative and strict rules.

«Ghost shopper»

In 2022, we paid special attention to our client service offices. We have launched the process of re-registering them in accordance with the rebranding, and also launched the "Ghost shopper" survey, which is carried out by an independent company.

As part of this survey, we check the placement of all necessary information in our offices and its compliance with our standards and brand, the work of our specialists, the correctness and completeness of the information they provide about financing, ethics and correctness of communication, as well as the overall quality of service.

This study is conducted on a regular basis once a quarter.

Economic impact on development of SMEs

In October 2022, we conducted a survey among our clients in order to determine the economic impact of Solva lending to micro, small and medium-sized businesses in Kazakhstan. More than **1,200 clients** took part in our survey.

The results of this study exceeded all our expectations:

Each
1 mln KZT
of financing provided leads to



Average SME revenue growth of
5,4 mln KZT
within 12 months

\$ 289 mln

revenue growth that Solva's clients
can expect from 2022 financing

26 000 jobs

has been created thanks to Solva
funding over the past two years

1 out of 10

clients reported that they would have
been forced to close their businesses
without Solva funding

66%

clients recorded an increase in revenue
thanks to microloan

96%

said that Solva's microloan
helped them to grow their
business

80%

clients would re-apply for
a microloan from Solva

1 of 4

clients have received positive recommendations about
Solva from family, friends or acquaintances

You can get acquainted in detail with the results obtained in the Report "[Solva's economic impact to small and medium-sized business in Kazakhstan](#)", released based on the results of the survey and published on the Company's website.

Business Ethics

For Solva, responsible business is, first of all, the commitment of our entire team to the principles of ethical, honest, transparent, efficient and safe business conduct.

This is the basis of actions and an absolute requirement for all managers, employees and partners of the Company.

Adhering to the practices of responsible business conduct, we were able to instill zero tolerance for any violations of the rules of business conduct and ethics in our Company.

Solva has a Code of Professional Ethics that defines corporate standards of business conduct and allows us to work in accordance with our values.

The Code defines the basic principles of interaction within the Company and with our clients and partners, measures to avoid conflicts of interest, anti-corruption measures and other ethical issues.

Solva employees should be aware of the requirements of this Code and follow them in their work.

All new employees get acquainted with the Code before starting work. The Code is also automatically sent to all new employees by email.

We also plan to add the main provisions of the Code to the Welcome training that all new employees undergo when they are hired.

The Company strictly adheres to the principles of antitrust legislation and does not interfere with competition in the market.

In 2022, Solva did not pay fines in connection with anti-competitive activities, and no lawsuits were filed or considered against the Company in connection with obstruction of competition and violation of antitrust laws.

100%

employees are familiar with the Code

Conflict of interest

Every day our employees make decisions that affect colleagues, clients, partners and other third parties.

That is why the Company pays special attention to the regulation of these issues.

In accordance with the Code of Professional Ethics and the Client Rights Protection Policy, our employees should avoid situations in which their personal, family or financial interests may conflict with the interests of the Company.

If a situation arises where there is a conflict of interest, employees should report it and seek resolution from their line manager, Human Resources or Internal and Economic Security Departments.



Countering corruption and fraud

Solva adheres to the principle of zero tolerance to fraud and corruption in any form and implements a wide range of measures to monitor and minimize risks in this area.

We strictly comply with the statutory regulations applicable to the industry in Kazakhstan, including the Law on Countering Corruption, and the Company also has a number of internal documents that define processes and measures to protect against internal and external corruption and fraud.

The Company has an **Anti-Fraud and Corruption Policy**, which is aimed at preventing fraudulent and corrupt actions by creating a system of value and moral anti-corruption guidelines for employees. This Policy was revised and updated in 2022: a section on combating corruption in relations with counterparties was added.

In the future, we plan to add an anti-corruption clause to all contracts with counterparties. This will help us to ensure that the parties of the contract comply with the provisions of the legislation of the Republic of Kazakhstan on combating corruption and to minimize the risk of corruption in the performance of the contract.

The Policy includes not only the main goals, objectives and principles of combating corruption and fraud, prevention measures, responsibility for fraud or corruption, but also consent to the adoption of anti-corruption obligations and anti-corruption standards that all employees sign when hiring or when the policy is updated.

All employees and divisions of the Company are responsible for compliance with this Policy, and managers at all levels ensure compliance with Anti-Corruption standards and organize anti-corruption work among employees.

100% of our employees have been familiarized with the provisions of this Policy. Also, for each new employee, the Department of Internal and Economic Security conducts induction on combating corruption and fraud.

Our employees are aware that they are obliged to report any violations related to the provisions of the Policy.

If an employee becomes aware of any violation that has occurred or has suspicions about the occurrence of such a violation, he/she must contact his immediate supervisor, the HR department or the Department of Internal and Economic Security. We guarantee that there will be no mobbing or threat of mobbing in any form directed against the employee who reported the alleged violation

All violations of the Policy provisions are immediately investigated by the Department of Internal and Economic Security. If a violation is confirmed, those responsible for the violation are held accountable. To prevent similar incidents in the future, the Company promptly develops and implements corrective and preventive measures and recommendations.

Countering corruption and fraud

The Company also has a Confidential Information Protection and Trade Secrets Policy, to which is annexed the Statement of Understanding of the Risks Associated with Illegal Remuneration, Disclosure of Confidential Information and Acceptance of the Importance of Keeping Trade Secrets.

The Statement includes not only rules to ensure data confidentiality and prevent corruption, fraud and conflicts of interest, but also rules for dealing with the media, principles of fair treatment and equal opportunities, a description of impermissible actions and information on channels for reporting breaches. This Statement is to be signed by all employees at the time of hire and at the time of termination of employment contract.

In 2022, the course "On combating fraud, corruption and other illegal actions" was developed, which is mandatory for all employees of the Company and new employees to complete annually when applying for a job. This course includes the following aspects:

- ▶ Corruption and fraud
- ▶ Conflict of interest
- ▶ Confidential information
- ▶ Personal data
- ▶ Use of e-mail and the Internet
- ▶ Storing and using passwords
- ▶ Workplace
- ▶ Protection and use of MFO property
- ▶ Fair treatment and equal opportunities

At the end of the Course, all employees are required to be tested to verify their knowledge. This Course was launched in the spring of 2023.¹

¹ The report was prepared in the spring of 2023, so some important information is also provided for the beginning of 2023..

Countering corruption and fraud

We are very serious about fraud cases, both on the part of the Company's employees and on the part of third parties and intermediaries.

Our employees are aware that any fraudulent schemes are unacceptable. If fraud is suspected to be perpetrated by an employee, an investigation is carried out and, based on its findings, proposals are made to minimize the risks identified and, depending on the extent of the breach, disciplinary action is taken against the employee, up to and including dismissal.

We inform our clients that the Company does not charge any fees for applying for and receiving a microcredit from the Company and does not require the payment of any money to any intermediary person or organization.

Each of our clients must sign an acknowledgement list in which we explain to the client that we or our employees do not have the right to charge any payments for issuing a microloan, and also provide contact details in case of an illegal claim for remuneration. We guarantee complete confidentiality when contacting.

We are the **first Company in Kazakhstan** that pays remuneration up to **KZT 100 thousand** to a person who informs us about fraud by employees or agents of the Company.

We take care of our clients and make efforts to protect them from the risk of fraud. The Company investigates all cases of fraud that our clients have encountered and that the Company has become aware of.

If, following the results of the investigation, it becomes known that a microloan was issued to the client without his/her knowledge/consent and a fraudulent scheme was applied, then the Company completely writes off the entire debt of the client, makes appropriate adjustments to credit bureaus, and independently applies to law enforcement agencies.

Countering corruption and fraud

To protect clients and their funds from fraud, we also regularly inform them about the most common fraud schemes.

Our website publishes articles on the topics of fraud recognition and types of fraud, as well as information signs on this topic are posted at each of our client service offices.

In 2023, we plan to expand our training activities for clients on the topic of fraud by introducing training on this topic into our financial literacy trainings.

Thanks to the anti-fraud measures taken by the Company and after the introduction of biometric identification of clients, we were able to significantly reduce fraud cases.

However, we always thoroughly investigate 100% of incoming reports of possible fraud, and if confirmed, we take the necessary corrective measures.



Messages about actual or supposed violations can be sent:

Call the hotline:

+7 (701) 345 74 64

Write to the e-mail of the
Department of Internal and
Economic Security

sb@solva.kz

Human rights



Solva respects human rights and strives to create a working environment that provides equal opportunities for all employees based on common values, cultural diversity, gender, racial and other equality.

Respect for honour and dignity, fundamental freedoms and human rights are the Company's key priorities.

Respect for human rights, inclusiveness, diversity, fair and equal treatment of all is one of the main principles of Solva's activities in the field of ESG and sustainable development.

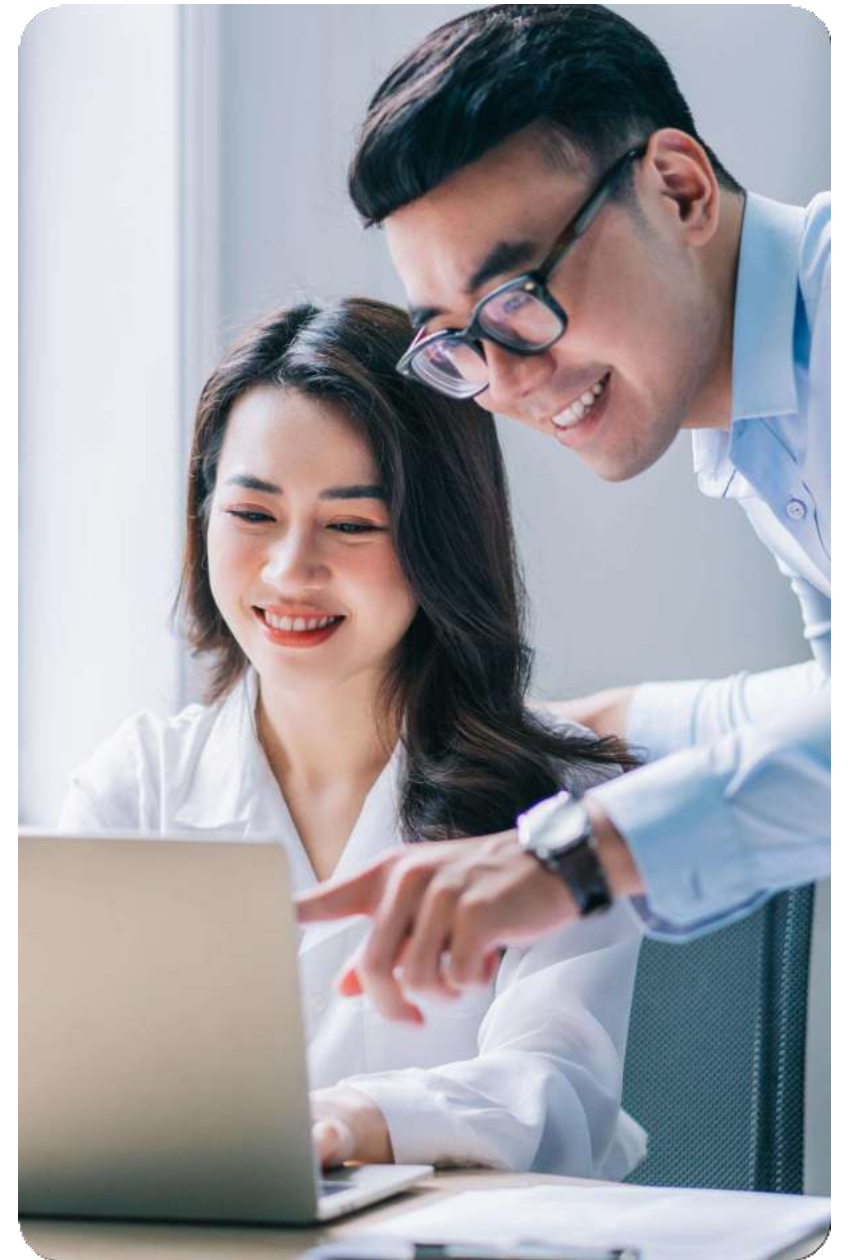
In its daily activities, the Company is guided by the fundamental principles proclaimed by the United Nations Universal Declaration of Human Rights, as well as the relevant legislation of the Republic of Kazakhstan, United Nations Guiding Principles on Business and Human Rights, Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and other international legal acts in the aspect of human rights protection.

