

EXTERNAL REVIEW IN THE FORMAT OF SECOND PARTY OPINION

ON COMPLIANCE OF THE SOVEREIGN SUSTAINABLE FINANCE FRAMEWORK OF THE GOVERNMENT OF THE REPUBLIC TAJIKISTAN WITH THE GREEN BOND PRINCIPLES, SOCIAL BOND PRINCIPLES AND SUSTAINABILITY BOND GUIDELINES OF THE INTERNATIONAL CAPITAL MARKET ASSOCIATION, AS WELL AS THE GREEN LOAN PRINCIPLES AND SOCIAL LOAN PRINCIPLES OF THE LOAN MARKET ASSOCIATION, ASIA PACIFIC LOAN MARKET ASSOCIATION AND LOAN SYNDICATIONS & TRADING ASSOCIATION

July 2026

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July 28th, 2026

EXECUTIVE SUMMARY

Opinion on compliance / non-compliance of the Sovereign Sustainable Finance Framework of the Government of the Republic Tajikistan [1] with the GBP, SBP, SBG, GLP and SLP [2]

We believe that that the Sovereign Sustainable Finance Framework of the Government of the Republic of Tajikistan complies with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines of the International Capital Market Association, as well as the Green Loan Principles and Social Loan Principles of the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association (hereinafter – GBP, SBP, SBG, GLP and SLP)

Opinion on assigning a degree of alignment with the GBP, SBP, SBG, GLP and SLP principles ranging from "Excellent" (High) to "Poor" (Low)

In accordance with the results of the assessment, as well as in accordance with the Grading Scale for the Level of Alignment with the GBP, SBP, SBG, GLP and SLP we assigned the degree of compliance "Excellent" meaning that the Government of the Republic of Tajikistan demonstrates an excellent level of proceeds management and allocation, eligible project selection, quality of proceeds administration, as well as reporting and disclosure on ongoing projects of environmental and social significance.

Scope of External Review

This external review by AIFC Green Finance Centre Ltd. (GFC), in the form of a Second Party Opinion, contains an assessment of the Sovereign Sustainable Finance Framework of the Republic of Tajikistan, prepared by the Ministry of Finance of the Republic of Tajikistan

[1] Hereinafter, the Government of the Republic of Tajikistan, and the Ministry of Finance of the Republic of Tajikistan as the executive authority responsible for government fund-raising, may be referred to as the Issuer for brevity, as the Government intends to issue green bonds at the initial stage under its Sovereign Sustainable Finance Framework. However, it should be noted that the instrument for securing sustainable financing under the adopted Sovereign Sustainable Finance Framework may cover green loans, as well as social and sustainability bonds and loans.

[2] See Methodology section below for clarification

(hereinafter – Ministry of Finance), and its alignment with GBP, SBP, SBG, GLP and SLP. The Second Party Opinion also includes a preliminary assessment of the potential use of proceeds from future green, social and sustainability financing instruments to be issued under the Sovereign Sustainable Finance Framework.

The preparation of this Second Party Opinion included a review of the Sovereign Sustainable Finance Framework, supporting documentation and other information provided by the Ministry of Finance through document review and discussions with relevant representatives of the Issuer, as listed in Appendix 1, as well as publicly available information relevant to the assessment of the Sovereign Sustainable Finance Framework, its governance arrangements, eligible project categories, and the processes for project evaluation and selection, management of proceeds, and reporting.

AIFC Green Finance Centre Ltd. (GFC) assessed the Sovereign Sustainable Finance Framework of the Republic of Tajikistan (hereinafter referred to as the SSFF, or Framework) against the core components of GBP, SBP, SBG, GLP and SLP. Based on the documentation reviewed and discussions held with the Issuer, GFC considers that the Framework is aligned with the relevant principles of the International Capital Market Association (ICMA) and the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association (LMA). GFC further considers that the proceeds from green, social and sustainability financing instruments to be issued under the Framework are expected to be used to finance and/or refinance green, social and sustainability projects that correspond to the recognised project categories under the ICMA and LMA Principles and contribute to positive environmental and social objectives. The project evaluation and selection process, management of proceeds, and reporting commitments defined in the Framework are also aligned with the core components of the relevant ICMA and LMA Principles. Information on the allocation of proceeds and the expected impacts of the financed projects is expected to be reported annually and published on the Issuer's official website.

USE OF PROCEEDS. GFC considers that investments in the eligible green, social and sustainability projects defined in the Framework are aligned with GBP, SBP, SBG, GLP and SLP, and are expected to generate positive environmental and social impacts. The project being considered by the Issuer for possible inclusion in the eligible project pool to be financed through the prospective sovereign green bond issuance, based on GFC's review of the pipeline of potential projects, specifically the completion of **the Rogun Hydroelectric Power Plant (HPP),** are, on a preliminary basis, aligned with the GBP and GLP category for Renewable Energy and the eligibility criteria established under the SSFF. The preliminary assessment indicates that Rogun HPP complies with the Framework's hydropower eligibility requirements through its power density

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Issuer Location: Dushanbe, Tajikistan

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of approximately 22.2 W/m², exceeding the minimum threshold of 5 W/m², while the preliminary G-res assessment estimates lifecycle greenhouse gas emissions of approximately 8.5 gCO_2e/kWh, substantially below the 100 gCO_2e/kWh threshold established under the SSFF, the Climate Bonds Taxonomy and the EU Taxonomy. The preliminary review of the project's Environmental and Social Impact Assessment (ESIA) further indicates that, subject to the implementation of the prescribed mitigation and monitoring measures, the project is not expected to cause significant harm to other environmental objectives.

PROJECT EVALUATION AND SELECTION.
To select eligible projects, the Government of the Republic of Tajikistan has developed a formalized decision-making process. A government decree established an Interdepartmental Committee on Sustainable Finance (hereinafter referred as Committee), responsible for the management, evaluation, selection, and approval of projects financed under the Framework. The Committee is chaired by the First Deputy Minister of Finance, with the Ministry of Finance acting as the secretariat of the Committee. The determination of eligible expenditures, verification of impact indicators, and the accounting, distribution, and monitoring of proceeds from bonds and loans are carried out by the relevant departments of the Ministry of Finance. Unallocated eligible expenditures can be financed through subsequent issues and are reflected in annual reports. GFC considers that the project selection process is aligned with GBP, SBP, SBG, GLP and SLP in terms of establishing, documenting, and maintaining a decision-making process to determine the eligibility of projects and assets.

MANAGEMENT OF PROCEEDS. The Issuer has established a process for the management of proceeds that involves allocating the full equivalent of the proceeds from the issuance of sustainable finance instruments by the Ministry of Finance to finance and/or refinance projects. The Directorate of Treasury and the Public Debt Directorate of the Ministry of Finance are responsible for issuing green, social and sustainability bonds and overseeing the allocation and monitoring of proceeds. Net proceeds from the issuance of sustainable finance instruments will be credited to a separate account. An amount equivalent to the net proceeds will be allocated to eligible projects. If a project becomes ineligible, it will be replaced within 12–24 months. Relevant ministries maintain records of eligible and financed projects, while the Public Debt Directorate ensures that the value of financed and/or refinanced projects is at least equal to the outstanding amount of green, social and sustainability bonds or loans. It also maintains a register linking each financing instrument to eligible projects and ensures that proceeds are allocated without double counting. GFC considers that the management of proceeds raised is aligned with the GBP, SBP, SBG, GLP and SLP in terms of tracking of proceeds,

managing unallocated proceeds, earmarking funds to eligible projects and assets.

REPORTING. The Public Debt Directorate of the Ministry of Finance, together with the Interdepartmental Committee on Sustainable Finance and relevant government entities, will prepare annual Allocation and Impact Reports aligned ICMA Handbook – Harmonized Framework for Impact Reporting (June 2025) until full allocation of proceeds. The Allocation Report will disclose the allocation of proceeds by project type and category, the share of refinancing and new financing, and any unallocated balance. The Impact Report will present expected and/or actual environmental and social impacts, using qualitative and quantitative indicators where data are available and in line with ICMA recommendations and international market practice. GFC considers that the reporting processes are aligned with the GBP, SBP, SBG, GLP and SLP in terms of disclosing projects and assets invested in, the intended approach to providing update reports to reaffirm conformance with the Sovereign Sustainable Finance Framework, as well as external review aspects.

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1. METHODOLOGY OF THE AIFC GREEN FINANCE CENTRE LTD. ON PREPARATION OF AN EXTERNAL REVIEW

To assess the compliance of issuers' sustainable finance frameworks and the corresponding business processes with the international Green/Social/Sustainability Bond and Green/Social Loan Principles, AIFC Green Finance Centre Ltd. (hereinafter referred to as GFC) applies a number of approved methodologies as part of its External Review activity.

Specifically, GFC's Methodology in relation to sustainable bond issues (i.e. green, social and sustainability bonds) is employed for the preparation of External Reviews (Second Party Opinions) for compliance of a Green/Social/Sustainability Bond and other sustainability debt issues, including the Issuer's Green/Social/Sustainability Finance Framework, with the Green Bond Principles (hereinafter referred to as GBP, or Principles), Social Bond Principles ((hereinafter referred to as SBP, or Principles) and Sustainability Bond Guidelines (hereinafter referred to as SBG, or Guidelines). The Principles are formulated by the International Capital Market Association (hereinafter referred to as ICMA).

With regard to green and social loans, a separate methodology is employed by GFC to express an independent opinion (Second Party Opinion) on the compliance of loans, including borrowers' sustainability finance frameworks to raise funds in the form of green/social loans, to the Green Loan Principles and Social Loan Principles (hereinafter referred to as GLP and SLP, respectively). The Principles were formulated by the Loan Market Association (Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association, hereinafter - LMA).

Given the full harmonization between the Green/Social Bond Principles and the Green/Social Loan Principles established by the above international standards setters, GFC's external review (Second Party Opinion) methodologies for sustainability bonds and sustainability loans are also aligned to a significant degree. Accordingly, in order to streamline the process of evaluating a company's sustainable finance framework that covers both bonds and loans, GFC applies to these sustainable finance instruments its Methodology on preparation of an external review for compliance of a sustainable bond issue to the green/social bond principles or sustainability bond guidelines, due to said Methodology setting more stringent requirements for compliance with international standards in relation to the issuance of bonds, while the criterial analysis required by the Methodology will be applied equally to possible loan instruments.

The preparation of a report in the form of a Second Party Opinion includes the study of the Issuer's relevant documentation, regulatory documents, reports, and presentations, if any, as well as other publicly available information that may provide a description, details on and confirmation of compliance of processes involved in the implementation of the company's policies for sustainability bonds, sustainability loans and sustainable financing in general. The information used for these purposes is obtained through direct interaction with the Issuer and/or from any open sources that the GFC considers reliable.

In the External Review GFC expresses its opinion according to criteria-based assessments in the following order:

1. Opinion on compliance/non-compliance of the Company's Sustainability Finance Framework with the GBP, SBP, SBG. *Minimum threshold levels for all assessment criteria need to be met all at once for us to confirm that the Issuer's Sustainability Finance Framework is in line with the GBP, SBP, SBG.*
2. Opinion on assigning a degree of alignment with the GBP, SBP, SBG ranging from "Excellent" (High) to "Poor" (Low). *Here, the assessment is carried out by calculating a weighted criterial grade depending on the significance of criteria. This opinion serves as additional information and is aimed at establishing a degree of alignment with the GBP, SBP, SBG. According to this methodology, any degree of alignment other than "Poor" (Low) should be considered consistent with the GBP, SBP, SBG.*

In preparing the External Review, four criteria are assessed:

1. Use of Proceeds;
2. Process for Project Evaluation and Selection;
3. Management of Proceeds;
4. Reporting.

Each criterion is graded on a scale of "1" to "5". For each criterion, there is a number of indicators (subfactors). Each indicator (subfactor) that is assessed as fulfilled is assigned either a "1" score (for an important indicator that corresponds to a core principle in the GBP or SBP), a "0.5" score, or a "0.25" score (for less significant indicators that correspond to recommendations or encouraged practices in the GBP or SBP), depending on the criterion scoring scale. The final score for each criterion is calculated as a sum of scores assigned to the indicators (subfactors). The tables for criterion scoring, as well as the tables matching a sum of scores to a grade are provided in GFC's Methodology for each criterion.

For a positive opinion to be provided regarding the compliance of the Issuer's Sustainable Finance Framework with the GBP, SBP, SBG, this methodology establishes a grade threshold for each assessed criterion at "3" at the least. If these requirements are met, in our opinion, the Issuer's Sustainable Finance Framework will comply with the GBP, SBP, SBG. If these conditions are not met, we shall conclude that the Issuer's Sustainable Finance Framework does not comply with the GBP, SBP, SBG and issue a respective opinion.

To express an opinion on the degree of degree of alignment with GBP, SBP, SBG ranging from "Excellent" (High) to "Poor" (Low), the following algorithm for calculating criteria grades shall be used. A weighted criterial grade is calculated by multiplying a criterion grade by its weight (significance). We established that the significance of each criterion corresponds to the following weight in the overall grade:

Criterion	*Weight (significance) in the cumulative assessment:*
Use of Proceeds	*40%*
Process of Project Evaluation and Selection	*20%*
Management of Proceeds	*20%*
Reporting	*20%*

Grading Scale for the Level of Alignment with the GBP, SBP, SBG according to GFC's Methodology

Threshold Grade	*Degree*	*Definition*
High > 4.5	Excellent	Proceeds from the issuance of Green/Social/Sustainability bonds are most likely to be used for the implementation of Green/Social/Sustainability projects, respectively. The Green/Social/Sustainability bond issuer demonstrates an excellent level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental and/or social significance
Average 3,5 – 4,5	Good	Proceeds from the issuance of Green/Social/Sustainability bonds are very likely to be used for the implementation of Green/Social/Sustainability projects, respectively. The Green/Social/Sustainability bond issuer demonstrates a good level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental and/or social significance
Satisfactory 3 – 3,5	Satisfactory	The likelihood that proceeds from the issuance of Green/Social/Sustainability bonds will be directed to the implementation of Green/Social/Sustainability projects, respectively, is at an average level. The Green/Social/Sustainability bond issuer demonstrates a satisfactory level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental and/or social significance.
Low < 3	Poor	The likelihood that proceeds from the issuance of Green/Social/Sustainability bonds will be directed to the implementation of Green/Social/Sustainability projects, respectively, is at a low level. The Green/Social/Sustainability bond issuer demonstrates a poor level of proceeds

		management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental and/or social significance.

The prepared External Review is submitted to the Issuer, after which it is to be publicly disclosed. Public disclosure is carried out through the publication of the External Review on GFC's website - https://gfc.aifc.kz/, and can also be communicated through a press release via news services and/or relevant web sources.

2. DESCRIPTION OF THE ISSUER'S SOVEREIGN SUSTAINABLE FINANCE FRAMEWORK AND OTHER SUSTAINABILITY-RELATED STRATEGIC DOCUMENTS

OVERVIEW OF THE REPUBLIC OF TAJIKISTAN'S GOALS, COMMITMENTS AND ACTIONS RELATED TO CLIMATE CHANGE, ENVIRONMENT, SOCIAL AND SUSTAINABLE DEVELOPMENT

According to Sovereign Sustainable Finance Framework and other strategic documents, the Republic of Tajikistan (hereinafter referred to as "Tajikistan") is committed to achieving sustainable economic growth while mitigating climate change, protecting the environment, addressing social challenges, and advancing the Sustainable Development Goals (SDGs).

Tajikistan recognizes that sustainable economic growth in the long term can only be achieved by addressing the effects of climate change. Tajikistan has achieved significant economic growth over the past 20 years, with an average annual growth rate of more than 7 percent of gross domestic product (GDP) from 2000 to 2024. However, the economy still relies on agriculture and industry that depends on natural resources, which in turn are at risk of being severely affected by climate change and have the potential to reverse development gains. Tajikistan needs to attract investment to stimulate economic diversification and build resilience to shocks to spur prospects for sustained strong growth.

Tajikistan faces serious challenges in adapting to warming and exacerbating the impacts of climate change. With a large rural population dependent on irrigated agriculture and mountainous terrain, Tajikistan is vulnerable to climate change and disaster risks. Tajikistan is at high risk of floods, earthquakes, landslides, and forest fires. Significant parts of Tajikistan have already been affected by landslides. The fact that the temperature in the country is rising faster than the world average can further increase the risk of natural disasters. Annual flood damage is expected to double by 2050. The increasing frequency of extreme weather events carries significant medium- and long-term risks to Tajikistan's economic prospects, underscoring the importance of investing in a green economy and climate resilience.

