

**To the Central Bank of Mongolia**  
**Golomt Bank Independent Director report for 4<sup>th</sup> Quarter of 2023**

by Independent Director Alexander Picker

I, Alexander Picker, was elected as an independent member of the Board of Directors (the “Board”) of Golomt Bank (“Golomt” or the “Bank”) on December 23<sup>rd</sup>, 2021.

I have attended virtually in the fourth quarter of 2023 all Board of Directors’ meetings and all of the Bank’s Committee meetings, where I am a member of.

My major contributions were:

- Monitoring of related party transactions, particularly watching conflicts of interest – none were detected.
- Following and monitoring the IA plan, the IA reports and the fulfillment of the plan.
- Assessments of the IA plan
- Scrutinizing the Credit applications.
- Contributions to the discussion of the Business Plan
- Working as the Chairman of the Risk Management and Nomination Committees.

Meeting Date	Meeting	Item of discussion	Resolution	Vote/opinion
26.10.2023	Board Committee /regular/	- Management Team Update - Risk Management Committee report - Audit Committee Report	-	Discussed
26.10.2023	Board /regular/	- Macro-Economic update - 2023 3 <sup>rd</sup> quarter Financial Results - CEO report 2023 Q3 - Information on fees - Sustainable finance update - Board Audit Committee 2023 Q3 Report - Risk Management Committee 2023 Q3 Report - Nomination committee 2023 Q3 Report	-	Discussed
27.12.2023	Board Committee /regular/	- Management Team Update - Audit Committee Report	-	Discussed

		- Risk Management Committee Report - Governance, Ethics, and Remuneration Committee Report - Nomination Committee Report		
28.12.2023	Board /regular/	- Macro-Economic update - Business plan and budget for 2024 - Organizational structure - Board Audit Committee 2023 Q4 Report - Risk Management Committee 2023 Q4 Report - Governance, Ethics, and Remuneration Committee 203 Q4 Report - Nomination committee 2023 Q4 Report	-	Discussed

**Irregular Board meeting via external voting system:**

Meeting Date	Meeting	Item of discussion	Resolution	Vote/opinion
29.11.2023	Board /irregular/	Credit authority matrix	Approved	Supported
18.12.2023	Board /irregular/	Sale of property	Approved	Supported

**As the Chairman of the Risk Management Committee:**

I have been appointed as the Chairman of the Risk Management Committee since the 26<sup>th</sup> October, 2023, with the Resolution No. 30 of the Board of Directors.

The Risk Management Committee of the Board convened 11 times in the reporting Quarter, discussing a total of 40 matters on the following dates:

- 2023.10.05
- 2023.10.13
- 2023.10.26
- 2023.11.15
- 2023.11.24
- 2023.11.30
- 2023.12.07
- 2023.12.12

- 2023.12.20
- 2023.12.26
- 2023.12.27

Approvals for financing are reviewed in detail and voted on virtually. Most of the issues were the review of the Credit Committee decisions for applications related to companies with MNT 20 billion or more one obligor basis credit exposure balance.

Conflict of interest transactions:

After receiving all the related information, I have voted in support for the transactions in the reporting period.

All transactions are in accordance with the relevant laws and regulations and have been approved by the Independent members of the Board of Directors.

Meeting date	Item of discussion	Vote/Opinion
13.10.2023	Bodi International LLC working capital loan request	Supported
24.11.2023	EasyPay LLC loan request for the purchase of office space	Supported
	Ashid Golomt NBFi credit line request	Supported
07.12.2023	Tsetsens Mining and Energy LLC investment loan request	Supported
	D.Baysgalan working capital loan request of	Supported
12.12.2023	EasyPay LLC loan request for the purchase of business space	Supported
	Golomt Capital LLC request to increase credit line	Supported

**As the Chairman of the Nomination Committee:**

The Nomination Committee was convened 3 times in reporting quarter, and discussed in total 3 matters during those meetings.

Meeting Date	Item of Discussion	Vote/Opinion
13.10.2023	Board membership	Discussed
07.12.2023	Appointment of Uchral B. as the Head of Digital Banking Division with a probation of 6 months.	Supported
27.12.2023	Management Team Update	Discussed

**As a member of the Audit Committee:**

The Audit Committee was convened on 3rd October, 26th October, 7th November, 7th December, 27th December and discussed in total 11 matters.

