



# Development Impact Assessment

June 2026





**GOLOMT BANK**

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SUSTAINABLE DEVELOPMENT IMPACT DISCLOSURE

# Golomt Bank

J.P.Morgan

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**June 2026**

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# Executive Summary

Golomt Bank JSC (Golomt Bank or the Bank) is a commercial bank in Mongolia serving retail, corporate, and small- and medium-sized enterprise (SME) clients. On May 8, 2026, the Bank issued US\$500 million in senior notes (the Transaction) to support general corporate purposes.<sup>1</sup> J.P. Morgan acted as the Development Finance Structuring Agent and has supported the Bank in creating a Sustainable Development Impact Disclosure. This Impact Disclosure highlights the Bank’s intentions to contribute to several United Nations Sustainable Development Goals (UN SDGs), specifically SDGs #2 (Zero Hunger), #4 (Quality Education), #5 (Gender Equality), #6 (Clean Water and Sanitation), #7 (Affordable and Clean Energy), #8 (Decent Work and Economic Growth), #12 (Responsible Consumption and Production), and #13 (Climate Action).<sup>2</sup>

	<b>Sector Filter</b>	✓	The Transaction is expected to support the financial services sector.
	<b>Geography Filter</b>	✓	The Bank is headquartered in Mongolia, a country eligible to borrow from the World Bank.
	<b>UN SDGs Contribution</b>	<b>#2 #4, #5, #6, #7, #8, #12, and #13</b>	The Transaction supports the Bank’s intentions to advance the UN SDGs associated with zero hunger, quality education, gender equality, clean water and sanitation, affordable and clean energy, decent work and economic growth, responsible consumption and production, and climate action.
	<b>Policies and Procedures</b>	✓	The Transaction is anticipated to support Golomt Bank’s operations in the country and support the overall financial sector in Mongolia as well.
	<b>Annual Reporting</b>	✓	The Bank has committed to report on the development outputs and outcomes of this Transaction on an annual basis ( <i>Please see Reporting Table Page 16-17</i> ).

<sup>1</sup> Driven by strong bookbuilding dynamics and robust reverse investor enquiry, Golomt Bank elected to increase the final issuance size to USD 500 million (Source: [Golomt Bank](#)).

<sup>2</sup> The information disclosed in this section is related to Golomt Bank’s overall sustainability strategy and should not be construed as a representation related to any kind of use of proceeds of the Transaction. Failure to achieve the targets referred to herein will not constitute an event of default under the Transaction, nor will any such failure have any other impact on the Transaction. The Transaction may not be a suitable investment for all investors seeking exposure to "sustainable development impact" assets and "Forward-Looking Statements" elsewhere in the Transaction’s Offering Memorandum. The inclusion of the Sustainable Development Impact Disclosure in this Offering Memorandum does not constitute a label in respect of the Transaction offered hereby. The sustainability-related information contained herein is derived from the 2024 Sustainable Development Report and the 2025 Sustainable Development Report on the Bank’s website subsequent to the date of this Offering Memorandum.



# Introduction

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Golomt Bank (the “Bank”) is a leading commercial bank in Mongolia, with over 1 million retail, corporate, and SME clients in a country with a population of 3.4 million. The Bank serves a high proportion of the urban working population in Mongolia, according to the Business Council of Mongolia. Since Golomt Bank was founded in 1995, the Bank has contributed to Mongolia’s development by introducing innovative products and services that have accelerated the development of the Mongolian financial sector and have expanded access to banking services for the Mongolian people. As part of the support of financial inclusion throughout Mongolia, Golomt Bank’s activities are guided by the Bank’s Sustainable Development Policy, which is based on three goals: (1) Promote sustainable business, (2) Focus on social and environmental issues, and (3) Create satisfactory job retention. As part of the sustainable strategy, Golomt Bank is committed to contributing to global and national sustainable development goals and strengthening support for its customers on their green and sustainable projects. The Bank intends to pursue its corporate strategy and impact intentions, including the pursuit of incremental positive impacts, reducing negative impacts, and maintaining policies and procedures to mitigate environmental and social risks.




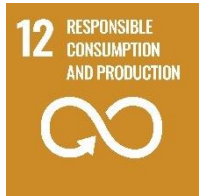

This report highlights Golomt Bank’s forward-looking intentions to generate incremental positive impact in Mongolia. The tables below outline i) how the Bank’s initiatives contribute to specific UN Sustainable Development Goals (“SDGs”), ii) the actions it intends to take to address identified SDG gaps in Mongolia and the associated theory of change for each action, and iii) the selected metrics to measure and monitor the progress of each intended action.

Golomt Bank has developed this Sustainable Development Impact chapter in line with the Impact Disclosure Guidance (the “Guidance”), which was published in October 2024 by the Impact Disclosure Taskforce, a working group composed of major capital markets participants and industry stakeholders. The Guidance is available on International Capital Market Association’s website (“ICMA”).<sup>3</sup> Notably, the Bank introduced the Sustainable Development Impact Disclosure as part of its May 2024 bond issuance in the international capital markets demonstrating a clear commitment to continuity and alignment with emerging best practices in development impact disclosure.

<sup>3</sup> Full Impact Disclosure Guidance available at <https://www.icmagroup.org/assets/documents/Sustainable-finance/Impact-Disclosure-Guidance-October-2024-181024.pdf>



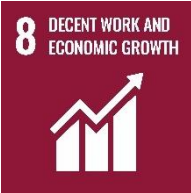


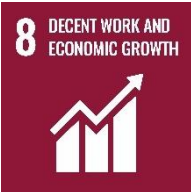
# Contribution to the UN SDGs

INTENDED IMPACTS	UN SDG INDICATORS	UN SDG TARGETS	UN SDGs <sup>4</sup>
<b>Financing</b>			
<b>Impact Intention #1:</b> Augment Green and Sustainable Loan portfolio	Cereal Yield (kg per hectare) <sup>5</sup>	<i>Target 2.3:</i> Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers	
	6.4.1: Water Use Efficiency	<i>Target 6.4:</i> Substantially increase water-use efficiency and ensure sustainable withdrawals and supply of freshwater	
	7.3.1: Energy intensity level of primary energy	<i>Target 7.3:</i> Double the global rate of improvement in energy efficiency	
	Municipal solid waste <sup>6</sup>	<i>Target 12.2:</i> By 2030, achieve the sustainable management and efficient use of natural resources.	
	13.2.2: CO2 emissions (metric tons per capita)	<i>Target 13.2:</i> Integrate climate change measures into national policies, strategies and planning	

<sup>4</sup> The quantitative analysis related to Sustainable Development Goal (SDG) contributions and development gaps takes into consideration primarily the UN SDGs Database. The development gap assessment involves comparing a country's statistics for the SDGs indicators with those of other countries eligible to borrow from the World Bank Group. The majority of SDG indicators have a one-to-one relationship with a corresponding SDG target. In the case of lack of data, or if another indicator is more appropriate for the analysis, the assessment will be done taking into consideration the Sustainable Development Report ("SDR"). To normalize the SDR's methodology and enable it to be compared to the development gap analysis on developing countries also displayed in this assessment, it has been assigned the labels "Low," "Moderate," "High," and "Very High" to "SDG achieved" (green), "Challenges remain" (yellow), "Significant challenges remain" (orange), and "Major challenges remain" (red), respectively. <sup>5</sup> Cereal yield was used as a proxy indicator from World Bank Data, as there was insufficient data for SDG Indicators related to SDG Target 2.3. <sup>6</sup> Used as a proxy dataset due to lack of available data for SDG Indicator 12.2.1: Material footprint, material footprint per capita, and material footprint per GDP.