A. Challenges, commitments and actions related to climate change

Tajikistan claims that in an effort to grow its economy sustainably, it has made a number of commitments and developed plans to combat climate change, promote a green economy, and build a sustainable economy.

First of all, Tajikistan ratified the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) in 2015 and submitted Nationally Determined Contributions (NDC) in 2021. The NDC report presents NDCs with the following mitigation goals:

- The unconditional goal is to limit emissions to 60–70% of existing greenhouse gas emissions in 1990, that is, emissions should not exceed 21.32–24.87 million tonnes of CO2-eq. in 2030, and
- a conditional goal that is a limit of 50–60% of existing greenhouse gas emissions in 1990, that is, a limit of 17.76–21.32 million tons of CO2-eq. in 2030.

Per capita, the unconditional and conditional targets for 2030 are 1.7–2.0 and 1.4–1.7 tonnes of CO2-eq. respectively.

The NDC implementation plan was approved in 2022, and the NDC climate finance plan was introduced in 2023. These plans identified the co-benefits of adaptation and mitigation in key sectors (energy, industry and construction, water, agriculture, forestry, transport and waste). The plan identifies women, youth and other vulnerable groups as key stakeholders in the implementation of NDC actions. Also included are targets to increase women's participation and several climate change measures with gender components.

Tajikistan's Green Economy Development Strategy for 2023-37 approved in 2022, outlines medium-term decarbonization measures. The first action plan for the implementation of the strategy (2023-25) defines policies and measures for energy efficiency, greenhouse gas emission reduction and renewable energy development. Emissions of greenhouse gases and pollutants into the air were some of the indicative targets set to monitor progress towards a green economy.

The Green Economy Development Strategy for 2023-2037 also sets commitments to reduce greenhouse gas emissions per 1 tonne of CO2-eq. per person (baseline) in 2021 to 0.95 tonnes of CO2-eq. in 2025.

Tajikistan in its National Development Strategy (NDS) for the period up to 2030 also notes that natural capital plays a key role in the economic, industrial and innovative development of the country. The strategy envisages harnessing the significant hydropower potential to decarbonize the energy sector and implement adaptation measures to make the economy more resilient to the future impacts of climate change. preservation of flora and fauna, as well as the development of the tourism sector and an increase in its contribution to the country's GDP.

The Strategy includes measures aimed at transitioning to a green economy, including some mitigation measures, such as energy efficiency initiatives and the planned expansion of renewable energy sources, especially hydropower.

Tajikistan aims to become a regional leader in the production and transit of cheap and environmentally friendly energy, expand the country's transit capabilities, thereby making a significant contribution to the sustainable development of the developing countries of the South and Southeast regions of Asia, including the countries of Central Asia, as well as to the intensification of cooperation within the framework of the South-South corridor.

Tajikistan in its NDS also notes that natural capital plays a key role in the economic, industrial and innovative development of the country. The strategy envisages harnessing the significant hydropower potential to decarbonize the energy sector and implement adaptation

measures to make the economy more resilient to the future impacts of climate change. preservation of flora and fauna, as well as the development of the tourism sector and an increase in its contribution to the country's GDP.

Thanks to the rich water potential of rivers, natural lakes and glaciers, Tajikistan seeks to increase its hydropower capacity, including through the completion of the construction of the Rogun HPP. The Rogun hydropower plant is expected to start operating by 2033 and will increase domestic supplies of clean energy and reduce the need for imported, mainly fossil, energy sources. In addition, the Rogun hydropower project is also important for the decarbonization process of the region. The project is expected to export 60 to 70 percent of the electricity generated to neighbouring countries, helping them reduce their dependence on fossil fuels and further reduce regional carbon emissions.

At the industry level, as a solution to reduce carbon emissions and improve energy security, the transport sector's transition to electrification has been prescribed under the Electric Vehicle Development Program (2023-28). The draft Program for the Development of the Transport Sector until 2040 also provides for measures to reduce carbon emissions by increasing the share of environmentally friendly and energy-efficient transport and creating infrastructure for storing electric vehicle batteries.

In January 2024, Tajikistan became a member of the Global Methane Pledge.

Tajikistan recognizes that the country's adaptation needs are significant. The National Strategy for Adaptation to Climate Change, approved in 2019, establishes a framework for planning adaptation to climate change. The first action plan for 2024–2026 prepared years, which outlines adaptive measures and proposes mechanisms and sources of financing for adaptation and resilience. In addition to the action plan of the strategy, the Government intends to develop separate national plans to promote implementation in agriculture, water resources, energy and transport – sectors most vulnerable to climate change, as defined in the strategy.

Adaptation measures are also partially reflected in the Medium-Term Development Program for 2021-2025 and in sectoral programs (agriculture, forestry, water resources management, disaster risk). National Development Strategy for the period up to 2030 and the Green Economy Development Strategy for 2023-37, adopted in 2022, identify adaptation as one of the key areas. In fact, NDS 2030 recognizes that the development of the tourism sector and the conservation of flora and fauna can co-benefit economic growth and contribute to adaptation efforts.

The Green Economy Development Strategy for 2023-2037 also provides for the creation of a special fund for the protection of glaciers for 2024-25. In addition, the Government recently approved the Law on the Protection of Glaciers and adopted the State Program for the Study and Conservation of Glaciers for 2010-2030 in order to mitigate the negative effects of climate warming.

B. Physical and Transition Risks of Climate Change

Given its large rural population dependent on irrigated agriculture and mountainous terrain, Tajikistan is vulnerable to climate change and disaster risks. Tajikistan ranked 98th out of 185 countries in the ND-GAIN Index for 2021, indicating high vulnerability to climate change. As temperatures rise, the lowland and arable regions of the country, like other regions of Central Asia, are losing their "greenness", and this trend is expected to worsen under different climate scenarios. Rising temperatures and seasonal changes in precipitation threaten water sources and agricultural land, increasing the risk of competition for shared resources, vulnerability and transboundary conflicts.

C. Energy Mix and Greenhouse Gas Emissions Profile in the Republic of Tajikistan

Despite Tajikistan's carbon-intensive economic growth over the past decade, it accounts for only 0.04 percent of global greenhouse gas emissions. The country's per capita emissions are also relatively low at 2.32 tonnes, less than half of the global average of 4.7 tonnes per capita. Most of Tajikistan's greenhouse gas emissions are concentrated in the energy sector (including energy consumption in transport, industry, and buildings), which account for 50 percent of total emissions. Agriculture accounts for 40 percent of total emissions, with the remaining 10 percent coming from waste (European Commission, 2023a).

Hydropower is the main source of energy in Tajikistan, followed by imported oil, gas and coal. However, Tajikistan's energy sector is prone to supply disruptions due to seasonal shortages. Energy policy aims to ensure unhindered access to energy for all consumers, while increasing regional cooperation and efficiency in the energy sector, but further development of the energy sector will require significant domestic and foreign investment. Tajikistan participates in the EU4Energy Programme, an initiative aimed at developing evidence-based policies for the energy sector.

Chart: Energy supply of Tajikistan by source, 2022

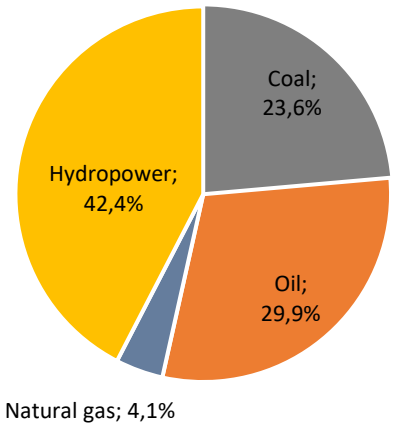
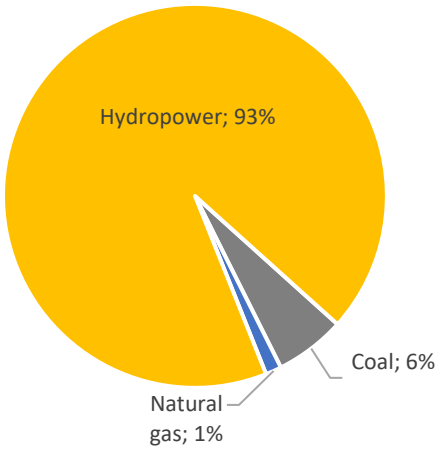


Chart: Electricity production in Tajikistan by source, 2022



Source: International Energy Association

(IEA)

Tajikistan's hydropower sector is well prepared to improve changes in the hydrological regime, especially due to the sharp increase in storage capacity in the baseline scenario. It is expected that Rogun HPP will become the country's main reservoir after completion in 2033. Even with climate change, average annual hydropower production will remain relatively stable between 2021 and 2040, accounting for about 48 percent of the country's installed capacity.

Tajikistan has the potential to transition to a greener economy by increasing the production of clean energy sources such as hydropower, solar, and wind.

According to the International Energy Agency (IEA), Tajikistan's hydropower potential, estimated at 527 billion kWh, ranks eighth in the world, while using only 4 percent of the country's current hydropower potential (IEA 2022a).

Rogun HPP is also important for the process of decarbonization of the region. The project is expected to export approximately 37 percent of the electricity generated to neighboring countries, which will help them reduce their dependence on fossil fuels and further reduce regional carbon emissions.

The climate of Tajikistan is favorable for the use of solar energy. Tajikistan's solar energy potential is estimated to be around 25 billion kWh per year, although it is largely untapped for water heating. The country has between 280 and 330 days of sunshine per year, with solar intensity ranging from 280 to 925 megajoules per square meter (MJ/m2) in the foothills and 360 to 1120 MJ/m² in the highlands.

D. Other environmental priorities and actions

Water security

Currently, 59 per cent of the population is not covered by either centralized or decentralized water services provided by water operators; Most of those who do not have access live in rural areas. Well-designed and well-maintained open canals can achieve efficiencies of 60 to 70 percent, and the National Water Strategy 2040 aims to improve centralized access.

Air pollution

Air pollution is a problem for cities: the annual average concentration of particulate matter with a diameter of 2.5 microns (μm) or less (PM2.5) in Dushanbe is 39.6 micrograms per cubic meter (μg/m3), which is more than 10 μg/m3 above the Central Asian average (State of Global Air 2024).

Minerals and metals for the energy transition

Growing global demand for minerals and metals needed for the energy transition may provide Tajikistan with opportunities for export growth and economic diversification, however, limited exploration investment and high transportation costs are currently reducing prospects for strong growth. There is significant potential for climate-smart mining of lithium, graphite, rare earths for renewable energy, and platinum group metals, which could contribute to economic diversification and the transition to a green transition. Tajikistan is seeking to attract additional foreign investment and improve transport infrastructure to increase processing capacity in the country.

E. Social development issues, commitments and actions

Social issues

Tajikistan has maintained strong economic momentum over the past 20 years, with real gross domestic product (GDP) growth reaching 8.4 percent in 2024, supported by growth in services and industry. Since 2021, poverty reduction has primarily been driven by growth in income from labor and remittances. The poverty rate below the national poverty line decreased from 21.7 percent in 2022 to 20.4 percent in 2023. The upward trend turned out to be significant, with 35 percent of households climbing the economic ladder between 2021 and 2023, predominantly into the middle class. Since 2022, universal access to electricity has been ensured, and since 2022, the entire population has had access to electricity.

However, the government of Tajikistan recognizes that structural constraints to further growth remain due to low social development, which is reflected in the low availability of per capita income compared to other countries in the region. The economy is becoming increasingly dependent on remittances, which reached approximately 49 percent of GDP in 2024, creating exposure to geopolitical and external shocks. Regressive growth patterns in rural areas compared to urban growth lead to increased inequality in Tajikistan. The country's financial sector also faces serious development challenges, despite recent reforms. Financial markets remain shallow, and the population has limited access to financial services. Deposits and private loans account for only about 10 percent of GDP, below neighboring countries and all international benchmarks.

Over the past two decades, Tajikistan has made significant progress in improving key health indicators and increasing the coverage of vital services. For example, life expectancy at birth has improved from 55 years in 1993 to 71 years in 2022. The maternal mortality rate decreased from 84 per 100,000 live births in 1993 to 14 in 2023, and the under-five mortality rate decreased from 113 in 1993 to 30 per 1,000 live births in 2022. In addition, the UHC coverage index for vital health, nutrition, and population services increased from 42 to 67 between 2000 and 2021.

Despite these achievements, significant progress remains to be made in Tajikistan's health sector. For example, the rate of developmental delay is still high, with 15 per cent of children under five years of age having developmental delays. Premature deaths from

noncommunicable diseases (NCDs) account for 55 per cent of all deaths. The prevalence of obesity among adults has been on the rise since 1990: in 2022, 24 percent of adults in Tajikistan are obese. Inadequate access to certain services and poor quality of health care are considered root causes of lagging health outcomes in Tajikistan.

For the education sector, the main policy document is the National Strategy for Education Development of the Republic of Tajikistan for the period until 2030 (NSED 2030), approved by Government Resolution No. 526 of September 29, 2020. The Strategy sets three main priorities:

1. ensuring equal access and participation in education at all levels,
2. improving the quality and relevance of education at all levels, and
3. strengthening effective governance of the education sector.

Projects across education are governed by the constitution of the Republic of Tajikistan, and laws issued by Tajikistan, including but not limited to: Law on Education, Law on Preschool Education and Care, Law on Primary Professional Education, Law on Secondary Professional Education, Law on Higher and Postgraduate Education, Law on Additional Education, Law on Adult Education, Law on the Responsibility of Parents for Education and Care of Children, and sub-laws and ministerial orders.

Tajikistan has huge reserves of fresh water, potential groundwater reserves of 18.7 km³ per year, while exploitable reserves are estimated at 2.8 km³ per year. There are also 14,509 glaciers, covering a total area of 11,146 km², which is approximately 8% of the country's territory. Its water resources are also critical to the operation of Tajikistan's Rogun Hydropower Plant (HPP) and its ambitious goal of doubling electricity production by 2050. Integrated reservoirs in the country play a multifaceted role, producing electricity and providing vital services such as drinking water, irrigation, and process water. Infrastructure also contributes to reducing the risk of flooding, mitigating the negative effects of climate change and stimulating the development of recreational resources.

However, significant investments are required to improve the efficiency of water use.

The drinking water and wastewater disposal infrastructure in Tajikistan is currently in a deteriorating state. Without prompt and comprehensive measures, there is a risk of denial of both drinking water supply and wastewater disposal, including non-sanitary services, which can lead to negative consequences for public health.

Commitments and actions

The National Development Strategy of Tajikistan for the period up to 2030 (NDS 2030) is the main political document that defines priorities for solving social problems. This is complemented by sectoral documents that set out commitments, goals and action plans.

Tajikistan has outlined four main strategic goals in its National Development Strategy until 2030:

- Ensure energy security and efficient use of energy, with the Rogun HPP project as a flagship investment, and implement additional sectoral reforms to improve governance, transparency, and tariff policies.
- Improve transport and digital connectivity, as well as use the country's transport potential; this includes "breaking the communications deadlock" through affordable and reliable internet, higher competition in the telecommunications market, and cross-border fibre optic networks.
- Ensure food security and access to quality nutrition for the population, supported by multi-sectoral programs and targeted investments.
- Expand productive employment through private sector growth, skills and VET development, and improved labour market performance.

In addition, Tajikistan has also set itself the following goals:

- Increase the share of the middle class to half of the population by 2030
- Reduce poverty below 10 percent by 2030
- more than double or triple domestic income between 2016 and 2030.

Boosting economic growth and jobs requires structural reforms, improving competition, the investment climate, increasing access to finance, energy sector efficiency, trade development, transport and digital connectivity, and strengthening human capital.

Medium-term Development Programme (MTDP) is the main tool for the implementation of the NDS 2030. It translates the long-term goals of the NDS 2030 into priorities, reforms and time-bound investment programs, aligns sector strategies, and provides a framework for sequencing, budgeting and monitoring, budgeting and monitoring. The MTDP focuses on sustainable, private-sector-led growth and focuses on strengthening public institutions, improving governance, reducing social and gender inequalities, and promoting environmental sustainability and climate adaptation—directly implementing the NDS's strategic directions on energy security, connectivity, food security, and productive employment. The MTDP supports specific NDS goals, including energy sector reform, protection of access to household services (including targeted social assistance), development of digital and basic skills in educational institutions, equipping schools with information technology infrastructure, enhancing digital skills for women and rural youth, financial inclusion, and digital finance.

Through The Strategy for Health Protection of the Population of the Republic of Tajikistan for the Period up to 2030. Tajikistan reaffirmed its health reform agenda to achieve universal health coverage by transforming its health system. The strategic goals focus on strengthening primary health care (PHC), modernizing health financing, good governance, providing a health workforce, developing information technology, digitalizing health information systems, and improving emergency preparedness and response. Through the National Health Treaty These commitments were reaffirmed and an action plan was developed to achieve key health reforms and actions, including:

- and the introduction of a fully state-guaranteed package of services, starting with primary health care (PHC) services.

