



УТВЕРЖДЕНО

ОсОО МКК «Универсал Кредит»

Протокол № \_\_\_\_

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## **Report on Social and Environmental Indicators**

Monitored by Universal Credit Microcredit Company LLC

Bishkek  
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## **Introduction**

Universal Credit Microcredit Company conducts its activities in line with modern sustainable development principles. The Company strives to combine economic efficiency with care for people and the environment, emphasizing both social and environmental aspects of its operations. This approach not only strengthens customer trust, but also contributes to the overall well-being of society.

The Company focuses on creating accessible financial solutions that support the improvement of living standards, regional development, and the promotion of responsible resource consumption.

This report presents the key results of the Company's social and environmental performance, demonstrating its commitment to long-term, sustainable growth.

## 1. Environmental Performance Indicators

In its operations, Universal Credit Microcredit Company places particular emphasis on environmental responsibility.

The Company's key focus areas in this regard include: efficient use of resources, implementation of energy-saving solutions, and reduction of the carbon footprint.

### Reduction of Paper Consumption

One of the key areas of the Company's environmental responsibility is the reduction of paper usage.

Universal Credit is actively implementing digital solutions, including online lending and electronic document management, which contribute to minimizing printed materials and improving internal process efficiency.

For internal workflow, the Company uses a cloud-based system where employees exchange files, maintain work chats, and store electronic archives.

The Company also applies the practice of paper reuse — the reverse side of sheets is used again instead of being discarded. The positive trend in reducing paper expenses, despite the growing loan portfolio, is presented in Table 1.

Table 1 – Dynamics of Paper Expenditures

Year	Number of Loans Issued	Expenses (KGS)	Per Loan (KGS)
31.12.2023	7612	217 500,0	28,6
31.12.2024	8872	153 475,0	17,3
30.09.2025	7747	124 100,0	16,0

Source: compiled based on internal data of Universal Credit Microcredit Company.

The table presents the dynamics of A4 paper expenses and their correlation with the number of loans issued for the period 2023–2025 (data for 2025 are provided as of September 30).

A steady decrease in paper expenses per loan is observed, indicating more rational use of office resources.

### Construction Calculator: Energy-Efficient Projects

An important area of the Company's environmental activity is the implementation of tools that help assess and improve household energy efficiency.

One such tool is the construction calculator, developed to estimate fuel consumption, reduce CO<sub>2</sub> emissions, and lower household energy costs. The effectiveness of the construction calculator's implementation is reflected in Table 2.

Table 2 – Energy Efficiency of Loan Projects

Indicator	Value
Number of projects	6
Total coal savings	20,2 tons
Coal savings (monetary equivalent)	KGS 89 039,08
Prevented CO <sub>2</sub> emissions	54,57 t CO <sub>2</sub>

Source: compiled based on data from Universal Credit Microcredit Company and the emission factor of 2.7 t CO<sub>2</sub> / t coal (National Report of the Russian Federation on the Inventory of Anthropogenic Emissions from Sources and Removals by Sinks of Greenhouse Gases Not Controlled by the Montreal Protocol, 1990–2010, Moscow, 2012).<sup>1</sup>

As a result of applying the construction calculator, the Company assessed 6 loans issued for energy-efficiency home-improvement projects, which enabled the estimation of a reduction in carbon-dioxide emissions of 54.57 tons, achieved through a decrease in coal consumption of 20.2 tons. The reduction occurred following loans granted for thermal insulation of clients' homes.

These results demonstrate the practical benefits of the Company's digital tools in promoting sustainable development and reducing climate impact.

### Impact of Heat Sources on CO<sub>2</sub> Emissions

As part of the environmental efficiency analysis, the influence of heating sources used in the Company's offices on CO<sub>2</sub> emissions was examined. The Company operates 15 offices, of which 3 are coal-heated (total area – 130.0 m<sup>2</sup>), 2 use gas heating (531.4 m<sup>2</sup>), and 10 are

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<sup>1</sup> National Report of the Russian Federation on the Inventory of Anthropogenic Emissions from Sources and Removals by Sinks of Greenhouse Gases Not Controlled by the Montreal Protocol for 1990–2010. Moscow, 2012. Available at: [https://unfccc.int/sites/default/files/resource/RUS\\_NIR\\_2024\\_v1\\_2024-11-08.pdf](https://unfccc.int/sites/default/files/resource/RUS_NIR_2024_v1_2024-11-08.pdf) (accessed: 14.10.2025).

powered by electricity (290.1 m<sup>2</sup>). The transition from coal to gas and electric heating has significantly reduced the potential volume of atmospheric emissions. The calculation of prevented CO<sub>2</sub> emissions was performed based on office area, standard heat consumption, and specific emission factors for different fuel types.