The Company's position on human rights in 2022 was enshrined in the **Human Rights Protection Policy**, which contains approaches and principles that guide the Company in order to respect human rights at all stages of its activities.

Taking into account the industry specifics, the risk of using child labour in the Company is considered as insignificant.

Nevertheless, Solva stands for its complete eradication, as well as for the rejection of forced and compulsory labour in relation to both its own employees and employees of clients and partners.

In 2023, it is planned to include a clause in the contract with clients concerning the respect for human rights, namely, a ban on sending borrowed funds to activities related to the use of slave, forced or child labour.



Human rights

We treat our employees, clients and all partners with respect and responsibility, we do not tolerate aggressive or degrading behaviour. For us, any verbal insults, threats, unwanted sexual offers and intimidation are categorically unacceptable in work and communication.

Any employee can report cases of inappropriate behaviour to his/her immediate supervisor, any representative of higher management or the HR department.

In this case, we categorically do not allow persecution or threats of persecution in any form directed against an employee who reported an alleged violation of the Company's regulations and rules. In 2022, no confirmed cases of human rights violations were recorded through the available channels.

The Company recognizes the employee's right to hold meetings, freedom of association, the right to create or join organizations representing their interests without fear of any consequences. This right of each employee is enshrined in the Employment Contract, as well as in the Human Rights Protection Policy.

Also, any client or partner can report cases of violation of his rights or improper behaviour through our communication channels indicated on the Company's website, without fear of persecution or threat of persecution. All complaints are subject to mandatory investigation.

Respect for human rights for different stakeholders

Employees	Clients	Partners
Right to free labour (prohibition of forced and child labour)	Right to equal access to financial services	Right to free labour (prohibition of forced and child labour)
Right to decent pay	Right to a respectful and ethical attitude	Right to participate in associations
Right to professional growth, development and education	Right to protection of privacy	Right to send appeals and complaints
Right to a respectful and ethical attitude	Right to confidentiality of personal data	Right to confidentiality of personal data
Right to equality and non-discrimination	Right to free labour (prohibition of forced and child labour)	Right to a respectful and ethical attitude
Right to participate in associations, trade unions, etc.	Right to send appeals and complaints	
Right to rest		
Right to strike		
Right to conclude collective agreements		
Right to protection of privacy		
Right to confidentiality of personal data		

Personal data protection

Information security and protection of clients' personal data are among Solva's key priorities. We are aware of the importance and necessity of developing and improving information security measures and tools.

Information security is provided in accordance with the legislation of Kazakhstan, as well as internal documents and regulations of the Company.

The Company has an information security department that provides data protection and security, as well as carries out activities to manage all issues in this area. In 2023, the Company plans to expand the department to improve the information security management system.

The main document in this area is the Information Security Policy, which regulates all issues of information security in the Company. It defines our approach to information security, the basic principles of work, directions and requirements for information protection, measures to ensure data security, etc. The provisions of this Policy apply to all employees of the Company who have access to information assets or are involved in information exchange processes.

The Company conducts a quarterly internal security audit of the data warehouse to minimize the risk of leakage. We also regularly test mobile, web applications and information systems infrastructure for vulnerabilities. This allows us to continuously improve the security of our systems in which personal data is processed.

In 2022, the Company upgraded a number of technical and IT equipment in the field of data protection and security to a higher quality and modern one, which made it possible to increase the efficiency of information security and data confidentiality.

To ensure an increased level of security when storing data, we use three independent databases. Also, all personal data of our clients are stored and transferred exclusively within the framework of the legislation of Kazakhstan and internal regulatory documents, in particular the Policy on Processing and Protection of Personal Data and the Provisions on Personal Data Protection. Also, in the case of the transfer of personal data of clients to another legal entity, we always transfer strictly within the framework of contractual relations and the concluded data confidentiality agreement.



Personal data protection

In matters related to the processing of personal data, Solva fully ensures the observance of the rights and freedoms of clients, protecting the right to privacy.

We strictly comply with all the requirements of the legislation of the Republic of Kazakhstan, which regulate the protection and processing of personal data.

All our clients are required to familiarize themselves with the Privacy Statement, which is publicly available on our website, and also give informed Consent to the collection and processing of personal data, in which we provide detailed information about the amount of data collected, their use, the exchange policy and the mechanism for revoking the data provided.

In 2022, the "Personal Data Processing and Protection Policy" and the "Personal Data Protection Regulation" were developed and adopted, within the framework of which the principles and conditions for collecting information, the responsibilities and obligations of the Company and persons authorized to work with personal data, as well as the rights of the owner of personal data were defined.

The Company also identified a person responsible for the protection of personal data, which has the following main tasks: monitoring compliance with legislation in the field of personal data and internal requirements and regulations of the Company, organization of informing employees about the requirements for the protection of personal data and organization of reception and processing of appeals.

In 2022, our Company underwent an external audit of the personal data protection system, within the framework of which our internal documents and mechanisms for ensuring the confidentiality and protection of personal data of clients were checked.

Following the results of the audit, two recommendations were sent, which were immediately taken into work.



Personal data protection

All employees of the Company sign an Non-Disclosure Agreement and undertake not to disclose confidential information that has become known to them in connection with the performance of official duties, including after leaving the Company and termination of work in it.

Also, since 2022, every new employee is required to be instructed on the protection of personal data as part of a general instruction on combating corruption and fraud, ensuring data confidentiality, etc.

If an employee becomes aware of a violation of the rules on non-disclosure of confidential data, he/she is obliged to inform his/her immediate supervisor, HR department, information security department or internal and economic security department.

All received appeals are mandatory investigated. Based on the results of the investigation, in case of a violation, disciplinary measures may be applied to the employee, up to dismissal.

In 2022, there were no cases of leakage of personal data or violations of the rules on non-disclosure of confidential information.

In 2023, Solva plans to obtain a Payment Card Industry Data Security Standard (PCI DSS) license. The PCI DSS standard is an international security standard created specifically to protect payment card data. It will protect the Company and our clients from security incidents and provide the necessary level of security in the entire payment system.



Anti-money laundering and combating the financing of terrorism

The Company takes all possible preventive measures to establish and maintain business relations only with reliable clients and contractors who are engaged in legitimate activities and receive income only from legitimate sources.

To comply with the requirements of the Law of the Republic of Kazakhstan "On anti-money laundering and combating the financing of terrorism", **Solva has a number of measures:**

Internal Control Rules have been developed for AML/CFT purposes, within which the following are defined:

- ▶ internal control organization program for AML/CFT purposes;
- ▶ Income Laundering/Terrorist Financing Risk Management Program (IL/TF);
- ▶ client identification program;
- ▶ program for monitoring and studying client operations;
- ▶ program of training and education of employees on AML/CFT issues, etc.



Anti-money laundering and combating the financing of terrorism

In accordance with the Internal Control Rules for AML/CFT purposes, the Company conducts:

- ▶ measures to identify clients (beneficial owners) before accepting them for service, checking for a list of persons associated with the financing of terrorism and extremism, lists of public officials and international lists. When conducting identification and preliminary verification of clients and partners, it is necessary to make sure that there is an understanding of the specifics of their activities, as well as the source of origin and destination of funds;
- ▶ constant monitoring of client transactions in order to identify suspicious transactions and unusual transactions;
- ▶ instructing employees in accordance with the program "Training and education of employees on AML/CFT issues".

In 2022, planned training and testing of the Company's employees' knowledge on AML/CFT issues was conducted offline and online. **131 employees** took part in the training. Based on the results of the training, a test was conducted to verify the knowledge gained.

Employees



Irina Yaschenko

Head of the HR Department

“ We work together every day to ensure that Solva becomes the best company for our clients, and its products exceed the expectations of the most sophisticated consumers.

Our employees are the foundation and the key to our success, so the task of the HR team is not just to create a comfortable and safe environment for employees, but to motivate them and stimulate their constant professional and personal development to create and maintain a unique client experience.

”

HR Policy

The main value of our Company is our employees.

