

A close-up photograph of a young Black woman with a joyful expression, smiling broadly. She is wearing a light-colored headscarf with a colorful pattern and a blue apron over a black t-shirt. She is holding a purple handheld device in her hands, with her right index finger pointing upwards. The background is a rustic wooden structure.

cardano

**Cardano Impact Financial
Inclusion Fund (I)**

Annual Impact Report 2025

Contents

<u>About</u>	4
<u>Portfolio highlights</u>	9
<u>Results on impact goals</u>	12
<u>Contribution to the SDGs</u>	20
<u>How we invest responsibly</u>	23



Dear Investor,

We are pleased to share the 2025 Annual Impact Report. Over the past months we refined our thematic ambitions and deepened how, through inclusive financial institutions, we can positively contribute to income stability and job creation, gender equality, climate mitigation and adaptation, basic services and resilience, and clean water and sanitation.

In 2025 we focused on the important nexus between WASH (water, sanitation, and hygiene) and financial inclusion. Inadequate access to safe water, sanitation, and hygiene undermines the health and productivity of marginalised communities in emerging and developing markets and demands urgent action. Financial inclusion is a powerful enabler: it helps households and small businesses to access financing and services to invest in improved water and sanitation facilities. This year we assessed the investability of this theme and began building a pipeline of financial institutions that finance WASH loans to local-income households, water utilities, and MSMEs. We believe these efforts will lead to tangible investments in the near future while laying the groundwork for healthier, fairer communities.

Although investing in emerging and developing markets can appear to have a higher risk, partnering with local financial institutions helps reduce that risk. Our experience shows these markets hold substantial untapped potential for sustainable, resilient growth. This report presents the Fund's non-financial results for 2025 and — alongside impact metrics — includes client stories that illustrate how the Fund's investments have improved the wellbeing of end-clients and their households. We hope this report leaves you inspired and proud of what your support for the Cardano Impact Financial Inclusion Fund (I) (CIFIF (I), or the "Fund") has helped achieve.

Warm regards,

Cardano Financial Inclusion Team



Sinisa Vukic
Senior Portfolio Manager



Sylvia Giezeman
Senior Portfolio Manager



Sytske Groenewald
Impact Head

1. About Cardano Impact Financial Inclusion Fund (I)





Our story so far

Our history

Cardano has been a frontrunner in scaling up the microfinance sector. In 2007, Cardano Impact Investing launched its first microfinance fund for institutional investors dedicated to generating positive and measurable impact alongside realizing a market-based risk-return. A second microfinance fund was launched in 2008, followed by the Cardano Impact Financial Inclusion Fund (I) which was launched in 2014.

Ever since, Developing World Markets (DWM) has been our Investment Advisor supporting the different microfinance / financial inclusion funds with deal sourcing, deal-making and monitoring of financial institutions*.

Results over the lifetime of 3 successive funds:



EUR 1.6 bn
capital invested



300+ Financial
institutions financed



56
Emerging countries



3.8M end-clients
serviced (attribution)

Sustainability objective

CIFIF (I) was launched in 2014 to make a positive contribution to social equity. This is done by promoting access to responsible and affordable financial products and services for low-income households and Micro-, Small-, and Medium-sized Enterprises (MSMEs) in emerging markets and developing countries. In doing so, the Fund intends to contribute to the growth and development of MSMEs and the financial wellbeing of low-income households.

“

**As an impact investor,
we enable financial institutions
in serving the underserved.**

*In the selection of the Investment Advisor, the available capacity and skills with regards to impact management are important criteria. This is also an important topic of the annual operational due diligence.

Financial inclusion

THE FOUNDATION OF SOCIAL GROWTH & RESILIENCE

Access to finance

Globally, about 1.3 billion adults have no access to an account at a financial institution or through a mobile money provider (World Bank, 2025*). Most of these people live in emerging and developing countries. This leaves them unable to access reliable credit or savings accounts. Most of them have low and unpredictable incomes, and lack the resources to cope with unexpected household needs, or to invest in a better future.

To increase access to finance, CIFIF (I) invests in the growth of local inclusive Financial Institution. This capital allows these organisations to enlarge their loan portfolio and provide responsible and affordable financial products to a larger number of low-income households and MSMEs. These client segments are usually excluded by traditional financial service providers.

Access to finance helps low-income households and MSMEs to develop and expand business activities, increase household income, cope with unexpected expenses, build a buffer for investments in health and education, and have some form of risk insurance.

From access to impact

It is widely acknowledged that financial inclusion can open multiple paths to empower people and can create opportunities to unlock development outcomes. The UN recognizes the importance of financial inclusion and identifies it as an important means of achieving several SDGs. By investing in access to finance, we build the infrastructure that drives positive impact, enhances social equality and fosters resilient communities.

Figure 1. Visualization impact pathway



Our strategic intent

Impact themes

CIFIF (I) has several impact goals that are aligned with the overarching Sustainable Objective of the Fund:

- 1 Improving access to financial services for micro-entrepreneurs and other underserved populations.
- 2 Decent job creation and economic development through MSME financing.
- 3 Increasing gender equality through financial inclusion of women.
- 4 Increasing access to basic services through affordable household financing.

Each investment must contribute positively to at least one of these goals. Verifying that a potential investment makes a positive contribution to the impact goals is an important part of the impact assessment during due diligence. The results of this assessment feed into the final investment decision.

Investments & engagement

To achieve our sustainable objective, we focus our investment on inclusive Financial Institutions that specifically target underserved populations. Our investment helps Financial Institutions expand their portfolio to these low-income client groups. This is with the ultimate goal that these end-clients use the loan to expand their microenterprise or SME, or to invest in basic needs to improve their economic well-being. See Figure 2 for visualization of our approach.

In addition to the financial support, CIFIF (I) engages with FIs about expanding their geographic and demographic outreach and to focus on providing access to financing in areas that remain underserved. In addition, FIs are encouraged to increase their transparency and properly protect the interests of their end-clients while maintaining their financial health.

Figure 2.



How we measure impact

IMPACT IS BASED ON A LARGE SET OF IMPACT INDICATORS

Indicator framework

To measure the impact of the Fund investments, we have defined a Fund objective and corresponding impact goals and indicators to measure our progress. In addition, we have developed a Theory of Change for CIFIF (I) to unravel the impact pathways. The impact indicators are aligned with the IRIS+ framework to increase comparability and benchmarking. Data on the indicators is collected through an extensive Social Impact Questionnaire that is sent out annually to all portfolio companies. Data cleaning and analysis is done afterwards, enabling us to draw conclusions and learnings.

