



Canadian Solar Infrastructure Fund, Inc.

Sustainability Report

February 2026

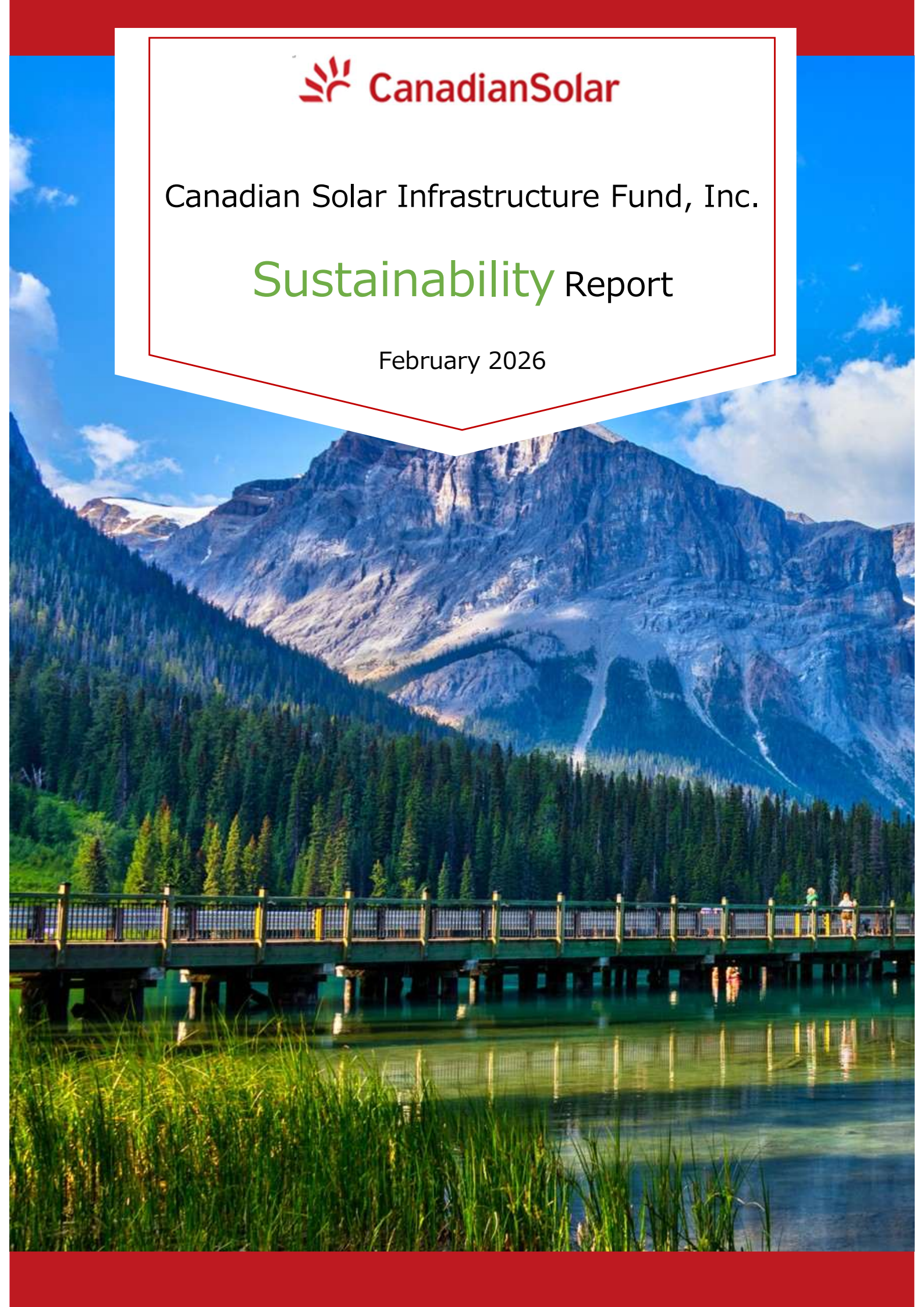


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Canadian Solar Infrastructure Fund, Inc. ("CSIF") and Canadian Solar Asset Management K.K. ("CSAM"), together with Canadian Solar Projects K.K. ("CSP"), a sponsor for CSIF, aim to contribute to building a sustainable economic society in local regions while paying attention to the global environment and therefore invest mainly in renewable energy power generation facilities and conduct business with a focus on the environmental aspect among sustainability considerations.

Recognizing that the realization of a sustainable society is essential for CSIF's sustainable growth, CSIF believes that contributing to the resolution of social issues through its business is in line with CSIF's basic policies of "ensuring stable revenue in the medium and long term" and "steady growth of AUM" and will in turn contribute to the enhancement of unitholder value.

Since its foundation, CSIF, together with CSAM, has practiced sustainable investing and, in August 2018, CSAM, as a company which adopts this approach to sustainable investing, was the first asset manager of a listed infrastructure fund on the Tokyo Stock Exchange to become a signatory of the United Nations supported Principles for Responsible Investment (UN PRI). In February 2020, CSAM declared its support for the recommendations of the Task Force on Climate-related Financial Disclosures and, recognizing that climate change is an important environmental issue with potential risks and opportunities for business operations, discloses information in line with the TCFD recommendations in the areas of governance, strategy, risk management, and metrics and targets.

CSIF and CSAM have now selected the most important sustainability issues for CSIF ("Materiality" or "Material Issues") and are implementing initiatives aimed at achieving goals and improving further by setting KPIs and implementing specific measures to address these Material Issues through future business activities.

CSIF and CSAM will continue actively implementing initiatives based on policies established for each Material Issue and will also work to strengthen communication and collaboration with various stakeholders including unitholders, employees and local communities through the disclosure of sustainability information, aiming for continuous improvement.

Hironobu Nakamura
Executive Director
Canadian Solar Infrastructure Fund, Inc.
CEO & Representative Director
Canadian Solar Asset Management K.K.



Policy on Sustainability-Related Disclosures and Reporting Framework

Information Disclosure Policy

CSIF's Policy is to disclose all information that may influence an investor's decision, including information stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange. Information about CSIF's sustainability performance including sustainability-related policies, targets and results will be disclosed annually in the form of a Sustainability Report.

Scope and Period of Reporting, Timing of Updates

Scope of Reporting	Canadian Solar Infrastructure Fund, Inc. (hereinafter referred to as CSIF) and Canadian Solar Asset Management K.K.(hereinafter referred to as CSAM) (The report contains some information of Canadian Solar group and affiliated companies.) ※ Canadian Solar Projects K.K. hereinafter referred to as CSP ※ Canadian Solar O&M Japan K.K. hereinafter referred to as CS O&M
Period of Reporting	Reporting as of December 31, 2025 (The report contains some information from before and after this date.)
Timing of Updates	February every year, in principle

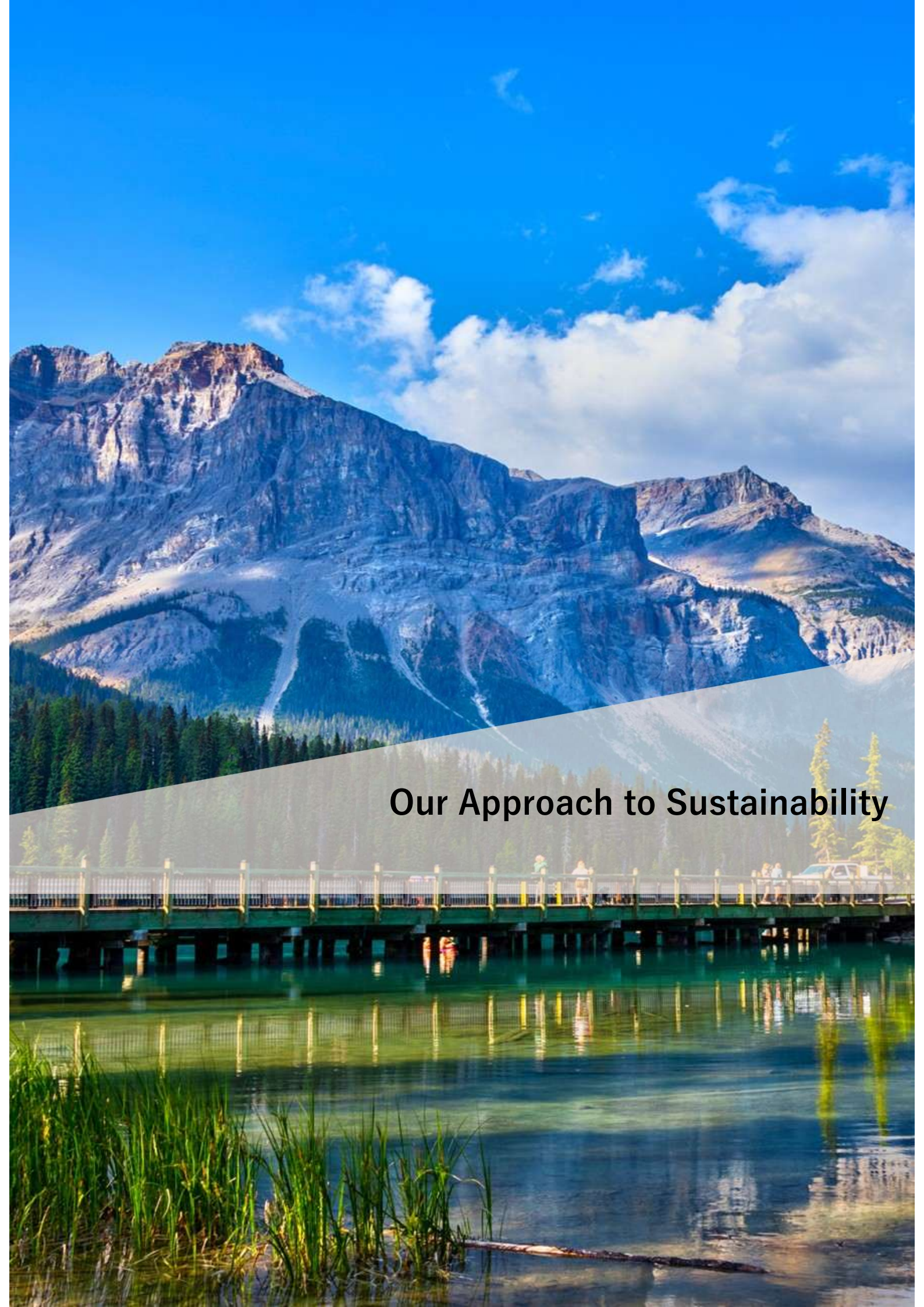
Reference Guidelines

CSIF and CSAM refer to the Global Reporting Initiative Standards (GRI Standards) issued by the Global Reporting Initiative when reporting on our Sustainability-related policies and initiatives.