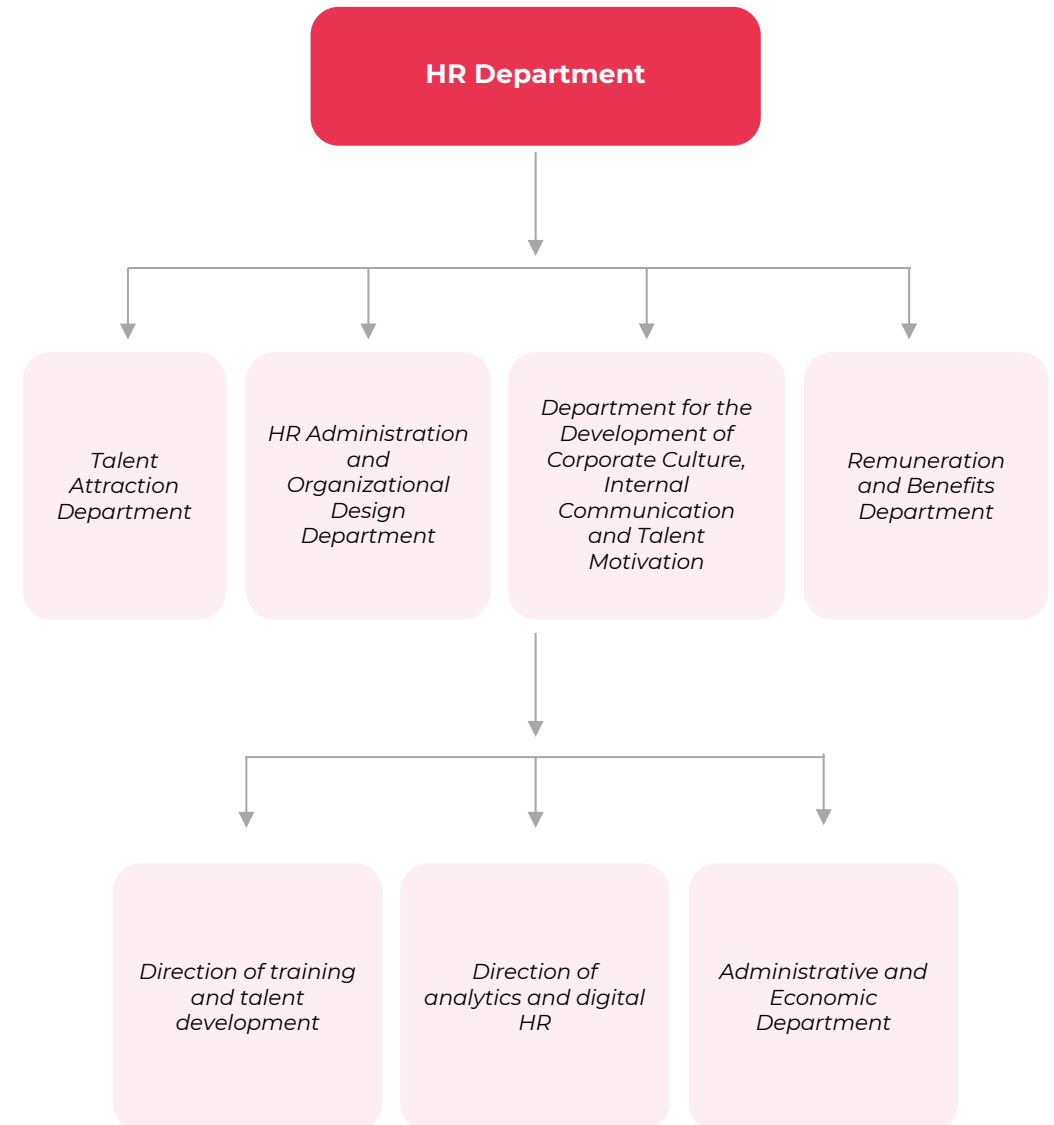
We strive to become one of the best employers who cares about the well-being of employees, provides equal opportunities and creates conditions for realizing the potential of each team member. Our Company has always maintained an atmosphere of mutual respect, trust, cooperation and open dialogue.

We are continuously improving the HR management system and increasing its efficiency. At the end of 2022, we began the process of changing the organizational structure of the HR department. In accordance with the implemented changes, the HR Department is responsible for managing all personnel issues. Within HR Department, several departments were created that are responsible for different areas of work, such as:

- ▶ attracting, effectively adapting and retaining talent
- ▶ building a system of motivation and compensation
- ▶ formation of the Company's HR brand
- ▶ internal communications
- ▶ development of corporate culture
- ▶ building an effective internal training system aimed at developing the potential of employees
- ▶ maintaining the organizational structure and staffing of the Company
- ▶ other areas of work.

Work on strengthening the developed management structure will continue in 2023. We plan to expand the functions by hiring new highly qualified specialists in the selected areas.

New HR management structure:



HR Policy



An important step for us was the approval of the HR strategy and HR Policy of the Company, which determine our long-term strategy and principles of working with staff to ensure stable leadership of the Company and the growth of reputation in the Kazakh and international labour markets.

The policy is based on transparent principles of forming the Company's personnel and motivating employment conditions, on the involvement of all employees in achieving strategic goals, professional development, fair assessment of each employee's contribution to overall achievements and decent remuneration for work results. We have also updated all our internal HR policies and developed a number of new internal documents.

At the time of preparation of this Report ¹for effective regulation of personnel management issues, the following database of regulatory documents has been formed:

- ▶ HR policy
- ▶ Recruitment regulations
- ▶ Code of Professional Ethics
- ▶ Regulations on employee bonuses
- ▶ Regulations on labour remuneration
- ▶ Internal labour regulations
- ▶ Instructions for personnel records management
- ▶ Regulations on the annual bonus of employees
- ▶ Regulations on subsidies and mentoring and other documents

Also, an important step for us will be the conclusion of a collective agreement between the Company and employees ². This collective agreement will establish Solva's obligations to its employees in matters of job preservation, assistance in professional education and training, remuneration and bonus payment, working hours and rest time, creation of healthy and safe working conditions, creation of conditions for the activities of trade unions and other issues that protect and consolidate the rights of employees to decent labour conditions. 100% of employees will be covered by this collective agreement.

Also in 2023 ² we plan to create a conciliation commission to consider individual labour disputes: disputes between an employee and a Company concerning all issues of labour relations, for example, remuneration, vacation, disciplinary penalties, dismissal, etc. This mechanism will allow us to guarantee an unbiased, comprehensive and independent consideration of employee complaints and disputes, as well as to protect the rights of our employees.

¹ The Report was prepared in the spring of 2023, so some important information is also provided for the beginning of 2023.

² The conclusion of a collective agreement and the creation of a conciliation commission is scheduled for July 2023.

Staff composition

59%

women

41%

men

454

full-time employees
worked in 2022

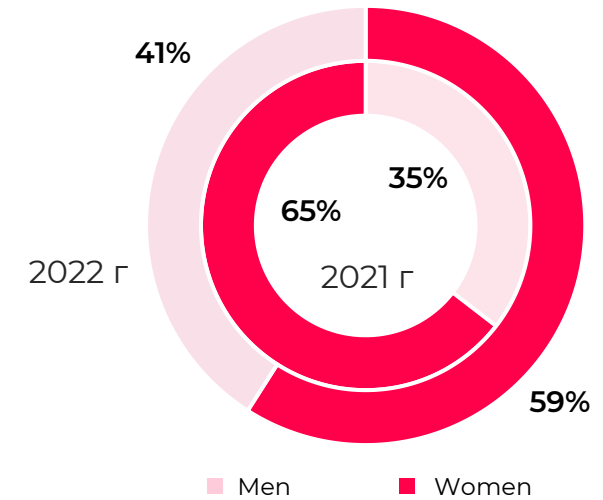
251

people were
hired in 2022

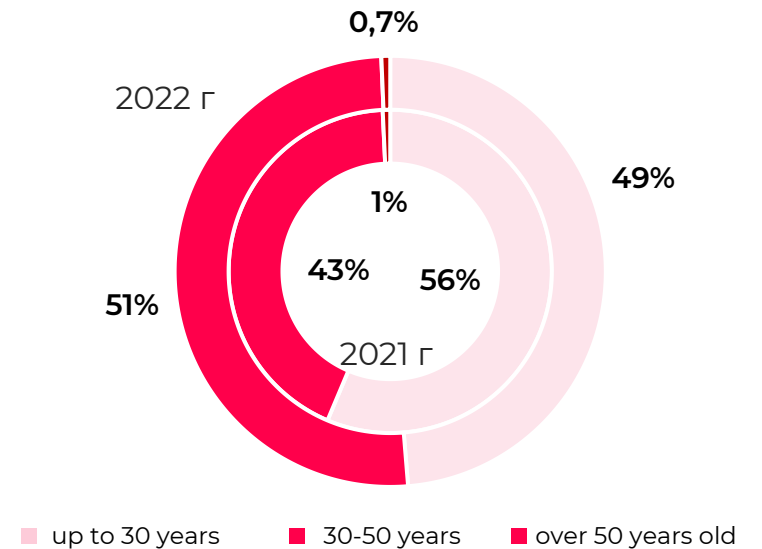
Our team is growing rapidly: in 2022, 454 people worked at Solva, which is 70% more than last year. 59% of employees are women, also 52% of managers are women.

Among the age composition in 2022, we also had changes: the main share of our employees are people aged 30 to 50 years (51%), and in 2021, most of the employees were people under 30 years old. We believe that these changes are dictated by an increase in the proportion of employees with extensive work experience and high professionalism.

Number of employees by gender



Number of employees by age



Recruitment and adaptation of new employees

According to Solva's corporate culture, we are guided by the principle of granting equal rights and opportunities and consider it unacceptable to humiliate human dignity and discrimination in any form and on any grounds.

The Company does not discriminate on the basis of gender, race, age or any other grounds. We apply an equal opportunities approach to recruitment for men and women, disabled applicants, indigenous people and other social groups.

In the process of selecting candidates, we are guided exclusively by the professional level, skills and competencies of the applicant. We provide equal opportunities to both external candidates and our internal employees who wish to take a new position within the framework of the personnel reserve program.

We try to create the most comfortable conditions for new employees. A properly structured adaptation process allows them to quickly establish communication with colleagues and feel comfortable in a new role. During the first weeks, new employees are accompanied by a mentor², who helps to follow the adaptation plan, which provides for gradual integration into the team and a new working atmosphere.

¹ For applicants of special groups, jobs are provided in accordance with the legislation of Kazakhstan and the availability of jobs corresponding to working conditions. For example, the quota for employment in a Company of persons with disabilities is 2-4% of the average number of full-time employees.

² We launched this mentoring project in the spring of 2023.



Recruitment and adaptation of new employees

Each new employee must sign an acknowledgement list with the main internal documents of the Company, including the Code of Professional Ethics and the Anti-Fraud and Corruption Policy.

Also, all employees sign a Non-Disclosure Agreement on confidential information and other mandatory documents.

As part of the adaptation process, employees undergo mandatory instruction on fire safety, anti-corruption measures, protection of personal data confidentiality and other important issues.

During the first week, a new employee is required to undergo a Welcome training, which contains full information about the Company, its mission and values, information about the evaluation system and remuneration, available motivation programs.

Also, an introductory course is conducted for credit specialists, within the framework of which an employee gets acquainted with the Company's products and services, microcredit conditions, client service standards and other important aspects.

After a month and three months, we always hold a meeting and interview with new employee to find out how the adaptation process is going.



Motivation and reward



We strive to provide our employees with a decent level of remuneration, as well as create all the necessary conditions for the growth and development of their potential. The Company has developed a Regulation on labour remuneration and a Regulation on the annual bonus of employees, which determine the procedure and conditions of remuneration of employees.