- Introducing a set of interoperable digital health tools, including client and facility registries, as well as electronic health records, starting with major primary health care facilities.
- Establishment of a procurement structure for health services, starting with primary health care services, staffed in accordance with a multi-year HR management plan.
- phased introduction - from 2030 - of compulsory health insurance in stages, starting with primary health care services, in accordance with the revised Law on Compulsory Health Insurance

Tajikistan has developed a National Water Strategy for the period up to 2040 that corresponds to the NDS 2030. The development of the water sector in Tajikistan is a key factor in ensuring economic development and social stability, ensuring national security and promoting the rights of water users to water. Strategic goals include:

- ensuring reliable water supply for both the population and the economic sector;
- improving the efficiency of water resources use;
- reducing water scarcity;
- providing the population with access to high-quality drinking water and efficient sewerage systems;
- ensuring the sustainable operation and development of irrigation and drainage systems;
- taking measures to protect and rehabilitate water bodies;
- implementation of a strategy for protection against harmful effects on water resources.

In addition, a results matrix has been developed that includes some of the following objectives:

- Achieve universal access to drinking water at a basic level by 2030
- Providing 60% of the population with water supply systems by 2030
- Ensuring that 80% of the population has access to drinking water in their communities by 2030
- Reduce water losses in water supply systems (national average) by up to 35% by 2030

According to the estimates of the National Water Strategy for the Development of the Drinking Water Supply and Sanitation Sector, an annual investment of about US$ 220 million is needed. Significant funds are needed to ensure the sustainable and efficient operation of land reclamation and irrigation systems. To maintain their effective functioning, an annual expenditure of at least 75 million US dollars is required. These funds are necessary for regular maintenance, uninterrupted operation of pumping stations, cleaning of canals, regulation of water flow and other measures aimed at maintaining the operating condition of the system. In addition, approximately US$50 million per year is needed for long-term infrastructure improvements and upgrades.

Tajikistan has the National Financial Inclusion Strategy (NFIS) for 2022-2026, which aims to remove barriers to access to financial products, promote digital financial services, and expand the number of account holders – contributing to private sector development and household financial resilience, in line with the NDS 2030 focus on a more innovative and market-oriented economy.

DESCRIPTION OF THE ISSUER'S SUSTAINABLE FINANCE FRAMEWORK

According to the Sovereign Sustainable Finance Framework, Tajikistan recognizes that green, social, and sustainability finance instruments can contribute to further financial development and promote national financial innovation that supports the country's pursuit of self-sustaining, export-oriented, and climate-resilient economic growth in the region.

The development of the first Sovereign Green Bond Framework, approved by the Committee in September 2025, provided Tajikistan with a tool to channel investments in green spending and contributed to greater financial development, financial innovation, and support for the country's sustainable development path. Recognizing the country's comprehensive commitment to social priorities and in line with the Sustainable Development Goals set by the United Nations in 2015, Tajikistan decided to expand the existing framework to the Sustainable Finance Framework and integrate the social dimensions of sustainable development into its financial strategy. The introduction of social criteria and the expansion towards broader financial products are concrete steps in Tajikistan's transition to a sustainable financial strategy that promotes inclusive development and economic growth.

The document establishes a framework for the Government of Tajikistan to issue various sustainable finance instruments, such as green, social and sustainability sovereign bonds and loans. The document will provide the Ministry of Finance with resources to finance the country's sustainable financing strategy, invest in environmental and social projects. The document details the commitments, criteria and governance processes for the issuance of these bonds in order to facilitate Tajikistan's transition to a low-carbon, sustainable economy aligned with the Sustainable Development Goals (SDGs).

Key aspects such as the use of proceeds, project evaluation and selection, funds management, and reporting on distribution and environmental and social impact are considered. The goal is to promote transparency, accountability and compliance with international standards in the issuance and management of sustainable sovereign bonds. The document is also complemented by activities identified within the framework of the upcoming Green Taxonomy of Tajikistan. The structure is designed in accordance with the recommendations provided for sustainable bond issues, namely GBP, SBP and SBG.

As stated in the Framework, the Government of Tajikistan intends to use various sustainable finance instruments, such as green bonds, green loans, social bonds, social loans, sustainable development bonds, and sustainable development loans, to access finance and meet its financial needs. The Ministry of Finance intends to include these instruments in its financing strategy, as well as to comply with commitments under the Paris Agreement, environmental and social priorities, as well as the achievement of the UN

Sustainable Development Goals (SDGs). Sovereign Sustainable Finance Framework defines the commitments, criteria, and governance processes established by the government to issue sovereign sustainable finance instruments in line with the best market practices. This Framework will allow Tajikistan to issue the following types of instruments:

- **Green bonds:** bonds whose net income is used exclusively to finance/refinance fully or partially eligible green projects (i.e. projects with a positive environmental impact) and where the instrument complies with the GBP;
- **Green loans:** when the net funds are used exclusively, in whole or in part for eligible green projects (i.e. projects with a positive environmental impact) and where the instrument complies with the green loan principles set out in the GLP;
- **Social bonds:** bonds in which net proceeds are used exclusively to finance all or part of expenditures with a positive social impact;
- **Sustainability bonds:** bonds whose proceeds are used to finance/refinance both green and social projects.

In addition to the guidelines set out in the Framework, bonds and loans issued under the Framework will meet the obligations, stated in the Law of the Republic of Tajikistan "On State and Guaranteed State Debt", No1923 dated 24.12.2022 and Rules for the issue and circulation of government securities of the Republic of Tajikistan, №296 dated 16.05.2024, as well as in the Law of the Republic of Tajikistan "On the State Budget for the relevant financial year". The Ministry of Finance of the Republic of Tajikistan is responsible for the implementation of the Framework.

Principal and interest payments on bonds and loans issued under the Framework, will be included in the debt service estimates approved in the General State Budget for each year and will be implemented by the Ministry of Finance. Similarly, bonds issued under the Framework should qualify as "pari passu" with any other sovereign issue.

The Government of Tajikistan states that it is committed to transparently and responsibly allocating the equivalent of net proceeds from bonds to acceptable categories of expenditure that contribute to sustainable development, climate change mitigation, social growth, as well as the conservation of natural resources.

The Government of Tajikistan also states that it will periodically review the Framework to ensure that it is aligned with its climate and environmental priorities, as well as market standards such as GBP, SBP,SBG, GLP and SLP.

Compliance with market principles

The Framework is in line with internationally recognized guidelines for voluntary processes that recommend transparency, disclosure, and promote integrity of best practices:

- International Capital Market Association (ICMA) Green Bond Principles, 2025 (GBP)
- International Capital Markets Association (ICMA) Social Bond Principles, 2025 (SBP)
- International Capital Market Association (ICMA) Sustainability Bond Guidelines, 2021
- Credit Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and Loan Syndications and Trading Association (LSTA) Green Loan Principles, 2025 (GLP)
- Credit Market Association (LMA) Asia Pacific Loan Market Association (APLMA) and Loan Syndications and Trading Association (LSTA) Social Credit Principles, 2025 (SLP)

These principles provide a framework for issuers, investors and financial institutions to guide and evaluate the issuance of sustainable finance instruments, and to ensure that they are used to finance projects and programmes that promote environmental and/or social sustainability. The Principles cover four main components:

1) Use of Bond/Loan Proceeds
2) Process of Project Evaluation and Selection
3) Management of Bond/Loan Proceeds
4) Reporting.

USE OF PROCEEDS

In accordance with the Framework, the Government of the Republic of Tajikistan may issue sustainable finance instruments whose net proceeds or equivalent amount are used exclusively for the partial or full financing of new and/or existing environmental and/or social projects corresponding to the four components of the GBP, SBP, SBG, GLP and SLP.

In this regard, the bond/loan proceeds will be allocated exclusively to eligible environmental expenditures and/or to refinance existing relevant green expenditures, as well as related social expenditures and/or refinancing of existing relevant social expenditures and/or a combination thereof, which constitute sustainability expenditures. Any costs associated with green or social expenditures that funded and/or refinanced by another specialised source or public authority will be eliminated to prevent double counting.

As stated in the Framework, eligible expenses may include assets, capital expenditures, operating expenses, including research and development expenses funded in whole or in part directly or indirectly from the government budget, and subsidies or taxes (or a combination of any or all of the foregoing). Eligible expenses will be limited to those occurring within two (2) calendar years prior to the issuance (retrospective period), the calendar year of issuance and two (2) calendar years after the issuance (prospective period) of the green, social and/or sustainable bonds.

A. Eligible environmental projects

In accordance with the Framework eligible green projects will be in line with the main objectives of the Tajikistan's state policy in the field of climate change and the environmental priorities set out in the Green Economy Development Strategy for 2023–2037, established by the National Strategy for Adaptation to Climate Change for the period up to 2030. This Strategy defines the main objectives of state policy in the field of climate change related to environmental protection and sustainable development, and in the first article it is aimed at on:

- Strengthening the protection and conservation of natural resources, natural habitats, biodiversity and cultural heritage, as well as the prevention and control of pollution and environmental disturbances.
- Integration of sustainable development into public sector policies and adoption of a national strategy for sustainable development.
- Alignment of national legislation with international agreements and standards related to environmental protection and sustainable development.
- Scaling up climate change mitigation and adaptation measures, as well as land degradation.
- Identification of institutional, economic, financial and cultural reforms in environmental governance.
- Defining the responsibilities of the state, local authorities, state institutions, public enterprises, private companies, public associations and citizens in relation to environmental protection and sustainable development.
- Establishment of an environmental responsibility regime and an environmental control system.

In this sense, the criteria for selecting a project, programme or activity takes the following into account:

(a) The project is included in the National Development Strategy of Tajikistan until 2030 (NDS 2030), the Green Economy Development Strategy, climate investment plans, climate change policies or relevant strategic documents of Tajikistan in the field of climate change issued by the government.

OR

(b) The project meets one or more of the following conditions:

1. Reduces greenhouse gas emissions.
2. Reduces energy consumption (fuel or electricity).
3. Reduces water consumption and/or improves food security.
4. Reduces environmental pollution when burning any kind of fuel, waste or other materials.
5. Reduces methane emissions from waste, livestock and other sources.

6. Introduction of renewable energy sources or energy efficiency technologies.

7. Contributes to strengthening monitoring of health risks associated with climate change.

8. Improves efficiency, reduces wastage, or allows water to be reused.

9. Increases the resilience of infrastructure to extreme weather events specific to Tajikistan (e.g., flash floods, landslides, land degradation, extreme heat, etc.).

10. Promotes reforestation, restoration of forest resources and improved land use practices.

11. Conducts education, training, capacity development and awareness-raising activities on any of the points (1-7) above.

12. Has a positive and significant impact on at least one specific environmental goal and ensures a positive contribution in one direction without causing damage to other directions.

13. Production placed in biodiversity-sensitive areas must include an environmental impact assessment with measures to reduce it.

Below are the categories of eligible environmental projects, listed in no particular order, with examples of projects that fall into these categories and their linkage with the UN Sustainable Development Goals.

Table 1: Categories of Eligible Green projects

Eligible categories of green projects	Eligibility Criteria	UN Sustainable Development Goals
Renewable energy Environmental goal: Climate change mitigation	• Investments and expenditures (including subsidies/grants) in the production and transmission of renewable energy, including: 1. Solar photovoltaic (PV), geothermal, and solar thermal heating 2. Onshore and offshore wind energy facilities 3. Hydropower power plants Complies with either of the following criteria: I. the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; II. the power density of the electricity generation facility is above 5 W/m^2; the life-cycle GHG emissions from the generation of electricity from hydropower, are lower than 100gCO_2e/kWh (verified by	

	an independent third party). 4. Bioenergy derived from biomass[3] . Life cycle GHG emissions are at least 80% below the coal baseline (i.e. emissions from coal-fired power generation or an internationally recognized fossil fuel comparator). 5.Cogeneration (Combined Heat and Power, or CHP): I. Either minimum emission reduction of at least 50% compared to fossil fuels, or no more than 270 g CO_2e/kWh. II. Compliance with emission limits on SO_2, NO_x, and CO. 6. Green hydrogen produced using renewable energy The minimum lifecycle GHG emissions from hydrogen production amount to 3 tonnes of CO_2e per tonne of hydrogen. 7. Projects that support the integration of renewable energy into the energy and gas grid: modernization of gas transmission and distribution networks, allowing the integration of green hydrogen and other low-carbon gases into the grid, smart energy grids, smart meters. 8. Research and development of products or technologies for the generation of renewable energy, including the production of wind turbines and solar panels. 9. Supply chain and auxiliary infrastructure for renewable energy: Production and/or installation of water turbines, photovoltaic components, and solar panels are directly eligible. 10. Renewable energy storage systems: Batteries, capacitors, compressed air energy storage units, large energy storage systems, and production capacities for their manufacture. 11. Solar water heaters and biomass energy units: Energy units on biomass/biogas, solar water heaters, use of agricultural and forestry waste. 12.Conversion of thermal power plants into combined heat and gas power plants Lifecycle emissions of less than 100 g CO2e/kWh	
Energy efficiency Environmental goal: Climate change mitigation	• Industrial Facilities: Investments and expenditures to improve the energy efficiency of infrastructure, resulting in energy consumption below the average national energy consumption of equivalent infrastructure or energy consumption reduction by at least 20% compared to pre-project levels.	

[3] They are obtained from non-food crops, agricultural residues, algae, and not from raw materials. The production of raw materials for biofuels will not take place on lands with high biodiversity. In addition, carbon-intensive land will not be used for biofuel production.

	• Production, transmission and distribution systems: Modernization of power lines, substations, and modern energy distribution systems: energy loss reduction by at least 20%. • Centralized heat supply: heat loss reduction by at least 20%. • Energy-efficient Products (Public and Private Sectors): Highest energy efficiency class for the respective product type, with energy marking per established standards. • Energy Efficiency in Buildings: Availability of LEED, EDGE, BREEAM, BEAM Plus[4] or DGNB certification[5], or high energy efficiency marking. • Energy Service Services: Compliance with ISO 50001 "Energy Management Systems." Research and development of products or technologies, as well as their implementation, reducing the energy consumption of underlying assets, technologies, products or systems, including LED lamps, improved chillers, improved lighting technologies, central cooling and heating, smart grids and heat recovery: Highest energy efficiency class for the respective product type, with energy marking per established standards.	
Pollution prevention and control Environmental goal: Pollution prevention and control Transition to a circular economy	• Investments and expenditures on projects aimed at reducing land pollution and waste generation, including waste prevention, waste collection and management, product recycling and reuse, waste-to-energy activities, with material recycling and recycling prior to incineration and soil reclamation. 1. Collection and separate accumulation of household waste: a) Separate household waste collection must be in place b) Secondary raw materials must be sent for recycling. 2. Waste processing and reuse of secondary raw materials: a) Compliance with best available techniques base document for waste and by-product processing. 3. Secondary raw materials in production: a) At least 30% of the composition of produced products must come from secondary raw materials. 4. Wastewater treatment for recycling: a) The treated water must be reused for its intended purpose. • Investments and expenditures on projects aimed at reducing air pollution and controlling GHG emissions: a) Emissions must meet BAT-AEL (Best Available Techniques - Associated Emission Level)[6] limits	

[4] BEAM Plus (Building Environmental Assessment Method Plus) is Hong Kong's leading green building certification system
[5] DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen). DGNB certification sets requirements for sustainable buildings.
[6] BAT-AEL: Best Available Technique Associated Emission Level. This term is used in EU environmental and industrial regulations specifically regarding Industrial Emissions Directive.

	prescribed by the relevant BAT reference documents (BAT-BREFs) for its sector. • Ecological Clean Heating Appliances: Electric radiators, modern floor and wall-mounted heating systems: a) Minimum reduction of GHG emissions by 20%.	
Clean transport Environmental goal: Climate change mitigation Pollution prevention and control	• Investments and expenditures in clean transport systems and related infrastructure that reduce GHG emissions from transport, such as: 1. Low-carbon transport acquisition: Electric vehicles, hydrogen fuel vehicles,: a) The vehicle must emit < 50 g CO_2-equivalent/km (from 2027 onwards, only vehicles with emission intensity of 0g CO2/km are eligible). 2. Low-carbon transport production: Production of transport and key components, including rechargeable batteries: a) The production process must meet emit < 50 g CO_2-equivalent/km. 3. Zero-carbon transport: – Zero-emission cars and trucks, such as electric vehicles, hydrogen vehicles, electric trains. – Charging infrastructure _ Infrastructure to support the use of zero-carbon vehicles.[7] 4. Investments in transport infrastructure for mass transport: – Expansion of train and metro networks, projects to increase capacity, modernization of stations, – Charging Infrastructure. 5. BRT (Bus Rapid Transit) systems and bicycle infrastructure: a) The vehicle must emit ≤ 50 g CO_2/passenger/km for public transport from 2027 onwards, only vehicles with emission intensity of 0g CO2/ passenger/km are eligible) 6. Low-carbon Transport Infrastructure: Specialized infrastructure for refueling and maintenance of electric and hybrid transport, including trolleybuses and electric buses are directly eligible.	

