

# FINDEV CANADA TRANSACTION SUMMARY

## GAIA Climate Loan Fund

*This document provides an overview of the FinDev Canada transaction, including a summary of the anticipated development impacts and of the environmental and social (E&S) risk assessment performed, potential risks identified, and related mitigation measures to be implemented.*

### Transaction Description

GAIA Climate Loan Fund is a blended finance platform managed by Climate Fund Managers (“CFM”), and jointly structured and developed by FinDev Canada and Mitsubishi UFJ Financial Group UFG Bank Ltd (“MUFG”) with a target size of \$1.48B. GAIA will deploy long-term loans into climate adaptation and mitigation investments in emerging markets and developing economies (“EMDEs”). GAIA aims to mobilize private capital into EMDEs, including 25% in least developed countries and small island developing states, and 70% with a focus on adaptation.

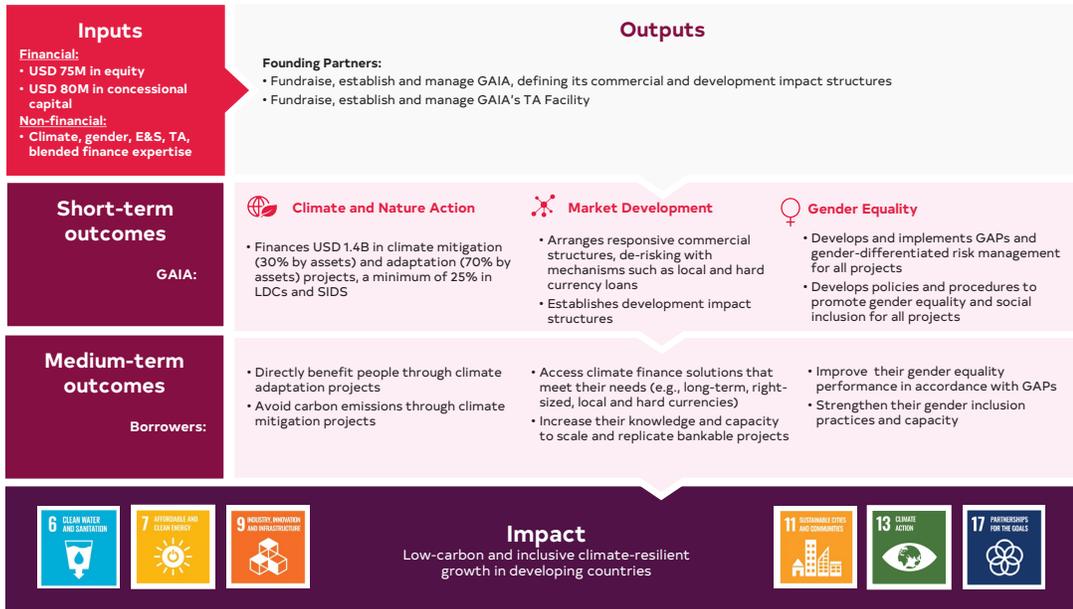
### Transaction Details

<b>COUNTERPARTY</b>	GAIA Climate Loan Fund SCSp Climate Fund Managers B.V. (Fund Manager) CFM GAIA GP S.A.R.L. (General Partner)
<b>DOMICILE</b>	Luxembourg
<b>COUNTRY(IES) OF OPERATION</b>	Fund providing loans to entities in up to 19 countries in EMDEs
<b>TERM OF FINANCING</b>	30 years
<b>SECTOR</b>	Climate Finance
<b>E&amp;S CATEGORY</b>	FI-1
<b>FINANCING PRODUCT</b>	Equity
<b>CONCESSIONAL FINANCE FACILITY TRANSACTION AMOUNT</b>	US\$80 million
<b>FINDEV CANADA TRANSACTION AMOUNT</b>	US\$ 75 million
<b>DATE OF TRANSACTION DISCLOSURE</b>	24 March 2025
<b>DATE OF TRANSACTION SIGNING</b>	20 October 2025
<b>DATE OF TRANSACTION SUMMARY PUBLICATION</b>	06 February 2026
<b>2X ALIGNMENT</b>	N/A

## Summary of Anticipated Development Impacts

The development impact value proposition of this investment in GAIA is to promote low-carbon, climate-resilient, and inclusive growth in EMDEs. GAIA will enable this through the deployment of blended finance for climate adaptation and mitigation projects in up to 19 countries.

The impact theory of change below summarizes how GAIA will contribute to FinDev Canada's long-term development impact goals and the Sustainable Development Goals ("SDGs").



### MARKET DEVELOPMENT

- **Strengthen local economies:** GAIA will deploy long-term capital in local and hard currencies in up to 19 EMDEs, including least developed countries ("LDCs") and small island developing states ("SIDS"), where financing needs are greatest. In structuring and implementing investments, GAIA seeks to enhance local capacity to arrange effective climate-focused blended finance structures, aiming to foster replication and scaling of institutional and private capital mobilization for climate adaptation and mitigation across EMDEs.



### GENDER EQUALITY

- **Promotes gender inclusion across climate finance projects:** All GAIA-financed projects will conduct robust gender assessments to inform and implement Gender Action Plans ("GAPs") tailored to specific project contexts. These plans will promote women's participation as leaders and employees, ensuring the delivery of gender-sensitive climate projects. GAPs will also address gender-responsive safeguarding measures and women's equal access to project benefits.



- **Contribute to the transition to a low-carbon and climate resilient economy:** GAIA will deploy capital to support projects aligned with nationally determined contributions (“NDCs”) and national adaptation plans (“NAPs”). It will allocate at least 70% of its capital to climate adaptation projects (e.g., ecosystem resilience, sustainable agriculture, water management, and resilient infrastructure) in markets most severely impacted by, and least equipped to respond to, climate change. The platform will also provide financing to mitigate climate change (e.g., clean energy generation, low-carbon transport).

### Summary of Environmental and Social Assessment and Related Risk Mitigation Measures

GAIA’s financing activities are expected to support climate mitigation and adaptation projects across a diverse set of sectors in emerging markets, including renewable energy, climate-resilient infrastructure, urban mobility, and sustainable agricultural processes. These activities may be associated with adverse E&S risks that vary by project and may include potential impacts on labour and working conditions, involuntary resettlement and land acquisition, biodiversity and ecosystems, water use, waste management and pollution, as well as broader human rights considerations. These risks are diverse, contextual, project specific and may range from low to high depending on the nature of each financed investment.

GAIA manages these risks through a comprehensive Environmental and Social Management System (“ESMS”) that includes an Environmental and Social Policy, Human Rights Policy, exclusion list, E&S risk categorization, and procedures for due diligence, monitoring, grievance management and emergency preparedness. The ESMS is aligned with the IFC Performance Standards and the Green Climate Fund’s Environmental and Social Safeguards. E&S capacity is supported by dedicated ESG and climate specialists within the Investment Manager, Climate Fund Manager (“CFM”), as well as a Climate and ESG Committee comprising experts from the platform’s sponsors, including FinDev Canada.

FinDev Canada reviewed the transaction against host-country requirements and the IFC Performance Standards and participated in documentation reviews and interviews undertaken with the Investment Manager. No recent material adverse media was identified. GAIA was assessed as aligned with applicable standards, with the transaction categorized as **FI-1** and assigned an overall E&S Risk Rating of **Medium-High**.

FinDev Canada’s assessment was informed by GAIA’s ESMS, Environmental and Social Policy, Human Rights Policy, Gender Equality and Social Inclusion Policy, Indigenous Peoples Policy, Operational Manual, and CFM’s sustainability and stewardship documents, as well as due diligence discussions.