We provide a competitive salary level and ensure a fair remuneration system for employees regardless of gender or age. The salary of each employee depends solely on his/her qualifications, the complexity of the work performed, the quantity and quality of the labour expended.

The Company has a system of setting goals (KPIs) and evaluating personnel. Every year, each employee, together with his/her manager, sets goals for the year, which are subsequently reflected on the internal Bamboo platform, where the employee has permanent access. At the end of the year, the results achieved are discussed and the employee is given feedback: both from the manager and from other employees. Based on the results of the evaluation process, a decision is made to change the employee's remuneration next year and to pay an annual bonus.

The Company also has a grading system: from the L9 to L1 level. Depending on the level occupied by the employee and the results of his/her work for the year, the amount of the annual bonus is determined. This policy is transparent and known by all our employees.

Our motivation system includes not only material incentives, but also a number of non-material motivation tools:

- ▶ Voluntary medical insurance (VMI): after a probationary period, each employee is connected to the corporate VMI system, which includes outpatient and polyclinic services, dental services, planned and emergency inpatient treatment, as well as compensation for the purchase of medicines. In 2022, we increased the limit on dental services by KZT 10 thousand. We have also provided an alternative option to choose from: an annual subscription to a fitness club instead of connecting to the VMI system
- ▶ Employer's life and liability insurance
- ▶ Additional vacation days: we provide employees with 28 days of paid leave per year, which is 4 days more than stipulated by the labour Code of the Republic of Kazakhstan
- ▶ 8 additional days off
- ▶ Gifts for employees' children for the New Year
- ▶ Corporate discounts on fitness passes
- ▶ Financial assistance in case of death of an employee or his/her relative
- ▶ Financial assistance for marriage
- ▶ Massage therapist services in the office
- ▶ Corporate parties and events

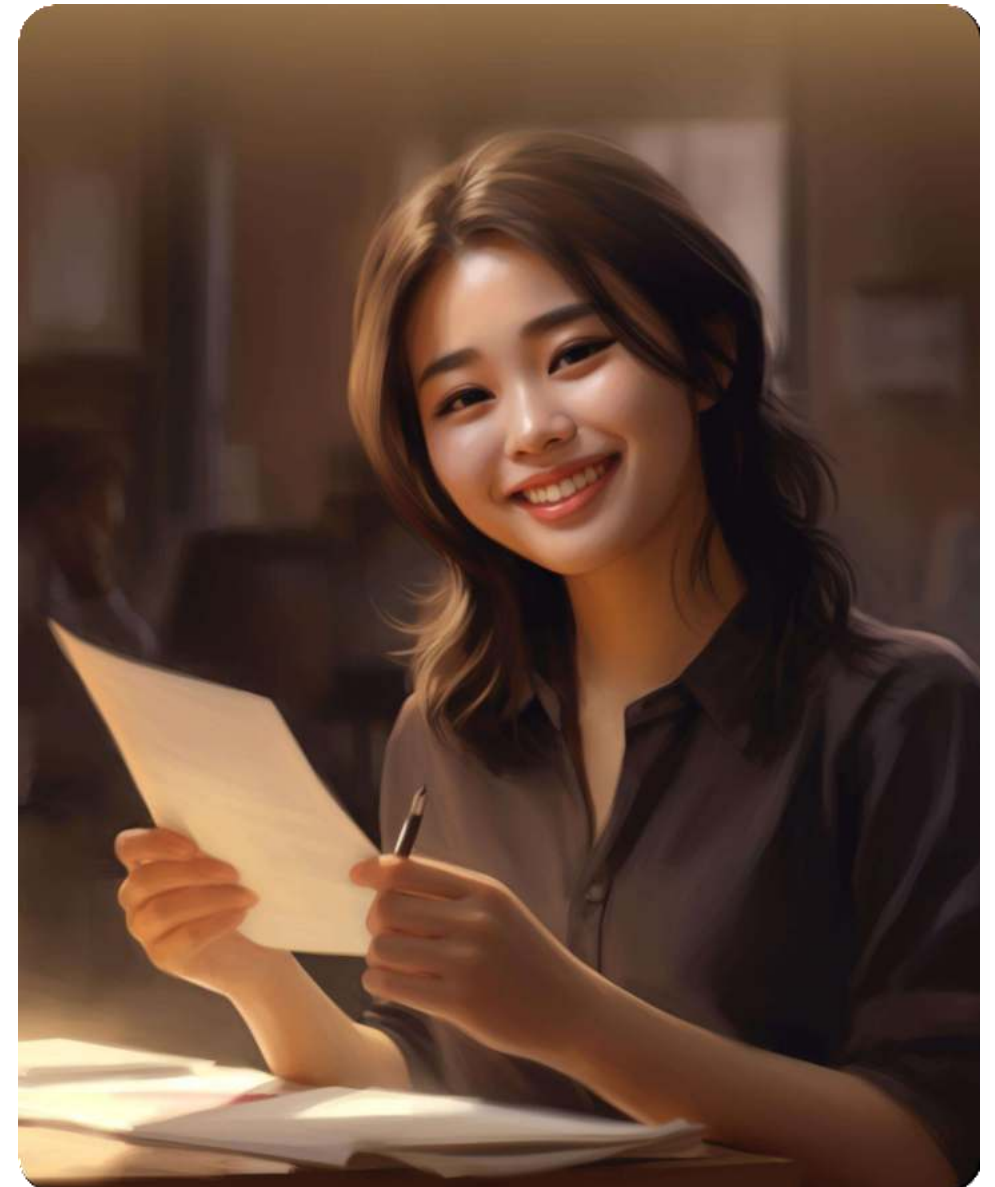
Motivation and reward

«Letters of happiness»

At the beginning of 2023¹ we launched the project "Letters of Happiness", aimed at motivating and encouraging our employees. As part of this project, we have prepared letters for the parents of our employees, in which we thanked them for the high level of education of their children, and also emphasized their merit in achieving high results in their professional activities by their children. This project has caused a great response and positive emotions among all our employees and their families. We definitely plan to continue this initiative.

We also congratulate and present memorable certificates to employees who have worked in the Company for five or more years with further extensive coverage of the anniversary throughout the team.

¹ The Report was prepared in the spring of 2023, so some important information is also provided for the beginning of 2023.



Motivation and reward

Sports achievements of employees

We always try to support the desire of our employees to participate in sports events.

About 40 of our employees ran the Almaty Half Marathon and marathon in April and September 2022. We are very proud of our employees!



Training and development



Achieving strategic goals and business objectives is impossible without a balanced and competent team, continuous training, and improving the knowledge and skills of the Company's employees.

We strive to constantly improve the training and development programs, expanding the topics of training, using modern technologies and increasing the convenience of training.

The training is aimed at creating a professional and loyal team and improving work efficiency. Development helps employees to identify their professional capabilities and potential, plan and build a career, quickly adapt to new technologies and tools in a changing business environment. In 2022, the number of training hours of our employees amounted to more than 3,000 hours.

Solva has implemented and continuously conducts basic training for new employees in business areas, who will then start working with the Company's clients. The training includes the main aspects of the work of employees in their respective positions, including in-depth knowledge of all microcredit conditions and product line, standards of business ethics and business communication, etc.

In terms of the development of professional and personal skills, employees are offered training programs to improve their qualifications, develop communication skills and learn foreign languages.

In 2022, a number of trainings were held for middle managers, for example, providing feedback, communication skills, setting SMART goals, structuring information, etc. Also, all employees and their family members were given access to the Learna training platform, which contains more than 500 different training courses on various topics and directions. Each employee can choose the courses that best meet his/her needs and desires.

If an employee needs training to improve his/her skills in an external organization, then we are ready to compensate it upon agreement with the direct manager and on an individual basis.

We always continue to work on improving our employee training system: in the near future we plan to create a consolidated training management centre, which will allow us to increase work efficiency and expand available training programs.

Occupational safety



The health and safety of employees are absolute priorities for Solva. The Company adheres to the following approaches in the field of occupational health and safety:

- ▶ The Company's goals and objectives can only be achieved by complying with all established health and safety regulations
- ▶ Recognizing and ensuring the priority of life and health of employees and other persons in the process of obtaining business results

The main provisions on labour health and safety are reflected in the Occupational Health and Safety Regulations approved by the General Director.

Also in 2022, we revised and updated all internal documents in the field of labour protection. The person responsible for health and safety in the Company is the Health and Safety Inspector.

Each newly hired employee must be instructed on occupational health and safety and fire safety before starting work. These briefings are held weekly in the Company. We also provided additional fire safety training to employees in 2022, where we taught them how to use fire extinguishers and basic rules and actions in case of fire.

In accordance with the current legislation and the labour Code of Kazakhstan, the Company investigates all accidents that occurred to employees during the performance of official duties, regardless of their severity.

Based on the results of the investigation, measures are developed to eliminate the causes of the accident and maximum efforts are made to minimise the risk of a recurrence. No accidents were recorded in 2022.

Since the beginning of the spread of coronavirus infection, we have been effectively disinfecting our offices, providing employees with personal protective equipment and monitoring their well-being, including through testing at the expense of the Company. Also, within the framework of the VMI program, a separate limit is allocated for the purchase of medicines.

Social initiatives



Anna Maksimova

General Director of Solva

“ Social responsibility is very important for our Company. We regularly hold free trainings on financial literacy, participate in charity initiatives and launch our own social projects.

Starting from 2022, we are implementing a big project "Women in Business", which is aimed at supporting, training and uniting women entrepreneurs of Kazakhstan. We have ambitious plans for the next year to expand the project and go online.

We also continue our work to improve the level of financial literacy of the population, as we believe that this is the only way to improve the material well-being of the population of our country.

”

Women's entrepreneurship

We take gender equality issues seriously and actively develop initiatives to provide women with equal opportunities in financing their business projects, and also strive to help them throughout the way of building their dream business.

We see a high demand for our digital financial products among women entrepreneurs and consider it important to give them wide opportunities to finance their business projects.

In 2022, **70% of loans in the SME portfolio were issued to women entrepreneurs.**



Solva became the first Kazakh company to join the global initiative for the distribution of gender capital 2XGlobal.

2XGlobal is a global organization whose mission is to unite financial market participants to promote a gender—responsible approach to investing and create sustainable, inclusive financial systems.

In 2022, Solva began active work on issuing gender bonds on local stock markets (including KASE).*

We believe that the issue of gender bonds will allow us to expand the level of support for women entrepreneurs, as well as make a tangible contribution to the promotion of gender equality and inclusion in the financial services sector of Kazakhstan.

** At the time of issuing this Report, the Company carried out the initial placement of the first corporate issue of gender bonds in the history of the Republic of Kazakhstan under the bond program on KASE. The debut issue of gender bonds attracted KZT 6.3 billion.*

Women's entrepreneurship

«Women in Business»

Success stories of women entrepreneurs inspire us every day! That is why in 2022 we launched the project "Women in Business".