# Contribution to the UN SDGs

INTENDED IMPACTS	UN SDG INDICATORS	UN SDG TARGETS	UN SDGs
<b>Direct Operations</b>			
<p><b>Impact Intention #2:</b> Increase access to financial services</p>	<p>8.10.2: Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider (%)</p>	<p><i>Target 8.10:</i> Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.</p>	
<p><b>Impact Intention #3:</b> Promote female employment and leadership</p>	<p>5.5.2: Proportion of women in managerial positions</p>	<p><i>Target 5.5:</i> Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	
<p><b>Impact Intention #4:</b> Support knowledge development and employment</p>	<p>4.3.1: Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months (%)</p>	<p><i>Target 4.3:</i> By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</p>	
	<p>8.5.2: Unemployment rate, by sex, age and persons with disabilities (%)</p>	<p><i>Target 8.5:</i> By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p>	



# Impact Intentions: Financing

To assess development gaps relative to the UN SDGs, Mongolia's performance across in-scope sector indicators was benchmarked against that of peer countries eligible to borrow from the World Bank. The charts below illustrate how Mongolia compares with this peer group across selected UN SDGs indicators.<sup>7</sup>

## Financing

### Impact Intention 1: Augment Green and Sustainable Loan Portfolio

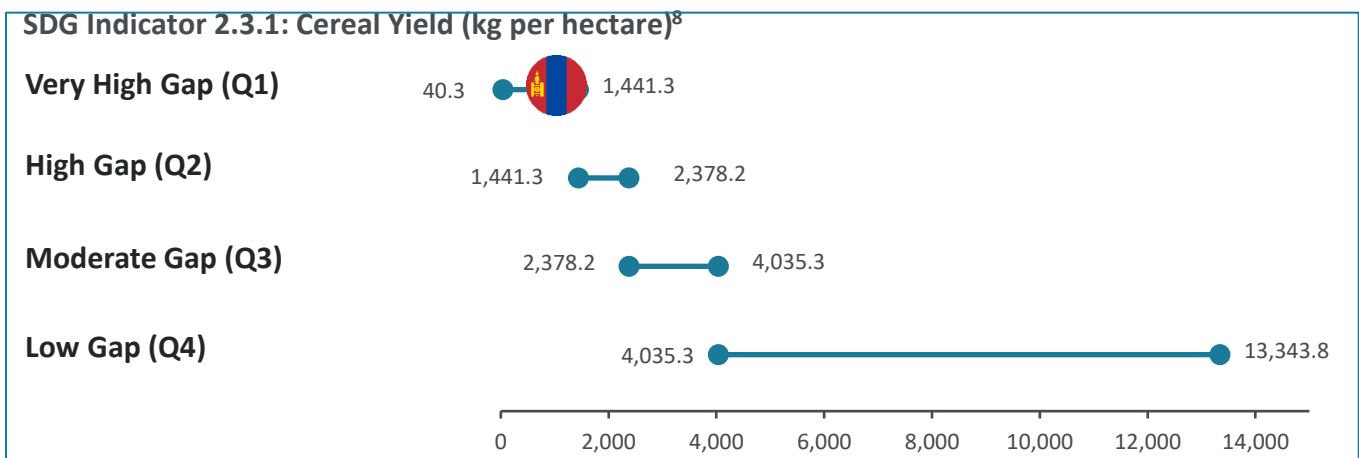
Golomt Bank aims to achieve incremental positive impacts in Mongolia through its financing activity and augmenting its green loan portfolio, including:

- Increasing the Bank's green loan portfolio to comprise 10% of the total loan portfolio by 2030, from a baseline of 3.6% in 2024. The green loan portfolio comprises the following components:
  - Renewable energy
  - Low-carbon transportation
  - Green Building
  - Low-pollution energy
  - Energy saving
  - Sustainable agriculture, land use, forestry and eco-tourism
  - Sustainable water and waste management
  - Pollution prevention and reduction
- Through this green loan portfolio and by scaling the volume of green financing, Golomt Bank intends to focus on achieving the following development outputs and outcomes, against which the Bank expects to monitor and report:
  - Through financing renewable energy, low pollution energy, energy efficiency, green buildings (defined as buildings that are designed to meet recognized criteria of the International EDGE and LEED standards, as well as national BestGER standard), pollution prevention and control, and clean transport, the Bank will aim to finance projects expected to reduce energy consumption and associated GHG emissions at the asset level.
  - Through financing sustainable agriculture, land use, forestry and eco-tourism, Golomt Bank aims to lend to an increased number of smallholder farmers, increase the overall agricultural yield, and expand the proportion of land under sustainable management.
  - Through financing sustainable water and waste management projects, the Bank aims to facilitate financed-portfolio sustainable water resource management improvements of approximately 5% by 2030 and approximately 10% by 2050 from 2022 baseline, by focusing on particularly water-intensive loans, and to decrease the waste generated by its loan portfolio.