Our attribution

It is important to avoid double counting and impact exaggeration. Therefore we measure our impact "attribution" as the share of impact realized that can be attributed to the size of the investment by the Fund. We use an approach that reflects the fact that CIFIF (I) is not the only investor in the underlying companies. This means only a small part of the total impact generated by the financial institutions can be attributed to CIFIF (I).

When reporting on the aggregate CIFIF (I) level impact, we calculate pro-rated outreach based on our exposure to the underlying financial institution as a percentage of the total assets of the financial institution we have been supporting. That means we weight the total outreach of a financial institution by the percentage that CIFIF (I) represents in the total assets of the financial institution.

Estimating indirect effects

Creating and safeguarding jobs is crucial for sustainable development, as employment creates a path out of poverty. The MSME sector is one of the most important creators of jobs across emerging and frontier economies. However, understanding and measuring indirect impacts can be highly complex. This is where modelling can help. CIFIF (I) uses modelling in estimating its investment impact on indirect and induced jobs supported and in calculating the CO2 emissions of the portfolio companies.

CIFIF (I) has used the Joint Impact Model (JIM) in order to obtain an overall estimate of the gross direct and indirect economic and environmental impacts of our portfolio by year-end 2025.

Contribution to job creation

The model outputs indicate that the 66 FIs in the portfolio annually supported more than 95.8k jobs directly (as employer). Through investing in FIs, who in turn on-lend capital to MSMEs, the Fund contributes to 1.2 million jobs.

GHG emissions

The estimated amount of Greenhouse Gas (GHG) emissions of all FIs in the portfolio at year-end 2025 was: 122.970 tCO₂. This can be divided into:

Scope 1 GHG emissions (tCO₂eq): 320
Scope 2 GHG emissions (tCO₂eq): 1.645
Scope 3 GHG emissions (tCO₂eq): 121.003

The model is used to calculate the attributed results of the Fund according to the Partnership for Carbon Accounting Financials (PCAF) recommendations.

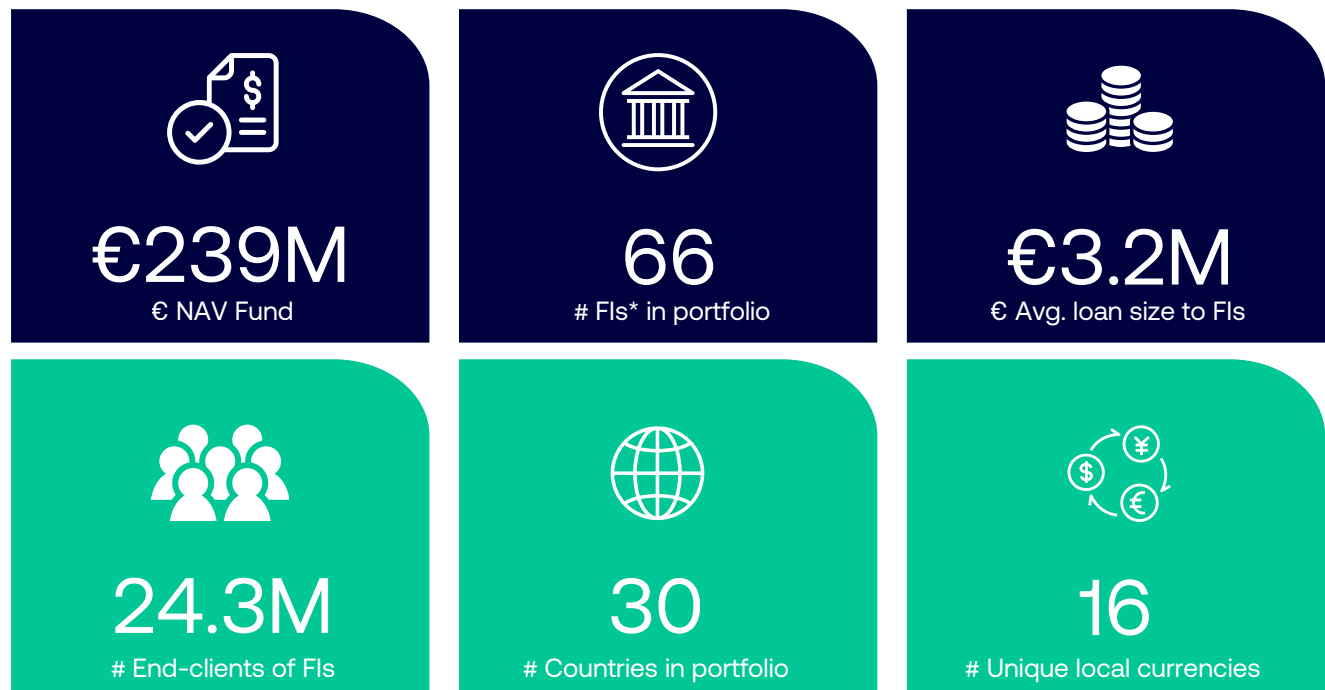


2. Portfolio Highlights



Portfolio snapshot

Highlights year-end 2025



*Fls = Financial Institutions

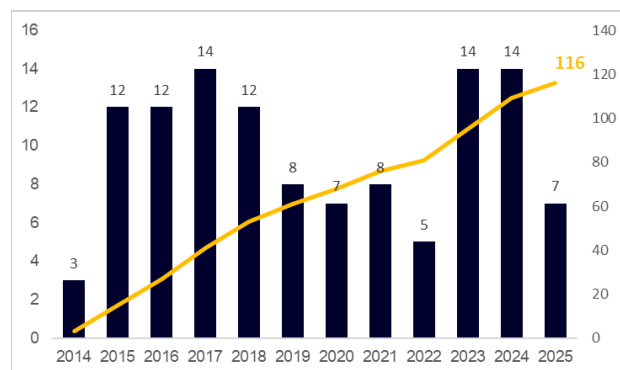
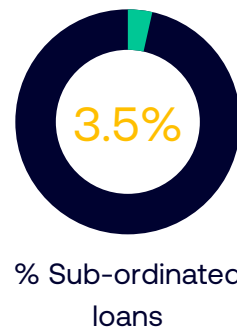
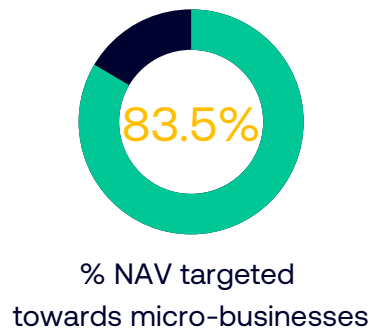