We have created a multifunctional platform, the purpose of which is to create a favourable environment for the development of women's entrepreneurship and increase the level of financial literacy in Kazakhstan.

Within Women in Business initiative, women entrepreneurs can gain additional knowledge in the field of business development and financial literacy, undergo various mentoring and educational programs, exchange experiences and success stories, and also become part of a community of like-minded women.

In 2022, we conducted 5 training sessions on financial literacy within the framework of the "Woman and Money" program in partnership with the "School of Financial Literacy No. 1" and the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market (ARDFM). The events were held free of charge in 5 different cities of Kazakhstan: Turkestan, Karaganda, Astana, Shymkent, as well as the village of Shelek.

Within these trainings, we tried to give participants a lot of practical knowledge about planning and budget management, financial tools for developing their own business, as well as to make useful acquaintances and exchange experiences. **More than 350 women** entrepreneurs took part in these trainings. In 2023, we will continue to hold events within the framework of the "Woman and Money" cycle in other cities of Kazakhstan.

We help women create a dream business!



more than

850

women entrepreneurs
united in the project
"Women in Business"

Women's entrepreneurship

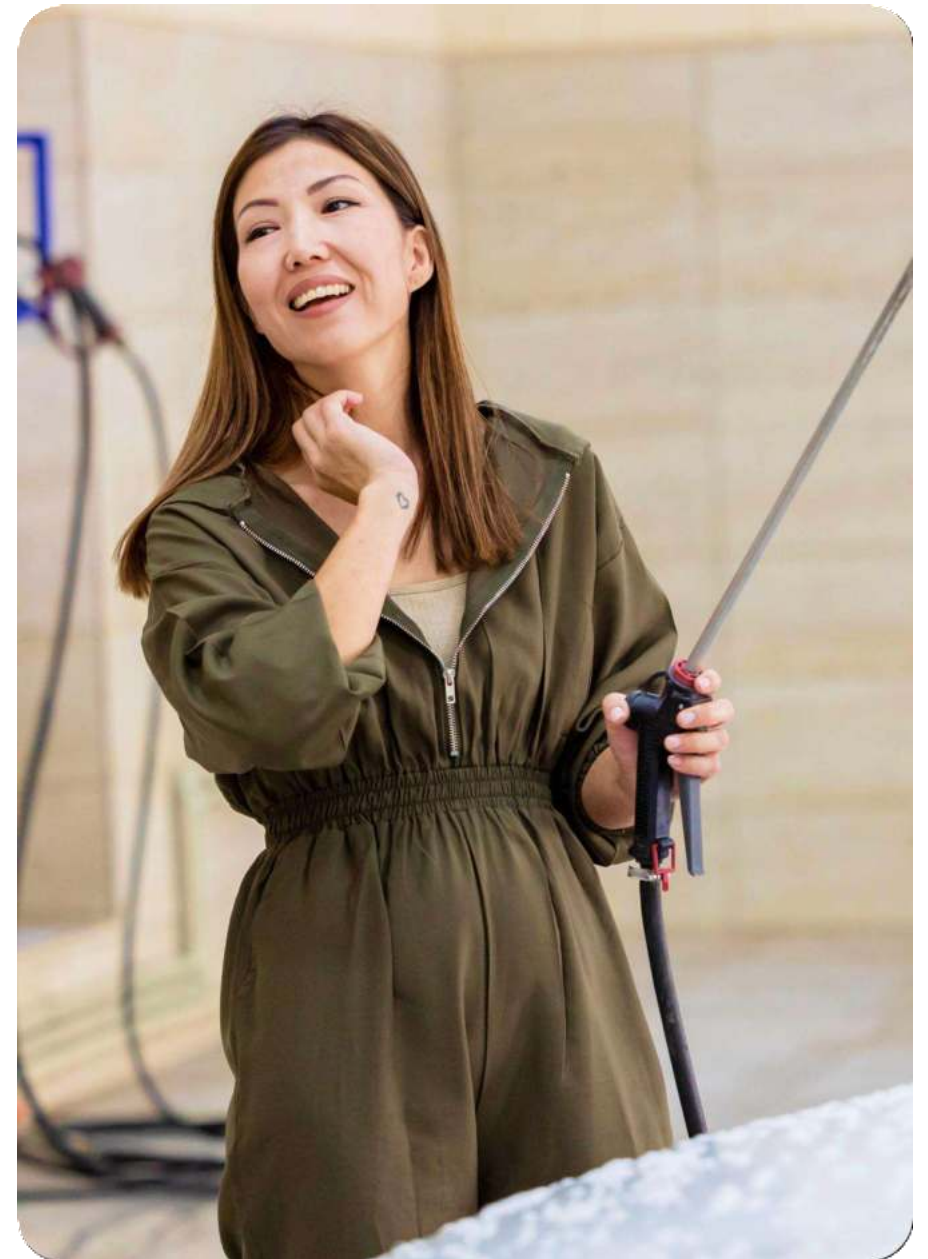
«Women in Business»

We are actively developing our platform by introducing new training events and interaction formats.

In the future, we plan to launch online training in the format of video lessons and online webinars in order to provide as many entrepreneurs of Kazakhstan as possible with convenient access to educational programs and obtaining the necessary knowledge.

We have also launched a telegram channel "Solva. Women in Business", where we publish useful materials, educational articles, announcements of our events, important changes in legislation and news that may affect the business of our subscribers. More than 850 people have subscribed to our telegram channel.

In 2022, we announced a contest "Business Stories" among our female entrepreneurs clients. Following the results of the competition, we selected 6 winners, told their stories on our social networks and on our website, and also made a big photo project with them.





Women's entrepreneurship

«New Year's gifts»

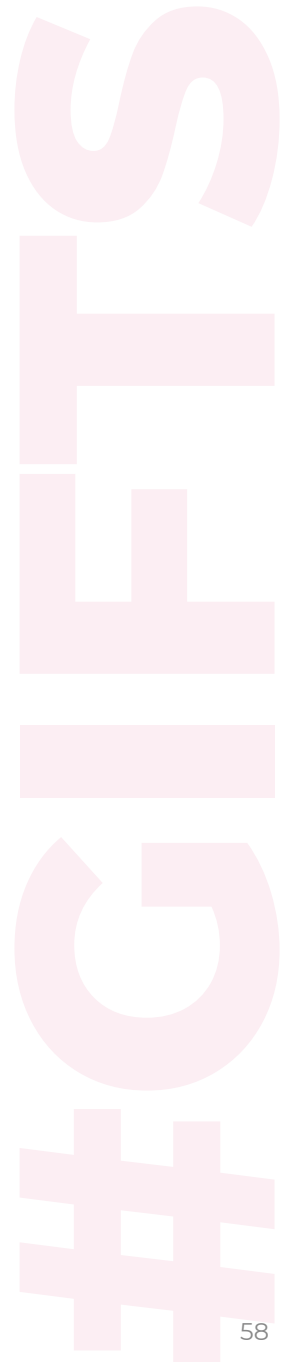
We strive to support our businesswomen not only by providing them with access to various training courses, but also by participating in the development of their business directly as a consumer and client.

After all, in this way we help to find new sales channels, give opportunity to cooperate with a major brand and enlist its support.

For this New Year, we decided to buy gifts for our partners and friends from women entrepreneurs. We have addressed our subscribers on our social networks with a request to share who is engaged in the production or sale of any goods that can become a gift for the New Year.

We received a great response, and 5 brands were chosen for our project. We have collected **160 sets worth about KZT 2,500,000**. We also wanted to tell our partners about each brand and item that were in the gift set, so an individual tag with the brand history in Kazakh and English was attached to each item in the set.

To support the manufacturers who did not get into our gift sets this time, we made a selection of interesting gift ideas with a link to the manufacturers and posted it on all our social networks.



Women's entrepreneurship

Stories of our participants of the project "Women in Business"



**Kundyz
Sarsekeeva,**

Founder of AZATOM, a brand for the manufacture of korpe and pillows in the national style

"In 2014, a great tragedy occurred in our family, and due to health difficulties, I could not get a job. I used to work since I was 14, so I started looking for earning opportunities. So in 2014 I sat down at the sewing machine. My grandmother was a korpe sewing master and as a child I helped her.

I gave my first products to my family and friends, so their friends and acquaintances began to find out about me, and I received the first orders. In 2016, few women contacted me with a request to teach them how to sew. And with the filing of my daughter, I launched my online course.

I sew different products – from a korpe to a skullcap. Each product has its own client. Korpe with ornaments are in particular demand, because they are often bought for a national corner at home or given to relatives who live abroad as a reminder of their homeland.

Now my brand is known not only in Kazakhstan, but also abroad. I hold fairs for needlewomen to help them promote their business.

I believe that when you give to those in need, do something with a good intention, then everything will definitely come back to you doubly."



Aziza Izim,

*Founder of the
Tubeteikaz brand*

As a child, I played the kobyz, we were often invited to foreign competitions. We had beautiful and bright national costumes for performances, but I didn't like the skullcaps that we had to wear, then an image of the products that I sew now appeared in my head.

Later I got an idea – I wanted to see our girls in modern clothes combined with skullcaps. I have a slogan: "Decorate modernity with our history."

Now our skullcaps are worn not only in Kazakhstan, but also in France, Germany, Russia, Uzbekistan, Kyrgyzstan, China, America and Korea.

I still combine my work as a defectologist and my business. I'm not thinking about changing anything yet – I love working with children and enjoy creating skullcaps."

Financial literacy

We believe that the active development of financial education is the only way to improve the welfare of the population of Kazakhstan.

Our Company actively supports initiatives to develop financial literacy.

On a regular basis, together with our partners, we organize trainings on finance throughout the country, with the involvement of financial experts and lecturers.

Our financial literacy projects help citizens to fill the knowledge gaps, get professional advice from financial experts and use them to improve the quality of life.

In the summer of 2022, the Company, together with the ARDFM, for the second time organized financial literacy trainings for students of the ITeachMe Foundation.

During the project, students received useful knowledges about finance, for example, the basics of budget management, financial planning of family income and expenses, common fraud schemes and ways to protect themselves, the basics of doing business and many other important aspects.

We held 6 streams of training events (three in Russian and three in Kazakh).

More than 250 people with disabilities took part in the project.

Also in 2022, we held 5 training seminars on financial literacy within the "Woman and Money" program (read more in the "Women in Business" section).

In 2023, we plan to launch online courses on financial literacy together with our Ombudsman office to provide access to useful and important knowledge to everyone, regardless of their place of residence.