Contact for Sustainability-Related Inquiries

Please use the following contact details for inquiries regarding sustainability.

Asset Manager	Canadian Solar Asset Management K.K.
Telephone Number	+81(0)3-6279-0311 (main phone number)
Office Hours	10:00 a.m. – 5:00 p.m. (Except Saturdays, Sundays, national holidays and year-end/new year holidays)



Our Approach to Sustainability

Organization Overview/ Business Overview

Overview of CSIF

Name	Canadian Solar Infrastructure Fund, Inc.
Name of Representative	Executive Director Hironobu Nakamura
Address	T-LITE 13F, 2-4-7 Toranomon, Minato-ku, Tokyo 105-0001
Asset Manager	Canadian Solar Asset Management K.K.

Overview of CSAM

Corporate Name	Canadian Solar Asset Management K.K.
Address	T-LITE 13F, 2-4-7 Toranomon, Minato-ku, Tokyo 105-0001
Business	(1) Investment management business (2) Activities as organizer of an investment corporation (3) Real estate brokerage (4) Activities accompanying or relating to any of the above
Established	June 23, 2016
Capital	200 million yen
Shareholder Composition	Canadian Solar Projects K.K. 100%
Name of Representative	CEO & Representative Director Hironobu Nakamura
Registration, License, etc.	Real Estate Brokerage (License No.: Governor of Tokyo (2) No. 99617) Discretionary transaction agent (License No.: Minister of Land, Infrastructure, Transport and Tourism Approval No. 115) Financial Instruments Business (Investment Management)(Director of Kanto Local Finance Bureau (Kinsho) No. 2987))

Portfolio List

Please check here. (<https://www.canadiansolarinfra.com/ja/portfolio/index.html>)

Basic Philosophy

Cleaner Energy for the Next Generation

CSIF and CSAM aim to build a more sustainable economy and society through expansion of the use of renewable energy in Japan in line with their basic philosophy of "Aiming to advance the widespread adoption and use of renewable energy to build a more sustainable economy and society."

Investment Highlights

1 The growth potential of the Investment Corporation, which is sponsored by developers of solar power generation facilities with extensive track records in Japan

- The Canadian Solar Group that operates globally
- A rich portfolio of sponsors, including a developer of large-scale solar power generation facilities
- Coordination with a vertical integration model, which covers the process from the manufacture of solar modules to the development and operation of solar power generation facilities

Find out more >

2 Taking advantage of a high level of sponsor management capability in pursuing the growth of the Investment Corporation

- Introduction of high-quality solar modules manufactured by the Canadian Solar Group
- Taking advantage of expertise in the planning and development of solar power generation facilities that was cultivated in the global market
- Use of O&M services to reduce operational risk and operational cost

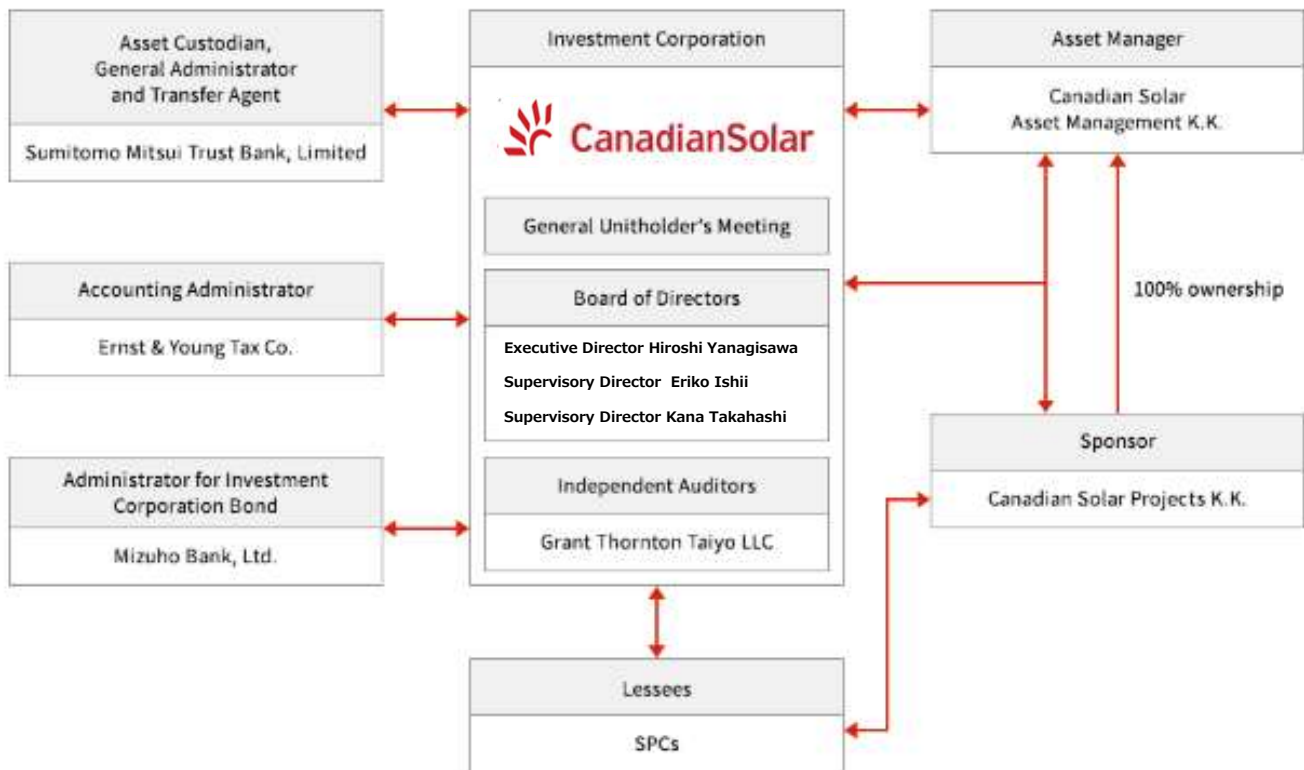
Find out more >

3 Stable cash flow based on feed-in tariff (FIT), robust financial strategy and reasonable distribution policy

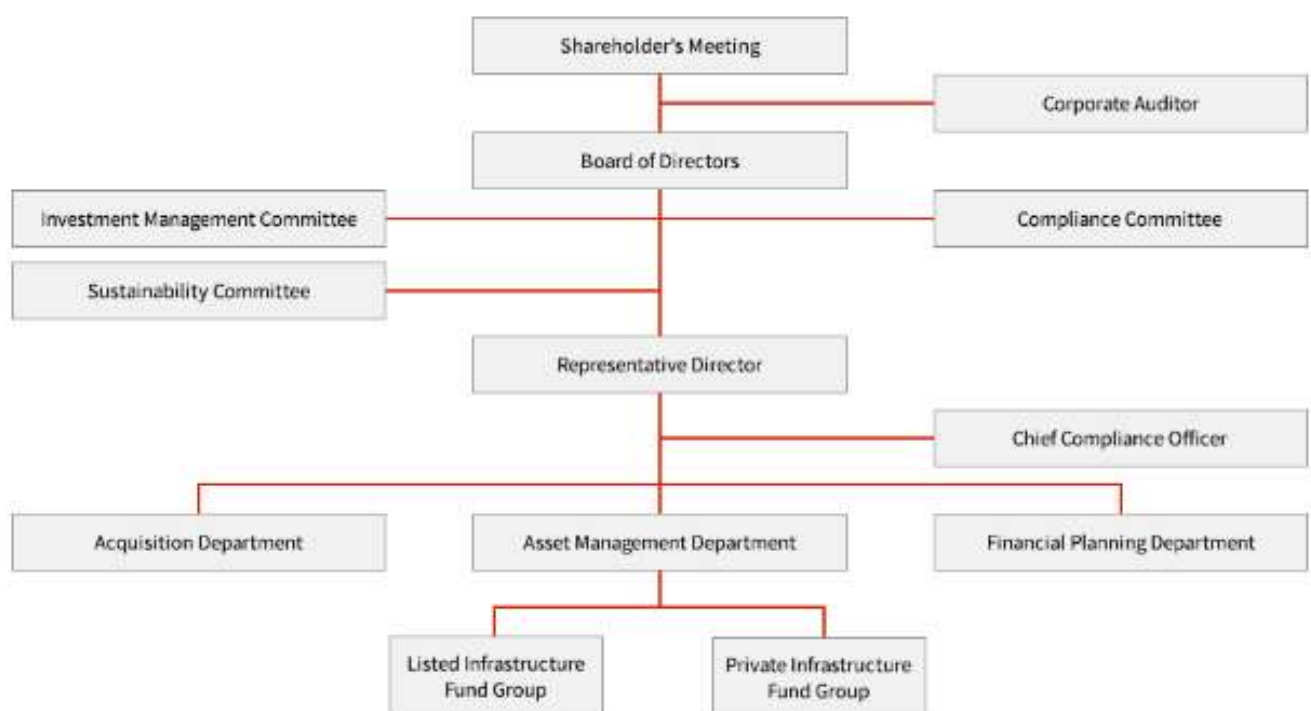
- Stable cash flow that takes advantage of FIT, etc. based on Japan's medium- and long-term energy policy
- Growth strategy and reasonable distribution policy based on robust financial strategy and with a focus on reinvesting the amount equivalent to depreciation