Meeting date	Item of discussion	Vote/Opinion
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2023.10.03	Audit on Domain system operations	Discussed
	Clarifications on complaints	Discussed
2023.10.26	Related party quarterly report	Discussed
	Internal Audit Division, Data Analysis Unit 2023 Q3 report, Q4 audit plan	Discussed and approved
2023.11.07	Presentation on External auditor's Audit plan	Discussed
2023.12.07	Financial performance /As of Oct 31, 2023/	Discussed
	Audit report on Debt collection operations	Discussed
	2024 Operational plan for Internal Audit Function (Preliminary presentation)	Discussed
2023.12.27	2023 end year financial results forecast	Discussed
	Bank digital transformation survey result	Discussed
	2024 operational plan and budget for Internal audit function	Discussed and approved

Following points were made as Independent Director:

- Reviewed Golomt Bank's financial results for Oct 2023, and reason for the decrease of market share of consumer loan was asked and answered.
- Read and reviewed the audit reports presented by the Internal Audit Division (IAD) in detail.
- Review of Internal Audit Function (IAF) report, budget performance, 2023 4th quarter work plan and approved 2023 quarter plan.
- Reviewed 2024 Operational plan for Internal Audit Function (Preliminary presentation), and data analytics vision was asked and answered.
- Reviewed and approved Internal Audit Function (IAF) 2024-2026 Midterm strategic goals, 2024 operational plan, budget plan, 2024 audit and work plan.

**As a member of the GER Committee:**

The GER Committee was convened once on 27<sup>th</sup> of December, 2023, and discussed a total of 2 matters.

Meeting Date	Item of Discussion	Vote/Opinion
27.12.2023	Golomt Bank Code of Conduct	Discussed
	Code of Conduct Implementation Plan	Discussed

Furthermore, as an Independent Director, I would like to highlight the following:

- Board and Committee meetings are attended jointly by management as well as the Directors. Discussions are open. Board members can freely question management policies and results. Healthy critique as necessary is possible.
- The Secretary of the Board oversees the preparation of detailed information for Board members in advance of the Board and Committee meetings. The Directors are very well informed and can contribute effectively to the meetings.
- The Bank's organizational structure has continued to be improved and is operating quite efficiently, in particular the Internal Audit.
- To the best of my knowledge, I confirm that the decisions of the Board and the Executive Management are for the best interest of the Bank and made without ill faith.
- The operations of the Board are according to the laws and regulations set forth by the policy makers.
- The Board gave guidelines for complicated issues.
- In the reporting period, as an Independent Director of the Bank, I have not found any wrongdoing that could adversely affect the Bank. Therefore, I did not make demands for an extraordinary meeting for any specific issue.
- The Board as well as the Management are transparent about decisions made and the rationale behind the same, and transparently report in a timely manner.
- The bank's management is fulfilling the operational plans for the time being.
- I have received sufficient information to make my decisions.

Signed:

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Alexander Picker

**To the Central Bank of Mongolia**  
**Golomt Bank Independent Director report for 3<sup>rd</sup> Quarter of 2023**

by Independent Director James B. Dwyer III

I, James B. Dwyer III, was elected as an independent member of the Board of Directors (the “Board”) of Golomt Bank (“Golomt” or the “Bank”) in March 2018.

I have attended, in person, from March 2018 to January 2021 all Board of Directors’ meetings and all but a couple of the Bank’s Committee meetings. Since February 2021, my attendance has been virtual.

<b>Meeting Date</b>	<b>Meeting</b>	<b>Item of discussion</b>	<b>Resolution</b>	<b>Vote/opinion</b>
26.10.2023	Board Committee /regular/	- Management Team Update - Risk Management Committee report - Audit Committee Report	-	Discussed
26.10.2023	Board /regular/	- Macro-Economic update - 2023 3 <sup>rd</sup> quarter Financial Results - CEO report 2023 Q3 - Information on fees - Sustainable finance update - Board Audit Committee 2023 Q3 Report - Risk Management Committee 2023 Q3 Report - Nomination committee 2023 Q3 Report	-	Discussed
27.12.2023	Board Committee /regular/	- Management Team Update - Audit Committee Report - Risk Management Committee Report - Governance, Ethics, and Remuneration Committee Report	-	Discussed
28.12.2023	Board /regular/	- Macro-Economic update - Business plan and budget for 2024 - Organizational structure - Board Audit Committee 2023 Q4 Report - Risk Management Committee 2023 Q4 Report	-	Discussed