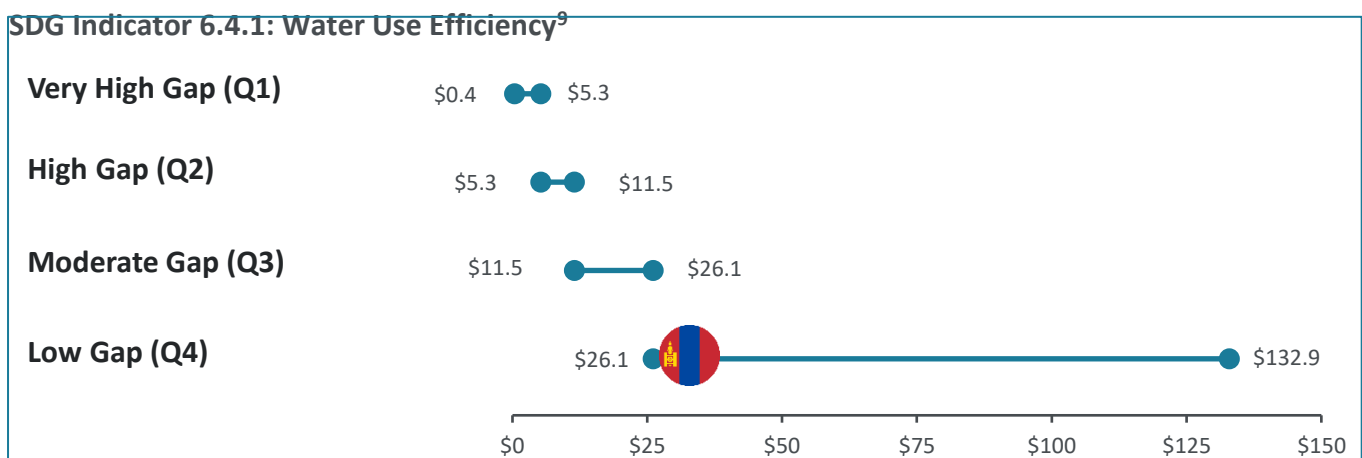
<sup>7</sup> Indicators are leveraged from the World Bank's World Development Indicators, the UN SDGs Indicators Database and / or other authoritative third-party sources. The most recent statistics available have been used for the assessment.

# Impact Intentions: Financing

■ Through Golomt Bank’s impact intentions, the Bank intends to contribute to the following SDG Targets:



Per the chart above, the cereal yield in Mongolia is 1,295.5 kg per hectare, which is below the median of 2,378.2 kg per hectare, indicating a **very high** development gap versus peer countries.



Per the chart above, every cubic meter of water use generates US\$ 27.0 of value add to the economy in Mongolia, which is above the median of US\$ 11.5 per cubic meter of water use, indicating a **low** development gap versus peer countries.

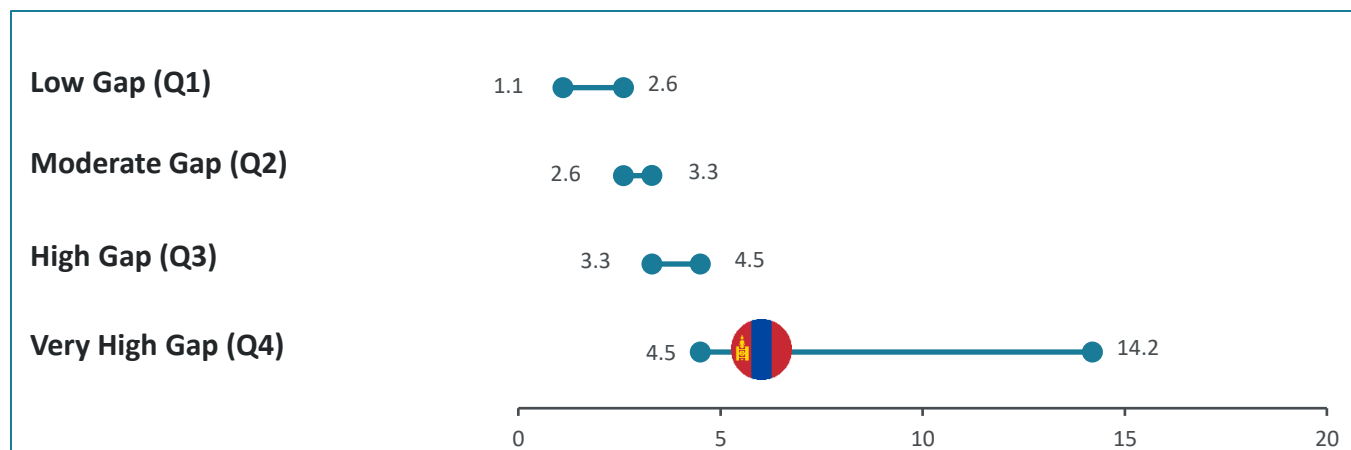
<sup>8</sup> Cereal yield was used as a proxy indicator from World Bank Data, as there was insufficient data for SDG Indicators related to SDG Target 2.3. Source: World Development Indicators. Data retrieved from World Bank’s database on April 8, 2026 (n=132).

<sup>9</sup> Source: Food and Agriculture Organisation of United Nations (FAO). Data retrieved from UNSTATS’ database on April 15, 2026 (n=112).



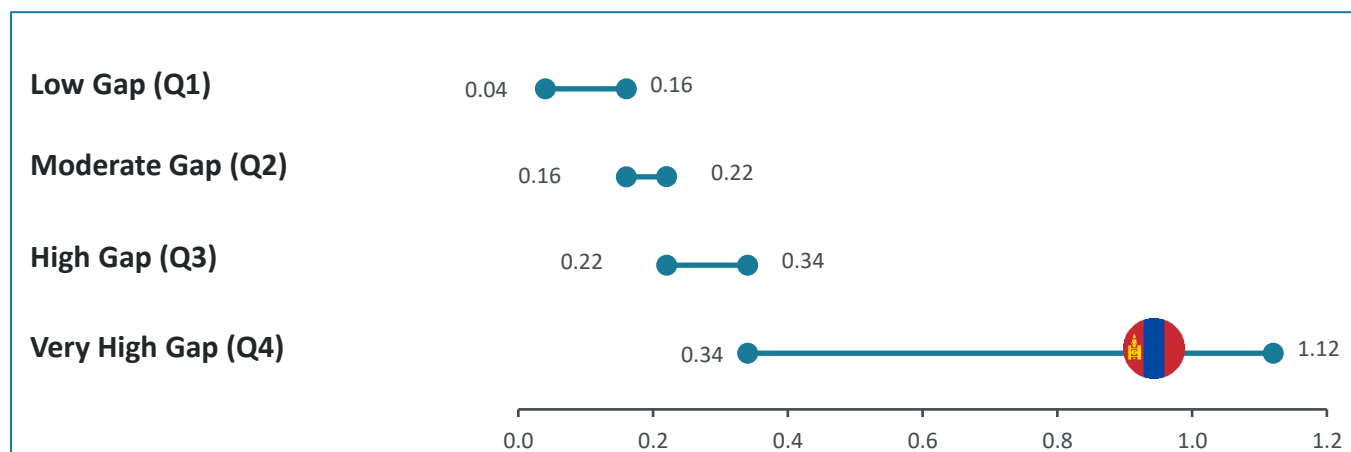
# Impact Intentions: Financing

## SDG Indicator 7.3.1: Energy intensity level of primary energy<sup>10</sup>



Per the chart above, the energy intensity level of primary energy (megajoules per constant 2021 purchasing power parity GDP) in Mongolia is 5.6, which is above the median of 3.3, indicating a **very high** development gap versus peer countries.

