



“CORPORATE GOVERNANCE CODE” REPORT of “TRADE and DEVELOPMENT BANK” JSC

“CORPORATE GOVERNANCE CODE” COMPLIANCE REPORT of 2023

TDB JSC

“Corporate Governance Code” was approved by the Financial Regulatory Commission (FRC) and bound JSC to adhere in their operation in order to protect the interests of investors and customers, promote long-term sustainable value by introducing internationally recognized governance principles and good practices.

Trade and Development Bank is JSC, and its shares have been freely traded on MSE since May 31st, 2023, according to Banking Law, the Law on the Implementation of the Amendments to the Banking Law. Regarding this change, assessing the implementation of the Corporate Governance Code is one of the tasks of providing regulations and procedures’ fulfillment approved by regulatory organizations and covering, amending, and reconciling internal procedures and rules.

The Bank evaluated its corporate governance accurately and objectively, understanding that this Code aims to protect the interests of investors and customers, promote long-term sustainable value, and pursue efficient implementation principles of the Corporate Governance Code. Thus, we gave significant consideration to this evaluation, accepting its’ importance to the increase of reputation, investors’ decision-making, and customers’ satisfaction with the Bank.

NINE PRINCIPLES OF CORPORATE GOVERNANCE:

1. Structure and organization of the BoD

"The Board of Directors (BoD) shall be a creative and effective structure with a clear vision, providing diverse skills, knowledge, experience, and appropriate independence"

2. Committees under the BoD, and their functions

"The BoD shall conduct its activities through committees with specific functions, while retaining ultimate responsibility."

3. Reporting and information transparency

"The BoD shall ensure the accuracy, completeness, and balance of financial and operational reporting, promoting transparency in information dissemination."

4. Audit and monitoring system

"The BoD shall guarantee the independence and effectiveness of the audit and monitoring system."

5. Risk management

"The company shall establish an appropriate and independent risk management system, regularly monitoring its effectiveness."

6. Remuneration of authorized officials

"Salaries and bonuses of the BoD and executive management shall be fair, transparent in aligned with the company's vision and characteristics."

7. Stakeholder interests

"The company shall respect the interests of all stakeholders in its operations."

8. Company culture

"Members of the BoD shall uphold high standards of business ethics and responsibility within the company leading by example and promoting them throughout executive management and employee level."

9. Rights of shareholders

"The company and the BoD shall respect the rights of shareholders, ensuring equal treatment, and providing them with full access to relevant information to exercise their rights."

Evaluation structure

The Corporate Governance Code evaluation is carried out using 36 questionnaires, adhering to nine key principles.

Evaluation method

Evaluation is calculated by 0-100 percent, giving from 0 to 2 scores for each questionnaire compliance and transferring into percentage measures, which are:

- ✓ 2 scores if fully implemented or gave the explanation with sufficient ground;
- ✓ 1 score if partially implemented or planning a remedy action with deadline and targets;
- ✓ 0 score if not submitted evaluation report.

Based on the overall result, it will be considered as follows:

- ✓ Governance is considered as normal or safe in case of gets 90% and more scores;
- ✓ Governance is considered as medium and needs some recommendations due to further triggering risk if it gets 70-89% scores;
- ✓ Governance is considered insufficient and risky, thus requiring offsite and onsite monitoring if it gets 50-69% scores;
- ✓ Governance is considered poor and has high operation risk, thus requiring regulatory action if it gets below 49% scores.

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FRC evaluated the implementation of the Corporate Governance Code of Companies registered on the Mongolian Stock Exchange and gave a recommendation, direction, and assignment with a deadline for each of them as a response to the evaluation report. TDB JSC ranked 22nd by average rating of the Corporate Governance Code’s implementation for the second half of 2024.