7 000 +

kazakhstanis took part in our financial literacy events



Charity and volunteering

- ▶ In 2022, we launched the campaign "**Helping is easy**". As part of this campaign, we sent part of the money from payments on microloans from our clients to the fund for assistance to veterans of the Great Patriotic War. As part of this campaign, Solva sent KZT 1,000,000, on which the fund has purchased goods of the first necessity for a decent life of veterans.
- ▶ On 9 May 2022 our Company together with representatives of Bostandyk district Akimat and fraction of "Ak Zhol" party of Almaty maslikhat has congratulated veterans of the Great Patriotic War on the 77th anniversary of Victory Day. We prepared necessary gifts and household appliances, which we personally presented to our Veterans.
- ▶ Solva was a partner and member of jury at XIV Republican Student Subject Academic Competition in Almaty. The competition were held for the 14th time. This year the theme was "Finance of Kazakhstan: Finding Answers to New Challenges", and was held on the basis of Turan University. Solva was not only a partner of the event, but also acted as a jury.



Charity and volunteering

Solva together with city activists organized a volunteer clean up dedicated to restoration of Almaty's appearance after the January events. Thanks to the efforts of volunteers and Solva employees, we have clean up several parts of the city that were damaged during the disorders.

Dozens of volunteers were involved in the event, contributing to the restoration of the city's territories and property of entrepreneurs.



Initiatives for clients

We regularly run different awards among our clients to support them with both material prizes and professional knowledge in various fields.

All our awards are open for participation for any of our clients, we always publish all the conditions on our social networks and official website.

We also openly show the winner selection process in order to be honest with our clients. In total, in 2022, we competed more than **KZT 6 million of cash prizes.**



Initiatives for clients



«Business Development Loan» award

- ▶ In 2022, we continued to run the "Business Development Loan" award among our clients, which was aimed at supporting small and medium-sized enterprises throughout Kazakhstan.

The participants were entrepreneurs who had applied for a microloan for business purposes in Solva.

Each participant told an honest story of the creation of his/her business in a free form and sent it to us. 6 winners were chosen by voting, after which each of them was awarded the main prize – KZT 500 thousand to repay the microcredit.

Throughout the award, we have been posting the results and stories of our winners on our website and on our social media.

«Legal support as a gift from Solva» award

- ▶ In 2022, Solva presented its clients with 100 certificates for legal services from the European Legal Service, as part of the loyalty program «Legal Support». Clients were awarded certificates for legal support for a period of 3 months absolutely free of charge.

The certificate allowed our clients to receive a wide range of legal assistance, including: consultations on any legal issues related to entrepreneurship, templates of necessary documents, familiarization with the specifics of legislation for business, as well as answers to the most pressing questions about the activities of sole proprietors and self-employed.

For clients who received a certificate for legal support as a gift, 6 consultations on legal issues, unlimited access to documents, as well as a discount on additional services not included in the package of services were available.

Initiatives for clients

«Pump up your business!» award

- ▶ In 2022, Solva launched the "Pump up your business!" award specifically for small and medium-sized businesses.

More than 2,700 participants took part in this award. Three winners received a fully prepared Instagram business account worth KZT 500,000.

The Instagram profile design included a full profile audit, design code, promotion strategy, monthly publication plan and targeting advertising setup.

In addition, Solva's team of professionals taught the winners the basics of marketing to promote their business online. We presented souvenirs from Solva to several participants.



Initiatives for clients



«How I became an entrepreneur» award

- ▶ In 2022, we twice held an award for our business clients "How I became an entrepreneur".

To participate in the award, entrepreneurs had to tell their story of starting or developing a business.

We have published all sent stories on our Instagram, where our subscribers then chose the winners by voting.

In the first stream of the award, three winners were selected, who were awarded a prize of KZT 100,000, we also presented prizes to some participants and conducted a photo session and an interview with them for further publication on various resources to promote their business. In the second stream, we awarded 5 people, they also received a prize of KZT 100,000 each.

«Half a million tenge for the New Year!» award

- ▶ On New Year's Eve, we held another award for our clients, which was attended by everyone who received a microloan in December 2022.

Almost 6,000 clients took part in this award. The winner was determined randomly among the numbers of all participants in the live stream on Solva's Instagram.

The award was won by Abduvaliev Uchkun, who subsequently received half a million tenge from Solva.

We also raffled off 3 prizes of KZT 10,000 among the live stream participants.

Initiatives for clients



Advertising of our clients' businesses

We also always help our clients by advertising their business on our social networks, which have more than 50 thousand subscribers in total.

We are happy to talk about our clients' events (fairs, master classes etc.), goods and services, and we also help clients find additional sales channels and gain useful contacts and connections.



Business woman from Shymkent

nt



Environmental care



Oksana Sinelnikova

Head of ESG

“ Despite the fact that our Company does not have a direct negative impact on the environment, we are aware of the environmental responsibility that lies on our Company and each of us.

When developing our ESG Strategy, we have identified protecting the environment and combating climate change as one of the priority goals. We have a lot of work to do in this direction, which we have already started at the end of 2022.

We plan to fully compensate for our direct greenhouse gas emissions and re-become a carbon-neutral company, as well as launch a product line for financing green technologies and green projects.

”

Environmental care

The Company's activities have no direct negative impact on the environment. Nevertheless, we declare our commitment to the following principles in the field of environmental protection:

- ▶ We strive to minimize the negative impact through the introduction of energy-saving technologies and electronic document management
- ▶ We strive to educate employees about the importance of caring for natural resources and increasing environmental responsibility
- ▶ We dispose of waste in accordance with applicable laws and regulations.

We try to use natural resources responsibly and carefully. Our office is located in a modernly equipped business center, and we have installed energy-saving light bulbs.

Also, our employees adhere to the principles of careful and environmentally friendly attitude to resources in the office, in particular to electricity and water.

We switched to electronic document management in order to minimize the use of paper in the process of work and gradually completely abandon paper media.

However, our office has separate containers for collecting used paper in order to recycle it later.

72 396

electricity consumption, GJ

280

the total volume of water consumption in the office, ths m³

Environmental care

Climate change

Solva takes the problem of climate change and global warming seriously, therefore, as part of our own responsibility in this matter, we plan to obtain the status of a carbon-neutral Company by financing a project to compensate for our own CO2 emissions.¹

Our plans for 2023

Environmental protection and combating climate change have become one of our key priorities that we have set ourselves as part of the ESG Strategy development process. We have set ambitious plans in this direction:

- ▶ In 2023, we plan to introduce the Environmental and Social (E&S) Assessment process into the credit process. As part of this project, we plan to expand the exclusion list of industries and activities for which we do not allocate funding by adding more environmental indicators and areas to this list (the exclusion list was developed in accordance with the EBRD and IFC exclusion lists). We also plan to introduce an additional stage of E&S assessment of our clients at the approval stage of the application for financing and include sections on environmental and social responsibility in loan agreements with clients.²
- ▶ We consider it important to support projects that contribute to minimizing the negative impact on the environment, so in 2023 we plan to launch the process of developing a product line to provide financing for «green» projects and «green» technologies.

¹ The Company plans to receive this status in the summer of 2023.

² At the time of publication of the report, loan agreements have been updated, the exclusion list has been expanded and appropriate changes have been made to the credit policy.



Appendices

Stakeholder engagement

Effective stakeholder engagement is a sustainability priority for Solva. The Company's key stakeholders include employees, clients, shareholders and investors, government authorities and relevant communities, partners and suppliers, media and local communities.

We use various communication channels to effectively engage with each stakeholder group.

Questions and interests of the stakeholders	Forms and tools of engagement
<p>Employees</p> <ul style="list-style-type: none">• Employment• Remuneration for work• Social support• Safe and comfortable working conditions• Opportunities for professional and career development• Training and development	<ul style="list-style-type: none">• Employment in full compliance with the Labour Code of the Republic of Kazakhstan• Transparent wage and bonus pay system• Implementation of compensation and benefits programs• Voluntary medical insurance system• Provision of safe and comfortable working conditions in the office• Training of employees in the field of occupational safety and fire safety• Training of employees on combating fraud and corruption• Transparent system of personnel evaluation and goal setting for the year• Training opportunities, training events and seminars• Access to a learning platform with a wide selection of educational courses• Corporate events• Conclusion of a collective agreement and the creation of a conciliation commission to resolve labour disputes
<p>Shareholders and investors</p> <ul style="list-style-type: none">• Business performance• Strategy implementation• Corporate governance	<ul style="list-style-type: none">• Preparation of corporate reports, including annual and half-yearly financial results• Meetings with investors and regular communications• Presentations to professional communities and investors• Publications and mandatory internet and media disclosure• Preparation of reports and materials on individual requests• Passing the due diligence process if necessary

Stakeholder engagement

Questions and interests of the stakeholders

Forms and tools of engagement

Clients

- Providing clients with a wide range of high quality products
- Ensuring prompt and easily accessible interaction with clients, responding to appeals and complaints
- Settlement of overdue debts and assistance to clients
- Ensuring information security and protection of personal data of clients
- Responsible marketing activities
- Ethical business practices
- Fraud and corruption prevention

- Expanding the range of products and adapting them to clients' needs
- Improving methods of engaging clients including the website and mobile app
- Improving the regular measurement of client satisfaction (NPS) and launching the "ghost shopper" survey
- Easy and fast interaction in case of any questions
- Responding and investigating each incoming complaint through Company channels and regulatory channels
- Ombudsman's work through a virtual borrower rights office
- Provision of individual conditions for debt repayment (debt restructuring)
- Ensuring information security and the protection of personal data
- Strict compliance with the applicable legislation of the Republic of Kazakhstan, including on advertising
- Implementation of strict ethical standards for communication with clients, including when dealing with debt
- Informing clients about fraudulent schemes through an acknowledgement list, articles, video courses, informational posters
- Payment of remuneration to the person who reported the fact of fraud

Government authorities and relevant communities

- Operational and regulatory issues in the sector
- Carrying out licensed activities in accordance with the requirements of the law
- Compliance with tax legislation
- Cooperation with government representatives and relevant institutions to support the implementation of national projects and improve national sectoral legislation

- Compliance with all requirements of the legislation of the Republic of Kazakhstan
- Regular tax deductions to the budget of the Republic in accordance with tax legislation
- Carry out licensed activities strictly and only in accordance with legal requirements
- Elimination of any identified violations and implementation of recommendations
- Holding meetings of working and expert groups, commissions, committees, personal meetings and negotiations
- Membership in the Association of Microfinance Organizations of Kazakhstan
- Membership in the National ESG Club
- Participation in conferences, round tables and other events

Stakeholder engagement

Questions and interests of the stakeholders

Forms and tools of engagement

Partners and suppliers

- Transparent engagement and procurement conditions
- Compliance with ethics and anti-corruption standards