[7] Investments in roads are not included.

Sustainable Water and Wastewater Management Environmental goal: Sustainable use and protection of water and marine resources	• Investments and expenditures in projects and infrastructure dedicated to reducing water consumption, sustainable water management, and reducing water pollution, including the development and improvement of water supply infrastructure and management, as well as the urban drainage system. • Water Intake Facilities: Drinking water complies with sanitary standards; technical water must match equipment's technical characteristics. • Water Storage and Distribution Technologies: Fresh water consumption reduction a) 40% for domestic needs, 30% for irrigation, 70% for industrial/technical needs. • Sustainable urban drainage and rainwater management systems in critical municipalities prone to recurrent flooding and overflow	 
Adaptation to climate change Environmental goal: Adaptation to climate change	• Investments and expenditures in projects and infrastructure that reduce the risks and/or severity of the impact of physical climate hazards to ensure an adequate level of protection and resilience to floods, droughts, landslides, heat waves, and other physical climate hazards. • Monitoring and early warning systems for water resources: Use of SMART-based self-control, analysis, and reporting technologies plus automated monitoring systems.	
Green buildings Environmental goal: Climate change mitigation Adaptation to climate change	• Investment and expenditure in internationally, regionally and nationally certified green buildings, including the construction of new buildings or the renovation of existing buildings (including public, commercial, residential and recreational), such as but not limited to: 1. New buildings: a) LEED, EDGE, BREEAM, BEAM Plus, DGNB, or ENERGY STAR certification. 2. Individual residential houses and adjacent plots (renovation of existing buildings): a) Water savings of at least 15%, b) introduction of alternative electricity sourcesc) energy consumption reduction of at least 15%. • Green construction materials: a) LEED, EDGE, BREEAM, BEAM Plus or DGNB certification • Ecological Infrastructure: a) LEED, EDGE, BREEAM, BEAM Plus or DGNB certification	

	• Certification schemes for individual construction materials (cement, concrete, ceramics, steel, etc.), such as the Concrete Sustainability Council (CSC) Certification, or a verified Environmental Product Declaration (EPD) prepared in accordance with ISO 14025-2006 'Environmental labels and declarations' demonstrating a lower level of the product's negative environmental footprint. • Autonomous Ecological Clean Toilets: Bio-toilets, container toilets, dry toilets, and septic systems for private homes, campsites, and small businesses: a) 100% waste recycling, b) prevention of ecosystem impact, and c) ensured water reuse.	
Sustainable management of living natural resources and land use Environmental goal: Protecting and restoring biodiversity and ecosystems	Investments and expenditures related to the acquisition, maintenance and sustainable management of natural resources such as land, water, air, minerals, forests, and wildlife, including: 1) Certified forests (Forest Management Council (FSC), Forest Certification Endorsement Program (PEFC), or similar) 2) Ecologically sustainable forestry, including reforestation or reforestation, and conservation or restoration of natural landscapes. a) Tree planting, forest massif creation, compliance with REDD+ or VERRA standards, and "green" zones around settlements. 3) Sustainable agricultural practices and climate-smart agriculture a) Organic agricultural production: Compliance with international, interstate, or national organic product standards; ecological standards for pesticides, mineral fertilizers, and veterinary preparations; sustainable supply chain methods with recognized certification. b) Climate-adapted agriculture: Fresh water consumption reduction of at least 30% with water reuse; use of renewable energy; energy consumption reduction of at least 20%. c) Soil and Land Degradation Reduction: Modern equipment for soil restoration, sustainable organic agriculture, soil-protective land use technologies are directly eligible. 4) Sustainable fisheries and aquaculture certified by a reputable third-party organization such as the Marine Stewardship Council (MSC), Best Aquaculture Practices (BAP) (at least 2 stars) and the Aquaculture Council (ASC) 5) Biodiversity conservation, protection and patrol programmes: Biodiversity and ecosystem conservation: Biosphere protection, restoration of degraded ecosystems, creation of habitats for wild animals including wetlands, lakes, and desert territories	

	6) Ecotourism Products and Services: Compliance with national tourism legislation; national/international environmental standards; ecological tourist route development; compliance with recognized national and international branding standards. 7) Sustainable Hotel and Campsite Management: Introduction of environmental standards; ecological certification requirements; recognized international hotel standards including Green Leaf, EU Ecolabel, and Nordic Swan.[8]	

In accordance with the Framework the evaluation and selection of eligible green projects shall be made on the basis of the criteria specified in table 1 above in the "Use of Proceeds" section of the Framework, however, additionally, the issuer/borrower shall also make sure that the eligible green projects be compliant with the Do No Significant Harm criteria and minimum social safeguards defined in Tajikistan National Green Taxonomy. Where the threshold criteria may differ between the "Use of Proceeds" section of this Framework (Table 1: Categories of Eligible Green projects) and the National Green Taxonomy, the criteria set in Table 1 shall prevail.

B. Eligible Social Projects

The social expenditure categories outlined in the Framework draw their mandate from Tajikistan's National Development Strategy (NDS) 2016–2030. The NDS identifies energy security, transport connectivity, food security, human capital development, and poverty reduction as strategic national priorities. Complementing it is the Green Economy Development Strategy 2023–2037, which embeds environmental sustainability into sectoral investments, and the United Nations Sustainable Development Cooperation Framework 2023–2026, which aligns international support with national priorities including climate resilience, gender equality, and youth empowerment. The National Human Rights Strategy until 2038 further anchors the social bond framework in Tajikistan's commitment to universal rights and the protection of vulnerable groups.

Target population

Tajikistan uses the Targeted Social Assistance (TSA) program — an unconditional cash transfer administered by the Ministry of Health and Social Protection — as its primary instrument for identifying and reaching the most vulnerable individuals and families. The program was set up in 2011 with World Bank support to improve the identification and registration of people in need of social assistance. Eligibility for TSA is determined through a Proxy Means Test (PMT) formula that accounts for household composition, age of family

[8] Nordic Swan is an environmental certification for hotels, which requires meeting criteria regarding energy consumption, water usage, waste reduction, chemical use and sustainable procurement.

members, presence of elderly or disabled individuals, housing conditions, and family property.[9]

For a social program to use this Framework to raise funds, its beneficiaries should generally be active participants in the TSA and/or members of the specific target populations defined below.

Low-Income. Households living below the national poverty line of TJS 14.9 per person per day.

Women. A vulnerable population facing persistent gender inequality, including a Gender Inequality Index (GII) value of 0.314 (ranked 70th out of 162 countries), low labor force participation (approximately 29%), a gender wage gap in which women earn approximately 49% of men's earnings, and high prevalence of gender-based violence — with nearly one in three married women (31%) having experienced domestic violence. Women in rural areas and female-headed households are disproportionately poor and economically excluded.

Rural Population. Approximately 72% of Tajikistan's population lives in rural areas, where poverty rates are substantially higher, access to services is limited, and livelihoods are heavily dependent on climate-sensitive agriculture. Rural communities also face geographic isolation that limits access to education, healthcare, and financial services. Rural poverty rates stood at 30.2% in 2018, compared to 21.5% in urban areas.

People with Disabilities. Individuals with physical, mental, intellectual, or sensory impairments. Many face profound isolation, marginalization, and violence, particularly in remote mountainous regions where specialized services are scarce, and mobility is severely limited during extreme weather events.

Vulnerable Children and Youth. People under 18 in adverse conditions, including children from poor or single-parent families, orphans and abandoned children (estimated at 160 per 100,000 births annually), children with disabilities, children of labor migrants, and street children.

Elderly People. Individuals aged 60 and above, who constitute 7.8% of the population in affected communities.

Micro and Small-sized Enterprises (MSEs). Entrepreneurship in Tajikistan is dominated by micro enterprises. Women-owned MSMEs constitute approximately 17% of the SME landscape, with fewer than one-fifth of female-headed SMEs having access to a bank loan or line of credit. MSEs in rural and mountainous areas face compounded barriers including limited collateral, poor financial infrastructure, and geographic isolation.

Migrants and/or Displaced Persons. Refugees, internally displaced persons, and families of labor migrants. Approximately 29,800 people are affected by climate-induced floods annually, and over 41,000 internal displacements were recorded between 2008 and 2022. A significant share of households — roughly one quarter — have at least one member

[9] TARGETED SOCIAL ASSISTANCE - Министерство здравоохранения и социальной защиты населения Республики Таджикистан

working abroad, predominantly in Russia, creating social vulnerabilities for families left behind, including female-headed households and children of migrants.

Underserved Populations. Populations lacking quality access to essential goods and services, including safe drinking water, sanitation, electricity, healthcare, and education. Less than 50% of Tajik households have access to piped water, and energy poverty is widespread particularly among pensioners, rural households, and households headed by women.

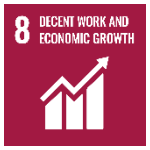
Vulnerable People Affected by Natural Events. People affected by hazardous climate events including floods, mudslides, landslides, droughts, and avalanches, which are frequent and increasing in severity due to climate change. Districts at high risk of agricultural drought overlap significantly facing the highest poverty rates, particularly in the Khatlon Province and the Districts of Republican Subordination.

Below are the categories of eligible social projects, listed in no particular order, with examples of projects in these categories and their alignment with the UN Sustainable Development Goals.

Table 2: Categories of eligible social projects

Eligible categories of social projects	Eligibility Criteria	UN Sustainable Development Goals
Affordable basic infrastructure Clean drinking water and sanitation	Costs associated with the expansion of clean drinking water, wastewater and sanitation infrastructure: • Improving access to and efficiency of water, sanitation, urban cleaning and solid waste management; • Projects/interventions that guarantee the supply of water with sufficient and appropriate quality and quantity for human supply and reuse; • Research and development of technologies that provide greater energy efficiency in the processes of water collection, treatment and supply; • Promote access to water for human consumption and food production through the introduction of simple and affordable social technologies (e.g., cisterns) ; • Investments in the design and implementation of efficient and clean water supply . Target group: Low-income families; rural population, women and girls, children in underserved schools, inhabitants of informal and underserved settlements, vulnerable people affected by natural events such as droughts, floods, and mudslides; populations in health facilities without adequate water, sanitation and hygiene.	
Affordable basic infrastructure Transport	Costs associated with the expansion of transport infrastructure: • Planning and implementation of public transport, including buses, metros and supporting infrastructure, with a focus on promoting accessible mobility and connectivity between urban centres and	

	peripheral areas, as well as between urban and rural areas; Financial incentives for intermodal transport Target group: rural and isolated communities; low-income population; women; persons with disabilities and the elderly; communities in disaster-effected areas; urban poor	
Affordable basic infrastructure Energy / Energy Access	Costs associated with expanding energy access: Development of network infrastructure Access to affordable electricity, including subsidy programs, and transmission and distribution projects *Target group:* Low-income households; rural and remote populations; women and female-headed households; children; elderly people; persons with disabilities; communities in remote and off-grid areas; communities relying on solid fuel for heating	
Access to affordable housing	Costs associated with increasing access to affordable housing: • Financing of families for the purchase, repair, expansion, improvement and renovation of housing • Construction and financing of affordable social housing f and rural families • Housing, acquisition, upgrading/remodeling, housing finance, and other activities that support affordable housing . • Housing financing at reduced interest rates and tailored to the location and income of the target families; *Target group: Households in urban areas with monthly gross household income at or below the national poverty line of TJS 16.02 per person per day (2023); households i rural areas with annual incomes below the national poverty threshold; households with excessive rent burden including families of informal sector workers, female-headed households, populations displaced by natural disasters, elderly people, and residents of deteriorated multi-family buildings.*	 
Access to vital infrastructure Health & Healthcare	Costs associated with expanding access to health care and health care: • Provision and accessibility of health services and preventive treatment; • Development of medical professionals; medical infrastructure such as hospitals, clinics, medical centers or research centers; • Development, production and/or distribution of medical products, pharmaceuticals and devices *Target group: rural population; low-income population; women; children and adolescents; elderly people; persons with disabilities; populations with high burden of communicable and non-communicable diseases; migrants*	
Access to vital infrastructure Education and vocational training	Expenditures related to the expansion of education and training: • Projects supporting the education of underserved communities, ethnic minorities, asylum seekers and	

	underserved regions, particularly school aged children and youth in rural, remote and underserved areas as outlined in NSED 2030 • Projects implemented under the Child Development Centers (CDC) Program for preschool education, focused on children aged 1.5 to 7 years • Projects supporting the equitable access and participation of higher professional education regardless of age, social, economic status, and ethnicity • Funding for thematic scholarships for study at various levels of higher education • Projects supporting the increased participation of female students in technical and technological specialties • Funding for programs for professional development courses in vocational education, training, and re-training, including for teachers, school leaders and educational personnels • Funding for programs supporting children with disabilities and special educational needs • Projects supporting expansion of access to learning materials, including formats using information and communication technologies (ICT) for preschool-age children, primary education students, secondary education students, school aged children and youth in rural, remote, and underserved areas. • Projects supporting construction, repair, and refurbishment of school infrastructure, taking into accounts of students with disabilities.	
Access to vital infrastructure Financing and financial services	Costs associated with providing funding and financial services to underserved communities: • Microfinance or small business programs, financial literacy training activities that support access to finance, • Providing financial services to those affected by natural disasters Target group: Low-income individuals and households; women and female-headed households; rural population; micro and small enterprises (MSEs); youth; labor migrants and their families; populations with low financial literacy; persons with disabilities; populations in geographically isolated areas such as remote mountainous districts	  
Food Security and Sustainable Food Systems	Costs associated with: • Physical, social and economic access to safe, nutritious and sufficient food Sustainable agricultural practices Reduction of food loss and waste in warehouses and transport; and increasing the productivity of small-scale producers) Target groups: Low-income and severely food-insecure households; rural households and smallholder farmers; women in agriculture and female-headed households;	

	children; pregnant and lactating women; remittance dependent households; seasonally food-insecure populations; communities affected by climate-induced agricultural shocks;	
Socio-economic development and empowerment	• Remittances for recipients • Target groups: Low-income households; women and female-headed households; youth not in employment, education or training; migrants; informal sector workers; MSEs; persons with disabilities; rural populations with limited economic diversification; communities in lagging and conflict-affected regions.	

C. Exclusions

In accordance with the Framework projects that support or promote the following activities are not considered eligible environmental, social, or sustainable projects:

A) Combustion of fossil fuels for electricity generation and transportation, except for projects related to gas-fired combined heat and power plants, which meet the criteria described in the "Eligible Green Projects" section.
B) Rail or other transportation infrastructure designed to transport or store fossil fuels.
C) Renewable energy projects that generate energy from biomass using raw materials extracted from protected areas.
D) Nuclear energy.
E) Infrastructure and transmission systems in which 25% or more of the electricity transmitted to the grid is produced using fossil fuels.
F) Inorganic or synthetic fertilizers, pesticides or herbicides.
G) Direct incineration of waste.
H) Production of alcohol, defense, tobacco, gambling or palm oil.
I) State assistance and subsidies provided to civilian and military personnel (housing assistance, pensions, pension plans, medical and medical plans, compensation).
J) Utility advertising.
K) Compensation or fines related to the execution of court decisions.
L) Planning or construction of airport infrastructure.
M) Planning or construction of seaport and maritime transport infrastructure.
N) Mining.

PROJECT EVALUATION AND SELECTION PROCESS

A. Governance and oversight

By the Decree of the Government of the Republic of Tajikistan dated January 27, 2025 №71, the Interdepartmental Committee on Sustainable Finance will manage, supervise, evaluate and select projects/expenditures aimed at environmental protection, mitigation, adaptation to climate change.

The Committee will oversee and approve key decisions related to green, social and sustainability bonds and loans issued under the Sovereign Sustainable Finance Framework. Chairman of the Committee is the First Deputy Minister of Finance. In the absence of the First Deputy Minister of Finance the Committee will be headed by the Head of the General Directorate of Public Debt and Public Investment Promotion of the Ministry of Finance of the Republic of Tajikistan (hereinafter – Public Debt Directorate).

