



AmCham News

January 2020

AMCHAM UPDATES

AmCham events postponed

On January 24, 2020 the State Emergency Commission issued a resolution instructing the Ulaanbaatar City Mayor's Office to ban all public events. All public events such as AmCham January Monthly Meetings, and Networking Nights should not be taking place, as such we postponed the events to March 3, 2020. During this emergency period, we remain dedicated to advocating your interests. We apologize if this causes any inconvenience for you, and we greatly appreciate your support and cooperation.

AmCham Committees gather for first meetings of the year

AmCham Financial Services Committee, Agriculture Committee, Auto and Machinery Committee, Financial Services Committee, and Mining, Infrastructure and Heavy Industries Committee met to discuss critical issues, priorities, and plans for the year. Thank you to our members who actively participated in the meetings, and our Committee Chairs for taking the lead on 2020's agenda. Overall, all committees agreed to follow AmCham Mongolia's 2020 Roadmap for Growth. The Roadmap prioritizes private sector-led growth, improvement of the investment climate, improvement of the legal environment to foster businesses, support economic growth through open, competitive, and private sector-driven minerals sector, and support economic diversification. Thereby, each committee has agreed to prioritize these issues in their policies and agendas.

AMCHAM MEMBER UPDATES

Golomt Bank customers win trips to Dubai and Tokyo

To celebrate the 20th anniversary of Golomt Bank's introduction of international payment cards to the Mongolian market, the Card-20 promotional program was organized. Eleven lucky customers received vouchers to travel to Dubai and Tokyo and three winners won a trip to Tokyo 2020 Olympic Games. Golomt Bank graciously rewarded such luxurious trips to their most loyal customers who have been with them for decades. Golomt Bank wishes their customers the best of luck and extends their deepest gratitude for their support. This year marks Golomt Bank's 25th anniversary, an admirable milestone for one of Mongolia's most trusted banking institutions.



Skytel Group's Enterprise Solutions

Skytel Group's Enterprise Solution is designed to provide businesses with a connectivity edge through a broadband network, business IPTV, and ultra-fast internet services made possible by their fiber optic network. Enterprise Solution also includes business mobile postpaid and prepaid packages that offer nationwide coverage, landline services, and cloud and Data Center services. SKYmedia broadband internet comes with ultra-fast download speeds, the fastest available on their network – with speeds up to 1Gbps. This highly scalable service allows customers to connect their offices and business sites with data centers and cloud service providers.



Oyu Tolgoi's new landmark

Towards the end of last year, an important event took place, marking a new era in the history of Mongolia's modern mining industry. This milestone was the completion of Oyu Tolgoi's Production Shaft, one of the key infrastructure facilities of the Oyu Tolgoi underground project, with its headframe tower rising to the sky. This magnificent tower is the first of its kind in the Southern Gobi, embodying modern mining industry technology and standards. Such a complex facility, built with the best designs, engineering solutions, and equipment in the world, was executed by Mongolian engineers, technicians, and workers. Construction of the Production Shaft – from restart of sinking through to equipping – has taken three years and four months. Close to 50 Mongolian companies and 2,500 people worked



safely for approximately 2.6 million hours to complete this facility, an outstanding achievement by any means. These numbers prove the emergence of world-class occupational health and safety standards, as well as safety culture, in the development of underground and surface construction in Mongolia. Construction of this new landmark required 7,800 cubic meters of dry cement, all of which was sourced from MonCement and MAK Cement, a simple example of Oyu Tolgoi's domestic procurement policy to support local content over cheaper import products. Likewise, 4.8 million tons of metal structures, 15,400 meters of metal pipe, and 317,500 meters of cable were used. This vertical structure stretches 1,284 meters below ground and 96 meters above ground, with a diameter of 10 meters. The total height of this facility is 1.3 km, equivalent to 15 Shangri-La Ulaanbaatar towers – 14 below ground and 1 above ground. The Production Shaft has two hoists, one for service and one for production. The service hoist has a double-deck cage to transport 300 people at a time and can travel 1.3 km in 2.5 minutes time at a speed of 10 m/s. The production hoist has two skips, each to hoist 60 tons of ore and traveling at a maximum speed of 16.4 m/s. It is the largest friction hoist system in the world.

The Democratic Revolution brought Mongolia a free market economy and opened the door to foreign investment and technology from third neighbor countries. Oyu Tolgoi is a result of extensive investment from third neighbors and is a pioneering mega project in Mongolia. Pioneers face challenges, but the Oyu Tolgoi family, known as strong, well-educated, hardworking, and highly-disciplined miners who strive for safety, is quietly working day and night, despite the natural and social climate, to create value for the local community and to make Khanbogd an example of positive fame and a bright future. What is worth doing at all is worth doing well.

AMCHAM MEMBER CSR



Badrakh Energy's Livestock Restoration

Badrakh Energy first launched its Livestock Restoration project in 2007. A number of herder families lost their livestock, their sole source of survival, during heavy snows in 2006-2007.

The project was started to support them in overcoming this difficult situation. Households are selected for the Livestock Restoration project by the local Citizens' Assembly. They receive a total of 50 animals, including 25 female sheep and 25 female goats. These families

benefit from the livestock for three years and return the original 50 animals to the family that initially provided them, while keeping the offspring. There are 57 herding households in Ulaanbadrakh soum and 22 households in Zuunbayan bagh that are benefitting from this project. In 2019, Badrakh Energy increased the number of beneficiaries by including five more herding households in Zuunbayan bagh. The project's livestock was purchased from five local herders at market prices and transferred to the beneficiaries, thus increasing the number of sustainable herding households in the region.