Figure 3. # new financial institutions in portfolio

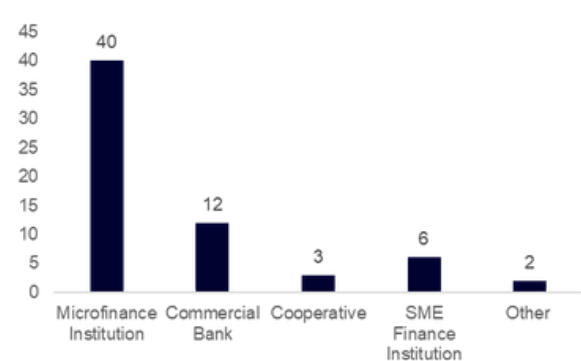


Figure 4. Division portfolio companies, per type of institution

Geographic presence

By year-end 2025, the portfolio was invested in **30 countries** (see Figure 6). The majority of the countries are classified as lower-middle income according to the World Bank country classification* (Figure 5).

Since 2014, CIFIF (I) has invested in **42 countries** across all emerging and developing regions in the world. Countries with an exposure of more than 5% of the NAV are India, Kazakhstan, Kosovo, Uzbekistan and Mongolia.

With support of our Investment Advisor DWM, we have expanded our portfolio to **7 new Financial Institutions** (Figure 2) and one new countries: **Uganda** in 2025. We aim to have a highly diversified portfolio in terms of geographic and entity exposure.

The Fund has invested in **116 Financial Institutions** since its inception in 2014. The vast majority of the entities are microfinance institutions (Figure 4). We apply a buy and hold strategy to be able to support investees over a longer time to help them realise their impact ambitions.

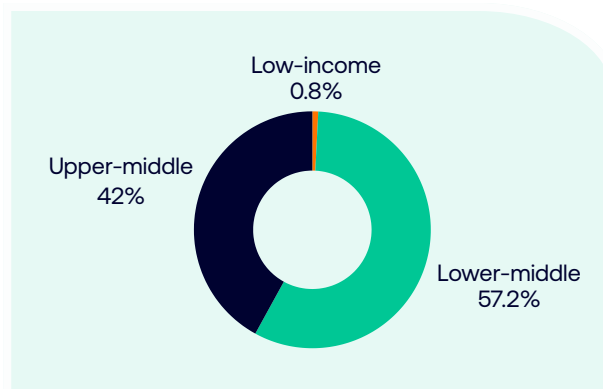


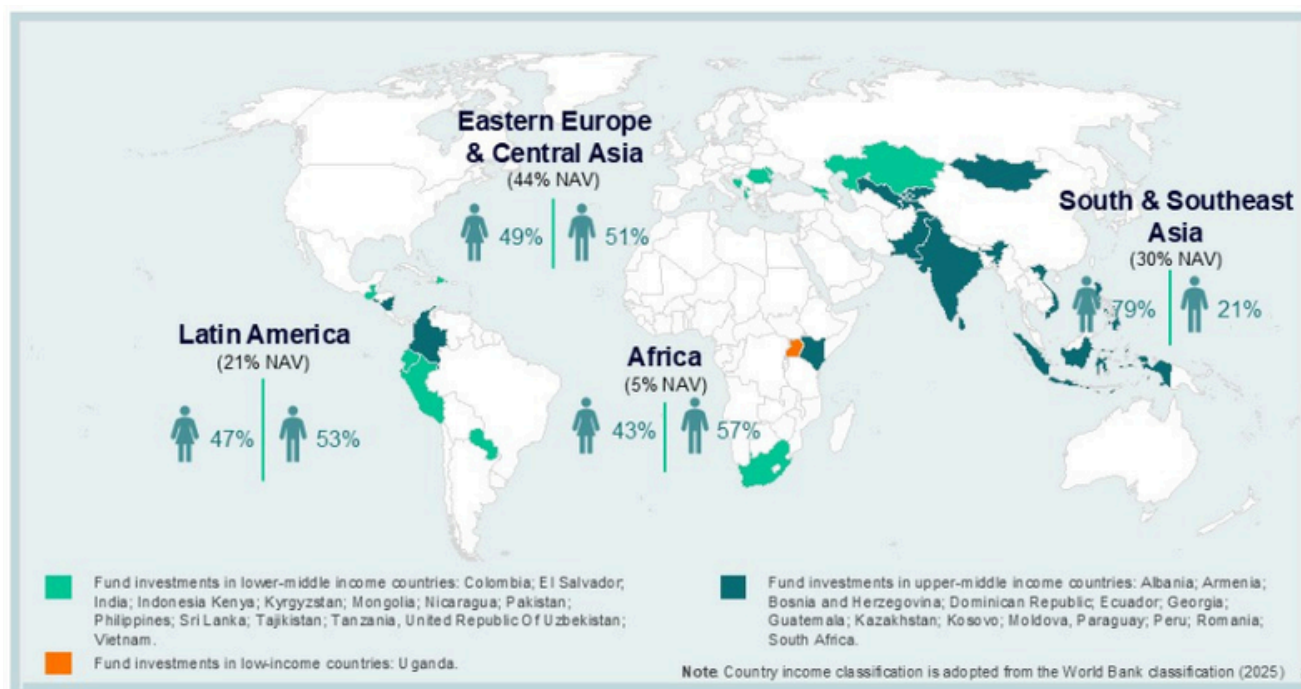
Figure 5. % FIs division per country income classification*

“

We strive to support financial institutions in countries with a relatively high percentage of "unbanked" clients (people without a bank account) or countries with a large finance gap.

Sylvia Giezeman - portfolio manager

Figure 6. Geographic exposure portfolio per year-end 2024



*According to the World Bank Country classification (2024)

3. Results on impact goals





Access to finance

THE KEY RESULTS ON IMPACT GOAL 1

Increasing financial inclusion

The 66 Financial Institutions in CIFIF (I)'s portfolio provide a range of financial products and services to MSMEs and low-income households. Together, they reached **24.3 million end-clients** (year-end 2025). 10% of the end-clients reached were “first-time borrowers.” This client segment consists of people who were **previously unbanked** and did not have access to capital, demonstrating progress in expanding financial services.

