

CORPORATE PRESENTATION

ANNUAL REPORT 2024



NET CAPITAL

Finance Corporation NBFI LLC





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Letter from the Chairwoman of the Board of Directors

We are pleased to present the 2024 Annual Report of “Netcapital Finance Corporation NBFI” LLC to all our valued clients and partners.

In 2024, the strategic-level decisions and policies of the Board of Directors, in conjunction with the execution by the management team, established a culture of corporate governance. This resulted in an achievement of 97.2% in the Financial Regulatory Commission's Corporate Governance Code assessment, which serves as a testament to our organization's maturity and accountability in governance.

Moving forward, we will strive to strengthen and maintain our stable and transparent governance by supporting long-term development policies, including diversifying the company's external funding sources, preparing for an IPO, and building an Artificial Intelligence-based ecosystem.

We would like to express our gratitude and wish success to the dedicated employees who stand behind every organizational achievement, the loyal trust of our investors, and all our clients, partners, and Board members.

Sundii JAVZANDULAM

Best regards, Chairwoman of the Board of Directors
“Netcapital Finance Corporation NBFI” LLC



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Letter from the CEO

In 2024, "Netcapital Finance Corporation NBFI LLC" further clarified its mission to "Leading through Digital Transition," fully aligning its Artificial Intelligence (AI)-based solutions with the market. We effectively began utilizing data-centric innovations in business decision-making, such as the Customer Lifetime Value model to determine clients long-term worth, risk-based scoring, and an automated collateral valuation system, thereby creating a customer-centric ecosystem.

Our achievements in 2024 were not limited to internal reforms. We served as the General Sponsor for the live broadcasts of the Paris 2024 Summer Olympics and Paralympics, as well as the Euro 2024 football tournament. We actively participated in promoting the success of Mongolian athletes by providing financial and other support to the team and its members. This was a significant step that created an opportunity for the company to connect with its consumers not only through financial services but also through cultural, sports, and social values.

The year 2025 will be a year of strategic decisions for us, focusing on preparations for an IPO, the full implementation of our AI-based ecosystem, and the acceleration of innovation-driven growth.

I express my gratitude for the diligence of our team who form the foundation of our progress, the trust of our investors, and the support of our partners.

Batbold KHUNSHAGAI

Best regards, CEO
"Netcapital Finance Corporation NBFI" LLC

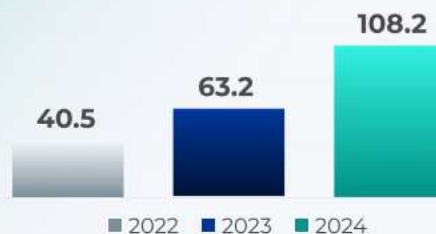


Key performance indicators

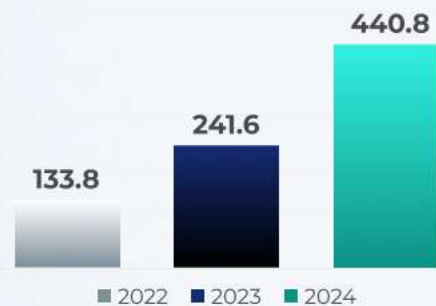
Number of Active Clients and Loans Disbursed

In thousands at period end

Active clients



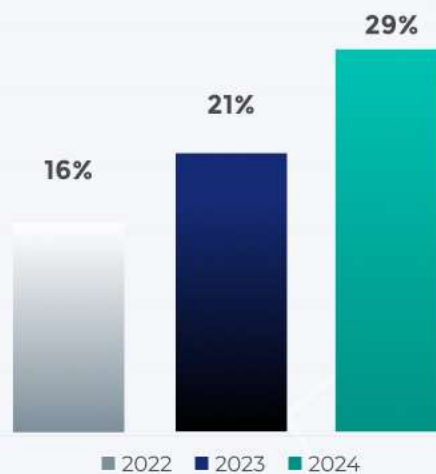
Loans Disbursed



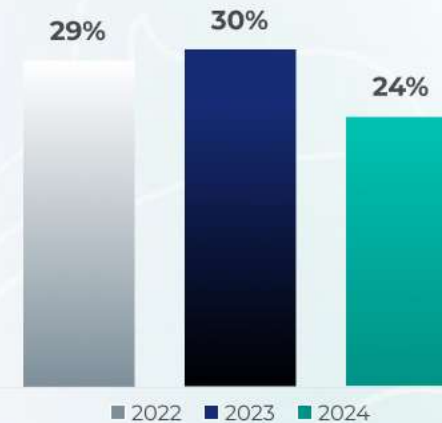
Financial Key Indicators

In percentage at period end

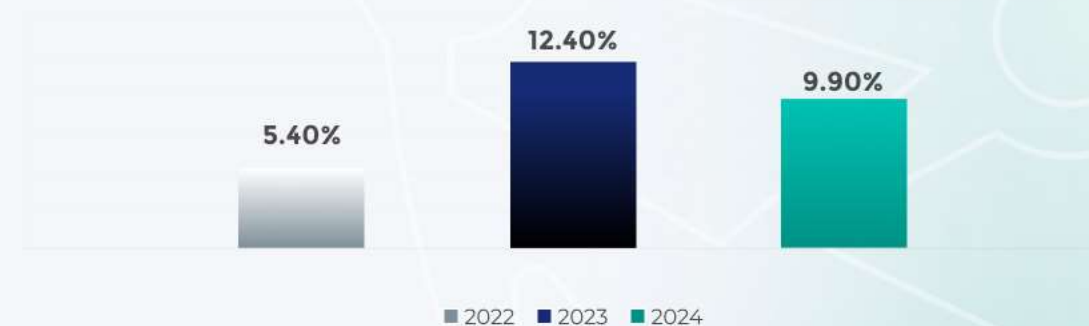
ROE



CAR



ROA





Highlight of 2024



Olympic, Paralympic Games, Euro 2024

With the slogan "Invest in Passion and Talent," Mongolian teams and athletes received financial support from the general sponsor of the live broadcast of the "Euro-2024" European Football Championship, the 33rd Olympic Games, and the 17th Paralympic Games this summer in "Paris-2024."



International funding

Fundraised 9 million USD from a Singaporean investment company.



2023 Sustainability Report

Netcapital Financial Group's 2023 Sustainability Report



Branches

City: 2 branches opened
Rural: 1 branch opened.



IDCXS

Implemented an international digital consumer experience standard.



Values, Culture, Structure, Organization

The Company's "Values, Culture" and "Structure, Organization" were newly approved



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About Company



Mission

Leading through digital transition.



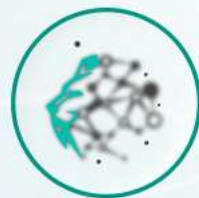
Vision

To create an AI-driven ecosystem that integrates customer-centric financial and non-financial services.



