

# GREEN & SOCIAL BOND REPORT

IMPACT & ALLOCATION



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JUNE 1, 2026

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## CEO FOREWORD



At Golomt Bank, our purpose is to invest for a brighter future. Guided by our mission, we are committed to supporting Mongolia's development and contributing to the well-being of every citizen. Over the past 30 years, we have continuously listened to the needs of our customers, communities, partners, and shareholders, seeking opportunities to create lasting value. By embedding these insights across all levels of our business, we strive to lead our sector responsibly and deliver sustainable growth that benefits both society and future generations.

On January 02, 2025, Golomt Bank successfully issued a USD 50 million green and social bond at a 5-year maturity with a coupon of 8% in international market. This bond stands out as the most cost-effective issuance from corporate Mongolia in the global market, combining long-term financing with an attractive interest rate. This milestone is a major step forward in our long-term financing strategy and supports Mongolia's sustainable development goals.

The proceeds from this green & social bond were allocated to renewable energy, energy efficiency, pollution reduction, and other environmentally friendly projects. As we build on this momentum, innovation and collaboration across the Bank continue to shape how we deliver for our stakeholders. But long-term success is also rooted in the responsibility we share to help more sustainable future – for our clients, our people and the communities we are part of. Our efforts remain anchored in our ambition to position Golomt as a global benchmark in sustainability.

We are thrilled for this opportunity to share with our investors and other stakeholders Golomt Bank's contribution in advancing green economic transition and achieving the Sustainable Development Goals (SDGs) in the country.

ODONBAATAR AMARZAYA  
CHIEF EXECUTIVE OFFICER

## GOALS & TARGETS FOR 2030 & 2050

Golomt Bank is committed to aligning its financing and investment activities with the Paris Agreement, aiming to limit global warming to well below 2 degrees Celsius above pre-industrial levels, and to limiting it to 1.5 degrees Celsius. Therefore, in line with Mongolia's Nationally Determined Contribution (NDC), we are working to achieve ambitious targets of reducing greenhouse gas emissions from our total loan portfolio and our own operations by 30% and 50%, respectively, by 2030 and 2050.

### #1 GOAL: REDUCING NEGATIVE IMPACTS ON THE CLIMATE

REDUCING GREENHOUSE GAS EMISSIONS

▼ 30% ▼ 50%

by 2030 by 2050

### #2 GOAL: REDUCING NEGATIVE IMPACTS ON WATER RESOURCES

STRENGTHENING WATER RESOURCE MANAGEMENT

▼ 5% ▼ 10%

by 2030 by 2050

### SUSTAINABLE, GREEN FINANCE

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 to achieve their decarbonization targets and other sustainability goals by scaling up our sustainable and green business loan offerings.

Second-Party Opinion Golomt Bank's  
Green & Social Bond Framework



## GREEN & SOCIAL BOND Overview

### Rationale for green & social bond issuance

- **GHG emissions reduction:** By 2025 Golomt Bank aims to increase its sustainable and green loan portfolio to 4.5% (2030: 10%) of its total loan portfolio. This growth will enable partnerships with businesses and projects that prioritize environmental and social sustainability.
- **Job creation and retention:** By financing the transition to a green economy, the bank will support creation of new jobs specifically for women, promoting gender equality.
- **Economic development:** Investments in green infrastructure and innovation will diversify Mongolia's economy and promote sustainable development. This will help position Mongolia as a leader in sustainable practices in the region, contributing to long-term economic growth.

### External review

- Social Bond Principles (ICMA)<sup>1</sup>, 2023
- Social Loan Principles LMA<sup>2</sup>/LSTA<sup>3</sup>/APLMA<sup>4</sup>, 2023
- Green Bond Principles (ICMA), 2021 (with June 2022 Appendix 1)
- Green Loan Principles LMA/LSTA/APLMA, 2023
- Sustainability Bond Guidelines (ICMA), 2021

## USE OF PROCEEDS

### Green project categories:

- (Re)financing of Renewable energy – Energy Generation
- (Re)financing of Renewable Energy – Energy Storage Technologies/ Equipment support the above
- (Re)financing of Renewable Energy – Transmission and Distribution
- (Re)financing of Energy Efficiency
- (Re)financing of Green building
- (Re)financing of Pollution prevention and control
- (Re)financing of Sustainable use of waste, water, and wastewater management
- (Re)financing of Environmentally sustainable management of living natural resources and land use
- (Re)financing of Clean transportation

