



 **GOLOMT BANK**

Principles for
Responsible
Banking

**PROGRESS
REPORT**

2 0 2 3



Introduction

The Principles for Responsible Banking (PRB) are a unique framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Agreement.

The PRBs define the roles and responsibilities of the financial industry in implementing the UN Sustainable Development Goals, and sets 6 principles that guide the financial sector in expanding its positive impact on society and the environment, and mitigate its negative impact

This is our fourth PRB self-assessment report and, in line with PRB requirements questions 2.1 Impact analysis; 2.2 Target setting; 2.3 Target implementation and Monitoring; 5.1 Governance Structure for Implementation of the Principles are subject to Ernst and Young limited assurance.

Principles for Responsible Banking



Alignment



Impact



Clients &
Customers



Stakeholders



Governance
& Target
setting



Transparency &
Accountability



Founded in 1995, Golomt Bank has been a pioneer bank in the Mongolian banking sector. We are one of the 5 systemically important banks and third largest Bank of Mongolia in terms of the asset size.

Golomt Bank is one of the 30 founding member banks of the PRBs. We officially signed to the Principles during the UN Roundtable Meeting on September 22, 2019 together with 131 other global banks and pledged to align our strategy and business operations with international and national level sustainable development frameworks, including Paris Agreement, SDGs and Nationally Determined Contribution (NDC). Golomt Bank has joined the Partnership for Carbon Accounting Financials (PCAF) in February 2023, and has been utilizing the methods to compute our financed emissions.

The PRB signatories are required to

1

Analyze the major impacts of banking business in the social, environmental and economic sectors

2

Establish mid-to long-term goals and implementation plans related to major impacts, and then implement them

3

Establish mid-to long-term goals and implementation plans related to major impacts, and then implement them

This report discloses the progress of Golomt Bank's efforts to implement the PRBs.

Independent practitioner's assurance report

Golomt Bank JSC

Attention: Mr. Norihiko Kato,
Chief Executive Officer
Head office of Golomt Bank
Sukhbaatar's Square 5,
Ulaanbaatar-15160, Mongolia

Scope

We have been engaged by Golomt Bank JSC ("Golomt Bank") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Golomt Bank's four key areas, including 2.1 Impact Analysis, 2.2 Target Setting, 2.3 Target Implementation and 5.1 Governance Structure for Implementation of the Principles (the "Subject Matter") contained in Golomt Bank's (the "Company's") the UN Environment Programme Finance Initiative Principles for Responsible Banking (the "PRB") Reporting and Self-Assessment Template for the year ended 31 December 2023 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Golomt Bank

In preparing the Subject Matter, Golomt Bank applied self-assessment of its fulfilments of its commitments as signatory of the PRB that are described in the PRB Reporting and Self-Assessment Template, covering the assessment areas, including 2.1 Impact Analysis, 2.2 Target Setting, 2.3 Target Implementation and 5.1 Governance Structure for Implementation of the Principles (Criteria).

Golomt Bank's responsibilities

The Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'). Those standards require that we plan and perform our engagement to express a

conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with selected personnel to understand the business and reporting process
- Conducted interviews with selected personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period
- Checked management's disclosure over the Subject Matter is consistent with the supporting evidences obtained;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- Identified and tested assumptions supporting calculations



Building a better
working world

- Tested, on a sample basis, underlying source information to check the accuracy of the data

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended 31 December 2023, in order for it to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of Golomt Bank for the purpose of the preparation of the Subject Matter and is not intended to be and should not be used by anyone other than those specified party.

ERNST & YOUNG MONGOLIA AUDIT LLC



Ulaanbaatar, Mongolia
Date: 9 July 2024

**Principle 1:
Alignment**



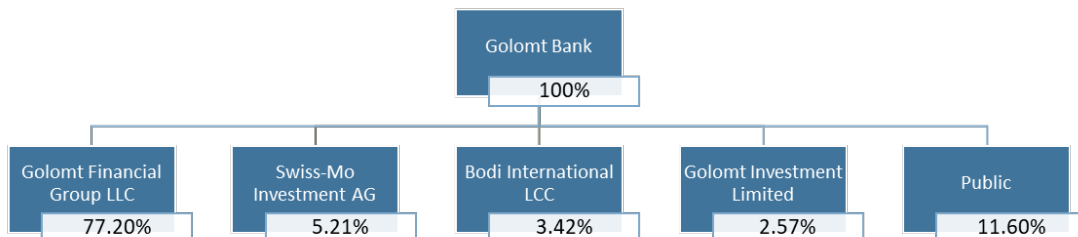
We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Golomt Bank JSC ("the Bank" or "Golomt Bank") was established on 6 March 1995 as a subsidiary company of Bodi international LLC, a leading conglomerate in Mongolia active in banking, real estate management, construction management, infrastructure, mining, mega projects, and media, and provides commercial and investment banking services to domestic and international enterprises and investors. Golomt Bank is the third largest bank in Mongolia in terms of total assets, with approximately 170,000 borrowers and 1,100,000 clients as of 2023.

Golomt Bank became an open joint-stock company in November 2022 by offering 11.6% of its shares to the public. Golomt Bank is 77.2% owned by Golomt Financial Group LLC, with other shareholders including Swiss-Mo Investment AG 5.21%, Bodi International LLC 3.42%, Golomt Investment Limited 2.57% and public shares 11.60%. Golomt Bank's current shareholder structure comprises of the following:



In 2023, total profit before tax stood at MNT 266 billion . Comparing to previous year, Golomt bank's total asset increased by 29.4% to MNT 11.6 trillion which was the highest growth among peer banks according to the Bank of Mongolia statistics. Overall, the bank constitutes 20.1% of the market in terms of its total assets and provides services to corporate banking, Small and Medium Enterprise (SME) banking, retail banking, digital banking, and treasury management.

[Annual report \(golomtbank.com\)](https://golomtbank.com)

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

Yes

No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

UN Guiding Principles on Business and Human Rights

International Labour Organization fundamental conventions

UN Global Compact

UN Declaration on the Rights of Indigenous Peoples

Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: -----

Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----

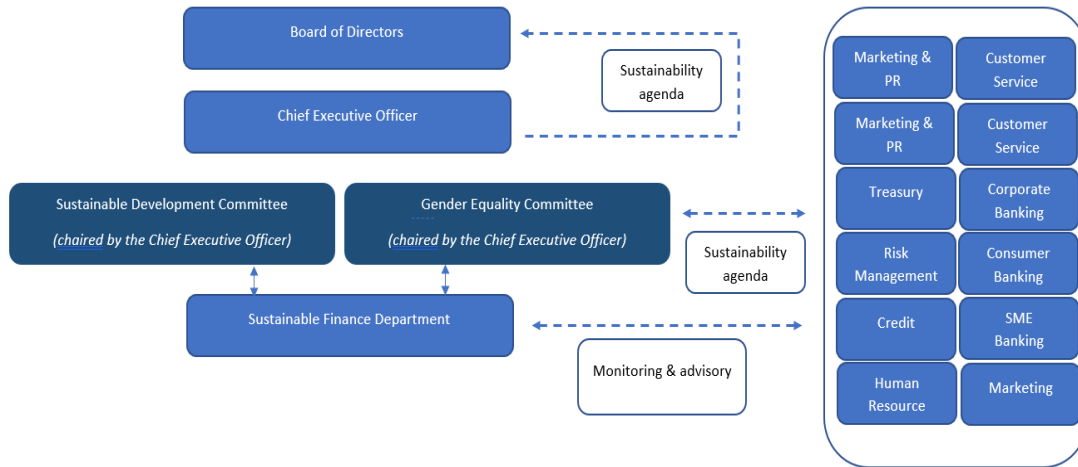
None of the above

Golomt Bank has been integrating the Sustainable Development Goals (SDGs), the Paris Climate Agreement, the Collective Commitment to Climate Action (CCCA) and Nationally Determined Contributions (NDCs) with its business strategy and is one of the Bank's main strategic pillar.

As indicated in our Sustainable Development Strategy, we focus on four core areas (1) Sustainable Governance, (2) Climate Risk Management, (3) Sustainable Green Financing, and (4) Stakeholders' Engagement.

