



# OPIIM

## Disclosure Statement 2026

— Operating Principles for Impact Management —

April 2026

**MUFG Bank**  
A member of MUFG, a global financial group



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# Introduction

# Introduction

## Principle1

Mitsubishi UFJ Financial Group (MUFG) has defined its purpose as "Empowering a Brighter Future." In pursuit of a sustainable and vibrant society, MUFG is committed to addressing the challenges faced by all stakeholders, including customers.

In 2021, MUFG Bank became the first private-sector financial institution in Japan to sign the Operating Principles for Impact Management (OPIM), with the aim of enhancing the comprehensive visualization of positive impacts on environmental and social issues, as well as strengthening the identification of business opportunities and risk management in the sustainability domain. This marks the fifth year of issuing our disclosure statement based on OPIM.

The year 2021, when MUFG Bank signed OPIM, also marked the announcement of MUFG's Carbon Neutrality Declaration, committing to achieving net-zero GHG emissions in its financed emissions portfolio by 2050, as well as net-zero GHG emissions from its own operations by 2030.

Climate change is a critical issue that has a profound impact on the sustainability of the economy and society, and supporting the transition toward its resolution is one of the key roles expected of financial institutions.

Based on this recognition, MUFG bank selected renewable energy project finance—funded through proceeds from green bonds issued by MUFG—as its first OPIM covered asset and commenced impact measurement and management as part of its efforts to support the transition to carbon neutrality from a financial perspective.

Subsequently, in 2025, we added "Project GAIA," a blended finance platform in which we participate as a founding member, to our OPIM covered assets. Leveraging the framework of the Green Climate Fund (GCF), Project GAIA mobilizes funding for climate adaptation projects in emerging markets, where private capital has traditionally been insufficient. Through this initiative, MUFG aims not only to expand the scope of impact but also to elevate its approach to impact, pursuing higher standards of quality.

Furthermore, in 2026, MUFG added GLIN Impact Capital 2, in which it committed at the initial close, as a new OPIM covered asset. While covered assets had primarily focused on climate change to date, this fund also targets broader social challenges, including healthcare and well-being, as well as social inclusion.

The medium-term business plan, which commenced in fiscal year 2024, is built on three pillars: "Expand & Refine Growth Strategies," "Drive Social & environmental Progress," and "Accelerate Transformation & Innovation." Particularly, "Drive Social & Environmental Progress" is integrated into our management strategy, contributing to the resolution of social issues through financial services. This approach enhances both the social and economic value for our customers and MUFG, creating a synergistic effect.

While MUFG Green Bond-eligible renewable energy project finance, Project GAIA, and the GLIN Impact Capital 2 differ in their respective target sectors and financial instrument characteristics, MUFG positions OPIM as a common foundation for impact management across these assets. Through this framework, MUFG will continue to create positive environmental and social impact and further enhance its quality.

This Statement is prepared by the Environmental and Social Assessment Department (ESAD) Sustainability Office, Corporate Planning Division

The materials, practices and data presented are subject to and were conducted in compliance with applicable laws and regulations where MUFG operates.

# OPIM Covered Assets

In 2021, MUFG Bank became the first Japanese private financial institution to sign the OPIM which were developed by the International Finance Corporation (IFC) and other leading impact investors, MUFG Bank (the “Signatory”) hereby affirms its status as a Signatory to the OPIM.

This Disclosure Statement applies to the following assets (the “Covered Assets”) that align with the Principles.

Total Covered Assets in alignment with the Impact Principles: USD 1,859 million as of December 31st, 2025.

## Project GAIA

GAIA Climate Loan Fund (Project GAIA, GAIA) is a targeted USD 1.48 billion climate and blended finance platform projected to reach nearly 20 million direct and indirect beneficiaries across 25 emerging markets and developing economies. MUFG Bank is a founding member and anchor investor of GAIA.

At COP29 in 2024, FinDev Canada, MUFG Bank, the Green Climate Fund (GCF), and Climate Fund Managers (CFM) announced the launch of this initiative. Subsequently, at COP30 in November 2025, the partners announced that the initiative had reached its first close following the successful mobilisation of approximately USD 600 million.

## GLIN Impact Capital 2

GLIN Impact Capital 2 is a private equity fund targeting a total size of JPY 20 billion, established with the objective of further advancing impact investing and the growth of impact-driven startups. The Fund focuses on impact investments in unlisted growth-stage companies in Japan and overseas. GLIN Impact Capital 2 is led by GLIN Impact Capital (GLIN), a leading first-generation impact investor in Japan with a proven track record in impact investing. The fund reached its initial close in January 2026, at which time MUFG Bank announced its investment in the Fund.

## Eligible Renewable Energy Projects under MUFG Green Bonds

MUFG became the first private financial institution in Japan to issue a foreign-currency-denominated green bond in September 2016. Since then, MUFG has continued to issue green bonds on a regular basis, utilising a combination of currencies including U.S. dollars and euros.

The proceeds from MUFG’s Green Bond issuances are lent to MUFG Bank, Ltd. MUFG Bank allocates these funds to renewable energy projects that meet the following criteria: projects related to the development, construction, operation, or expansion of solar thermal power, solar photovoltaic power, and onshore and offshore wind power generation, and that have been assigned Category B or Category C in accordance with the Equator Principles<sup>1</sup>.

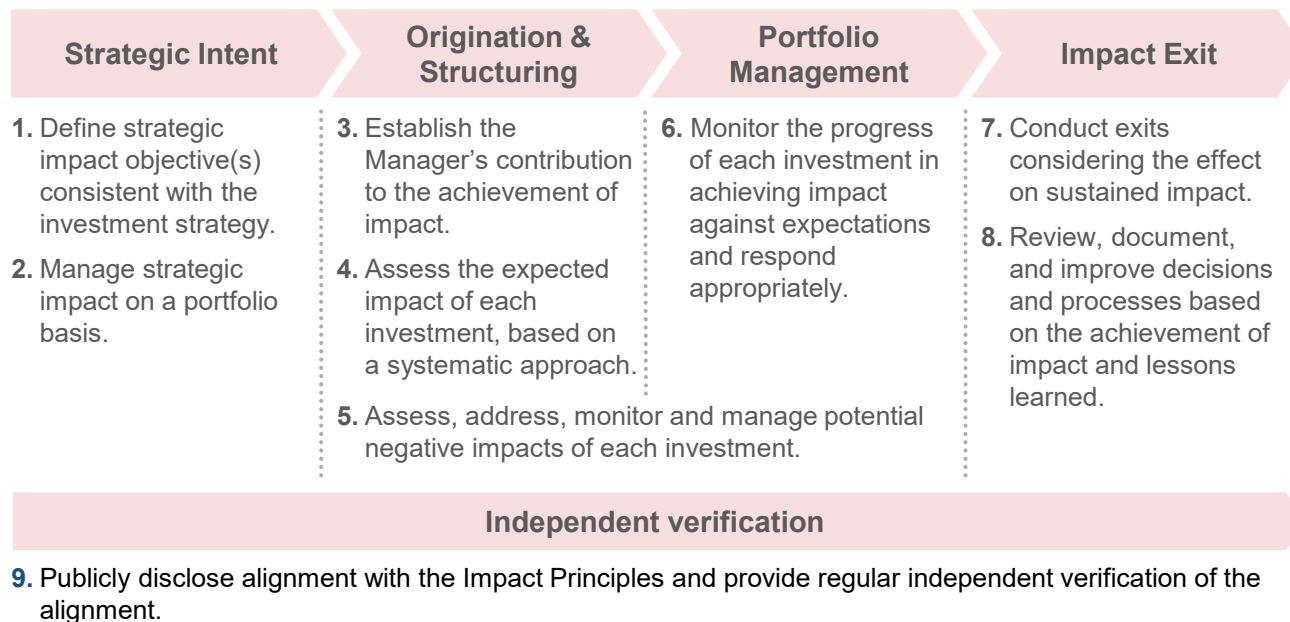
1. Regarding Equator Principles, please refer to the [Equator Principles Progress Report 2026](#).

# About Operating Principles for Impact Management (OPIM)

The nine Operating Principles for Impact Management (OPIM) are applied across the entire investment lifecycle.

## Operating Principles for Impact Management (OPIM)

### 9 Principles



In this disclosure statement, we disclose the alignment of each Covered Assets with the OPIM Principles (Principles 1–8), taking into account the specific characteristics of each asset.

- Project GAIA: p. 9-20
- GLIN Impact Capital 2: p. 21-32
- Eligible Renewable Energy Projects under MUFG Green Bonds: p. 33-41

With respect to Principles 1, 2, 3 and 5, we also disclose the policies and initiatives of MUFG (p. 5, p.8).

For Principle 8, the report outlines MUFG Bank's forward-looking perspective on further enhancing its implementation of OPIM (p.43).

For Principle 9, the results of the most recent external verification are disclosed (p. 44).

# Policies and initiatives of the MUFG

## Principle2

MUFG has as a part of HQ-based executive compensation system, introduced a heightened metric for ESG-related external ratings as a medium- to long-term performance-linked indicator for stock-based compensation. The system is designed to reflect the degree of improvement found through in the external ratings granted by five major ESG rating agencies (MSCI, FTSE Russell, Sustainalytics, S&P Dow Jones, and CDP) in determining executive compensation.

## Principle3

## Principle5

MUFG recognizes that the environmental and social risks arising from the business activities of each group company are important to our business and require managing appropriately. Accordingly, the Environmental and Social Policy Framework has been developed. Taking into consideration the nature and severity of associated environmental and social risks or impacts, MUFG has identified transactions which are “Prohibited Transactions” and “Transactions of High Caution”. (See below chart.)

### Prohibited Transactions

- Illegal transactions and transactions for illegal purposes
- Transactions which violate public order and good morals
- Transactions that negatively impact wetlands designated under the Ramsar Convention
- Transactions that negatively impact UNESCO designated World Heritage Sites
- Transactions violating the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington Convention)
- Transactions involving the use of child labor or forced labor
- Cluster Munitions and Inhumane Weapons Manufacturing

### Transactions of High Caution

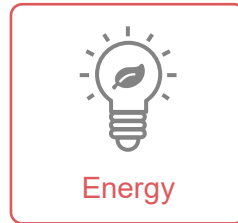
<b>Cross-sector Guidelines</b>	<ul style="list-style-type: none"> <li>• Impact on Indigenous Peoples Communities</li> <li>• Land expropriation leading to involuntary resettlement</li> </ul>	<ul style="list-style-type: none"> <li>• Impact on High Conservation Value areas</li> <li>• Cause of or contribution to, or direct linkage with, violation of human rights in conflict areas</li> </ul>
<b>Sector Specific Guidelines</b>	<ul style="list-style-type: none"> <li>• Coal Fired Power Generation</li> <li>• Mining (general, coal)</li> <li>• Oil and Gas (Oil Sand, Development of the Arctic, Shale oil and gas, Oil and Gas Pipelines)</li> <li>• Large Hydropower</li> </ul>	<ul style="list-style-type: none"> <li>• Biomass power generation</li> <li>• Forestry and Agriculture (Timber, Pulp and Paper, Palm oil, Soy, Beef, Other Agriculture)</li> <li>• Fisheries and Aquaculture</li> </ul>

**Alignment of each asset  
with OPIM  
-Project GAIA-**

# Principle 1 Define strategic impact objective(s), consistent with the investment strategy

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

## Key Theme



GAIA is a proposed \$1.48 billion climate and blended finance platform projected to reach nearly 20 million direct and indirect beneficiaries across 25 developing and emerging countries, with the objective of directing climate change adaptation and mitigation finance towards five priority impact result areas.