### Social project categories:

- (Re)financing of Affordable housing
- (Re)financing of Access to essential services - Basic infrastructure
- (Re)financing of Access to essential services – Health
- (Re)financing of Access to essential services – Education
- (Re)financing of Food security and sustainable food systems
- (Re)financing of Socioeconomic advancement and empowerment

## GREEN & SOCIAL PROJECT EVALUATION & SELECTION

- Dedicated Governance of credit committee approves the green or social projects
- Loan applications were verified by sustainable finance team within the eligible criteria
- Green & Social projects must undertake environmental & social risk assessment

### Management of Proceeds

- Proceeds managed on a green portfolio basis by quarterly
- Golomt bank intends to be fully allocated at issuance for the envisaged inaugural Green & Social Bond

### Reporting

- First report maximum 1 year after the issuance of the envisaged inaugural Green Bond
- Annual Green Bond Report including allocation & impact reports

### Summary of issuances

On January 02, 2025, Golomt Bank issued a USD 50 million green and social bonds, listed on the Luxembourg Stock Exchange (LuxSE), known for its diverse range of financial instruments and commitment to sustainable finance. KIS Asia, the placement agent working on this deal highlighted that this is the first USD-denominated bond issued globally in 2025, making it particularly significant. The successful issuance reflects international investors' confidence in Golomt Bank's commitment to sustainability and its ability to deliver impactful, long-term financial solutions. With this bond issuance, 6 of the world's top 10 asset management firms ranked by AUM, have invested in Golomt Bank.

Bond	Settlement date	CCY	Amount issued (million USD)	Contract rate - USD	Amount issued (million MNT)	Maturity	Utilization
Green bond	2/10/2025	USD	39.4	3,455	136,302	12/19/2029	100%
Social bond	2/10/2025	USD	9.8	3,455	34,075	12/19/2029	100%
<b>Total</b>			<b>49.3</b>		<b>170,378</b>		<b>100%</b>












<sup>1</sup> International Capital Market Association

<sup>3</sup> Loan Syndications and Trading Association

<sup>2</sup> The Loan Market Association

<sup>4</sup> Asia Pacific Loan Market Association

## GREEN & SOCIAL BOND FRAMEWORK

Use of proceeds	SDG alignment		Golomt Bank's Rationale for green & social bond issuance
Renewable Energy	<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b> 	✓ GHG emissions reduction
+++Energy Efficiency	<b>7 AFFORDABLE AND CLEAN ENERGY</b> 		✓ GHG emissions reduction
Green Building	<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b> 	✓ GHG emissions reduction
Pollution Prevention and Control	<b>3 GOOD HEALTH AND WELL-BEING</b> 	<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	✓ GHG emissions reduction
Sustainable Use of Waste and Wastewater Management	<b>6 CLEAN WATER AND SANITATION</b> 	<b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b> 	✓ Economic development
Environmentally Sustainable Management of Living Natural Resources and Land Use	<b>13 CLIMATE ACTION</b> 	<b>15 LIFE ON LAND</b> 	✓ GHG emissions reduction ✓ Economic development

Clean Transportation	<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b> 	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b> 	✓ GHG emissions reduction ✓ Economic development
Affordable Housing	<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b> 	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b> 	✓ Economic development ✓ Job creation and retention
Access To Essential Services - Basic Infrastructure, Health and Education	<b>3 GOOD HEALTH AND WELL-BEING</b> 	<b>4 QUALITY EDUCATION</b> 	✓ Job creation and retention ✓ Economic development
	<b>5 GENDER EQUALITY</b> 	<b>8 DECENT WORK AND ECONOMIC GROWTH</b> 	
Food Security and Sustainable Food Systems	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b> 		✓ Job creation and retention ✓ Economic development
	<b>2 ZERO HUNGER</b> 		
Socioeconomic Advancement and Empowerment	<b>5 GENDER EQUALITY</b> 	<b>10 REDUCED INEQUALITIES</b> 	✓ Job creation and retention ✓ Economic development

## ELIGIBILITY CRITERIA

- Loans (re)financing existing or new projects
- Any loan that fully aligned with use of proceeds including both Green & Social

### Green bond framework

Project evaluation / Selection Process

#### Governance

- Eligible Green & Social projects need to be aligned with Golomt Banks' internal policies, by following environmental obligations.
- Sustainable Development Committee (SDC) will meet twice a year to address the Green Portfolio & Green, Social Bond matters
- SDC composed of authorized directors and representatives of the top management of the Bank