№	Title	Required total scores	Actual scores of TDB
1	Structure and organization of the BoD	12	7
2	Committees under the BoD and their functions	10	7
3	Reporting and information transparency	6	6
4	Audit and monitoring system	6	6
5	Risk management	8	8
6	Remuneration of authorized officials	6	5
7	Stakeholder interests	8	7
8	Company culture	6	6
9	Rights of shareholders	10	10
Total scores		72	62
In percentage		86.1%	

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PRINCIPLE 1. STRUCTURE AND ORGANIZATION OF THE BOARD OF DIRECTORS			
The Board of Directors (BoD) shall be a creative and effective structure with a clear vision, providing diverse skills, knowledge, experience and appropriate independence.			
		Score	Explanations
1	<i>1.1. A company must detail the duties and responsibilities of the Chairman, members and Secretary of the BoD within the operational procedures of the BoD.</i>	2	According to the Charter of Trade and Development Bank JSC (hereinafter referred to as "TDB" or "Bank"), the Board of Directors (hereinafter referred to as "BoD") has a total of 9 members, 1/3 of whom are independent, by the Company Law and the Banking Law, which are the leading guides to implementing the principles of good governance and ensuring the participation and independence of independent members in the decision-making of the BoD. "Operating Procedure of the Representative Governing Board of Trade and Development Bank," which regulates in detail the functions and responsibilities of the BoD members and the Secretary, was first approved in 2022 and was revised by the BoD Resolution No. 47 dated June 14, 2024, by relevant laws, regulations, and requirements. By implementing these regulations, the BoD and committees under the BoD report their reports annually to the public.
2	<i>1.2. The company has a nomination procedure and succession policy document outlining the selection and appointment process for members of the BoD.</i>	1	In selecting and nominating members, the BoD shall act in accordance with the relevant laws and "Trade and Development Bank's Procedures for selection and nomination of members of the Board of Directors" approved by Resolution No. 64 of the BoD dated December 1, 2023. The BoD shall act based on the independent decision of the Remuneration and Nomination Committee under the BoD. The procedures shall detail the criteria for appointing regular and independent members. The Bank's Human Resources Department shall adopt the Bank's succession policy, which shall include the process for continuously preparing succession for management and key positions and for identifying and implementing employee training, development, and competencies.
3	<i>1.3. Information such as work experience, length of service, independence, share percentage, and meeting attendance of each member of the BoD shall be included in the annual report and</i>	1	As a regulated legal entity and a public joint-stock company, the TDB provides timely reporting and information and is working to provide the public with regulators reporting templates and innovative solutions for stakeholders. The Bank regularly publishes the introduction of BoD members, the 2023 board and committees reports, and the semi-annual reports of BoD independent members through its official website.

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	<i>made available on the company's website.</i>		
4	1.4. A company shall establish a policy document outlining the structure and composition of the BoD and its committees. This document shall encompass requirements concerning members' education, qualifications, skills, experience, and gender balance.	1	The BoD has three committees: the Audit Committee, the Risk Management Committee, and the Remuneration and Nomination Committee. The committees are appointed to maintain a creative and practical structure with members who appropriately meet the requirements of diverse skills, knowledge, experience, conflict of interest, independence, and gender balance. Each committee is organized by the operating procedures approved by the BoD.
5	1.5. Orientation training shall be organized for the members of the BoD upon their first appointment, and the members of the BoD shall be involved in regular training to upgrade their skills, knowledge, and information necessary to perform their duties.	1	In connection with the appointment of three new members to the BoD in 2023, information was provided on the relevant laws and regulations. All members and the Secretary of the BoD participated in the Corporate Governance training and received certificates. In addition, the "Operating Procedure of the Representative Governing Board of Trade and Development Bank" was revised, and, as stated in the regulations, members have the right to receive advice and services from external consultants and experts to improve their education and knowledge, to receive and participate in training from internal and external sources, and to participate in internal training openly. The 2024 training program for BoD members was approved, and the relevant expenses were included in the bank's budget.
6	1.6. The secretary of the BoD shall be responsible for ensuring the proper functioning of the BoD, acting through the chairman of the BoD.	2	Article 4 of the "Operating Procedure of the Representative Governing Board of Trade and Development Bank" defines the duties of the BoD's Secretary. The Secretary plays an important role in organizing and convening the BoD's meetings, keeping records, ensuring coordination between the BoD, the CEO, and other stakeholders' activities, and ensuring the effective functioning of the BoD and its committees. Section 10.1 of Article 10 of the Bank's Charter stipulates that the BoD meeting shall appoint its Secretary upon the proposal of the BoD chairman. The "Operating Procedure of the Representative Governing Board of Trade and Development Bank" included provisions for the BoD Chairman to appoint a replacement for the Secretary in the Secretary's absence, and the Secretary reports to the BoD Chairman.