Find out more >

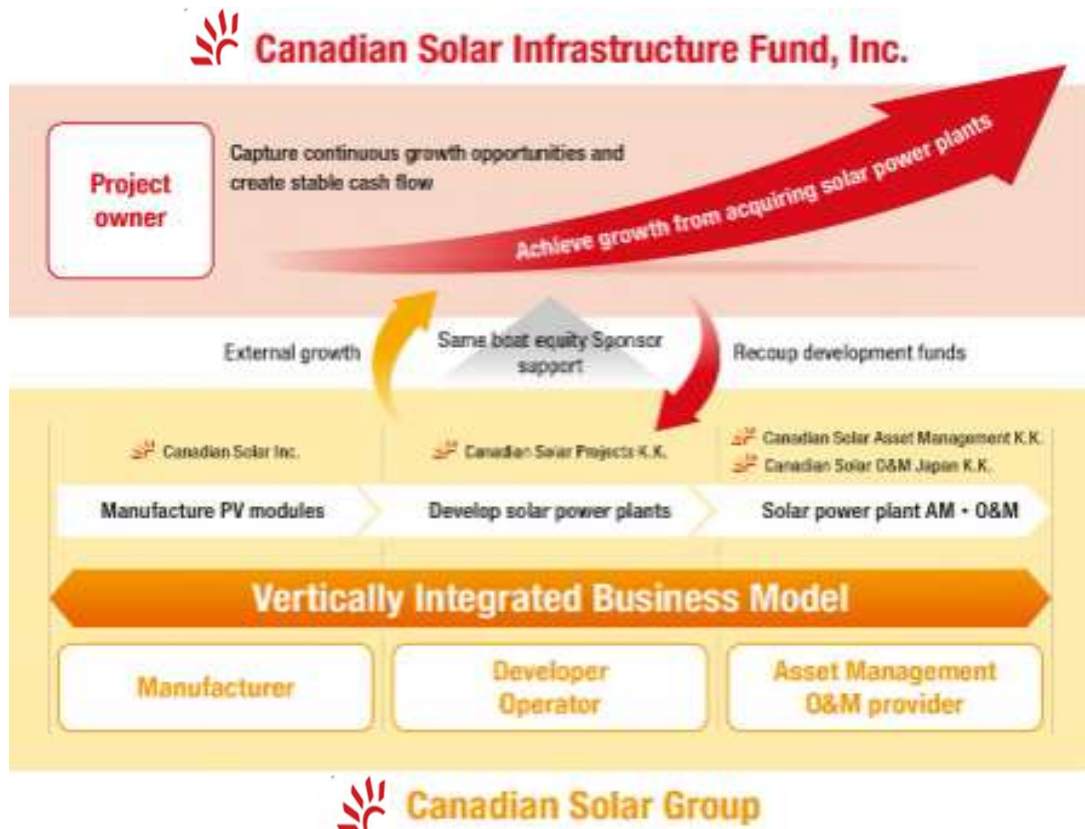
Structure



Organizational Chart of Asset Manager



Established in Canada in 2001, Canadian Solar Inc. is one of the world's solar technology and renewable energy companies. Canadian Solar comprehensively supports CSIF's investment, with the CSI solar segment offering solar technology and the Global Energy segment offering renewable energy.



The CSI Solar segment ("CSI Solar") consists of solar module development manufacturing and sales, and total system solutions, including inverters, solar system kits and EPC (engineering, procurement and construction). CSI Solar also includes Canadian Solar's battery storage integration business, delivering bankable, end-to-end, turnkey battery storage solutions for utility scale, commercial and industrial, and residential applications. These storage systems solutions are complemented with long-term service agreements, including future battery capacity augmentation services. Currently, Canadian Solar Inc. owns approximately 64% of CSI Solar's shares which is listed on the Shanghai Stock Exchange (as of December 31, 2025).

The Recurrent Energy segment ("Recurrent") has developed and built solar and battery storage projects in over 20 countries across the world. The Recurrent develops both stand-alone solar and stand-alone battery storage projects, as well as hybrid solar plus storage projects. Its monetization strategies vary between develop-to-sell, build-to-sell, and build-to-own, depending on business strategies and market conditions, with the goal of maximizing returns, accelerating cash turn, and minimizing capital risk. The Recurrent is also responsible for providing operations and maintenance services for both Canadian Solar as well as third-party developed projects.

Since Canadian Solar Infrastructure Fund, Inc. is an investment corporation which acquires solar plants developed by Canadian Solar Projects K.K. ("CSP") to be managed by Canadian Solar Asset Management K.K., which is CSP's wholly owned subsidiary. Therefore, the fund's sustainability approach is based on that of the Canadian Solar Group.

Please check here.
[ESG – CSI Solar – Global](#)

Basic Policy on Sustainability

CSIF and CSAM aim to build a more sustainable economy and society through expansion of the use of renewable energy in Japan in line with their basic philosophy of “Aiming to advance the widespread adoption and use of renewable energy to build a more sustainable economy and society.”

Furthermore, amid the growing focus on corporate responsibility to address global issues such as climate change and human rights abuses in recent years, CSIF and CSAM recognize that integrating environmental, social and governance (ESG) considerations into the investment decision and management process is essential for enhancement of unitholder value in the medium and long term.

In light of the foregoing, CSIF and CSAM invest in and manage solar power plants in accordance with the following Sustainability Policy, to realize both the “development of a sustainable society through achievement of the basic philosophies” and “enhancement of unitholder value in the medium and long term.”

1. Protection of the environment, including addressing climate change

We will actively invest in renewable energy power generation equipment to help mitigate climate change issues, aiming to realize a decarbonized society. We will consider the impact that the assets we manage have on natural capital and biodiversity in the regions in which they are located, and we will exercise appropriate risk management and also work on initiatives to protect them. Additionally, we will work to reduce environmental impact at the assets we manage by encouraging environmental practices such as improvement in energy efficiency, waste reduction and resource recycling.

By accurately identifying and evaluating environmental risks and opportunities such as the foregoing and properly managing them, we will achieve sustainable investment and operation.

2. Engagement with stakeholders, including employees, and social responsibility

We will build a work environment in which diverse human resources can fulfil their potential, and employees are offered flexible work options to suit their lifestyles. We will develop ongoing education and training programs for employees aimed at developing expertise in the renewable energy field and sustainability-related knowledge and skills. Further, we will make respect for human rights across the entire supply chain a fundamental principle and will collaborate with stakeholders in efforts to conduct business responsibly, giving consideration to work environments and workplace safety.

We will also build relationships of trust through active communication with local communities in which the assets we manage are located, and we will help realize a society in which we harmoniously coexist with local communities.

3. Basis for asset management with fairness and integrity

We will instill a Code of Conduct based on high ethical standards while also ensuring compliance with laws and regulations, and we will aim to maximize unitholder value through appropriate management of conflicts of interest. We will ensure transparency and accountability by building a robust governance framework.

We will also make sustainable information disclosures in compliance with domestic and international frameworks and strengthen sustainable initiatives and information disclosures through constructive dialogue with investors and other stakeholders.

Approach to Sustainability

CSIF and CSAM stipulate the following approach to investment in renewable energy power generation facilities.

Guidelines on Investment in Renewable Energy Power Generation Facilities

■ Investment in clean energy

Solar power plants and other power plants in which CSIF can invest in (hereinafter collectively referred to as “Renewable Energy Power Generation Facilities”) shall contribute to (1) reducing CO2 emissions and (2) mitigating environmental destruction, either directly or indirectly, and clean energy power stations with no resource waste and a high probability of improving the environment.

■ Identifying business risks when acquiring renewable energy power generation facilities

At the time of acquisition of renewable energy power generation facilities, its negative impact on the environmental and social aspects shall be checked by in-house departments with expertise by obtaining a soil contamination report, structural integrity report and technical due diligence report produced by a third party. Where the subject facilities have a risk, it shall be judged that a countermeasure is taken and that the negative impact is unlikely to exceed environmental improvement effects.

■ Establishing the SRI selection process

Eligibility criteria and the selection process of green projects shall be established. In the due diligence of new investment projects implemented by CSIF, it shall be judged that the renewable energy power generation facilities will (1) not damage the health of people in the neighborhood or negatively impact the local municipality, and (2) not be involved in forced labor in the supply chain and in the development. At the same time, risks shall be identified by the Acquisition and Asset Management Department of CSAM as Asset Manager. Where a negative environmental impact has been identified, countermeasures shall be taken by applying knowledge of internal and external specialists to eliminate factors causing the impact. In addition, where solar power generation facilities or the similar facilities are to be acquired from a related party, the acquisition shall be deliberated and resolved by CSAM’s Compliance Committee in advance.

Sustainability Implementation System

■ Sustainability Committee

The Sustainability Committee was established mainly to deliberate on and determine basic policies and other matters relating to sustainability activities implemented by CSIF and CSAM.

■ Sustainability Committee Members

Chief Sustainability Officer: CEO and Representative Director (Committee Chair)

Committee Members: All officers (Directors and Executive Officers), Chief Compliance Officer and all General Managers of Departments

Secretariat: Asset Management Department

Implementation of decisions: Every department

■ Matters to be deliberated on and determined by the Sustainability Committee

- (1) Formulation and revision of basic policy and basic plan for sustainability activities
- (2) Formulation and revision of annual priorities for sustainability activities
- (3) Monitoring of progress of sustainability initiatives
- (4) Deliberation on and determination of disclosure of material information about sustainability activities
- (5) Responding to inquiries internally and externally with matters related to sustainability activities
- (6) Verification of and recommendations on the company's management policies and business activities from a sustainability perspective
- (7) Matters deliberated and determined at the request of each Department General Manager
- (8) Matters deemed necessary by the Committee Chair or matters specified separately in the Company's internal rules
- (9) Other matters incidental thereto

■ Matters to be reported to the Sustainability Committee

- (1) Matters concerning the results of the Company's sustainability activities
- (2) Matters deliberated on and determined by the Sustainability Committee which are referred to the Board of Directors
- (3) Matters deemed necessary by the Committee Chair and matters specified separately in the Company's internal rules
- (4) Other material matters concerning the Company's sustainability activities

■ Frequency of Sustainability Committee meetings

Convened by the Committee Chair and held at least once every six months, in principle

Stakeholder Engagement

Basic Approach

CSIF and CSAM build connections with various stakeholders as a basis for their business activities and believe that to continue contributing to society, it is important to accurately understand the needs and expectations of stakeholders and society and to respond to these needs and expectations through their business activities.



Investors and unitholders

- Active communication of information and creation of communication tools
- Holding of financial results presentations and IR meetings with institutional investors
- Participation in IR events and online seminars



Government

- Concentration on expansion of assets likely to contribute to Japan's energy policy
- Lobbying for conduit conditions
- In listed infrastructure fund market
- to be made permanent



Business partners

- O&M, etc. contractors and subcontractors
- Equipment suppliers
- Power plant lessees



Employees

- Training programs
- Promoting diversity
- Support for the acquisition of qualifications



Local Communities and International Society

- Contributions to local communities
- Support for initiatives

Recognizing that the realization of a sustainable society is essential for CSIF's sustainable growth and will mitigate CSIF's business risks, CSIF believes that contributing to the resolution of social issues through its business is in line with CSIF's basic policies of "building a more sustainable economy and society through achievement of the basic philosophy" and "enhancing unitholder value in the medium and long term.