The estimates were derived using average specific heat-consumption rates and CO<sub>2</sub> emission factors reflecting the characteristics of various heat sources.

The normative heat consumption was set at 120 kWh/m<sup>2</sup> per year, corresponding to average values established in methodological guidelines for determining specific heat consumption of buildings.

Emission factors per 1 kWh of heat (IPCC Guidelines, 2006)<sup>2</sup>:

- Coal – 0.34 kg CO<sub>2</sub> / kWh
- Natural gas – 0.20 kg CO<sub>2</sub> / kWh
- Electricity – 0.05 kg CO<sub>2</sub> / kWh

Based on the calculations, potential and actual CO<sub>2</sub> emissions were determined for different heating types. The Company's switch to gas and electric heating allowed the prevention of approximately 19.0 tons of CO<sub>2</sub> per heating season, confirming a measurable reduction in the Company's carbon footprint.

The calculation results are presented in Table 3.

Table 3 – Results of CO<sub>2</sub> Emission Calculations by Heating Source

Heating Type	Number of Offices	Area (m <sup>2</sup> )	Potential CO <sub>2</sub> Emissions (t)	Actual CO <sub>2</sub> Emissions (t)	Prevented CO <sub>2</sub> Emissions (t)
Gas	2	531,4	21,7	12,8	8,9
Coal	3	130,0	5,3	5,3	–
Electricity	10	290,1	11,8	1,7	10,1

Source: compiled based on internal data of Universal Credit Microcredit Company.

Detailed calculations for each office are provided in Annex 1.

<sup>2</sup> 2006 IPCC Guidelines for National Greenhouse Gas Inventories Volume 2 Energy // Intergovernmental Panel on Climate Change URL: [https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2\\_Volume2/V2\\_2\\_Ch2\\_Stationary\\_Combustion.pdf](https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_2_Ch2_Stationary_Combustion.pdf) (accessed: 14.10.2025).

## Green Loans

The Universal Credit Microcredit Company offers a specialized financial product — the “Green Loan”, aimed at supporting projects in the fields of environmental protection, energy efficiency, and renewable energy sources.

The purpose of this product is to expand clients’ access to modern, environmentally friendly technologies and to contribute to the promotion of sustainable development.

Financing is provided both for agricultural initiatives and for energy-efficiency projects, including the installation of solar panels and the purchase of environmentally friendly transport.

To assess the scale of “green loan” implementation, the current status of such loans in the Company’s portfolio as of August 31, 2025 is presented below.

Table 4 – Summary Indicators for Green Loans as of 31.08.2025

Green Loans	
Indicator	Value
Total number of loans	8,224
Number of green loans	2,384
Share of green loans (by quantity)	<b>28,99%</b>
Total loan portfolio	KGS 1,151,668,327.71
Green loan portfolio	KGS 137,587,620.05
Share of green loans in portfolio	<b>11,95%</b>

Source: compiled based on internal data of Universal Credit Microcredit Company.

“Green Loans” contribute to the implementation of environmentally significant projects and the support of energy-efficiency initiatives. Thus, this product makes a tangible contribution to sustainable development and the preservation of nature for future generations.

Table 5 – Structure of Green Loans by Purpose as of 31.08.2025

<b>Loan Purpose</b>	<b>Loan Portfolio (KGS)</b>	<b>Number of Loans</b>
<b>1. Agriculture (crop production)</b>	<b>533454</b>	<b>3</b>
Crop production (planting, irrigation, machinery, sowing, harvesting)	533454	3
<b>2. Livestock farming</b>	<b>1128448,44</b>	<b>6</b>
Livestock farming – dairy production	1128448,44	6
<b>3. Trade / commercial activities</b>	<b>679913</b>	<b>1</b>
Business – other purposes	679913	1
<b>5. Home repair and construction</b>	<b>9169593</b>	<b>55</b>
Purchase of doors and windows	214455	4
Interior repair works	388297	2
Façade repair works	261801	1
Roof construction and repair	938198	1
Installation and repair of heating systems	5327953	31
Home insulation	2038889	16
<b>6. Consumer loans</b>	<b>126076211,6</b>	<b>2319</b>
Purchase of household goods (AAA)	73677096,52	2010
Other purposes	156286	1
Vehicle repair and purchase	52242829,09	308

Source: compiled based on internal data of Universal Credit Microcredit Company.