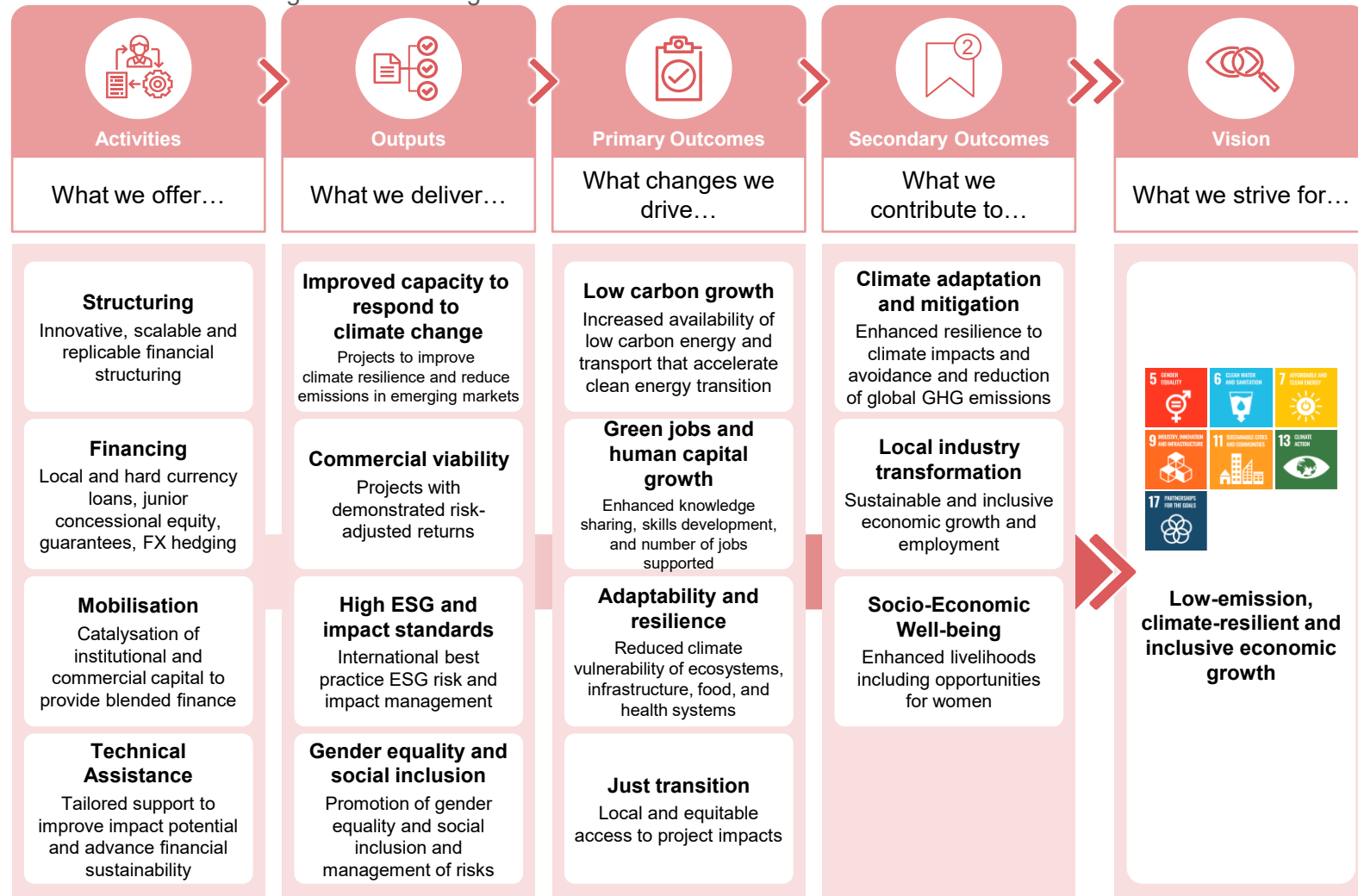
GAIA has defined the following strategic impact objectives.

	<p><b>Climate Adaptation</b> Enhancing resilience of health, food and water security; infrastructure and built environment; and ecosystems and ecosystem services</p>		<p><b>Gender &amp; Social</b> Improving economic opportunities for women</p>
	<p><b>Climate Mitigation</b> Reducing GHG emissions</p>		<p><b>Resilient Market Development</b> Enhancing local climate project development &amp; risk management capacity</p>

Filling in the gap of adaptation finance and committed to overcoming barriers that hinder private investment in these areas, GAIA will only provide financing for projects that can deliver at least one clear climate adaptation or mitigation outcome and a social impact outcome that is consistent with the fund's strategic impact objectives, with a focus on gender equality and social inclusion underpinning the overarching climate objective.

# Principle 1 Define strategic impact objective(s), consistent with the investment strategy

GAIA has aligned its strategic climate objectives with the relevant SDGs, and this is articulated through the Fund's theory of change which provides a structured framework for articulating the overarching vision.

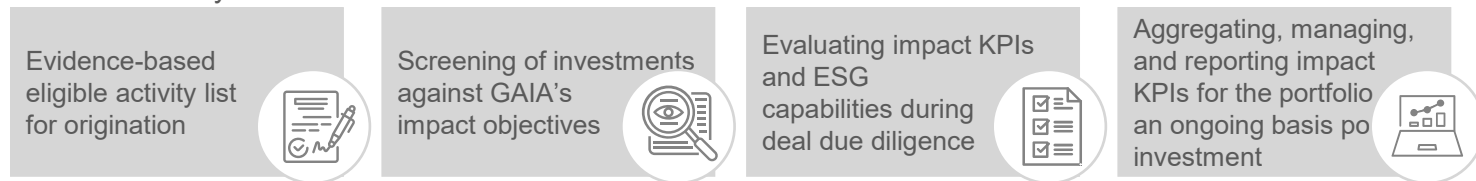


# Principle 2 Manage strategic impact on a portfolio basis

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

GAIA is an Article 9 fund under the European Union Sustainable Finance Disclosure Regulation meaning all of GAIA's investments will be sustainable.

Using GAIA impact and ESG framework, GAIA integrates impact and ESG risk management throughout the investment lifecycle.



Climate Fund Managers (as the investment manager) will act on project structuring, administration, implementation and monitoring during the life of each project.

## Target Countries

25 emerging market countries in Africa, LAC, and Asia

Minimum 25% of assets in **Small Island Developing States (SIDS)** and **Least Developing Countries (LDCs)**

**Africa**

- Benin (LDC)
- Côte d'Ivoire
- Ghana
- Kenya
- Madagascar (LDC)
- Mauritius (SIDS)
- Morocco
- Senegal (LDC)
- Tanzania (LDC)
- Togo (LDC)

**Latin America and the Caribbean**

- Barbados (SIDS)
- Costa Rica
- Dominican Republic (SIDS)
- Guatemala
- Honduras
- Jamaica (SIDS)
- Panama
- Paraguay
- Peru

**Asia-Pacific**

- Bangladesh (LDC)
- India
- Indonesia
- Mongolia
- Papua New Guinea (SIDS)
- The Philippines

## Target Sector

Minimum 70% of proceeds to fund adaptation projects



## Principle 2 Manage strategic impact on a portfolio basis

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To ensure alignment with impact objectives in every credit consideration, GAIA's fund committee governance includes a standalone Impact Climate and ESG Committee ("CESG Committee").

- CESG Committee evaluates and ensures each deal's impact objective is considered
- Independent impact advisor provides impartial expert advice on adaptation, mitigation, and social impact assessment.

GAIA aims to maximize impact and mobilization. The GCF Core Impact Indicators are as follows:

	GHG emissions reduced, avoided or removed/sequestered (tCO <sub>2</sub> e)		Value of physical assets made more resilient to the effects of climate change and/or more able to reduce GHG emissions
	Direct and indirect beneficiaries reached		Hectares of natural resource areas brought under improved low-emission and/or climate-resilient management practices

Each Approved Project (i.e., a project formally approved by GAIA for financing) will have a logical framework of output and outcome indicators, to be monitored and reported to GAIA, at least annually. Furthermore, approved projects will be required to implement environmental and social management systems to enhance GAIA's capacity for proposed impact outcomes, improve stakeholder relationships, and achieve greater positive societal impact.

# Principle 3 Establish the Manager's contribution to the achievement of impact

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels<sup>1</sup>. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

GAIA's ecosystem of partners collaborates to enhance the fund's climate and financial objectives through robust investment and portfolio management practices.

MUFG Bank, as a founding member and cornerstone investor, has committed USD 295m in senior capital and channels the GCF concessional anchor investment of USD 150m as the Accredited Entity.

**MUFG Bank**  
**Founding member**  
**Anchor investor**  
**Accredited Entity of GCF**



FinDev Canada is a Canadian Development Financial Institution (DFI) focused on supporting the private sector in emerging markets.

**FinDev**  
**Canada**

**FinDev Canada**  
**Founding member**  
**Limited Partner**

**GAIA**

**Climate Fund Managers (CFM)**  
**(Investment Manager, IM)**

**CLIMATE**  
**FUND MANAGERS**

CFM is a leading climate-centric blended finance fund manager.

**POLLINATION**

**Pollination Group**  
**Climate Fund Advisor**

Pollination Group is a specialist climate change investment and advisory firm.

# Principle 3 Establish the Manager's contribution to the achievement of impact

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels<sup>1</sup>. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

Given the fact that it is harder to invest in local markets with hard currency, GAIA's commercial capital and its ability to finance in local currency is additional as it provides significant and flexible funding to borrowers within targeted markets. In regard to GAIA's concessional capital, through the Technical Assistance (TA) Facility GAIA will deliver added value to end-borrowers in addressing specific capacity gaps for projects where capital was not previously available. In addition to TA and as per GAIA's concessional capital structure, the first-loss tranche allows for further mobilization of commercial capital.

## GAIA's Additionality

### ① Financial Additionality



Quantum of financing that was previously insufficiently offered by other lenders, investors, and capital providers in the market to the borrower for climate activities



Improvement in the terms of financing (e.g., tenor, rates, local currency denomination) that are more suitable to the borrowers.