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PRINCIPLE 2. COMMITTEES UNDER THE BOARD OF DIRECTORS, AND THEIR FUNCTIONS			
The BoD shall carry out its activities through its committees with specific functions and is subject to its ultimate responsibility.			
7	<i>2.1.The Chairman of the BoD, along with the majority of its members, endeavors to maintain independence.</i>	1	The BoD has three independent members, which meets the requirements of Section 75.4 of Article 75 of the Company Law and Section 33.1 of Article 33 of the Banking Law. The BoD elects the Chairman of the BoD among the members by a majority vote of all members with voting rights. Accordingly, Randolph Koppa, a banker with over 50 years of experience in the banking sector in 12 different countries, has been elected as the Chairman of the BoD of TDB. Independent members head all Committees under the BoD, and two-thirds of their composition consists of independent members.
8	<i>2.2.The audit committee under the BoD shall establish operational procedures and audit policy documents. The audit committee chairman shall not also serve as the Chairman of the BoD. The company's executive management and employees shall only participate in audit committee meetings at the Committee's request.</i>	2	The Charter of the Audit Committee of the BoD was approved by BoD Resolution No. 52 dated May 12, 2021, and has five chapters defining the purpose of the Audit Committee, the Committee's composition, the Committee's rights, duties, and activities. According to the Charter, the Audit Committee aims to systematically provide opinions on the Bank's governance, implementation of laws and regulations, ethical standards, financial reporting, internal control system, external and internal audit activities, and to strengthen the good governance system at all levels of the organization's management and organization by providing accurate and factual information to the Bank's shareholders, the BoD and other stakeholders. This Committee is chaired by an independent member of the BoD who is not the Chairman of the BoD.
9	<i>2.3.The remuneration committee under the BoD shall establish salary and bonus procedures and policy documents. The chairman of the remuneration committee shall not concurrently serve as the chairman of the BoD and must be an independent member. Attendance of executive management at remuneration committee meetings shall occur only at the committee's request.</i>	1	The BoD revised the composition of the Remuneration and Nomination Committee by Resolution No. 57, dated August 10, 2023, to include 2/3 of the members as independent members and an independent member as the chairman. This committee operates in accordance with the operating procedures approved by the Board of Directors. The committee holds the Annual Shareholders Meeting to approve a budget, including the salary costs of the Board members.