The largest volume of “green” loans was directed toward housing repair and construction, totaling KGS 9.17 million — primarily for installation and repair of heating systems and home insulation. Significantly smaller volumes were allocated for consumer purposes (KGS 126.1 thousand), livestock farming (KGS 1.13 million), and crop production (KGS 0.53 million).



## **2. Social Performance Indicators**

Universal Credit Microcredit Company develops financial products that contribute to improving clients' quality of life and implements social initiatives aimed at promoting the health and well-being of its employees.

The Company's activities cover both the economic dimension of well-being — through loans that enhance the population's living standards — and the social dimension, which includes sports, environmental, and charitable initiatives that foster a culture of care, support, and active living.

### **Loans Aimed at Improving Population Well-being**

An analysis of the Company's credit portfolio demonstrates its contribution to improving clients' living standards.

For this purpose, loan categories that directly enhance the well-being of the population were identified. These include financing for agriculture (crop production), livestock farming, trade and commercial activities, as well as loans for housing construction and renovation, and vehicle repair or purchase.

The report presents the total volume of such loans across the Company, along with their regional and branch distribution, allowing for an assessment of geographical coverage and identification of areas for further development.

Out of the Company's 8 224 total loans, 2 321 belong to this category, with a total value of KGS 385,5 million, compared to an overall credit portfolio of KGS 1 151,7 million as of August 31, 2025. These figures confirm the Company's tangible contribution to improving clients' living standards and its active engagement in socially oriented lending.

The analysis was conducted based on data from branches located in the Chui, Issyk-Kul, and Osh regions. The cities of Bishkek and Osh were excluded from the sample, as the focus was placed on assessing the Company's activities at the regional level.

Table 6 – Credit Portfolio by Branches in Chui Region

The analysis includes the following branches: Kant, Tokmok, and Sokuluk.

Chui region		
Loan Purpose	Credit Portfolio	Number of Loans
Agriculture (crop production)	9790586,87	68
Livestock farming	155097684,4	1205
Trade and commercial activities	37788500,41	154
Housing construction and renovation	66287579,56	245
Vehicle repair and purchase	20240914,14	128
	<b>289205265,4</b>	<b>1800</b>

Table 7 – Credit Portfolio by Branches in Issyk-Kul Region

The analysis includes the Karakol branch.

Issyk-Kul region		
Loan Purpose	Credit Portfolio	Number of Loans
Agriculture (crop production)	2042787,34	16
Livestock farming	21012138,07	197
Trade and commercial activities	7265374,00	39
Housing construction and renovation	6784396,00	47
Vehicle repair and purchase	2853339,82	27
	<b>39958035,23</b>	<b>326</b>

Table 8 – Credit Portfolio by Branches in Osh Region

The analysis includes the following branches: Kara-Suu and Kashgar-Kyshtak.

Osh region		
Loan Purpose	Credit Portfolio	Number of Loans
Agriculture (crop production)	355726,00	3
Livestock farming	17884556,24	82
Trade and commercial activities	11134958,11	47
Housing construction and renovation	25426055,00	54
Vehicle repair and purchase	1526484,00	9
	<b>56327779,35</b>	<b>195</b>

The presented data reflect the distribution of the Company's credit portfolio across key areas that contribute to improving clients' well-being. The majority of loans are directed toward agriculture, business development, and household welfare enhancement in the regions. The largest loan volume is observed in the Chui Region, where the portfolio totals KGS 28,9 million with 1 800 active contracts. This is primarily due to the region's higher business activity and the well-developed branch network of the Company.

The Issyk-Kul Region ranks second, with a portfolio of KGS 39,9 million and 326 loans, reflecting stable demand for products that support agricultural development and housing improvement. The Osh Region holds a portfolio of KGS 56,3 million and 195 loans, demonstrating a smaller number of borrowers but higher average loan amounts.

In all three regions, livestock farming remains the dominant area, forming the largest share of the credit portfolio. Given that a significant part of the Kyrgyz Republic's population is engaged in livestock breeding – with every second household owning cattle as a primary source of income – such lending directly contributes to increased income and improved living standards among clients.