In specific initiatives, CSIF and CSAM held much discussion based on Material Issues from the two perspectives (double Materiality) of the IIRC (Materiality from the investor's perspective as defined in the Guidance for Collaborative Value Creation published by the Ministry of Economy, Trade and Industry, etc.; environmental and social issues which have a material impact on a company's value creation so to speak) and GRI (Materiality from a multi stakeholder perspective as defined in Global Reporting Initiative, etc.; most significant impacts of an organization's activities on the economy and environment), taking into consideration the impact on CSIF's business and performance and stakeholders' expectations and interest, and they then identified the ESG issues which were especially important for CSIF (Materiality) as follows.

Material Issue Identification Process

When identifying Materiality, CSAM's Sustainability Promotion Secretariat, which is made of members from across the organization, holds discussions to extract issues and identify Materiality, which is then approved by the Sustainability Committee as the decision-making body.

Step 1. Extraction of issues

When extracting issues likely to impact the sustainable growth of the environment, society and the economy, CSIF went beyond the scope covered in this report, widening the scope to include areas in which CSIF's activities have a direct or indirect impact, and held wide ranging discussions with reference to the following external information.

- Global problem-solving framework: SDGs
- Matters of interest to investors and other stakeholders: GRI, SASB Standards, GRESB Infrastructure Asset assessment criteria, MSCI and other rating criteria used by ESG rating agencies

STEP 2. Identification of Materiality

Each of the extracted issues was put in order of priority based on "impact on CSIF's investment policy and performance" and "impact on stakeholders and environment and society" and the Material Issues which CSIF should focus on as a priority were identified.

Step 3. Deliberation and Approval by the Sustainability Committee

Each of the Material Issues was approved by the Sustainability Committee, which is chaired by CSAM's CEO and Representative Director as the person with final decision authority, following deliberation of their appropriateness.

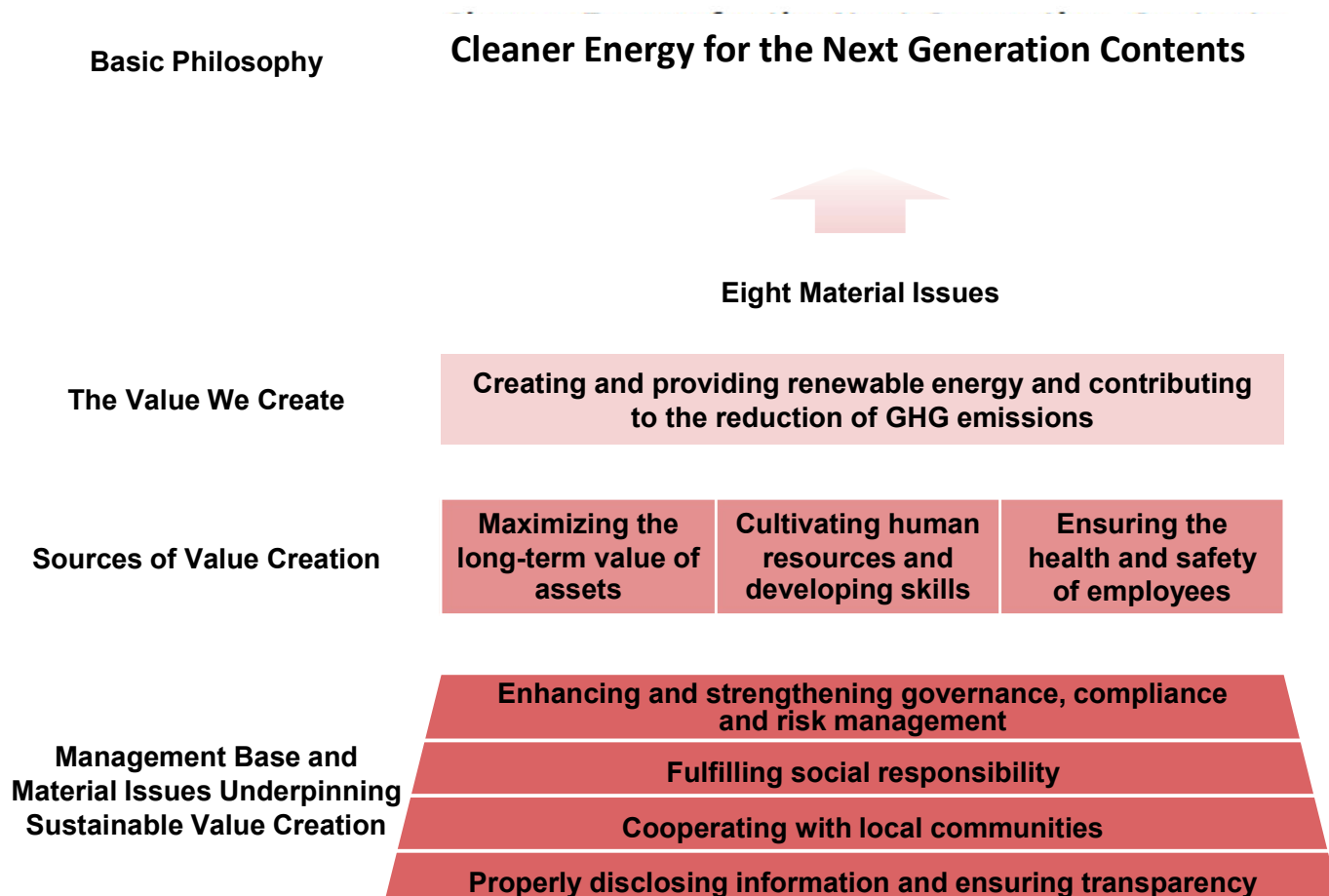
Step 4. Sharing and periodic review of Material Issues

The identified Material Issues are shared with all CSAM's officers and employees and CSIF's Directors and must be reviewed periodically to ensure flexible adaptation to changes in society and the environment.

Overview of Materiality (Material Issues)

CSIF and CSAM identify issues to be addressed as a priority as Materiality (Material Issues).

As shown in the figure below, CSIF and CSAM are working to achieve their basic philosophy by focusing on the eight Material Issues that make up the three tiers "The Value We Create," "Sources of Value Creation" and "Management Base and Material Issues Underpinning Sustainable Value Creation."



GHG: Greenhouse gases

Our Approach to Materiality (Material Issues)

The Material Issues we identified, our goals, key issues to be addressed, and the corresponding SDGs are as shown below. Details of initiatives to address key issues are provided from page 18 of this report. Going forward, CSIF and CSAM plan to set KPIs based on the progress of initiatives to address each key issue implemented through their business activities.

	Materiality	Goal	Key issues	Related SDGs
The Value We Create	Creating and providing renewable energy and contributing to the reduction of GHG emissions	Increased supply of renewable energy to meet the renewable energy needs of consumers and greater contribution to reduction of GHG emissions	- Expansion of CSIF's assets - Management of climate-related risks and opportunities - Funding through green financing	 
Sources of Value Creation	Maximizing the long-term value of assets	Introduction of high-quality, high-efficiency PV power generation equipment, and achievement of stable operation in the long term through high-level O&M services	- Procurement and installation of high-quality, high-efficiency facilities - Performance maintenance through O&M services	  
	Cultivating human resources and developing skills	Development of human resources with high levels of expertise and skills in the renewable energy field and provision of great places to work	- Human capital development - Work style reforms	 
	Ensuring the health and safety of employees	Improvement of productivity and happiness through the physical and mental wellbeing of each employee and the development of a safe working environment	- Health and productivity management - Occupational health and safety	 
Management Base and Material Issues Underpinning Sustainable Value Creation	Enhancing and strengthening governance, compliance and risk management	Establishment of a sophisticated governance framework that contributes to sustainable growth and the enhancement of unitholder value	- Corporate governance - Compliance - Risk management - Conflict of interest management, corruption prevention	
	Fulfilling social responsibility	Steady fulfilment of social responsibility in cooperation with stakeholders to address issues such as respect for human rights and protection of the environment	- Respect for human rights - Socially responsible procurement (reduction of environment impact through panel production) - Consideration for natural capital and biodiversity - Management of PV power generation equipment in the disposal stage	    
	Cooperating with local communities	Strengthening of relationships of trust with local communities through active communication and activities that contribute to local communities	Framework for cooperation with local communities	
	Properly disclosing information and ensuring transparency	Timely and accurate provision of information to stakeholders	Action to address disclosure initiatives	

Signatory to the Principles for Responsible Investment (PRI)

In August 2019, Canadian Solar Asset Management K.K., which is the Investment Corporation's Asset Manager, became the first Japanese asset manager of a listed infrastructure fund to be a signatory to the UN PRI (United Nations supported Principles for Responsible Investment). The UN PRI is an initiative launched in 2006 at the instigation of then UN Secretary-General Kofi Annan. They are global guidelines requiring asset managers, etc. to integrate ESG into their decision-making process. CSIF and CSAM shall clarify their initiatives to address ESG issues and aim for responsible investment management, in order to contribute even more to fulfilment of the social responsibilities.