Values

1. Be energetic and inspire others
2. Be transparent and trustworthy
3. Be passionate and determined
4. Execute with speed and efficiency
5. Foster a culture of joy and positivity





Landmark Events in the History of Netcapital

- 2008** Started operations by providing loans, trust and investment consulting services.
- 2009** Top-10 NBFI of 2009, first auto loan product, expanded the operations to rural areas.
- 2010** Top-10 NBFI of 2010, Platinum member of Mongolian Chamber of Commerce.
- 2011** Equity reached MNT 1.5 billion through equity injection. CEO became entrepreneur of the year.
- 2012** International Microfinance Consultant Jonathan Hiebert was invited to join the management team, Grand Expo top 5 NBFI.
- 2013** GreenERP and Grapebank systems have been implemented, expanded into 2 cities and 3 districts.
- 2014** Introduced the Most Money payment system, becoming the first in the industry to transition to 100% cashless transactions. Awarded Best Taxpayer of 2014.
- 2015** Launched new products and services aligned with the Sustainable Development Goals 2030
- 2016** Successful development and implementation of professional and personal training programs.



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Landmark Events in the History of Netcapital



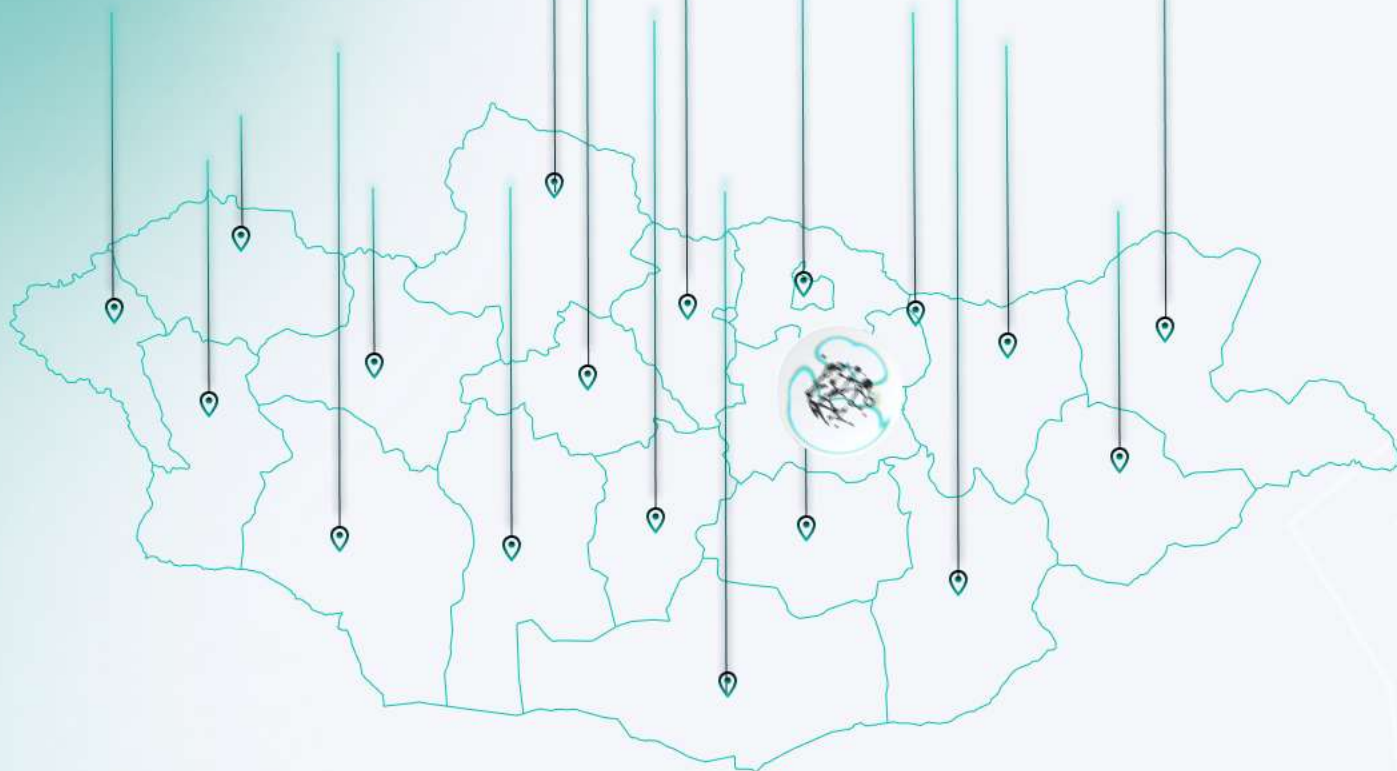
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|------|---|---|
| 2017 | ● | A new product called 'Mobile Credit', available on mobile phones, was introduced to the market. A new branch was opened in Sukhbaatar District. |
| 2018 | ● | Successfully implemented the '10,000 Smiles' project. Awarded 'Best Social Responsibility Implementing Organization of the Year' by the MFI Association. |
| 2019 | ● | Sponsored the special Olympics, office has been relocated for the purpose of attracting investors, Khur government information exchange program has been introduced. |
| 2020 | ● | Launched NETAPP, an electronic lending service with fintech solutions to the market, opened branches in central districts of Ulaanbaatar. |
| 2021 | ● | The company expanded its organizational structure and established 8 new branches. The company renewed and approved its Vision, Mission, and Core Values. The best NBFI of 2021 by the 'Global Banking & Finance Awards,' an online journal of the international banking and finance sector. |
| 2022 | ● | Global banking & finance awards- The next 100 Global awards, Implemented ISO9001:2015, 12 rural branches has been opened simultaneously. |
| 2023 | ● | Launched a digital branch, implemented NetCore and AI based systems, Adopted COSO ERM, and maintained a TOP-5 corporate. |
| 2024 | ● | <ul style="list-style-type: none">• Netcapital Finance Corporation NBFI LLC was named TQCSI Mongolia LLC's Best Client Organization of 2023• The "Annual Meeting - 2024" focused on Achievements, Success, and Digitalization was successfully organized.• Fundraised USD 9 million from Singaporean investment company, IDCXS standard has been implemented. |



Geography of Operations



595
EMPLOYEES



39
BRANCHES



+105'754
CUSTOMERS





Product & Service Overview

Loan products:

Automobile loan

Loans available for the purchase of new and pre-owned vehicles.

Consumer loan

Consumer loans designed to finance household expenses, including tuition fees, medical treatment, and general consumption needs.

Digital loan

Services accessible by downloading the 'NetPay MN' application from the App Store or Google Play, followed by registration and identity verification.

Business loan

Business loans designed to help small and medium-sized enterprises (SMEs) purchase inventory and increase their operational profits and revenue. Our loans are available to both individual business owners and corporate entities.

Debt Instruments:

Trust

Trust services' refer to activities where the trustee temporarily manages, utilizes, and disposes of specified assets according to a mutually agreed-upon contract, with the purpose of protecting the assets—such as cash, loans, and other valuables—from depreciation and generating profit.

Bond

Debt instruments are securities that certify the issuer's obligation to repay the principal and interest to the bondholder, either in cash or in the form of specified assets or property rights, upon the maturity of the instrument.



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Corporate governance

"Netcapital Finance Corporation NBFI" LLC is a non-bank financial institution registered in Mongolia as a limited liability company. In addition to the laws and regulations of Mongolia, the company adheres to the Corporate Governance Code established by the FRC.

The company aims for long-term sustainable development by protecting the rights and interests of its shareholders, customers, employees, and other stakeholders, and by fostering cooperation based on trust.

