Appendix No. 7
to the Minutes of the Meeting of the Management Board of the Eurasian Development Bank
dated 6 March 2026 No. 1258

REVIEWED BY
the Management Board of the Eurasian Development Bank
(6 March 2026, Minutes No. 1258)

Sustainability Disclosure Report for 2025
prepared in accordance with IFRS Sustainability Disclosure Standards S1 and S2

Sustainability Disclosure Report for 2025 prepared in accordance with IFRS S1 and IFRS S2

The Eurasian Development Bank (hereinafter referred to as "the Bank", "the EDB") is delighted to present its first report prepared in accordance with the Sustainability Disclosure Standards of the International Financial Reporting Standards (IFRS) issued by the International Sustainability Standards Board (ISSB).

The Bank is committed to the best international practices and standards of transparency and disclosure in the field of sustainable development. Since 2024, the Bank has published annual sustainability report in line with the GRI Standards. In its 2024 Sustainability Report, the Bank incorporated certain requirements of IFRS S1 and S2 for the first time and disclosed information on material physical climate risks in line with the TCFD (Task Force on Climate-related Financial Disclosures) recommendations. Given the complexity of transitioning from GRI and TCFD reporting frameworks, the EDB provides primarily qualitative information regarding material sustainability-related risks in this ISSB report. Certain relevant data will be also included in the 2025 Sustainability Report, scheduled for publication in mid-2026.

Section	Description of the EDB practices
1. General Information	The Sustainability Disclosure Report prepared in accordance with the IFRS Sustainability Disclosure Standards (hereinafter – "the Report") demonstrates how sustainability-related considerations are integrated into the EDB governance, strategy, risk management, metrics and targets, and its overall operations. Accountability to all the stakeholders is one of the EDB's core Sustainability Principles. Following the best international sustainability practices, the EDB improves its approach to ESG disclosure every year. The current Report is prepared by the Bank on the voluntary basis in accordance with the IFRS Sustainability Disclosure Standards issued by the ISSB. By applying the available transitional reliefs, the EDB primarily adopts a quantitative approach, providing limited disclosures on sustainability-related risks and opportunities, and a limited application of scenario analysis. The Report covers a 12-month period ending 31 December 2025, which is aligned with the reporting period of the 2025 Financial statements. The information disclosed in the Report relates directly to the Eurasian Development Bank as an international financial institution and does not include data on other legal entities. The EDB also discloses sustainability-related information with the Annual Report and separate Sustainability Report that follow the same reporting period and reporting boundary. The EDB plays a unique integration role in the member states, supporting the expansion of mutual trade and investment and fostering deeper social and economic ties between the countries. The Bank's investment activities are aimed at addressing such objectives as: - Developing and modernizing the energy, transport, communications and agro-industrial infrastructure to intensify trade and economic cooperation among member states