- Transparent procurement procedures
- Meetings and workshops with business partners
- Prompt response in case of problems
- Protection of confidential information
- Compliance with Company anti-corruption policies

Media

- Increasing information transparency
- Increasing brand awareness of Solva and increasing loyalty of stakeholders
- Building a balanced dialogue with the media




- Active coverage of the Company's activities, major events and news, including in ESG
- Promotion of key projects
- Active participation of the Company's speakers in profile events, conferences, etc.
- Strengthening the Company's HR brand
- Strengthening PR strategy and rebranding

Local communities


- Implementation of financial literacy programs
- Implementation of "Women in business" project
- Implementation of various charitable programs
- Informing about the current activities of the Company and its development plans

- Conducting seminars, lectures and training sessions on financial literacy for different groups of the population on a regular basis
- Development of a program to support women's entrepreneurship in Kazakhstan within the framework of the "Women in Business" project
- Implementation of various social projects, interaction with charitable foundations
- Publications in the media and on the Company's website
- Maintaining the Company's social networks
- Regular release of Sustainability Reports

Contribution to the UN SDGs


UN SDG	Targets	Our impact
	<p>1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance</p>	<ul style="list-style-type: none"> • Providing equal access to financial products for different categories of citizens • Implementation of a range of measures to improve financial literacy among the population • Supporting entrepreneurship by expanding the product range for SMEs • Implementation of a project to promote women's entrepreneurship
	<p>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p>	<ul style="list-style-type: none"> • Implementation of a voluntarily medical insurance (VMI) program for all Company employees • Provision of free office check-ups and tests and free vaccination of willing employees during the COVID-19 pandemic • Provision of preventive medical care to employees
	<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</p> <p>4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy</p>	<ul style="list-style-type: none"> • Training programs and advanced training courses for employees • Access to a learning platform for employees and their families • Provision of foreign language classes • Implementation of a program to improve financial literacy among the population (schoolchildren and students, socially vulnerable groups) • Launch of the program "Women in Business", within the framework of which activities are conducted to enhance the financial literacy of women in Kazakhstan • Publication of educational articles and video courses on financial literacy and fraud detection in the public domain

Contribution to the UN SDGs

UN SDG	Targets	Our impact
	<p>5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<ul style="list-style-type: none"> • No discrimination in recruitment, remuneration and career development • 59% of female employees work at Solva • 52% of women are in leadership positions at Solva
	<p>5.A Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws</p>	<ul style="list-style-type: none"> • Maintaining a high proportion of women in the segment of providing loans to small and medium-sized businesses (SMEs): about 70% of clients represent enterprises headed by women • Conducting seminars and trainings on financial literacy for women within our community of women entrepreneurs of Kazakhstan "Women in Business" • Purchase of New Year's gifts from women entrepreneurs from the "Women in Business" project • Issue of the gender bond on KASE (<i>was issued in 2023</i>)
	<p>5.B Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women</p>	<ul style="list-style-type: none"> • Participation in the global initiative for the distribution of gender capital 2X Global • Creating a community of women entrepreneurs to exchange experience, find useful contacts and form effective partnerships



Contribution to the UN SDGs

UN SDG	Targets	Our impact
	<p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p>	<ul style="list-style-type: none"> • Conducting training events for employees, including foreign language classes • Conducting awards among clients, for example, "Business development loan" • Development and improvement of the product line for providing loans to SMEs for more convenient access to financial resources • Launching Solva Lite and revolving credit line
	<p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead</p>	<ul style="list-style-type: none"> • Reducing paper consumption in offices and electronic document management • Launch of a project to calculate CO2 emissions and obtain the status of a carbon-neutral Company
	<p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p>	<ul style="list-style-type: none"> • Compliance with labour legislation on the employment of people with disabilities and the elderly • Ensuring equal pay conditions for men and women • Transparent evaluation and bonus system • Transparency and equality of opportunities in career advancement
	<p>8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p>	<ul style="list-style-type: none"> • Full compliance with the laws of Kazakhstan • Development of a policy to protect human rights, stipulating the unacceptability of forced, slave or child labour within the Company and its partners • Launch a project to embed environmental and social assessment into the lending process, which will include, among others, clauses on the unacceptability of forced and child labour
	<p>8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all</p>	<ul style="list-style-type: none"> • Membership in the Association of Microfinance Organizations of Kazakhstan in order to ensure sustainable access of the population to financial services in order to reduce poverty and maintain economic growth

Contribution to the UN SDGs



UN SDG	Targets	Our impact
	<p>9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets</p>	<ul style="list-style-type: none"> • Increasing the share of business in lending specifically to SMEs • Expansion of the product range for SME clients, including the launch of Solva Lite and revolving credit line
	<p>10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average</p>	<ul style="list-style-type: none"> • Expansion of access to financing and non-discrimination when deciding on a loan • Creation of secure financial products and implementation of anti-fraud measures in the financial sector • Participation in social and charitable projects aimed at reducing socio-economic inequality
	<p>13.2 Integrate climate change measures into national policies, strategies and planning</p>	<ul style="list-style-type: none"> • Launch of a project to calculate CO2 emissions and obtain the status of a carbon-neutral Company
	<p>16.5 Substantially reduce corruption and bribery in all their forms</p>	<ul style="list-style-type: none"> • Monitoring compliance with corporate ethical principles and policies, including anti-corruption • The existence of a number of mechanisms for reporting violations related to the provisions of the anti-corruption policy • Investigation of cases of violation of anti-corruption policy

Performance in the reporting period

Table 1. Number of employees by employment contract, type of employment and gender

	2022	2021
Number of employees with an indefinite employment contract	189	258
including women	126	163
including men	63	95
Number of employees with fixed-term employment contract	265¹	10
including women	142	10
including men	123	-
Number of full-time employees	447	262
including women	265	170
including men	182	92
Number of part-time employees	7	6
including women	3	3
including men	4	3

Table 2. New employees by gender and age

	2022			2021		
	up to 30 years old	30-50 years old	older than 50 years old	up to 30 years old	30-50 years old	older than 50 years old
Number of new employees				94	82	2
including women				65	46	-
including men				29	36	2

Table 3. Parental leave

	2022	2021
Number of employees on parental leave	13	1
including women	13	1
including men	-	-
Total number of employees who returned to work after parental leave	6	-
Total number of employees who returned to work after the end of parental leave, and who are still working 12 months after returning to work	2²	-

¹ In accordance with the legislation of Kazakhstan, an employment contract for up to one year is considered fixed-term, after one year of work it becomes indefinite.

² Employees who returned in October-November 2022 are not taken into account, because 12 months have not passed since their return.

Performance in the reporting period

Table 4. Socio-cultural diversity of managers and employees by gender and age

	2022			2021		
	up to 30 years old	30-50 years old	older than 50 years old	up to 30 years old	30-50 years old	older than 50 years old
Managers	1	24	2	8	27	1
including women	1	12	1	5	14	-
including men	-	12	1	3	13	1
Employees	220	206	1	143	88	1
including women	140	114	-	101	53	-
including men	80	92	1	42	35	1

Table 6. Average annual number of hours of training per employee by gender and position

	2022
Managers	~12 hours
Employees	~ 8 hours
Women	~ 9 hours
Men	~ 8 hours

Table 5. Staff turnover rate

	2022
Turnover among senior managers	0%
Turnover among middle managers	4%
Turnover among line staff	29,7%
Turnover of front office employees (departments responsible for direct work with clients)	19,3%
Turnover among back office employees (divisions, divisions that do not interact with clients)	10,4%

Table 7. Resource consumption ¹

	2022	2021
Total volume of water consumption in the office, ths m ³	280,5	254,5
Electricity consumption, GJ	72 396	28 333
Heat energy consumption, GJ	133	49

¹ The increase in water and energy consumption in 2022 compared to 2021 is due to the fact that the Company rented office space in the Turar business centre only in mid-2021, so data for 2021 are presented only for half a year, and for 2022 – for the whole year.

About Report



Microfinance Organization OnlineKazFinance JSC (hereinafter – Solva, the Company) publishes a report on sustainability activities for the second time.

The Report was prepared in accordance with the Global Reporting Initiative Standards (GRI Standards) 2021, as well as in accordance with the Sustainability Accounting Standards Board (SASB) for Commercial banks.

In the Report, we disclose information about the progress of our Company in the field of sustainability and demonstrate the results that we have been able to achieve in the field of responsible business conduct, the development of our employees, local communities and environmental protection.

The information contained in this Report covers the legal entity of Microfinance Organization OnlineKazFinance JSC and is presented for the period from 1 January to 31 December 2022.

The Report was prepared in Russian, English and Kazakh languages and published on the official website of the Company <https://solva.kz/>

The Report was reviewed and approved by the Company's General Director and Members of the Board of Directors.

¹ In connection with the transformation of Solva into a second-tier commercial bank (planned by the end of 2023), we have decided to disclose data in accordance with the SASB industry disclosure for commercial banks.



Material topics

One of the key stages of preparing a Sustainability Report in accordance with GRI Standards is the identification of material topics.

According to the GRI Standards, a material topic is considered to be one in which a company has a certain economic, social and/or environmental impact, including human rights impact, and which is very important for both internal and external stakeholders. It is the material topics that should be disclosed in the Report in the fullest and most detailed way.

The process of determining the material topics for this Report consisted of several stages. First of all, we conducted an analysis of industry trends, legislative requirements and changes in the regulatory framework, as well as an in-depth analysis of the requirements of rating agencies and a number of international standards (GRI, SASB, UN SDGs, etc.).

Next, we conducted a comparative analysis of the reports of the largest international and Kazakh financial companies. The final stage was based on our constant dialogue and interaction with stakeholders. This stage helped us identify critical topics for each group of our stakeholders.

After analysing all the data obtained, we managed to form a list of material topics that we have disclosed in this Report in the most complete and detailed way.

Material topics:

1. Responsible lending
2. Inclusive finance
3. Privacy and data security
4. Business Ethics
5. Countering corruption and fraud
6. Fair and favourable working conditions
7. Gender equality
8. Training and professional development
9. Improving the level of financial literacy of the population
10. Minimization of negative impact on the environment



GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
2-1	Organizational details	About Company	The Company operates in Kazakhstan. The head office is located in Almaty.
2-2	Entities included in the organization's sustainability reporting	About Report	
2-3	Reporting period, frequency and contact point	About Report Contacts	The Sustainability Report is published annually. This report was published in July 2023.
2-4	Restatements of information		There were no significant changes in the provision of non-financial information in the reporting period.
2-5	External assurance		External assurance of non-financial information was not carried out.
2-6	Activities, value chain and other business relationships	About Company	
2-7	Employees	Staff composition Performance in the reporting period	The data is provided at the end of the reporting period.
2-8	Workers who are not employees		The Company did not have such employees in 2022.

