

# Corporate ESG Rating Certificate for Mikro Group

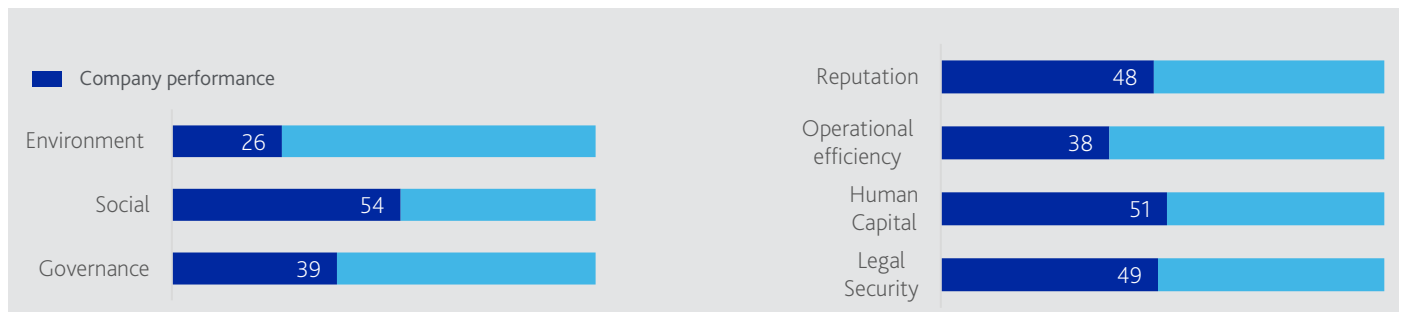
Mikro Group has solicited us to conduct an independent ESG and sustainability rating.

As of January 2023, Mikro Group obtains an A2 Sustainability rating, based on an overall score of 45/100, representing a 9-point increase compared to last year review. Such increase is driven by a higher level of formalisation and transparency of commitment and processes, in particular linked to business ethics, diversity and health and safety. The company displays a Robust to near-Robust capacity to manage risks related to human capital and legal security, and Limited in relation to reputation and operational efficiency risks.



*Preliminary note: We assessed Mikro Group at its request in line with our standard rating methodology. This assessment results in an absolute score of 45/100. This assessment, which benefited from an active dialogue with the company, is not presented in a ranking against the issuers included in our listed universe, as they may not have benefited from such dialogue. Therefore, the relative A2 Rating serves an indicative purpose only.*

## ESG AND RISKS MANAGEMENT PERFORMANCE (./100)



## KEY TAKEAWAYS

**Impacts:** Social KPIs display positive evolution, although other ESG aspects appear to lack momentum. The Group's enhanced reporting of its KPIs highlights some polarization in trends: environmental indicators (energy consumption, CO2 emissions) have deteriorated, while most of the social KPIs (training, diversity and health and safety) display positive trends. Only limited information is provided on the share of investment dedicated to, or activities contributing to sustainable development.

**Risks:** Mikro Group's global risk management system appears comprehensive, covering its most material CSR risks, although external stakeholders do not appear to be involved in their evaluation. The company displays Robust to near-Robust capacity to safeguard and enhance its human capital cohesion and protect its legal security, and a Limited capacity to address reputation and operational risks.

**Management:** Mikro Group appears to focus its efforts on social issues, mainly related to human rights, human resources and customer management, on which it obtains its higher performances. Environmental and governance issues represent still significant potential areas of improvement for the Group. The Group faces no controversies, which strengthens our assurance on the company's ability to manage stakeholders' relationships.

This issuer-solicited corporate ESG rating was produced using written information provided by the company, press research concerning the opinion of external stakeholders on the company as well as interviews with 10 directors and managers and 2 employee representatives from Mikro Group, conducted between January 6<sup>th</sup> and 16<sup>th</sup>, 2023.

Our 18 pages assessment report was delivered on 31/01/2023, covering 6 domains and 19 sustainability drivers. It is structured around 3 key pillars:

1. The social and environmental impacts of Mikro Group's products and services, its strategy for the future, and its ability to invest in and create sustainable value;
2. Mikro Group's capacity to identify and mitigate its ESG risks and to preserve and increase the value of its strategic assets (including reputation, human capital, operational efficiency and legal security);
3. The strategic and operational integration of social responsibility topics in Mikro Group's governance, operations and reporting, including the balance and dynamics of stakeholder relationships.

Our analysis aims to inform investors, asset managers and other relevant stakeholders of the nature, weighting and level of integration of ESG factors by Mikro Group, as well as its ability to identify and mitigate related risks.

Mikro Yazilimevi AS ("Mikro Group") is an enterprise application software (EAS) company that develops and provides software solutions to around 150,000 customers, mainly small and medium enterprises (SMEs), for processes spanning: accounting and finance, manufacturing, purchasing and inventory management, export and import, HR (including payroll), fixed assets, e-invoice, e-archive, registered e-mail and e-confirmation. Additionally, the Company is a certified service provider for e-invoice, e-archive, e-ledger, and registered e-mail services in Turkey.

Brussels, January 31<sup>st</sup>, 2023

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