

ESG report continued

2023 Streamlined Energy and Carbon Reporting (“SECR”)

In 2023, the Group continued to collect data on energy use and business travel for operations covering 15 countries, including 13,432.¹ full-time employees ('FTEs') and 2,018 offices.² The table includes the Group's energy use and associated carbon emissions in 2022 and 2023, broken down by Scopes 1, 2 and 3.

The Group is required to report annual global GHG emissions in line with the UK government's Streamlined Energy and Carbon Reporting ('SECR') guideline, implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. These regulations came into force on 1 April 2019 and require organisations to publicly report on carbon emissions and energy use.

The Group's emissions calculations and reporting follow the Greenhouse Gas Protocol Corporate Standard (operational control approach) covering its energy usage in 2023.

In 2023, the Group continued to collect data on energy use and business travel for operations covering 15 regions, including 13,432 full-time employees ('FTEs') (as per group HR data, excluding one staff of MU office) and 2,018 offices (including the Company's headquarters in the Netherlands and Bangladesh). The table includes the Group's energy use and associated carbon emissions in 2023, broken down by Scopes 1, 2 and 3.

Energy efficiency actions

Actions taken in 2023

Planned action in 2024

Continued to monitor and maintain office buildings (both leased and owned) to ensure energy efficient operation. This includes annual maintenance and cleaning of air conditioning systems, and checking for misuse of water, electricity and office vehicles. Such maintenance also keeps fire hazards at bay.	Action to continue.
Subsidiaries are digitizing processes and printing less.	Continue to minimise the use of paper in all offices with the aim of achieving zero printing in the future.
Travel policy approved requiring all air travel to be recorded and approved through formal procedures to confirm necessity. Sustainability is considered when reviewing travel options. The use of public transport continues to be encouraged.	Air travel data will be recorded and reported on a regular basis.
All operating countries have successfully met their 2023 climate targets for the phased installation of solar panels, planting of trees, introduction of electric motorcycles and installation of LED lights.	Climate targets have been set for 2024, with a new focus on knowledge sharing and waste management, among other areas. Read more about setting and achieving targets on page 62.

1 Excluding one staff member from the ASAI Holding office in Mauritius because of negligible impact.
2 Including the head offices and the Company's headquarters in the Netherlands and Bangladesh.

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2023 Streamlined Energy and Carbon Reporting ('SECR') continued

Methodology and scope

The Group is responsible for the internal management controls governing the data collection process, data aggregation, any estimations and extrapolations applied (as required), the GHG calculations performed and the emissions statements.

GHG emissions were calculated according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Scope and subject matter

The boundary of reporting includes all operating subsidiaries and facilities owned, leased or actively managed by the Group, as well as business travel in Company-owned vehicles or employee-owned or hired vehicles where the Company is responsible for purchasing the fuel. This also includes air travel.

Energy and GHG sources included in the process

- **Scope 1:** Direct emissions from sources that are owned or controlled by the company, such as emissions from company-owned vehicles, facilities, and equipment.
- **Scope 2:** Indirect emissions from the consumption of purchased electricity, heat, or steam by the company. These emissions occur as a result of the company's activities but are generated by a third party.
- **Scope 3:** Indirect emissions that occur as a result of the company's activities but are not directly owned or controlled by the company. This includes emissions from sources such as business travel, employee commuting, supply chain activities, and product use.

Waste and fugitive emissions from refrigeration (e.g. air conditioning) is omitted from the report due to lack of data. ASA International Group plc is working with building managers to develop a more complete data set in this area.

The Company has excluded all categories from Scope 3 except for 6 and 7 due to data limitations. Category 15, "investments" (financed emissions), has been excluded due to the relatively small size of client businesses. However, the Company will explore conducting an analysis to assess if these emissions exceed the materiality threshold (>40%).

Types of GHGs included, as applicable: CO₂, N₂O, CH₄, HFCs, PFCs, SF₆ and NF₃.

The figures were calculated using UK government 2023 conversion factors, expressed as tonnes of carbon dioxide equivalent (tCO₂e).