<The six Principles for Responsible Investment>

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

Signatory of:



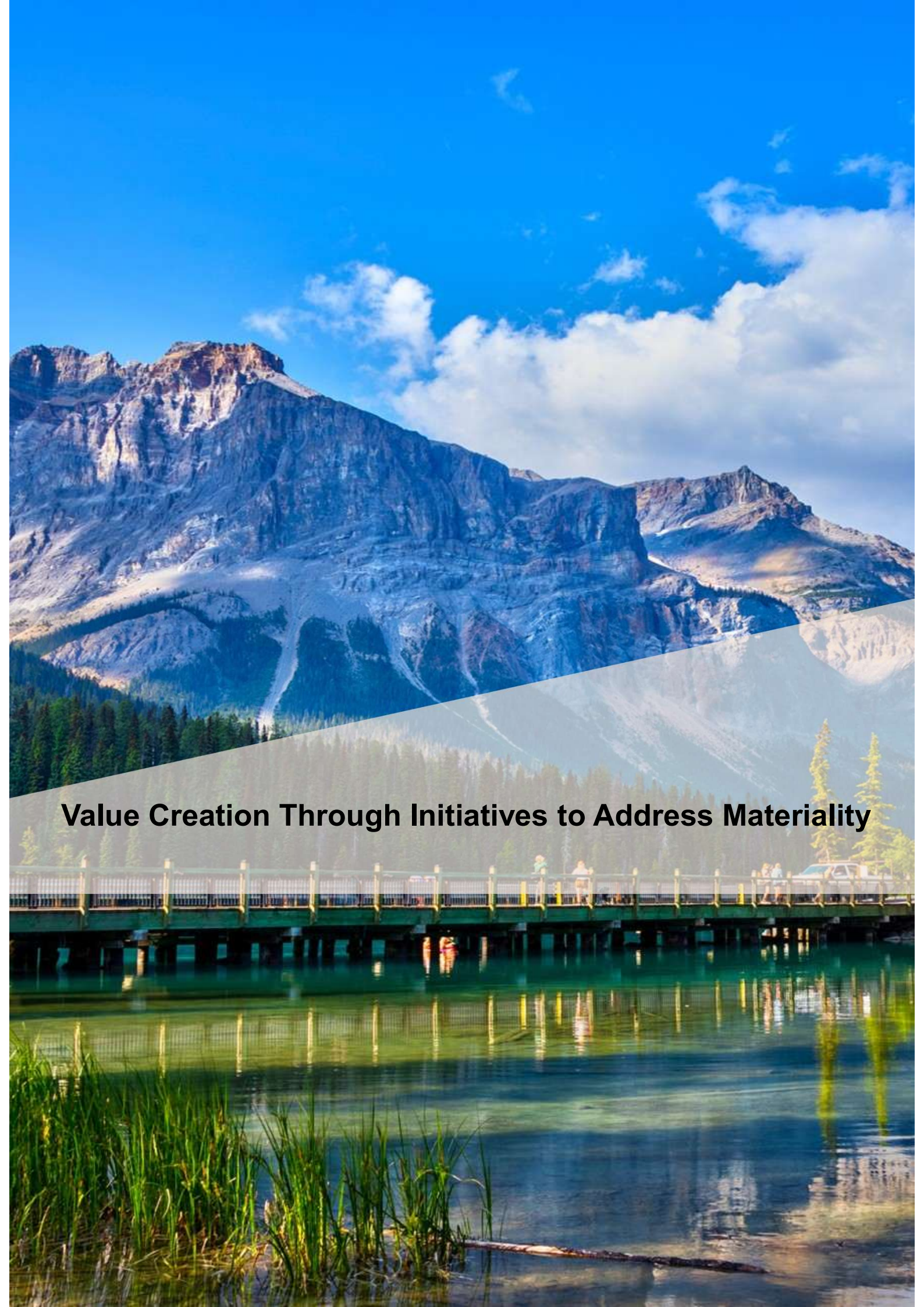
Support for the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

The Task Force on Climate-related Financial Disclosures (TCFD) was created by the Financial Stability Board for the purpose of reviewing financial institutions' climate-related information disclosure and response. Climate change should be seen as a significant risk to the global economy and companies, etc. should understand and disclose climate related information under the four pillars Governance, Strategy, Risk Management and Metrics and Targets.

The TCFD Consortium was established as a forum for the companies and financial institutions, who support the TCFD's recommendations, to jointly promote their efforts and discuss companies' effective information disclosure and financial institutions' use of such information for making appropriate investment decisions.

CSAM declared its support for the TCFD recommendations and also participates in the TCFD Consortium, which is an organization made up of companies which support TCFD in Japan.





Value Creation Through Initiatives to Address Materiality

Creating and providing renewable energy and contributing to the reduction of GHG emissions

Expansion of CSIF's assets

Basic Approach

CSIF and CSAM will help reduce GHG emissions of society as a whole through expansion of their business.

Policy and Direction of Initiatives

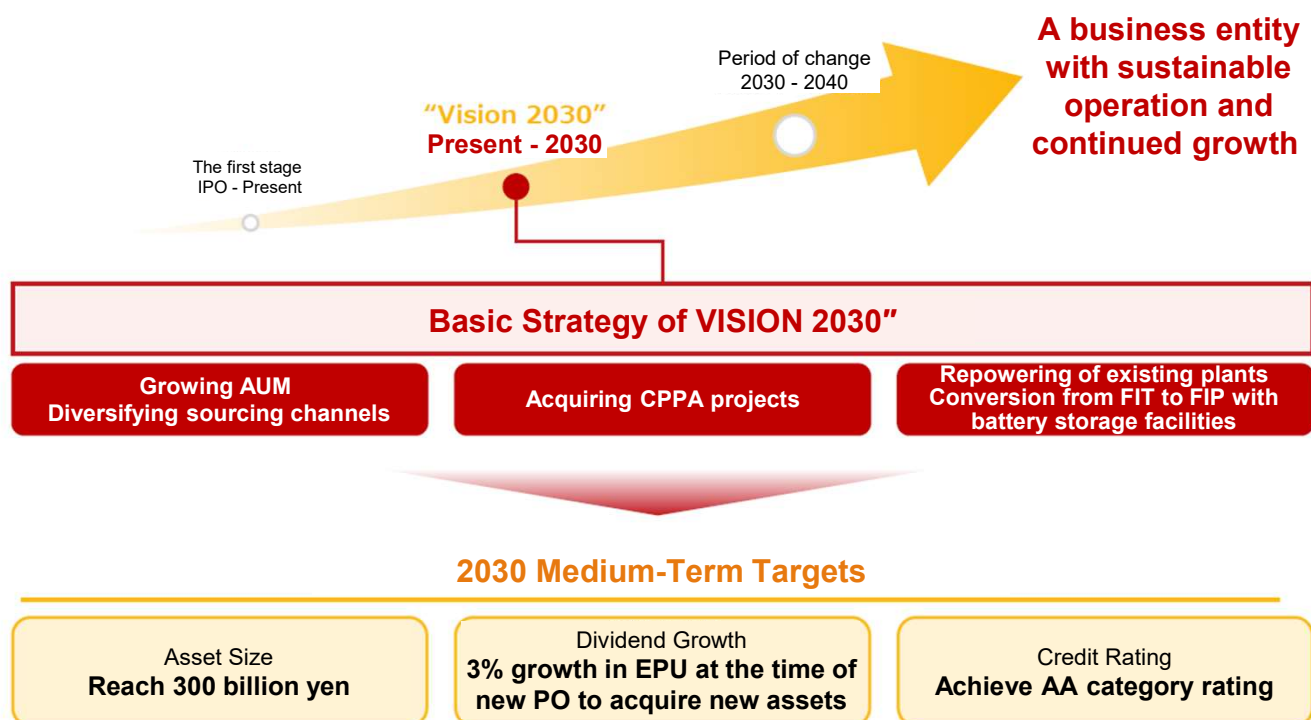
CSIF and CSAM will concentrate on continuously expanding AUM based on the approach that the more electricity generated at the solar power plants owned by them, the more they can help reduce GHG emissions.

Medium-Term Management Plan "VISION 2030"

Since the IPO, CSIF has continuously acquired high-quality solar power plants.

As a result, AUM as of the end of December 2025 reached 102 billion yen (acquisition price basis), more than 3.3 times the size at the time of the IPO.

To continue growing and expanding in the future, CSIF set out the Medium-Term Management Plan "VISION 2030" and aims to achieve asset size of 300 billion yen as a 2030 medium-term target.



Creating and providing renewable energy and contributing to the reduction of GHG emissions

Management process of climate-related risks and opportunities

Basic Approach

CSIF and CSAM, together with Canadian Solar Projects K.K., a sponsor for CSIF and CSAM, aim to contribute to building a sustainable economic society in local regions while paying attention to the global environment and therefore invest mainly in renewable energy power generation facilities and conduct business with a focus on the environmental aspect among sustainability considerations.

■ Disclosure of information about climate change initiatives based on the TCFD (Note) Recommendations

Recognizing that climate change is an important environmental issue with potential risks and opportunities for business operations, CSIF and CSAM have decided to disclose information in line with the TCFD recommendations in the areas of governance, strategy, risk management, and metrics and targets.



(Note) TCFD: Task Force on Climate-related Financial Disclosures

Task Force on Climate-related Disclosures: Initiative which was established by the Financial Stability Board (FSB) based on the wishes of G20 Finance Ministers and Central Bank Governors and which recommended that organizations assess and disclose the potential financial impacts of climate-related risks and opportunities.

Governance

CSIF's Board of Directors supervises action on sustainability issues including action on climate change by receiving reports twice a year from the Sustainability Committee.

The Sustainability Committee is chaired by the Representative Director and CEO who is responsible for managing climate-related risks and opportunities. Leveraging the latest knowledge of renewable energy-related policy developments and climate-related disasters, etc., the committee identifies risks and opportunities based on the proposals of business execution departments and provides advice and guidance.



Risk Management

CSIF and CSAM evaluate the importance of solar power generation climate-related risks and opportunities, taking factors such as impact on business, probability of occurrence, connection with business strategies, and level of stakeholder interest into consideration.

The management process for climate-related risks is integrated into the Risk Management Regulations and Risk Management Policy established under the existing Risk Management Framework and identified material risks are managed from diverse perspectives including risk understanding and awareness methods, risk limits, risk mitigation measures (methods for addressing risk), and risk reduction methods on risk discovery.

Creating and providing renewable energy and contributing to the reduction of GHG emissions

Management process of climate-related risks and opportunities

Strategies

■ Identification of risks and opportunities

Risks and opportunities associated with climate change can be divided into “transition risks and opportunities” arising from the transition to a decarbonization society, such as the increased share of renewables in the electricity generation mix, and “physical risks and opportunities” arising from changes in the climate, such as the increased severity of climate-related disasters.

CSIF and CSAM recognize that these risks and opportunities will each materialize at different times and classified them into short, medium and long-term risks (0-5 years, 5-15 years and 15+ years) as shown in the table below.

Category		Key risks and opportunities	Materialization timing
Transition risks	Regulations	Response to more rigorous assessment of environmental impacts	Short term
		Decrease in volume of electricity sales due to output curtailment	Short term
	Market	Decrease in electricity demand due to shrinking population	Long term
		Decrease in electricity demand due to decline of primary material industry	Long term
	Technology	Contraction of commercial market due to expansion of residential market resulting from widespread introduction of distributed energy systems	Medium Term
Physical Risks	Acute	Rising cost of tackling natural disasters due to increased severity of climate-related disasters	Short term
	Chronic	Decrease in volume of electricity sales due to changing weather patterns	Short term
Opportunities	Products and Services	Increase in volume of electricity sales as a result of growing demand for renewables	Medium Term
	Market	Increase in volume of electricity sales due to wider range of facilities including floating solar power generation systems and farming type photovoltaic generation systems	Medium Term
		Growth in electricity demand due to use of electricity in energy-intensive industries, etc.	Medium Term
	Technology	Decrease in capital expenditure due to increase in cumulative production volume of solar power generation facilities	Medium Term

■ Scenario analysis

For climate change related risks and opportunities that we identified and organized, we conducted scenario analysis on the following themes which were assessed as having a “high degree of importance,” taking into consideration factors such as impact on business, connection with business strategies, and level of stakeholder interest.