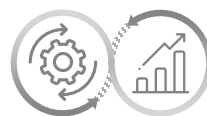
### ② Non-Financial Additionality



Raise the ESG risk management capacity within Borrower and/or the Project to mitigate negative impacts



Improve the adaptive capacity and low-carbon growth opportunities through the Borrower's project activities



Empower women and support socially inclusive development through direct employment and inclusion of project-level action plans for select Projects

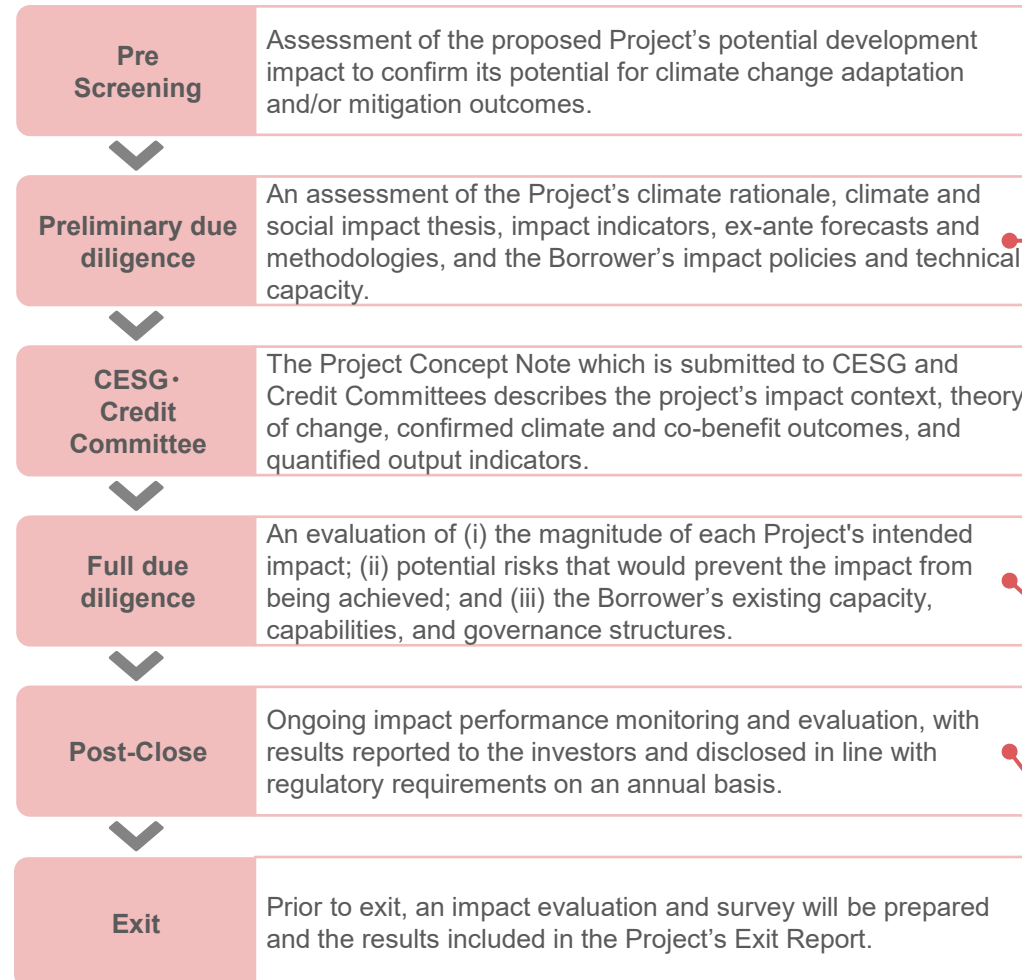


Enhance the knowledge and skill set of the Borrower on impact and ESG risk management issues through connection to the GAIA TA facility and engagement on project impact and ESG issues.

# Principle 4 Assess the expected impact of each investment, based on a systematic approach

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

GAIA will assess the expected impact of each investment through its Investment Impact Measurement and Management Framework (IMMF), including evaluation of the potential quantum and likelihood of impact for each project financed.



The impact thesis, indicators and calculation methodologies will be compared with GAIA's Result Management Framework (RMF). This provides the reference point for the quality, comparability, and applicability of the indicators provided. If a project utilizes a non-standard approach for impact measurement or does not provide a verifiable method, this will be flagged as a potential issue for further due diligence and potential support from GAIA's parallel TA facility.

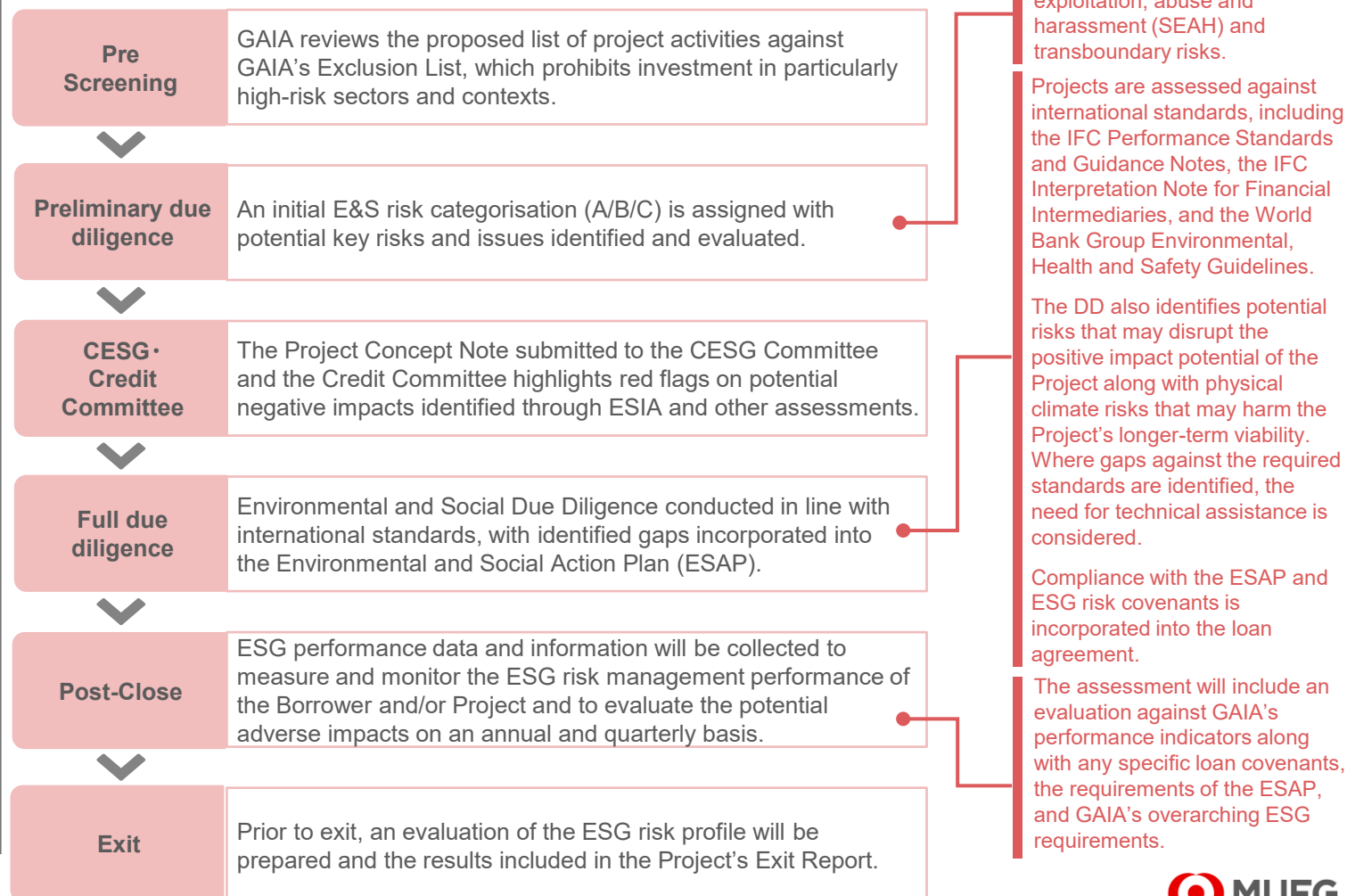
Projects that are approved by the CESG and Credit Committees will be bound by impact covenants that are included in the final loan agreement

GAIA's approach to impact measurement draws on reporting standards such as the GIIN Impact Reporting and Investment Standards Plus (IRIS+).

# Principle 5 Assess, address, monitor, and manage potential negative impacts of each investment

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

GAIA's overall approach to its Environmental and Social Policy, Human Right Policy and Environmental and Social Management System (ESMS) is guided by the Green Climate Fund Revised Environmental and Social Policy and commitments that have been recognized as established good international practices by GCF.



## Principle 6 Monitor the progress of each investment in achieving impact against expectations and respond appropriately

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

GAIA will regularly monitor each project's ex-post impact performance using the Result Management Framework (RMF), which details the frequency of data collection, data sources, responsibilities, and methodologies.

GAIA's Impact Measurement and Management Framework describes the monitoring and evaluation (M&E) plan for annual impact and outcome monitoring, and periodic evaluations.

### Setting M&E requirements

The M&E requirements include the systems and processes to be established for the collection and reporting of reliable impact data and information. The impact and ESG reporting requirements, and, where applicable, impact and E&S Action Plan (ESAP) expectations, will include key activities and milestones.

### Corrective Action Plan (if necessary)

In the event that a project's performance is not aligned with pre-investment impact or ESG expectations and contractual obligations, GAIA will work with the Borrower to establish a corrective action plan to address any identified areas for improvement arising from GAIA's monitoring activities.

### Including Covenants

Covenants will be included in the loan agreement with the Borrower that set out GAIA's expectations and Borrower obligations for ongoing impact management, monitoring and reporting.

### Data collection

Impact and ESG performance data and information is collected on a routine basis using data collection templates and managed using a centralized data management repository. An evaluation of the data and information is conducted at least annually to analyse for trends, identify any data anomalies and gaps, and track overall performance.



GAIA's ESG and impact performance will be reported to the investors on an annual basis. The reports will provide detailed updates on the progress and performance of each Project in relation to its impact thesis as well as the consolidated performance of the portfolio as a whole. The monitoring results are regularly shared with, and discussed among, the CESG Committee and other relevant stakeholders.

# Principle 7 Conduct exits considering the effect on sustained impact

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact action.

GAIA will design a standardised process to consider the impact at exit.

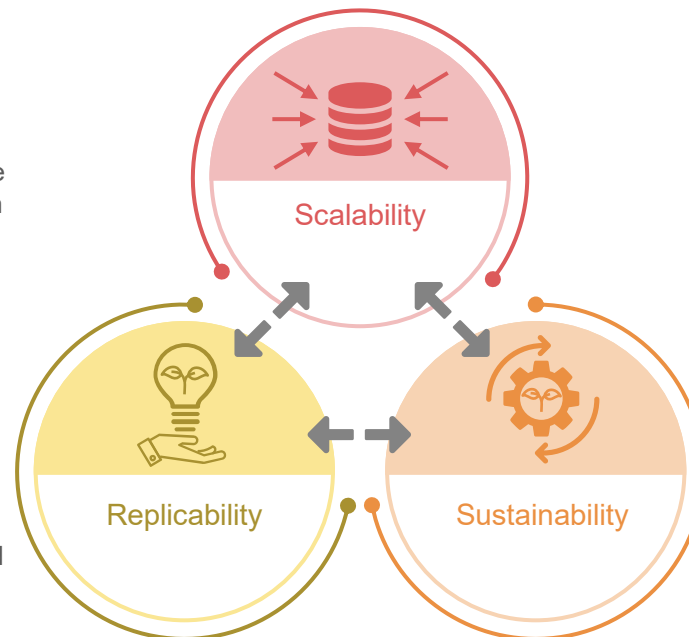
GAIA will explore opportunities to embed post-financing objectives as part of the initial loan agreement and conduct a survey with the borrower at the end of the loan term to evaluate the achievement of impact at the end of the term and further plans to sustain impact post-financing and the Exit report will be prepared.