1) Sustainable Governance:

Golomt Bank gives full play to the organizational management role of the Board of Directors and the Senior Management in the field of green finance, maintains the three-tier governance structure consisting of the Board of Directors, the Senior Management and specialized team, and continue to raise the standard of green finance governance, laying a solid foundation for advancing aspects of work related to sustainability agenda of the Bank.



2) Climate risk management

Golomt Bank has improved the policies, systems and processes used for managing E&S risk which cover risk identification, measurement, assessment, monitoring and reporting, control and mitigation, and controlled or reduced the risks that might arise from its business in accordance with the national plans to attain green and low-carbon economy, relevant environmental laws and regulations and industrial policies.

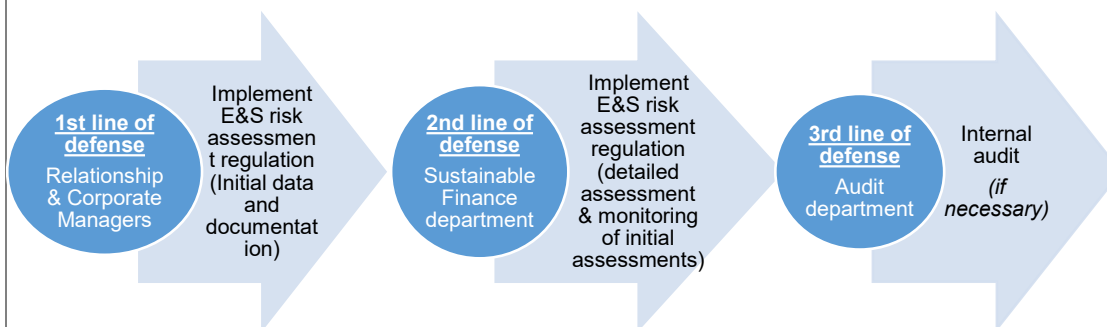
Risk identification

- E&S risk assessment is mandatory for all business credit requests of MNT100mIn and above.
- The Bank classifies customers into three categories, that is A, B, C, given many factors such as their potential environmental and social risks, industries to which they belong, and their stage of development, label them in related business management system, and take more stringent assessment and review measures for high-risk customers. The classification results shall be re-examined annually.

Risk Monitoring

- Golomt Bank monitors on the compliance of ESG risk related covenants on a half year basis to ensure that environmental and social risks are appropriately mitigated.

The Bank has further strengthened its E&S risk governance structure that is commensurate with its business size and attributes, and defined management responsibilities with the three lines of defense.



3) Sustainable Green Financing: As a Bank, the largest impact we create is through our lending and financing activities. Hence, it is critical that we continually strengthen our capabilities to support our clients in their transition, while facilitating sustainable and inclusive growth and prosperity.

Banks have a two-way relationship with climate, whereby climate change has risk implications on the portfolio of banks and banks' lending affects the climate via the financing provided. Our climate strategy accounts for this two-way relationship by strengthening climate risk management capabilities and ensuring portfolio alignment with our climate targets. This opens up new opportunities for us to support and empower our clients achieve their decarbonization targets and other sustainability goals by scaling up our sustainable and green business loan offerings.

	Interest (monthly)	Maximum limit	Tenor (in months)	Year of launch
Sustainable, green business loan (foreign and domestic fund)	1.2% - 1.4%	MNT5-10 bln	30-84	2021
Interest split green loan (under Cooperation Agreement)	1.2% - 1.4%	Dependent on product pricing	84	2023
Women entrepreneurs loan	1.2% - 1.4%	MNT100mln	36	2022
Green housing loan	1.25%-1.4%	MNT 160-300mln	120-240	2021
Eco car loan	1%-1.1%	Dependent on product	30-96	2021
Green consumer loan	1.25%	Dependent on product	30	2023

<https://golomtbank.com/en/corporate/credit-facility>

<https://golomtbank.com/en/retail/loans>

4) *Stakeholders' Engagement: We engage with a wide range of stakeholders to understand what they expect from us and to learn what we should do better.*

	Investors	Customers	Employees	Society	Regulators & policy-makers
	<i>We provide timely and detailed disclosures to enable investors to make informed decisions with Golomt Bank</i>	<i>We interact with customers to better understand their requirements so that we can propose the right financial solutions for them</i>	<i>We communicate with our employees using multiple channels to ensure they are aligned with our strategic priorities and ensure high retaining rate</i>	<i>We engage the community to better understand the role we can play to address societal needs and gaps</i>	<i>We strive to be a good corporate citizen</i>
How we engage?	<ul style="list-style-type: none"> ✓ Annual Sustainable Development Report ✓ UNEP FI PRB Progress Report ✓ Financial Reports 	<ul style="list-style-type: none"> ✓ Multiple channels, including call centers, branches and digital banking ✓ Engagement through Relationship and Corporate Managers 	<ul style="list-style-type: none"> ✓ Annual cultural survey ✓ Annual "Great Place to Work" survey ✓ Annual Managers' Meeting 	<ul style="list-style-type: none"> ✓ Engagement with MNCCI, BCM, AmCham, EuroCham ✓ Partnership with UN and its agencies, international organizations in the sustainability field 	<ul style="list-style-type: none"> ✓ Partnership with the Ministry of Economic Development ✓ Partnership with the Bank of Mongolia & Financial Regulatory Commission

	✓ Annual customers' survey				

Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly² and fulfil the following requirements/elements (a-d)³:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

The bank constitutes 20.1% of the market in terms of its total assets and provides services to corporate banking, Small and Medium Enterprise (SME) banking, retail banking, digital banking, and treasury management.

The Bank has completed its first portfolio impact analysis in 2021 utilizing the tool provided by UNEP FI PRB. Since the Bank has not witnessed major change in the portfolio composition, we are not expecting major deviation/or change in terms of the results of the impact analysis tool.

However, in 2023, we applied the new PRB impact assessment tool to explore key impact associations of our total portfolio, according to the Bank of Mongolia reporting standard, in relation to the UN SDGs and to assess the way our core business activities lead to impact. The analysis solely focuses on Mongolia as the primary geographic region and on our total loan portfolio as of 2023YE.

UNEP FI Portfolio Impact Analysis Tool for Banks (V3)

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

i) by sectors & industries⁴ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or

ii) by products & services and by types of customers for consumer and retail banking portfolios.

² That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

³ Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

⁴ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

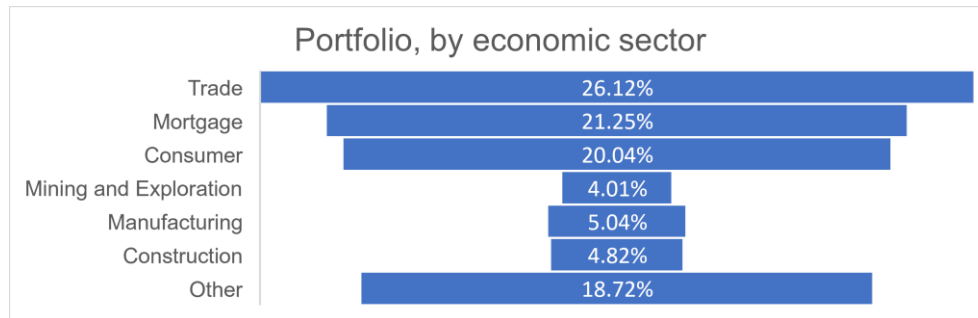
If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

In 2023, we applied the new PRB impact assessment tool to explore key impact associations of our whole portfolio in relation to the UN SDGs and to assess the way our core business activities lead to impact. In doing that, our corporate and consumer loan portfolio were analysed separately using consumer banking and institutional banking assessment tool by UNEP FI.

i) The portfolio composition as per the economic sectors under ISIC classification as follows:

Trade 26.12%, Mortgage 21.25%, Consumer 20.04%, Mining and Exploration 4.01%, Manufacturing 5.04%, Construction 4.82%, Other 18.72%

Compared to the 2022YE, we can observe the loan portfolio composition has remained relatively unchanged.



ii) In terms of the portfolio segment - Corporate 28.8%, SME 25.3%, Retail 24.6%, Mortgage 21.3%

Compared to the 2022YE, there have been no notable shifts in the overall portfolio composition.