## SDG Indicator 12.2.1: Total Municipal Solid Waste generated per annum per capita (metric tons)<sup>11</sup>



Per the chart above, the municipal solid waste (MSW) per capita per year in Mongolia is 0.96, which is above the median of 0.22, indicating a **very high** development gap versus peer countries.

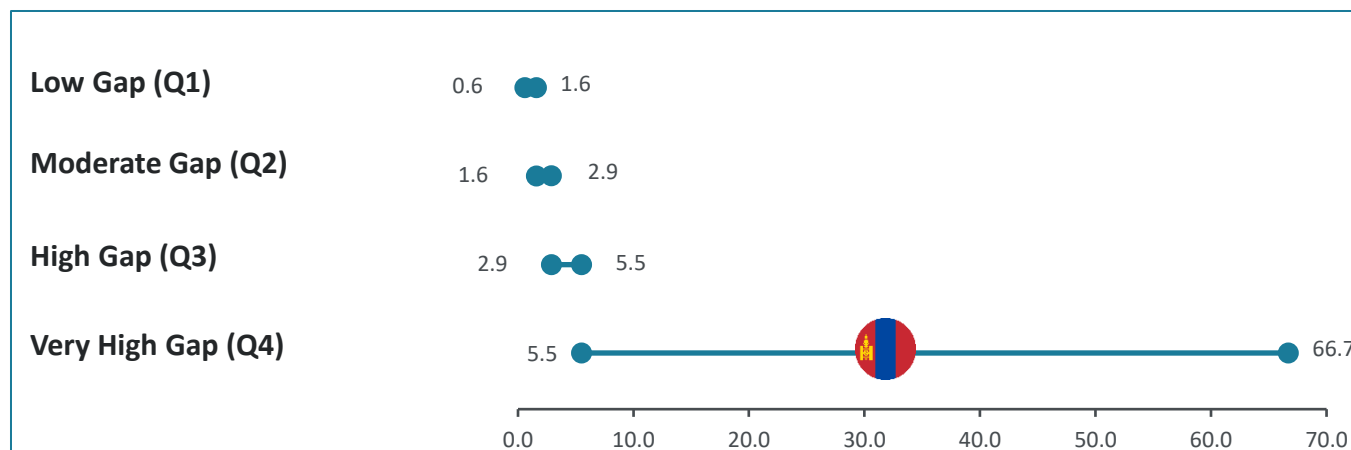
<sup>10</sup> Source: Energy Balances, UN Statistics Division (2025); IEA (2025), World Energy Balances; IEA (2025), World Energy Balances; Energy Balances, UN Statistics Division (2025). Data retrieved from UNSTATS' database on April 15, 2026 (n=128).

<sup>11</sup> Source: What-a-Waste-Global-Database. Data retrieved from What-a-Waste-Global-Database on January 20, 2026 (n=142).



# Impact Intentions: Financing

## SDG Indicator 13.2.2: CO2 emissions (metric tons per capita)<sup>12</sup>



Per the chart above, emissions generated in Mongolia are 31.0 tCO<sub>2</sub>e per capita, which is higher than the median of 2.9 tCO<sub>2</sub>e per capita, indicating a **very high** development gap versus peer countries.

### Theory of Change:

- Mongolia faces significant challenges related to desertification, with 77% of the country’s land classified as degraded due to overgrazing, climate change, and unsustainable pasture practices. In addition, crop yields fell 40% in 2025 compared with the prior five-year average, partially driven by dry weather conditions and abnormally high temperatures.<sup>13</sup> Golomt Bank’s green and sustainable loan portfolio directly finances sustainable agriculture, with the aim of helping to increase agricultural productivity while minimizing land degradation. Approximately 40% of Mongolia’s economy depends on water-intensive sectors, yet the country faces declining water availability due to rising demand, climate change, and pollution.<sup>14</sup> The Bank’s focus on financing water-intensive industries and activities within the value chain, particularly with the goals of reducing water consumption, directly helps alleviate the country’s growing water-scarcity challenge. Furthermore, around 90% of Mongolia’s energy supply comes from coal-fired power plants, while livestock-related activities account for roughly half of national greenhouse gas emissions.<sup>15</sup> Financing renewable energy, energy efficiency, and green buildings will help lower energy consumption and reduce associated greenhouse gas emissions. Lastly, landfill waste is prevalent in urban areas across Mongolia, serving as a major source of air, soil, and water pollution.<sup>16</sup> By prioritizing projects that reduce waste generation, the Bank supports efforts to address this environmental challenge.

<sup>12</sup> Source: EDGAR - Emissions Database for Global Atmospheric Research database. Data retrieved from EDGAR 2024 database on January 20, 2026 (n=138).

<sup>13</sup> United Nations Development Programme (UNDP, 2024), For a Thriving Mongolia: The Fight Against Biodiversity Loss, Climate Change, and Desertification.

<sup>14</sup> Organisation for Economic Co-operation and Development (OECD, 2025), Water Demand Management in Mongolia — Highlights of a National Dialogue on Water.

<sup>15</sup> United Nations Framework Convention on Climate Change (UNFCCC, 2025), Nationally Determined Contribution (NDC 3.0) of Mongolia, UNFCCC Submission.

<sup>16</sup> United Nations Development Programme (UNDP, 2023), Recycling Champions Born Out of Hope and Hard Work, UNDP Story.



# Impact Intentions: Direct Operations

In addition to the impacts that Golomt Bank aims to achieve through its loan portfolio, the Bank also aims to achieve incremental impacts with regards to its direct operational sustainability.

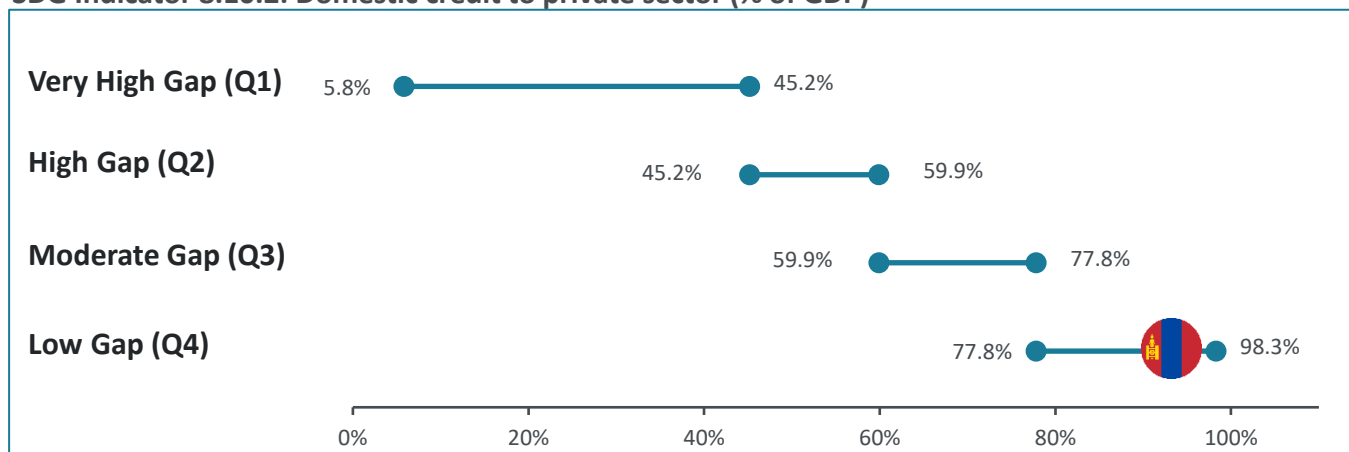
## Impact Intention 2: Increase Access to Financial Services