EY's Little Heroes

In December 2019, EY Mongolia sponsored and participated in the Little Heroes 2019 project organized by the Rotaract Youth clubs of Mongolia. Over the past few years, Rotaract clubs have given joy and gifts to more than 2,000 underprivileged children in Songino-Khairkhan, Chingeltei, and Bayanzurkh districts. This year, the Rotaract Youth clubs gave 1,000 gifts to underprivileged children on December 28, 2019, of which 200 were sponsored by EY Mongolia and handed out by EY employees to children in Chingeltei District.



Khan Bank is leading CSR in Asia

MORS Groups, a renowned sustainability and management consulting service provider in Asia, named Khan Bank the Top CSR Advocate in Asia 2019 for its annual Asia Corporate Excellence and Sustainability (ACES) Award program. As the largest commercial bank in Mongolia, Khan Bank has always implemented nationwide CSR projects and has been consistently benefitting the communities. The Khan Bank Foundation was established in 2007, and it has implemented over 390 projects worth 4.3 billion MNT. Khan Bank is on a mission to become a leader at the international level for implementing a strong sustainability policy and contributing to the nation's economic, social, and environmental development, in addition to offering customers high-quality financial products.

Naran Mandal's CSR projects

Evan, a mobile home nursing care center supported by Naran Mandal, has opened in Bayankhongor Province. Evan NGO is a well-trained team of 32 nurses who provide home-based nursing care to the elderly and special needs patients who are in need of post-operative and post-traumatic care. This is the first project initiated in Mongolia specializing in mobile nursing. By investing in this project, patients in the region are provided with more opportunity to receive efficient and high-quality medical services. There are 18 individuals who are currently receiving free nursing care at home, receiving services that have been delivered by the Evan team more than 270 times. Naran Mandal provided Evan with a car and 32 donations of medical equipment and medicine for patients.



During the harsh winter season, Naran Mandal successfully organized a project providing winter shelters for herding households for the third year. Winter shelter materials were given to 10 herding households, ensuring that their livestock would be able to spend the winter in a warm place. The local community gratefully accepted these gifts.



Naran Mandal has also contributed to the development of sports for Mongolian youth, and sponsored the Bayankhongor cricket team, providing them with uniforms and travel expenses to represent Bayankhongor Province in the National Cricket Competition.



SouthGobi Sands LLC strives to be a leader in CSR

Listed on the Toronto and Hong Kong Stock Exchanges, SouthGobi Sands LLC has been one of Mongolia's leading companies in CSR. Since the start of its operations in 2006, SouthGobi Sands has donated more than 9 billion MNT to community development projects in the priority soums (Gurvantes, Bayandalai, Noyon, Sevrei, and Dalanzadgad) of Umnugovi Province.

SouthGobi Sands' CSR projects

Education is one of the priority sectors of SouthGobi Sands LLC's CSR activities. In January of this year, students from Manidbadar General Education School in Noyon soum received a fully refurbished gymnasium funded by SouthGobi Sands LLC. The company made a donation of 75 million MNT in commemoration of the 80th anniversary of Manibadar School, part of its continuous commitment to local development.



Furthermore, SouthGobi Sands donated 1 billion MNT donation for the refurbishment of Technical Sports Center in Ulaanbaatar, constructed apartments for 48 households in Gurvantes soum, awarded 191 scholarships from priority soums, built a kindergarten for 120 kids in Gurvantes soum, significantly contributed in the renovations of public restrooms in Bayandalai soum, Gurvante's Healthcare Center, and Noyon soum's General Education School.



SPS to sponsor International Youth Green Games 2020

The International Youth Green Games will be held in Ulaanbaatar, on September 13-20, 2020, organized by the Office of President Battulga, the United Nation's Framework for Sustainable Development, and UNESCO. The sports program includes archery, athletics, 5x5 and 3x3 basketball, chess, climbing, cricket, e-sports, fencing, football, jujitsu, judo, kurash, sambo, shooting, swimming, table tennis, taekwondo, volleyball and wrestling. SPS is honored to be one of the sponsors of this exceptional event.



TransBank's support for the visually impaired

TransBank plans to increase employment opportunities for the visually impaired in 2020. Under Article 111.1 of the Labor Law, a business entity or organization with 25 or more employees is required to provide employment to four or more people with dwarfism or people living with disability. In accordance with the provisions of the law, TransBank started providing employment for those with visual impairments in May 28, 2019. Currently, five shifts at TransBank's central office, the Shangri-La Office, are filled by visually impaired staff.



Wagner Asia Equipment LLC's CSR news

In the spirit of making children happy at Christmas, Wagner Asia donated a total of 400 sets of "Bumbardai" comic books to all of the centers and organizations that the company supports. The books were delivered to the libraries of the Veloo Foundation, Christina Noble Foundation, secondary schools #63 and 55 for special needs education, Magic Land 1 and 2, the temporary residence at the National Orthopedic Center, Eeltei Yortonts NGO, the Children's Protection Shelter, the Children's Central Library, Unur Bul State Orphanage, and kindergartens #62, 63, and 8. "Bumbardai" comic books promote Mongolian traditions and heritage





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