<https://www.golombank.com/en/corporate/credit-facility>
<https://www.golombank.com/investor-relations/year-report>

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁵ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

⁵ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

^a Source: [Overview of Mongolia's Water Resources System and Management: A Country Water Security Assessment for Mongolia \(adb.org\)](#)

In PRB progress report 2022, Golomt Bank has identified Mongolia's critical sustainable development challenges, notably the effects of climate change and water scarcity.

The selection of focus areas were re-enforced by the results of the impact analysis, Mongolia's NDC, and climate disasters the country is facing.

Climate change in Mongolia

Mongolia is a very sensitive country to climate change due to its geographic location, sensitive ecosystems and socioeconomic condition. As a result of climatic variability and the impacts of climate change – desertification, water supply and natural disasters, leading to financial, environmental and human losses.

To contribute to the Paris Agreement, the government of Mongolia has submitted its Nationally Determined Contributions (NDC), which outlines efforts to reduce national emissions and adapt to the impacts of climate change. Golomt Bank's sustainability efforts are very much in line with the NDC and is focused toward aiding to the implementation of the country's commitments.

Water scarcity in Mongolia

Elevating extreme climatic conditions in Mongolia and with a limited water resources compared to other countries, present a challenge for providing quality water to the population and for economic activities, protecting against waterborne pollution and water related disasters, and preserving the ecosystem. As United Nations Water defines water security "the capacity of a population to safeguard sustainable access to adequate quantities of acceptable quality water for sustaining livelihoods, human well-being, and socioeconomic development, for ensuring protection against waterborne pollution and water-related disasters, and for preserving ecosystems in a climate of peace and political stability." In this regard, under the sustainable water management umbrella Golomt Bank channels its adaptation financing in line with ADB's identification^a:

- 1. Household water security – to satisfy water supply and sanitation needs of household*
- 2. Economic water security – to support productive economies in agriculture, energy and industry*
- 3. Environmental water security – to restore health of rivers and ecosystems*
- 4. Resilience to water – related disasters – to building resilient communities that can adapt to change.*

Bank notes that water is a cross cutting area which affects many of the Sustainable Development Goals such as quality education, good health and well-being, decent work and economic growth, sustainable cities and communities, life on land among others.

We further enriched our analysis by consulting UNEP FI's climate and banking experts and by engaging in detailed discussions with client relationship managers about sector-specific risks and environmental and social impacts. Our efforts have been directed towards climate mitigation and adaptation, and water specific challenges in the country which have impacts in all Sustainable Development Goals

In 2023, the Bank has updated its portfolio impact analysis of institutional and consumer portfolios to refine the significant impact areas of our portfolio ensuring our efforts are both targeted and effective in addressing Mongolia's sustainability challenges.

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2) 6? Please disclose.

Golomt Bank conducted separate impact analysis for corporate and consumer portfolios, by economic sectors and by product types. From the analysis conducted on corporate portfolio amounting to MNT2,589,086mln based on the economic classifications by economic sectors, the bank noted top five positive impacts in livelihood, infrastructure, availability, accessibility and quality of resources and services, health and safety and healthy economies. Conversely, the top five negative impacts were noted in health and safety, livelihood, circularity, climate stability and biodiversity

Positive associations

Impact areas	Impact topics	Proportion of portfolio	Associated impacts (positive)	Associated impacts (negative)
Livelihood	Employment, Wages	44%	Modern slavery, Child labour, Health & safety, Wages, Social protection, Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups, Socio-economic convergence	
Availability, accessibility, affordability, quality of resources & services	Food, Energy, Housing, Education, Mobility, Information, Culture & heritage	25%	Conflict, Child labour, Health & safety, Water, Food, Education, Mobility, Information, Culture & heritage, Finance, Employment, Wages, Social protection, Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups, Rule of law, Civil liberties, Flourishing MSMEs, Infrastructure, Socio-economic convergence, Climate stability, Air, Waste	Health & safety, Water, Information, Culture & heritage, Wages, Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste
Infrastructure	Infrastructure	23%	Natural disasters, Health & safety, Water, Energy, Healthcare & sanitation, Mobility, Connectivity, Employment, Socio-economic convergence	Modern slavery, Health & safety, Social protection, Ethnic/racial equality, Other vulnerable groups, Soil, Species, Habitat, Resource intensity, Waste
Health & safety	Health & safety	13%	Healthcare & sanitation	
Healthy economies	Flourishing MSMEs	13%	Employment, Sector diversity, Socio-economic convergence	Resource intensity, Waste
Climate stability	Climate stability	2%	Natural disasters, Health & safety, Waterbodies, Air, Species, Habitat, Resource intensity	Energy, Other vulnerable groups, Socio-economic convergence
Biodiversity & healthy ecosystems	Waterbodies, Soil, Species, Habitat	0%	Health & safety, Water, Infrastructure, Socio-economic convergence, Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste	
Integrity & security of person	Natural disasters	0%	Conflict, Modern slavery, Child labour, Data privacy, Natural disasters, Health & safety, Water, Food, Energy, Housing, Healthcare & sanitation, Education, Mobility, Information, Connectivity, Culture & heritage, Finance, Employment, Wages, Social protection, Gender equality, Ethnic/racial equality, Age discrimination, Rule of law, Infrastructure, Socio-economic convergence, Climate stability, Resource intensity	
Circularity	Resource intensity	0%	Natural disasters, Health & safety, Water, Food, Energy, Healthcare & sanitation, Sector diversity, Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste	Flourishing MSMEs
Equality & justice	N/A	0%	Conflict, Modern slavery, Child labour, Health & safety, Education, Finance, Employment, Wages, Socio-economic convergence	
Strong institutions, peace & stability	N/A	0%	Conflict, Modern slavery, Child labour, Data privacy, Employment, Sector diversity, Flourishing MSMEs, Socio-economic convergence	Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste
Socio-economic convergence	N/A	0%	Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups, Sector diversity, Flourishing MSMEs	

UNEP FI Portfolio Impact Analysis Tool for Banks (V3)