The company does not disclose emissions for the UK or offshore areas as it does not have any operations in those regions.

Particulars	2023	2022
Energy consumption used (kWh)		
Electricity (kWh)	3,864,000	3,569,221
Gas (kWh)	1,216,605	1,668,700
Transport fuel (kWh)	45,605,160	41,017,650
Other energy sources (kWh)	2,016,146	2,140,388
Total (kWh)	52,701,911	48,395,959
Emissions (tCO₂e)		
Scope 1		
Emissions from combustion of gas (tCO ₂ e)	247	341
Emissions from combustion of fuel for transport purposes (tCO ₂ e)	4,818	4,923
Emissions from combustion of fuel for generators (tCO ₂ e)	469	498
Scope 2¹		
Emissions from purchased electricity (tCO ₂ e)	747	690
Scope 3		
Category 7: Employee commuting ² (tCO ₂ e)	1,687	555
Category 6: Business travel ³ (tCO ₂ e)	606	385
Total location based tCO₂e	8,574	7,392
Intensity ratio		
Number of full-time employees ('FTE') within financial year	13,432 ⁴	13,601
Intensity ratio: tCO ₂ e from Scope 1, 2 and 3/FTE location based	0.64	0.54

- 1 Location-based method applied
- 2 Includes travel in rental cars and public transport
- 3 Includes flight data
- 4 One staff of Mauritius office is excluded.



Verification

Internally by the Company.

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Non-financial and sustainability information statement


As a socially responsible lender, the Group has a wide range of policies and practices to ensure that the Company and its staff comply with environmental, social and legal requirements, including respecting human rights, and adhere to the highest professional and ethical standards in dealing with clients, suppliers, communities and each other. This statement provides an overview of topics and related reporting references as required by sections 414CA and 414CB of the Companies Act 2006.

ESG	Our policies and practices	Description	Page reference
	Exclusion list	The Group's exclusion list is designed to prevent financing of businesses that excessively exploit or harm biodiversity or the environment. Where appropriate, these exclusions align with international conventions.	➤ Read more on page 57 ① See policies and practices on our website
	Environment and Social Management System ('ESMS')	The Company's ESMS outlines environmental and social management plans, policies and procedures, including implementation procedures and responsibilities. Its goal is to prevent or minimise negative environmental and social impacts and promote good governance practices. The system aligns with industry standards, such as IFC standard 1 and 2, SMART Campaign, and Universal Standards for Social Performance Management.	➤ Read more on page 57
	Environmental policy	The Company's environmental policy outlines the actions that its staff must take to minimise and prevent any harmful impacts on the environment.	➤ Read more on page 57
	Travel policy	The Company's travel policy promotes responsible and sustainable travel practices, with a particular focus on air travel. It outlines the necessary factors to consider and steps to take before undertaking air travel for business purposes.	➤ Read more on page 57
	Natural Calamity Impact Assessment ('NCIA')	The Group assesses the impact of natural disasters, such as floods and earthquakes, on its resources and overall operations. This analysis provides valuable insights into the Company's susceptibility to such calamities, identifying areas that may require adaptation to mitigate risks.	➤ Read more on page 57
	Emergency Preparedness and Response Plan ('EPRP')	The objective of the EPRP is to protect resources, clients and staff, to safeguard critical information, and to guarantee the continued availability of essential operations and services. It outlines strategies and plans for the Company's emergency management and response. By having an EPRP in place, the Company can effectively prepare for and mitigate the impacts of emergency situations.	➤ Read more on page 57
	Client Protection Principles ('CPP')	The CCP, developed by SMART Campaign, is a leading industry body in the financial inclusion industry which considers client protection in all aspects of the business. CPP describes the minimum protection that microfinance clients should expect from their providers, and also the protection that an institution should maintain to serve the best interests of its clients.	➤ Read more on page 51
	Client Complaint Resolution Committee ('CCRC')	Through the CCRC clients can provide direct feedback on services or lodge complaints about inappropriate behaviour or treatment by any of the Group's staff. Every quarter a report is shared with senior management by the CCRC with the nature of complaints and actions taken.	➤ Read more on page 51
	Grievance Mitigation Committee ('GMC')	The Group has established an effective grievance mechanism for all employees, allowing them to raise any work-related concerns or complaints without fear of reprisal.	➤ Read more on page 52
	Health and Safety	The Group monitors and controls health and safety risks, regularly provides safety and awareness training to employees, takes preventive measures and emergency or corrective actions on workplace incidents or illness, and maintains safe equipment and infrastructures at the workplaces. Each operating subsidiary has formed a health and safety committee and an integrated occupational Health and Safety checklist with risk categories to ensure regular supervision and monitoring throughout the Company.	➤ Read more on page 53
	Diversity, Equity and Inclusion ('DEI') Policy	The DEI policy ensures that DEI is central to internal practices and policies. It provides direction and structure for implementing and monitoring DEI initiatives, fostering a diverse workforce where everyone can thrive, regardless of background or characteristics.	➤ Read more on page 53