GAIA is a template to be scaled out and further used, and sets out to innovate beyond traditional donor-supported credit enhancement structures with an eye on self-resilience and longevity.

There is a circular coherence to GAIA's design that directly echoes the constituent elements of the Paradigm Shift Potential (Scale, Replicability, Sustainability) that guides the GCF's Integrated Results Management Framework.

- By aggregating and packaging medium-sized climate adaptation projects within a single platform, the programme establishes a mechanism to mobilise large-scale private sector capital.
- GCF's equity participation serves as a catalytic anchor investment, enabling the formation of a large-scale investment platform and crowding in substantial private capital.

- By standardising financing terms, the platform reduces transaction and origination costs and presents a scalable and replicable model that can be readily applied and deployed across countries and future funds with similar objectives.
- Through the TA Facility, lessons learned are systematically accumulated and shared, supporting other investors and emerging market countries in independently structuring and delivering climate change projects



- By actively engaging accredited entities, Direct Access Entities, and local financial institutions in the project origination process, the programme strengthens their capacity to independently identify, structure, and finance projects over time.
- By demonstrating a track record of risk-adjusted returns, the platform helps establish a sound investment market in which private capital can flow on a sustained basis without reliance on ongoing public support.

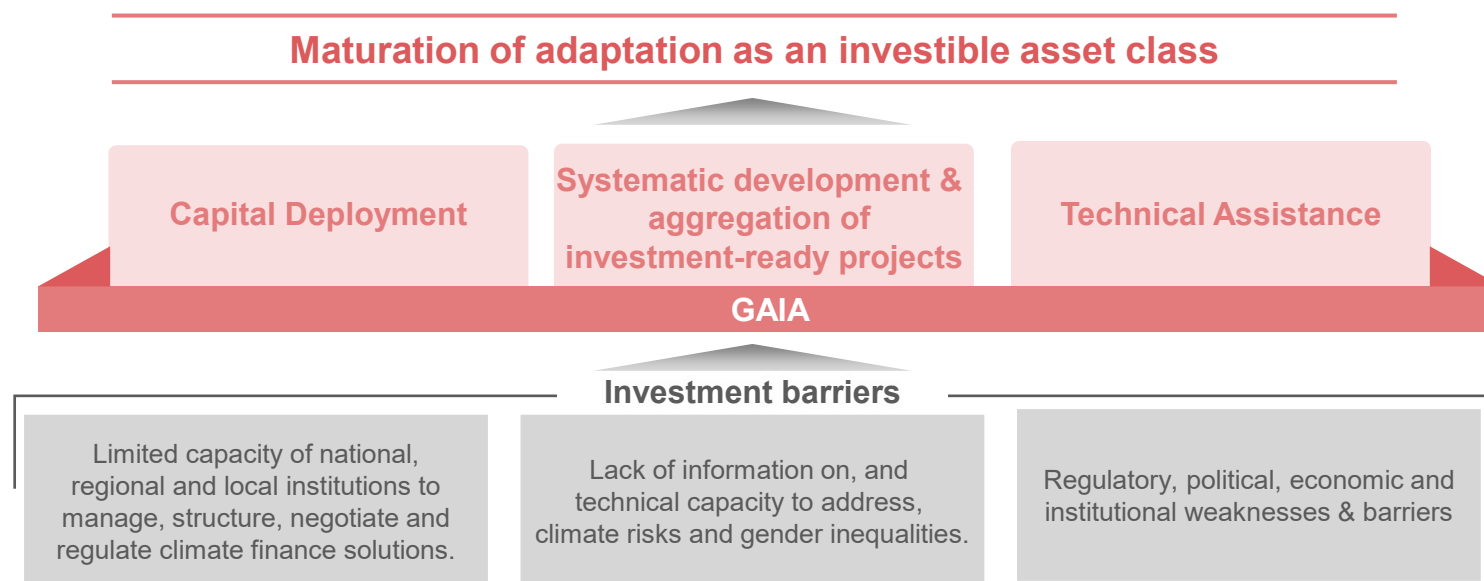
## Principle 8 Review, document, improve decisions and processes based on the achievement of impact & lessons learned

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

GAIA will track the performance and impact of each investment and use these insights to refine investment decisions, strengthen risk mitigation tools, and improve portfolio management over time. Lessons learned will be shared with borrowers, stakeholders, and external partners to improve project delivery and support the evolution of adaptation as an investible asset class.

GAIA will also disclose its impact performance through the CFM and GCF's reporting channels.

Beyond capital deployment, the programme's core impact lies in the systematic development and aggregation of investment-ready projects in critical sectors. By demonstrating commercially viable pathways for adaptation investment and establishing replicable financing structures, GAIA contributes to the maturation of adaptation as an investible asset class. The platform's success in mobilizing private capital is fundamentally linked to the continuous development of a credible pipeline of bankable projects, while also providing support to the projects that are nearing the ready-to-invest stage through Technical Assistance, ensuring that de-risking mechanisms translate into tangible resilience outcomes and long-term private sector engagement in climate-vulnerable markets.



**Alignment of each asset  
with OPIM  
-GLIN Impact Capital 2-**

# Principle 1 Define strategic impact objective(s), consistent with the investment strategy

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

## Key Themes :

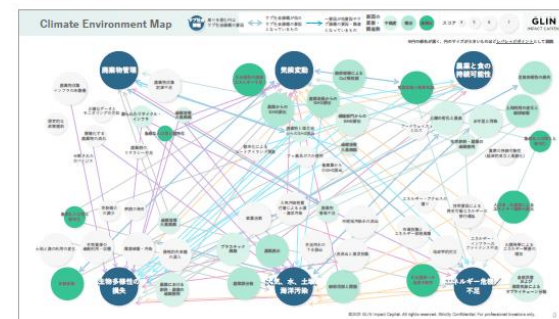
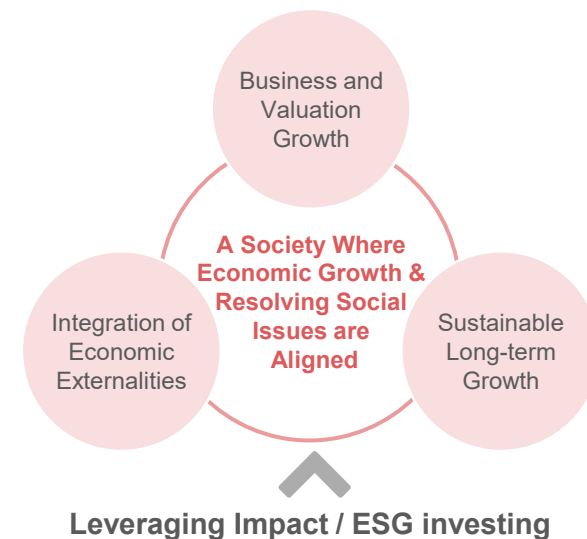


The mission of GLIN Impact Capital (GLIN), the fund manager of GLIN Impact Capital 2, is “Building a society where social challenges are autonomously solved alongside economic growth.” To achieve this mission, GLIN has formulated a Theory of Change. (See p.23)

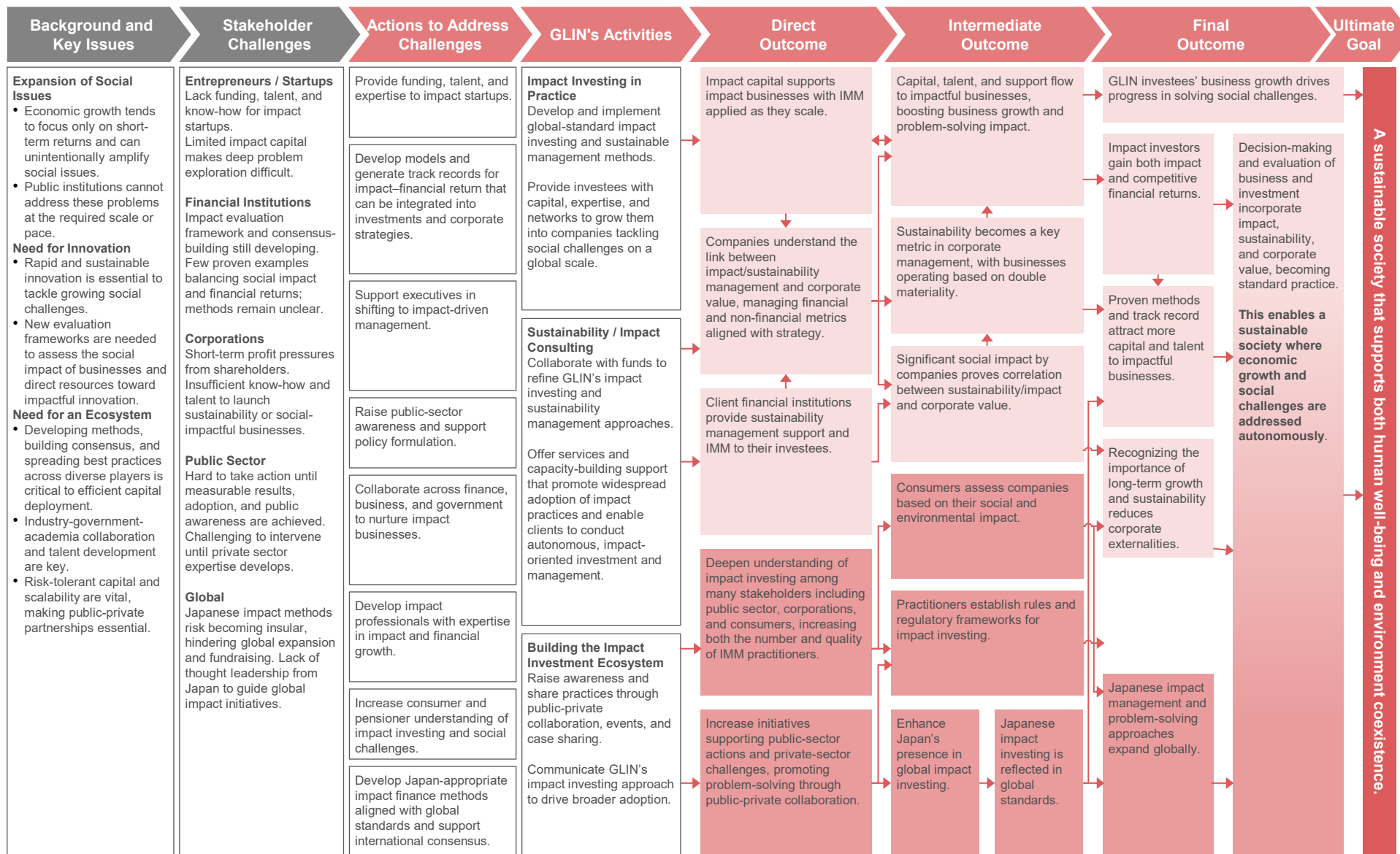
## GLIN's Investment Strategy

GLIN provides financing to companies whose business models are inherently designed to address critical societal challenges through their growth, with a focus on three key areas: (i) climate change and the environment, (ii) healthcare and well-being, and (iii) social inclusion. Following investment, GLIN endeavors to enhance both corporate value and environmental and social impact by accelerating the sustainable growth of its portfolio companies through a broad range of hands-on support.