⁶ To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

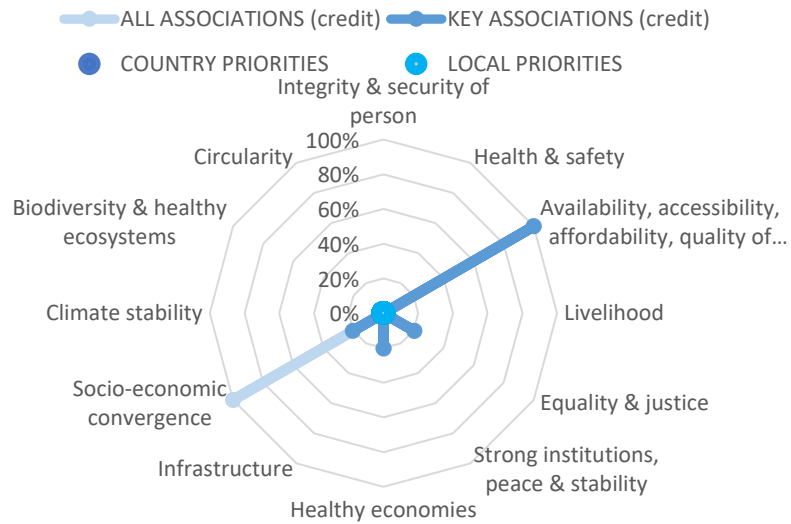
Negative associations

Impact areas	Impact topics	Proportion of portfolio	Associated impacts (positive)	Associated impacts (negative)
Health & safety	Health & safety	44%	Healthcare & sanitation	
Livelihood	Wages, Social protection	44%	Modern slavery, Child labour, Health & safety, Wages, Social protection, Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups, Socio-economic convergence	
Circularity	Resource intensity, Waste	44%	Natural disasters, Health & safety, Water, Food, Energy, Healthcare & sanitation, Sector diversity, Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste	Flourishing MSMEs
Climate stability	Climate stability	44%	Natural disasters, Health & safety, Waterbodies, Air, Species, Habitat, Resource intensity	Energy, Other vulnerable groups, Socio-economic convergence
Biodiversity & healthy ecosystems	Waterbodies, Air, Soil, Species, Habitat	43%	Health & safety, Water, Infrastructure, Socio-economic convergence, Climate stability, Waterbodies, Air, Soil, Species, Habitat	
Availability, accessibility, affordability, quality of resources & services	Water, Food, Housing, Healthcare & sanitation, Culture & heritage	42%	Conflict, Child labour, Health & safety, Water, Food, Education, Mobility, Information, Culture & heritage, Finance, Employment, Wages, Social protection, Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups, Rule of law, Civil liberties, Flourishing MSMEs, Infrastructure, Socio-economic convergence	Health & safety, Water, Information, Culture & heritage, Wages, Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste
Integrity & security of person	Conflict, Modern slavery, Child labour, Natural disasters	32%	Conflict, Modern slavery, Child labour, Data privacy, Natural disasters, Health & safety, Water, Food, Energy, Housing, Healthcare & sanitation, Education, Mobility, Information, Connectivity, Culture & heritage, Finance, Employment, Wages, Social protection, Gender equality, Ethnic/racial equality, Age discrimination, Rule of law, Infrastructure, Socio-economic convergence	
Equality & justice	Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups	32%	Conflict, Modern slavery, Child labour, Health & safety, Education, Finance, Employment, Wages, Socio-economic convergence	
Strong institutions, peace & stability	Rule of law	24%	Conflict, Modern slavery, Child labour, Data privacy, Employment, Sector diversity, Flourishing MSMEs, Socio-economic convergence	Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste
Healthy economies	Flourishing MSMEs	24%	Employment, Sector diversity, Socio-economic convergence	Resource intensity, Waste
Infrastructure	N/A	0%	Natural disasters, Health & safety, Water, Energy, Healthcare & sanitation, Mobility, Connectivity, Employment, Socio-economic convergence	Modern slavery, Health & safety, Social protection, Ethnic/racial equality, Other vulnerable groups, Soil, Species, Habitat, Resource
Socio-economic convergence	N/A	0%	Gender equality, Ethnic/racial equality, Age discrimination, Other vulnerable groups, Sector	

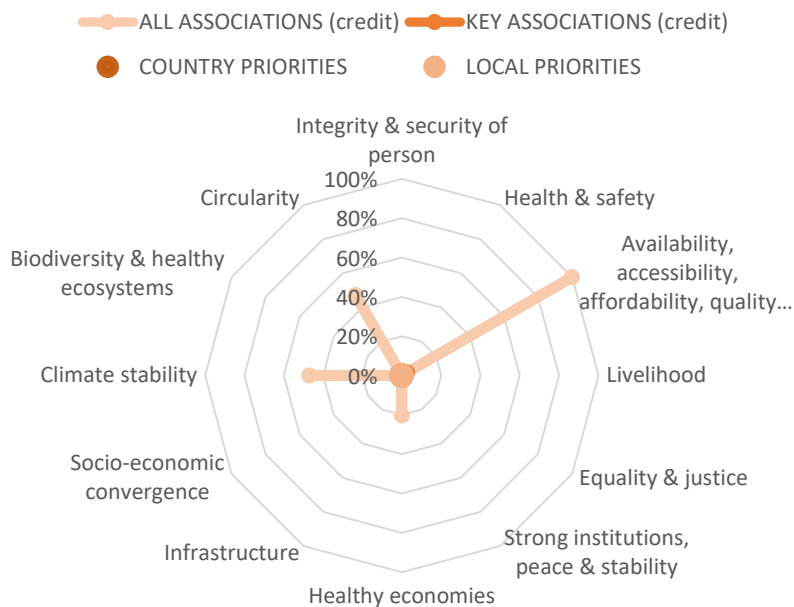
Below is the results of the Impact analysis from the bank's Consumer Portfolio.

Notably, analysis conducted on the consumer portfolio totalling to MNT2,225,502 mln by product type and number of customers, significantly contributing to the top four areas – affordability/accessibility, socio-economic convergence, equality & justice, strong institution. On the other hand, the top three areas where our consumer portfolio is effecting negatively are availability/affordability, climate stability, circularity, and healthy economies.

POSITIVE IMPACTS (CREDIT)



NEGATIVE IMPACTS (CREDIT)



Our focus areas – climate stability and water resource stays the same. As other potential negative impacts such as availability, accessibility, affordability, quality of resources & services, healthy economies are falling under financial inclusion, which will be covered with the expansion of the UNEP FI scope commencing from 2025.

d) For these (min. two prioritized impact areas): Performance measurement. Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the [Annex](#).

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

To determine priority areas for target-setting among its areas of most significant impact, the Bank has evaluated its current performance level by calculating financed emission of the Bank's total portfolio by asset classes in line with Partnership for Carbon Accounting Financials (PCAF) and of the carbon intensive sector portfolio as per the Bank of Mongolia basis, as of 31 December 2023.

Leveraging our membership with PCAF and the Joint Impact Model (JIM) Foundation, we calculated the financed emissions of the total portfolio excluding credit card loans equalling to 1,607,027 tons of CO₂ equivalent. The analysis revealed that 65% of these emissions stem from our Business Loan portfolio, with a composition of 35% non-CO₂ and 65% CO₂ emissions.

Asset class	GHG (tCO ₂ e)		
	Total	CO ₂	Non-CO ₂
Business loan	1,049,288.00	574,917.00	474,371.00
Mortgage	275,020.00	247,087.00	27,933.00
Retail	279,692.00	223,840.00	55,852.00
Vehicle	3,027.00	2,434.00	593.00
TOTAL	1,607,027.00	1,048,278.00	558,749.00

Golomt Bank has identified agriculture, energy, mining, transportation, and manufacturing as carbon-intensive sectors. Additionally, following IPCC and IEA WEA 21 sector classification, building & real estate sector was considered in 2023, bringing the total carbon intensive sectors' financed GHG emissions to 839,838 tCO₂e.

Sector	Sub-sector	GHG (tCO ₂ e)		
		Total	CO ₂	Non-CO ₂
Mining	Gold	2,110	1,995	115
	Hard coal	51,182	5,286	45,896
	Lignite coal	5,293	547	4,746
	Iron	1,839	1,739	100
	Quarrying and other mining	21,540	20,369	1,171
Transportation	Road transportation	7,415	7,014	401
	Aviation	6,996	6,730	267
Energy	Power generation	971	891	80
Agriculture	Crop	142,157	2,909	139,248
	Livestock	14,685	424	14,262
Manufacturing	Processing and preserving of meat	71,563	6,428	65,135
	Manufacturing of dairy products	59,978	8,229	51,749
	Food processing & packaging	18,727	10,953	7,775
	Paper and carton paper industry	8,128	7,493	635
	Textile	34,664	30,609	4,055
Building & Real estate	Construction	392,591	356,695	35,896
TOTAL		839,838	468,309	371,529

As per 2022 FY PRB Progress Report, we have set absolute targets in line with the Mongolian NDC. However, we also noted that once the complete financed emission as per Scope 3 Category 15 is calculated, the science based methodology needs to be considered in line with SBTi. Also, since the FY2022 targets were based on the new loans issued for carbon-intensive sectors in 2022, the baseline was reconsidered again in 2023. Thus, for 2023, by computing our baseline for total loan portfolio as of 31 December 2023, the Bank set the absolute 30% and 50% emission reduction targets of the financed GHG emission by 2030 and 2050. Further, the Bank will be able to set sector specific targets.

<https://carbonaccountingfinancials.com/>; <https://www.jointimpactmodel.org/>

According to the PCAF data quality score stands at 5, as the calculation was based on the Bank of Mongolia based outstanding balance only. In addition, the confidence level of the computation stands at 2. Please read more about the JIM methodology through the following link [JIM Methodology \(jointimpactmodel.org\)](https://jointimpactmodel.org)

For our second target on sustainable water management, Golomt Bank's analysis reveals significant water consumption across water intensive sectors, with industry leading in water usage, followed by agriculture, and mining and exploration. In our previous report, we calculated the water consumptions of new loans issued for water-intensive sectors in 2022 only. For 2023, the Bank was able to expand the coverage of data collection on water usage and water source from the clients. From the total data collected from our customers within the process of E&S risk assessment covering 179 clients, we are disclosing the data of 78 clients with an outstanding loan balance as of 2023FY.

This detailed assessment underscores the critical areas for water resource management and efficiency improvements, aligning with the bank's commitment to reducing environmental impact and promoting sustainable resource use.