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10	<i>2.4. The nomination committee under the BoD shall establish operational procedures and succession policy documents. The chairman of the nomination committee shall not concurrently serve as the chairman of the BoD and must be an independent member.</i>	1	The Remuneration and Nomination Committee comprises three members, 2/3 of whom are independent, with the authority and responsibility to support the effective and efficient implementation of the duties and responsibilities of the BoD. The committee is responsible for reviewing the composition of the BoD, selecting and evaluating members, nominating the CEO and senior management directors, reviewing and reporting on the activities of the BoD, determining their remuneration and incentive levels and policies, and providing direction for the development of the Bank's structure, organization and governance.
11	<i>2.5. The BoD is authorized to establish both standing and non-standing committees with various functions. All committees under the BoD's purview must have operational procedures and instructions in place and be composed of members possessing the necessary knowledge, skills, and work experience to fulfill their duties.</i>	2	By resolution No. 9 of the BoD of February 7, 2024, a Sustainable Development Committee was established under the BoD. The Committee's purpose is to support the BoD in its activities by introducing and implementing international and Mongolian sustainable development goals and principles in the Bank, reducing the Bank's negative impact on the environment and society and risks to the Bank, and establishing a management system for its sustainable development.
PRINCIPLE 3. REPORTING AND INFORMATION TRANSPARENCY			
The BoD shall implement measures to ensure the accuracy, completeness, and balance of financial and operational reporting, as well as transparency of information.			
12	<i>3.1. The BoD shall be responsible for approving the company's information transparency and reporting procedures and ensuring their implementation.</i>	2	To ensure the regulations' implementation, the BoD approved "Regulations on Information Transparency and Reporting of the Public Sector Bank" by Resolution No. 9 dated February 17, 2023, and the CEO approved the "Instructions on Information Transparency and Reporting of the Public Sector Bank" by Order No. A-23/608 dated November 10, 2023.
13	<i>3.2. The BoD shall publish the governance documents, rules, regulations, and instructions specified in this Code to the public through its website.</i>	2	The policy, rules, regulations, and instructions specified in the Corporate Governance Code are publicized on our official website, and we update the information whenever there are changes or updates.
14	<i>3.3. Financial and non-financial reporting shall be balanced, clear,</i>	2	The Bank is working to provide financial and nonfinancial information to the public openly, transparently, and clearly through its and the stock exchange's (MSE) website.

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	<i>and factual. The nonfinancial report shall include an assessment of factors and risks that may impact the company's sustainability within the environmental, social, and economic frameworks, as well as information regarding the attainment of the company's goals and objectives.</i>		The Bank also prepares and publishes its Sustainable Development and Annual Reports annually. Since TDB became a JSC in May 2023, it has prepared and published the Environmental and Social Governance Report (hereinafter referred to as "ESG") for the first time by the Securities Registration Regulations of the FRC.
PRINCIPLE 4. AUDIT AND MONITORING SYSTEM			
The BoD shall be responsible for ensuring the independence and effectiveness of the audit and monitoring system.			
15	4.1. The BoD shall include provisions in the operating procedures of the audit committee outlining, the procedures for engaging with external auditors, specifying the terms and conditions required by law for them to fulfill their duties, and monitoring the implementation of these procedures.	2	Sections 4.10-4.13 of Article 4 of the Charter of the Audit Committee, "Duties of the Audit Committee," stipulate that the Audit Committee shall, on behalf of the BoD, cooperate with the external audit organization, obtain opinions on the terms of external audit services, monitor the implementation of audit recommendations, and monitor the external audit organization's independence. In addition, the BoD shall select and approve the organization to conduct an independent audit of the bank's financial statements.
16	4.2. An external auditor shall attend shareholders' regular meetings and provide related information to shareholders.	2	The TDB's Annual Shareholders Meeting, held on April 29, 2024, was attended by representatives of Ernst & Young LLC, which provided external audit services for the Bank's 2023 financial statements. Also, by Resolution No. 41 of the BoD dated May 22, 2024, the "Charter of the Audit Committee" was amended, and the regulations providing for "the opportunity for the external auditor to participate in the Annual Shareholders Meeting" are reflected in Section 4.13 of it.
17	4.3. Information regarding the internal audit system, its structure, organization, and functions shall be made available to the public through the company's report and website. Any changes to these aspects shall be regularly communicated.	2	 <p>Internal audit operations are carried out by the Internal Audit Policy approved by the BoD Resolution No. 52 of 2021. The internal audit department and its units are organized independently from the Executive Management and report directly to the Audit Committee and the BoD. The BoD appoints the management of the Internal Audit Department and its units, and the auditors are appointed by the BoD Secretary,</p>