	- Achieving qualitative structural shifts in the economies of the member states by financing projects aimed at developing a market economy and eliminating infrastructure and other constraints on sustainable growth; - Enhancing resource efficiency, environmental protection, and the improvement of ecological condition; - Increasing the output of competitive high-tech, high value-added products in non-resource sectors; - Supporting the development of small and medium-sized businesses through lending or direct investment in the SME support organizations; - Establishing financial and investment mechanisms to support integration processes in the Bank's member states, including support for the financial markets of the Bank's member states. The EDB focuses on projects with a strong and quantifiable sustainable development impact, including infrastructure, green energy, and digital projects. The core product offered by the EDB is project finance: the EDB provides investment loans, limited recourse project financing (either on a standalone basis or as part of a syndicate), equity participation, structured trade finance, and pre-export financing. Other products include technical assistance via the EDB Technical Assistance Fund (the Fund, the TAF). The Fund provides support in preparing investment projects, subsidies interest rates, helps expanding investment activities of the Bank, while also serving as an emergency response instrument for EDB member states, providing humanitarian aid**.** aid. Other activities that are crucial for the realization of the Bank’s mission and mandate include analysis and research, international cooperation, and the government-level dialogues. The Bank raises funds for investment through the issuance of debt instruments in financial markets, as well as through borrowings from banks, financial institutions and international organizations. The EDB has developed a Green and Social Debt Instruments Framework. The EDB is a leader in non-sovereign financing in the Eurasian region among other multilateral development banks (MDBs). As of 31 December 2025, the EDB’s current investment portfolio amounts to US$ 6.5 billion. The cumulative investment portfolio totals US$ 19.6 billion. By country, projects in Kazakhstan account for the largest share of the current investment portfolio as at the end of 2025.. Be sector, the portfolio is primarily composed of projects in energy (21.3%), transport (17.0%), chemicals (15.5%), mining (11.9%) and the financial sector (10.9%). The Bank did not conduct a specific materiality assessment beyond the procedure described in the sustainability reports. The Bank will develop and implement a relevant approach in subsequent reporting periods. The material climate-related risks are presented in Section 3.
2. Governance	The Bank’s governance is exercised by the Bank Council, the Management Board, and the Chairman of the Management Board. The Bank’s corporate governance system ensures the accountability of the Bank Council to the Bank’s participants, effective operational management of the Bank’s activities by its executive bodies, and oversight of these executive bodies by the participants through the efficient allocation of functions and responsibilities between the Bank Council, the executive bodies, and the supervisory bodies. The Bank Council is the highest governing body. As of 31 December 2025, the Chairman of the Bank Council is the Plenipotentiary Representative of the Republic of Kazakhstan in the Bank Council, the Prime Minister of the Republic of Kazakhstan O.A. Bektenov. Three permanent committees operate under the Bank Council: the Budget Committee, the Human Resources Committee, and the Strategy Committee. Members of the Bank Council may consider sustainability-related matters if they are of strategic importance

	to the Bank's activities. Information on the Bank's sustainability performance, including data on the environmental and social impact of the Bank and its investment activities, is included quarterly in the Management Board's report on the Bank's key performance results submitted to the Bank Council. This ensures engagement and awareness of senior management and shareholders regarding the Bank's environmental and social impacts, the volume of its sustainability project portfolio, and the best corporate practices in sustainability that continue to be implemented across the Bank. As of the 31 December 2025, the Chairman of the EDB Management Board is Nikolai Podguzov. The Management Board is responsible for the operational management and performance of the Bank's day-to-day activities. Its remit covers strategic and investment matters, as well as decisions on participation in international associations. The Management Board approves the annual EDB Sustainability Report. There are eight subsidiary advisory bodies operating under the Management Board, including the Sustainability Committee, which is chaired by the Chairman of the Management Board. The Sustainability Committee is a permanent advisory body established to organise and coordinate the activities of the Bank's departments in the field of social and environmental responsibility and governance including their impact on corporate reputation and relations with member states, clients, credit institutions, suppliers, rating agencies, NGOs, and other stakeholders. The Committee participates in reviewing strategic sustainability issues, developing the key performance indicators in this field, overseeing sustainability and climate-related risks, and reviewing annual sustainability reporting and ESG financing projects. In 2025, the Committee held one meeting to review the 2024 EDB Sustainability Report, including the results of the physical climate risks assessment of the Bank's investment portfolio, and the Bank's ESG ratings performance. The Office for Sustainability, a business unit of the Bank, carries out operational management of the sustainability and climate-related issues. The business unit's activities are overseen by the Deputy Chairman of the Management Board — Chief Economist. The Office for Sustainability is responsible for the environmental and social assessment of investment projects, assessing project alignment with the Paris Agreement and applicable taxonomies, preparing sustainability reporting, and updating and implementing relevant sustainable finance methodologies. It also prepares analytical papers on sustainability and climate-related issues and performs other duties. Based on the expert judgement, the Bank identifies the following **sustainability-related risks**: Environmental risks: Borrower's risks related to their failure to comply with environmental and social standards and the payment of appropriate fines. The Bank finances long-term infrastructure and industry projects that may have potential negative environmental impacts. The Bank manages this risk via conducting comprehensive environmental and social assessment and monitoring (see Section 4). Social risks: - Borrower's risk related to occupational health and safety, labour conditions, stakeholder opposition. The Bank manages this risk via conducting comprehensive environmental and social assessment and monitoring of the projects (see Section 4).