In order to further deepen and refine the investment strategy of GLIN Impact Capital 2, GLIN has developed “System Change Maps” (issue interlinkage diagrams) for each of the fund’s three thematic areas. These maps take a problem-driven approach to comprehensively capture the structure and interconnections of societal challenges. The societal issues identified through these System Change Maps are aligned with the SDGs (see p.24).

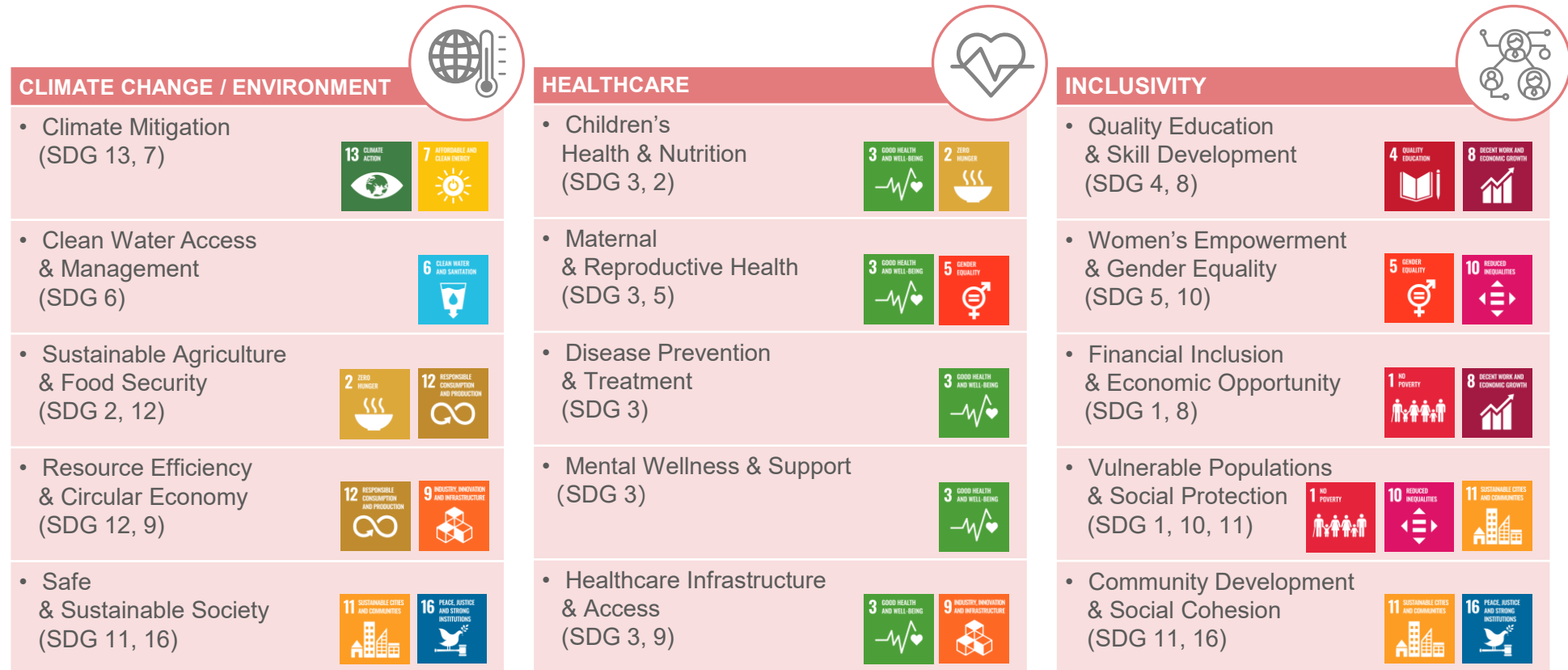


# Principle 1 Define strategic impact objective(s), consistent with the investment strategy



# Principle 1 Define strategic impact objective(s), consistent with the investment strategy

Below are examples of GLIN's investment themes and the corresponding SDGs.



## Alignment and Synergies between MUFG Bank and GLIN

MUFG has established its purpose as “Committed to empowering a brighter future.” and is committed to addressing the challenges faced by all stakeholders, including its customers, in order to contribute to the realization of a sustainable and vibrant society.

Based on the recognition that the deployment of capital grounded in structural alignment with societal challenges contributes to the enhancement of long-term corporate value and the sustainability of markets, MUFG Bank has decided to invest in GLIN Fund II.

## Principle 2 Manage strategic impact on a portfolio basis

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

GLIN's IMM framework is applied consistently across the portfolio, enabling GLIN to manage and optimise impact not only at the individual company level but also through aggregated insights across the entire fund.

The impact assessment framework places emphasis on balancing multiple perspectives, as described below.

This balanced, practitioner-focused approach enables us to co-create KPIs that are both meaningful to the business and credible to external stakeholders.



To further integrate impact into our strategy, IMM-related milestones are incorporated into internal performance reviews and team KPIs.

Additionally, we apply an impact hurdle rate: if unmet, a part of GLIN's carry is used for funding impact first fund in the sector or a donation to mission-aligned NGOs.

# Principle 3 Establish the Manager's contribution to the achievement of impact

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels<sup>1</sup>. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

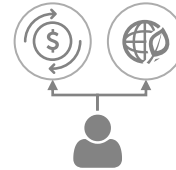
GLIN regards investor contribution as a key element of impact investing and accordingly defines, manages, and monitors its contributions throughout the investment process.

[GLIN's Impact Report](#) discloses the nature of its investor contributions in relation to its past portfolio companies (Fund I), highlighting the value created through its extensive hands-on support.

## Financial Contribution: Mobilizing Impact-Aligned Capital



Attracting domestic and international sustainable investors through transparent and credible impact reporting



Leveraging GLIN's own investment decisions to signal the viability of investees to other impact investors



Support for Impact IPO

## Non-Financial Contribution: Enhancing Impact Performance Through Engagement



Collaborating with investees to develop a Theory of Change and set measurable impact KPIs



Helping to re-prioritize key management issues based on ESG & impact materiality assessments



Support for the recruitment of talent committed to driving impact growth at investee companies

### Contribution by MUFG Bank

MUFG Bank decided to participate at an early stage in the GLIN Impact Capital 2, joining at the initial close. This investment represents MUFG Bank's first commitment to a dedicated impact investment fund. As a member of the Limited Partnership Advisory Committee, MUFG Bank will oversee whether the investment activities of GLIN Impact Capital 2 are aligned with its intended impact objectives.

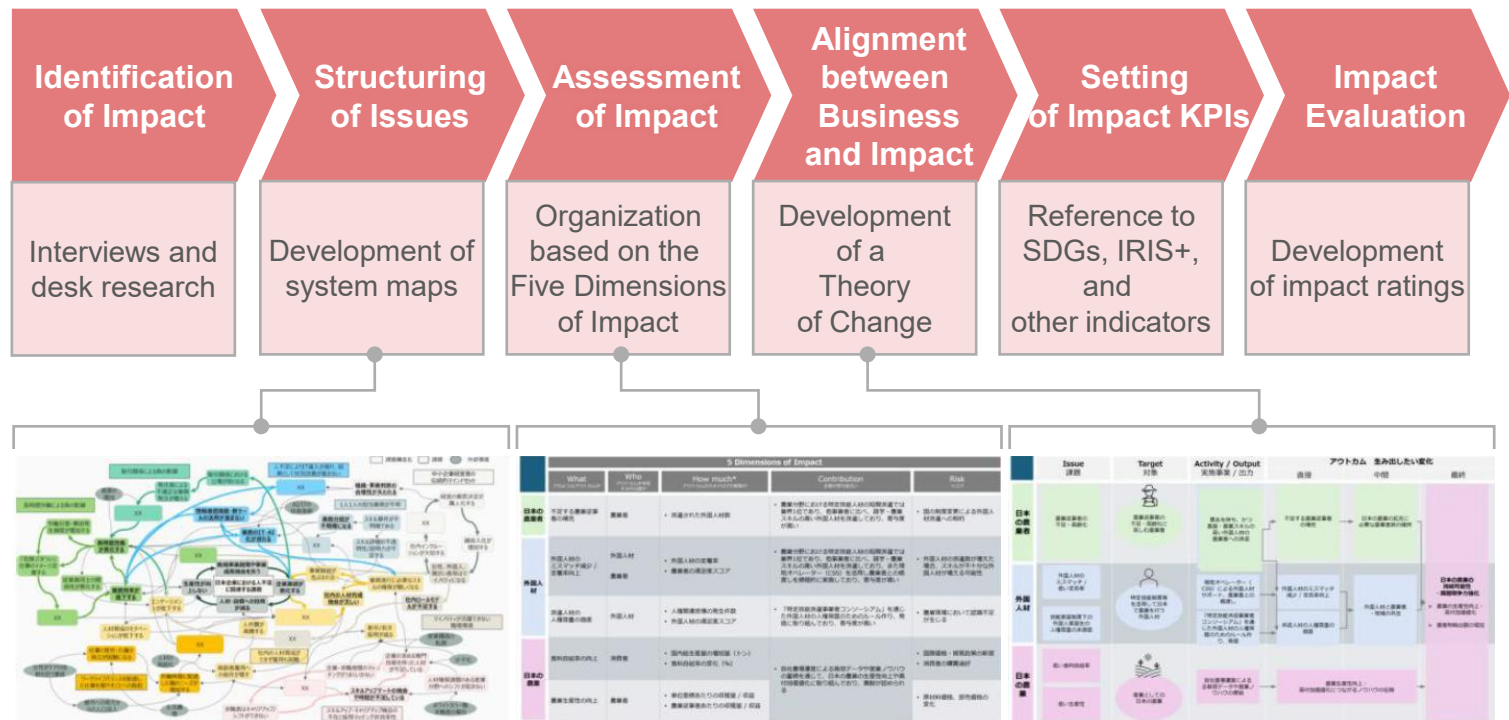
# Principle 4 Assess the expected impact of each investment, based on a systematic approach

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations.

In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

To gain a deeper understanding of the structure and trends of the social issues addressed by its investees, GLIN Impact Capital 2 leverages system maps and impact investment frameworks such as the Five Dimensions of Impact, Theory of Change/logic models, and Impact Ratings. GLIN then clearly defines the pathway for investees' businesses to resolve these issues, establishes milestone outcomes and impact KPIs, and subsequently applies these for robust impact measurement and evaluation. GLIN draws on the SDGs and IRIS+ to select the right KPIs, where appropriate.

Ultimately, the tool aggregates these ratings towards a final "Impact Rating". For the investment to be approved from an impact perspective, it must earn a certain score in the rating



# Principle 4 Assess the expected impact of each investment, based on a systematic approach

## Four Impact Criteria GLIN Values

GLIN determines whether the management genuinely aims to solve social issues and conducts business for that purpose.

This is assessed through:

- The business's track record.
- The management team's background.
- Dialogue with the management.



- To what extent does the product solve the beneficiaries' problems?
- Are the problems being solved aligned with the impact the company aims to achieve?
- Are negative impacts limited/manageable (including ESG factors)?