To expand access to financial services in Mongolia, Golomt Bank aims to:

- Extend financial services and products to new customer bases, focusing primarily on rural businesses and SMEs loan portfolio with special emphasis on women-owned businesses.
- Promote digital banking services such as digital wallets and smart payments to modernize and expand digital customer base.

Through Golomt Bank’s impact intentions, the Bank intends to contribute to the following SDG Targets:

### SDG Indicator 8.10.2: Domestic credit to private sector (% of GDP)<sup>17</sup>



Per the chart above, the proportion of adults (15 years and older) with an account at a financial institution or mobile-money-service provider in Mongolia is 98.3%, which is above the median of 59.9% among peer countries, indicating a **low** development gap versus peer countries.

**Theory of Change:** Nearly half of Mongolia’s population lives outside the capital in nomadic or rural communities with limited access to formal financial infrastructure,<sup>18</sup> leaving many individuals and businesses unbanked or underbanked. This underserved demographic includes herders, students and young people, female entrepreneurs, and SMEs, who face barriers ranging from geographic isolation<sup>19</sup> to collateral constraints and gender biases in lending.<sup>20</sup> As a result, large segments of these groups remain outside the formal banking system: women own over 60% of Mongolia’s small businesses yet account for only 14% of bank business loans, and roughly half of all SMEs receive no financing from banks.<sup>21</sup> The country’s “Digital Nation” initiative launched in 2020 embodies an effort to close these gaps, aiming for 90% nationwide digital transformation by 2026 to harness technology for greater financial inclusion. Digital banking innovations can overcome Mongolia’s geographic constraints by delivering services remotely; for example, by developing offline-capable mobile banking applications to reach pastoral herder communities that lack reliable internet connectivity.<sup>22</sup> By bringing previously excluded populations into the formal financial system, such interventions enable households and entrepreneurs to save securely, invest in education or businesses, and better manage financial risks, thereby reducing poverty and strengthening economic resilience.<sup>23</sup> Accordingly, extending financial services to new customer bases via digital channels is expected to bridge Mongolia’s persistent urban–rural divide in access and close

<sup>17</sup> Source: The World Bank (2025). Global Findex Database (https://www.worldbank.org/en/publication/globalfindex). Data retrieved from UNSTATS’ database on April 15, 2026 (n=100).<sup>18</sup> Richie Santosdiaz, “Mongolia’s Fintech Future: Building a Digital Economy in a Land of Contrasts,” The Fintech Times, August 24, 2024. <sup>19</sup> International Finance Corporation (IFC), “IFC is Providing \$30 Million to M bank to Increase Digital Lending for Women and Small Businesses in Mongolia,” IFC Press Release, May 8, 2024. <sup>20</sup> Incofin (Invest in Visions), “Digital first, rural always: How Khan Bank is scaling inclusion across Mongolia,” Incofin press release/impact story, October 29, 2025. <sup>21</sup> International Finance Corporation (IFC), “IFC is Providing \$30 Million to M bank to Increase Digital Lending for Women and Small Businesses in Mongolia,” IFC Press Release, May 8, 2024. <sup>22</sup> Lexica News, “From Traditional to Digital: Mongolia’s Banking Revolution Transforms Financial Services (2020-2025),” November 3, 2025. <sup>23</sup> “Impact of financial inclusion on poverty reduction in Asian economies,” Discover Sustainability 7 (2026): Art. 395, published February 11, 2026.

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# Impact Intentions: Direct Operations

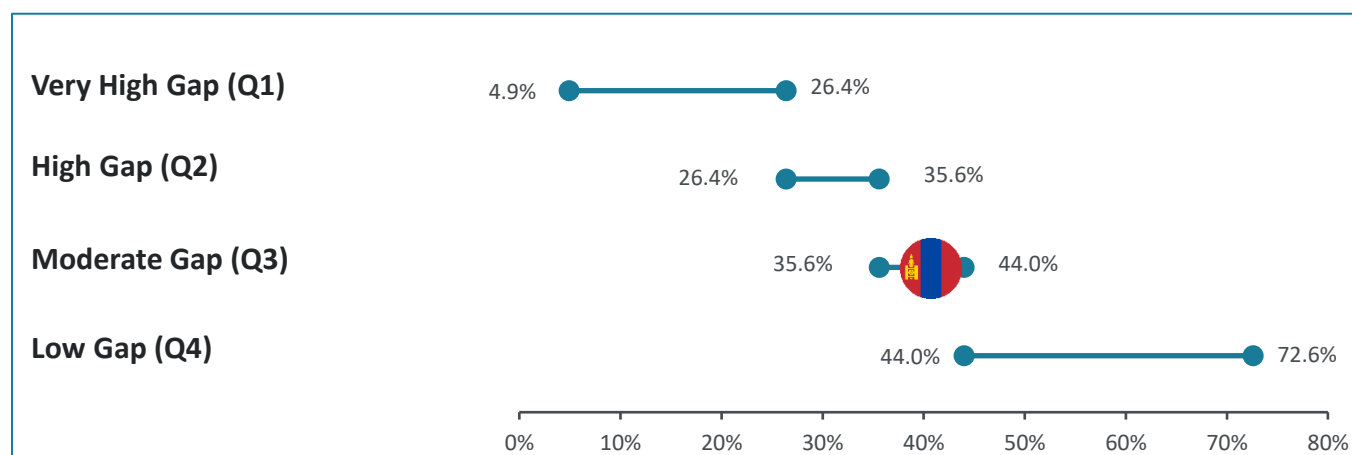
## Impact Intention 3: Promote Female Employment and Leadership

To address the gaps related to female employment and leadership, Golomt Bank aims to:

- Maintain a balanced proportion of female representation on the management team and leadership.
- Maintain a high proportion of female representation in total employment.

Through Golomt Bank’s impact intentions, the Bank intends to contribute to the following SDG Targets:

### SDG Indicator: 5.5.2: Proportion of women in managerial positions (%)<sup>24</sup>



Per the chart above, the proportion of women in managerial positions in Mongolia is 43.5%, which is above the median of 35.6%, indicating a **moderate** development gap versus peer countries.