The Ministry of Finance acts as the secretariat and is responsible for coordinating meetings of the Committee. The Committee is composed of representatives of various interdepartmental agencies, which are listed below:

- Ministry of Finance of the Republic of Tajikistan, represented by:
  - *General Directorate of Public Debt and Public Investment Promotion,*
  - *Main Directorate of the Central Treasury,*
  - *Legal Department,*
  - *Main Directorate of Budget Policy in the Real Sectors of the Economy,*
  - *Internal Audit and Control Department,*
  - *Department of Accounting Policy, Financial Reporting and Auditing;*
- Ministry of Agriculture of the Republic of Tajikistan;
- Ministry of Economic Development and Trade of the Republic of Tajikistan;
- Ministry of Energy and Water Resources of the Republic of Tajikistan;
- Ministry of Transport of the Republic of Tajikistan;
- Ministry of Industry and New Technologies of the Republic of Tajikistan;
- Ministry of Health and Social Protection of the Republic of Tajikistan;
- Ministry of Education and Science of the Republic of Tajikistan;
- Ministry of Labour, Migration and Employment of the Republic of Tajikistan;
- State Committee on Investments and State Real Estate Management;
- Committee for Environmental Protection under the Government of the Republic of Tajikistan;
- Committee on Architecture and Construction under the Government of the Republic of Tajikistan;
- Committee on Women and Family Affairs under the Government of the Republic of Tajikistan;
- Committee for Tourism Development under the Government of the Republic of Tajikistan.

Industry experts support activities and goals of the Committee as needed. Decisions are made by a majority of the members present. The Chairman (or his deputy) has the right of veto.

The Main Directorate of Budget Policy in the Real Sectors of the Economy of the Ministry of Finance (hereinafter - Budget Policy Directorate) determines, reviews and approves the list of potential green and social spending/projects based on eligibility criteria, outlined in the section "Use of Proceeds". The availability of indicators/metrics for reporting on environmental and/or social impacts will be checked by the relevant implementing ministry. Monthly or as needed the Committee evaluates proposed projects to ensure that they meet the criteria defined in the Framework.

The Main Directorate of the Central Treasury (hereinafter - Directorate of Treasury) and the Public Debt Directorate, together with the Committee will oversee, with the participation of the Committee and other relevant government departments and ministries, any expenditures related to the projects until the funds from the bonds are exhausted. Any remaining eligible expenditures may be financed by another issue and disclosed in the annual report.

B. Environmental and social risk/impact management

All projects financed under the Framework undergo a Do No Significant Harm (DNSH) assessment to confirm that their implementation does not result in significant negative environmental or social impacts in relation to other Sustainable Development Goals.

Projects that, in accordance with the legislation of the Republic of Tajikistan, may impact the environment and the population must undergo an environmental impact assessment (EIA) in accordance with established procedures.

All projects must ensure Minimum Social Safeguards in accordance with applicable national legislation of the Republic of Tajikistan and internationally recognized principles of human rights, labor rights, occupational safety and health, and non-discrimination.

MANAGEMENT OF PROCEEDS

In accordance with the Framework, the Directorate of Treasury and the Public Debt Directorate will be responsible for issuing green, social and sustainability bonds, as well as overseeing the allocation and monitoring of expenditures related to eligible projects.

As stated in the Framework, the Directorate of Treasury and the Public Debt Directorate will ensure the allocation of an amount equivalent to the funds received from the issuance of green, social and sustainability bonds to relevant projects.

Net proceeds from the issuance of green, social and sustainability bonds (or the raising of green or social loans) will be credited to a separate account and used exclusively for the financing and/or refinancing of eligible projects in accordance with the Framework.

If any of the allocated eligible projects are excluded from the project portfolio due to non-compliance or other issues, the Public Debt Directorate will ensure that these projects are replaced by suitable other relevant projects within a reasonable time frame of 12 to 24 months (about 2 years). Until full distribution the Directorate of Treasury and the Public Debt Directorate will manage the remaining Green, social and sustainability bond proceeds in line with prudent liquidity policies and legislation of the Republic of Tajikistan.

Principal and interest payments on green, social and sustainability bonds will be made in accordance with the provisions of the public debt and are not dependent on the selection or implementation of supported projects.

Relevant ministries or agencies keep records of expenditures on eligible green, social and sustainability projects that have passed the evaluation and selection process (including refinanced projects), as well as a register of green, social and sustainability projects that are actually funded.

The Public Debt Directorate shall aim to ensure that the total value of projects financed and/or refinanced by issued green, social and sustainability bonds or green, social and sustainability credit is not less than the total outstanding amount of green, social and sustainability bonds or the basic balance between green, social and sustainability credit that is being considered. The Register of Green, Social and Sustainability Bonds (and/or Loans) contains sufficient information necessary to identify each relevant bond issue (or loan received) in order to match the list of projects.

The Public Debt Directorate should also ensure that the proceeds from the issuance of green, social and sustainability bonds or loans are allocated to the relevant projects without double counting, i.e., the same project should not be nominated for two or more different green, social and sustainability (and/or credit) issues in the future. However, there is an exception to this requirement where the Public Debt Directorate can clearly demonstrate (through a documented decision of the Committee and with appropriate disclosure) that different green, social and sustainability bonds (or loans) clearly fund parts (and/or stages) of the same eligible project, or that one financial instrument is refinanced by another financing instrument.

REPORTING

According to the Framework the Ministry of Finance will make every effort to implement the reporting recommendations set out in the «Handbook – Harmonized Framework for Reporting on Impacts on Green Projects» ICMA (June 2025).

The Public Debt Directorate will be responsible for coordinating the preparation of the Allocation Report and the Impact Report (which may be published as a single document), with the participation of the Committee and relevant government agencies and ministries.

Allocation report will be published annually until full allocation (i.e., until the total amount of the allocation is equal to the net proceeds received from green, social and/or sustainability bonds or loans, and in the event of significant changes, and will include the following information for each bond or loan issued:

A) The total amount allocated to the relevant green projects.
B) The total amount allocated to the relevant social projects.
C) The total amount allocated to eligible sustainable development projects.
D) The total amount allocated by category of the relevant green projects.
E) The total amount allocated by the categories of relevant social projects.
F) The total amount allocated by category of relevant sustainable development projects.
G) The total remaining unallocated amount.
H) Separation of refinancing and new financing.

Impact Report on the expected and/or actual environmental and/or social impacts of the implemented eligible projects will be published annually, subject to the availability of relevant data, until full allocation of proceeds. In case the event of significant changes, investors will be informed in a timely manner.

Impact assessments may use quantitative and qualitative indicators appropriate to the nature of the projects being financed. The Ministry of Finance of the Republic of Tajikistan will strive to disclose impact indicators in accordance with ICMA recommendations and international market practices.

Table 3. Examples of indicators for reporting potential impacts

Category "Green Project"	Potential indicators of impact
Renewable energy	Installed capacity of renewable energy sources (in MW) Annual renewable energy production (in MWh) Annual avoided greenhouse gas emissions in tonnes of CO2 equivalent Energy produced on the basis of solar energy (kWh) for own consumption. Social co-benefits (if quantified) Number of households that benefited Number of low-income households receiving assistance Number of jobs created
Energy efficiency	Number of installed energy-efficient equipment and household appliances Annual energy savings (in MWh). Annual greenhouse gas emissions were avoided in tonnes of CO2 emissions
Pollution prevention and control	Amount of reused or recyclable waste (tonnes or % of total waste) Number of households/people served by digitized ecological islands
Environmentally friendly transport	Passenger kilometres (i.e. carrying one passenger over a distance of one kilometre) and/or passengers carried by new low- or zero-carbon public transport Tonne-kilometres (i.e. transporting one tonne per kilometre) and/or tonnes of new low- or zero-carbon public transport

	Number of new electric trains purchased or modernized/converted Number (km) of newly created/maintained power lines Number of active EV charging points
Sustainable Water and Wastewater Management	Land or water area saved/restored (km²) Area (km²) of actively managed marine/forest reserves
Adaptation to climate change	Number of flood protection infrastructure built and/or rehabilitated/km of flood protection infrastructure built and/or rehabilitated
Green buildings	Estimated annual energy savings (in MWh) Number of buildings financed
Sustainable management of natural resources and land use	Area of restored and protected land (sq. km) Population covered (number) Forest cover area (sq. km)

Category "Social Project"	Potential indicators of impact
Affordable basic infrastructure	**Clean drinking water:** number of people/households provided with safe and affordable drinking water **Wastewater/Sanitation:** volume of treated wastewater for reuse **Sanitation: reducing** the incidence of sanitation-related diseases **Transport**: proportion of people with access to public transport **Energy**: Homes/regions/villages with access to **electricity or** percentage of population with access to electricity
Access to vital services	• **Infrastructure of the hospital:** • Increasing hospital bed capacity and/or reducing density • Number of treated Number of medical institutions, hospitals, clinics, medical centers, health research centers built or upgraded • **Educational and vocational training** • Number of students, trainees benefiting, including traditional or vocational educational activities/programs, learning assessments, skills development, new/improved infrastructure or services, hiring teachers, or other measures

	• Number of teachers, trainers, or staff accessing new or continuing learning/learning, new or improved facilities, teaching aids or assistive devices, mental health support, or other interventions • Number of schools, laboratories, libraries, or other teaching or training facilities built, upgraded, funded, or acquired • Financial Services: • Number of people from target groups who have received financial interventions such as scholarships, loans, grants, tax deductions, insurance products, pension schemes and bank accounts • Number of grants, loans or other financial services for micro, small and medium-sized enterprises or other marginalized enterprises in low-income areas / Number of micro, small and medium-sized enterprises or other marginalized enterprises in low-income areas
Affordable housing	Number of people who are provided with affordable housing The number of available units/homes/dwellings built, improved, rented, financed or acquired. Number of outstanding loans/grants/subsidies for affordable housing.
Food Security and Sustainable Food Systems	Reducing malnutrition Increasing agricultural productivity Proportion of target population with adequate food supply Reducing poverty among farmers The growth of economic, social and Farmers' environmental sustainability
Socio-economic development and empowerment	Increase in the percentage of women in the labour market Women's employment rate/labour force participation Increasing labour force participation rates, especially for in-demand occupations

EXTERNAL REVIEW

In accordance with the Framework, the Ministry of Finance engages an external reviewer for completion of the external review (second-party opinion) of the Framework to

demonstrate its compliance with the GBP, SBP, SBG, GLP and SLP. The External Review will be published on the website of the Ministry of Finance of the Republic of Tajikistan at the link: https://moliya.tj/Documents/Index/1560.

The Ministry of Finance also intends to appoint an external reviewer to review and verify the post issuance allocation reports. The reports will be published at the link: https://moliya.tj/Admin/Documents/GetFile/2687.

3. EVALUATION OF THE ISSUER'S SUSTAINABLE FINANCE FRAMEWORK AND OTHER DOCUMENTS

In this section, we describe the assessment of the Framework and other relevant documents of the Issuer for compliance with the GBP, SBP, SBG GLP and SLP in accordance with GFC's Methodology for preparing an external assessment. The information used for these purposes was obtained by means of direct interaction with the Issuer (see Appendix 1).

GENERAL ASSESSMENT AND DETERMINATION OF THE DEGREE OF COMPLIANCE

GFC confirmed with the Issuer, through document review and interviews held, that the proceeds from sustainable financing instruments issued will be used to finance and/or refinance eligible green, social or sustainability projects. The categories and criteria for eligible green, social or sustainability projects correspond to the GBP, SBP, SBG GLP and SLP and contribute to environmental and/or social objectives. The project evaluation and selection process and the management of proceeds also correspond to the core components of the GBP, SBP, SBG GLP and SLP. Reporting and disclosure of information on the use of proceeds attracted and on the expected impact of the implemented projects will be provided on an annual basis and published on the official website of the Ministry of Finance of the Republic of Tajikistan.

1. **Opinion on compliance/non-compliance of the Issuer's Sustainable Finance Framework with the GBP, SBP, SBG, GLP and SLP.** Based on the evaluation for meeting the minimum threshold levels for all assessment criteria, we are of the opinion that the Issuer's Framework meets the mandatory and partially additional values of the criteria, and, accordingly, **we are of the opinion that the Sovereign Sustainable Finance Framework of the Government of the Republic of Tajikistan complies with the Green Bond Principles and Social Bond Principles of the International Capital Market Association, as well as the Green Loan Principles of the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association.**

2. **Opinion on assigning a degree of alignment with the GBP, SBP, SBG, GLP and SLP ranging from "Excellent" (High) to "Poor" (Low).** In accordance with the results of the assessment, as well as in accordance with the Grading Scale for the Level of Alignment with the GBP, SBP, SBG, GLP and SLP, **we assigned the degree of compliance "Excellent"** meaning that the Ministry of Finance of the Republic of Tajikistan demonstrates an excellent level of proceeds management and allocation,

of project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental and social significance.

Grading Scale for the Level of Alignment with the GBP, SBP, SBG, GLP and SLP

Threshold Grade	*Degree*	*Definition*
High 4.8	Excellent	Proceeds from the issuance of green and social financing instruments are most likely to be used for the implementation of green and social projects. The Issuer demonstrates an excellent level of proceeds management and allocation, of project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental and social significance.

EVALUATION OF THE CRITERION – USE OF PROCEEDS

The indicators listed below reflect our assessment of the criterion "Use of Proceeds".

Indicator	*Characteristic of the indicator (permissible, mandatory indicator, not recommended)**	*Grade*
1. 100% of proceeds are allocated to implementing and financing/refinancing of green and social projects that bring environmental or social benefits and are evaluated by the Issuer for compliance with the eligible project categories in line with the GBP/SBP/SBG/GLP or SLP with regard to their qualitative and/or quantitative characteristics	Permissible	5
WEIGHTED CRITERIAL GRADE		2

Green Project Eligiblity Criteria

The categories of eligible green projects defined in the Framework correspond to the project categories defined in the GBP and GLP, including:

- Renewable energy;
- Energy efficiency;
- Pollution prevention and control;
- Clean transportation;
- Sustainable water and wastewater management;

- Climate change adaptation;
- Green buildings;
- Environmentally sustainable management of living natural resources and land use.

In addition to aligning the categories of eligible green projects with the GBP/GLP, the SSFF establishes detailed eligibility and threshold criteria for each category. These include quantitative performance thresholds (e.g., greenhouse gas emission limits, energy and water efficiency improvements), internationally recognised certification schemes (e.g., LEED, BREEAM, EDGE, DGNB, FSC, PEFC, ISO 50001), Best Available Techniques (BAT) requirements where relevant, and project-specific technical screening criteria designed to ensure that financed activities deliver measurable environmental benefits.

Furthermore, the SSFF requires eligible green projects to comply with the Do No Significant Harm (DNSH) principle and minimum social safeguards established under the National Green Taxonomy of Tajikistan. Where threshold criteria differ between the SSFF and the National Green Taxonomy, the Framework specifies that the criteria contained in the SSFF shall prevail.

Based on the review of the eligibility criteria against internationally recognised taxonomies and market standards (see Appendix 1 below), it can be concluded that the green project criteria are **fully aligned with international best practices**. The SSFF not only covers all principal GBP/GLP project categories but, for many categories, also incorporates eligibility thresholds and technical screening criteria that are consistent with approaches adopted under internationally recognised sustainable finance taxonomies, such as the Climate Bonds Taxonomy and EU Taxonomy of Sustainability Activities.

Social Project Eligiblity Criteria

The categories of eligible social projects defined in the SSFF correspond to the eligible project categories recognised under the ICMA Social Bond Principles (SBP) (2025), including:

- Affordable basic infrastructure (clean drinking water and sanitation, transport, and energy access);
- Access to essential services (healthcare, education and vocational training, and financial services);
- Affordable housing;
- Food security and sustainable food systems; and
- Socio-economic advancement and empowerment.

In line with the ICMA Social Bond Principles, the SSFF identifies clearly defined target populations expected to benefit from the financed projects. These include, among others, low-income households, women, rural populations, persons with disabilities, vulnerable children and youth, elderly people, micro and small-sized enterprises, migrants and displaced persons, underserved populations, and people affected by natural disasters. Beneficiary identification is further strengthened through the use of Tajikistan's Targeted

Social Assistance (TSA) programme and Proxy Means Test methodology[10], providing a robust and transparent mechanism for identifying vulnerable beneficiaries.

The review of the social eligibility criteria against the ICMA Social Bond Principles confirms that the SSFF demonstrates **full alignment with international best practices**. The SSFF encompasses all principal social project categories recognised by the ICMA SBP and goes beyond the minimum market expectations by providing comprehensive eligibility criteria, clearly defined target populations supported by socioeconomic evidence, and explicit links to Tajikistan's national development strategies, the National Human Rights Strategy, and the relevant Sustainable Development Goals. As a result, the Framework provides a credible basis for ensuring that proceeds allocated to eligible social projects are expected to generate measurable positive social outcomes for clearly identified vulnerable populations.

