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CSR AWARDS 2024



As we enter the new year, we are proud to reflect the December 2024 AmCham Awards Night, an event dedicated to the champions of AmCham. This edition highlights the inspiring efforts of our members who have made a positive impact on our community through their corporate social responsibility (CSR) initiatives.

A heartfelt thank you goes out to all of our members who submitted their projects for consideration, showcasing the dedication and commitment that makes CSR such an integral part of our business culture. Your contributions continue to set the standard for responsible corporate citizenship in Mongolia.

We would also like to extend a special note of appreciation to our sponsors – TDBM, Herbalife, MSM, and Badrakh Energy. Your continued support has been invaluable in making this publication and our ongoing CSR efforts possible.

Starting this year, our e-magazine will feature a new segment called "Sustainability Talks" where we will be highlighting some of the initiatives undertaken by members and why it is so important. This time around, we spoke to Trade and Development Bank of Mongolia's on the matter.

Corporate social responsibility remains at the heart of driving sustainable growth, improving lives, and making meaningful changes. We are confident that the projects featured in this edition will continue to inspire others within our community to take action. We look forward to another year of collaboration, innovation, and positive impact.

Congratulations again to our 4 winners of the CSR Awards 2024. Let's continue to lead by example and inspire one another as we work together toward a brighter future. |

Warm regards,
Erdenbileg Lhagvajav
Director of Communications, Editor
AmCham Mongolia

CSR AWARDS 2024

ERKHEM NANDIN



KHAN BANK FOUNDATION PROJECT & PROGRAMS



UNITEL GROUP CSR PROGRAMS



"FXB" FOR ECONOMIC AUTONOMY



Thank You



**Barloworld
Mongolia**

CAT

Project: **Erkhem Nandin**

Category: **Innovation**

OVERVIEW

Barloworld Mongolia, in collaboration with Good Neighbors NGO, launched "Erkhem Nandin" project, addressing the urgent need for sexual and reproductive health (SRH) education among adolescents in Mongolia. The project specifically aims to support girls aged 11–18, many of whom lack access to essential SRH information and hygiene products, which affects their health, school attendance, and overall well-being.

The statistics reflect the urgency of this project: adolescents represent 17% of Mongolia's population, with 312,649 girls aged 10–19. 18% of girls aged 15–19 are sexually active, 3.2% have had an abortion by ages 15–19. Moreover, 40.4% of girls aged 15–19 report missing classes or training due to menstruation.

The project's core components include: a) creating and installing vending machine in girls' restroom in schools to provide access to menstrual hygiene products; b) raising awareness through peer-led SRH education, and involving boys in discussions about reproductive health. To ensure the use of vending machine independently, each girl was provided with an electronic chip-embedded keychain, allowing her to access the sanitary products from the vending machine three times a month.





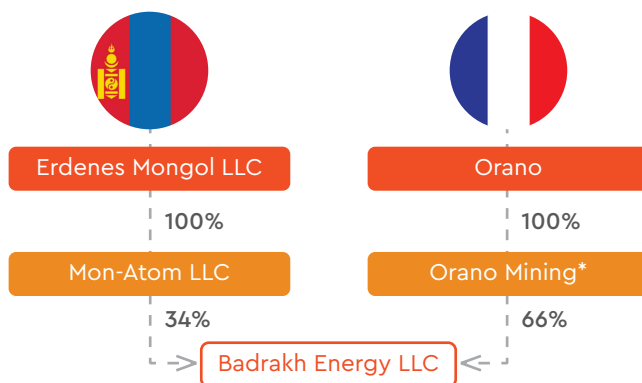
The peer-to-peer education model was composed of the distribution of reusable menstrual pads, interactive and interesting SRH training, booklet with knowledgeable information of adolescents' development and period tracking calendar. The secondary schools' counselling team, including school doctor, social worker, biology teacher, project coordinator, and medical students played a critical role in this project, as they guided the girls' clubs and ensured trainings are conducted successfully.



Project: **"FXB" for Economic Autonomy**
 Category: **Leadership**

OVERVIEW

Being a joint venture between two state owned companies Mon-Atom LLC, Mongolia and Group Orano, France, Badrakh Energy LLC is a responsible mining company committed to the development of the world-class Zuuvch-Ovoo uranium deposit in the Dornogovi province. The Zuuvch-Ovoo project is the most advanced uranium mining project in Mongolia.