Attributional change

Since we are not the only investor supporting financial institutions, we also calculate the impact that can be attributable to our investments. This is the total impact weighted by CIFIF (I)'s share of each company's total assets. At year-end 2025, the number of end-clients served attributable to our fund investments was **242,116 clients**. This number is significantly higher than last year (189,084 people) which is caused by the increased number of portfolio companies and the smaller average loan size.

Figure 7 provides an overview of the annual attributable numbers of people served since the inception of the Fund in 2014. In total, the Fund served about **1.44 million end-clients** which indirectly contributes to additional incomes for more than **7.2 million household members** ***.

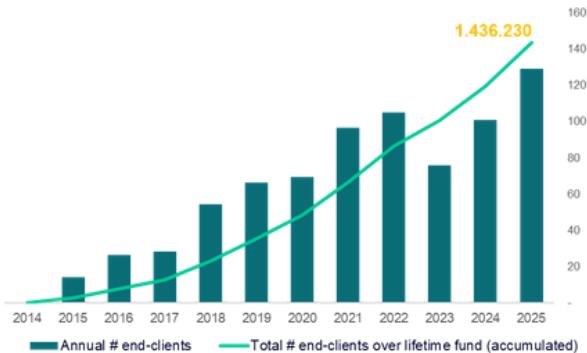


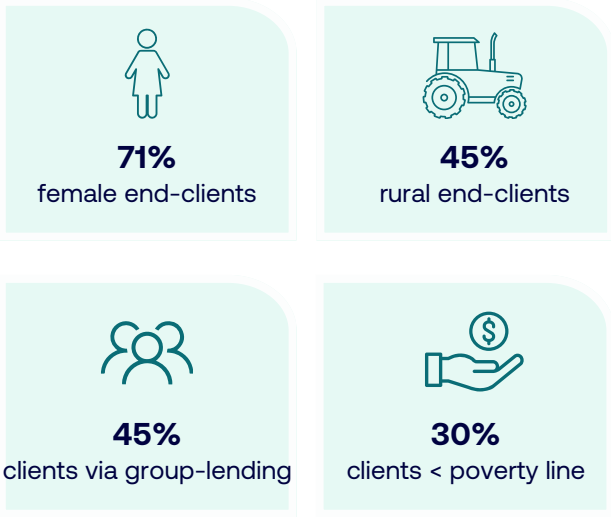
Figure 7. # end-clients supported, attributable to Fund **

5 Dimensions of Impact

- WHAT**
Financial institutions are receiving funding to grow their microfinance portfolio.
- WHO**
Micro-entrepreneurs with limited/no access to capital across different emerging markets.
- HOW MUCH**
24.3 million end-clients served (attribution: 242,116)
2.3 million first time borrowers (attribution: 43,654)
~ 7.2 million household members benefitting
- CONTRIBUTION**
80% FIs are providing financial literacy training
44% FIs offer business development services
- RISK**
94% Financial Institutions commit to the client protection standards as set by Cerise/SPTF.

Targeting underserved clients

The majority of the end-clients are from **underserved client segments**: women (71%), people living in rural areas (45%) and people with a low-income (71%) of which 30% has an income below the national poverty line. 45% of the clients obtain a loan through a **group lending**. Mutual trust and personal dignity are important factors underlying the high repayment ratios (up to 96% on average*) in microfinance.



*Microcredit, explained: how microcredit can help the world's poorest - Vox

**Attributable impact is the share of the total end-clients served by all financial institutions, weighted by the Fund's size of the investment on the total assets of each individual financial institution.

***We assume that households worldwide consist of an average of 5 family members.



Bank Arvand

Investment Case in the spotlight

Impact Theme

Food Security

SDGs



Financing food & agriculture

Investment thesis

- Well-established, large MFI with strong local presence and experienced management (15+ years), reducing execution risk and supporting scalable growth.
- Deep alignment with financial inclusion in agriculture: ~76.5% rural borrowers and ~52.4% classified as poor, targeting vulnerable smallholders.
- Agriculture is central to Tajikistan's economy and livelihoods (20–23% of GDP; >60% employment), so financing smallholders drives broad income stability and job impact.
- Investment finances farmers through crop, livestock, processing and storage loans with flexible repayments and up to 12-month grace periods that match harvest cycles—improves repayment capacity and farm productivity.
- CIFIF(I) investment will expand proven WASH- and agriculture-aligned lending through a client-protection-committed partner, increasing investable outreach while mitigating social and operational risk.

Micro-loan for smallholders

A new €3 million loan was provided to Bank Arvand in Tajikistan. The bank operates 11 branches, over 67 points of sale, and ~1,000 employees; 39% of access points are in economically disadvantaged areas. It serves 427,898 clients (43% women) and offers credit to businesses and small farmers to boost food production.

As of 2025, only 39% of adults in Tajikistan had a bank account and 13% had borrowed from a formal lender or used mobile money in the past year—access is much lower in rural areas, limiting low-income households' ability to build capital and grow agriculture and animal husbandry.

Social Results



312,365
Rural clients



€2,513
Average
micro-loan



427,898
End-clients



Financing SME sector

THE KEY RESULTS ON IMPACT GOAL 2

Engine of economic growth

MSMEs are crucial for local economic development, playing a noteworthy role in job creation, poverty alleviation, and economic growth. MSMEs account on average for more than 40% of GDP and 70% of jobs in developing countries, and generally represent more than 90% of all enterprises*. Within this segment, micro-businesses constitute the overwhelming majority of firms in emerging markets and, together with self-employed workers, account for over 80–90% of total employment in many regions, particularly in Africa and South Asia. These businesses are often the primary source of income for low-income households and play a vital role in informal and rural economies.

MSMEs are more likely to create jobs, and at a faster rate, when they have access to financing. Yet, lack of access to finance remains one of the biggest barriers to small businesses growing and expanding employment. Banks play a key role in providing this much-needed financing to MSMEs.

Contribution to development

MSMEs that are able to grow their business with support of working capital or investment in new machinery can create additional jobs for employees. The attributable MSMEs in the portfolios of the financial institutions we financed in 2025 have created/sustained more than **1.2 million jobs**. To ensure the jobs created are decent jobs we ask the financial institutions to develop an ESG policy for their portfolio companies to set standards on labour and working conditions. If there is no policy we encourage a company to develop one. In 2025, the average loan size to SMEs in the underlying portfolio was **USD 7,634** which is significantly higher than the average loan size to micro-entrepreneurs (about **USD 1,028**).