Based on the FRC's 2024 "Corporate Governance Code assessment," Netcapital Finance Corporation NBFI" LLC ranked 2nd with a score of 97.2%

Corporate governance documents:

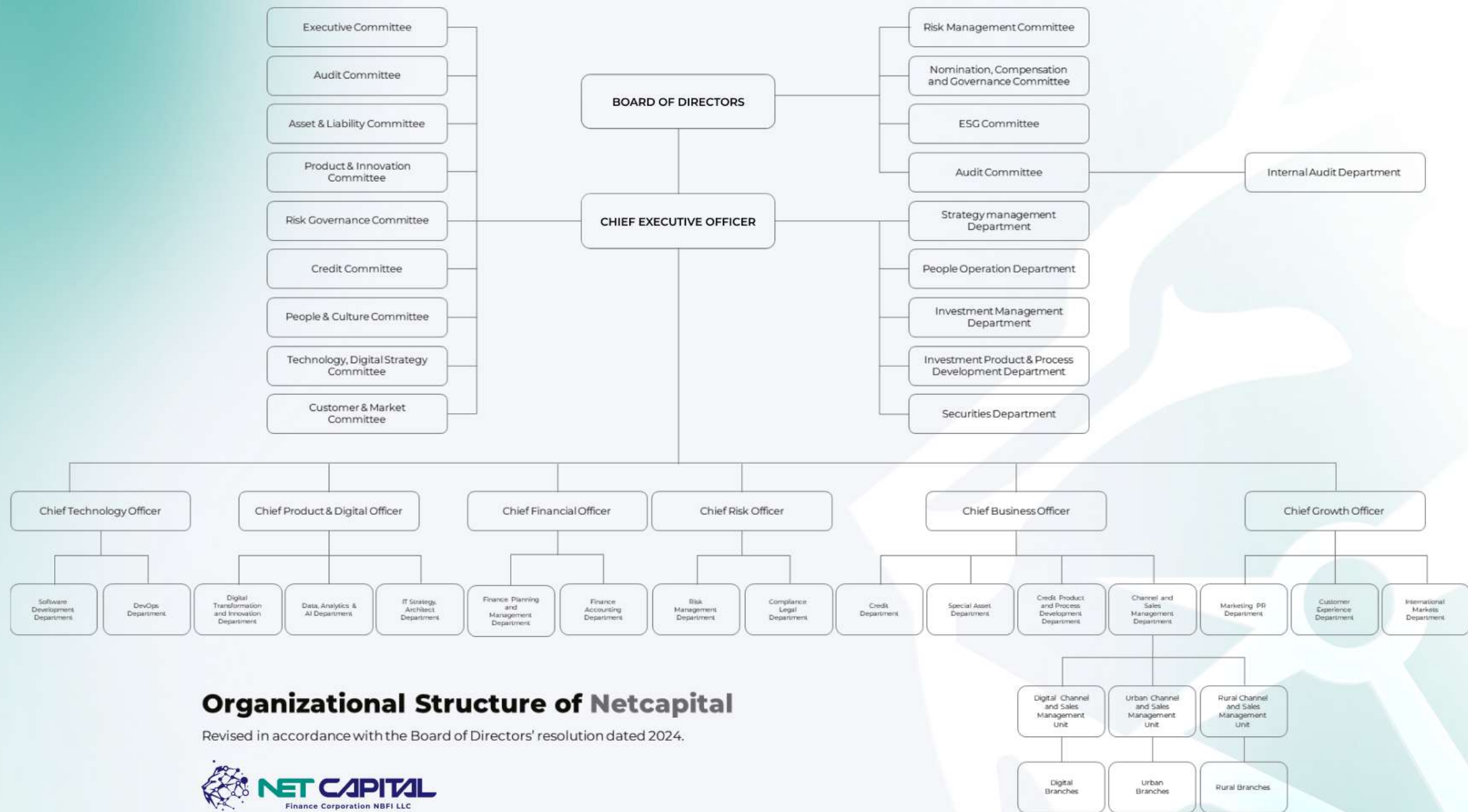
1. Code of Ethics
2. Anti-Bribery Policy
3. Compensation and Incentive Policy
4. Information Transparency and Reporting Procedures
5. Procedures for the Management of Transactions Involving Conflicts of Interest
6. Procedures for the Operation of Committees under the Board of Directors

Ranked 2nd with a score of



97.2%







Javzandulam Sundii

Chairwoman of the company's Board of Directors

The ultimate owner of Netcapital Finance Corporation NBFI LLC, and has been elected to serve as the Chairwoman of the company's Board of Directors since 2024.

Work experience:

2024 - Present, Chairman of the Board of Directors
2022 - 2024,"Chief Executive Officer's First Deputy, Netcapital Finance Corporation NBFI LLC"
2021 - 2022,"Business Development Manager , Netcapital Finance Corporation NBFI LLC"
2019 - 2021,"Operation Manager, Netcapital Finance Corporation NBFI LLC"



Orgil Lkhagvatumur

Independent Member of Board of Directors

Shareholders' Meeting : Elected as a member of the company's Board of Directors since 2022

Work experience:

2020-Present – Khan Daatgal LLC, Chief Executive Officer (CEO).
2011-2014 – EREL LLC, Economist;
2014-2016 – Khan Daatgal LLC, Business Development Manager;
2016-2017 – Khan Daatgal LLC, Director of Retail Insurance Department
2017-2019 – Khan Daatgal LLC, Director of Sales and Channel Management Department;
2019-2020 – Khan Daatgal LLC, Chief Financial Officer (CFO);



Bolorchimeg Baatarzorigt

Independent Member of Board of Directors

Shareholders' Meeting : Elected as a member of the company's Board of Directors since 2021

Work Experience:

2019 - Present: CEO, Founder, Word Media LLC, Urug.mn
2012 - 2019:Journalist, Shine Delkhii, MNC TV, NT TV



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Urangoo Altangerel

Independent Member of Board of Directors

Shareholders' Meeting : Elected as a member of the company's Board of Directors since 2020.

Work experience:

2013 - Present: CEO, Founder, UA Consulting, Properties, Investment.



Chudanji Sharav

Independent Member of Board of Directors

Shareholders' Meeting : Elected as a member of the company's Board of Directors since 2020.

Work experience:

2017 - Present: CEO, SPEK LLC.

1999 - 2009: CEO, Zoos Bank.

1993 - 1999: Economist, Agricultural Bank of Mongolia.



Munkhjavkhaa Batchuluun

Independent Member of Board of Directors

Shareholders' Meeting : Elected as a member of the company's Board of Directors since 2022.

Work Experience:

2017 - Present: CEO, SPEK LLC.

1999 - 2009: CEO, Zoos Bank.

1993 - 1999: Economist , Agricultural Bank of Mongolia.



Orgodol Sanjaasuren

Independent Member of Board of Directors

Shareholders' Meeting : Elected as a member of the company's Board of Directors since 2020.

Work Experience:

2008-2009 – Mongolian Post Bank, Chairman of the Board of Directors;

2009-2020 – TDB, Deputy Chief Executive Officer.



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Board of Directors Overview

The Board of Directors meeting reviewed and made decisions on the following matters in accordance with the Company's law, financial regulatory framework, and corporate governance code.