### Theory of Change:

- Mongolia faces persistent gender disparities in employment and leadership that hinder its economic potential. Women of working age are around 15% less likely to be employed than men and earn on average 25% less, despite now outnumbering men in higher education.<sup>25</sup> Maintaining a balanced portfolio of female workforce directly addresses these gaps by empowering more women with quality jobs and leadership opportunities. Gender-diverse management teams leverage a wider range of perspectives, leading to better decision-making, innovation, and productivity; indeed, companies with at least 30% women in leadership have been shown to achieve about a 6% higher net profit margin on average.<sup>26</sup> Likewise, employing women at scale helps narrow the labour force participation gap and boosts household incomes, aligning with Mongolia’s Vision 2050 goal to raise overall labour participation to 70% by 2050.<sup>27</sup> Broadly, bringing more women into the workforce and into decision-making roles can improve productivity and innovation, increase economic resilience, and drive inclusive growth. An Asian Development Bank study estimates that eliminating the gender gap in workforce participation could expand Mongolia’s GDP by about 16% over the next 30 years.<sup>28</sup> Therefore, elevating women in management and sustaining a high female employment share is a powerful strategy to close development gaps – fostering greater productivity, innovation, and economic resilience for Mongolia’s long-term growth and social progress.

<sup>24</sup> Source: HIES - Households Living Conditions Survey; LFS - Labour Force Survey; LFS - Employment Survey; ILO modelled estimates, Nov. 2025 and others. Data retrieved from UNSTATS’ database on April 15, 2026 (n=115).

<sup>25</sup> Source: World Bank (2024), Mongolia Gender Assessment.

<sup>26</sup> Source: World Economic Forum (2018), How gender diversity enhances society.

<sup>27</sup> Source: Montsame Mongolia, Parliament approves “Vision – 2050” long-term policy document.

<sup>28</sup> Source: Asian Development Bank (2021), Working towards a women-focused pandemic recovery.



# Impact Intentions: Direct Operations

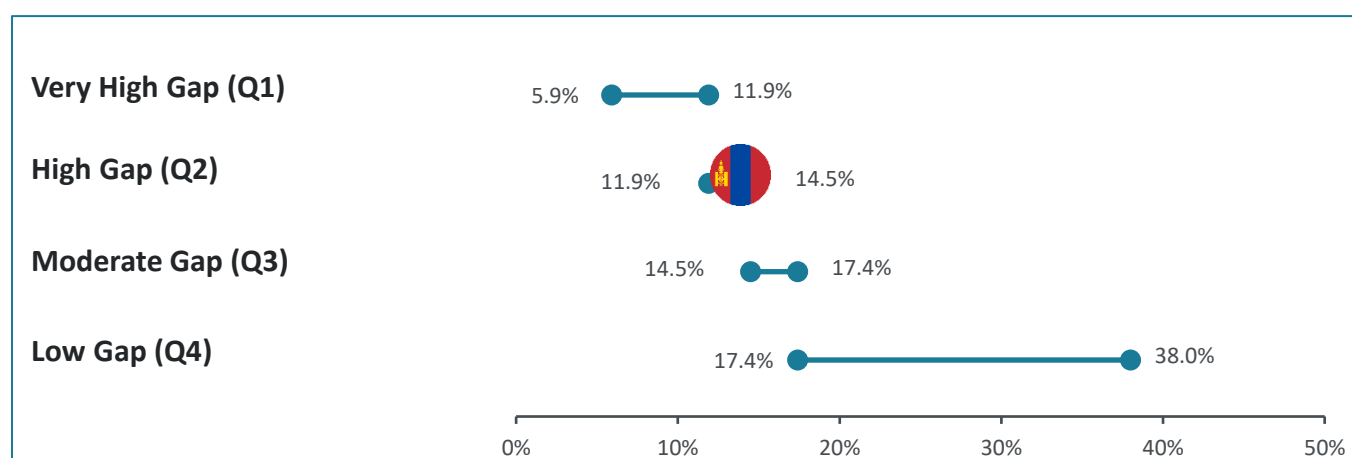
## Impact Intention 4: Support knowledge development and employment

To support knowledge development and employment in Mongolia, Golomt Bank intends to:

- Continue to provide annual learning to the Bank’s employees on technology, information security, personal finance, sustainable development.
- Support direct employment by continuing to hire new employees, with increasing support for recent graduates.

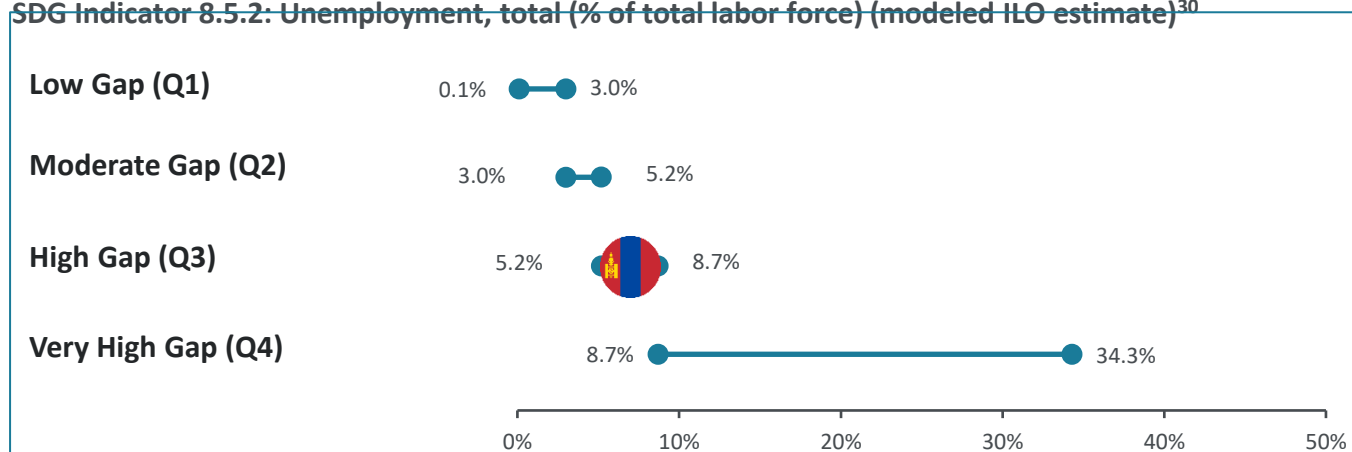
Through Golomt Bank’s impact intentions, the Bank intends to contribute to the following SDG Targets:

### SDG Indicator 4.3.1: Firms offering formal training (% of firms)<sup>29</sup>



Per the chart above, the participation rate in formal and non-formal education and training in Mongolia is 13.6%, which is below the median of 14.5%, indicating a **high** development gap versus peer countries.