Economic sectors	Total water consumption / Cubic meter	Number of Clients	%
Agriculture	11,449,405.50	4	5.13
Mining and Exploration	3,569,508.28	22	28.21
Industry	20,626,390.98	41	52.56
Infrastructure	2,162,316.68	5	6.41
Water supply and waste management	2,376.00	1	1.28
Trade	151,763.40	3	3.85
Transportation and Logistics	51.10	1	1.28
Hospital and Social services	49,228.00	1	1.28
Total	38,011,039.94	78	100

The table below outlines the total water consumption from various sources of our customers, with the majority coming from central grid, followed by underground well, dual sources (underground and surface), and rivers and lakes.

Water source	Total water consumption / Cubic meter	Number of Clients	%
n/a	20,908.80	1	1.28
Rivers and lakes	555,465.50	3	3.85
Underground well	14,748,163.04	39	50.00
Water hauling	231,228.16	4	5.13
Central grid	22,114,833.63	30	38.46
Dual source	340,440.81	1	1.28
Total	38,011,039.94	78	100

Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁷

- | | | | |
|--------------------------|---|--------------------------------------|-----------------------------|
| Scope: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |
| Portfolio composition: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |
| Context: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |
| Performance measurement: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

1. *Climate change mitigation*
2. *Sustainable water management*

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: *(optional)*

⁷ You can respond “Yes” to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁸ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

- a) Alignment:** which international, regional or national policy frameworks to align your bank's portfolio with⁹ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

Target 1 – Climate change mitigation

To set targets, we considered the Science Based Targets Initiative (SBTi) tool and engaged in discussions within the Sustainable Development Committee of Golomt Bank. During these discussions, we assessed the outcomes of the SBTi analysis and compared them with Mongolia's Nationally Determined Contributions (NDCs). Consequently, the Committee members decided to align Golomt Bank's short-term target with Mongolia's NDC goal, which entails mitigating GHG emissions by 22.7% by 2030, compared to the business-as-usual scenario, excluding Land Use, Land-Use Change, and Forestry (LULUCF). This consideration stemmed from unclear long term target set by the Government of Mongolia in the NDC regarding net-zero target.

Our Bank has chosen a 2023 baseline for its targets. We measured the absolute financed emissions baseline of our whole portfolio as of 2023 year end with the Bank of Mongolia bases, focusing on MNT4,749,544 mln of assets covering 99% of the total portfolio, which excludes credit card loan portfolio of MNT 65,047 mln, with emissions of 1,607,027tCO₂. We analyzed our carbon intensive sectors, covering 52% of the total portfolio emission. Though, Mongolia does not have net zero by 2050 targets, we will work with our clients in the country to address the associated challenges. Our Bank commits to reducing its financed GHG emissions by 30% by 2030 and 50% by 2050 down from 1,607,027tCO₂.

In the next round of targets, our Bank aims to set further targets step by step in carbon intensive economic sectors – agriculture, mining, transportation, energy, manufacturing, building & real estate.

Target 2 – Water Availability

In line with our portfolio's negative impact and the country's priorities, by 2030, 5% and by 2050, 10% of water is reused/recycled in production operation across economic sectors, specifically the water intensive economic sectors (baseline: 38,011,039.94 m³ in 2023). This target is consistent with our original target reported in our 2022 PRB report.

We carefully considered Mongolia's unique circumstances, including its "Vision 2050 Mongolia's Long-term Development Policy," specifically Goal No. 6.3, which emphasizes preventing water scarcity, constructing infrastructure for water resources, and ensuring equitable access to water for all citizens. Moreover, our commitment to water availability aligns with Sustainable Development Goal 6 (SDG 6) on water sustainability.

<https://golomtbank.com/wp-content/uploads/2022/05/Golomt-Bank-PRB-Stand-Alone-Report-2021.pdf>

<https://golomtbank.com/wp-content/uploads/2023/07/Golomt-Bank-PRB-Stand-Alone-Report-2022.pdf>

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the [Annex](#) of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
<i>Climate change mitigation</i>	<i>A.2.2</i>	<i>Our 2023 absolute financed emissions is 1,602,858 tCO2e. This includes the financed emission on all loans issued prior to 31 December 2023 and with an outstanding balance as of 31 December 2023.</i>

<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
<i>Water Availability</i>	<i>N/A</i>	<i>Our water consumption of portfolio stands at 38,011,039.94 cubic meter as of 2023YE (2022:13,863,169.83m3). This includes clients with an outstanding balance as of 31 December 2023.</i>

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

N/A	N/A
-----	-----

c) SMART targets (incl. key performance indicators (KPIs)¹⁰): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

⁸ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁹ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

¹⁰ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

SMART target Climate: *Reduced financed GHG emission by 30% by 2030 and by 50% by 2050 from the financed emission of the total portfolio, with a focus on GHG intensive sectors.*

SMART target Water: *Reduce water usage of the portfolio by 5% by 2030 and by 10% by 2050, with a focus on water intensive sectors.*

As noted in 2022 Progress Report, the Bank has considered the SBTi methodology. As per the recommendations provided by the SBTi tool, our short-term target entails a reduction of Scope 3 emissions by 42% in terms of Absolute emissions 1.5C. This target aligns with the imperative to limit global warming to 1.5 degrees Celsius above pre-industrial levels, as outlined in international climate agreements. However, we decided to keep our original targets set in 2022 PRB report.

Furthermore, for our long-term trajectory, the tool advises aiming for an ambitious reduction of 90% in Scope 3 emissions by 2050. However, it's important to note that despite the initial recommendations from the SBTi tool, our finalized targets differ. As outlined in section 2.2.a, we have concluded that our final targets will be to reduce Scope 3 emissions by 30% by 2030 and by 50% by 2050. These targets were established after thorough consideration and deliberation within the Sustainable Development Committee of Golomt Bank..

<https://sciencebasedtargets.org/>

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

In 2023, Golomt Bank took proactive steps to implement our strategic plans set in 2022 by establishing partnerships with impact funds, including the Global Climate Partnership Fund (GCPF) and Water Equity. Through these collaborations, GCPF has committed to invest USD 15 million in Golomt Bank, while Water Equity has pledged USD 5 million.

To achieve our climate change mitigation goals, we will leverage the funds provided by the Global Climate Partnership Fund (GCPF), which are specifically earmarked for energy-saving projects. These funds will be instrumental in financing initiatives aimed at reducing energy consumption, increasing energy efficiency, and implementing renewable energy solutions across various sectors. By strategically allocating GCPF funds towards these endeavors, we aim to make significant strides in mitigating our environmental impact and contributing to the transition towards a more sustainable and low-carbon economy.

To effectively attain our water target, Golomt Bank will leverage the funds provided by the Water.org and our own fund in line with sustainable water management of Mongolian Green Taxonomy. Through this collaboration, we will harness the specialized knowledge, resources, and experience offered by Water.org to address water-related challenges comprehensively. Water Equity's expertise encompasses a wide range of initiatives aimed at improving water access, supply, sanitation facilities, and overall water management practices.

Looking ahead, we are committed to further advancing our sustainability initiatives by striving to expand our Sustainable and Green loan portfolio to encompass 10% of our total portfolio by 2030 and measure its positive impact.

<https://golomtbank.com/en/news/38386>;
<https://www.golomtbank.com/en/news/39214>

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	Climate – Reduction in GHG financed emission	Sustainable water management – Reduction in water usage	None
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No
Baseline	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No
Action plan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

In alignment with the targets and strategies outlined in our PRB 2022 report, we remained steadfast in our commitment to data collection and emission measurement efforts. Utilizing the JIM tool, we calculated our Scope 3 financed emissions, a crucial step in understanding the environmental impact of our entire loan portfolio. Our primary objective was to establish a comprehensive baseline and accurately assess the emissions associated with our total loan portfolio. This approach ensures that we have a clear understanding of our environmental footprint, enabling us to develop targeted strategies for emission reduction and sustainable practices moving forward.

Our 2023YE absolute financed emissions is 1,602,858 tCO2e. This includes the financed emission on all loans issued prior to 31 December 2023 and with an outstanding balance as of 31 December 2023.