#### SDC responsibilities

- Review and approve of the Green Reporting
- Monitor compliance with Eligibility Criteria & approve the Green Portfolio
- Monitor changes in the regulation, market, corporate strategy and related impact

## Loan selection



### Allocation of proceeds

- Allocation of Green & Social Bond proceeds to (re)finance Eligible Green & Social projects in accordance with the Eligibility Criteria, and the evaluation and selection process
- Inaugural Green & Social Bond will be fully allocated at issuance

### Portfolio approach

- New Eligible Green & Social projects are included in the portfolio over time and maturing/repaid or non-compliant loans are removed from it

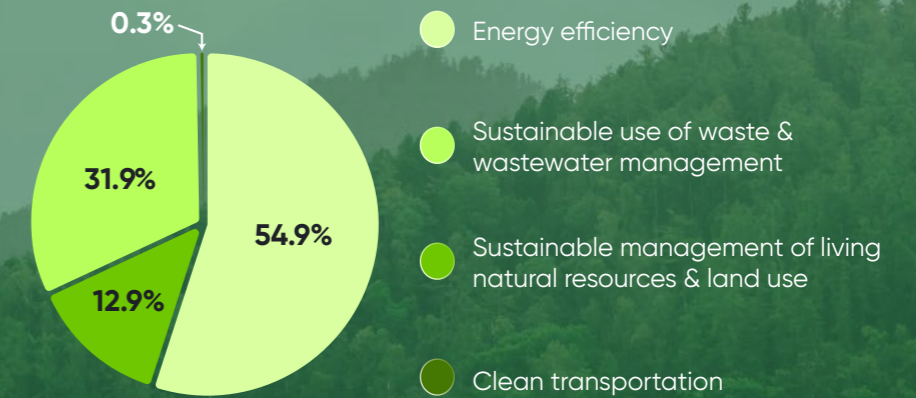
## GREEN LOANS ALLOCATION REPORTING

- Amount of Green Bonds outstanding
- Size of the Green Portfolio, including a breakdown by Eligible Category
- Balance of total allocated proceeds,

Data as of 31 December 2025

Green bonds outstanding amount:  
**39.4\$**  
MILLION USD

Eligible portfolio:  
**39.3\$**  
MILLION USD





Portfolio name	Share of total portfolio financing	Signed amount million MNT	Signed amount million USD
Energy efficiency	55.5%	74,818	21.6
Sustainable use of waste & wastewater management	12.8%	17,653	5.1
Sustainable management of living natural resources & land use	31.4%	43,500	12.5
Clean transportation	0.30%	393	0.1
<b>Total</b>	<b>100%</b>	<b>136,365</b>	<b>39.4</b>

Note: The disbursement amount is MNT 62.32 million more compared to the swapped amount.

## IMPACT REPORTING:

Energy efficiency	SDG addressed	Signed amount	Share of total portfolio financing	Total eligible portfolio	Allocated amount	Average portfolio lifetime	Green indicators / Annual GHG emissions reduced avoided/
	Goal & Target, as relevant	million MNT	%	%	million MNT	year	tonCO2e
Energy efficient products (end user)	7 AFFORDABLE AND CLEAN ENERGY 	30,771	22.57	41.13	30,771	18	891.20
Energy efficient equipment and technology improvement	7 AFFORDABLE AND CLEAN ENERGY 	5,300	3.89	7.08	5,300	7	28.09
Energy efficient building construction	7 AFFORDABLE AND CLEAN ENERGY 	35,247	25.85	47.11	35,247	4.5	678.11
Efficiency improvements in existing commercial, public, residential and industrial buildings	7 AFFORDABLE AND CLEAN ENERGY 	3,500	2.57	4.68	3,500	6.9	8.90
<b>Total</b>			<b>54.87</b>	<b>100</b>	<b>74,818</b>		<b>1,606.3</b>

Waste Management Portfolios	SDG addressed	Signed amount	Share of total portfolio financing	Total eligible portfolio	Allocated amount	Average portfolio lifetime	Green indicators / Waste prevented, minimised, reused or recycled/
	Goal & Target, as relevant	million MNT	%	%	million MNT	year	tonnes
Solid waste management facilities	11 SUSTAINABLE CITIES AND COMMUNITIES  12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	11,276	8.27	63.87	11,276	5.6	3,139.74
Waste collection, sorting and material recovery, re-use, and recycling facilities	11 SUSTAINABLE CITIES AND COMMUNITIES  12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	6,377	4.68	36.13	6,377	3.1	3,040.82
<b>Total</b>			<b>12.95</b>	<b>100</b>	<b>17,653</b>		<b>6,180.56</b>