Board of Directors Meeting

Number of Meetings:

10

Number of Decisions:

13

Committees alongside the Board of Directors

Number of Meetings:

5

Number of Conclusions:

5

The general meeting of the Board of Directors:

- Approving the Company's 2023 Plan and Budget Execution, and the Company's 2024 Budget.
- Approving the Internal Audit 2023 Report and the 2024 Plan.
- Approving the Corporate Governance Code Report, the rules of operation for the committees under the Board of Directors, and the changes to the membership of the committees under the BOD.
- Declaring and calling an Extraordinary Shareholder Meeting.
- Regarding the distribution of dividends.
- Approving amendments to the Company's valuation principles.
- Approving changes to the Company's structure and organization.



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Board of Directors Overview

Nominations and Remuneration Committee

The Board of Directors is responsible for approving and supervising the remuneration and incentive policies for its members and authorized employees. This oversight includes regulating member requirements, managing election procedures, and ensuring all candidates including independent members are qualified to serve effectively. Additionally, the Board must approve the management team's performance-based compensation within the first quarter of the year, directly linking incentives to the company's annual strategic goals and business plan.

Audit committee

It regulates relations related to ensuring independence and reality, allocating audit resources, restricting the scope of the audit, approving the annual audit plan, the audit reporting process, appointing and dismissing the chief auditor, and carrying out internal audit activities.

The risk committee

Discussing potential risks in the company's operations, making decisions on preventive measures, resolving emerging issues, establishing a risk management system, and providing unified management.

Full name	Postition	Nominations and Remuneration Committee	Audit committee	The risk committee
S. Javzandulam	Chairwoman of the Board of Directors	+	+	+
S. Orgodol	Independent Member of Board of Directors			+
A. Urangoo	Independent Member of Board of Directors			+
B. Munkhjavkhaa	Independent Member of Board of Directors	+		
L. Orgil	Independent Member of Board of Directors		+	
Sh. Chudanji	Independent Member of Board of Directors		+	





Netcapital Strategy





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Netpay Credit

- Full possibility to request and receive approval for a loan via your mobile phone
- Quick and prompt decision-making
- Minimal requirements, paperless process
- Smart assessment based on credit history and score

NetGoods

- To compensate for financial shortfalls
- To get a loan with a relatively low interest rate
- To increase the loan amount
- To ensure flexible loan conditions
- To enhance personal investments
- To improve one's credit history

NetMerchant

- Full possibility to request and receive approval for a loan via your mobile phone
- Quick and prompt decision-making
- Minimal requirements, paperless process
- Smart assessment based on credit history and score



Digital transition

Within the framework of the strategy to increase customer activity and satisfaction, we successfully developed and introduced loyalty and entertainment features into the NetPay app in connection with the sponsorship of the Paris Summer Olympics and the Euro 2024 tournament.

Loyalty-Netpoint

- Collect Points
- Invite a Friend
- Determine Eligibility
- Pay Off Loan On Time

Entertainment

- NetPay with ASAR
- Euro 2024 Prediction Contest
- Jetour Car Lottery
- Wheel of Luck

Net Points Rewards

- Purchase Lottery
- Tickets and Coupons
- Upgrade Customer Tier
- Pay Fees and Charges





Digital transition

By further improving and implementing our Artificial Intelligence (AI)-based solutions, we are enhancing decision-making, accelerating the organization's digital transformation, and effectively executing strategic goals by increasing customer experience and value.

New Models

- Customer Lifetime Value determination
- Overdue prediction
- Segmentation
- Traditional loan customer scoring

Improved Models

- Digital loan customer scoring
- Collateral valuation
- Automobile
- Apartment



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Google Workspace Implementation;

- Chat
- Documents
- Online meeting

Jira helpdesk Implementation;

- Service requests
- Approval
- Automated process of employment

Service Quality;

- System uptime: 99.97%
- Average time to resolve an issue: 27 minutes

Google Workspace

The company successfully implemented Google Workspace as an integrated, core environment to replace disparate platforms like Telegram chat, Microsoft Office, and Zoom, with the goal of centralizing internal communication and collaboration across all departments.

⚡ Jira Service Desk

The implementation of the Jira Helpdesk system centralized the registration of service requests from all departments. This has made operations faster and more transparent.



The company works to ensure business continuity, leveraging information technology to deliver stable and high-quality service.





Human resource management

We define human resource needs and policies in line with the company's long-term vision, mission, and core values, and operate by determining the company's human resource planning, recruitment, selection, retention, adjustment, training and development, succession and transition of employees, and organizational structure.

We are working on the function of employee recruitment and selection based on an open human resource policy.

We are working towards the goal of selecting the "Right person, right job, right time" by seeking knowledgeable, skilled job candidates whose goals align with the company's goals and your goals.

As of the end of 2023, Net Capital Finance Corporation had 489 active employees, and as of December 2024, it grew to 595 active employees, creating 106 new jobs.

Recruitment principles

We maintain an open HR policy in our recruitment and selection processes. Our goal is to select the "right person, for the right position, at the right time" ensuring candidates who possess the knowledge and skills that align with our organizational objectives.

Selection process:

1. Receiving Applications
2. Application Screening
3. Examinations and Tests
4. Interviews and Meetings
5. Job offer



Total Active Employees.

595



Head Office Employees

130



Branch Employees

465



Executive Management

11



Total Branches

39



22





Human resource management



NET-Academy-New employee orientation



NET-Naadam-Naadam festival



NET-Cup-Sport event



NET-Summer Trip-Summer Trip



NET-Family-Children's day



NETX event-Challenging and improving employee presentation skill





Financial and economic indicators





Macroeconomic conditions in the country

External conditions:

China's Economic Slowdown: The anticipated deceleration of the Chinese economy, driven by ongoing trade tensions with the United States, poses a significant risk to regional demand.

Geopolitical Instability: The prolonged nature of the Russia-Ukraine conflict continues to cause high volatility in global commodity and raw material prices.

Global Mineral Demand: Increased volatility in copper and gold prices driven by the global energy transition.

Monetary Tightening: Global interest rate hikes pressuring local currency stability and debt servicing costs.

Logistical Constraints: Ongoing supply chain disruptions at key border ports affecting import-dependent sectors.

Energy Security: Fluctuations in regional fuel supplies and energy prices impacting domestic production costs.

Internal conditions:

Export revenues are expected to reach \$15.8 billion in 2024. Also, international organizations like the IMF, World Bank, and ADB forecast the country's economic growth at 6%.

The NPL ratio has a positive trend, as the banking sector remains active and the overall credit quality has improved.

Inflation is expected to reach 8.4% by the end of 2024, exceeding the target interval set by the Bank of Mongolia.

Gross International Reserves (GIR) stand at \$5.5 billion, which is an insufficient level to cover 4.8 months of imports.

The changes in the financial system's situation and indicators require the strengthening of supervision over the Non-Bank Financial Institution (NBFI) sector participants, proactively preventing issues before they occur, and clearly attracting foreign direct investment.