A considerable portion of loans is also allocated for housing renovation and construction, underlining the Company's contribution to enhancing the population's quality of life – including home insulation, yard extensions, repairs of deteriorated housing, and replacement of heating and water supply systems.

## **Company Initiatives Aimed at Strengthening Employee and Community Health and Well-being**

### **Football Tournament**

The Universal Credit Microcredit Company team annually participates in the Mini-Football Tournament for the Cup of the Association of Microfinance Organizations (AMFO). The competition traditionally takes place in autumn in Bishkek and brings together teams from banks and financial institutions across the country.

The Company's team consists of employees from various departments, which helps to strengthen internal corporate relations, develop team spirit, and promote a healthy lifestyle. The tournament follows a round-robin format and is held over two days (Saturday and Sunday), allowing maximum employee engagement without affecting the work process.

Each year, the Company contributes a membership fee of KGS 20 000 to cover organizational expenses related to the event. At the end of the tournament, an award ceremony is held where participants and winners receive cash prizes, certificates, and individual nominations such as "Best Player," "Best Goalkeeper," and "For the Will to Win."



Figure 1 – Universal Credit team at the football tournament

The Company's continuous participation in sports activities contributes to the improvement of employees' physical and emotional well-being, strengthens corporate culture, and promotes the principles of a healthy lifestyle.

### **Tree Planting Initiative**

The Company actively supports environmental initiatives aimed at creating a healthy and favorable environment. In spring 2025, Universal Credit employees took part in a large-scale tree-planting festival organized jointly with the JASHYL DEM team.

The event was held at the Noorus Ski Resort under the motto "One Tree – One Story!" During the campaign, 1 000 saplings were planted, and the Company plans to continue participating in similar environmental projects.

Such initiatives contribute to environmental improvement, enhance corporate responsibility, and foster employees' awareness of nature conservation and quality of life for future generations.



Figure 2 – Tree Planting by Universal Credit Employees



### **Participation in NOMAD SPORT Running Events**

Universal Credit employees regularly take part in mass running events organized by NOMAD SPORT, which are held in various regions of Kyrgyzstan and bring together thousands of sports enthusiasts. These events aim to promote a healthy lifestyle and develop a culture of physical activity among the population. Up to 15 employees from the Company participate in each race.

Participation in such runs helps strengthen physical health, foster team spirit, and increase employee engagement.



Figure 3 – Universal Credit Employees Participating in the NOMAD SPORT Run

### **Charitable Initiatives**

Universal Credit implements charitable initiatives to support children with disabilities living in orphanages and rehabilitation centers, as well as elderly residents in care homes. These actions are held annually or twice a year and represent an important part of the Company's corporate culture.

In 2024, employees visited an orphanage and an elderly care home in Belovodskoe village, providing essential items and gifts.

In 2025, the Company supported the Children's Rehabilitation Center for Children with Disabilities in the same village by donating stationery, books, and toys. Additionally,

entertainers were invited on behalf of the Company to create a joyful and festive atmosphere for the children.

For Universal Credit, participation in such initiatives is an essential expression of corporate culture and social responsibility.



Figure 4 – Visit to the Orphanage

### Assessment of Client Well-being and Satisfaction

As part of the Company's performance analysis, a client survey was conducted to assess the level of well-being and satisfaction with services. A total of 221 respondents participated in the survey.

More than one-third of respondents (33,9%) have been clients of the Company for over three years, demonstrating a stable client base and a high level of trust. Another 26,2% have been cooperating with the Company for six months to one year, indicating a steady inflow of new borrowers.

The majority of participants noted a positive impact of loans on their well-being: 57% reported significant improvement, while 37,6% observed positive changes.

In terms of service quality, most clients rated it as excellent (83,3%) and good (14%). Furthermore, 87,8% of respondents expressed willingness to recommend the Company to others – confirming a high level of customer loyalty.

In addition, 63 clients shared detailed feedback on their experience with the Company. Most highlighted the attentiveness, politeness, and efficiency of employees, as well as the convenience of the loan process. At the same time, several respondents suggested improving loan conditions and expanding the branch network. The distribution of responses is presented in Table 9.

Table 9 – Client Feedback and Suggestions on the Company's Performance

Category	% of Total Respondents	Content of Responses
Positive feedback	92,2%	"No disadvantages," "Everything is fine," "No complaints," "Satisfied." Clients especially mentioned staff politeness, fast service, and convenient loan procedures.
Comments and recommendations	7,8%	Remarks concerned interest rate levels and the need to expand the branch network. One respondent mentioned a lack of clear consultation during the loan application process.