Badrakh Energy LLC is strongly committed to local communities and their development and it has been conducting its activities in a manner that fully respects people and the environment and contributing to the social and economic development of the local regions including Ulaanbadrakh soum, Zuunbayan bagh of Sainshand soum of Dornogovi province since 1996, since the launch of the exploration activities of Group Orano, its main shareholder.

Dornogovi aimag is a province of more than 67'000 people located in the Southeastern part of Mongolia. The province is administratively divided into 14 soums and 60 baghs (administrative units). The capital city of the aimag is Sainshand, inhabited by about 20'000 people. The majority of Mongolian living in this aimag rear livestock, namely goats, sheep, cows, horses or camels.





KHAN BANK

Project: **Khan Bank Foundation Project & Programs**
 Category: **Leadership**

OVERVIEW

Khan Bank is fully committed to the United Nations' Sustainable Development Goals (SDGs), and its board members and top executives take an active role in overseeing and implementing sustainability related initiatives and projects. This can be seen in its Sustainable Development Policy, which was approved in 2020 and amended in 2023.



KHAN BANK'S SUSTAINABLE DEVELOPMENT POLICY & FRAMEWORK





One of the four pillars of Khan Bank's sustainable development policy is sustainable social investment, which encompasses the Bank's corporate social responsibility (CSR) activities. Recognizing its social responsibilities, in 2007, Khan Bank began independently implementing CSR activities through the Khan Bank Foundation to make real contributions to people's well-being.

Since its inception, Khan Bank Foundation has financed and implemented over 510 projects and programs with a total funding of 12.7 billion MNT. To effectively carry out its CSR activities based on clear strategies and plans, the Foundation focuses on seven main areas:



Project: **Unitel Group CSR Programs**

Category: **Sustainability**

OVERVIEW

Unitel Group is proud to nominate its Corporate Social Responsibility initiatives, focusing on environmental stewardship and educational accessibility, for the 2024 CSR Sustainability Award by AmCham Mongolia. T

Unitel Group's telecommunication services, Unitel and Univision, play a substantial role in people's daily lives, impacting how we work, learn, live, and engage with others. Consciously realizing our place in society to create a more sustainable and inclusive landscape, we use our platform to drive positive impact under the following goals:

Alleviating societal digital divide

Implement small-scale initiatives with a big impact

Encourage the public to adopt environmentally friendly mindset and habits

Unitel: STEAM Hub Program

Launched in 2022 under the slogan "Opportunity for All," Unitel Group's STEAM Hub Program aims to bridge the digital divide by providing access to STEM education in rural Mongolia. The program focuses on promoting digital literacy, with the goal of inspiring the next generation of engineers and developers through hands-on learning opportunities in science, technology, engineering, and mathematics (STEM).

Key Activities & Achievements:

- **Establishment of STEAM Hubs:** By 2024, STEAM hubs were established in all 21 provinces of Mongolia, offering high-quality educational resources to children in rural areas.
- **Educational Programs:** Programs like RoboKID and ElectroKID teach students robotics, coding, and electronics, helping develop critical STEM skills. By the end of 2023, the program had conducted 30 courses and graduated 323 students, with a focus on gender inclusivity (1:8 female-to-male ratio).
- **Community Engagement:** The hubs also serve as community spaces, hosting events like World Space Week and training for senior citizens on digital literacy.
- **Recognition:** The program earned a Bronze Drum at The Drum Awards for Marketing APAC 2024, highlighting its impact on education in Mongolia.





Sustainability

TALKS

WE LAUNCHED APPLE PAY IN MONGOLIA, SETTING A NEW STANDARD FOR DIGITAL PAYMENTS

Deputy CEO, International Business Development N. Sergelen



First of all, thank you for supporting the CSR Awards Night 2024 event. Let's start by talking about the achievements of the TDBM in passing year.

First of all, I would like to extend my congratulations to your team for the successful organization of the "AmCham CSR Awards Night 2024." And thank you for the invitation to this interview. The TDB has a strong, enduring

relationship with the American Chamber of Commerce, therefore it is an honor to sponsor and support the events organized by AmCham. This is our second year to participate as a Premium Sponsor, and we are confident that we will collaborate on more activities in the future.

