



Project Summary Information

Date of Document Preparation/Updating: 09/15/25	
Project Name	Georgia Healthcare Group Social Financing
Project Number	P000984
AIIB member	Georgia
Sector/Subsector	Health Infrastructure
Alignment with AIIB's thematic priorities	Private Capital Mobilization
Status of Financing	Approved
Objective	To enhance accessibility to healthcare services in underserved regions of Georgia and mobilize private capital through the issuance of the country's first corporate social bond.
Project Description	<p>The Project involves an anchor investment of up to USD30 million in GEL equivalent into JSC Georgia Healthcare Group's upcoming and debut issuance of local currency denominated social bond in the Georgian capital markets. The notes will be the first offering under the Company's Social Bond Framework.</p> <p>Fully owned by Georgia Capital PLC, Georgia Healthcare Group is the leading healthcare operator, comprising of hospitals, clinics and diagnostic centers across the country. Strengthening the health infrastructure of one of the main healthcare providers improves the access of expected beneficiaries to high-quality and modern healthcare.</p> <p>The bond proceeds will be used to refinance its existing liabilities used for the refurbishment of the hospitals and clinics, upgrade of the medical equipment, expansion of medical services and finance new capital expenditures to broaden range of medical services for preventive healthcare.</p> <p>AIIB investment proceeds will be used to finance procurement of medical equipment for the new oncology center, as well as regional hospitals and some portion for development of new medical services to increase access for healthcare outside the capital city.</p>
Expected Results	<p>Project Objective Indicators:</p> <ul style="list-style-type: none"> - Number of patients benefiting from the availability of modern radiation therapy and diagnostic imaging.

	<ul style="list-style-type: none"> - People serviced under United Healthcare Program in small cities. - Total indirect private capital mobilization. <p>Intermediate Results:</p> <ul style="list-style-type: none"> - Purchase of medical equipment for hospitals outside the capital. - Purchase of specialized medical equipment for the new oncology center.
Environmental and Social Category	B
Cost and Financing Plan	<p>Social bond issuance of GEL350 million</p> <p>AIIB portion of up to USD30 million in GEL equivalent</p>
Environmental and Social Information	<p>Applicable Policy and Categorization. AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL) and Environmental and Social Standard 1 (ESS 1) will be applicable to this Project. The Project has been categorized as Category B, because the proceeds of AIIB's investment into JSC GHG's upcoming issuance of Social Bond will be used to finance new capex involving procurement of medical equipment, and some portion for development of new medical services to be selected under the Social Bond Framework's eligible projects. All subprojects to be supported by the bond proceeds under this Project will be screened against AIIB's ESEL and the eligibility criteria under the Social Bond Framework. Projects with significant risks, controversies or anticipated impacts that lack mitigation measures will be excluded.</p> <p>Environmental and Social Instruments. GHG is implementing an environmental and social management system (ESMS) that includes policies and procedures at both corporate and hospital levels for managing environmental and social (ES) aspects commensurate with the risks and impacts associated with its operations. The ES Policy ensures that appropriate, risk-based, sector-specific, ES assessment is applied to GHG's commercial activities, which sets out the transaction categorization and qualification, evaluation and control, as well as monitoring and reporting considerations of the Company. In addition, the Company recently developed the Social Bond Framework in alignment with the ICMA Social Bond Principles 2023 (2023 SBP) and the Georgian Taxonomy on GSS Bonds and obtained a second party opinion on ESG Analysis from Scope Ratings in June 2025 to assess the alignment of the Framework with the 2023 SBP of the ICMA. AIIB has reviewed the above ES instruments which are deemed applicable to the Project as part of due diligence. Based on the ES Due Diligence (ESDD), an Environmental and Social Action Plan (ESAP) has also been prepared to guide implementation of measures to strengthen the system and support better monitoring and supervision of their implementation. The agreed actions under ESAP are included in the Framework Agreement.</p>

Environmental Aspects. The Bond proceeds will support the purchase of new medical equipment for GHG's hospitals and financing its other eligible investment projects under the Framework. Environmental risks and possible adverse impacts are limited to impacts related to construction activities as part of the expansion of CMC and operation of the equipment, particularly occupational health and safety (OHS) risks to workers, medical stakeholders, and communities during the facility expansion works due to related waste and wastewater generation, temporary disturbances to air quality and noise levels within the Project site, as well as exposure to radiation and chemical substances to be used as contrast and cleaning agents during equipment operation. These impacts will be mitigated by the Company through GHG's ES Policy and Risk Management Procedures. These impacts will be mitigated by the Company through its E&S Policy and Risk Management Procedures, which must be effectively cascaded to facility level to ensure alignment with AIIB ESF requirements and its application and implementation at the relevant medical facility closely monitored by GHG. All eligible subprojects must comply with national regulations, the Framework as described above, as well as the Company's internal policies and international accreditation guidelines and standards.