Throughout 2023, we made deliberate and comprehensive strides in gathering water consumption data. This effort extended beyond intensive sectors like agriculture, gold mining, iron and steel, power generation, and manufacturing, encompassing all business sectors presenting medium to high risks. The total water consumption across our portfolio, based on our collected data of 179 clients, totals 59,768,373.65 cubic meters of water. Among these clients, those with outstanding balance as of 23YE amount to 78, with a water consumption totaling 38,011,039.94 cubic meters.

The targets from 2022 has been reviewed and reconfirmed with baseline as 2023 are being set for both financed emissions and water consumption

The below is our progress on the previously identified qualitative targets:

Climate:

- *The Bank Financed green business loans totaling MNT 42 billion for energy-efficient construction projects in 2023.*
- *As of 2023 Q4, Golomt Bank’s green loan portfolio stood at MNT 183.04 billion with an increase of 91 percent from 2022Q4’s outstanding green loan portfolio amounting to MNT 95.8 billion*

Water availability:

	Portfolio composition and financial flows indicators	Client engagement indicators	2023 Achievements
Action	<i>Key sectors identified</i>	<i>Increase of key clients identified in chosen portfolio</i>	<i>78 clients were identified within 6 water intensive sectors</i>
	<i>Increase of portfolio screened positively against sustainable water management and water supply and sanitation (WSS) (% of chosen portfolio)</i>	<i>Increase of key clients in chosen portfolio engaged on identifying sustainable water management & WSS opportunities in their business (No.of clients)</i>	<i>As per the annual water usage it is prevalent that the manufacturing sectors uses high volume of water in their production. This indicates that the Bank needs to focus on financing sustainable water management technologies, equipments in manufacturing sector. The manufacturing portfolio stands at</i>

<https://golomtbank.com/wp-content/uploads/2023/07/Golomt-Bank-PRB-Stand-Alone-Report-2022.pdf>

			MNT259,628 mln with 532 clients.
Output	Increase of financing to key clients for sustainable water management & WSS	Increase of key clients with identified sustainable water management & WSS (screened negatively but with identified sustainable water management in their business/value chain)	The Bank successfully concluded a funding in the amount of USD 5mln from Water Equity to finance WSS related projects and operations in October 2023. The Bank is monitoring the disbursement on a quarterly basis.
Outcome	As of 2023YE, the Bank has not done any financing in sustainable water management. In terms of WSS, it has financed MNT670mln.		

Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹¹ in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities¹²). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

To achieve our medium and long-term objectives, Golomt Bank began offering personalized training and guidance aimed at leading our clients to sustainable development, exploring green loan opportunities, understanding environmental and social risks, and effectively managing them. In 2023, we provided individualized training sessions to an average of 400-500 managers and employees representing 15-20 customer organizations.

In 2023, we have approved 2,078 loans to SME in the form of business loans – supporting women entrepreneurs and project loans with better conditions. We continue the trend of lending to smaller businesses, with over 97% of the loans granted to micro and small businesses accessing through our branches across the country and the remaining through our dedicated SME Banking Division.

Within this segment, in 2023, the Bank has co-organized the “Business Incubator” accelerator program three times enrolling in total 43 women entrepreneurs (Ulaanbaatar: 31, Countryside: 12), financial literacy training nine times enrolling in total of 170+ women entrepreneurs, provided private 1:1 service for 140+ women entrepreneurs with Business branches, and total of five networking events enrolling 75 micro and small medium women entrepreneurs.

The annual Financial Managers' Convention and Business Conference organized by Golomt Bank in 2023 was tailored to align with sustainable development principles, encompassing both content and organization. The event showcased a commitment to utilizing energy-efficient and environmentally friendly elements throughout its proceedings.

<https://golomtbank.com/retail/loans>
<https://golomtbank.com/en/corporate/credit-facility>

By transitioning a portion of the event's energy consumption— including stage lighting, screens, music systems, and equipment— to solar power, we successfully prevented the release of 28.3 kg of carbon per hour. This initiative resulted in a total avoidance of 452.8 kg of CO2 emissions over the duration of the event.

In support of Golomt Bank's initiative to reduce CO2 emissions, participants opted for sustainable transportation methods such as walking, cycling, scooters, buses, and electric cars. Together, these efforts resulted in a collective saving of 51.6 kg of CO2 emissions. As a result, we were able to collectively save 278 kg of CO2 emissions, equivalent to the carbon absorbed by one tree over 11 years.

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

In 2023, we expanded our range of sustainable loan products to better cater to the evolving needs of our clients. Introducing two new offerings, namely the "Green Business Loan with Interest Split" and the "Green Consumer Loan," we now boast a total of five sustainable loan products. These additions reflect our commitment to empowering our clients on their journey towards sustainability, providing them with tailored financial solutions that align with their environmental and social objectives.

Due to our unwavering commitment, the implementation of customized training sessions, and the introduction of new green loan products, our green loan portfolio witnessed significant growth, surging from MNT 95.8 billion at the end of 2022 to MNT 183.04 billion by the end year of 2023. This substantial increase underscores our dedication to promoting sustainable financing initiatives and supporting environmentally responsible projects within our community.

Furthermore, Golomt Bank, in cooperation with the Mongolian National Chamber of Commerce and Industry, has launched the "Women Owned" trademark. The main purpose of the trademark is to support, develop, and differentiate the products and services of women entrepreneurs on the market. This initiative aligns with Sustainable Development Goals (SDGs) 5, 8, and 10, promoting gender equality, economic growth, and reducing inequality. It also supports Mongolia's 2050 Vision, focusing on expanding the middle class, developing an inclusive financial system, and fostering competitive enterprises. Since its launch, Golomt Bank's Trademark received 600 applications, with 23 approved in 2023, and the rest undergoing validation.

[Annual report \(golomtbank.com\)](https://golomtbank.com)

¹¹ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹² Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹³) you have identified as relevant in relation to the impact analysis and target setting process?

Yes In progress No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

¹³ Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

Regulators & policy makers

With whom?	How
Bank of Mongolia	To improve the current situation of FIs to drive their sustainability agenda in terms of sustainable financing

Investor engagement

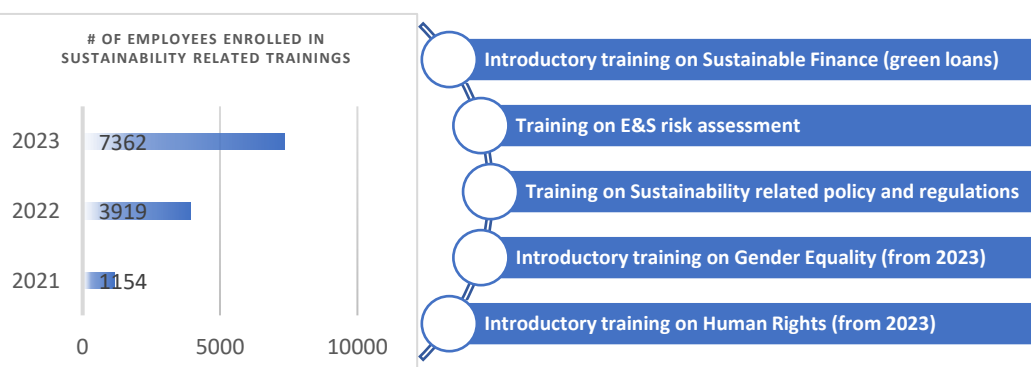
Golomt Bank has been publishing the following reports for our investors ensuring transparency

- i) Sustainable Development Report
- ii) Mongolian Stock Exchange ESG Report
- iii) UNEP FI.

Employees

Given the rapidly evolving landscape, we recognize that knowledge-building and a deeper understanding of climate change, SDGs and sustainable financing are key differentiators that are necessary for all of our employees to achieve Bank’s sustainability agenda. Thus, on an annual basis we provide mandatory trainings to all employees.

Our Relationship and Corporate Managers play a critical role in transaction and customer level to re-enforce green and sustainable business model for the clients. To be fully equipped to carry out their roles, Relationship and Corporate Managers are required to undergo mandatory Sustainable Financing e-Learning training to ensure alignment with our E&S risk assessment regulation, green and sustainable products and services offered and the current trend in the field. Newly hired Relationship and Corporate Managers are required to undertake this training during onboarding, while a refresher training is assigned to existing Relationship and Corporate Managers every year.