		- Governance, Ethics, and Remuneration Committee 203 Q4 Report - Nomination committee 2023 Q4 Report		
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**Irregular Board meeting via external voting system:**

Meeting Date	Meeting	Item of discussion	Resolution	Vote/opinion
19.11.2023	Board /irregular/	Credit authority matrix	Approved	Supported
18.12.2023	Board /irregular/	Sale of property	Approved	Supported

**As the Chairman of the Audit Committee:**

The Audit Committee was convened on the 3rd October, 26th October, 7th November, 7th December, 27th December and discussed in total 11 matters.

Meeting date	Item of discussion	Vote/Opinion
2023.10.03	Audit on Domain system operations	Discussed
	Clarifications on complaints	Discussed
2023.10.26	Related party quarterly report	Discussed
	Internal Audit Division, Data Analysis Unit 2023 Q3 report, Q4 audit plan	Discussed and approved
2023.11.07	Presentation on External auditor's Audit plan	Discussed
2023.12.07	Financial performance /As of Oct 31, 2023/	Discussed
	Audit report on Debt collection operations	Discussed
	2024 Operational plan for Internal Audit Function (Preliminary presentation)	Discussed
2023.12.27	2023 end year financial results forecast	Discussed
	Bank digital transformation survey result	Discussed
	2024 operational plan and budget for Internal audit function	Discussed and approved

Following points were made as Independent Director:

- Reviewed Golomt Bank's financial results for Oct 2023, and current state of the provision was asked and answered.
- Reviewed 2023 end year financial results forecast, and strategy to increase credit market share was asked and answered.
- Reviewed External auditor's Audit plan, asked about the total fee and its detailed explanations and the answer was received.

- Read and reviewed the audit reports presented by the Internal Audit Division (IAD) in detail.
- Review of Internal Audit Function (IAF) report, budget performance, 2023 4th quarter work plan and approved 2023 quarter plan.
- Reviewed 2024 Operational plan for Internal Audit Function (Preliminary presentation), and human resource fulling for Cyber security team was asked and answered.
- Reviewed and approved Internal Audit Function (IAF) 2024-2026 Midterm strategic goals, 2024 operational plan, budget plan, 2024 audit and work plan.

**As the Chairman of the GER Committee:**

The GER Committee was convened once on 27<sup>th</sup> of December, 2023, and discussed a total of 2 matters.

Meeting Date	Item of Discussion	Vote/Opinion
27.12.2023	Golomt Bank Code of Conduct	Discussed
	Code of Conduct Implementation Plan	Discussed

Following points were made as Independent Director:

- Reviewed Golomt Bank “Code of Conduct”. Agreed with GER Committee members it is very well done.

**As a member of the Risk Management Committee:**

The Risk Management Committee of the Board convened 11 times in the reporting Quarter, discussing a total of 40 matters on the following dates:

- 2023.10.05
- 2023.10.13
- 2023.10.26
- 2023.11.15
- 2023.11.24
- 2023.11.30
- 2023.12.07
- 2023.12.12
- 2023.12.20
- 2023.12.26
- 2023.12.27

Approvals for financing are reviewed in detail and voted on virtually. Most of the issues were the review of the Credit Committee decisions for applications related to companies with MNT 20 billion or more one obligor basis credit exposure balance.



Conflict of interest transactions:

After receiving all the related information, I have voted in support for the transactions in the reporting period.

All transactions are in accordance with applicable laws and regulations and have been approved by the Independent members of the Board of Directors.

<b>Meeting date</b>	<b>Item of discussion</b>	<b>Vote/Opinion</b>
13.10.2023	Bodi International LLC working capital loan request	Supported
24.11.2023	EasyPay LLC loan request for the purchase of office space	Supported
	Ashid Golomt NBFI LLC credit line request	Supported
07.12.2023	Tsetsens Mining and Energy LLC investment loan request	Supported
	D.Baysgalan working capital loan request of	Supported
12.12.2023	EasyPay LLC loan request for the purchase of business space	Supported
	Golomt Capital LLC request to increase credit line	Supported

As a Director, I would like to highlight the following:

- To the best of my knowledge, I confirm that the decisions of the Board and the Executive Management are for the best interest of the Bank and made without ill faith.
- The operations of the Board are according to the laws and regulations set forth by the policy makers.
- In cases where the Board found issues which could be improved upon, we initiated discussions at the Board level, provided guidelines to improve the operations and gave a deadline for reporting back. The Management follows through with such requests and has taken necessary actions in a timely manner.
- In the reporting period, as an Independent Director of the Bank, I have not found any wrongdoing that could adversely affect the Bank. Therefore, I did not make demands for an extraordinary meeting for any specific issue.
- The Board as well as the Management are transparent about decisions made and the rationale behind the same, and transparently report in a timely manner.
- I hereby confirm that all the Board's decisions taken during the reporting period were well questioned and supported by me, in the voting thereof.
- If and when I had questions or needed further clarifications, I have received adequate information and cooperation from both the Board and Management levels executives.

- After its successful IPO in November 2022, the Bank's management has successfully continued to build Operating Profit for calendar 2022 and in the first 6 months of 2023. The Bank is situated to continue to report increasing Operating Profits at record levels. Access to foreign equity has continued to be successfully obtained.
- Public relations were markedly emphasized in connection with the successful IPO efforts. Golomt Bank's selection as the "Best Bank in Mongolia" in 2022 by "The Banker" magazine was also indicative of these PR efforts. The Bank's motto "Financing the Good", support for Environmental, Social and Governance (ESG) activities, and focus on products and services in the digital era were rewarded.
- The Bank's business planning and budgeting have been exemplary. Frequent changes have been made as necessary. Variances from plan are reviewed and revisions to strategy implemented. Comparisons with the other 4 major banks are regularly noted in determining sound strategies.
- Board and Committee meetings are attended jointly by management as well as the Directors. Discussions are open. Board members can freely question management policies and results. Healthy critique as necessary is possible.
- The Bank's organizational structure has continued to be improved and is operating quite efficiently.
- The Bank has received an unqualified PricewaterhouseCoopers (PwC) opinion on its financial statements for 2022. The 2023 financial statements will be audited by KPMG since the number of years allowed with PwC has been completed. KPMG is also providing internal control reviews.
- The Secretary of the Board oversees the preparation of detailed information for Board members in advance of the Board and Committee meetings. The Directors are very well informed and can contribute effectively to the meetings.

Sincerely yours,

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James B. Dwyer III  
Independent Director

**To the Central Bank of Mongolia**  
**Golomt Bank Independent Director report for 4<sup>th</sup> Quarter of 2023**

by Independent Director Robert W. van Zwieten

I, Robert W. van Zwieten, was appointed as an independent member of the Board of Directors (the “Board”) of Golomt Bank (“Golomt” or the “Bank”) on May 19, 2023, and was approved by the Central Bank of Mongolia on this same date. I was also appointed as member of the Nomination Committee.

I have attended all Board and Board Committee meetings of the reporting quarter on a virtual basis.

<b>Meeting Date</b>	<b>Meeting</b>	<b>Item of discussion</b>	<b>Resolution</b>	<b>Vote/opinion</b>
26.10.2023	Board Committee /regular/	- Management Team Update - Risk Management Committee report - Audit Committee Report	-	Discussed
26.10.2023	Board /regular/	- Macro-Economic update - 2023 3 <sup>rd</sup> quarter Financial Results - CEO report 2023 Q3 - Information on fees - Sustainable finance update - Board Audit Committee 2023 Q3 Report - Risk Management Committee 2023 Q3 Report - Nomination committee 2023 Q3 Report	-	Discussed
27.12.2023	Board Committee /regular/	- Management Team Update - Audit Committee Report - Risk Management Committee Report - Nomination Committee Report	-	Discussed
28.12.2023	Board /regular/	- Macro-Economic update - Business plan and budget for 2024 - Organizational structure - Board Audit Committee 2023 Q4 Report - Risk Management Committee 2023 Q4 Report	-	Discussed

		- Governance, Ethics, and Remuneration Committee 203 Q4 Report - Nomination committee 2023 Q4 Report		
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**Irregular Board meeting via external voting system:**

Meeting Date	Meeting	Item of discussion	Resolution	Vote/opinion
19.11.2023	Board /irregular/	Credit authority matrix	Approved	Supported
18.12.2023	Board /irregular/	Sale of property	Approved	Supported

**As a member of the Risk Management Committee:**

Since the Board Committee membership was renewed and approved by Resolution No. 30 of the BoD, in which I have been appointed as a member of the Risk Management Committee from the 26<sup>th</sup> of October, the committee convened 8 times in the reporting Quarter, discussing a total of 31 matters on the following dates:

- 2023.11.15
- 2023.11.24
- 2023.11.30
- 2023.12.07
- 2023.12.12
- 2023.12.20
- 2023.12.26
- 2023.12.27

Approvals for financing are reviewed in detail and voted on virtually. Most of the issues were the review of the Credit Committee decisions for applications related to companies with MNT 20 billion or more one obligor basis credit exposure balance.