- **Investee's Additionality:** Have there been previous businesses attempting to solve the same social issue? What are the differences between those businesses and the investee?
- **Fund's Additionality:** Does the investee require value enhancement from an ESG and impact perspective after GLIN's investment? Is it a company that can maintain its mission and grow going forward?

- Is the business capable of designing impact KPIs and measuring its impact?
- Can impact growth maintain a positive correlation with economic growth?

### GLIN Impact Capital 1 Case study<sup>1</sup> : Impact KPI of *On the Slope Co., Ltd*



On the Slope Co. is a portfolio company of GLIN Impact Capital 1 (MUFG Bank was not an investor in the fund). Key impact KPIs are presented here.

#### Business Overview

- Sales of agricultural products grown by partner producers, mainly new farmers
- Initiatives to expand environmentally sustainable agriculture

#### Domestic Business Direct Outcome

Improved business conditions for partner producers practicing sustainable agriculture

#### Domestic Business Direct Outcome

Products enable clients to enjoy a seasonal lifestyle

#### Domestic & International Business Intermediate Outcome

Increased number of clients adopting sustainability-conscious lifestyles

Total sales of partner producers; producer satisfaction; number of active partners; and qualitative evidence of improvements in business conditions

Number of vegetable subscription subscribers; retention rate; cumulative engagement; and number of customer feedback submissions

Number of repeat subscribers; repeat customers at roasters/café's; and customer survey results on lifestyle changes (joint survey with 60 Decibels)

## Principle 5 Assess, address, monitor, and manage potential negative impacts of each investment

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

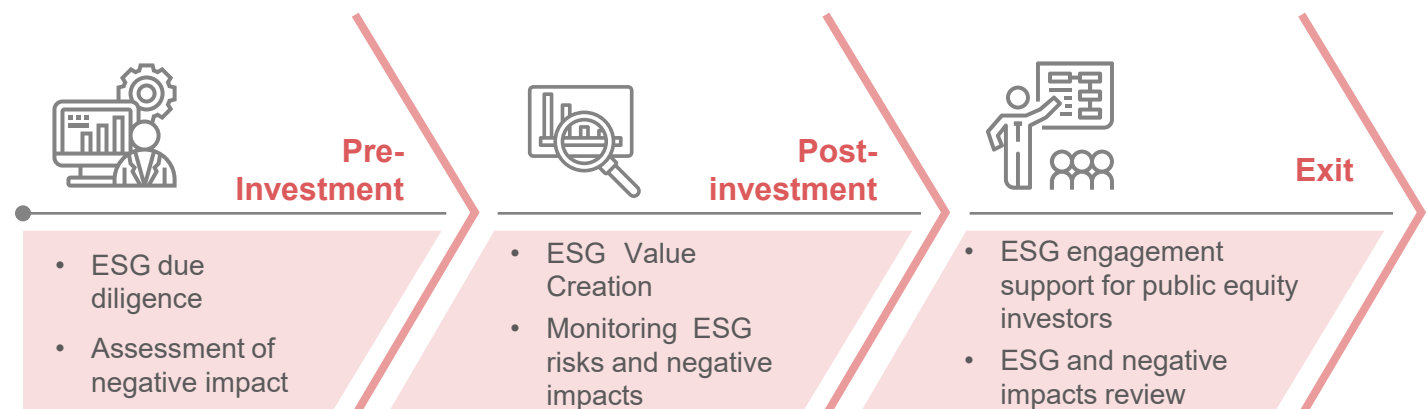
Before making any investment, GLIN conducts rigorous diligence on ESG risks and potential negative impacts.

GLIN begins with an initial screening to ensure that prospective investees do not operate in sectors fundamentally misaligned with ESG principles, such as gambling or other excluded industries. GLIN then performs a structured ESG risk analysis using internationally recognized frameworks like the SASB and MSCI.

For each portfolio company, GLIN defines investment-specific ESG risks and potential negative impacts to enable ongoing, structured, and where possible quantitative monitoring.

With respect to negative impacts, GLIN monitors not only the risks identified during pre-investment due diligence but also remains vigilant for any unforeseen adverse impacts that may emerge post-investment. GLIN assesses the materiality of such newly identified impacts and incorporates them into its monitoring framework to ensure systematic oversight.

Where necessary, GLIN collaborates with management teams to develop tailored action plans addressing specific ESG risks and negative impacts. These plans are supported by practical, hands-on technical assistance and training, designed to align with each company's unique context and stage of development.



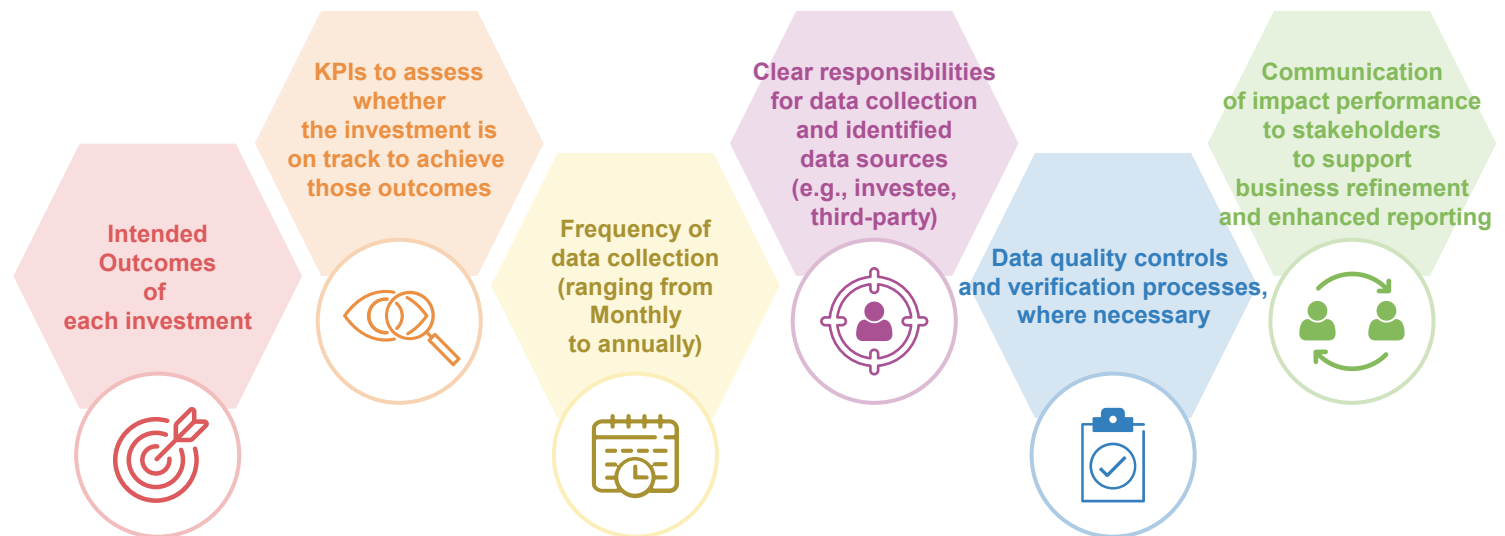
## Principle 6 Monitor the progress of each investment in achieving impact against expectations and respond appropriately

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

GLIN has developed standardized reporting templates and protocols to ensure consistent and reliable impact data across its portfolio. For each investee, GLIN maintains a dedicated KPI tracker that clearly documents impact targets, data sources, collection frequency, and actual performance.

These trackers are updated on a regular basis and serve as the foundation for internal monitoring, stakeholder reporting, and reviews by members of the Investment Committee.

GLIN's reporting framework is clearly outlined below;



If performance deviates from expected outcomes, GLIN works closely with the investee to co-develop adaptive responses, such as setting new actions or revising targets.

## Principle 7 Conduct exits considering the effect on sustained impact

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact action.

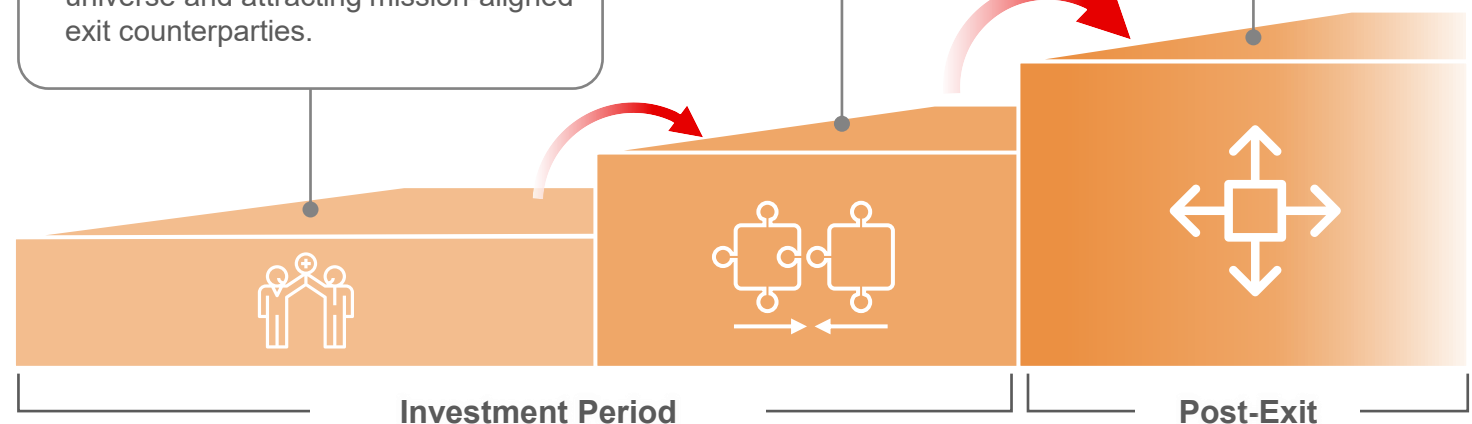
GLIN places strong emphasis on sustaining the investee's impact beyond the point of exit and proactively considers how different exit scenarios may affect the durability and scalability of impact outcomes. GLIN seeks to fulfil its responsibilities as an impact investor prior to exit.

These responsibilities are defined by the following criteria:

- **Establishing a governance structure** that enables both impact creation and business growth, including the integration of the IMM cycle into corporate governance and decision-making processes.
- **Developing an equity story** that meaningfully incorporates impact considerations, with the aim of expanding the potential investor universe and attracting mission-aligned exit counterparties.

**Identifying and engaging with suitable exit counterparties** whose strategic orientation and values are aligned with the investee's mission and long-term impact potential.

**Impact is sustained and scaled**



# Principle 8 Review, document, & improve decisions and processes based on the achievement of impact & lessons learned

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

Following an exit, GLIN conducts a comprehensive assessment comparing the impact outcomes actually achieved—including any unexpected positive or negative impacts—with the originally projected targets. This evaluation is conducted using both quantitative and qualitative measures. In addition, GLIN reviews its own investor contribution. From an impact and ESG perspective, we systematically document the value-creation initiatives implemented during the holding period.

GLIN ensures that key lessons learned are formally integrated into its investment and impact management processes.

## Feedback Loop into investment strategy

Insights from exit assessments are incorporated into future screening criteria, due diligence frameworks, and impact underwriting assumptions.