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			within the rights given by the BOD, and an independent decision determines their salaries and incentives. In addition to the Bank's annual report, the BOD Audit Committee's annual report includes relevant information and is publicized.
PRINCIPLE 5. RISK MANAGEMENT			
The BoD shall oversee the organization of risk management and compliance monitoring in an appropriate and independent manner, and shall regularly monitor their effectiveness.			
18	<i>5.1.The company shall establish risk management guidelines and structure, with the BoD responsible for monitoring the results and independence of risk management activities.</i>	2	The relevant departments and units of the Bank implement the Bank's risk management within the scope of its activities and report to the Deputy CEO in charge of Risk Management. The working procedures of the BoD Risk Management Committee state that the Deputy CEO in charge of Risk Management shall have the right to independently report to the BoD on any issues related to the Bank's risk whenever necessary.
19	<i>5.2.The BoD endeavors to establish a risk management committee consisting of at least three members, with the chairman and majority of members being independent. The procedure, structure, and composition of the risk committee shall be disclosed to the public through the company's annual report and website, and the information on the attendance, agenda, and frequency of the committee's meetings shall be reported regularly.</i>	2	By Resolution No. 57 of the BoD dated August 10, 2023, the composition of the BoD's Risk Management Committee was re-approved, with 2/3 of the members being independent members and the chairman being an independent member. The Committee operates by the regulations approved by the BoD and presents its reports to the BoD.
20	<i>5.3.Environmental and social responsibilities, along with health and safety risks in the company's operations shall be assessed and disclosed to the public, and how those are managed shall be explained.</i>	2	To conduct business activities in a manner that is environmentally and socially friendly, and to prevent and reduce negative impacts on the environment and society, and to achieve long-term sustainable development, the Bank, through the financing provided to its customers, identifies and assesses the risks that its customers may pose to the environment and society, and protects customers from financial losses that may arise from those risks, by the principles similar to the process of assessing and mitigating credit risks, and works to fulfill its social responsibility. In addition, the funds raised from the public are provided by the green and social loan categories specified in the "Sustainable Finance Framework" document of the TDB.

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			The Bank has prepared an independent Sustainable Development Report and publicized it on its website.
21	<i>5.4.A company shall establish compliance monitoring guidelines and structure, with the BoD responsible for monitoring the effectiveness and independence of compliance monitoring implementation.</i>	2	<p>The Compliance Unit prepares Compliance risk assessments and reports its activities to the BoD every quarter within the framework of implementing the Law on Combating Money Laundering and Terrorism Financing of Mongolia and by the recommendations of the international audit and consulting service organization PriceWaterhouseCoopers (PWC).</p> <p>Moreover, The BoD monitors and guides compliance operations through the Risk Management and Audit Committee. By constantly reviewing its instructions and procedures and making changes to laws and regulations from time to time, the BoD has approved 12 programs, policies, and procedures related to the bank's activities in combating money laundering and terrorism financing.</p>
PRINCIPLE 6. REMUNERATION OF AUTHORIZED OFFICIAL			
Salaries and bonuses of the BoD and executive management shall be fair and transparent aligned with the company's vision and characteristics.			
22	<i>6.1.The amount, frequency, type of payment, and bonuses of BoD members shall be openly discussed and approved at the shareholders' meeting.</i>	1	The Annual Shareholders' Meeting approves the BOD's annual total budget every year. The BoD Resolution No. 60 of June 23, 2022, revised the remuneration of Board members.
23	<i>6.2.A company shall incorporate the components of duties and the criteria for evaluating performance, which serve as the basis for calculating the amount of salary and bonus, in the remuneration policy documents.</i>	2	The Bank adopted the “Competency-Based Remuneration Policy” in 2021, which defines the remuneration system or policy and establishes a salary scale based on job classification, incentive conditions, and operational rules and procedures for implementing these.
24	<i>6.3.Performance criteria for providing base salaries, rewards, and other incentives to the executive management shall be disclosed in the company's annual report.</i>	2	The Bank is obligated to disclose this information to the public in connection with the change in its legal form to a joint-stock company, and information on remuneration is included in the Bank's 2023 Annual Report.