Society

With whom?	How
UNEP FI	Within PRB Principles, capacity building

Annual report (golomtbank.com)

<i>UNDP Mongolia & the Ministry of Economics and Development</i>	<i>Sustainable Development Conference</i>		
<i>ADB</i>	<i>SDG Taxonomy pilot project</i>		
<i>JIM Foundation (financed emission)</i>	<i>Official member & methodology utilization</i>		
<i>PCAF (financed emission)</i>	<i>Official member & methodology/standard utilization, capacity building</i>		
<i>Mongolian Sustainable Finance Association</i>	<i>Within the 8 principles, collaborate and share experience with the members</i>		

Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

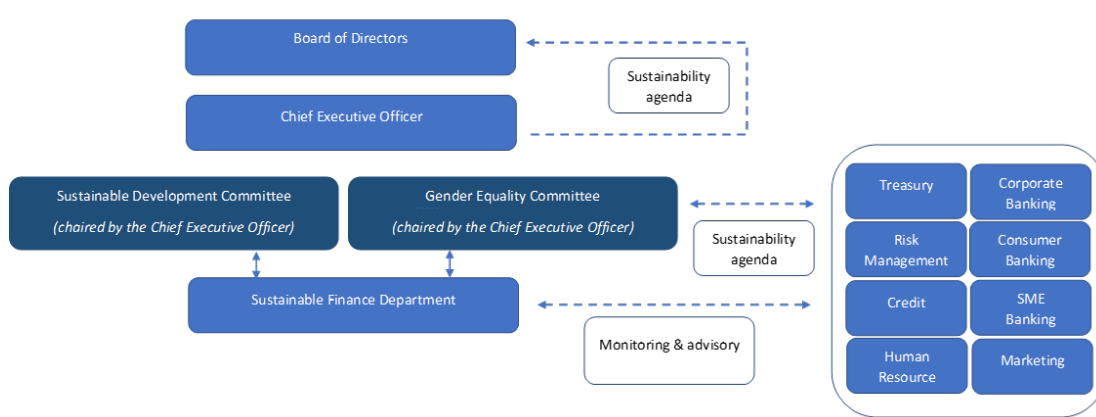
Does your bank have a governance system in place that incorporates the PRB?

Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

The following is Golomt Bank's organization structure for Sustainable Development Committee (has the similar structure as Gender Equality Committee):



The following are commentary on the governance structures and monitoring systems for Golomt Bank:

Sustainable Development Policy: First approved and implemented in 2015 and updated in 2019. The Policy explicitly indicates the Bank will adhere to principles of Mongolian Sustainable Finance Principles and the UNEP FI PRB principles. Therefore, the bank reflects environmental and social friendly policies in its internal and external operations.

Sustainable Development Committee: Established in 2022 and responsible for overseeing and managing the implementation of the bank's sustainable development strategy. The CEO

<https://golomtbank.com/en/investor-relations/year-report>

leads and chairs the committee with support of the Secretary, Sustainable Finance Department. The Committee is met once every half year as per the Committee Charter.

Gender Equality Committee: Established in 2021 to promote gender equality and address the challenges faced by customers and contribute to economic development. It supports and advocates for gender equality for women empowerment internally and externally, takes actions to increase the portfolio of products for women entrepreneurs, and engages in initiatives aimed towards social welfare. The CEO leads the Committee with a support of the Sustainable Finance Department, as a Secretary. The Committee convene on a quarterly basis to drive the gender equality agenda.

Sustainable Finance Department: Responsible for monitoring and enforcing the Bank's Sustainable Development Policy and Strategy, and drive the sustainability agenda of the Bank.

The department was responsible for creating Golomt Bank's "Sustainable Development Strategy 2025". The department is also responsible for the monitoring the implementation of decisions made by the "Sustainable Development Committee" and the "Gender Equality Committee".

Golomt Bank's Sustainable Development Strategy has been revised to include strategies extending until 2025. This update outlines the primary strategic objectives and incorporates an approved medium-term sustainable development action plan aligned with the Principles for Responsible Banking set forth by the United Nations Environmental Program. The strategy focuses on four key areas: Sustainable Governance, Environmental and Social Risk Assessment, Sustainable Finance, and Collaboration and Commitments.

In 2023 the Bank has advanced in terms of setting KPI indicators for the Corporate Banking Division, SME Banking Division and Retail Banking Division to drive the expansion of our green loan portfolio and support our clients int heir green business transition. The Bank will work in 2024, to set other KPIs to relevant units to drive the sustainability agenda further.

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

In addition to actively organizing training sessions for our clients, we have also introduced in-person training sessions for our branches, supplementing our ongoing monthly capacity-building sessions for new relationship managers.

In 2023, a total of 7362 employees participated in sustainability-related trainings. Please note that this figure may include duplicated numbers, as some employees may have attended multiple training sessions throughout the year.

A total of 1,846 employees took part in the online human rights training, while 1,839 employees participated in the gender policy training. Moving forward, these trainings will be made mandatory for all employees and will be accessible through Golomt Bank's internal training academy website.

In-person training sessions have proven highly effective in fostering professional development within our organization. One notable instance was a collaborative effort with

<https://golombank.com/en/investor-relations/year-report>

the National Human Rights Commission of Mongolia, where 27 employees actively participated in a classroom setting. Throughout the entirety of 2023, we diligently conducted seven comprehensive training sessions tailored specifically for our new Relationship Managers. These sessions, focused on Sustainable Development, Sustainable Finance, and E&S risk management, successfully equipped a total of 153 new Relationship Managers with the necessary skills and knowledge to excel in their roles.

Furthermore, recognizing the importance of continuous learning and growth, we also hosted a dedicated training session for our new Senior Relationship Managers. This session, thoughtfully designed to address the unique challenges and responsibilities of senior management, welcomed 10 esteemed senior managers into its fold. Through these concerted efforts, we remain committed to nurturing a knowledgeable and empowered workforce, poised to drive positive change and sustainable outcomes.

Moreover, 39 employees participated in a collaborative training session with the Mongolian Sustainable Finance Association. The session centered on "Sustainable Development Goals Financing Taxonomy of Mongolia," slated to be implemented from 2025 onwards.

A total of 341 employees took part in 5 series of online training on "Climate Risk Impacts on Financial Institutions," conducted in collaboration with the Responsible Banking Principle Training Unit of the UNEP.

In complement to the aforementioned trainings, we have organized a campaign aimed at bolstering our green loan portfolio. Crucially, this campaign functions as a mechanism for enhancing the understanding and awareness of our loan staff regarding the essential requirements and fundamental principles of green loans. Thanks to a yearlong effort of trainings and awareness-raising, our green loan portfolio has surged from MNT 95.8 billion at the end of 22YE to MNT 183.04 billion by the close of 23YE .

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?¹⁴ Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Golomt Bank maintains an Exclusion and Caution list to guide financing decisions. Additionally, our Credit Operation regulation incorporates general clauses for assessing environmental and social risks, while we also adhere to a separate, dedicated E&S risk assessment regulation for a comprehensive evaluation process. We intend to update our Environmental and Social (E&S) risk-related regulations in 2024 to enhance clarity and comprehension for our employees. For our Sustainable and Green loan business loans, we follow the guidelines outlined in the Mongolian Green Taxonomy.

N/A

Based on the regulations outlined above, we conduct Environmental and Social (E&S) risk assessments for all business loan requests exceeding MNT 100 million. Furthermore, for

¹⁴ Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

business loan requests surpassing MNT 800 million or those associated with high-risk sectors, we conduct Detailed E&S risk assessments.

Regarding social risks related to both staff and clients, we have distinct policies and regulations in place. These include procedures for handling client complaints, employee complaints, whistle-blowing, reporting ethical violations, and gender equality policy.

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

Yes No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes In progress No

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes Partially No

If applicable, please include the link or description of the assurance statement.

Since the publication of our 2022 PRB report, we have implemented a process to obtain limited assurance on our progress reports from Ernst & Young (EY). This entails engaging EY to review and provide an independent assessment of our reported progress, adding a layer of credibility and transparency to our sustainability initiatives.

<https://golomtbank.com/wp-content/uploads/2023/07/Golomt-Bank-PRB-Stand-Alone-Report-2022.pdf>

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
 SASB
 CDP
 IFRS Sustainability Disclosure Standards (to be published)
 TCFD
 Other:

Kindly refer to our Sustainable Development Report 2023 for the GRI standard disclosure.