In 2024, our entire bank team and colleagues will be leaving behind a year filled with many achievements that have enhanced Mongolia's reputation internationally.

To briefly mention some of our biggest achievements, earlier this year, we became the first commercial bank in Mongolia to open a USD account with the Bank of New York Mellon since Mongolia's previous inclusion in FATF Grey list in 2019. This milestone reconnected our economy to the global U.S. Dollar payment system and has improved international payments for our clients, making transactions faster and significantly reducing fees. I am confident that our clients, as well as members of AmCham, are benefiting from this service.

In the third quarter, we secured \$120 million long-term concessional funding from the U.S. International Development Finance Corporation to support Micro, Small, and Medium-Sized Enterprises, particularly women-owned businesses and those investing in renewable energy and climate financing.

We successfully issued Mongolia's first international Green and Social Bond, raising \$50 million which is solely invested by one of the largest Asset Management Companies globally. Building on this success, we raised an additional \$200 million bond to support economic growth and vital infrastructure projects. This bond has attracted significant interest from investors, showcasing the growing confidence in TDB.



Furthermore, just a few days ago, we launched Apple pay in Mongolia, setting a new standard for digital payments, and providing greater convenience and security for Mongolian customers. As a leading financial institution, TDB has always been at the forefront of bringing modern financial solutions to our country.

TDBM continues to create innovative financial opportunities, including green financing, supporting women entrepreneurs, and more. How are entrepreneurs responding to these new opportunities? If you have any data, please share with us.

TDB JSC has taken a leading role in promoting



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sustainable financing opportunities for entrepreneurs. In August 2021, the bank launched a green business loan program, followed by a women entrepreneurship support loan program in November 2021. These initiatives have resulted in an increasing demand for sustainable financing options, which have been positively received by business owners.

Since 2020, TDB has focused on integrating the following four Sustainable Development Goals (SDGs) of the United Nations into its banking operations: SDG#4 Quality Education, SDG#5 Gender Equality, SDG#8 Decent Work and Economic Growth, as well as SDG#13 Climate Action. As of the third quarter of 2024, TDB's total sustainable loan portfolio has reached USD 458 million. Looking ahead, TDB has established ambitious goals to become a Green Bank by 2050 and to provide USD 2 billion in sustainable finance by 2030.

In the realm of green financing, the bank supports client companies in their transition to environmentally and socially conscious business models that mitigate the impacts of climate change. This strategic shift offers numerous advantages, including improved access to capital, efficient financial savings, enhanced reputation and competitiveness, and greater operational flexibility in adapting to market changes driven by climate change. Additionally, TDB regularly hosts training sessions and meetings focused on sustainable development, inclusive economy, and green business solutions, which reflect its commitment to customer-centric service.

It is important to note that this sector remains relatively new for all stakeholders involved, leading to a significant gap in knowledge and understanding of a green, sustainable economy.

Many entrepreneurs do not fully capitalize on the opportunities available in this sector, primarily due to a lack of understanding regarding green technologies, sustainable business models, and green financing criteria. In response to this challenge, TDB organizes training sessions and seminars to enhance capacity building for business clients. Moving forward, the bank aims to increase the accessibility and flexibility of these training programs, facilitate connections between businesses and both national and international organizations, and continue providing support through technical assistance and co-financing mechanisms. Through these initiatives, TDB will contribute to Mongolia's sustainable economic growth and a greener future.

TDBM plays a significant role in Mongolia's financial system and works closely with businesses between the United States and Mongolia. This year (2024), the Bank opened a dollar account with BNY Mellon. What is the current picture of how much capital is flowing into the economic relationship between the two countries?

In 2024, the total trade turnover between Mongolia and the United States reached USD 639 million, doubling compared to 2023. As of 2024, exports to US from Mongolia totaled USD 164 million, an increase of 4.5 times compared to the previous year, while imports grew by 69%.

By opening USD account at BNY, TDB became the first Mongolian commercial bank to re-establish correspondent relations with a US bank since 2019, paving the way for other Mongolian banks. It further confirms that TDB and Mongolian banking sector fully meet international compliance and AML standards, which had a certain impact on the increase of the payment volumes between Mongolia and United States.