## Refinement of IMM Framework

Where gaps or overestimations are identified, GLIN updates its Theory of Change design, KPI selection, and monitoring methodologies to improve precision and materiality.

## Enhancement of Risk Identification

Unexpected positive or negative impacts identified at exit are analysed to strengthen future ex-ante risk and impact assessments.

## Organisational Learning

Findings are shared internally through structured review sessions to ensure institutional knowledge accumulation across the team.

## Stakeholder Transparency

Where appropriate, aggregated learnings are reflected in **Impact Report** and communications to LPs and other stakeholders to enhance accountability and transparency.

## Impact report

In October 2025, GLIN published its first publicly available [impact report](#). This report was prepared in alignment with the Impact Reporting Norms developed by Impact Frontiers.



## MUFG Bank's initiative

MUFG Bank receives semi-annual and annual reports from GLIN Impact Capital 2 on all investment projects, providing detailed information on impact performance. These reports include comparisons between expected and actual impact, as well as explanations and corrective measures in cases where discrepancies arise.

In addition, as a member of the LP Advisory Committee, MUFG Bank will continuously review and discuss whether the investment activities of the GLIN Impact Capital 2 are aligned with their intended impact objectives.

Furthermore, MUFG Bank aims to contribute to the development of the impact ecosystem through collaboration with GLIN.

**Alignment of each asset  
with OPIM**

**-Eligible Renewable  
Energy Projects Under  
MUFG Green Bonds-**

# Principle 1 Define strategic impact objective(s), consistent with the investment strategy

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

## Key Themes :



## Alignment with SDGs :



Achieving carbon neutrality by 2050 will require mobilizing substantial funds.

MUFG announced its Carbon Neutrality Declaration in May 2021, committing to achieving net-zero GHG emissions from its financed emissions portfolio by 2050, as well as net-zero GHG emissions from its own operations by 2030. One of the key indicators is a target CO<sub>2</sub> emissions reduction contribution through renewable energy project finance.

Indicator

**Amount reduced through renewable energy project finance where MUFG is involved**

Target

**70 million tonnes** (FY2019 to FY2030)

In MUFG's current three-year Medium-term Business Plan, starting from fiscal year 2024, MUFG has placed "Drive Social and Environmental Progress" as one of the three pillars and identified ten priority issues, amongst which "Achievement of a carbon neutral society" is one of the most critical.

By issuing MUFG green bonds and deploying the proceeds through MUFG Bank's financing of eligible green projects, we will advance our support for projects that contribute to a sustainable environment and society.

## Principle 2 Manage strategic impact on a portfolio basis

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

MUFG Green Bonds are issued in accordance with the Mitsubishi UFJ Financial Group Sustainable Finance Framework dated July 2024 (the “Framework”). Proceeds from the MUFG Green Bonds are allocated to the financing or refinancing of existing and new eligible projects intended to generate positive environmental and social impacts. The Framework is aligned with the Green Bond Principles 2021 as published by the International Capital Market Association (ICMA).

### MUFG

Eligible projects are selected by the CFO Office of MUFG’s Corporate Planning Division based on the following eligibility criteria.

The CFO Office monitors and tracks, at least annually, the allocation of proceeds to eligible green and social projects using MUFG Bank’s internal loan management system.

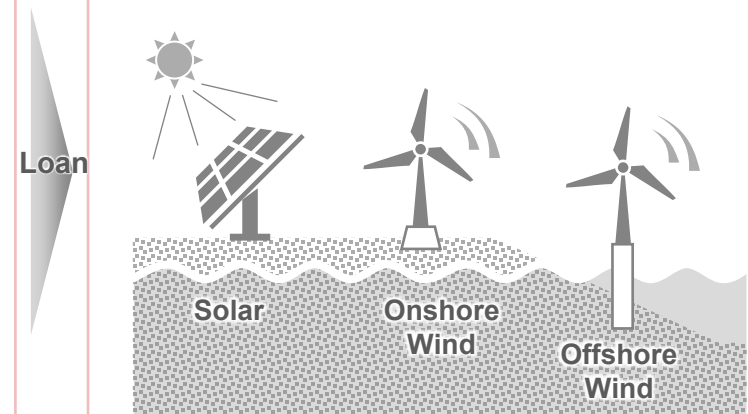
#### Eligibility Criteria

Projects classified as Category B or C under the Equator Principles, including the following sectors:

- Solar thermal power generation
- Solar photovoltaic power generation
- Onshore wind power generation
- Offshore wind power generation

### MUFG Bank

Allocation of proceeds to selected eligible projects



MUFG quantifies and discloses the impact of its Green Bond issuances in terms of CO<sub>2</sub> emissions reductions. Based on certain assumptions, as of March 31, 2025, projects to which proceeds from MUFG Green Bonds have been allocated have generated the following impacts. This is equivalent to the volume of CO<sub>2</sub> absorbed in one year by approximately 2,600 km<sup>2</sup> of forest (equivalent to more than three times the forest area of New York City).



- Annual total power generation : **35,346,210,968 kWh**
- CO<sub>2</sub> emissions reduction effect : **17,814,491 (t-CO<sub>2</sub> per year)**  
(of which MUFG Bank’s contribution: **3,692,163 (t-CO<sub>2</sub> per year)**)

Equivalent to the amount of CO<sub>2</sub> absorbed in one year by approximately 2,600 km<sup>2</sup> of forest

# Principle 3 Establish the Manager's contribution to the achievement of impact

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels<sup>1</sup>. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

MUFG Bank leverages its extensive track record, expertise, and global network to contribute to the origination of renewable energy projects.

- 2H 2025  
Lead Arranger Ranking for Asset Finance  
(Renewable Energy Sector)<sup>1</sup>

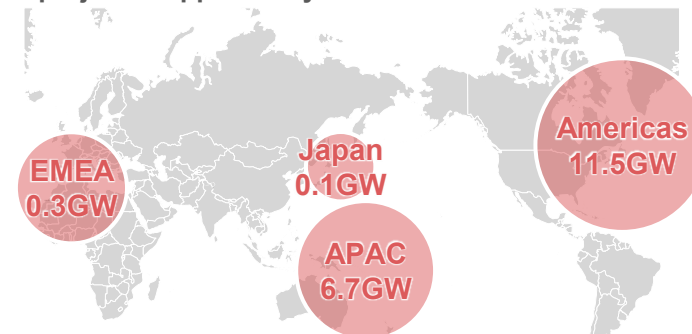
**Global No.1**

- Project Finance International (PFI)  
Awards 2025<sup>2</sup>

**Bank of the Year**



## Power generation capacity of renewable energy projects supported by MUFG Bank



※Projects subject to the Equator Principles that reached financial close in 2024

### ① Financial Additionality



Provision of financing for renewable energy projects



Diversification of funding flows to renewable energy projects through the expansion of the investor base

### ② Non-Financial Additionality



Expansion of the renewable energy market through advisory services, origination, and distribution



Mitigation of negative impacts through Equator Principles reviews

## Principle 4 Assess the expected impact of each investment, based on a systematic approach

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

### CO<sub>2</sub> emissions reduction contribution from renewable energy project finance

MUFG calculates the emissions reduction contribution from renewable energy project finance in accordance with the following formula.

$$\text{Annual energy generation (kWh)} \\ = \text{capacity of energy generation (kW)} \times \text{Hours of operation} \times \text{Average capacity factor (\%)}$$

The annual energy production is calculated based on the above formula with the average capacity factor published by the International Renewable Energy Agency.

$$\text{CO}_2 \text{ emission reductions} \\ = \text{Annual energy production (kWh)} \times \text{Average emission factor (gCO}_2\text{/ kWh)}$$

The estimated CO<sub>2</sub> avoidance is calculated based on the average emission factor published by the International Finance Corporation.

### Impact assessment of individual projects

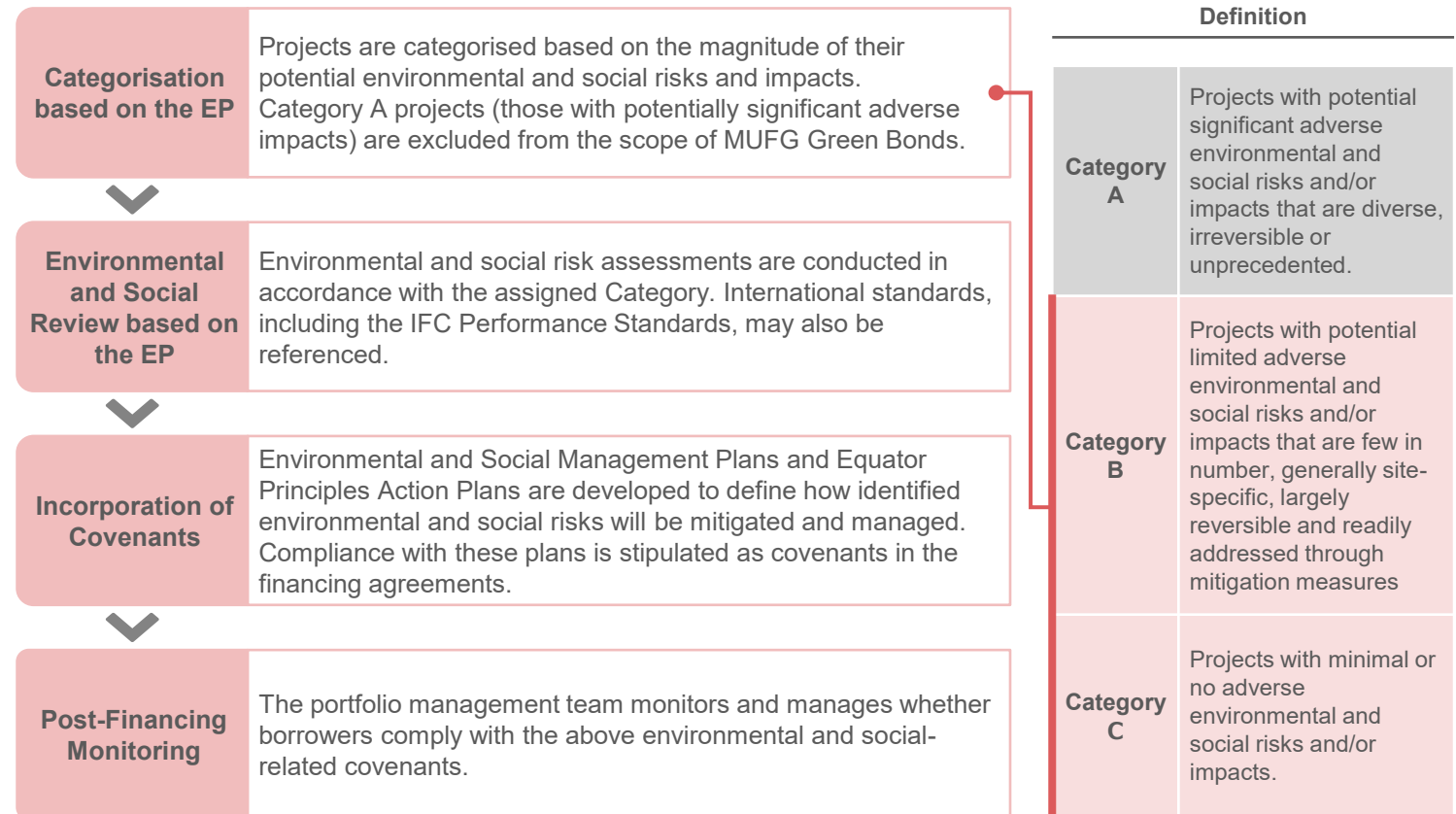
MUFG Bank's deal teams, prior to making lending decisions, work closely with clients in the capacity of lender or financial advisor to carefully assess whether technically and economically feasible options that contribute to improvements in energy and resource efficiency, including the reduction of GHG emissions, have been adopted.