### SDG Indicator 8.5.2: Unemployment, total (% of total labor force) (modeled ILO estimate)<sup>30</sup>



Per the chart above, the unemployment rate in Mongolia is 5.8%, which is above the median of 5.2%, indicating a **high** development gap versus peer countries.

<sup>29</sup> Source: UIS based on AFG - HIES - Households Living Conditions Survey; UIS based on AFG - LFS - Labour Force Survey; UIS based on ALB - LFS - Labour Force Survey; UIS based on AGO - LFS – Employment Survey and others. Data retrieved from UNSTATS’ database on April 15, 2026 (n=117).

<sup>30</sup> Source: HIES - Households Living Conditions Survey; LFS - Labour Force Survey; LFS - Employment Survey; ILO modelled estimates, Nov. 2025 and others. Data retrieved from UNSTATS’ database on April 15, 2026 (n=122).



# Impact Intentions: Direct Operations

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## **Impact Intention 4: Support knowledge development and employment**

### **Theory of Change:**

- Mongolia currently faces a systemic human capital paradox where a young, educated urban population is hampered by a 53% skills mismatch and high youth unemployment despite robust GDP growth driven by the mining sector.<sup>31</sup> By providing annual employee learning, the Bank directly mitigates the "skills gap" that the World Bank identifies as a primary barrier to private sector innovation and green competitiveness in the region.<sup>32</sup> This commitment to lifelong learning is grounded in Human Capital Theory, which characterizes training as a strategic investment that upgrades productive capacity and efficiency, facilitating the economic diversification required to move beyond commodity dependency.<sup>33</sup> Concurrently, supporting direct employment with increasing support to recent graduates provides a vital entry point for "educated young persons" who the International Labour Organization ("ILO") notes suffer from long durations of unemployment in urban centres like Ulaanbaatar.

<sup>31</sup> Asian Development Bank (2025). Asian Development Outlook (ADO): Mongolia Economic Growth and Mining Prospects.

<sup>32</sup> World Bank (2024). Boosting Mongolia's Private Sector and Green Competitiveness.

<sup>33</sup> International Labour Organization (ILO). Growth, Structural Change and Employment: Mongolia's Economic Strategy.



# Policies and Procedures

To mitigate environmental and social risks, Golomt Bank applies its [Sustainable Development Policy](#) and strives to adhere to applicable international standards.

- Golomt Bank’s Sustainable Development Policy incorporates environmental and social responsibility and risk management into its internal operations, credit operations, marketing efforts, training and development initiatives and human resource practices.
  - The Bank’s Sustainable Development Committee convenes on a half year basis to oversee and manage the implementation of the Bank’s sustainable development strategy, ensure alignment with the Paris Agreement, and enhance supervision and reporting
- In 2022, Golomt Bank approved and implemented its “Internal Procedures for Environmental and Social Risk Assessment,” which made procedural improvements to identify unacceptably high risks within the E&S framework, developed specialized assessment models for over 400 economic sectors and introduced a green loan assessment model that places significant emphasis on E&S risk assessment.
- In 2024, Golomt Bank conducted 2,321 E&S risk assessments under the updated E&S risk assessment regulation. The assessment result is embedded in the loan approval process and is an integral part of the Credit Operations Procedures to be prepared for the credit committee and clients. This framework enables the Bank to systematically identify and manage risks related to:
  - Environmental (air, soil, water, biodiversity – protected areas and river basins, and regeneration).
  - Social (HSE – health, safety, and environment, human rights, stakeholders’ engagement, and cultural heritage).
  - Climate change (natural disaster management).
- In addition, Golomt Bank applies climate scenario analysis to understand the Bank’s exposure to strategic, financial and non-financial risks arising from climate change. In 2024, the Bank submitted preliminary climate scenarios to the Bank of Mongolia in line with the Network for Greening the Financial System guidelines and assessed its portfolio across 21 ISIC sectors on financed Scope 1, 2, and 3 GHG emissions. The Bank’s fossil fuel phase-out strategy is aligned with the 3 climate scenarios - “Continuity of current policy,” “Certain global warming below 2°C,” and “Delay the transition,” – as defined in the SDG 7 Roadmap for Mongolia published by the United National Economic and Social Commission for Asia and the Pacific.
- Moreover, Golomt Bank became a member of the “Partnership for Carbon Accounting Financials,” in February 2023, an international standards organization that focuses on calculating GHG emissions and have initiated implementation of this methodology into the Bank’s loan assessments.
- Additionally, Golomt Bank has in place the body of internal policies and procedures related to compliance and internal control, such as the Bank’s Anti-Bribery Policy Statement, Anti-Fraud Policy and Anti-Money Laundering and Terrorist Financing Policy.



# Reporting Table

To increase transparency around Golomt Bank’s progress against the Bank’s development intentions, Golomt Bank expects to report its realized values on the metrics below through the Bank’s annual Sustainability Report published on the Bank’s website. No information contained on the Bank’s website (including any Sustainability Report published therein) is incorporated by reference into the Offering Memorandum. Golomt Bank has committed to track and report on the below metrics annually:

Indicator <sup>34</sup>	Development outputs and outcomes					Target	Year
	2022	2023	2024	2025			
<b>Green Loan Portfolio — Financing</b>							
Green loan proportion of total portfolio (%)	2.70	3.80	3.60	4.90	10	2030	
Renewable Energy (%)	0.07	0.00	0.00	0.57			
Low Pollution Energy (%)	0.00	0.41	0.11	0.00			
Energy Saving (%)	0.05	52.41	64.35	68.76			
Green Building (%)	57.38	0.00	0.00	0.08			Targets not available but realized values to be reported
Pollution Prevention and Control (%)	0.00	0.00	0.45	0.30			
Sustainable Agriculture, land use, forestry and eco-tourism (%)	20.87	41.89	21.92	24.21			
Sustainable water and waste management (%)	20.43	4.62	11.26	4.93			
Low-carbon transportation (%)	1.20	0.66	1.91	1.15			
<b>Access to Financial Services</b>							
Total customers gaining access to digital banking services (#)	N/A	N/A	936,286	1,042,771			
MSMEs customers serviced (#)	0	0	96,005	100,751			Targets not available but realized values to be reported
Customers with 2 or more active financial products from Bank (#)	0	0	458,425	508,773			Targets not available but realized values to be reported
Annual training to entrepreneurs on ESG topics (#)	N/A	N/A	21	56			
<b>Female Employment and Leadership</b>							
Female representation in management (%)	77	58	42	42			Targets not available but realized values to be reported
Female representation in total employment (%)	65	69	70	70			Targets not available but realized values to be reported

<sup>34</sup> Where no target value or target year is provided, Golomt Bank has not established a target but has committed to ongoing annual reporting on this metric. Golomt Bank also expects to report annually on the metrics where a target is provided.