ESG report continued

Non-financial and sustainability information statement continued

- Read the remaining reporting requirements on the business model on page 12, the principal risks on pages 39 to 47, diversity and gender on page 53 and 86 and climate-related financial disclosures on pages 58 to 63
- Find the description of the tools and indicators in the ESG report on pages 51 to 53 and 57 and the Alternative Performance Measures ('APM') table on page 172

ESG	Our policies and practices	Description	Page reference
	Whistleblowing	Employees are strongly encouraged to speak up about any actions that might violate laws, regulations, or Company policies. They can do so by using a designated complaint box or reaching out directly to the local Chairman of the Audit and Risk Committee, as well as at the Group level. Examples of such actions encompass improper or unethical business practices, concerns related to health, safety, and the environment, or breaches of the Code of Conduct.	<ul style="list-style-type: none"> ➤ Read more on pages 52 and 81 ① See policies and practices on our website
	Child Labour and Protection	The Group is dedicated to safeguarding children directly or indirectly affected by its operations. It implements strict policies to prevent child labour, collaborates on education and welfare initiatives, and promptly addresses any identified cases, ensuring children's rights and well-being are protected.	<ul style="list-style-type: none"> ① See Policies and practices on our website
	Sexual Harassment Elimination	The Company promotes a safe work environment and have a zero-tolerance policy towards harassment of any kind, particularly sexual harassment.	<ul style="list-style-type: none"> ➤ Read more on page 81 ① See Policies and practices on our website
	Non-Discrimination	Unfair discrimination in any form is unacceptable. Management and employees must ensure a fair and sympathetic work environment for all, regardless of marital status, religion, disability, sexuality, gender, race, or ethnicity. This policy of equal opportunities and diversity extends to recruitment, remuneration, training, development, promotion, discipline, and all aspects of employment, including volunteers, interns, clients, suppliers, and others with whom ASA International or its employees engage.	<ul style="list-style-type: none"> ➤ Read more on page 86 ① See Policies and practices on our website
	Code of Conduct	The Group's Code of Conduct and Ethics is designed to be ethical, dignified, transparent, equitable and cost-effective, and expresses the core values of microfinance practice.	<ul style="list-style-type: none"> ① See policies and practices on our website
	Anti-Bribery and Anti-Corruption	This policy is to combat improper payments or inducements and provide basic guidance to all employees, wherever they are located. The Group adopts a zero-tolerance approach to bribery and corruption, ensuring compliance with all applicable anti-bribery and anti-corruption laws and regulations, including the UK Bribery Act 2010.	<ul style="list-style-type: none"> ➤ Read more on page 81 ① See policies and practices on our website
	Anti-Money Laundering	The Company and its subsidiaries are firmly committed to preventing money laundering and any activity that facilitates it or supports terrorist or criminal endeavours in their operations	<ul style="list-style-type: none"> ➤ Read more on page 42 ① See Policies and practices on our website