TDB offers a full range of trade finance services to support its customers trading with the United States. These services include issuing letters of credit and guarantees, providing export and import loans, and offering structured financing in cooperation with USEXIM Bank.

Given the expanding trade turnover between Mongolia and the USA, TDB is committed to offering its customers a comprehensive range of foreign payment and trade finance services under the most favorable terms.



TOGETHER TOWARDS SUSTAINABILITY

Let's go back to the discussion about the ESG and CSR. What activities does TDB plan to carry out in 2025? How will they differ from previous years?

In February 2024, for the first time in the banking and financial sector of Mongolia, our bank established a Sustainable Development Committee under the Board of Directors, with the function of providing support and advice in the areas of banking operations, sustainable financing, environment, society, and governance.

TDB is not only the first bank to implement an integrated Environmental, Social, and Risk Management System, but it is also one of the two accredited organizations of the Green Climate Fund in Mongolia. This accreditation has enabled us to provide significant opportunities to co-finance projects and programs aimed at climate change mitigation and adaptation, thereby helping our clients to achieve sustainable development. Furthermore, in 2025, TDB plans to integrate into its banking operations the International Sustainability Standards Board's IFRS S1 standard and IFRS S2 standard.

As for our efforts made within the Corporate Social Responsibility, we plan to increase the number of projects dedicated to improving social and essential services. As such, within the framework of implementing the "Boundless Dreams" project since 2018, which is aimed

at making intellectual investments in children and youth, in 2025 we plan to collaborate with organizations running business in the health sector and support their activities to promote social inclusion.

TDB has signed a financing agreement with the International Development Finance Corporation, the U.S. government's development finance institution, to secure long-term concessional financing, which is to be utilized to finance green and social loans, including women entrepreneurship and SME support loans. Furthermore, in November, 2024, TDB issued Mongolia's first ever green and social bonds in the international market. In addition to financing green projects and programs, the use of proceeds from these bonds will be used to also finance social projects aimed at increasing access to education, healthcare, and essential services, as well as ensuring food security.

What role do you see the banking and financial sector playing in improving Mongolia's economic and business environment, and ultimately, a green future?

We are currently experiencing an unprecedented increase in global temperatures, with the average rising by 1.5 degrees Celsius between January and September 2024. This period is characterized by the rapid acceleration of climate change. In response to these challenges, there is a growing

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demand for responsible investment, commonly referred to as sustainable financing. Governments are urging the banking and investment sectors to take the lead in fostering a green economy that prioritizes environmental stewardship, social responsibility and inclusivity.

Moreover, in alignment with the National Roadmap for Sustainable Finance, our country aims to elevate the banking sector's green loan portfolio to constitute 10 percent of the total loan portfolio by 2030. The banking and financial sectors are essential not only for providing green financing but also for integrating sustainable development principles into national policies. Through multilateral partnerships, these sectors are capable of laying the foundation of business models that are environmentally, socially, and economically sustainable. Consequently, it is imperative that we enhance our green financing portfolios and further develop our clients' capacities in the transition towards a green, sustainable economy.

Finally, I would like to briefly talk about your organizational culture. How does TDB effectively solve social problems for many people with a large number of employees? What kind of culture do you think other companies and businesses would ctrl+c (copy)?

The corporate culture of our bank is structured on the principles of sustainable growth, including multi-stakeholder collaboration, open communication as well as growth and development opportunities for the employees. Given the large number of employees, we recognize the importance of addressing their social issues effectively through offering various training programs and supporting them to be continuous learners.

For instance, we offer to all of our employees access to online learning platforms such as Udemy and Melearn to support their personal

and professional development in various sectors. We also provide quarterly travel for employees who have excelled in their work and led their teams, provide scholarships to study at the best domestic and foreign universities, and provide financial support for successful completion of international qualification exams. This shows that we, as a major bank in the system, are making a significant contribution to preparing the best future professionals in our country.

In addition, as the banking and financial sector is a female-dominated sector, TDB is implementing many activities within the framework of its Gender Equality Policy. For example, it is implementing flexible working hours and remote work opportunities for its employees with maternity leave to ensure the continuous development and career stability of female employees.

Finally, as part of our long-term human resources policy, we aim to provide employees with stable employment by effectively increasing the satisfaction and quality of life of bank employees.

Your iPhone is your TDB card.



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