Social and Gender Aspects. The Company established a Social Bond Framework in 2025. The Framework introduced GHG's strategy for integrating sustainability into its core business operations in recognition to its responsibility to stakeholders and the environment. The four main components of the Framework are as follows: (i) use of proceeds, (ii) project evaluation and selection process, (iii) management of proceeds, and (iv) reporting. Key social risks such as project screening, institutional capacity, legal compliance, and grievance access will be addressed through mitigation measures in the ESAP. ESDD showed a comprehensive social safeguards framework outlined to address key social risks and ensure inclusive development outcomes. The Client is also expected to report on ES grievances and publish impact reports to ensure transparency and reinforce the project's commitment to equitable development and human rights. In addition, gender considerations are central to the project's expected outcomes, particularly given the planned investment in oncology equipment. By improving access to specialized diagnostic and treatment services, especially in oncology in rural and remote areas, the Project is expected to enhance women's health outcomes and reduce gender-based disparities in care. A review of corporate level policies has confirmed that no discriminatory practices have been identified and that policies promoting non-discrimination and equal opportunities are in place, trainings for new equipment that will be purchased through this investment will include female workers of oncology hospitals.

Occupational Health and Safety, Labor and Employment Conditions. OHS in the healthcare sector is crucial due to the diverse range of hazards healthcare workers face. Ensuring a safe working environment necessitates the implementation of comprehensive safety protocols, the provision of proper training, and the promotion of a culture of safety. Currently, GHG is implementing an OHS Assessment System aligned with the international standard ILO-OSH 2001 in terms of risk management, which provides for the identification of hazardous areas and risk factors related to occupational health and

safety, performing hazard analysis, assessing the likelihood of risk occurrence, and implementing control measures to comply with OHS requirements. Further to this, GHG has Professional Health & Labor Safety Procedures in place which details the safety measures related to electrical and fire safety, working with hazardous substances, and application of Personal Protective Equipment.

Stakeholder Engagement, Consultation and Information Disclosure. The Borrower already has Stakeholder Engagement Framework (SEF) prepared for other MDBs. Current document outlines how to build and maintain relationships with stakeholders such as government authorities, shareholders, investors and lenders, certification bodies, NGOs, customers, communities, suppliers, and other institutions. The SEF indicates various channels of information disclosure such as reporting to relevant government bodies, publication of annual Sustainability Report, disclosure of bond performance including ES information to investors and lenders, providing updates to customers and communities through social media, call center service, and posting of notice boards at the healthcare facilities. During project implementation, the Client will be requested to share with AIIB its review of subprojects to be financed under this Project, including relevant ES information. The Bond will also follow the reporting commitments outlined in the Social Bond Framework, which include the publishing of Annual Allocation Report and Impact Report. Additionally, the ES instruments for this Project will be disclosed in accordance with the timeline outlined in the ESAP and the Framework Agreement.

Project Grievance Redress Mechanism (GRM). The GRM of GHG is enclosed in its SEF, which sets the procedure for raising the potential for significant impacts. Grievances are managed through: (i) publicizing the GRM to ensure stakeholders are aware of details such as who can raise a grievance, who is responsible for receiving and registering complaints, and timing of response; (ii) receipt, registration, and tracking of grievances, where all incoming grievances need to be acknowledged and registered in grievance registers; (iii) review and investigation of grievances, where all complaints should be handled as promptly as possible depending on the nature and complexity of the matter; (iv) application of resolution options, response to grievances, and close-out, where appropriately scaled resolution should be implemented; and (v) monitoring, reporting, and evaluation of the GRM, where the effectiveness of the GRM is reviewed to and ensure efficient use of resources. Bank will follow up with GHG on the GRM and will track and report any grievances during Project implementation.

Monitoring and Reporting Arrangements. AIIB will monitor the efficiency of ES management during implementation and discuss any corrective actions if and where needed with GHG. Progress on implementation, particularly on ES aspects, will also be monitored and reported by GHG annually based on an agreed format as part of the (a) ESG corporate reporting to GCAP, (b) Bond reporting of impacts in compliance with the ICMA SBP, and (c) agreed actions under ESAP as included in

	the Framework Agreement. Bank's supervision or monitoring field mission will be conducted annually to support the monitoring of Project implementation.	
Borrower	JSC Georgia Healthcare Group	
Estimated date of last disbursement (NSBF)	September / 2025	
Contact Points:	AIIB	Borrower
Name	Han Zhao	Nika Tsiklauri
Title	Senior Investment Officer	CFO
Email Address	han.zhao@aiib.org	nikatsiklauri@ghg.com.ge
Date of Concept Decision	06/05/25	
Date of Appraisal Decision	08/11/25	
Date of Financing Approval	08/28/25	

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRM or AIIB Management's processes. For information on how to make submissions to the PPM, please visit</p> <p>https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</p>
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