5 Dimensions of Impact



WHAT

Financial institutions receive capital to finance local SMEs and grow economic development



WHO

SMEs with limited/no access to capital across different emerging and developing countries.



HOW MUCH

5.78 million MSMEs financed (attribution: 3,206)
1.2 million jobs sustained/created by MSMEs
USD 2,785 was average loan size to MSMEs



CONTRIBUTION

123,462 MSMEs of total clients served are attributable to our investments.



RISK

70% Companies have ESG policy for underlying portfolio companies.

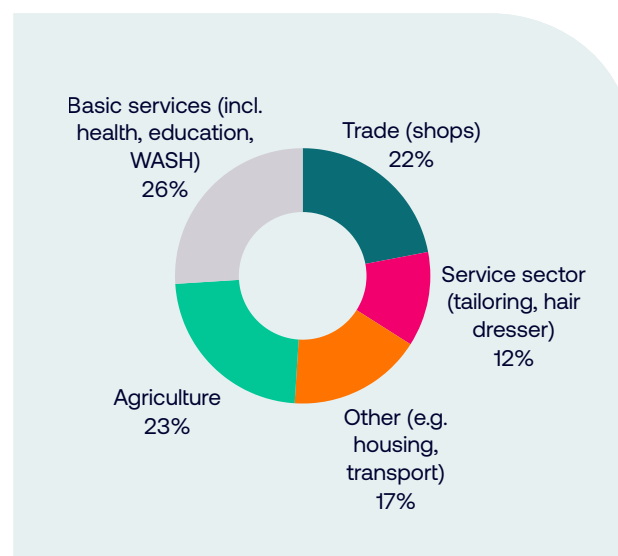


Figure 8. % End-client sector exposure

*Source: [World Bank 2024](#).



Investing in women

THE KEY RESULTS ON IMPACT GOAL 3

Gender gap

In 2025, 81% of men but only 77% of women in emerging and developing economies had a bank account, reflecting a 4% gender gap. The gender gap in access to finance has narrowed, but it still exists, leaving ~650 million women worldwide outside of the formal financial system (1). Women-owned MSMEs also have less access to external finance than men-owned businesses (2). Increasing financial inclusion of women contributes to greater control over their financial lives, greater independence and greater say over household budgets. Lack of economic independence for large numbers of women leads to lower decision-making ability, lower self-esteem, physical insecurity, and reliance on men. Digital financial services, such as mobile money accounts, has increased opportunities to better reach women and other traditionally excluded populations with financial products and services (3). However, this is not enough to bridge the gender gap; financial services must also be tailored to the needs and preferences of women.

Leadership		Share 2025 portfolio aligned
Share of women ownership / founded business Threshold per company = 30%		84%
Leadership		83%
Share women in senior management Threshold per company = 30%		
OR		
Share women on Board or Invest Committee Threshold per company = 30%		
Employment		71%
Share women in workforce Threshold per company = 40%		
AND		
One "quality indicator beyond compliance Threshold per company = Y/N		80%
Consumption		65%
Product/service especially benefits women Threshold per company = Y/N		

Figure 9: Alignment with 2XChallenge indicators and thresholds

5 Dimensions of Impact

- WHAT**
Women have access to affordable and responsible financial products and services.
- WHO**
Low-income women and female business owners with limited/no access to capital.
- HOW MUCH**
8.8 million women financed (attribution = 182,363)
3.8 million women-led SMEs (attribution 101,528)
71% client base is a woman
- CONTRIBUTION**
36 financial institutions offer products/services that specifically benefit women.
- RISK**
94% FIs committed to 8 client protection standards set by Cerise/SPTF.

Access to finance for women

Increasing financial inclusion for women is a specific objective of CIFIF (I) to enable them to gain their own income and strengthen their economic empowerment. FIs can increase their female client base by a.o. offering tailored products and services to women, providing non-financial services such as training on financial literacy and leadership and by using delivery services designed to reach excluded women (e.g. digital banking services).

In addition, the Fund follows the [2XChallenge](#) set of indicators (see Figure 9) to assess the gender division among staff members and within the management board of the FIs itself. 83% of the FIs have >30% women in senior management positions. 71% of the FIs in the portfolio have more than 40% female employees. 80% of the FIs in portfolio use sex-disaggregated data to understand their outreach and usage. Finally, 65% of the FIs offer products/services specifically meeting women needs. CIFIF (I) supports FIs that provide one or more of these services meeting women needs.

(1) Global Findex Database 2025 (Accessed, May 2026)
(2) Goldman Sachs: "Giving credit where it is due: How closing the credit gap for women-owned SMEs can drive global growth." (2014)
(3) GIIN Framework: Evidence on Increasing Gender Equality through Financial Inclusion (2021)



Investing in basic needs

THE KEY RESULTS ON IMPACT GOAL 4

Access to basic services

Affordable access to and use of quality financial services not only helps families and small business owners generate income, manage irregular cash flows, invest in opportunities and work their way out of poverty. Having access to finance allows low-income people to receive basic services such as:

- nutritious food
- clean water & sanitation
- housing
- education
- health care
- clean energy

CIFIF (I) invests in financial institutions with specific loan portfolios to provide dedicated loans to access these basic services. At year-end 2025, the portfolio companies provided **418,963 loans** to invest in **basic services**. Often people save part of the amount themselves that they supplement with a loan to improve their home or build a decent toilet, for example. These investments benefit not only borrowers, but also other members of the household.

5 Dimensions of Impact

- WHAT**
Low-income people have access to loans enabling them to invest in basic services.
- WHO**
Low-income people with limited access to basic services such as housing, sanitation and energy.
- HOW MUCH**
418,963 loans for basic needs
2.9 million loans for food & agri-production
30% end-clients with income below poverty line
- CONTRIBUTION**
14% FIs provide medical health care
37% FIs offer life and/or health insurance
- RISK**
83% FIs have formal policies on total absolute debt as a % of income to protect low-income people from over-indebtedness.



“

Financing smallholders enables farmers to invest in technologies that are crucial for the transition towards sustainable food systems with positive effects on climate change and biodiversity.

Sytske Groenewald – Impact Manager

Investing in green finance

EXPLORING HOW FINANCIAL INCLUSION CAN CONTRIBUTE TO CLIMATE ACTION

Why investing in climate mitigation

CIFIF (I) is dedicated to supporting low-income individuals in improving their lives and building resilient communities in emerging and developing markets. We empower these individuals to increase their incomes, benefit from savings and insurance, build stronger businesses, and access essential services.