# Reporting Table

Golomt Bank has committed to track and report on the below metrics annually:

Development outputs and outcomes						
Indicator	2022	2023	2024	2025	Target	Year
<b>Access to Financial Services</b>						
Learning provided to employees ( <i>total hours</i> )	112,588	164,738	194,848	73,776	Targets not available but realized values to be reported	
New employees hired ( <i># of employees</i> )	600	750	880	440		
<b>Operational GHG Emissions</b>						
GHG emissions reduction ( <i>tCO2e</i> ) <sup>35</sup>	N/A	1,265,941	1,876,857	2,363,266	Targets not available but realized values to be reported	
Scope 1 emissions ( <i>tCO2e</i> )	N/A	231,794	96,165	234,961	164,823	2030
Scope 2 emissions ( <i>tCO2e</i> )	N/A	1,160	4,910	1,012	117,730 <b>2050</b>	
Scope 3 emissions – Upstream ( <i>tCO2e</i> )	N/A	2,507	2,448	2,015		
Scope 3 financed emissions, category 15 Intensity – Loans and advances to customers ( <i>tCO2e/mln.MNT</i> )	N/A	0.12	0.13	0.11	0.08	2030
					0.06	2050
Scope 3 financed emissions, category 15 – Loans and advances to customers ( <i>tCO2e</i> )	N/A	447,590	728,506	662,926	Targets not available but realized values to be reported	
Scope 3 financed emissions, category 15 Investments in the form of debt and equity ( <i>tCO2e</i> )	N/A	582,892	1,044,829	1,462,352		
Proportion of GHG emissions offset by planting trees (%)	2.60	N/A	0.09	0.09		
<b>Operational Sustainability</b>						
Electricity consumed ( <i>kilowatts</i> ), offices	1,379,706	1,181,445	1,066,481	953,961	Targets not available but realized values to be reported	
Water consumed ( <i>m<sup>3</sup></i> ), offices	7,349	7,581	6,934	10,784		
Paper waste ( <i>kilograms</i> )	143	171	415	218		
Waste transported for recycling ( <i>tons</i> )	N/A	1.05	1.57	1.11		
Total waste generated ( <i>metric tons</i> )	N/A	1,682	1,917	1,360		

<sup>35</sup> Reduction targets represent 30% reduction by 2030 and 50% reduction by 2050, covering Scope 1, 2 and 3 (upstream and category15 financed emissions) from 2023 baseline value of 1,266,454tCO2e.



# Appendix A

## DISCLAIMER: READ IN CONJUNCTION WITH SUSTAINABLE DEVELOPMENT IMPACT DISCLOSURE

JPMorgan Chase & Co. Development Impact Advisory team (the “JPM DIA”) has prepared the Sustainable Development Impact Disclosure (the “SDID”) to which this Appendix is attached in accordance with the Impact Disclosure Guidance (the “Guidance”). The Guidance is employed to perform an ex-ante assessment of the developmental impact of Transaction in which JPMorgan Chase & Co. and/or its affiliates (collectively referred to herein as “J.P. Morgan”) participate, including the Transaction referenced in the SDID. Capitalized terms used but not defined in this Appendix have the meanings assigned thereto in the SDID.

This Sustainable Development Impact Disclosure does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, any securities or any other financial product. The SDID has been prepared solely to assist recipients in evaluating the anticipated developmental impact of the Transaction based on the Guidance. Certain aspects of the Guidance are subjective in nature or require judgment. The SDID does not purport to be all-inclusive or to contain all of the information that any recipient may consider material or desirable in making its own assessment regarding the Transaction and whether it assesses the Transaction’s development impact for such recipient’s individual purposes. Factors and information which were considered relevant by JPM DIA in making such determinations may not be suitable or appropriate for, or be considered relevant by, any recipient for such recipient’s own assessment of whether the Transaction constitutes or meets the criteria for development finance. Each recipient of this SDID should therefore take such steps as it deems necessary to ensure that it has the information it considers material or desirable and should perform its own independent investigation and analysis of the Transaction. The information contained herein (a) is not a substitute for a recipient’s independent evaluation and analysis and (b) should not be considered as a recommendation by JPM DIA or any J.P. Morgan entity that any recipient participate in the Transaction as a provider of development finance or as to whether the Transaction achieve any particular development finance criteria or requirement to which it may be subject.

As used herein “Evaluation Materials” means all information pertaining to the Bank, the Transaction or the intended use of proceeds furnished or communicated to JPM DIA or any J.P. Morgan entity by or on behalf of the Bank in connection with the Transaction (whether prepared or communicated by the Bank, their respective advisors or otherwise) including, without limitation, publicly available information. Any assessment of the Transaction regarding its development impact of the Transaction and its intended use of proceeds (including market commentary, market data, observations and the like) is based on the Evaluation Materials.

By reviewing the SDID, each recipient acknowledges and agrees that JPM DIA received the Evaluation Materials from or on behalf of the Bank or publicly available sources and the SDID is provided to recipient for informational purposes only, and neither JPM DIA, nor any J.P. Morgan entity has any responsibility, and shall not be liable, for the accuracy or completeness or lack thereof of the Evaluation Materials or any information contained therein or their suitability or otherwise for use in connection with the SDID. Neither JPM DIA nor any J.P. Morgan entity has made any independent verification as to the accuracy or completeness of the Evaluation Materials or their suitability or otherwise for use in connection with the SDID.

The SDID has been prepared, in part, based on certain forward-looking statements and projections provided by the Bank related to the Transaction and its intended use of proceeds. Any such statements and projections reflect various estimates and assumptions by the Bank concerning anticipated results of the Transaction and the intended use of proceeds. No representations or warranties are made by JPM DIA or any J.P. Morgan entity as to the accuracy of any such statements or projections. Whether or not any such forward looking statements or projections are in fact achieved will depend upon future events some of which may not be within the control of the Bank. Accordingly, actual results may vary from the projected results and such variations may be material.

There is currently no market consensus on what precise attributes are required for a particular financing to be defined as ‘development’, and therefore no assurance can be provided to recipients that the Transaction will satisfy, whether in whole or in part, any expectations or requirements of any recipient or any present or future expectations or requirements with respect to development finance. Neither JPM DIA nor any J.P. Morgan entity makes any representations or assurances as to whether and are not responsible for ensuring that (a) the characterization of the Transaction as development finance or the level of its expected development intensity rating impact will (i) comport with any recipient’s definition of development finance, (ii) meet any recipient’s criteria and expectations with regard to developmental impact, or (iii) comport with the characterization or definitions used by any other development finance institution in the public or private sectors or (b) the proceeds of the Transaction will in fact be used for eligible development finance projects.

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