Source: Universal Credit Client Survey, 2025.

Surveyed clients noted in their comments the high quality of service and the positive impact of loans on their quality of life. For a more detailed analysis, data were systematized to identify the specific purposes for which clients obtained loans.



The results show that the Company's loans contribute both to improving living conditions and to developing entrepreneurial activities. Most often, clients used loans for home repair and construction (25%), as well as for purchasing household appliances, furniture, and vehicle repairs (12,7%). The structure of loan fund distribution across the main purposes is presented in Table 10.

Table 10 – Main Purposes of Loan Utilization by the Company's Clients

Category	% of Total Respondents	Content of Responses
Home repair and construction	25,0%	Repair of houses and apartments, construction works, fences, heating systems, finishing works.
Purchase of household appliances and furniture	23,2%	Refrigerators, washing machines, televisions, gas stoves, furniture, kitchen appliances.
Purchase or repair of vehicles	12,7%	Purchase or repair of passenger cars, trucks, and buses.
Livestock farming and agriculture	8,6%	Purchase of livestock, feed, agricultural materials, development of animal husbandry.
Business and trade	9,1%	Purchase of goods, turnover increase, investments in own business, business development.
Self-employment and equipment	3,6%	Sewing machines, salon equipment, tools for home-based work.
Education and healthcare	5,0%	Payment for children's education, university tuition, medical services and operations.
Purchase of housing or land	6,4%	Purchase of houses, cottages, or land plots.
Family events	2,3%	Organization of weddings and other celebrations.
Not specified / no changes	4,1%	Responses such as "did not purchase anything" or "repaid the loan."

Source: Universal Credit Client Survey, 2025.

## **Conclusion**

The analysis has shown that the activities of Universal Credit Microcredit Company have a positive impact on both the social well-being of clients and employees and on environmental performance. The initiatives implemented by the Company – aimed at improving quality of life, promoting responsible consumption, and reducing environmental impact – confirm its strong commitment to sustainability in these areas.

The Company intends to further develop its approach based on the principles of social and environmental responsibility. Future plans include expanding participation in socially significant projects, introducing energy-saving solutions, and supporting initiatives that foster sustainable regional development. This strategic course strengthens the Company's reputation as a reliable and forward-thinking partner, committed to long-term sustainable results.

## Annex

### Annex 1. Energy Consumption and CO<sub>2</sub> Emission Indicators by Branches

Address	Area (m <sup>2</sup> )	*Annual Heat Consumption (120 kWh/m <sup>2</sup> )	*Potential CO <sub>2</sub> Emissions (t) (0.34 kg CO <sub>2</sub> /kWh)	Heating Type	Actual CO <sub>2</sub> Emissions (t)	Prevented CO <sub>2</sub> Emissions (t)
Bishkek, Gogol St. 129	501,4	60168	20,46	Gas	12,03	8,42
Kaında, 60 Let Oktyabrya St., no number	35	4200	1,43	Coal		–
Kara-Suu, Turali Market	30	3600	1,22	Gas	0,72	0,50
Tokmok, Sovetskaya St. 106A	32,6	3912	1,33	Electricity	0,20	1,13
Kemin, Zh. Zholu St. 20	13,72	1646,4	0,56	Electricity	0,08	0,48
Osh, Aytieva St. 6/2	28	3360	1,14	Coal		–
Belovodskoe, Frunze St. 153A	34	4080	1,39	Electricity	0,20	1,18
Kant, Lenina St. 90A	40	4800	1,63	Electricity	0,24	1,39
Bishkek, Molodaya Gvardiya Ave. 62	67	8040	2,73	Coal		–
Kyzyl-Suu, Manasa St. 213	48	5760	1,96	Electricity	0,29	1,67
Karakol, Torgoeva St. 38/1	25	3000	1,02	Electricity	0,15	0,87
Kara-Balta, Kozhombardieva St. 128	28	3360	1,14	Electricity	0,17	0,97
Sokuluk, Frunze St. 132-10	20	2400	0,82	Electricity	0,12	0,70
Bishkek, Tabyлга Shopping Center	18,8	2256	0,77	Electricity	0,11	0,65
Kashgar-Kyshtak, Karasuiyskaya St. 77B	30	3600	1,22	Electricity	0,18	1,04

Source: compiled based on internal data of Universal Credit Microcredit Company, 2025.