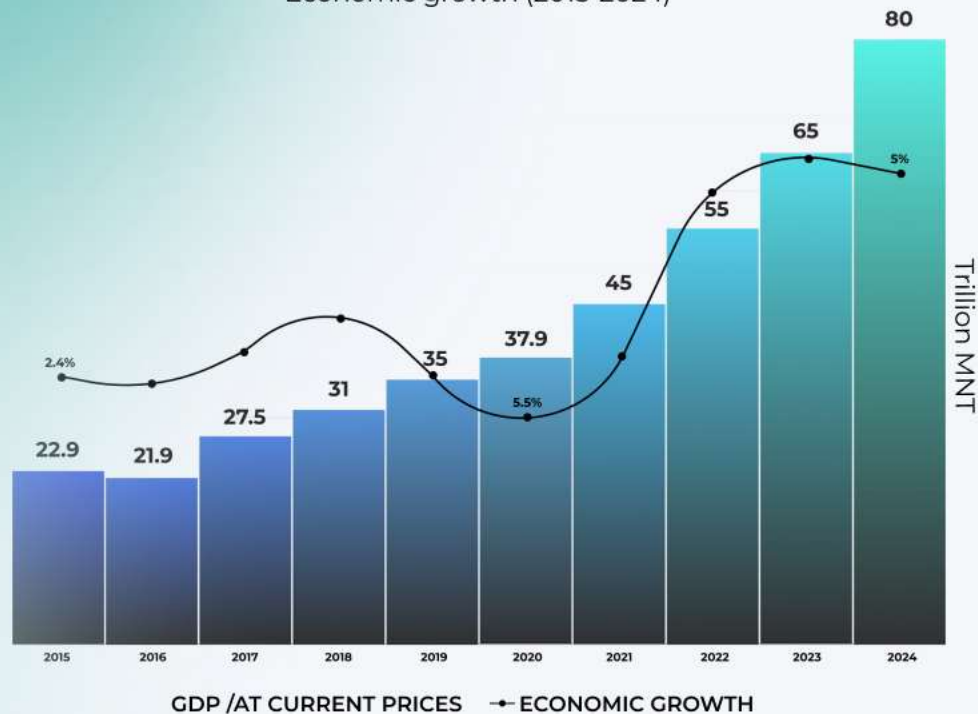
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Macroeconomic performance

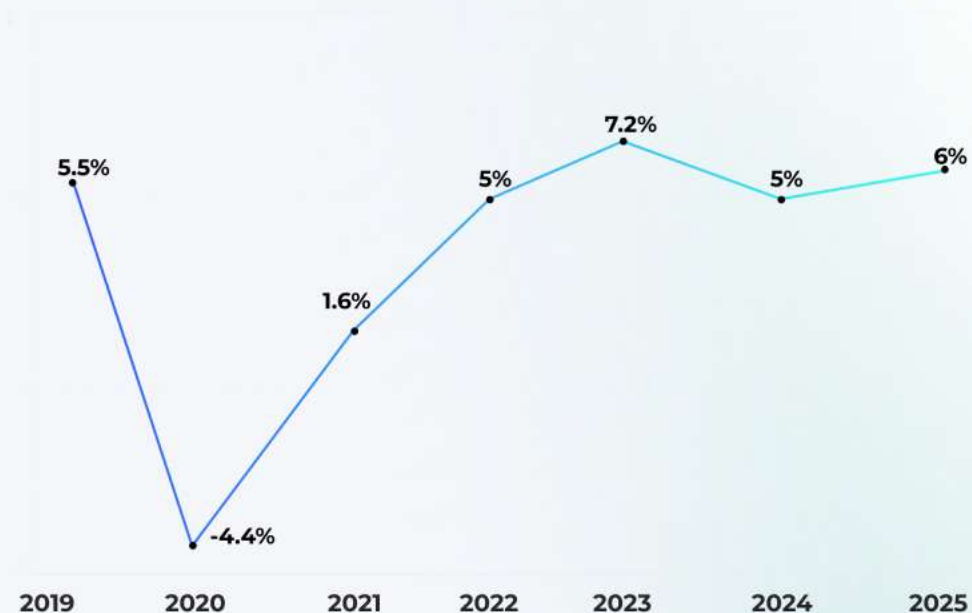
Economic growth (2015-2024)



5.0% Growth

In 2024, Mongolia's Gross Domestic Product (GDP) reached 80 trillion MNT, and economic growth was 5.0%. Economic growth slowed after consistently increasing for three consecutive years from 2020

Economic growth (Forecast)



6.0% Growth

The IMF forecasts Mongolia's economic growth to reach 6.0% in 2025. Due to a new phase in the U.S. trade partnership that differs from the previous one, there is a high probability this forecast will be lowered.



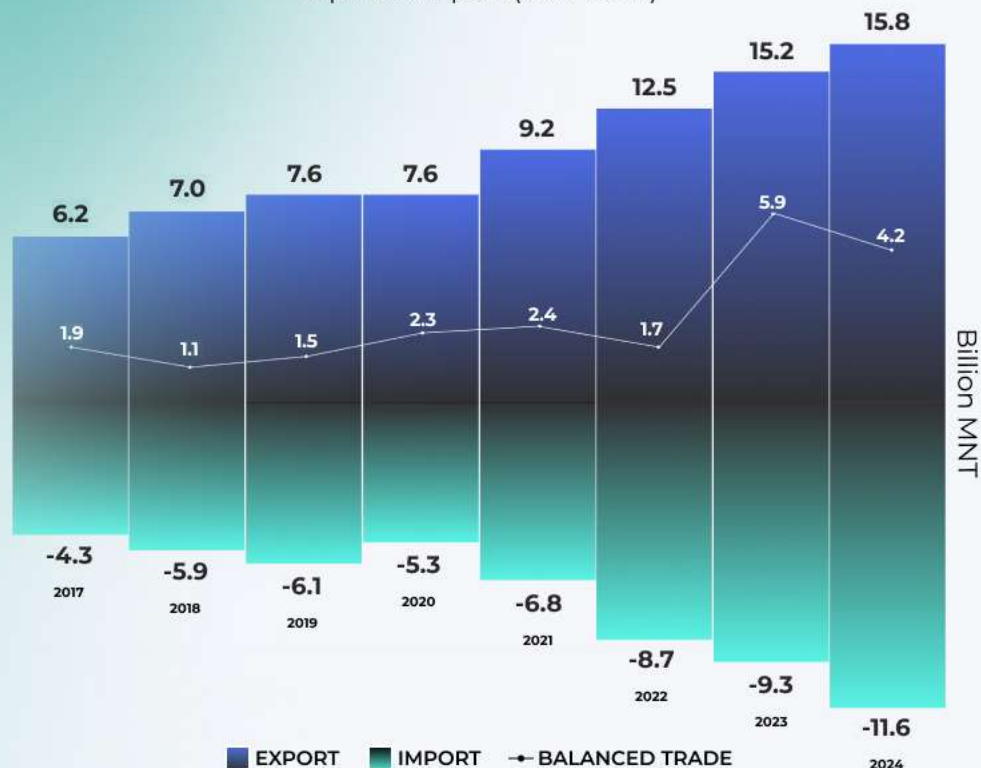
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Macroeconomic performance