- Impact of increasing severity of climate-related disasters on power plants (flood, high tide, wind damage)
- Increase in volume of electricity sales as a result of growing demand for renewables
- Increase in volume of electricity sales due to wider range of facilities including floating solar power generation systems and farming type photovoltaic generation systems
- Decrease in capital expenditure due to increase in cumulative production volume of solar power generation facilities

→Find out more

<https://ssl4.eir-parts.net/doc/9284/tdnet/2085629/00.pdf>

Creating and providing renewable energy and contributing to the reduction of GHG emissions

Management process of climate-related risks and opportunities

Metrics and Targets

In the investment and operation of solar power generation facilities, which are the core businesses of CSIF and CSAM, government decarbonization and energy policies are recognized as key factors. Japan's 7 Basic Energy Plan emphasizes the expansion of renewable energy as a one of primary power sources while maintaining a balanced energy mix. By fiscal year 2040, renewable energy is expected to account for the largest share of the power generation mix, with solar power generation projected to increase to approximately two to three times the fiscal year 2023 level.

In managing investment strategies as well as related risks and opportunities, we monitor trends in the share of solar power within the national energy mix and aim to contribute to the realization of a sustainable society.

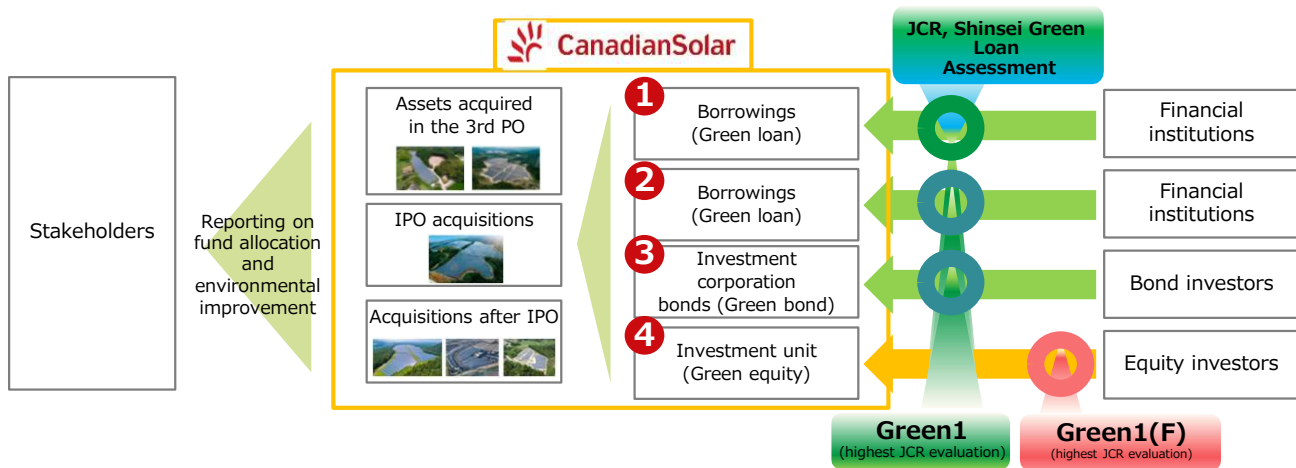
We also recognize that reduction of electricity sales loss through output curtailment is also important to ensure stable revenue from sales of electricity from solar facilities. To this end, we have been installing online output curtailment system and we will continue considering gradually shifting to online output curtailment based on an assessment of cost-effectiveness.

Property number	Name of property	Online system	Property number	Name of property	Online system
S-01	CS Shibushi-shi Power Plant	○	S-19	CS Misato-machi Power Plant	
S-02	CS Isa-shi Power Plant	○	S-20	CS Marumori-machi Power Plant	○
S-03	CS Kasama-shi Power Plant		S-21	CS Izu-shi Power Plant	○
S-04	CS Isa-shi Dai-ni Power Plant	○	S-22	CS Ishikari Shinshinotsu-mura Power Plant	○
S-05	CS Yusui-cho Power Plant	○	S-23	CS Osaki-shi Kejonuma Power Plant	○
S-06	CS Isa-shi Dai-san Power Plant	○	S-24	CS Hiji-machi Dai-ni Power Plant	○
S-07	CS Kasama-shi Dai-ni Power Plant		S-25	CS Ogawara-machi Power Plant	○
S-08	CS Hiji-machi Power Plant	○	S-26	CS Fukuyama-shi Power Plant	○
S-09	CS Ashikita-machi Power Plant	○	S-27	CS Shichigasyuku-machi Power Plant	○
S-10	CS Minamishimabara-shi Power Plant(East & West)	○	S-28	CS Kama-chi Power Plant	○
S-11	CS Minano-machi Power Plant		S-29	CS Miyako-machi Saigawa Power Plant	○
S-12	CS Kannami-cho Power Plant		S-30	CS Kasama-shi Dai-san Power Plant	○
S-13	CS Mashiki-machi Power Plant	○	S-31	CS Yamaguchi-shi Power Plant	○
S-14	CS Koriyama-shi Power Plant	○	S-32	CS Sakura-shi Power Plant	○
S-15	CS Tsuyama-shi Power Plant	○	S-33	CS Hiroshima-shi Suzuhari Power Plant	○
S-16	CS Ena-shi Power Plant	○	S-34	CS Sakura-shi Kitsuregawa Power Plant	○
S-17	CS Daisen-cho Power Plant (A & B)	○	S-35	CS Tsukuba-shi Takamihara Power Plant	○
S-18	CS Takayama-shi Power Plant	○			

Creating and providing renewable energy and contributing to the reduction of GHG emissions

Fund Raising Under Green Finance Framework

■ CSIF first received a Green 1(f) rating, the highest assessment rating, from JCR for the Green Finance Framework in May 2020, and maintain the same the highest assessment rating after the latest review in January 2026.



- 1 CSIF obtained a Green1 (the highest rating) assessment from JCR and a Shinsei Green Loan Assessment from Shinsei Bank, Limited (Current SBI Shinsei Bank, Limited), which is one of CSIF's arranger banks, for the borrowings of 17.0 bn yen allocated towards acquisitions during the 8th Fiscal Period (acquired on March 8, 2021).
- 2 The borrowings amounting to 15.7 bn yen which was allocated towards the funds for acquiring the acquisitions for the IPO obtained a Green1 (the highest rating) assessment by JCR on November 22, 2017, based on JCR's evaluation of the use of proceeds and CSIF's management / operation / transparency.
- 3 On January 26, 2021, CSIF issued a 5-year Green Bond of 3.8 bn yen, which was given JCR Green1 assessment and the proceeds will be used for the repayment of borrowings. On October 24, 2024, CSIF issued the second 5-year Green Bond of 1.4 bn yen.
- 4 On June 30, 2023, at the time of the new public offering, CSIF has revised its Green Finance Framework to make it also applicable to the issuance of investment units.

Creating and providing renewable energy and contributing to the reduction of GHG emissions

Fund Raising Under Green Finance Framework

Assets Financed Under Green Finance Framework (as of December 2025)

Property Number	Name of Power Plants
S-01	CS Shibushi-shi Power Plant
S-02	CS Isa-shi Power Plant
S-03	CS Kasama-shi Power Plant
S-04	CS Isa-shi Dai-ni Power Plant
S-05	CS Yusui-cho Power Plant
S-06	CS Isa-shi Dai-san Power Plant
S-07	CS Kasama-shi Dai-ni Power Plant
S-08	CS Hiji-machi Power Plant
S-09	CS Ashikita-machi Power Plant
S-10	CS Minami Shimabara-shi Power Plant (East & West)
S-11	CS Minano-machi Power Plant
S-12	CS Kannami-cho Power Plant
S-13	CS Mashiki-machi Power Plant
S-20	CS Marumori-machi Power Plant
S-21	CS Izu-shi Power Plant
S-22	CS Ishikari Shinshinotsu-mura Power Plant
S-23	CS Osaki-shi Kejonuma Power Plant
S-24	CS Hiji-machi Dai-ni Power Plant
S-25	CS Ogawara-machi Power Plant
S-26	CS Fukuyama-shi Power Plant
S-27	CS Shichigasyuku-machi Power Plant
S-28	CS Kama-shi Dai-ni Power Plant
S-29	CS Miyako-machi Saigawa Power Plant
S-30	CS Kasama-shi Dai-san Power Plant
S-31	CS Yamaguchi-shi Power Plant
S-32	CS Sakura-shi Power Plant
S-33	CS Hiroshima-shi Suzuhari Power Plant
S-34	CS Sakura-shi Kitsuregawa Power Plant
S-35	CS Tsukuba-shi Takamihara Power Plant

Creating and providing renewable energy and contributing to the reduction of GHG emissions

The reduction of GHG emissions

Basic Approach

By generating more solar renewable energy through expansion in its asset size, CSIF will help reduce the GHG emissions of society as a whole.

Reduction in CO₂ Emissions Through Expansion in Asset Size

Since listing, CSIF and CSAM helped reduce CO₂ emissions by 676,366,780 kg in total through the generation of electricity at the solar power plants they own. By continuing to increase CSIF's asset size and generate more solar renewable energy, CSIF and CSAM will help further reduce CO₂ emitted by society as a whole.