Resilience is crucial for long-term improvement in people's lives and livelihoods. Therefore, we have increasingly collaborated with financial institutions to support low-income communities. We have learned that we can provide financial services that enable access to renewable energy and agricultural investments, helping to build resilience against climate change and biodiversity loss.

In 2025, for example, CIFIF (I) financed access to electric vehicles in India, a growing sector as cities aim to significantly reduce air pollution.

Climate loans in current portfolio

- USD 1.5 bn is the portfolio size in climate financial products of FIs in our portfolio.
- 101,817 climate-related loans provided by the financial institutions in portfolio by year-end.
- 57% Financial institutions in portfolio offer financial products focused on climate themes.
- 14% climate loans provided by FIs in our portfolio are focused on access to renewable energy (solar panels, etc)
- 40% of climate loans provided by FIs in our portfolio are focused on reducing GHG emissions through energy efficiency.
- 33% of climate loans are related to electric vehicles or sustainable mobility.





Lease MD

Investment Case in the spotlight

Impact Theme

Basic service: Health care

SDGs



Financial Support to Healthcare Providers

Specialist Health Clinics

Dr. Iván Campos has been running his physiotherapy clinic for over eight years, operating within a large private hospital network, Hospital Ángeles México. The clinic rents a dedicated space within the hospital with the capacity to serve up to 50 patients per day and is staffed by a team of 30, including technicians, nurses, and emergency physicians. The clinic is helping approximately 30 patients daily and obtained a loan to improve their equipment with specialized rehabilitation machinery. Dr. Campos's clinic provides high-quality physiotherapy for people dealing with chronic pain, disabilities, or recovery needs.

More Flexible Financing Solution

Despite a strong operational foundation, the clinic faced a ceiling on patient capacity. Expanding required additional rehabilitation equipment, but traditional financing from local banks and non-bank financial institutions presented significant obstacles: slow response times, burdensome documentation requirements, high down payment demands, and no meaningful fiscal benefits. These constraints made it difficult for a specialized clinic to move quickly and stay financially efficient while growing.

Dr. Campos turned to Lease MD after experiencing firsthand the advantages of equipment leasing over conventional credit. The key differentiators were clear: fast turnaround, no down payment, strong client relationship management, and fiscal benefits from leasing the equipment rather than purchasing it. These terms aligned far better with the cash flow realities of a medical practice than anything the banks had offered. The financing was used to acquire additional rehabilitation machines, allowing the clinic to treat more patients suffering from chronic pain and physical disabilities.

"Lease MD helped us stand tall during the pandemic — offering payment facilities and a three-month deferral when we needed it most."

Financing healthcare

The impact was substantial. Daily revenue rose by 50% from MXN 20,000 to MXN 30,000 following the new equipment acquisition, driven by the clinic's expanded capacity to take on more patients. Beyond the numbers, the relationship with Lease MD proved its depth during the COVID-19 pandemic, when the lender offered payment deferrals for three months, providing critical breathing room at a moment of acute uncertainty for healthcare providers everywhere.

A photograph showing two women seated at a wooden table. The woman on the left, wearing a red jacket over a yellow shirt, is looking down at her hands. The woman on the right, wearing a beige top and blue jeans, is counting stacks of cash. On the table are several stacks of banknotes in various colors (pink, green, blue, orange), a pink pen, a white mug, a smartphone, and some papers. The setting appears to be an office or a meeting room with a tiled floor and a window in the background.



Direct linkages to the SDGs

THIS SECTION INCLUDES THE RESULTS THAT ARE LINKED TO THE SUSTAINABLE DEVELOPMENT GOALS.

Results of portfolio companies at year-end 2025*

1 NO POVERTY 	Global access to financial services by 2030, including all men and women and in particular vulnerable people.	24.3M underserved end-clients reached with financial services 3.6M end-clients have a low-income** 2.9M end-clients have income below national poverty line
8 DECENT WORK AND ECONOMIC GROWTH 	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	95,768 employees working for portfolio companies 1.2M indirect jobs sustained through financing SMEs 43% of FIs have a formal diversity, equity, & inclusion strategy 100% of FIs have a formal employee grievance mechanism
10 REDUCED INEQUALITIES 	Reduce inequality within and among countries	2.3M first-time borrowers reached by FIs financed 100% investments in emerging/developing countries 30 low/lower-middle income countries in portfolio

* All data in this section represent the total amounts realized by all portfolio companies. These figures do not represent the attributable impact related to the Fund's investment size on the total assets of each individual company. **low-income is defined as all incomes above national poverty line up to 2/3 of national median income

Indirect linkages to the SDGs

Access to financial products and services enables people to invest in basic services such as food, affordable housing, clean energy, health and education services, drinking water and sanitation. Especially for low-income households this is relevant as this helps to improve their livelihood.

Below an overview of how financial services are related to basic services and how these are linked to the SDGs. The figures are the total results of the all financial institutions in the portfolio.

 2 ZERO HUNGER	Access to financial services as a means to double agriculture productivity and incomes of small-scale food producers by 2030	2.3M smallholder end-clients provided with financial services 2.2M micro loans invested in agriculture sector 23% of total gross loan portfolio invested in agriculture 25% of FIs offer technical assistance in agriculture
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	25% of FIs offer health insurances to clients 14% of FIs offer basic medical care 35% of FIs offer life insurances to end-clients 11% of FIs offer health & nutrition training
 4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	92,841 loans provided for educational purposes 80% of FIs offer financial literacy training 44% of FIs offer business development training
 6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	8% of FIs providing loans to access water & sanitation 13,829 loans provided to access clean water and sanitation
 13 CLIMATE ACTION	Ensure access to affordable, reliable, sustainable and modern energy for all	101,817 climate related loans provided 14,958 loans provided to invest in access to renewable energy 48% of FIs offer loans for improvements to reduce GHG emissions (e.g., via energy efficiency, renewable energy)

5. How we invest responsibly and manage our impact



Responsible investing

SUSTAINABILITY IS INTEGRATED IN ALL PHASES INVESTMENT PROCESS

Initial screening

Offering responsible financial products and services to MSMEs borrowers indispensably requires a framework that combines financial and non-financial considerations and conditions. The Fund does not invest in FIs that do not comply, at a minimum, with the CIFIF(I) Exclusion list. To be eligible, a inclusive FIs should operate in line with applicable international standards as mentioned in CIFIF(I)'s Sustainability & Impact Policy. In addition, social standards of the Fund include conformity with the Principles for Responsible Investment (PRI), adherence to the Client Protection Standards (see also page 24) and reporting on financial and non-financial performance in line with the Sustainability & Impact Policy of the Fund itself. This includes an annual assessment of a portfolio company focusing on the social policies, practices and performance, as well as the social characteristics of the products and services offered by the FI to its clients.