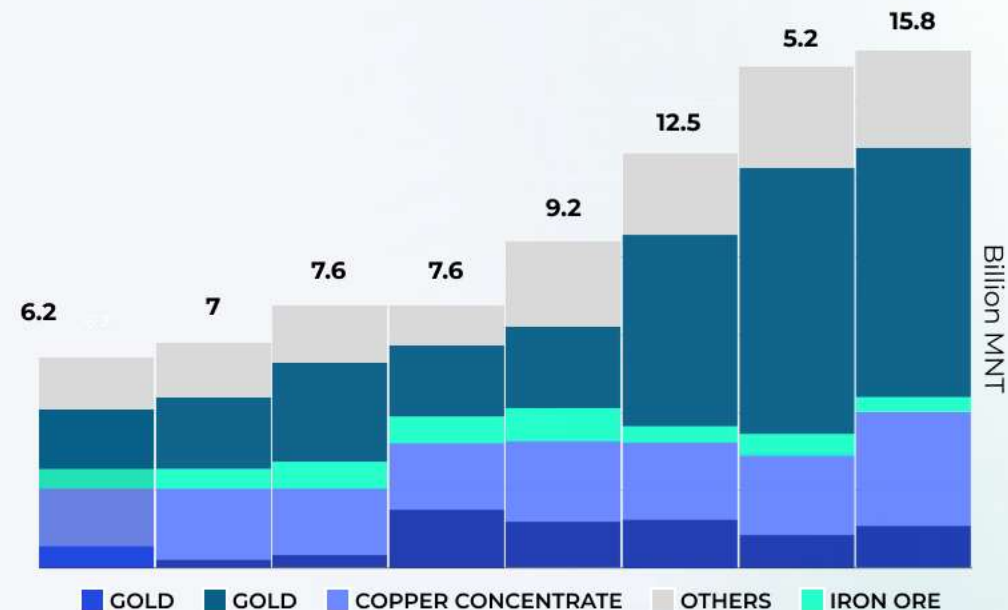
Export & Import (2017-2024)



\$4.2 Billion Profit

Mongolia's export revenue reached a historic high of \$15.8 billion in 2024, resulting in a trade surplus of \$4.2 billion. Although the price of coal, which is the main commodity, slightly decreased, the quantity showed an increase.

International trade



55% Coal Export

Coal export alone accounts for 55% of export revenue. It explains the majority of the economic growth in 2024. Furthermore, future economic growth is highly dependent on the price and quantity of coal.



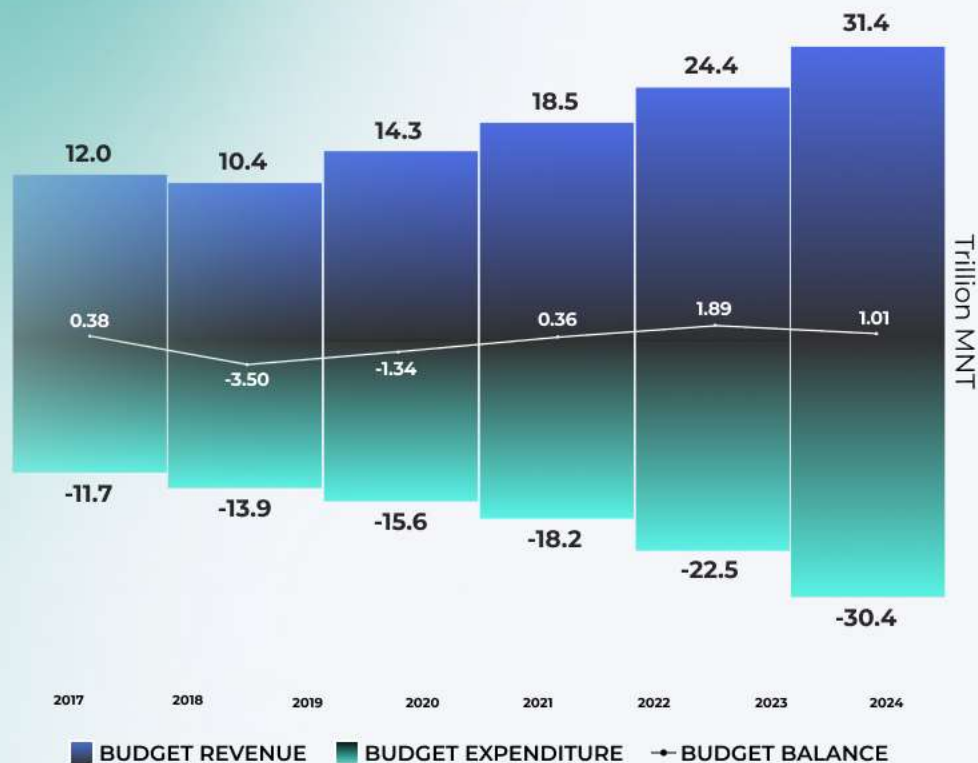
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Macroeconomic performance

Budget balance /2017-2024/

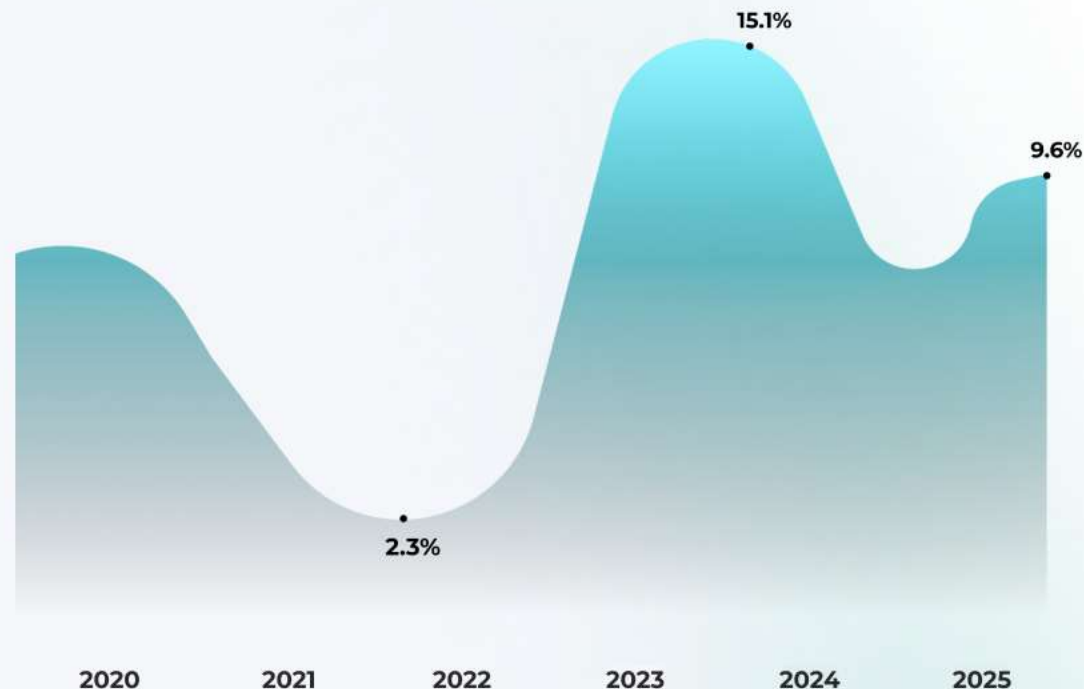


33.5 Trillion MNT - Budget

The 2025 state budget was approved at the highest amount in history, 33.5 trillion MNT, reaching 35.2% of GDP.

This budget, calculated based on high coal prices, is likely to put pressure on inflation.

Inflation /2020-2025/



9.6% Inflation

In 2024, inflation reached 9.2 %, exceeding the Bank of Mongolia's target of 6 % \pm 2 %. In response, the Bank raised the policy rate to 11.0 %, to help bring inflation back toward the target range.