The categories of eligible projects outlined in the SSFF also align with the priority United Nations Sustainable Development Goals (SDGs), as indicated by the ICMA Guidelines - A High-Level Mapping to the Sustainable Development Goals, June 2023[11].

[10] TARGETED SOCIAL ASSISTANCE - Министерство здравоохранения и социальной защиты населения Республики Таджикистан

[11] https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Green-Social-and-Sustainability-Bonds-A-High-Level-Mapping-to-the-Sustainable-Development-Goals-June-2023-220623.pdf

APPENDIX 1: Review of the alignment of the green project criteria in the SSFF with Climate Bonds Taxonomy and other international benchmarks

Eligible categories of green projects, aligned with ICMA Principles, established in the SSFF	Eligibility and Threshold Criteria established in the SSFF (in the event of any inconsistency between threshold criteria from SSFF and the National Green Taxonomy (NGT), the SSFF criteria take precedence)	Corresponding eligible activities and eligibility criteria of the NGT (secondary to SSFF criteria but additional with regard to DNSH and social safeguards) as per SSFF	Alignment of the SSFF green project eligibility (columns 1 and 2) with the Climate Bonds (CBI) Taxonomy and other international standards and benchmarks (taxonomies)
1	2	3	4
Renewable energy Environmental goal: Climate change mitigation	• Investments and expenditures (including subsidies/grants) in the production and transmission of renewable energy, including: 1.Solar photovoltaic (PV), geothermal, and solar thermal heating 2. Onshore and offshore wind energy facilities 3. Hydropower power plants Complies with either of the following criteria: III. the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; IV. the power density of the electricity generation facility is above 5 W/m^2; V. the life-cycle GHG emissions from the generation of electricity from hydropower, are lower than 100gCO_2e/kWh (verified by an independent third party).	The NGT covers renewable energy generation and enabling infrastructure, including small hydropower (up to 10 MW), hydropower plants of 10–100 MW (subject to applicable technical thresholds for run-of-river design, power density or lifecycle GHG emissions), solar PV, bioenergy, solar water heaters, renewable energy storage systems, and the manufacture of renewable energy equipment (e.g. hydropower turbines and photovoltaic components).	The SSFF renewable energy criteria are generally aligned with leading international benchmarks, including the CBI and EU Taxonomies. Solar and wind technologies are treated as directly eligible, while hydropower, geothermal energy and bioenergy are subject to technology-specific emissions or performance thresholds. – The SSFF criteria for solar energy are fully aligned with the CBI and EU Taxonomy approaches. Similar to these benchmarks, the SSFF does not establish specific GHG emission thresholds for solar photovoltaic generation, treating solar power as an inherently low-carbon technology eligible by technology type rather than by emissions performance.

	4. Bioenergy derived from biomass[12] . Life cycle GHG emissions are at least 80% below the coal baseline (i.e. emissions from coal-fired power generation or an internationally recognized fossil fuel comparator). 5. Cogeneration (Combined Heat and Power, or CHP: III. Either minimum emission reduction of at least 50% compared to fossil fuels, or no more than 270 g CO_2e/kWh. IV. Compliance with emission limits on SO_2, NO_x, and CO. 6. Green hydrogen produced using renewable energy The minimum lifecycle GHG emissions from hydrogen production amount to 3 tonnes of CO_2e per tonne of hydrogen. 7. Projects that support the integration of renewable energy into the energy and gas grid: modernization of gas transmission and distribution networks, allowing the integration of	The SSFF covers a broader range of renewable energy technologies than the NGT, including wind energy, geothermal energy, renewable hydrogen, renewable energy integration into electricity and gas networks, and renewable energy R&D. Where the SSFF establishes different threshold criteria than NGT, the SSFF criteria shall prevail. Eligible activities are subject to the NGT's DNSH criteria, including climate adaptation, sustainable water use, pollution prevention, circular economy and biodiversity protection, as well as compliance with applicable national environmental requirements and	– The SSFF criteria for wind energy are fully aligned with the CBI and EU Taxonomy. Consistent with these benchmarks, no explicit life-cycle GHG emission threshold is established. – For hydropower, the SSFF is broadly aligned with the EU Taxonomy and the CBI Hydropower Criteria in applying performance-based screening rather than an installed-capacity limit. The SSFF permits eligibility where the facility is run-of-river without an artificial reservoir, has a power density above 5 W/m², or demonstrates lifecycle emissions below 100 gCO_2e/kWh. These criteria are consistent with the general structure of the EU and CBI approaches, although the CBI Criteria apply more stringent thresholds to plants commencing operation from 2020 onwards, namely power density above 10 W/m² or emissions below 50 gCO_2e/kWh. Accordingly, the SSFF is aligned in approach but less stringent than the current CBI benchmark for newer hydropower facilities. – The SSFF criteria for geothermal energy are broadly aligned with the EU

[12] They are obtained from non-food crops, agricultural residues, algae, and not from raw materials. The production of raw materials for biofuels will not take place on lands with high biodiversity. In addition, carbon-intensive land will not be used for biofuel production.

	green hydrogen and other low-carbon gases into the grid, smart energy grids, smart meters. 8. Research and development of products or technologies for the generation of renewable energy, including the production of wind turbines and solar panels. 9. Supply chain and auxiliary infrastructure for renewable energy: Production and/or installation of water turbines, photovoltaic components, and solar panels are directly eligible. 10. Renewable energy storage systems: Batteries, capacitors, compressed air energy storage units, large energy storage systems, and production capacities for their manufacture. 11. Solar water heaters and biomass energy units: Energy units on biomass/biogas, solar water heaters, use of agricultural and forestry waste. 12.Conversion of thermal power plants into combined heat and gas power plants: Lifecycle emissions of less than 100 g CO2e/kWh	occupational health, labour and workers' rights safeguards	Taxonomy and CBI. Similar to the EU Taxonomy, the SSFF establishes a life-cycle GHG emissions threshold of 100 gCO_2e/kWh. However, the SSFF additionally requires that, where electric heat pumps are used, the refrigerant has a global warming potential not exceeding 700, whereas the EU Taxonomy applies a stricter threshold of 675. Overall, the SSFF follows the same emissions-based approach as international benchmarks. – The SSFF criteria for bioenergy are generally aligned with the CBI Taxonomy and the EU Taxonomy in requiring significant lifecycle GHG emission reductions and sustainable biomass sourcing. The SSFF requires lifecycle GHG emissions to be at least 80% below the coal-fired baseline, which is consistent with the minimum greenhouse gas saving required under the EU Taxonomy (through RED II) for biomass installations commissioned between 2021 and 2025. Overall, the SSFF is broadly aligned with international benchmarks but is less stringent than the latest EU requirements for new biomass facilities. – The SSFF permits natural gas-fired cogeneration (CHP) where the project achieves either at least a 50%

			reduction in lifecycle GHG emissions compared with fossil fuel alternatives or direct emissions of no more than 270 gCO_2e/kWh, while complying with SO_2, NO_x and CO emission limits. This is broadly consistent with the EU Taxonomy, which allows transitional gas-fired generation subject to the same 270 gCO_2e/kWh threshold but also imposes additional transition and DNSH requirements. By contrast, the CBI Taxonomy does not explicitly recognise unabated natural gas-fired generation or gas-fired CHP as eligible green activities, limiting consideration of fossil gas primarily to projects incorporating CCS Conclusion: **Strong alignment**
Energy efficiency Environmental goal: Climate change mitigation	• Industrial Facilities: Investments and expenditures to improve the energy efficiency of infrastructure, resulting in energy consumption below the average national energy consumption of equivalent infrastructure or energy consumption reduction by at least 20% compared to pre-project levels. • Production, transmission and distribution systems: Modernization of power lines, substations, and modern energy distribution systems: energy loss reduction by at least 20%.	The NGT covers energy-efficiency improvements in industrial facilities, electricity generation, transmission and distribution systems, district heating, public, commercial, residential and industrial buildings, energy-efficient products and energy services. Industrial energy-efficiency projects must generally	The SSFF energy efficiency criteria are broadly aligned with international market practice by requiring a minimum 20% improvement in energy efficiency or reduction in energy losses across most eligible activities. Similar thresholds are widely applied by multilateral development banks and sustainable finance frameworks, where improvements of at least 20–30% are generally considered to represent substantial energy efficiency gains. For example, the IFC EDGE standard requires a minimum 20% reduction in operational energy consumption compared with a local baseline,

	• Centralized heat supply: heat loss reduction by at least 20%. • Energy-efficient Products (Public and Private Sectors): Highest energy efficiency class for the respective product type, with energy marking per established standards. • Energy Efficiency in Buildings: Availability of LEED, EDGE, BREEAM, BEAM Plus[13] or DGNB certification[14], or high energy efficiency marking. • Energy Service Services: Compliance with ISO 50001 "Energy Management Systems." • Research and development of products or technologies, as well as their implementation, reducing the energy consumption of underlying assets, technologies, products or systems, including LED lamps, improved chillers, improved lighting technologies, central cooling and heating, smart grids and heat recovery: Highest energy efficiency class for the respective product type, with energy marking per established standards.	reduce energy consumption by at least 20% relative to the pre-project baseline. Modernisation of electricity transmission and distribution systems must reduce energy losses by at least 20%, while district-heating modernisation must reduce heat losses by at least 20%. Energy-efficient products must achieve the highest applicable energy-efficiency class or recognised energy-efficiency labelling. Building-related activities must use recognised environmental or energy-performance standards, including LEED, EDGE, BREEAM and DGNB. Energy-service activities are linked to ISO 50001 energy-management requirements.	while many green building certification schemes and green mortgage programmes target energy savings in the range of 15–30%. For energy generation, transmission and distribution infrastructure, however, the SSFF applies a more flexible criterion by requiring at least a 10% reduction in energy losses. This is consistent with international practice, recognising that incremental improvements in mature electricity networks are inherently more difficult to achieve than improvements in buildings or industrial processes. Studies of electricity transmission systems indicate that grid modernisation measures—including advanced transformers, voltage optimisation, dynamic line rating and smart grid technologies—typically deliver network loss reductions in the range of 3–10%, with larger reductions requiring substantial network redesign. Accordingly, the differentiated approach adopted by the SSFF appropriately reflects the technical characteristics of different sectors while maintaining a level of ambition broadly consistent with international benchmarks. Conclusion: **Strong alignment**

[13] BEAM Plus (Building Environmental Assessment Method Plus) is Hong Kong's leading green building certification system
[14] DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen). DGNB certification sets requirements for sustainable buildings.

		Applicable DNSH criteria include climate adaptation, sustainable water use, pollution prevention, circular management of equipment at end of life and biodiversity protection. Compliance with national environmental requirements and occupational health, labour and workers' rights safeguards is required.	
Pollution prevention and control Environmental goal: Pollution prevention and control Transition to a circular economy	• Investments and expenditures on projects aimed at reducing land pollution and waste generation, including waste prevention, waste collection and management, product recycling and reuse, waste-to-energy activities, with material recycling and recycling prior to incineration and soil reclamation. 1. Collection and separate accumulation of household waste: a) Separate household waste collection must be in place b) Secondary raw materials must be sent for recycling. 2. Waste processing and reuse of secondary raw materials:	The NGT covers industrial air pollution control, environmentally cleaner heating systems, wastewater treatment and reuse, waste collection, sorting, recycling and hazardous waste management, production using secondary raw materials, and soil and land restoration. Activities are subject to applicable technical thresholds, including BAT-AEL emission limits, minimum GHG reduction	The SSFF's eligibility criteria for Pollution Prevention and Control are broadly consistent with international sustainable finance market practice by promoting projects that prevent, reduce or eliminate pollution at source, minimise waste generation, improve resource recovery, and ensure environmentally sound management of hazardous substances and waste streams. Similar approaches are reflected in the EU Taxonomy, which recognises activities making a substantial contribution to pollution prevention through compliance with technical screening criteria, deployment of best available techniques (BAT), substitution of hazardous substances, and advanced pollution control technologies.

	a) Compliance with best available techniques base document for waste and by-product processing. 3. Secondary raw materials in production: a) At least 30% of the composition of produced products must come from secondary raw materials. 4. Wastewater treatment for recycling: a) The treated water must be reused for its intended purpose. • Investments and expenditures on projects aimed at reducing air pollution and controlling GHG emissions: a) Emissions must meet BAT-AEL (Best Available Techniques - Associated Emission Level)[15] limits prescribed by the relevant BAT reference documents (BAT-BREFs) for its sector.	requirements, wastewater reuse standards and recycling criteria, where applicable. Eligible activities must also comply with the Taxonomy's DNSH criteria relating to climate adaptation, sustainable water use, pollution prevention, circular economy and biodiversity protection, as well as applicable national environmental requirements and occupational health, labour and workers' rights safeguards.	International sustainable finance frameworks generally apply quantitative performance thresholds selectively, focusing on activities where measurable environmental outcomes can be robustly demonstrated. For example, the Climate Bonds Initiative specifies numerical criteria for certain activities, such as a maximum electricity carbon intensity of 100 gCO_2/kWh for desalination facilities or requirements for no net greenhouse gas emissions for selected water infrastructure and nature-based solutions. Likewise, the EBRD Paris Alignment Methodology[16] recognises projects meeting the EU Taxonomy technical screening criteria as automatically aligned, while activities without established numerical thresholds are assessed through qualitative technical screening, consistency with national climate strategies and low-carbon pathways, carbon lock-in analysis, and, where relevant, economic assessment using a shadow carbon price. Conclusion: **Strong alignment**

[15] BAT-AEL: Best Available Technique Associated Emission Level. This term is used in EU environmental and industrial regulations specifically regarding Industrial Emissions Directive.

[16] European Bank for Reconstruction and Development (EBRD). Methodology to Determine the Paris Agreement Alignment of EBRD Investments. March 2024. https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/green/Methodology%20to%20determne%20the%20Paris%20Agreement%20alignment%20of%20EBRD%20investments.pdf

	• Ecological Clean Heating Appliances: Electric radiators, modern floor and wall-mounted heating systems: b) Minimum reduction of GHG emissions by 20%.		
Clean transport Environmental goal: Climate change mitigation Pollution prevention and control	• Investments and expenditures in clean transport systems and related infrastructure that reduce GHG emissions from transport, such as: 1. Low-carbon transport acquisition: Electric vehicles, hydrogen fuel vehicles,: a) The vehicle must emit < 50 g CO_2-equivalent/km (from 2027 onwards, only vehicles with emission intensity of 0g CO2/km are eligible). 2. Low-carbon transport production: Production of transport and key components, including rechargeable batteries: a) The production process must meet emit < 50 g CO_2-equivalent/km. 3. Zero-carbon transport: – Zero-emission cars and trucks, such as electric vehicles, hydrogen vehicles, electric trains. – Charging infrastructure	National Green Taxonomy covers: (i) acquisition of low-carbon vehicles, including electric, hydrogen-fuelled and hybrid vehicles, subject to an emissions threshold of below 90 gCO_2e/km; (ii) manufacture of low-carbon transport vehicles and key components, including rechargeable batteries, subject to the same emissions threshold; (iii) public-transport infrastructure, including BRT and bicycle infrastructure, with public transport subject to an emissions threshold of 50 gCO_2e per passenger-kilometre and no threshold for bicycle infrastructure; and	Overall, the SSFF Clean transport criteria demonstrate a high degree of alignment with the EU Taxonomy and the Climate Bonds Land Transport Criteria. The SSFF adopts internationally recognised emissions thresholds for low-emission vehicles (<50 gCO_2e/km) and a transition to zero-emission vehicles from 2027, broadly reflecting the EU Taxonomy and CBI approach, although the latter requires zero-emission passenger vehicles from 2026. The SSFF also covers the principal internationally recognised eligible activities, including electric and hydrogen vehicles, charging infrastructure, rail and metro systems, BRT, cycling infrastructure and battery manufacturing. Conclusion: **Very Strong alignment**