	- Costs for the recruitment and training of new employees due to staff turnover, financial losses and reduced efficiency as a result of inadequate working conditions and their impact on employees' health and motivation, losses due to inadequate and/or insufficient internal processes and systems, including information systems. The Bank manages these risks via implementing HR and IT strategies. More information is available in the annual and sustainability reports at https://eabr.org/investors/information-disclosure/annual-report/. Reputational risks: - The potential for losses or a shortfall in planned income resulting from a narrowing of the client base; - Loss of valuable personnel due to the formation of a negative image of the Bank; - Deterioration in other development indicators due to negative perception of the Bank, its management, mission, and strategy by stakeholders. The Bank manages these reputational risks through maintaining and developing stakeholder engagement, receiving and processing feedback from the customers, shareholders and personnel, and providing comprehensive assessments of the projects' compliance with the mission and strategy. As part of the sustainability agenda, the Bank assesses environmental and social impacts of the investment projects and implements best practices and methodologies. The Bank identifies the following **sustainability-related opportunities** based on the expert judgement: - Expanding the partnership network by joining various international organisations and building a favourable, environmentally and socially responsible image for the Bank; - Growing the Bank's portfolio through green finance projects; - Reducing the carbon footprint of the Bank's portfolio by decarbonising borrowers' activities; - Advising borrowers on managing ESG risks and opportunities; - Attracting talented personnel by establishing a positive image of the Bank. More information about the Bank's green portfolio is available in Section 4. The Bank employs a three-lines of defence model to ensure a consistent and robust assessment of climate and sustainability-related risks. The independence of each line allows for the objective evaluation, analysis, and monitoring of investment and risk management decisions. The three lines of defence comprise the project divisions, the Credit and Risk Department, and the Internal Audit Service.
3. Strategy	In 2021, the Banks Council approved the Strategy for 2022–2026, which defines the Bank's strategic priorities for the five-year period. These include, inter alia, contributing to the achievement of the Sustainable Development Goals (SDGs) in the Bank's member states and the development of green finance. A key priority for the strategic period is the implementation of major investment mega-projects, including the Eurasian Transport Corridor, the Central Asian Water and Energy Complex, the Eurasian Trade Connectivity Network. The Central Asian Water and Energy Complex mega-project is directly aimed at addressing the environmental and climate challenges that the region faces: it comprises investment projects focused on increasing installed renewable energy capacity, improving energy efficiency, enhancing water use efficiency, and reducing greenhouse gas emissions.

	The Bank conducts assessment of the climate risks of its current investment portfolio. In 2025, the EDB continued to assess the physical climate risks and conducted assessment of the transition climate risks for the first time. The assessment was carried out using a specialized platform for the analysis of the asset climate risks. The methodology is primarily built upon the CMIP6 Global Climate Models. For each risk, the platform uses the location-specific and hazard-specific models (e.g. WRI Aqueduct 4.0 for water stress). The modelling of each risk results in the calculation of the Average Annual Loss for each asset, representing the costs associated with exposure to specific climate hazards. The assessment was made for four scenarios: - SSP5-8.5 High Climate Change Scenario (a low mitigation scenario where total greenhouse gas emissions triple by 2075, leading to a global mean temperatures rise of 3.3-5.7°C by 2100); - SSP3-7.0 Medium-High Climate Change Scenario (a limited mitigation scenario where total greenhouse gas emissions double by 2100, leading to a global mean temperatures rise of 2.8-4.6°C by 2100); - SSP2-4.5 Medium Climate Change Scenario (a high-mitigation scenario where total greenhouse gas emissions stabilise at current levels until 2050 and then decline by 2100. This scenario is expected to result in a global mean temperatures rise of 2.1-3.5°C by 2100); - SSP1-2.6 Low Climate Change Scenario (an aggressive mitigation scenario where total greenhouse gas emission reach net-zero by 2050, resulting in a global mean temperatures rise of 1.3-2.4°C by 2100, aligning with the Paris Agreement targets). The analysis time horizon was selected based on the loan maturity date (2020s or 2030s). As part of the physical climate risk assessment, the following hazards were identified: - pluvial flooding; - extreme temperatures; - drought; - wildfire; - water stress. The physical climate risk assessment was conducted for 22 assets within the EDB's current investment portfolio. The assets were selected based on their valuation (and, consequently, the project's share within the EDB's investment portfolio) and the project type, which determines its potential vulnerability to climate risks. The physical climate risk assessment indicated that the highest modelled annual loss across all assessed assets could occur under the SSP5-8.5 scenario, amounting to US$87.4 million, which represents 1.4% of the current investment portfolio. The sectors most vulnerable to physical climate risks are mining, agriculture and metallurgy. In case of two assets, the relative value of the modelled average annual loss exceeds 10% of the project's value within the current investment portfolio. The highest modelled annual loss across all assessed assets is driven by water stress (US$36.3 million) and extreme temperatures (US$26 million).