[Golomtbank-Sustainable-Development-Report-2023-EN.pdf](#)

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹⁵, target setting¹⁶ and governance structure for implementing the PRB)? Please describe briefly.

In the next 12 months, Golomt Bank will further its commitment to implementing the 6 Principles for Responsible Banking. We will collaborate closely with our impact funds, GCPF and Water Equity, to assist our clients in energy-efficient projects, sustainable water management and water supply and sanitation initiatives.

[Golomtbank-Sustainable-Development-Report-2023-EN.pdf](#)

¹⁵ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁶ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

in energy-efficient projects, sustainable water management and water supply and sanitation initiatives.

Moreover, we will endeavor to enhance our data quality following the PCAF methodology in the upcoming years.

1. Impact analysis

We will review the changes in the portfolio in terms of segmentation and economic sectors on an annual basis. Unless, there is a material change in the portfolio segmentation and economic sectors, the Bank will conduct impact analysis once every two-three years to ensure that the portfolio impact is reflected accordingly.

2. Target setting

In terms of target setting, the Bank will further refine its targets in terms of carbon intensive and water intensive economic sectors to ensure high emitting and high water usage clients are beign directed into taking green transition phase. In addition, we will work on setting up more concrete action plans towards reaching our set targets.

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|---|
| <input type="checkbox"/> Embedding PRB oversight into governance | <input checked="" type="checkbox"/> Customer engagement |
| <input checked="" type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input checked="" type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input type="checkbox"/> Assessing negative environmental and social impacts | <input checked="" type="checkbox"/> Access to resources |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies | <input type="checkbox"/> Reporting |
| <input checked="" type="checkbox"/> Setting targets | <input checked="" type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input checked="" type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these:

Annex

A set of indicators has been produced for the impact areas of climate mitigation and financial health & inclusion. These indicators will support you in your reporting and in showing progress against PRB implementation. Banks are expected to set targets that address minimum two areas of most significant impact within the first four years after signing the PRB. That means that Banks should ultimately set targets using impact indicators. Acknowledging the fact that banks are in different stages of implementation and on different levels of maturity and therefore might not be able to report on impact from the beginning, a Theory of Change approach has been used to develop the set of indicators below.¹⁷ The Theory of Change shows the **pathway to impact** and considers the relationship between inputs, actions, outputs, and outcomes in order to achieve impact. The Theory of Change for climate mitigation can be found [here](#), the Theory of Change for financial health & inclusion can be found [here](#).

How to use: Both practice (action, outcome and output) and impact performance need to be understood because practice is the conduit for achieving desired impacts (including targets). The Theory of Change allows to identify metrics and set targets which align with a bank's maturity. The indicators below are all connected to a bank's impact and can be considered as steps towards measuring impact. Some of the practice indicators (on the action, output, and outcome levels respectively) are connected to portfolio composition and financial targets¹⁸ (highlighted in **green**) or to client engagement¹⁹ targets (highlighted in **blue**), which enable your overall target. If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex to measure your performance and baseline.²⁰ Once you have set the target, you can use the indicators as guidance for your action plan as well as defining Key Performance Indicators (KPIs) which you can then use to measure progress against the set targets.

¹⁷ It is not required from banks to work with the Theory of Change concept internally. In fact, the Theory of Change has been used to structure the requirements of setting SMART targets using relevant indicators.

¹⁸ Financial targets also aim for real economy outcomes but are not directly expressed as such. Instead, they are expressed with financial indicators and metrics, e.g., to redirect flows of lending and investments to sectors, activities or projects aligned with SDGs and/or related to the selected impact area. Banks can also set financial targets related to specific types of customers e.g., low-income customers or female entrepreneurs.

¹⁹ Client engagement targets involve engaging relevant clients and customers to enable your overall target. The purpose of client engagement is to support clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

²⁰ You might not be able to report on all indicators and/or or levels of practice (i.e. from left to right), in which case you should report on all applicable indicators on the respective level of practice no matter if it is an action, output or outcome indicator.

- **For Signatories of the Net-Zero Banking Alliance:** please report on the climate targets set as required in the [Guidelines for Climate Target Setting](#). As a member of the Alliance, you are required to publish first 2030 targets for priority sectors within 18 months and further sectoral targets within 36 months after signing. You can use the PRB template to disclose the required climate target information if its publication date is in line with the committed NZBA timeframe.
- **For Signatories of the Collective Commitment to Financial Health & Inclusion:** please report on financial health and/or financial inclusion targets set as required in the [Financial Health and Inclusion Commitment Statement](#). As a signatory to the Commitment, you have agreed to set a SMART ambitious target within 18 months after signing. To facilitate your process, please refer to the [Guidance on Target Setting for Financial Health and Inclusion](#) and the [Core Indicators](#) to measure financial health and inclusion. Keep in mind that signatories of the Commitment are encouraged to measure as many indicators as possible from the Core Set or their equivalent to be able to set a SMART impact driven target.

Impact area	Practice ²¹ (pathway to impact)									Impact ²²		
	1.Action indicators			2.Output indicators			3.Outcome indicators			4.Impact indicators		
	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics
A. Climate change mitigation	A.1.1	Climate strategy: Does your bank have a climate strategy in place?	Yes	A.2.1	Client engagement process: Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (<i>for business clients</i>), or towards low(er)-carbon practices (<i>for retail clients</i>)?	Yes <i>If yes:</i> In 2023, advised 7 clients enrolling ~30 employees of clients. Out of which 1 was SME client and the remaining were group companies operating in manufacturing, construction, wholesale, agriculture.	A.3.1	Financial volume of green assets/low-carbon technologies: How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies ?	<i>The Bank will aim to report on this metric commencing from 2025</i>	A.4.1	Reduction of GHG emissions: how much have the GHG emissions financed been reduced?	<i>The Bank has conducted how much GHG emissions financed been reduced from the energy efficiency classification as of 2023YE, totalling to 5,043tCO2 annually covering 5 clients (our loan portfolio as of 2023YE covered 40 clients out of which over 70% were large SMEs and corporates) generating</i>

²¹ Practice: the bank's portfolio composition in terms of key sectors, its client engagement, and its relevant policies and processes, and, if applicable, its advocacy practices

²² Impact: the actual impact of the bank's portfolio

												32% average efficiency.
A.1.2	Paris alignment target: Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	<i>In progress</i> <i>- As the Government of Mongolia has not set net zero long term target within the NDC, the Bank is currently not committing itself to set a net zero target.</i>	A.2.2	Absolute financed emissions: What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or investment portfolio?	<i>Total GHG emissions or CO₂e (please also disclose what is excluded for now and why)</i> <i>GHG emissions 1,602,858 tCO₂e</i>	A.3.2	Financial volume lent to / invested in carbon intensive sectors and activities and transition finance: How much does your bank lend to / invest in carbon-intensive sectors and activities ²³ ? How much does your bank invest in transition finance ²⁴ ?	No	A.4.2	Portfolio alignment: How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2 degrees)?	<i>In total 3.8% of our portfolio amounting to MNT183.04mln is aligned with Green Taxonomy/Paris Agreement</i>	
A.1.3	Policy and process for client relationships: has your bank put in place rules and	Yes <i>The bank has a process in place to conduct trainings and</i>	A.2.3	Sector-specific emission intensity (per clients' physical outputs or	Please specify which sector (depending on the sector and/or chosen							

²³ A list of carbon-intensive sectors can be found in the [Guidelines for Climate Target Setting](#).

²⁴ Transition finance is defined as financing the transition towards a low-carbon future in alignment with the Paris climate goals. It entails any form of financial support for non-pure play green activities to become greener and reduce emissions.

	processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	<i>advisory meetings to engage at least 10 clients per year to ensure business transition</i>		per financial performance) : What is the emission intensity within the relevant sector?	<i>metric):</i> kg of CO ₂ e/ kWh, CO ₂ e / m ² ; kg of CO ₂ e/USD invested, or kg of CO ₂ e/revenue or profit		
A.1.4	Portfolio analysis: Has your bank analyzed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?	No;	A.2.4	Proportion of financed emissions covered by a decarbonization target: What proportion of your bank's financed emissions is covered by a decarbonization target, i.e. stem from clients with a transition plan in place?	100%		