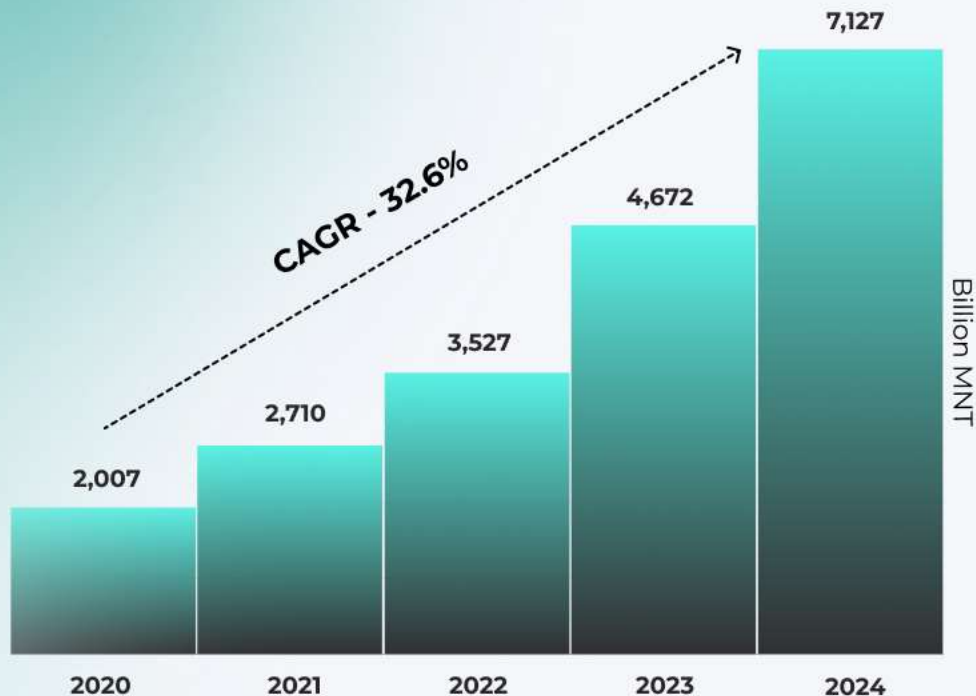
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Sector Information - NBFi

Total assets of NBFi /2020-2024/

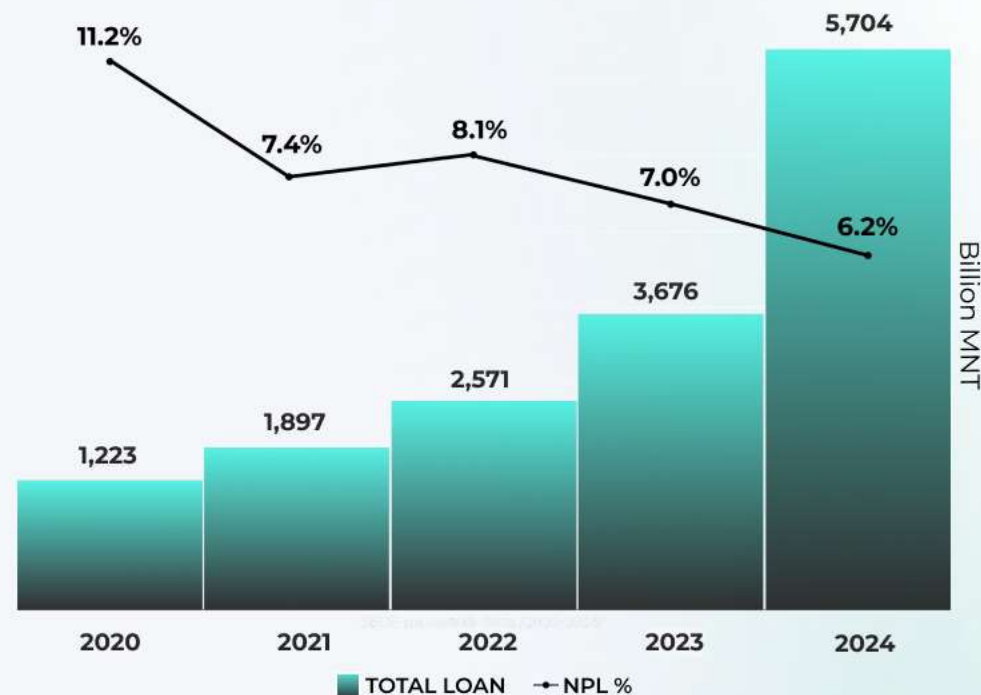


7.1 Billion - Total Assets

The NBFi sector's total assets grew at a CAGR of 32.6% over the period 2020-2024, reaching 7.1 billion MNT by the end of 2024.

Total assets showed a rapid growth of 52.5% in 2024 compared to the previous year.

Total loan portfolio of NBFi /2020-2024/



6.2% Non-Performing Loan

The NBFi's total loan portfolio reached 5.7 billion MNT by the end of 2024, which is 80% of total assets.

The level of Non-Performing Loans reached 6.2%, which is the highest level in the last 5 years.



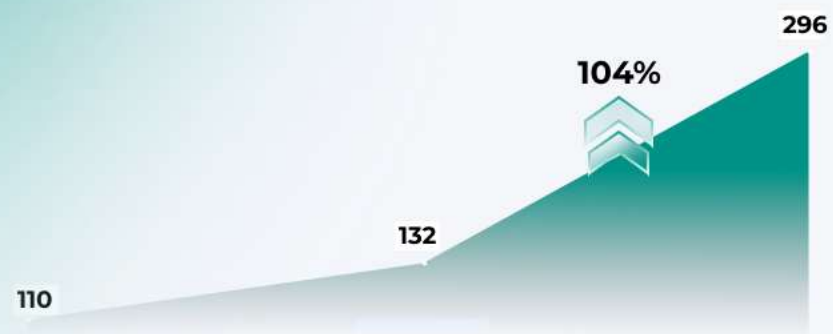
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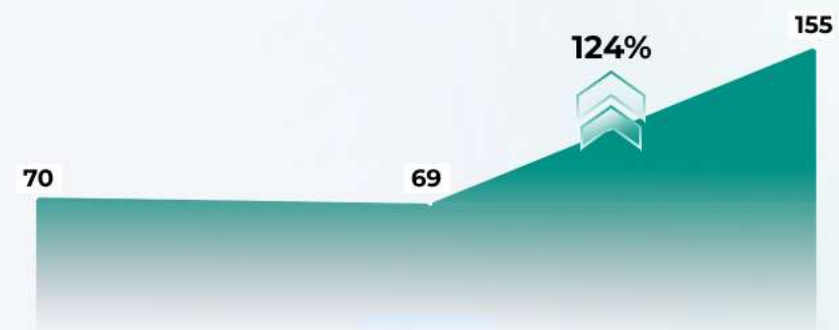