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PRINCIPLE 7. STAKEHOLDER INTERESTS			
The interests of the parties involved in the company's activities shall be respected.			
25	<i>7.1.A company shall establish a policy document for communication and cooperation with other stakeholders approved by the BoD. The BoD and executive management shall foster an organizational culture that respects stakeholders' interests and engages in cooperation with them.</i>	2	The "Trade and Development Bank's Policy for Communication and Cooperation with External Stakeholders/Third Parties" was approved by Appendix 1 of the BoD Resolution No. 9 dated February 17, 2023.
26	<i>7.2.Information on the primary focus area and strategies pursued when cooperating with stakeholders shall be included in the company's annual report.</i>	2	The Bank publicized a report on its engagement with other stakeholders on its website. This report outlines the direction the Bank took in 2023 when engaging with customers, employees, lenders, suppliers, government agencies, and other stakeholders.
27	<i>7.3.The company's website shall be effectively operated. with the objective of cooperating and exchanging information with the stakeholders.</i>	2	The Bank regularly publicizes information about its operations, products, and services to other stakeholders through its and the stock exchange's (MSE) official website, as well as social media, with relevant instructions and procedures.
28	<i>7.4.The company shall implement an internal procedure for receiving feedback, requests, and complaints from employees along with an internal procedure and work plan for addressing social issues and facilitating professional development.</i>	1	<p>Complaints are received and resolved through internal programs, in-person meetings, and in writing in accordance with the Bank's whistleblowing policy, internal labor regulations, code of conduct, and cultural standards.</p> <p>The Bank also approves and implements the Human Resources Policy, Training and Development Procedures, and Career Management Policy. TDB prepares an annual training plan and approves its costs by including them in the Bank's budget. In addition, within the framework of social issues, Bank employees are provided with housing loans, salary loans, and discounts from customer organizations on preferential terms.</p>

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PRINCIPLE 8. COMPANY CULTURE			
Members of the BoD shall establish high standards of business ethics and responsibilities within the company, leading by example and ensuring adherence to these standards at all levels of executive management and employee engagement.			
29	8.1. The BoD shall approve the code of ethics, disclose it to the public, and monitor its implementation, to properly define the company's values and vision and conduct its activities legally, ethically and responsibly.	2	The BoD Resolution No. 79 of October 5, 2020, initially approved the Code of Conducts, which stipulates that all employees and employees of the Bank, starting from authorized officials of the Bank, should uphold integrity and adhere to the values of the company and "the Code of Conducts." Code of Conducts was reviewed and amended in 2022 to ensure compliance with laws and regulations. To ensure the implementation of "the Code of Conducts of TDB," an Ethics Committee was established, which is responsible for conducting investigations and resolving complaints received from employees, customers, and third parties by the working procedures of the Committee, the Bank's whistle-blowing policy, or otherwise.
30	8.2.A "whistleblowers" framework shall be established to report any illegal activities or ethical violations to the BoD or its relevant committees.	2	"The Code of Conducts of TDB" clearly states the issue of reporting misconduct by bank employees. Moreover, the Bank has also adopted a "Whistleblowing Policy" that includes a list of whistleblowing incidents or violations, actions, and inactions, the rights and obligations of the whistleblower, their protection, confidentiality of information, investigation procedures, the process for resolving conflicts, the rights and obligations of the accused person, and reporting of this policy implementation.
31	8.3. The Code of Ethics shall cover regulations on anti-corruption and avoiding official crimes, supporting /or not supporting/ political activities, and donations.	2	"The Code of Conducts" approved by the BoD, and "the Anti-Corruption Policy," approved by the CEO's order, stipulate that giving or receiving bribes, bribery, and abuse of office are considered ethical violations and provide detailed principles for employees to follow. Also, according to Section 5.9 of the Code of Conducts, employees must follow the "Procedures for the Relations of the TDB with Political Parties and Other State Organizations" when participating in political activities.

