

To the Central Bank of Mongolia
Golomt Bank Independent Director report for the 2nd Quarter of 2024

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 23rd, 2021.

I have attended virtually in the first quarter of 2024 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
11.04.2024	Board /irregular/	Approval of "Recovery plan-2024"	Discussed and approved	Supported
15.04.2024	Board /irregular/	Amendment of the Credit Committee charter	Discussed and approved	Supported
		Election of Board Chairperson	Discussed and approved	Supported
10.05.2024	Board /irregular/	Issuance of Senior unsecured	Discussed and approved	Supported
21.05.2024	Board /irregular/	Termination of CEO contract	Discussed and approved	Supported
		Appointment of Chief Executive Officer	Discussed and approved	Supported

30.05.2024	Board /irregular/	AUTHORZE ENGAGEMENT WITH responsAbility Financial Inclusion Investments 2024 DAC	Discussed and approved	Supported
06.06.2024	Board /irregular/	Approval of 2024 ICAAP, ILAAP draft reports	Discussed and approved	Supported

As the Chairman of the Risk Management Committee:

I have been appointed as the Chairman of the Risk Management Committee since the 26th October, 2023, by the Resolution No. 30 of the Board of Directors.

The Risk Management Committee of the Board convened 7 times in the reporting Quarter on the following dates:

- 10.04.2024
- 16.04.2024
- 23.04.2024
- 02.05.2024
- 10.05.2024
- 28.05.2024
- 05.06.2024

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, the following transactions were done. After receiving all related information, I have voted in support:

- Bayasgalan D. – Credit decision;
- Bodi International LLC – Credit decision;

As the Chairman of the Nomination Committee:

The Nomination Committee was convened once on the 21st of May in the reporting quarter, and discussed in total of two matters.

Meeting Date	Item of Discussion	Vote/Opinion
21.05.2024	CEO Contract term	Supported
	CEO Succession	Supported

As a member of the Audit Committee:

The Audit Committee was convened on 24th May, 14th June and discussed in total 7 matters.

Meeting Date	Item of discussion	Vote/Opinion
24.05.2024	Financial performance (as of December 31, 2023)	Discussed
	Related party quarterly report	Discussed
14.06.2024	2024'05 Financial results and projection	Discussed
	KPMG 2023 Internal control recommendations	Discussed
	Related party report	Discussed
	Competitors financial analysis	Discussed
	Bond Milestone report	Discussed

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.

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:

Alexander Picker

**To the Central Bank of Mongolia
Golomt Bank Independent Director report for the 2nd Quarter of 2024**

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.

In the second quarter of 2024 I attended all Board of Directors’ meetings and virtually all the Bank’s Committee meetings, where I am a member.

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 Audit Committee.

Meeting Date	Meeting	Item of discussion	Resolution	Vote/opinion
11.04.2024	Board /irregular/	Approval of "Recovery plan-2024"	Discussed and approved	Supported
15.04.2024	Board /irregular/	Amendment of the Credit Committee charter	Discussed and approved	Supported
		Election of Board Chairperson	Discussed and approved	Supported
10.05.2024	Board /irregular/	Issuance of Senior unsecured	Discussed and approved	Supported
21.05.2024	Board /irregular/	Termination of CEO contract	Discussed and approved	Supported
		Appointment of Chief Executive Officer	Discussed and approved	Supported
30.05.2024	Board /irregular/	AUTHORZE ENGAGEMENT WITH	Discussed and approved	Supported

		responsAbility Financial Inclusion Investments 2024 DAC		
06.06.2024	Board /irregular/	Approval of 2024 ICAAP, ILAAP draft reports	Discussed and approved	Supported

As a Chairman of the Audit Committee:

The Audit Committee was convened on 24th May, 14th June and discussed in total 7 matters.

Meeting Date	Item of discussion	Vote/Opinion
24.05.2024	Financial performance (as of December 31, 2023)	Discussed
	Related party quarterly report	Discussed
14.06.2024	2024'05 Financial results and projection	Discussed
	KPMG 2023 Internal control recommendations	Discussed
	Related party report	Discussed
	Competitors financial analysis	Discussed
	Bond Milestone report	Discussed

I fully supported the promotion of Tuya to Head of the Internal Audit function. Her 15 years of experience and stellar efforts are exemplary.

As the Chairman of the Risk Management Committee:

The Risk Management Committee of the Board convened 7 times in the reporting Quarter on the following dates:

- 10.04.2024
- 16.04.2024
- 23.04.2024
- 02.05.2024
- 10.05.2024
- 28.05.2024
- 05.06.2024

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.

Related party Transactions:

In the reporting period, the following transactions were done. After receiving all related information, I have voted in support:

- Bayasgalan D. – Credit decision;
- Bodi International LLC – Credit decision;

As a member of the Nomination Committee:

The Nomination Committee was convened once on the 21st of May in the reporting quarter, and discussed in total of two matters.

Meeting Date	Item of Discussion	Vote/Opinion
21.05.2024	CEO Contract term	Supported
	CEO Succession	Supported

Following points were made as Independent Director:

- Reviewed Golomt Bank's financial results for Q1 2024.
- 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.

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

- 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 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.
- After its successful IPO in November 2022, the Bank's management successfully continued to build Operating Profit in calendar 2023. A dramatic improvement to record levels is in process in calendar 2024 as evidenced by financial results in Q2 2024. Access

to foreign equity has continued to be successfully obtained, highlighted by the \$300 million international bond offering in Q2 2024.

- 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 Board gave guidelines for certain important issues.
- 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 Function.
- To the best of my knowledge, I confirm that the decisions of the Board and the Executive Management are in the best interests of the Bank and made without ill faith.

Signed:

James B. Dwyer III

To the Central Bank of Mongolia
Golomt Bank Independent Director report for the 2nd Quarter of 2024

by Independent Director Robert W. van Zwieten

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

I have attended virtually in the second quarter of 2024 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 a member of the Audit, Risk Management and Nomination Committees.

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As a member of the Risk Management Committee:

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- Bodi International LLC – Credit decision;

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- I have received sufficient information to make my decisions.

Signed:

Alexander Picker