Conflict of interest transactions:

In the reporting period, after receiving and carefully considering all related information, I have voted in support of the transactions.

All transactions are in accordance with the relevant laws and regulations and have been approved by the Independent members of the Board of Directors.

Meeting date	Item of discussion	Vote/Opinion
24.11.2023	EasyPay LLC loan request for the purchase of office space	Supported
	Ashid Golomt NBFi credit line request	Supported

07.12.2023	Tsetsens Mining and Energy LLC investment loan request	Supported
	D.Baysgalan working capital loan request of	Supported
12.12.2023	EasyPay LLC loan request for the purchase of business space	Supported
	Golomt Capital LLC request to increase credit line	Supported

**As a member of the Audit Committee:**

Since the Board Committee membership was renewed and approved by Resolution No. 30 of the BoD, I was appointed as a member of the Audit Committee from the 26<sup>th</sup> of October 2023. The Audit Committee convened on the 7<sup>th</sup> of November, 7<sup>th</sup> of December, 27<sup>th</sup> December 2023 and discussed in total 7 matters.

Meeting date	Item of discussion	Vote/Opinion
2023.11.07	Presentation on External auditor's Audit plan	Discussed
2023.12.07	Financial performance /As of Oct 31, 2023/	Discussed
	Audit report on Debt collection operations	Discussed
	2024 Operational plan for Internal Audit Function (Preliminary presentation)	Discussed
2023.12.27	2023 end year financial results forecast	Discussed
	Bank digital transformation survey result	Discussed
	2024 operational plan and budget for Internal audit function	Discussed and approved

Following points were made as Independent Director:

- Reviewed External auditor's Audit plan, explained that in relation to non-auditing service on the presentation, it is already stated on the Audit committee charter.
- Review of Internal Audit Function (IAF) report, budget performance, 2023 4th quarter work plan and asked about the newly added audits and received answer.
- Reviewed and approved Internal Audit Function (IAF) 2024-2026 Midterm strategic goals, 2024 operational plan, budget plan, 2024 audit and work plan.

**As a member of the Nomination Committee:**

The Nomination Committee was convened 3 times in reporting quarter, and discussed in total 3 matters during those meetings.

Meeting Date	Item of Discussion	Vote/Opinion
13.10.2023	Board membership	Discussed
07.12.2023	Appointment of Uchral B. as the Head of Digital Banking Division with a probation of 6 months.	Supported
27.12.2023	Management Team Update	Discussed

As an Independent Director, I would like to highlight the following:

- To the best of my knowledge, I confirm that the decisions of the Board and the Executive Management are for the best interest of the Bank and made without ill faith.
- The operations of the Board are according to the laws and regulations set forth by the policy makers.
- In cases where the Board found issues which could be improved upon, we initiated discussions at the Board level, provided guidelines to improve the operations and gave a deadline for reporting back. The Management follows through with such requests and has taken necessary actions in a timely manner.
- In the reporting period and during my tenor so far, as an Independent Director of the Bank, I have not found any wrongdoing that could adversely affect the Bank. Therefore, I did not make demands for an extraordinary meeting for any specific issue.
- The Board as well as the Management are transparent about decisions made and the rationale behind the same, and transparently report in a timely manner.
- I hereby confirm that all the Board's decisions taken during the reporting period were well questioned and supported by me, in the voting thereof.
- If and when I had questions or needed further clarifications, I have received adequate information and cooperation from both the Board and Management levels executives.
- Board and Committee meetings are attended jointly by management as well as the Directors. Discussions are open. Board members can freely question management policies and results. Healthy critique as necessary is possible.
- The Secretary of the Board oversees the preparation of detailed information for Board members in advance of the Board and Committee meetings. The Directors are very well informed and can contribute effectively to the meetings.

Sincerely yours,

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Robert W. van Zwieten  
Independent Director