	The following transition climate risks were identified as part of the assessment: - Legal risks: exposure to climate-related litigation, including claims arising from non-compliance with climate laws and regulations, or from an alleged contribution to climate change; - Technology risks: the risk that technological developments, innovation, or the transition to lower-emission technologies could adversely affect a client's operations, business model, strategy, financial position, financial performance, or cash flows; - Reputational risks: changes in customer or public perception regarding the Bank's contribution to, or perceived hindrance of, the transition to a lower-emission economy; - Market risks: shifts in supply and demand for certain commodities, products and services due to climate-related transition. The transition climate risk assessment was conducted for 10 projects within the EDB's current investment portfolio. The projects were identified based on their associated greenhouse gas emissions (and, consequently, the project's share of EDB's Scope 3 Category 15 emissions) and the vulnerability of the respective sector to these risks. The transition climate risk assessment indicated that the highest modelled annual loss across all assessed assets could occur under the SSP5-8.5 scenario, amounting to US$2.4 million, which represents less than 0.04% of the current investment portfolio. The sectors most vulnerable to the transition climate risks are energy and the chemical industry. The highest modelled annual loss across all assessed assets is driven by technology risk (US$0.8 million). Based on expert assessment, the Bank identifies the following climate-related opportunities: - Products / services: the Bank identifies opportunities arising from client demand for climate finance. The demand originates from both "green" sectors (e.g., renewable energy) and "brown" sectors (e.g., metallurgy and mining) that aim to reduce greenhouse gas emissions. Furthermore, the Bank sees potential in providing climate-related advisory services to both private sector clients and governmental agencies that aim to introduce relevant regulations and national strategies or roadmaps in this field; - Resource efficiency: the Bank is reducing its own environmental footprint by implementing "green office" practices, such as lowering office energy consumption and incorporating hybrid vehicles into its corporate fleet; - Partnerships: the Bank is capitalising on opportunities to expand its network of partners among other development banks and international financial institutions that aim to contribute to climate change mitigation and adaptation. For example, in 2025, the Bank has prepared a joint study with the CAREC Institute on the prospects of carbon pricing in the region.
4. Risk management	The Bank identifies the following primary risk: credit risk, market risk, liquidity risk, operational risk, and reputational risk. The Bank does not classify sustainability or climate-related risks as a standalone risk category, but recognises their impact on credit, market, and other risk types. The consideration of Environmental, Social and Governance (ESG) factors in investment decision-making is an integral part of the EDB's project activities. To ensure alignment with international standards and stakeholders' expectations, the Bank has