	Number of Power Plant	Solar panel output (MW)	Volume of power generated (kWh)	Amount of CO ₂ reduction (kg-CO ₂)
6-month ended June 30, 2018	15	75.3	57,471,288	30,322,149
6-month ended December 31, 2018	18	105.6	50,156,955	25,732,694
6-month ended June 30, 2019	20	108.9	61,581,643	33,178,668
6-month ended December 31, 2019	21	119.7	58,052,643	31,079,950
6-month ended June 30, 2020	21	119.7	65,575,444	35,172,986
6-month ended December 31, 2020	23	123	67,625,153	31,957,301
6-month ended June 30, 2021	25	183.9	95,178,803	40,791,271
6-month ended December 31, 2021	25	183.9	99,477,176	41,599,914
6-month ended June 30, 2022	25	183.9	112,443,183	46,967,688
6-month ended December 31, 2022	25	183.9	99,893,868	42,834,862
6-month ended June 30, 2023	25	183.9	90,355,205	39,397,574
6-month ended December 31, 2023	31	226.4	126,596,205	55,735,464
6-month ended June 30, 2024	31	226.4	121,393,974	52,816,859
6-month ended December 31, 2024	32	227.6	123,738,383	54,139,291
6-month ended June 30, 2025	34	246.3	129,709,065	55,750,741
6-month ended December 31, 2025	35	247.6	139,997,570	58,889,368
Total			1,499,246,558	676,366,780

Maximizing the long-term value of assets

* Report coverage: Canadian Solar Group

Procurement and Installation of High-quality, High-efficiency Facilities

The Canadian Solar Group has succeeded in processing large-scale wafers, enabling introduction of crystalline silicon solar modules with power output exceeding 400 W. This has led to lower costs for the manufacture, transportation and installation of modules and has also significantly lowered the cost of peripheral equipment (BOS).

In 2023, the Group began mass production of N-type TOPCon solar modules, and increased the production capacity of TOPCon solar cells to 30 GW per year. In 2024, the 182-Pro rectangular-format TOPCon module was launched and has garnered widespread market recognition and emerged as one of the latest industry-standard products.

Moreover, CSI Solar, a Canadian Solar Group company which manufactures solar modules and storage battery products, plans to expand internal production capacity for related products, in order to further improve product quality.

In addition, Recurrent Energy, a Canadian Solar Group company which develops and owns solar and storage battery assets all around the world, employs centralized procurement strategies that capitalize on its scale of operations, to secure a stable, adequate and cost-effective procurement of the equipment necessary for the project development business.

Performance Maintenance Through O&M Services

Canadian Solar Group company Canadian Solar O&M Japan K.K. provides O&M services for power plants.

The site monitoring and asset management software (CSEye) introduced by Canadian Solar O&M Japan provides critical 24/7/365 remote monitoring, diagnostics and troubleshooting.

Canadian Solar O&M Japan also works to ensure that power plants can achieve optimal performance by constantly monitoring the status, availability and safety of all solar power generation systems and carrying out essential preventive maintenance.



Basic Approach

Our culture has always been to put people first and treat everyone with dignity.

We promote equity, diversity, and inclusion, as we believe a diverse workforce is the driver of creativity and innovation and is critical to our long-term success. Best practices are implemented locally in keeping with our global strategies across our operating operations, from manufacturing to sales and project development.

Canadian Solar is an equal employment opportunity employer and does not tolerate discrimination of any kind, including, but not limited to, race, color, ethnicity, gender, religion, political or other opinion, sexual orientation, age, disability status, or other distinguishing characteristics. We hire, promote, and reward employees based on their qualifications, experience, development potential, and performance, and also take diversity into account, with the goal of assembling a group of talented and skillful individuals with diverse aim to increase female representation in our global workforce. We also aim to increase the share of employees with special needs.

■ Female Employees by Job Class

	2022	2023	2024
Overall	32%	32%	32%
Middle Management and Above	26%	26%	26%
Senior Management	7%	9%	13%

■ Employees with Disabilities

	2022	2023	2024
Overall	0.7%	0.7%	0.9%

Talent Strategy, Training, and Development

Our people are our most important asset.

They are the driver of our sustainable competitiveness and key to achieving our goals and mission. As such, we recalibrate our talent strategy and monitor progress annually to ensure that we remain on track with our short, medium, and long-term goals.

Training, Skills and Career Development Programs

To prioritize talent skillsets that we have identified as critical for the long-term success of our business, we build out and review our talent pipeline on a regular basis. Our human capital development team helps employees develop skills and knowledge sets that may not be readily available in the market. We have also established a succession planning process based on business needs, talent availability, and employee feedback.

■ Recurrent Energy Academy

Recurrent Energy Academy provides employees with learning resources covering all key business functions, including project development, project sales, energy storage, asset management, O&M, and EPC management. Each topic has different levels, from entry level to expert level.

Initiatives such as the Business Leader Development Program, where we partner with prestigious universities to provide online lectures, webinars, and project assignments, meet this need by providing training and development opportunities for all different levels of leadership.

We have also extended our partnership with LinkedIn Learning in 2024. The platform offers a wide range of content that enables employees to easily identify resources that match their developmental needs. We have integrated LinkedIn training content into our intranet to enhance awareness of our values and behaviors.

■ CSI Solar University

CSI Solar University (CSIU) aims to enhance professional skills, inspire innovative thinking, and promote effective communication across our workforce. CSIU offers a variety of courses on topics such as strategic management, finance, industry trends, digitalization, and effective communication.

■ On-the-job Training (OJT)

At Canadian Solar Group, we facilitate regular on-the-job training sessions for all employees, covering areas such as Environmental Health and Safety (EHS), compliance, industry and market development, professional skills, and trade knowledge. In 2024, average hours per employee was 33.

Realization of diverse work styles

The Group strives to practice management without prejudice based on gender, nationality, age, appearance, and other attributes, in its efforts to create a workplace environment that is free from discrimination. Based on the belief that human resources are its greatest assets, the Canadian Solar Group seeks to improve employee health, labor management, crisis management, and other aspects by conducting employee satisfaction surveys and stress checks. Thus, the Canadian Solar Group strives to improve the workplace so that it is comfortable for employees in this era of diversity.

Introduction of flextime system

From April 2021, CSAM introduced a flextime system, with core hours of 11am to 4pm every day, to improve productivity while ensuring the diversity of employees. Remote work was introduced at CSAM from March 2020 as a measure to combat the spread of COVID-19. It was later introduced permanently as a new style of working.

Employee Engagement Surveys

The Canadian Solar Group regularly conducts employee engagement surveys to gauge employees' engagement and job satisfaction levels.

The employee engagement survey is scored out of five points, where higher scores indicate higher levels of engagement. Generally, companies with higher employee engagement have higher retention rates, increased production efficiency, enhanced customer satisfaction, and improved profit margins compared to companies with lower employee engagement.

The 2024 survey revealed that the Canadian Solar Group's corporate culture, sense of belonging and performance are highly valued by employees. The Canadian Solar Group aims for further improvement and will use the feedback obtained through the survey results in continued efforts to improve management processes and employee engagement.

■ Result of Employee engagement surveys (from 2021 to 2024)

	2022	2023	2024
Average engagement score (point)	4.40	4.44	4.40

Ensuring the health and safety of employees

※ Report coverage: : Canadian Solar Group (including CSP, CSAM, CS O&M)

Basic Approach

At Canadian Solar Group, employee safety is our top priority.

The Group has established a Human Rights Policy, supports respect for human rights and strives to respect all human rights in practice in accordance with the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO) and the UN Guiding Principles on Business and Human Rights, etc. The Group also complies with laws on the health and safety of workers and is committed to developing a safe and healthy working environment.

Health Management

Promoting health management

Doctor Trust Co.'s service is used to provide health support-related informative emails on a regular basis and raise awareness of helplines to dispel concerns related to the management of physical and mental health, making it easier for employees to seek advice.

Also, CSP, CSAM and CS O&M carry out annual stress checks to assess the stress levels of employees.

	CSP	CSAM	CS O&M
Percentage of paid vacation days actually taken (Jan – Dec 2025)	71.42%	75.94%	75.55%
Percentage of employees receiving health checkups (Apr 2024 – Mar 2025)	100%		
Percentage of employees undergoing stress checks (Jan – Dec 2025)	95.70%		

CSP : Canadian Solar Projects K.K., CSAM : Canadian Solar Assets Management K.K.,
CS O&M : Canadian Solar O&M Japan K.K.

Third-party Evaluation

CSAM was certified as “a company that has excellent health management 2025” by the Tokyo Federation of the National Federation of Health Insurance Societies.

Occupational safety and health

Status of occupational safety and health at company managing and operating power plants

CSAM works hard to ensure occupational safety and health at power plants by checking compliance with a Safety and Health Plan to be established by Canadian Solar O&M Japan K.K., which is CSAM's business partner for the management of power plants.

Overview of Safety and Health Plan:

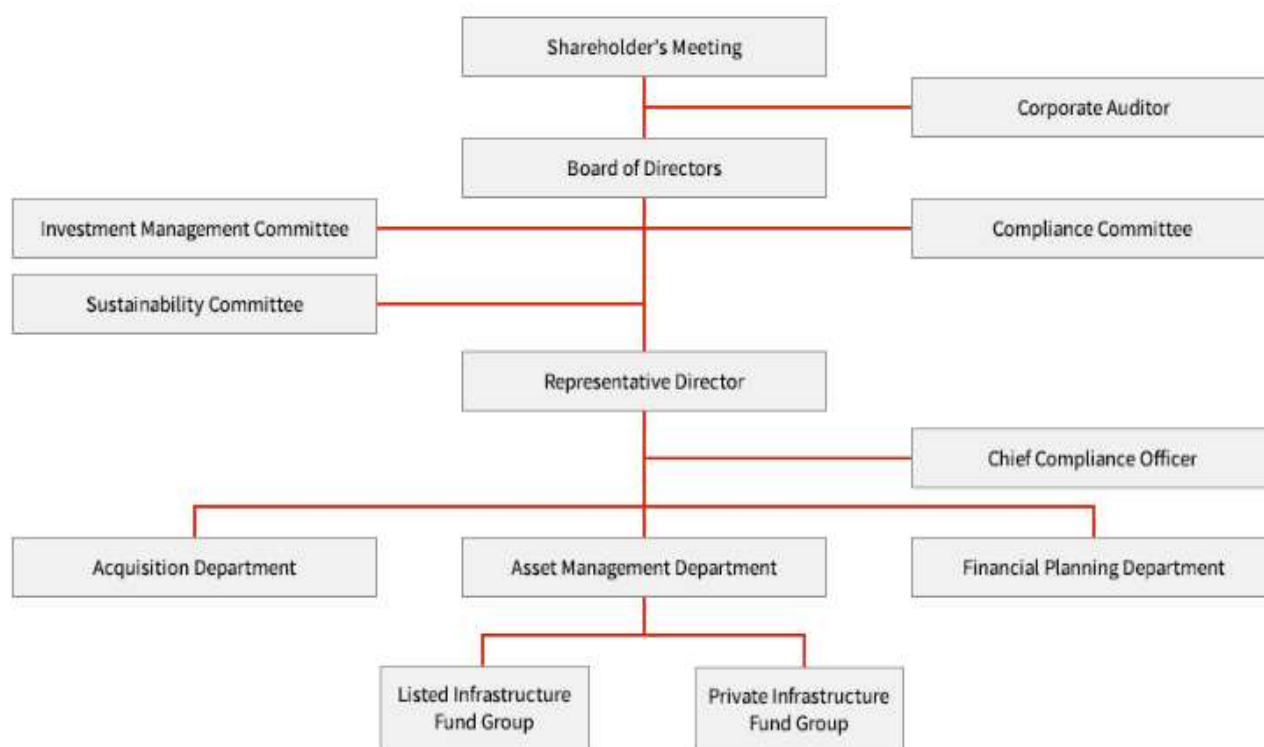
The plan sets out the following.