	_ Infrastructure to support the use of zero- carbon vehicles.[17] 4. Investments in transport infrastructure for mass transport: – Expansion of train and metro networks, projects to increase capacity, modernization of stations, – Charging Infrastructure. 5. BRT (Bus Rapid Transit) systems and bicycle infrastructure: b) The vehicle must emit ≤ 50 g CO_2/passenger/km for public transport from 2027 onwards, only vehicles with emission intensity of 0g CO2/ passenger/km are eligible) 6. Low-carbon Transport Infrastructure: Specialized infrastructure for refueling and maintenance of electric and hybrid transport, including trolleybuses and electric buses are directly eligible.	(iv) specialised infrastructure for charging, refuelling and servicing electric and hybrid vehicles, trolleybuses and electric buses. *The SSFF applies more stringent transport thresholds in some cases, including below 50 gCO_2e/km and, from 2027, zero-emission requirements. Where the SSFF threshold is stricter, the SSFF criterion should prevail.* Applicable DNSH criteria include climate adaptation, sustainable water use, pollution prevention, circular management and end-of-life treatment of vehicles, batteries and equipment, and biodiversity protection. Compliance with national environmental requirements and occupational health,	

[17] Investments in roads are not included.

		labour and workers' rights safeguards is required.	
Sustainable Water and Wastewater Management Environmental goal: Sustainable use and protection of water and marine resources	• Investments and expenditures in projects and infrastructure dedicated to reducing water consumption, sustainable water management, and reducing water pollution, including the development and improvement of water supply infrastructure and management, as well as the urban drainage system. • Water Intake Facilities: Drinking water complies with sanitary standards; technical water must match equipment's technical characteristics. • Water Storage and Distribution Technologies: Fresh water consumption reduction a) 40% for domestic needs, b) 30% for irrigation, c) 70% for industrial/technical needs. • Sustainable urban drainage and rainwater management systems in critical municipalities prone to recurrent flooding and overflow	The NGT covers water storage and distribution, drinking-water treatment and disinfection, water-efficiency technologies, water-saving irrigation, groundwater recharge, wastewater collection and treatment, and reuse of treated municipal and industrial wastewater. Water-storage and distribution projects must reduce freshwater consumption by at least 40% for household use, 30% for irrigation and 70% for industrial or technical use. Drinking water must comply with applicable sanitary requirements, while technical water must meet the technical specifications of the relevant equipment. Wastewater-treatment projects must ensure that treated water is reused for its intended purpose.	Overall, the SSFF Sustainable Water and Wastewater Management criteria demonstrate a high degree of alignment with the EU Taxonomy and the Climate Bonds Water Infrastructure Criteria. The Framework covers the principal internationally recognised eligible activities, including water supply infrastructure, drinking water treatment, wastewater collection and treatment, water recycling and reuse, stormwater management, flood protection, water efficiency measures, leakage reduction, smart water management systems, digital monitoring technologies and nature-based solutions. However, unlike the EU Taxonomy, it does not establish quantitative technical screening criteria for water losses (e.g. Infrastructure Leakage Index thresholds), wastewater treatment performance or sustainable urban drainage systems. Thus, the Framework adopts a principles-based rather than performance-based approach. SSFF criteria also incorporate important environmental safeguards through requirements for compliance with applicable environmental legislation, resource efficiency, pollution prevention and environmental impact assessment.

		Applicable DNSH criteria include climate adaptation, protection and sustainable use of water resources, pollution prevention, circular management of equipment and materials, and biodiversity protection. Compliance with national sanitary and environmental requirements and occupational health, labour and workers' rights safeguards is required. *The SSFF covers a broader range of water-related activities than the NGT, including sustainable urban drainage systems, flood management infrastructure and water-related nature-based solutions.*	Conclusion: **Strong alignment**
Adaptation to climate change Environmental goal: Adaptation to climate change	• Investments and expenditures in projects and infrastructure that reduce the risks and/or severity of the impact of physical climate hazards to ensure an adequate level of protection and resilience to floods, droughts, landslides, heat waves, and other physical climate hazards.	The NGT covers monitoring, early-warning and response systems for mudflows, droughts and floods, as well as systems for monitoring the quality and quantity of water	The SSFF criteria and the NGT criteria demonstrate a high degree of alignment with both the EU Taxonomy and the CBI Climate Resilience Taxonomy. The SSFF covers investments that reduce exposure and vulnerability to physical climate risks, including floods, droughts, landslides, heatwaves and

	• Monitoring and early warning systems for water resources: Use of SMART-based self-control, analysis, and reporting technologies plus automated monitoring systems.	resources. Eligible systems must use SMART-based self-monitoring, self-regulation, analysis and reporting technologies and/or automated monitoring systems. The Taxonomy also includes activities with adaptation benefits, such as climate-adapted agriculture, soil and land restoration, sustainable water management, protection of water bodies, reforestation, ecosystem restoration and biodiversity conservation. Applicable DNSH criteria include avoiding increased GHG emissions, maladaptation, adverse effects on water resources, pollution, waste generation and biodiversity. Projects must comply with national environmental requirements and occupational health,	other climate hazards. This objective is fully consistent with the climate adaptation objectives recognised under the EU Taxonomy and the CBI Climate Resilience Taxonomy. However, compared with the CBI Climate Resilience Taxonomy, the SSFF adopts a relatively high-level approach and does not explicitly require project-level climate risk and vulnerability assessments using forward-looking climate scenarios, identification of investment-specific climate hazards, periodic review of climate assumptions or alignment with National Adaptation Plans and other adaptation strategies. Consequently, while the eligible activities are well aligned with international practice, the process for demonstrating substantial contribution to climate resilience and DNSH criteria should be more thorough during evaluation of specific projects. Conclusion: **Sufficient alignment**

		labour and workers' rights safeguards.	
Green buildings Environmental goal: Climate change mitigation Adaptation to climate change	• Investment and expenditure in internationally, regionally and nationally certified green buildings, including the construction of new buildings or the renovation of existing buildings (including public, commercial, residential and recreational), such as but not limited to: 1. New buildings: a) LEED, EDGE, BREEAM, BEAM Plus, DGNB, or ENERGY STAR certification. 2. Individual residential houses and adjacent plots (renovation of existing buildings): a) Water savings of at least 15%, introduction of alternative electricity sources, and energy consumption reduction of at least 15%. 3. Green construction materials: a) LEED, EDGE, BREEAM, BEAM Plus or DGNB certification 4. Ecological Infrastructure: a) LEED, EDGE, BREEAM, BEAM Plus or DGNB certification	NGT covers certified green buildings, energy- and water-efficiency improvements in existing buildings, green construction materials, environmental infrastructure and autonomous ecological sanitation systems. New buildings must achieve recognised green building certification (e.g. LEED, EDGE, BREEAM or DGNB), while renovation of individual residential buildings requires at least 15% reductions in both water and energy consumption and the introduction of alternative electricity sources. Eligible activities are subject to the Taxonomy's DNSH criteria relating to climate adaptation, sustainable water use, pollution prevention, circular economy and biodiversity	The Green Buildings criteria demonstrate a high degree of alignment with international benchmarks, including the EU Taxonomy, CBI Taxonomy and widely recognised green building certification systems such as LEED, BREEAM, BEAM Plus, EDGE and DGNB. The SSFF requires compliance with internationally recognised environmental certification standards and/or high energy performance labels, which is consistent with international market practice for identifying environmentally sustainable buildings. Conclusion: **Very strong alignment**

	5. Certification schemes for individual construction materials (cement, concrete, ceramics, steel, etc.), such as the Concrete Sustainability Council (CSC) Certification, or a verified Environmental Product Declaration (EPD) prepared in accordance with ISO 14025-2006 'Environmental labels and declarations' demonstrating a lower level of the product's negative environmental footprint. 6. Autonomous Ecological Clean Toilets: Bio-toilets, container toilets, dry toilets, and septic systems for private homes, campsites, and small businesses: a) 100% waste recycling, b) prevention of ecosystem impact, and c) ensured water reuse.	protection, as well as applicable national environmental requirements and occupational health, labour and workers' rights safeguards. *The SSFF recognises several additional certification schemes (e.g. BEAM Plus, CSC and ISO 14025 EPDs) that are not explicitly referenced in the NGT.*	
Sustainable management of living natural resources and land use Environmental goal: Protecting and restoring biodiversity and ecosystems	Investments and expenditures related to the acquisition, maintenance and sustainable management of natural resources such as land, water, air, minerals, forests, and wildlife, including: 1) Certified forests (Forest Management Council (FSC), Forest Certification Endorsement Program (PEFC), or similar) 2) Ecologically sustainable forestry, including reforestation or reforestation, and conservation or restoration of natural landscapes. a) Tree planting, forest massif creation, compliance with REDD+ or VERRA	NGT covers organic agriculture, climate-smart agriculture, sustainable pasture and livestock management, soil and land restoration, afforestation and reforestation, biodiversity conservation and ecosystem restoration, ecotourism, and sustainable hotel and campsite management. Activities are subject to	The SSFF demonstrates good overall alignment with the EU Taxonomy and the Climate Bonds Agriculture Production Criteria. Eligible activities include climate-smart agriculture, sustainable land and pasture management, sustainable irrigation, afforestation, reforestation, biodiversity conservation and ecosystem restoration, which are consistent with internationally recognised categories for sustainable land use. The SSFF incorporates quantitative environmental performance thresholds,

	standards, and "green" zones around settlements. 3) Sustainable agricultural practices and climate-smart agriculture a) Organic agricultural production: Compliance with international, interstate, or national organic product standards; ecological standards for pesticides, mineral fertilizers, and veterinary preparations; sustainable supply chain methods with recognized certification. b) Climate-adapted agriculture: Fresh water consumption reduction of at least 30% with water reuse; use of renewable energy; energy consumption reduction of at least 20%. c) Soil and Land Degradation Reduction: Modern equipment for soil restoration, sustainable organic agriculture, soil-protective land use technologies are directly eligible. 4) Sustainable fisheries and aquaculture certified by a reputable third-party organization such as the Marine Stewardship Council (MSC), Best Aquaculture Practices (BAP) (at least 2 stars) and the Aquaculture Council (ASC) 5) Biodiversity conservation, protection and patrol programmes: Biodiversity and ecosystem conservation: Biosphere protection, restoration of degraded ecosystems, creation of habitats for wild	applicable technical thresholds, including recognised organic certification, minimum reductions in freshwater and energy consumption for climate-adapted agriculture, and recognised environmental certification schemes where applicable. Eligible activities must also comply with the Taxonomy's DNSH criteria relating to climate adaptation, sustainable water use, pollution prevention, circular economy and biodiversity protection, as well as applicable national environmental requirements and occupational health, labour and workers' rights safeguards. The SSFF includes sustainable fisheries and aquaculture certified under internationally recognised schemes (e.g. MSC, ASC and BAP),	including minimum reductions in freshwater consumption (30%) and energy consumption (20%), together with support for renewable energy use and certified organic agriculture. These requirements are generally consistent with international practice, although they remain less granular than the activity-specific technical screening criteria applied under the EU Taxonomy and the detailed performance-based eligibility requirements introduced in the 2024 Climate Bonds Agriculture Production Criteria. Conclusion: **Strong alignment**

	animals including wetlands, lakes, and desert territories 6) Ecotourism Products and Services: Compliance with national tourism legislation; national/international environmental standards; ecological tourist route development; compliance with recognized national and international branding standards. 7) Sustainable Hotel and Campsite Management: Introduction of environmental standards; ecological certification requirements; recognized international hotel standards including Green Leaf, EU Ecolabel, and Nordic Swan.[18]	which are not explicitly covered by the NGT.	

[18] Nordic Swan is an environmental certification for hotels, which requires meeting criteria regarding energy consumption, water usage, waste reduction, chemical use and sustainable procurement.

ON PROJECTS PROPOSED FOR FINANCING THROUGH THE USE OF PROCEEDS FROM THE GREEN BONDS

The Government of the Republic of Tajikistan plans to use the proceeds from the upcoming green bonds, in the first turn, to finance the completion of the construction of the Rogun hydroelectric power plant (HPP) currently undergoing assessment process by the Committee for inclusion in the list of eligible green projects, which is, based on a preliminary screening analysis by GFC (see below), aligned with GBP and GLP categories for renewable energy. After reviewing the descriptions and project documents provided by the Issuer, it has been determined on a preliminary basis that the project meets the criteria of SSFF. The Committee will consider other potential green or social projects for inclusion in the list of eligible green projects following due process established in the Framework.

Preliminary assessment of Rogun HPP for eligibility under SSFF

Project Description

Rogun Hydroelectric Power Plant (Rogun HPP) is a large-scale storage hydropower project currently under construction on the Vakhsh River in the Republic of Tajikistan. Upon completion, the project will comprise a 335-metre-high rockfill dam and a hydropower plant with a total installed capacity of 3,780 MW (six generating units of 630 MW each). The project includes a reservoir with a total storage capacity of approximately 13.3 km³ and a surface area of approximately 170 km² at full supply level. Rogun HPP is expected to generate approximately 14.4 TWh of renewable electricity annually, significantly improving Tajikistan's energy security, reducing seasonal electricity shortages, and enabling exports of low-carbon electricity to neighbouring countries. The project has been supported by comprehensive technical, environmental and social assessments and is being financed with the participation of the Government of Tajikistan and several international financial institutions, including the World Bank[19].

Power Density Assessment

As part of the technical review, the power density of Rogun HPP was assessed using the project's design installed capacity of 3,780 MW and the planned reservoir surface area of approximately 170 km² at full supply level. The resulting power density is approximately 22.2 W/m², substantially exceeding the threshold of 5 W/m² established in the SSFF and the commonly applied threshold (established in CBI taxonomy for hydropower) used in international sustainable finance frameworks and methodologies for hydropower screening. A high power density indicates that a relatively large amount of electricity is generated per unit of inundated reservoir area and is generally associated with lower reservoir greenhouse gas emissions per unit of electricity generated.

Preliminary G-res Greenhouse Gas Assessment of Rogun HPP

A preliminary assessment of the lifecycle greenhouse gas (GHG) emissions associated with the Rogun Hydroelectric Power Plant (HPP) was undertaken by GFC using the G-res Tool, an internationally recognised reservoir greenhouse gas assessment model developed under the UNESCO Chair on Global Environmental Change and the International

[19] World Bank. Sustainable Financing for Rogun Hydropower Project (P181029). Project Appraisal Document. 2024. https://documents.worldbank.org/curated/en/099072123165041455/pdf/P1810290716f920e08543049a566c86b4c.pdf

Hydropower Association (IHA)[20]. The tool estimates net reservoir GHG emissions by accounting for emissions arising after impoundment while subtracting pre-impoundment emissions from the inundated land, and expresses results as both annual and lifetime carbon footprints.

The assessment was conducted using publicly available information from the World Bank Environmental and Social Impact Assessment (ESIA), Technical and Economic Assessment Studies (TEAS), project documentation, and other publicly accessible sources. Where project-specific information was unavailable, several screening-level assumptions were applied, including estimates of catchment land cover, pre-impoundment land use, soil characteristics, reservoir operational parameters and climatic variables. Consequently, the results should be regarded as preliminary and indicative rather than as a validated project-specific lifecycle assessment.

The G-res analysis estimated a net lifetime greenhouse gas footprint of approximately 12.2 million tCO_2e over the default 100-year assessment period, corresponding to net annual emissions of approximately 122,000 tCO_2e/year. Assuming the project's projected annual electricity generation of 14.4 TWh, the resulting lifecycle GHG emissions intensity is estimated at approximately: 8.5 gCO_2e/kWh.

This value is substantially below the 100 gCO_2e/kWh lifecycle emissions threshold established under the SSFF and the EU Taxonomy Climate Delegated Act for electricity generation from hydropower (as well as CBI taxonomy). The result is also consistent with the physical characteristics of Rogun HPP, including:

- high installed capacity (3,780 MW);
- high power density (approximately 22.2 W/m²);
- deep, high-altitude storage reservoir;
- relatively limited inundation of biomass;
- predominantly mountainous catchment with low nutrient loading and limited upstream industrial activity.

These characteristics are generally associated with comparatively low reservoir methane production and low lifecycle GHG emissions relative to many tropical and lowland reservoirs.

Nevertheless, the present assessment is subject to several important limitations. The analysis has not been validated by the G-res developers, nor is it based on a project-specific reservoir GHG monitoring programme or a detailed GIS-derived land cover assessment.

Review of Existing Environmental Assessment

The findings of the preliminary G-res assessment are consistent with the conclusions of the Environmental and Social Impact Assessment (ESIA) prepared for the project. The ESIA concludes that greenhouse gas emissions from the Rogun reservoir are not expected to be significant, primarily due to the project's high-altitude location, relatively cold climatic

[20] Prairie, Y.T., Alm, J., Harby, A., Mercier-Blais, S., Nahas, R. The GHG Reservoir Tool (G-res): User Guide. Version 1.12. Joint publication of the UNESCO Chair in Global Environmental Change and the International Hydropower Association (IHA). 2017. https://www.grestool.org/

conditions, limited biomass within the inundation area, and the predominantly rocky mountain terrain with comparatively low organic carbon content. The ESIA therefore identifies no material greenhouse gas concerns associated with reservoir formation, while acknowledging that appropriate environmental and social management measures should continue to be implemented throughout the project's construction and operation[21].