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
2-9	Governance structure and composition	Corporate governance structure	In 2022, three people were members of the Board of Directors. The proportion of women on the Board of Directors was 33.3%. One member of the Board of Directors is an independent member.
2-10	Nomination and selection of the highest governance body		Members of the Board of Directors are elected by cumulative voting. The Sole Shareholder appoints the members of the Board of Directors. The Chairman of the Board of Directors is elected by secret ballot.
2-11	Chair of the highest governance body	Corporate governance structure	The Chairman of the Board of Directors in 2022 was Sadyrov Shukhrat Abdirasulovich.
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability management structure	
2-13	Delegation of responsibility for managing impacts	Sustainability management structure	
2-14	Role of the highest governance body in sustainability reporting		The Board of Directors approves the Sustainability Report.
2-15	Conflicts of interest	Business Ethics	In accordance with the Code of Professional Ethics, Solva takes all necessary measures to prevent and eliminate conflicts of interest. The Code also defines the procedure for dealing with a conflict of interest. In matters of the risk of a conflict of interest arising from cross-membership in the Board of Directors and other higher management body, we strictly follow and comply with the legislation of Kazakhstan.

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
2-16	Communication of critical concerns		All critical concerns are necessarily consolidated by the head of the legal Department and brought to the General Director or the Board of Directors, depending on the issue. In 2022, there were no critical concerns that needed to be resolved at the Board of Directors level.
2-17	Collective knowledge of the highest governance body		At the moment, there is no separate training on sustainability for the Board of Directors.
2-18	Evaluation of the performance of the highest governance body		At the moment, a separate assessment of the activities of the Board of Directors to control the management of the Company's impacts on the economy, the environment and society is not carried out.
2-19	Remuneration policies	Motivation and reward	Information on remuneration of members of the Board of Directors is confidential.
2-20	Process to determine remuneration		Information on the process of determining the remuneration of members of the Board of Directors is confidential.
2-21	Annual total compensation ratio		Information on remuneration of members of the Board of Directors is confidential.
2-22	Statement on sustainable development strategy	Sustainability strategy	
2-23	Policy commitments	Business Ethics Human rights	

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
2-24	Embedding policy commitments	Sustainability strategy Business Ethics Human rights	
2-25	Processes to remediate negative impacts	Human rights	
2-26	Mechanisms for seeking advice and raising concerns	Human rights Working with appeals	
2-27	Compliance with laws and regulations		In 2022, there were 3 violations, we have taken steps to correct these violations and bring the Company's activities into full compliance with the legislation. Fines were imposed only for two of the detected violations.
2-28	Membership associations		The Company is a member of the Association of Microfinance Organizations of Kazakhstan, the National ESG Club, the 2X Global Initiative, the Astana International Financial Centre, the UN Global Compact
2-29	Approach to stakeholder engagement	Stakeholder engagement Human rights	The Company strives to respect the human rights of all involved stakeholders. We actively interact with our stakeholders using various communication channels, and we also place expectations on business partners regarding respect for human rights and business ethics during interaction.
2-30	Collective bargaining agreement	HR policy	

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
3-1	Process to determine material topics	Material topics	
3-2	List of material topics	Material topics	
3-3	Management of material topics		The data on the management of each material topic are located in the relevant segment by topic.
201-1	Direct economic value generated and distributed	Key financial highlights	You can find out more about the financial results in our audited financial report.
205-2	Communication and training about anti-corruption policies and procedures	Countering corruption and fraud	
205-3	Confirmed incidents of corruption and actions taken	Countering corruption and fraud	In 2022, there were no confirmed incidents of corruption.
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		In 2022, there were no cases of legal actions against the Company due to obstruction of competition and violation of antitrust legislation.

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
207-1	Approach to tax		Solva's tax strategy is to fully comply with the tax legislation of Kazakhstan. All top management bodies regularly monitor the implementation of this strategy.
302-1	Energy consumption within the organization	Environmental care Performance results for the reporting period	The Company does not consume fuel from renewable energy sources. The Company has no practices of steam and energy consumption for cooling. The Company has no practice of consuming the produced energy. Energy consumption data is provided by the lessor.
303-1	Interactions with water as a shared resource		The Company uses water exclusively for domestic and technical purposes, the only consumers of water are the Company's offices. Water withdrawal and discharge is carried out from/to municipal water supply sources (water circulation) in accordance with the contract with the lessor. Water consumption in areas with water scarcity is not carried out by the Company.
303-3	Water withdrawal	Environmental care Performance results for the reporting period	
401-1	New employee hires and employee turnover	Staff composition Performance results for the reporting period	
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Motivation and reward Performance results for the reporting period	

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
401-3	Parental leave	Performance results for the reporting period	
402-1	Minimum notice periods regarding operational changes		We strictly comply with the legislation of Kazakhstan. When reducing a position/liquidation of an organization, the Company follows the requirements of the legislation of the Republic of Kazakhstan and notifies the employee at least one month before the date of dismissal.
403-1	Occupational health and safety management system	Occupational safety	
403-3	Occupational health services	Occupational safety	<p>In the Company, the person responsible for labour protection is an Health and Safety Inspector. His/Her duties include:</p> <ul style="list-style-type: none"> • implementation of control over compliance in the organization and in its divisions of legislative and other regulatory legal acts on labour protection; • study of working conditions in the workplace, preparation and submission of proposals for the development and implementation of better working conditions; • participation in inspections, surveys of the technical condition of buildings, structures, equipment, machinery and mechanisms, the efficiency of ventilation systems, the condition of sanitary devices, sanitary facilities, collective and individual protection of workers, etc.; • together with other divisions of the company, work on certification of workplaces and production equipment for compliance with labour protection requirements; • participation in the development of measures to prevent occupational diseases and accidents, to improve working conditions and bring them up to the requirements of regulatory legal acts on labour protection, and also provides organizational assistance for the implementation of the developed measures.

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
403-5	Worker training on occupational health and safety	Occupational safety	
403-8	Workers covered by an occupational health and safety management system		The occupational health and safety management system applies to 100% of employees.
403-9	Work-related injuries		No accidents were recorded in 2022.
403-10	Work-related ill health		In 2022, the Company had no recorded occupational diseases and deaths related to occupational diseases.
404-1	Average hours of training per year per employee	Training and development Performance results for the reporting period	Training is offered to all employees depending on the development needs and requirements of the Company and regardless of nationality, gender and age.
404-2	Programs for upgrading employee skills and transition assistance programs	Training and development	
404-3	Percentage of employees receiving regular performance and career development reviews		100% of employees receive regular feedback as part of the annual performance evaluation procedure.

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
405-1	Diversity of governance bodies and employees	Performance results for the reporting period	
405-2	Ratio of basic salary and remuneration of women to men	Performance results for the reporting period	The amount of the basic salary does not depend on the gender and age of the employee. It depends solely on the qualifications of the employee, the complexity of the work performed, the quantity and quality of the labour expended. Thus, in the Company, the base salary of men and women of the same position is equal.
406-1	Incidents of discrimination and corrective actions taken	Business Ethics Human rights	In 2022, there were no cases of discrimination.
408-1	Operations and suppliers at significant risk for incidents of child labour		The Company's activities, including the activities of sales offices, as well as contracting organizations, are covered by the legislation of the Republic of Kazakhstan, which provides for a ban on the use of child labour.
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		The Company's activities, including the activities of sales offices, as well as contracting organizations, are covered by the legislation of the Republic of Kazakhstan, which provides for a ban on the use of forced labour.

GRI Index



Disclosure	Disclosure description	Place of disclosure in the Report	Comment on disclosure
411-1	Incidents of violations involving rights of indigenous peoples		There were no cases of violations of the rights of indigenous people in 2022.
413-1	Operations with local community engagement, impact assessments, and development programs	Social initiatives	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Personal data protection	In 2022, one order was received from the state authorities regarding the violation of personal data protection measures. The violation was subsequently eliminated.





In 2022, we began the process of transforming Solva into a second-tier commercial bank, which should be completed in 2023. In this regard, as an industry disclosure SASB (Sustainability Accounting Standard), we have chosen disclosure for Commercial Banks in order to evaluate our ESG practices in terms of their compliance with the requirements for commercial banks right now.

Topic	Accounting metric	Place of disclosure in the Report	Code	Comment on disclosure
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Personal data protection	FN-CB-230a.1	In 2022, there were no cases of personal data breaches or violations of the rules on non-disclosure of confidential data.
	Description of approach to identifying and addressing data security risks	Personal data protection	FN-CB-230a.2	
Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	About the Company	FN-CB-240a.1	The number of outstanding loans at the end of 2022 for SMEs is 2,621 The amount of outstanding loans at the end of 2022 for SMEs – KZT 3,163,724 thousand
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development		FN-CB-240a.2	Number of past due and nonaccrual loans - 649 The amount of past due and nonaccrual loans - KZT 504,460 thousand
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers		FN-CB-240a.3	The Company does not provide no-cost retail checking accounts or deposit services
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Financial literacy	FN-CB-240a.4	More than 7,000 thousand people

¹ At the moment, we cannot disclose all the SASB metrics included in the standard in full. However, we will continue to work in this direction. We also strive to always provide relevant, useful and meaningful disclosures to our investors.



Topic	Accounting metric	Place of disclosure in the Report	Code	Comment on disclosure
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Commercial and industrial credit exposure, by industry		FN-CB-410a.1	Information about credit risks is presented in the Company's financial report.
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Sustainable Development Strategy	FN-CB-410a.2	In 2023, we plan to introduce the Environmental and Social (E&S) Assessment process into the credit process.
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Countering corruption and fraud	FN-CB-510a.1	In 2022, there were no lawsuits and losses on these issues.
	Description of whistleblower policies and procedures	Countering corruption and fraud	FN-CB-510a.2	



Topic	Accounting metric	Place of disclosure in the Report	Code	Comment on disclosure
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category		FN-CB-550a.1	This indicator is currently not applicable, since the transformation of the Company into a bank will be completed at the end of 2023.
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Risk management	FN-CB-550a.2	

Activity metric	Code	Place in the Report	Comment on disclosure
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	FN-CB-000.A		The company currently does not provide services for opening savings accounts
(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	FN-CB-000.B		Loan portfolio at the end of 2022: <ul style="list-style-type: none"> • individuals: KZT 40.2 billion • SMEs: KZT 33.7 billion Number of unique clients in 2022: <ul style="list-style-type: none"> • individuals: 37, 9 thousand • SMEs: 14.4 thousand

Contacts



Our office address: 502 Seifullina Ave., 9th floor, Turar Business Center, 050012, Almaty, Kazakhstan



Phone: +7 (701) 006 35 35



E-mail: esg@solva.kz



Website: solva.kz