In addition, they calculate generating capacity and identify the beneficiaries of the electricity generated, while identifying and managing financial risk factors through due diligence to help ensure the feasibility of the project.

# Principle 5 Assess, address, monitor, and manage potential negative impacts of each investment

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

When providing project-related financing for large-scale projects, MUFG Bank conducts a systematic environmental and social review in accordance with the Equator Principles (EP) to identify, assess, and manage potential negative impacts. Environmental and social assessments based on the EP are conducted by the Environmental and Social Assessment Department (ESAD) within the Sustainability Planning Office of the Corporate Planning Division.



## Principle 6 Monitor the progress of each investment in achieving impact against expectations and respond appropriately

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

### Disclosure of emissions reduction contribution from renewable energy project finance

MUFG monitors on an annual basis the CO<sub>2</sub> emissions reduction contribution (impact) from renewable energy project finance and discloses progress toward its targets.

<https://www.mufg.jp/english/csr/environment/tcf/metricsandtargets/index.html>

#### Contribution to CO<sub>2</sub> Reduction (impact) through Renewable Energy Project Finance

<b>Metric</b>	Contribution to CO <sub>2</sub> reduction (impact) through renewable energy project financing
<b>Target</b>	Reduction by 70 million tons (cumulative from FY2019 to FY2030)
<b>Results</b>	Reduction by 70.41 million tons (cumulative total from FY2019 to FY2024)

### Initiatives related to MUFG Green Bonds

Using its internal loan management system, MUFG monitors and manages the allocation of proceeds to eligible green projects at least annually. The results of such monitoring are disclosed through interim reporting.

[https://www.mufg.jp/english/ir/fixed\\_income/greenbond/index.html](https://www.mufg.jp/english/ir/fixed_income/greenbond/index.html)

#### Example of an interim report for a euro-denominated green bond issued in September 2024

Category	Sub category	Annual energy generation (KWh)	Annual CO <sub>2</sub> emissions avoided (tCO <sub>2</sub> )
Renewable Energy	Solar power	3,695,235,355	1,862,399 (741,421)
	Wind (Onshore)	7,748,395,200	3,905,191 (1,106,026)
	Wind (Offshore)	2,795,859,120	1,409,113 (485,371)
<b>Total</b>		<b>14,239,489,675</b>	<b>7,176,703 (2,332,818)</b>

※The figures in parentheses () are MUFG Bank's proportion.

# Principle 7 Conduct exits considering the effect on sustained impact

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact action.

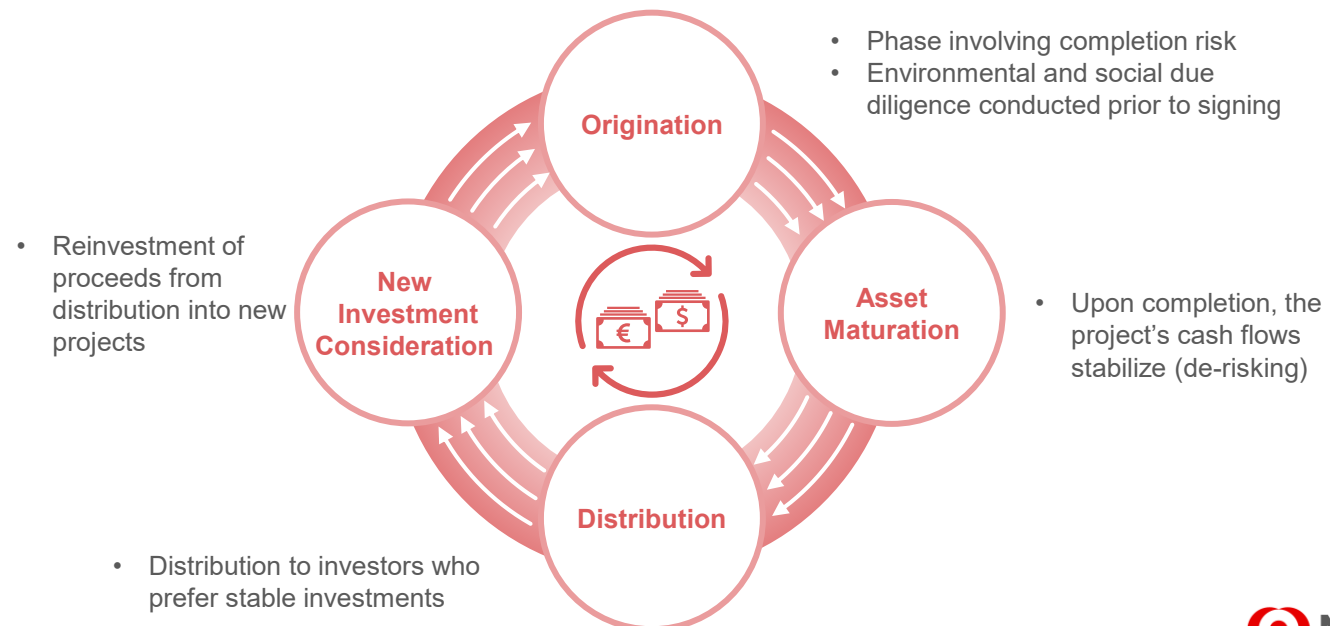
While various distribution methods exist for loans, in project finance—which often involves ultra long-term lending—exit is not merely a “sale,” but is also positioned as a transfer of roles aligned with the project lifecycle.

Typically, in the early stages where uncertainty is high, a Mandated Lead Arranger (MLA), which is responsible for originating new transactions, structures the project and assumes various risks during the construction phase, including completion risk. Subsequently, once the project reaches completion and cash flows stabilize, distribution is often made to financial institutions and investors with a long-term investment horizon.

MUFG Bank participates as an MLA in numerous renewable energy projects and, through rigorous due diligence, supports the origination of projects with high environmental and social impact.

Furthermore, by leveraging its distribution capabilities, MUFG Bank expands its investor base and reinvests funds obtained through loan sales into new projects, thereby promoting the circulation of capital and the sustainability and scalability of impact.

However, even after distribution, there remains scope for further consideration regarding how to verify and assess whether the initially anticipated environmental and social impacts are appropriately maintained and enhanced.



## Principle 8 Review, document, & improve decisions and processes based on the achievement of impact & lessons learned

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

In September 2016, MUFG became the first private financial institution in Japan to issue a foreign currency-denominated-green bond. Since then, MUFG has continuously issued its Green Bonds in multiple currencies, including U.S. dollars and euros, contributing to the development of the Green Bond market and the expansion of the investor base.

Through the issuance of MUFG Green Bonds, MUFG aims to diversify its funding sources while further promoting capital mobilization toward environmental sectors, including renewable energy projects, thereby expanding financial flows that support the transition to a decarbonized society.

MUFG Bank has been a leading player in renewable energy project finance; however, on a global basis, there remains a significant financing gap for renewable energy projects, and further capital mobilization is required.

Going forward, the Bank will continue to appropriately assess environmental and social impacts while also considering the use of various financing structures tailored to the risk-return profiles and funding preferences of a diverse range of investors. Through these initiatives, the Bank seeks to generate and expand impact.



# Afterword

## Principle 8 Review, document, & improve decisions and processes based on the achievement of impact & lessons learned

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

Since becoming a signatory to the OPIM in 2021, MUFG Bank has continuously worked to enhance its impact measurement and management (IMM) practices. The Bank started with MUFG Green Bonds as its first OPIM-eligible asset. Building on the practical experience gained and the improvement processes refined over time, the Bank expanded its 2025 disclosure of OPIM-eligible asset with the addition of Project GAIA, a blended finance platform. This year, the Bank is going even further with a third OPIM-eligible asset, GLIN Impact Capital 2.

As an originating bank and a member of the CESG Committee of Project GAIA, MUFG Bank, has continuously participated in discussions on investment project selection and portfolio construction. Through these efforts, the Bank strives not only to mobilize greater capital toward climate adaptation but also to achieve high-quality impact.

Blended finance is an effective approach for attracting private capital to areas that have traditionally relied heavily on public funding. Leveraging the expertise gained through its participation in GAIA—particularly in risk-sharing structures and impact management—MUFG Bank will continue to develop new schemes that encourage greater private-sector participation.

At the same time, the impact investment ecosystem in Japan has also been steadily expanding. In 2022, the Impact Startup Association was established, accelerating efforts to support the growth of startups that place the resolution of social and environmental challenges at the core of their business models. Through its investment in the GLIN Impact Capital 2, MUFG Bank supports the growth of Japanese impact startups by providing much needed capital in this space.

Furthermore, by applying insights gained from investment execution and IMM practices under GLIN Impact Capital 2, MUFG Bank is promoting the adoption and advancement of impact finance among large corporations, thereby contributing to both the expansion and qualitative enhancement of Japan's impact finance market.

By mutually leveraging the knowledge and capital circulation mechanisms cultivated across different regions, MUFG Bank aims to create impact on a global scale and channel the outcomes into future investment opportunities, thereby fostering a virtuous cycle. Through continuous disclosure and external verification in accordance with OPIM, the Bank will further advance impact management practices and contribute to market development across the globe.

## Principle 9 Publicly disclose alignment with the Impact Principles and provide regular independent verification of the alignment

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment.

The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

This Disclosure Statement reaffirms the alignment of the Covered Assets' impact management systems with OPIM and will be updated annually.

The independent verification is provided by an external verifier.

[The latest independent assurance report](https://www.mufg.jp/english/csr/initiatives/) on the alignment of MUFG Bank's Covered Assets with OPIM is posted at <https://www.mufg.jp/english/csr/initiatives/>.

Only the baseline assessment was conducted for GAIA as no transactions have been made at the time of assessment in 2025, hence GAIA's alignment in practice has not been verified.

Information on the latest independent verifier is as follows:

- **Name and Address**

Steward Redqueen Pte Ltd.  
1 Keong Saik Road, Level 2, Singapore, 089109

- **Most Recent Review**

March 7, 2025

- **Qualifications**

Steward Redqueen is a consultancy firm that works across the globe advising organizations on impact and sustainability. They have served on the Independent Verifiers Panel to the Secretariat of the Operating Principles for Impact Management.

<https://www.stewardredqueen.com/>

MUFG Bank intends to conduct an independent verification of the Covered Assets' impact management systems every three years. Next verification is planned to be conducted around March 2028

※GLIN Impact Capital 2, one of the Covered Assets, is managed by GLIN Impact Capital, a signatory to the OPIM. In line with Principle 9, GLIN has engaged BlueMark, a leading U.S.-based independent verifier of impact investment managers, to conduct third-party verification since 2023. The most recent [independent verification](#) was issued in March 2024.



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