Overall Conclusion on green project eligiblity of the Rogun HPP

Based on the documentation reviewed and preliminary findings, Rogun HPP satisfies the applicable GHG eligibility requirements under the SSFF through compliance with the power density criterion (5 W/m²), while the preliminary G-res assessment provides additional evidence supporting a low lifecycle greenhouse gas emissions profile. Moreover, the findings of the ESIA and associated environmental and social management documentation provide a reasonable basis to conclude that the project is not expected to cause significant harm to other environmental objectives, subject to the continued implementation of the prescribed mitigation and monitoring measures. Nevertheless, these conclusions should be regarded as preliminary and they are subject to confirmation by the Committee and by the findings of future environmental and social assessments, including any updates to the ESIA, as well as by project-specific environmental data and, where appropriate, a validated lifecycle greenhouse gas assessment prepared using a recognised methodology.

Projects that support or promote the following activities are not considered eligible environmental, social, or sustainable projects

A) Combustion of fossil fuels for electricity generation and transportation, except for projects related to gas-fired combined heat and power plants, which meet the criteria described in the "Eligible Green Projects" section.
B) Rail or other transportation infrastructure designed to transport or store fossil fuels.
C) Renewable energy projects that generate energy from biomass using raw materials extracted from protected areas.
D) Nuclear energy.
E) Infrastructure and transmission systems in which 25% or more of the electricity transmitted to the grid is produced using fossil fuels.
F) Inorganic or synthetic fertilizers, pesticides or herbicides.
G) Direct incineration of waste.
H) Production of alcohol, defense, tobacco, gambling or palm oil.
I) State assistance and subsidies provided to civilian and military personnel (housing assistance, pensions, pension plans, medical and medical plans, compensation).
J) Utility advertising.
K) Compensation or fines related to the execution of court decisions.
L) Planning or construction of airport infrastructure.

[21] Pöyry Energy Ltd. Rogun Hydropower Project: Environmental and Social Impact Assessment (ESIA). Volume I: Text. Prepared for OJSC "Barki Tojik" and the World Bank. 2014. https://www.worldbank.org/content/dam/Worldbank/document/eca/central-asia/ESIA%20Vol%20I%20%20Final_eng.pdf, Environmental Resources Management (ERM). Rogun Hydropower Project: Updated Environmental and Social Impact Assessment (ESIA). Prepared for JSC "Rogun HPP". May 2025. https://documents1.worldbank.org/curated/en/099100825181071764/pdf/P181029-044f7197-ed84-46dd-9800-43bf8ee6c66d.pdf

EVALUATION OF THE CRITERION – PROCESS FOR PROJECT EVALUATION AND SELECTION

According to Framework, the objectives of eligible green, social, sustainability projects are positioned within the context of the Republic of Tajikistan's overarching objectives, strategies, commitments, policies and actions relating to sustainable economic growth, environmental sustainability, and social development of the country, which is in alignment with the GBP, SBP, SBG, GLP and SLP, and the Government has established a decision-making process which it uses to determine the eligibility of projects and assets.

Specifically, the Interdepartmental Committee on Sustainable Finance was established by the Decree of the Government of the Republic of Tajikistan to manage, supervise, evaluate and select green and social projects/expenditures. The Committee will oversee and approve key decisions related to sustainable financial instruments issued under the SSFF.

Chaired by the First Deputy Minister of Finance, with the Ministry of Finance serving as the secretariat, the Committee is supported by representatives of relevant ministries and industry experts. The Budget Policy Directorate identifies and approves eligible expenditures against the Framework's criteria, while implementing ministries verify impact indicators. The Directorate of Treasury and the Public Debt Directorate oversee the allocation and monitoring of bond or loan proceeds until fully disbursed. Any remaining eligible expenditures may be financed under subsequent issuances and reported in the annual allocation report.

GFC considers that the project selection process is aligned with GBP, SBP, SBG, GLP and SLP in terms of establishing, documenting, and maintaining a decision-making process to determine the eligibility of projects and assets. The indicators listed below reflect our assessment of the "Project Evaluation and Selection Process" criterion.

Indicator (Subfactor)	*Score*	*Comments*
1. Disclosure by the Issuer of information in the context of its goals, policies, strategies and processes related to sustainable development in environmental and/or social aspects, including goals to achieve improvements in the ecological and/or social environment, as well as the issuer's participation in various activities and initiatives that indicate commitment to the principles of sustainable development and improvements in the ecological and/or social environment.	1	Compliant; disclosed in the SSFF, National Development Strategy for the period up to 2030, Green Economy Development Strategy for 2023-2027, National Strategy for Adaptation to Climate Change for the period up to 2030
2. Disclosure by the issuer of the goals of issuing green/social bonds/projects and/or sustainability bonds/projects with directions and indicators of environmental/social effect.	1	Compliant; disclosed in the SSFF
3. The issuer has an internal document defining criteria for the selection of projects of environmental and/or social orientation and the procedure of their	1	Compliant; disclosed in the SSFF and draft

assessment, selection and coordination with the issuer's governing bodies.		templates for project selection and approval
4. Disclosure of complementary information on processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)	1	Compliant; disclosed in the SSFF
5. Disclosure of clear qualification criteria used in determining the compliance of projects with the categories of environmental and/or social projects and their selection, including exclusion criteria	1	Compliant; disclosed in the SSFF with a list of exceptions provided
6. The issuer has quality certificates for ongoing environmental and / or social projects or conclusions from leading international or independent local verifiers confirming the compliance of projects with the required environmental / social standards, including conclusions on compliance with the current regulatory requirements for infrastructure facilities prepared within the framework of the project documentation. The leading verifiers are those who have certificates and licenses to conduct expertise or proven experience in assessing environmental / social projects, the quality of social services (for social projects) and / or compliance with investment requirements in the field of sustainable development	0,5	The score is assigned as a conservative assessment. ESIA is available for the reviewed project
7. The Issuer has created a special subdivision, which, among other things, controls the selection and implementation of projects. The division's employees generally understand the tasks assigned to them, while some of them have experience in supporting green / social projects and / or projects in the field of sustainable development	0,5	Compliant; disclosed in the SSFF, as well as in the Decree of the Government of the Republic of Tajikistan dated January 27, 2025 No 71 that established the Interdepartmental Committee on Sustainable Finance
8. Engaging an independent qualified party to make a decision on the selection of projects corresponding to the categories of environmental projects / social projects	0,5	The score is assigned as a conservative assessment. The initial project to be financed by the green bond was considered and reviewed by the SPO provider
9. The issuer has a policy for determining social and / or environmental risks either in the project documentation or in the policy for determining	0,5	The SSFF states that the Issuer ensures environmental risk

environmental and / or social risks, which discloses qualification criteria for determining social and / or environmental risks associated with the implementation of projects		assessment during project implementation; however, there is no specific policies at Issuer (Ministry of Finance) level for identifying environmental risks since they are established in national legislation
Total Score	7	
Final Grade for Criterion	5	
WEIGHTED GRADE FOR CRITERION	1	

EVALUATION OF THE CRITERION – MANAGEMENT OF PROCEEDS

Under the Framework, the Directorate of Treasury and the Public Debt Directorate are responsible for issuing green, social and sustainability bonds and overseeing the allocation and monitoring of proceeds. Net proceeds from the issuance of green, social and sustainability bonds (or the raising of green or social loans) will be credited to a separate account and used exclusively for the financing and/or refinancing of eligible projects in accordance with the Framework. An amount equivalent to the net proceeds will be allocated to eligible projects. If a project becomes ineligible, it will be replaced within 12–24 months, while unallocated proceeds will be managed in accordance with prudent liquidity policies.

Relevant ministries and agencies maintain records of eligible and financed projects, while the Public Debt Directorate ensures that the value of financed and/or refinanced projects is at least equal to the outstanding amount of green, social and sustainability bonds or loans. It also maintains a register linking each financing instrument to eligible projects and ensures that proceeds are allocated without double counting. Exceptions are permitted only where different issuances finance separate stages of the same project or refinance an existing financing instrument, subject to Committee approval and appropriate disclosure.

GFC considers that the management of proceeds is aligned with the GBP, SBP, SBG, GLP and SLP in terms of tracking of proceeds, managing unallocated proceeds, earmarking funds to eligible projects and assets, as well as documenting and disclosing the related processes to the reviewers.

The indicators of the “Management of Proceeds” criterion are listed below.

Indicator (Subfactor)	*Score*	*Comments*
1. The net proceeds from the issuance of Green/Social/Sustainable bonds are credited to a sub-account or moved to a different portfolio or otherwise tracked by the issuer in an appropriate manner	1	Compliant; disclosed in the SSFF

2.The separate accounting method for the Green/Social/Sustainable bond proceeds is clearly defined in the Issuer's documentation	0,5	Compliant; disclosed in the SSFF
3.The issuer, while the Green/Social/Sustainable bonds are outstanding, monitors the sub-account on an ongoing basis, and there is a procedure in place for excluding projects that become unfit from the portfolio	1	Compliant; disclosed in the SSFF. The Issuer has provided a template for a monitoring document for the account related to green, social and sustainability instruments issued.
4.The issuer informs investors about the intended types of instruments for temporary placement of unused Green/Social/Sustainable bond proceeds	1	Compliant; disclosed in the SSFF, the procedure for temporary placement of unused proceeds is defined in the state debt legislation of the Republic of Tajikistan
5.Clear rules in place for investing temporarily unused Green/Social/Sustainable bond proceeds taking into account ESG-factors	0	Not envisaged in the state debt legislation
6.Engaging an auditor or another third party to check the method for internal tracking of the intended use of Green/Social/Sustainable bond proceeds	0	While the Issuer does not intend to engage a third party to verify its internal method for tracking the allocation of Green, Social and Sustainability Bond or loan proceeds, the External Reviewer will assess it as part of its review of the post-issuance reports
Total Score	3.5	
Final Grade for Criterion	4	
WEIGHTED GRADE FOR CRITERION	0.8	

EVALUATION OF THE CRITERION – REPORTING

According to the Framework, the Ministry of Finance intends to align its reporting with the ICMA Handbook – Harmonized Framework for Impact Reporting (June 2025). The Public Debt Directorate, together with the Interdepartmental Committee on Sustainable Finance and relevant government entities, will prepare annual Allocation and Impact Reports until full allocation of proceeds. The Allocation Report will disclose the allocation of proceeds by project type and category, the share of refinancing and new financing, and any unallocated balance. The Impact Report will present expected and/or actual environmental and social

impacts, using qualitative and quantitative indicators where data are available and in line with ICMA recommendations and international market practice.

GFC considers that the reporting processes are aligned with the GBP, SBP, SBG, GLP and SLP in terms of disclosing projects and assets invested in, the intended approach to providing update reports to reaffirm conformance with the Sustainable Finance Framework, as well as external review aspects.

The indicators listed below reflect our assessment of the "Reporting" criterion.

Indicator (Subfactor)	*Score*	*Comments*
1. The issuer provides a detailed report (with a list of projects) and disclosures after issuance in relation to the use of proceeds from the placement of Green/Social/Sustainable bond*	1	Compliant; disclosed in the SSFF
2. Reporting includes the disclosure of information on the nature of investments and the expected environmental and/or social impact	1	Compliant; disclosed in the SSFF
3. The disclosed reports are to be issued at least once a year, and there is also a procedure for monitoring data accuracy	1	Compliant; disclosed in the SSFF
4. The issuer discloses information on the projects to which funds have been allocated, with a detailed breakdown by area (category), as well as on the environmental and/or social effect and implementation progress of individual projects	0,5	Compliant; disclosed in the SSFF
5. Methodologies in effect (or their drafts) and assumptions used to calculate environmental and/or social performance indicators are available	0	Where such methodologies are not provided by the Issuer, the External Reviewer will assess the methodologies used as part of its review of the post-issuance impact reports
6. The Issuer undertakes to engage independent qualified parties to evaluate its reporting on the implementation of the Green Bonds/ Social bonds and Sustainable Development Bonds Policy	0,5	Compliant; disclosed in the SSFF
Total Score	4	
Final Grade for Criterion	5	
WEIGHTED GRADE FOR CRITERION	1	

* Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the information may be presented by the Issuer in generic terms or on an aggregated portfolio basis.

FINAL WEIGHTED GRADE FOR CRITERION

Criterion	Weighted Grade:
Use of Proceeds	2
Process of Project Evaluation and Selection	1
Management of Proceeds	0.8
Reporting	1
FINAL WEIGHTED GRADE FOR CRITERION	4.8

ASSUMPTIONS AND LIMITATIONS

An External Review (Second Party Opinion) reflects our opinion on the expected results from the issuance of green, social or sustainability bonds and/or raising green loans and on the compliance of the Issuer's Green Finance Framework with the GBP, SBP and SBG administered by International Capital Market Association and the GLP and SLP administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association. There is a likelihood of an inaccuracy in the final conclusion due to unforeseen changes in the economic environment and the financial market.

An External Review is an independent assessment carried out based on the information provided by the Issuer in line with the GFC's methodology, it does not disclose the Issuer's confidential information and is not an indication for any investment decisions.

We do not assume any responsibility for the use and implementation of an External Review in making investment decisions.

An External Review may be updated after publication, with the reasons for such an update disclosed.

CEO
AIFC Green Finance Centre Ltd. MANAS GIZHDUANIYEV

July 28, 2026

APPENDIX 2: List of Documents Reviewed and Interviews

Review of Documentation

Documents provided by the Issuer that relate to the Framework and prospective green bonds under the Framework SSFF are listed below. These have been used as direct sources of evidence for the SPO conclusions, and are also further checked, as considered appropriate, through interviews with key personnel.

1. Draft Announcement of the Auction of Medium-Term Sovereign Green Bonds Issued by the Ministry of Finance of the Republic of Tajikistan in the Amount of TJS 150 Million;
2. Law of the Republic of Tajikistan On State and State-Guaranteed Debt;
3. Sovereign Sustainable Finance Framework of the Government Republic of Tajikistan approved by Order of the Ministry of Finance dated 28 of July №_____;
4. Order of the Minister of Finance of the Republic of Tajikistan dated October 16, 2025 No. 106 "On opening a bank account" for the implementation of operations for the placement and servicing of government green bonds;
5. National Development Strategy of the Republic of Tajikistan for the period up to 2030;
6. Green Economy Development Strategy of the Republic of Tajikistan for 2023-2027;
7. Program for the development of the transport sector for the period up to 2040;
8. National Strategy for Adaptation to Climate Change for the period up to 2030.
9. Tajikistan National Green Taxonomy (Resolution No. 170 of 28 March 2026);
10. Spreadsheets for tracking Green/Social/Sustainability Bonds/Loans proceeds and Green/Social/Sustainability Project Funding Allocation (Excel File)
11. Draft templates to be approved by the Committee:
    - Template for a Recommendation (nomination) for including a green/social/sustainability project in the List of eligible projects, for consideration by the Committee
    - Template for a Decision of the Committee on assigning the qualification of an eligible project with the inclusion of the project in the List of eligible green/social/sustainability projects for financing from green bonds/social bonds/ sustainability bonds/green loans proceeds.
    - Template for a Report on monitoring of compliance of green/social/sustainability projects with the established criteria
12. Project documentation on the reviewed project (project presentations, feasibility studies, DED, project data sheets, explanatory notes, etc.);
13. Environmental Impact Assessments (EIAs) for the Rogun Hydropower project
14. Adaptation Action Plan (2024–2026);
15. Medium-Term Development Programme;
16. Action Plan for the Green Economy Strategy (2023–2025 and any successor).
17. NDC Climate Finance Plan (2023);
18. National Water Strategy 2040;
19. Electric Vehicle Development Program (2023–2028);
20. Law of the Republic of Tajikistan "On Environmental Protection"
21. Law of the Republic of Tajikistan "On Environmental Impact Assessment"

22. Law of the Republic of Tajikistan "On Environmental Expertise"

Interviews and Information Collected from the Issuer

GFC primarily communicated with team of the Ministry of Finance of the Republic of Tajikistan to gather information about the Framework, bonds and project.

The following key persons were involved in these communications:

1) Dilshod Sharifi, PhD.
The Head of the Main Department of Public Debt and Public Investment Attraction of the Ministry of Finance of the Republic of Tajikistan.
Tel: (+992 37) 2213764 , Mob: (+992) 901 06 9900

2) Tolibi Takhmina
Deputy Head of Department for Domestic Public Debt Analysis and Management, Head of the Division for Domestic Debt Analysis, Securities Issues, and Green Financing