Sustainability assessment

Cardano, together with DWM, has developed a Social Scorecard and Social Impact Questionnaire – a proprietary data-driven tool used to evaluate potential investments during the screening process and to track ongoing impact performance on an annual basis, thereafter. The Social Scorecard is aligned with and includes metrics from IRIS+, HIPSO and SPTF. The tool consists of nearly 150 indicators to evaluate alignment with the SDGs and impact across five complementary dimensions:

- Outreach & targeting
- Client wellbeing
- Responsibility to Community and Staff
- Governance
- Environment

In addition to the scorecard, broader ESG performance at the investee level is also assessed and verified through field visits and due diligence research.

Monitoring

Upon approval, each portfolio company is financially monitored on at least a monthly basis (more if necessary). On an annual basis, DWM performs an on-site visit and collects social and environmental data to track trends and identify areas of strength and opportunities for improvement for each portfolio company. Based on the data provided by DWM, Cardano publishes an Annual Impact Report. In addition, we have developed an online impact dashboard to provide investors in the fund with more actual impact data and the opportunity to read more background information about all companies in the portfolio.

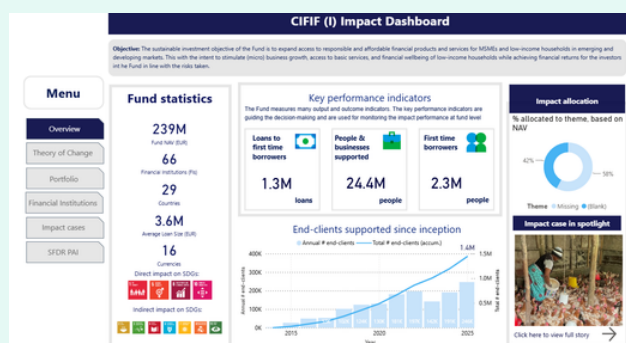


Figure 10. Impression impact dashboard CIFIF (I)

Portfolio visits Tanzania

An important component of our due diligence is the impact assessment of the underlying financial institutions. This is carried out by our investment advisor, DWM, through desktop research, site visits, and discussions with company management. As fund and portfolio manager, CIFIF members of the Investment Committee seek to form our own independent view and gain a strong understanding of the local context in which the financial institutions in the portfolio operate. In June 2025, we visited Tanzania, a lower-middle-income country in East Africa. With a population of over 70 million, Tanzania continues to face significant socio-economic challenges. Approximately 50% of the population lives in poverty, and around 60% experience moderate to severe food insecurity. MSMEs contribute 27% of GDP and employ more than 5 million people. However, limited access to financial products and services remains a constraint on their growth and development.



Enabling environment

During the visit, we engaged with a range of local stakeholders, including the regulator and the microfinance network. In particular, we spent time with ASA Tanzania to observe its client selection process, meet the management of the financial institutions, and visit several end-clients. ASA Tanzania has been part of the Fund's portfolio for three years, during which time the Fund has provided EUR 4 million of local-currency hedged senior debt. The environment for financial inclusion in Tanzania is improving, with supportive regulatory reforms, growing mobile money uptake, and expanding agent networks that facilitate outreach. However, gaps remain in rural infrastructure, credit reporting, and financial literacy, which limit scale and product diversification.



ASA Tanzania

During the field visit, we had the opportunity to meet with ASA Tanzania's clients in Kisasa, a small village in Dodoma, and Magomeni in Bagamoyo. ASA Tanzania is part of ASA International, one of the world's largest financial inclusion networks, with more than USD 600 million in assets under management. For nearly 20 years, ASA International has provided socially responsible financial services to low-income entrepreneurs, the majority of whom are women, across Asia and Africa. ASA International established its Tanzanian subsidiary in 2014 with the objective of improving access to capital for women-led businesses through a group lending model. Since then, ASA Tanzania has grown into one of the largest financial inclusion institutions in the country, with USD 90 million in assets under management and serving 320,000 women nationwide.



Protecting end-clients

THROUGH RESPONSIBLE AND AFFORDABLE FINANCIAL PRODUCTS

Client protection measures

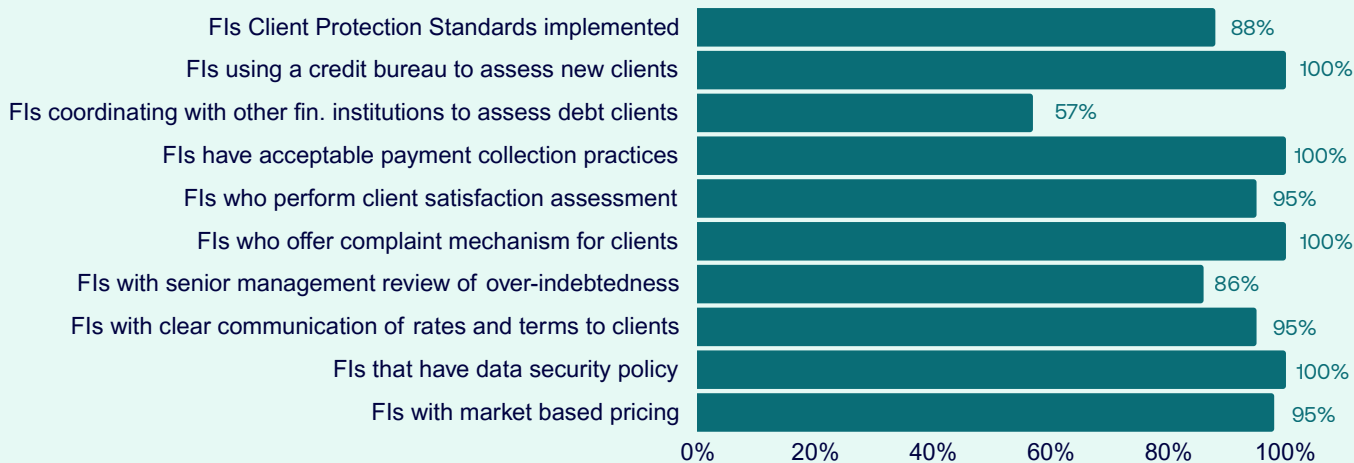


Figure 11. % Financial Institutions implementing each client protection measures

Responsible products

Particularly in countries with a financial inclusion sector in development, poor practices by financing companies can cause negative impact on the borrowers. This may include clients taking on too much debt and running into repayment problems, but also failure to screen clients for other debts, charging high interest rates and/or employing harmful debt collection methods. For this reason, Cardano prompts FIs to commit to CP Pathway and implement the Client Protection Standards.