	implemented a comprehensive system for assessing the environmental and social impact of investment projects, both financed and proposed, alongside a monitoring mechanism across all stages of the project lifecycle, from initial appraisal and the financing decision to implementation monitoring and final exit. The key document regulating these procedures is the Regulation on Environmental and Social Aspects of Investment Activity developed in 2023. Responsibility for conducting this assessment lies with the Office for Sustainability. Projects with potentially significant sustainability risks may undergo further review by the Management Board's Sustainability Committee. The Bank's environmental and social appraisal process involves a multi-stage analysis, including: - Exclusion of financing for specific activities; - Ensuring EDB projects comply with the Environmental and Social Safeguards; - Data collection on the positive environmental and social impact of projects; - ESG client profiling; - Regular monitoring of the environmental and social impacts of projects. Based on the results of the comprehensive environmental and social due diligence, the Office for Sustainability issues a conclusion specifying the assigned project category and a summary of findings. This includes information on assessed environmental and social risks, results of the borrower's ESG profiling, compliance with applicable taxonomies and safeguards, and the Bank's recommendations for mitigating negative impacts. In line with the common practice of the multilateral development banks, the Bank classifies each project into categories A, B, C, or FI, depending on its positive or negative environmental and social impacts. In 2025, 42 projects were appraised. Of these, 19 projects were classified as Category C (45%), 12 as Category B, 10 as Category FI, and 1 as Category A."
5. Metrics and Targets	The EDB calculates greenhouse gas (GHG) emissions across Scope 1, Scope 2, and Scope 3 using such international methodologies as the GHG Protocol and The Global GHG Accounting & Reporting for the Financial Industry Standard (PCAF). The Bank also calculates so-called Scope 4 GHG emissions – the volume of GHG emissions avoided or reduced through the projects financed by the Bank. The most significant emissions originate from the Bank's investment activities, namely Scope 3 Category 15 (financed emissions). As of year-end 2025, emissions associated with the Bank's investment portfolio amounted to 18.5 million tonnes of CO_{2eq}. All projects within the current investment portfolio as of 31 December 2025 were included in the assessment. The largest share of emissions (86%) was calculated based on the carbon intensity of the client or its shareholder, representing the data quality score 3 (average); 12% relate to the data quality score of 4 (sector average carbon intensity); 2% of emissions were calculated based on the data quality score of 2, i.e., actual project emissions reported to the Bank through the annual monitoring process. Consequently, the weighted average data quality score is equal to 3.1. The largest share of financed emissions (64%) is attributed to the energy sector, which also represents the largest share of the current investment portfolio (21%). The second largest share of financed emissions (20%) is attributed to the mining sector (12% of the portfolio). A negligible volume of the Bank's financed emissions is also associated with the Bank's treasury portfolio (securities). At year-end, these emissions amounted to 502,000 tonnes of CO_{2eq} or 3% of Scope 3 Category 15 emissions."

	In 2025, the projects financed by the Bank resulted in a reduction / avoidance of emissions totalling 377,000 tonnes of $CO_{2\text{-eq}}$ (so-called Scope 4 emissions). To assess this indicator, the Bank employs the Avoided Emissions Framework developed by Mission Innovation, alongside the Estimating and Reporting the Comparative Emissions Impacts of Products system developed by the World Resources Institute. When calculating this indicator, the Bank uses data directly provided by clients as part of the annual monitoring process. The assessment includes only active projects, adjusted for the Bank's share in each project. Full disclosure of emission across all scopes will be presented in the 2025 Sustainability Report, scheduled for publication in the second half of 2026. The Bank evaluates the alignment of each projects with the Paris Agreement, as well as national and international taxonomies. As of 31 December 2025, 27% of the EDB's real sector portfolio was aligned with the Paris Agreement. The current green project portfolio amounted to US $1,085 million, representing 17% of all projects. The vast majority of green projects – 96% - relate to climate mitigation (in accordance with MDB methodology). Among all green projects, the largest shares are attributed to renewable energy sources (48%) and energy efficiency (43%), aligning with climate priorities of the EDB's member states. Furthermore, the EDB supports the green transition of its clients and member states through the Technical Assistance Fund (TAF). The TAF provides financing for pre-feasibility and feasibility studies, as well as the development of design and estimate documentation, including environmental and social appraisals of investment projects. The TAF also provides grants to develop green finance infrastructure on stock exchanges, facilitating the capital-raising process for companies with projects that align with ESG principles. For investment projects financed by the EDB that demonstrate significant positive environmental and/or social impact, the Bank has the option to reduce interest rates using TAF resources.