Financial Performance

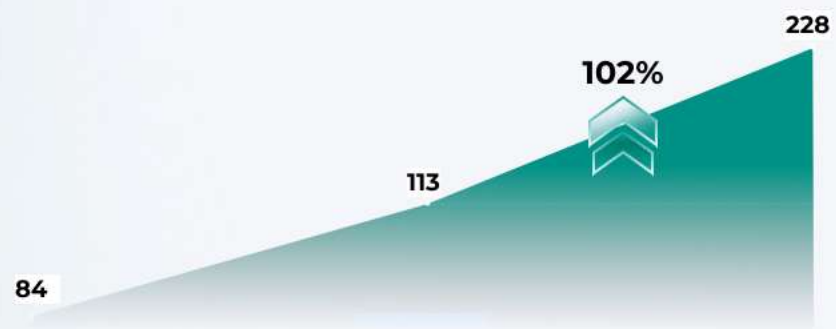
Total Asset /Billion MNT/



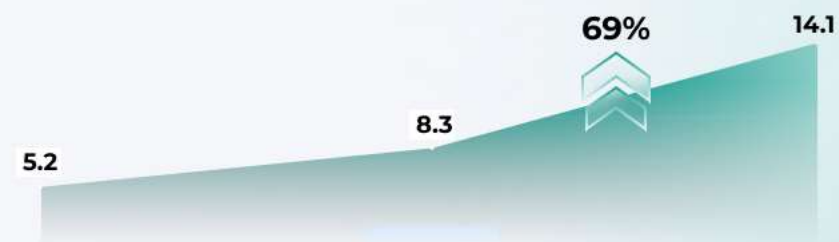
Total Liabilities /Billion MNT/



Loan Portfolio /Billion MNT/



Net Profit /Billion MNT/



30





Operational Performance

Lending Indicators

Total loan
portfolio

228
Billion MNT

NPL in the
portfolio

4.65%

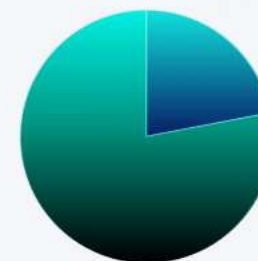
Average
loan balance

2.6
Million MNT

Number of loans
outstanding

108,251

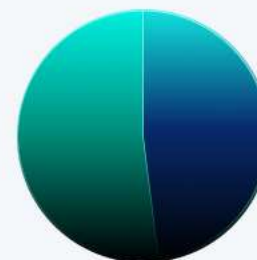
By loan type:



78% Traditional loans
(215.2 Billion MNT)

22% Fintech loans
(61.6 Billion MNT)

By Gender:



52% Female
48% Male

By Location:



55.1% Ulaanbaatar city
44.9% Rural areas



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Risk Management system





Risk Management system

Risk Management

The Group has established a risk management team with the goal of protecting its value and ensuring a stable future and is working to identify, categorize, measure, monitor, and report all types of risks that may affect its operations.

The Group aims to support improved corporate governance and provide opportunities to maintain the stability of the business through effective risk management.

Operations of the Risk Management Committee

The Risk Management Committee meets at least once every 14 days, depending on the size and complexity of its operations, to discuss risks, make decisions, and take measures.

All risk monitoring and review reports, risk limit compliance, as well as selection, acceptance, and required legal compliance with internal rules, procedures, and internal bodies are reviewed and monitored by the Risk Management Committee.

Risk Management Governance, 2023

The Group's risk management governance structure depends on the size and complexity of its operations and is reviewed annually.

Since 2024, a "Risk Management Committee" has been established alongside the Group CEO. The Group's risk management system is based on three main principles: risk ownership, monitoring, and regular auditing.

Risk Management

The Group's overall risk is classified into 9 major categories, which include:

Strategic Risk, Financial Risk, Operational Risk, Market Risk, Human Resource Risk, Information & Data Security Risk, Environmental and Social Risk, and Public & Regulatory Risk.

In addition to these types, the Group also maintains policies and procedures for other types of operational risks.





Risk Management areas



1. Strategic Risk Management

Aims to identify and implement risk mitigation measures, based on the internal environment, external environment, and operational capability analysis.

It sets a framework for risk appetite and risk limits based on OKRs (Objectives and Key Results) and monitors the implementation of strategic goals.



2. Financial Risk Management

Aims to control the Group's financial risk in accordance with regulatory requirements, ensuring adequate capitalization, and maintaining solvency, payment capacity, and asset accumulation.

Focuses on balancing the return on assets against potential losses to maintain stability.



3. Credit Risk Management

The Group works to limit loan risks by establishing clear "Loan Terms" and building an effective loan portfolio.

It implements a system for early detection of loan risks, performs periodic stress testing on loan portfolios, and automates the entire loan process using automated risk analysis, establishing guidelines and documents.



4. Operational Risk Management

Aims to reduce operational risk and prevent losses by adopting the ISO 9001:2015 standard and implementing the SIPOC methodology.

It establishes and implements human resource policies based on international best practices and regularly reviews and improves their implementation.



5. Compliance Risk Management

The Group develops and implements policies and processes for managing public risk in accordance with the FATF recommendations and the Mongolian law on combating terrorism financing and money laundering. It has introduced an automated system for identifying customers with political exposure (PEPs) and those on sanctions lists to prevent money laundering and financing of terrorism, thereby complying with all legal and regulatory requirements.

6. Human Resources Risk Management

The Group defines its "HR Risk Appetite" and conducts analysis of all risks associated with CSAT, NPS, CES, CCR, and FCR that are measured through internal/external surveys. The results are reported to the Risk Committee for decision-making. Human resource risks are directly related to the stability and security of Information Technology and are therefore addressed together.

7. Information Technology and Security Risk Management

It aims to ensure information security by using controls and measures under the ISMS to maintain the confidentiality, integrity, and accessibility of valuable data.

It employs measures such as border control, physical intrusion control, system security, compliance with Logins, Digital forensics, and access control.

The Group is audited for compliance with the ISO/IEC 27001:2013 standard in two similar areas that are constantly implemented in operations.

8. Environmental, Social Responsibility, Health, and Safety Risk Management

The Group has identified and established the "Risk Management Policy" in all departments that carry out activities related to the environment and social responsibility. Social responsibility is supported and implemented through a designated financial budget and activities.

The Group evaluates employee satisfaction with labor, health, and safety compliance and regularly conducts risk mitigation and prevention measures based on international best practices.



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Internal Audit Objectives and Structure

The goal of the Internal Audit Department is to provide assurance and certification for the governance, strategy, risk management, internal control processes, effectiveness, and security of the "Netcapital Finance Corporation NBFI" LLC Company, and to assess and improve the professionalism of its audit.

Internal Audit System

The Internal Audit Department is independent and reports to the Audit Committee under the Board of Directors , where decisions are made. This includes:

Approving the Internal Audit rules and procedures.
Approving the annual plan for risk-based internal audit.

Approving the Internal Audit budget and human resources plan
Reviewing the reports and activities of the Internal Audit Department from the management.

In selecting the scope, goal, criteria, audit methods, and content of reports for the Internal Audit Department, the company's business risks and the parts of the business that are most affected are determined.

If independence is lost or compromised, the Internal Audit Department reports it to the Audit Committee.

Internal Audit Composition and Governance

The Internal Audit Department reports directly to the Audit Committee under the BoD.

The Internal Audit Department is composed of a Department Director, Senior Auditor, and Auditor.

The Internal Audit Department operates according to International Internal Audit Standards and Code of Ethics, as well as the Internal Audit Department's policies, rules, and procedures.





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