These Client Protection Standards focus on:

1. Appropriate Product Design and Delivery;
2. Prevention of Over-indebtedness;
3. Transparency;
4. Responsible Pricing;
5. Fair and Respectful Treatment of Clients;
6. Privacy of Client Data;
7. Mechanisms for Complaint Resolution.

Affordability

Fair pricing is an important aspect of client protection. Interest rates of micro-loans may vary considerably from country to country. But regardless of these differences, they are higher than the rates charged by formal banks. FIs targeting underserved client segments in more remote areas are facing higher operational costs due to the smaller loan sizes and training courses they offer to their clients. Notwithstanding the higher costs, the interest rates should be proportional and fair. For this reason, CIFIF (I) includes an affordability assessment into its investment decision. Our analysis goes beyond looking at the gross interest rates: we critically look at portfolio yield and profitability levels, we compare interest levels of other local market actors, and we check the policies and procedures in place to assess end-clients' ability to repay the loans.

Sector alignment

WE ACTIVELY PARTICIPATE IN SECTOR INITIATIVES AND COOPERATES WITH PEERS TO EVOLVE SECTOR STANDARDS AND SUPPORT FURTHER PROFESSIONALISATION.



PRI

The United Nations Principles for Responsible Investment (PRI), created in 2005, provides a network of international investors with a framework of six principles for incorporating environmental, social and governance issues into their decision-making and ownership practices. Cardano is signatory to the PRI and submits annual progress reports.



Client Protection Pathway

In 2021, SPTF and CERISE launched the Client Protection Pathway. This is a new initiative to support and improve client protection practices across the financial service industry. Cardano signed a joint statement calling on financial service providers to commit to the Client Protection Standard and Cardano is committed to support its partners in pursuing client protection excellence.



Netherlands Advisory Board

Cardano is a founding member of the Netherlands Advisory Board on impact investing (NAB). This is an independent, non-profit organisation that aims to accelerate the growth and improve the effectiveness of the impact investing market. Cardano is involved in working groups to further professionalise the sector.



IFC Operating Principles

Operating Principles for Impact Management (Impact Principles), provide a framework for investors to ensure that impact considerations are purposefully integrated throughout the investment life cycle. Our Investment Advisor DWM is a signatory of the Impact Principles in and publicly disclosed their impact methodology and independent verification on their website.

GIIN / IRIS+



The Global Impact Investing Network (GIIN) is a non-profit organization dedicated to increasing the effectiveness of impact investing through collaboration, research and advocacy. GIIN has developed the Impact Reporting & Investment Standards (IRIS), an independent set of common metrics for impact reporting. Cardano makes use of this framework to monitor the social performance.

Joint Impact Model (JIM)



The JIM is a publicly available model, which enables the quantification of indirect jobs, value added, and GHG emissions related to investments of financial institutions. The aim of the initiative is to bring comparability, accountability, and transparency to the financial industry by measuring key impact indicators in a harmonised way.

Impact Europe



Impact Europe is a leading network for impact investing and sustainable finance across the continent. It is an independent, non-profit organisation that aims to strengthen and expand the impact investing ecosystem in Europe. Cardano engages with Impact Europe through its platforms and initiatives, contributing to knowledge sharing and market development. Through participation in working groups and events, Cardano helps advance best practices and further professionalise the sector.



The Cardano Impact Financial Inclusion Fund (I) is an open-end fund for joint account ('Fonds voor Gemene Rekening') and is therefore not a legal entity. Stichting Juridisch Eigenaar ACTIAM Institutional Microfinance Fund III (the 'Legal Owner') holds legal ownership of the assets of the Fund. The Management Board of Stichting Juridisch Eigenaar ACTIAM Institutional Microfinance Fund III is formed by Cardano. All assets and liabilities that are part of, or will be part of, the Fund are, or will be, held in the name of the Legal Owner on behalf of the Fund. All assets and liabilities are held by the Legal Owner for the account of the Fund's participants ('Participants').

For more information please contact:



Hendrik Jan Davids
Senior Client Portfolio Manager
H.Davids@Cardano.com



Jochem Wiersma
Head of Business Development
J.Wiersma@cardano.com

Disclaimer

Cardano Asset Management N.V. endeavours to supply accurate and up-to-date information from sources deemed to be reliable. However, Cardano Asset Management N.V. cannot guarantee the accuracy and completeness of the information contained in this presentation and/or this document, referred to below as 'the Information'. The Information may contain technical or editorial inaccuracies or typographical errors. Cardano Asset Management N.V. gives no express or implied guarantees that the Information contained in this presentation and/or this document is accurate, complete or up to date. Cardano Asset Management N.V. is not obliged to update or correct errors or inaccuracies in the Information. The Information is based on historical data and is not a reliable basis for predicting future values or equity prices. The Information is similar to, but possibly not identical to, the information used by Cardano Asset Management N.V. for internal purposes. Cardano Asset Management N.V. does not guarantee that the quantitative yields or other results from the Information will be the same as the potential yields and results according to Cardano Asset Management N.V.'s own price models. Comments about risks pertaining to any Information should not be regarded as a complete disclosure of all relevant risks. The Information should not be interpreted by the recipient as business, financial, investment, hedging, commercial, legal, regulatory, tax or accounting advice. The recipient of the Information is personally responsible for the way in which the Information is used. Decisions made on the basis of the Information are at the expense and risk of the recipient. Accordingly, the recipient cannot derive any legal rights from the Information.

The Information is exclusively intended for professional and institutional investors and is not intended for US Persons as defined in the United States Securities Act of 1933. The Information is prepared for informational purposes only and is not an offer (or solicitation): (1) to buy or sell securities or any other investment product, (2) to participate in any trading strategy, or (3) to provide an investment service.

cardano

Cardano | Weena 690, 21st floor, PO Box 19293, 3001 BG Rotterdam The Netherlands
T: +31 (0)10 206 1300 | E: info@cardano.com | W: cardano.com

Cardano Asset Management N.V. is statutory seated in Rotterdam and registered with the Dutch Chamber of Commerce under number 30143634.