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PRINCIPLE 9. RIGHTS OF SHAREHOLDERS			
"The company and the BoD shall respect the rights of shareholders, ensuring equal treatment, and providing them with full access to relevant information to exercise their rights."			
32	<i>9.1.A company shall provide investors and other stakeholders with information on its operations, financial status, governance organization, and performance results through its website regularly.</i>	2	The Company Law, the Banking Law, and the regulations adopted by the relevant regulatory bodies clearly define all shareholders' equal access to information and voting rights. In addition to defining the principles of equal treatment and communication for each shareholder, the establishment of a dedicated office under the BoD to communicate with shareholders supports accountability and governance, increases trust and participation in the exchange of opinions and information through relevant channels in an efficient manner, protects the common interest, and enables stable and open relations, and disseminates information to the public through the Bank's and stock exchange's (MSE) official websites.
33	<i>9.2.A company shall have a program to cooperate with investors and develop an electronic channel for communicating and exchanging information with investors.</i>	2	By Resolution No. 9 of the BoD dated February 17, 2023, the "Trade and Development Bank's Investor Relations Program" and "Trade and Development Bank's Policy for Communication and Cooperation with External Stakeholders/Third Parties" were approved. The policy allows the Bank to identify and cooperate with its clients, recognize their needs and interests, recognize their participation, respect their rights, and regulate cooperation within the legal framework, making it possible to follow and implement its operations and make the governance policy more transparent.
34	<i>9.3.A company shall create opportunities and conditions for shareholders to exercise their legal rights, such as participating in shareholders' meetings, making proposals, voting, and obtaining information. Particular attention shall be paid to shareholders exercising their right to vote on matters related to the company's operations and ownership structure.</i>	2	Shareholders of the Bank shall exercise the rights specified in the "Company Law," the Banking Law, and the "Charter of the Bank" and shall participate in the management of the Bank by actively participating in the Shareholders' Meetings and voting on the issues under discussion by their rights. When convening the Shareholders' Meeting, the Bank shall organize and manage the meetings according to the "Rules for the Notice of the Shareholders' Meeting of the Joint Stock Company" of the FRC and the "Regulation for the Notice of the Shareholders' Meeting of TDB" approved by Resolution No. 7 of the Extraordinary Shareholders' Meeting of the TDB dated March 14, 2023. In addition, a special website dedicated to the Shareholders' Meetings is being operated to allow them to participate remotely, cast votes, and familiarize themselves with the decisions made.
35	<i>9.4.Particular attention shall be paid to shareholders exercising their right to</i>	2	The Bank's shareholders have been participating in its management by exercising their rights as Shareholders as stipulated in the "Company Law" and "Charter of the

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	<i>vote on matters related to the company's operations and ownership structure.</i>		Bank." They actively participate in the Shareholders' Meetings and vote on the issues raised by their rights. Article 7 of the Bank's Charter, Shareholders' Meetings, stipulates the participation of the Shareholders. Subsection 7.2.12 of Article 7 of the Charter of the Bank provides for the rights of existing shareholders if additional shares are issued.
36	<i>9.5.To prevent violations of the common interests of the company and shareholders, procedures for addressing conflicts of interest must be established, with their implementation disclosed to the public.</i>	2	<p>In February 2023, the BoD approved the "Trade and Development Bank's Procedures for conflicts of interest and major transaction." In March 2023, the CEO approved the "Instructions on Conducting Lafor conflicts of interest and major transaction."</p> <p>Information on Conflicts of Interest Transactions is disclosed to the public through the Bank's and stock exchange's (MSE) official websites from time to time and in the semi-annual activity report by the FRC's "Regulation on Securities Registration."</p>