Livestock production	SDG addressed	Signed amount	Share of total portfolio financing	Total eligible portfolio	Allocated amount	Average portfolio lifetime	Green indicators /Volume of sustainably sourced goods produced/
	Goal & Target, as relevant	million MNT	%	%	million MNT	year	tonnes
Organic agriculture and animal husbandry products	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	23,500	17.23	54.02	23,500	4.3	12,284.00
	15 LIFE ON LAND						
Sustainable textile processing and producing	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	20,000	14.67	45.98	20,000	3	900.00
	15 LIFE ON LAND						
<b>Total</b>			<b>31.90</b>	<b>100</b>	<b>43,500</b>		<b>13,184.00</b>

Clean transportation portfolios	SDG addressed	Signed amount	Share of total portfolio financing	Total eligible portfolio	Allocated amount	Average portfolio lifetime	Green indicators /Annual GHG emissions reduced or avoided/
	Goal & Target, as relevant	million MNT	%	%	million MNT	year	tonCO2e
Low carbon vehicles purchase	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	393	0.29	100	393	7	30,738.51
	11 SUSTAINABLE CITIES AND COMMUNITIES						
<b>Total</b>			<b>0.29</b>	<b>100</b>	<b>393</b>		<b>30,738.51</b>

## SOCIAL LOANS ALLOCATION REPORTING

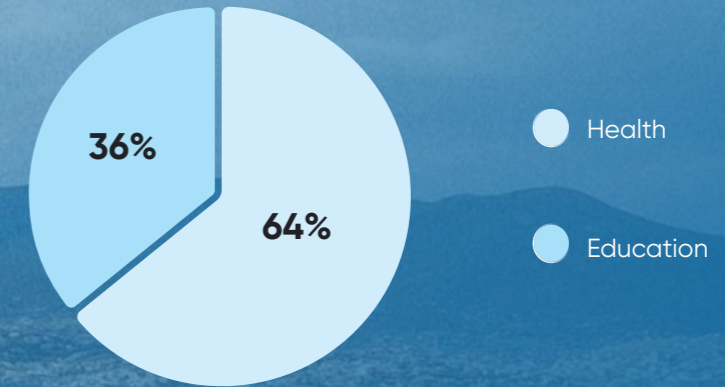
- Amount of Social Bonds outstanding
- Size of the Social Portfolio, including a breakdown by Eligible Category
- Balance of total allocated proceeds,

Data as of 31 December 2025:

Eligible Portfolio:

**9.86\$**  
MILLION USD



Social bonds outstanding amount:  
**9.86\$**  
MILLION USD



Portfolio name	Share of total portfolio financing (%)	Signed amount (million MNT)	Signed amount (million USD)
Health	64	21,730	6.2
Education	36	12,334	3.5
<b>Total</b>	<b>100</b>	<b>34,064</b>	<b>9.8</b>

Note: The disbursement amount is MNT 10.90 million less compared to the swapped amount.

## IMPACT REPORTING:

Project category			Target population	Allocation information					Social indicators		
SBP category	Sub-Category	SDG addressed (Goal & Target, as relevant)	Target group	Signed amount	Share of total financing	Eligibility of Social Bond (% of signed amt.)	Allocated amount	Portfolio lifetime	Indicator 1	Indicator 2	Indicator 3
				million MNT	%	%	million MNT	years	(unit of measure, absolute or relative)	(unit of measure, absolute or relative)	(unit of measure, absolute or relative)
Access To Essential Services - Basic Infrastructure, Health and Education	Health	<b>3</b> GOOD HEALTH AND WELL-BEING 	Improved healthcare accessibility	21,730	64	100	21,730	4.3	13 of units of medical equipment purchased <b>(absolute)</b>	8 hospitals and other healthcare facilities built/ upgraded Total of 12,427.76 square meter <b>(relative)</b>	Total of 424 hospital beds were added <b>(absolute)</b>
Access To Essential Services - Basic Infrastructure, Health and Education	Education	<b>4</b> QUALITY EDUCATION 	Undereducated children from outer side of the city	12,334	36	100	12,334	6.4	Students reached (breakdown by gender) Total of 450 students reached and Female 243, Male 207 <b>(absolute)</b>	Total number of 2 education facilities and/or initiatives were constructed Total of 224.2 square meter <b>(absolute)</b>	
<b>Total</b>					<b>100</b>	<b>100</b>	<b>34,064</b>				