- Safety programs
- Site hazards
- Personal protective equipment
- Incident investigation procedure
- Early and safe return to workplace
- Emergency response plan
- Fire safety plan
- Right to refuse dangerous work

Enhancing and strengthening governance, compliance and risk management

CSIF's asset management structure

SIF entrusts the management of its assets entirely to CSAM as Asset Manager. CSAM manages CSIF's assets in accordance with an asset management agreement executed with CSIF. In addition to CSIF, CSAM has also begun providing asset management services for a private placement fund since January 2019. CSAM's organization chart as of the date of this report is as follows



Enhancing and strengthening governance, compliance and risk management

Committee's name		Outline
Board of Directors		a. Deliberation and resolution of matters concerning CSAM's business management b. Deliberation and resolution of matters concerning management of CSIF's assets c. Other operations incidental to the foregoing
	Members	All directors
	Frequency of meetings	Ordinary meetings of the Board of Directors are held once every other month and extraordinary meetings are held whenever necessary.
Investment Management Committee		• Formulation and revision of CSIF's investment policy and investment plan • Formulation and revision of policy and plan for management of CSIF's assets • Formulation and revision of CSIF's basic fundraising policy • Decisions on the acquisition and sale of CSIF's assets • Decisions concerning the lease of CSIF's assets, and the entrustment of management and implementation of construction work in relation thereto (only decisions specified in Regulations for Division of Authority). • Decisions on matters relating to CSIF's fundraising • Decisions on other transactions between CSIF and related parties provided for in the Regulations for Related-Party Transactions • Important matters relating to CSIF's investment policy • Matters deliberated and resolved at the request of each department general manager • Matters deemed necessary by the Committee Chair and matters specified separately in CSAM's internal rules • Other matters incidental thereto
	Members	Chair: Representative Director and CEO Members: All full-time Directors, the Chief Compliance Officer, all Department General Managers, and External Committee Members (Note 1) Part-time Directors may also attend meetings and make comments as observers but do not have voting rights.
	Frequency of meetings	In principle at least once every three months
Compliance Committee		• Decisions on transactions between CSIF and related parties provided for in the Regulations for Related-Party Transactions • Decisions on transactions besides the foregoing which the Chief Compliance Officer judges require deliberation and resolution by the Compliance Committee • Formulation and revision of Compliance Regulations, Compliance Manual and Compliance Program • Formulation and revision of Internal Audit Regulations • Matters concerning CSAM's risk management • Matters deliberated and resolved at the Chief Compliance Officer's request • Matters deemed necessary by the Committee Chair and matters specified separately in CSAM's internal rules • Matters concerning the processing of complaints, etc. about CSAM and matters concerning other compliance-related misconduct or suspected misconduct • Decisions on the acquisition and sale of CSIF's assets • Other matters incidental thereto
	Members	Chair: Chief Compliance Officer Members: Representative Director and CEO, all full-time Directors, all Department General Managers and External Members (Note 2)
	Frequency of meetings	In principle at least once every three months
Sustainability Committee		• Formulation and revision of basic policy and basic plan for sustainability promotion activities • Formulation and revision of annual priorities for sustainability activities • Monitoring of the state of progress of sustainability promotion activities • Deliberation on and determination of disclosure of material information about sustainability activities • Responding to inquiries internally and externally on matters related to sustainability activities, and verification of and recommendations on CSAM's management policies and business activities from a sustainability perspective • Matters deliberated and resolved at the request of each department general manager • Matters deemed necessary by the Committee Chair and matters specified separately in CSAM's internal rules • Other matters incidental thereto
	Members	Chaired by Representative Director and CEO Members: All full-time Directors, the Chief Compliance Officer and all Department General Managers
	Frequency of meetings	In principle at least once every six months

(Note 1) As of the date of this report, one real estate appraiser who does not have any special interest in CSIF or CSAM has been appointed as an externally recruited member.

(Note 2) As of the date of this report, one lawyer who does not have any special interest in CSIF or CSAM has been appointed as an externally recruited member.

Enhancing and strengthening governance, compliance and risk management

CSIF's Board of Directors

4 Directors (1 Executive Director and 3 Supervisory Directors)
Percentage of women directors: 75%

Appointments are made based on the following election ground, through a resolution of the General Meeting of Unitholders, on the assumption that they do not fall under any of the grounds for disqualification set forth in various laws and regulations including the Investment Trust Act (Articles 98 and 100 of the Investment Trust Act, Article 244 of the Ordinance for Enforcement of the Investment Trust Act). Hiroshi Yanagisawa resigned on March 31, 2025, and Hironobu Nakamura was appointed on April 1, 2025, as new Executive Director.

Selection criteria for Directors

Job title	Name	Reason for appointment as Director	Board Meetings Attendance	
			FP ended June 2025	FP ended Dec 2025
Executive Director	Hiroshi Yanagisawa	Hiroshi Yanagisawa was appointed Executive Director based on the judgment that he has detailed knowledge of operations relating to the management of CSIF's assets gained as Representative Director of CSAM, with which CSIF has concluded an Asset Management Agreement, and that he has sufficient knowledge and experience to carry out his duties as a member of CSIF's Board of Directors.	3/3 (100%)	-
Executive Director	Hironobu Nakamura	Hironobu Nakamura was appointed Executive Director based on the judgment that he has detailed knowledge of operations relating to the management of CSIF's assets gained as Representative Director of CSAM, with which CSIF has concluded an Asset Management Agreement, and that he has sufficient knowledge and experience to carry out his duties as a member of CSIF's Board of Directors.	4/4 (100%)	9/9 (100%)
Supervisory Director	Eriko Ishii	Eriko Ishii was appointed Supervisory Director based on the judgment that she has detailed knowledge of asset management-related the laws and regulations gained as a lawyer and that she has sufficient knowledge and experience to supervise execution of duties by the Executive Director as CSIF's Supervisory Director and to carry out her duties as a member of CSIF's Board of Directors.	7/7 (100%)	9/9 (100%)
Supervisory Director	Kana Takahashi	Kana Takahashi was appointed Supervisory Director based on the judgment that she has detailed knowledge of asset management-related the laws and regulations gained as a lawyer and that she has sufficient knowledge and experience to supervise execution of duties by the Executive Director as CSIF's Supervisory Director and to carry out her duties as a member of CSIF's Board of Directors.	7/7 (100%)	9/9 (100%)
Supervisory Director	Asako Okamoto Takahashi (from April 1, 2025)	Asako Okamoto Takahashi was appointed Supervisory Director based on the judgment that she has detailed knowledge of accounting and tax affairs gained as a CPA and experience of auditing the accounts and managing the assets of listed companies and that he has sufficient knowledge and experience to supervise execution of duties by the Executive Director as CSIF's Supervisory Director and to carry out his duties as a member of CSIF's Board of Directors.	4/4 (100%)	9/9 (100%)

Remuneration for Directors

Remuneration for each Executive Director shall be an amount not exceeding 500,000 yen per month determined by the Board of Directors in light of factors such as the general price trend and wage trend and shall be paid monthly in arrears on the last day of the month.

Job title	Name	Total annual amount of remuneration paid to each Director
Executive Director	Hiroshi Yanagisawa	0 thousand yen
Executive Director	Hironobu Nakamura	0 thousand yen
Supervisory Director	Eriko Ishii	2,400 thousand yen
Supervisory Director	Kana Takahashi	2,400 thousand yen
Supervisory Director	Asako Okamoto Takahashi	1,800 thousand yen (from April 2025 to December 2025)

Enhancing and strengthening governance, compliance and risk management

Accounting auditor's fee

The accounting auditor's fee shall be an amount determined by the Board of Directors up to a maximum of 15 million yen for each audited fiscal period, and such amount shall be paid by transfer to the accounting auditor's designated bank account no later than three months from such fiscal period end.

Name	Details of fee	Total amount of fee during 2025
Grant Thornton Taiyo LLC	Fees for audit services (including English language audit)	23,000 thousand yen

CSAM's asset management fee structure

CSIF adopts investment trust management fees linked with revenues from the leasing business in connection with the assets under management in the business period concerned ("Asset Management Fees I") and investment trust management fees linked with the sum of net income for the business period concerned and fixed adjustments ("Asset Management Fees II"). By integrating these investment trust management fees, CSIF intends to give CSAM an incentive to increase both the revenues from the leasing business and net income.

Asset Management Fees I	The amount of rents that arise from assets under management, incidental revenues, damages, penalties for the cancellation of lease contracts, money similar to such penalties and revenues from other types of leasing businesses x 6.0% (upper limit)
Asset Management Fees II	The sum of Investment Trust Management Fees II, net income before the deduction of the consumption tax and the like on Investment Trust Management Fees II unqualified for deduction, and depreciation and amortization x 6.0% (upper limit)
Acquisition Fees	Acquisition value x 2.0% (upper limit) Acquisition value x 1.0% (upper limit) in cases where the other party is a group of sponsors
Disposition Fees	Transfer value x 2.0% (upper limit) Transfer value x 1.0% (upper limit) in cases where the other party is a group of sponsors
Merger Fees	The appraisal value of the underlying assets which meant renewable energy power generation facilities and/or Real Estate related assets held by the subject Investment Corporation as of the effective date of the merger x 1.0% (upper limit)

Unification of interests of sponsors with those of Unitholders

CSIF seeks to enhance unitholder value by aligning the interests of sponsors with those of unitholders.

Number of units held by sponsors and
their holding ratios
65,672 (15.293%)
As of December 31, 2025

Enhancing and strengthening governance, compliance and risk management

Fiduciary Duty

The Comprehensive Guidelines for Supervision of Financial Instruments Business Operators established by the Financial Services Agency describe the fiduciary duty required of investment management business operators in the following sections related to the supervision of investment management business operators.

VI-2 Appropriateness of Business Operations (Investment Management Business)

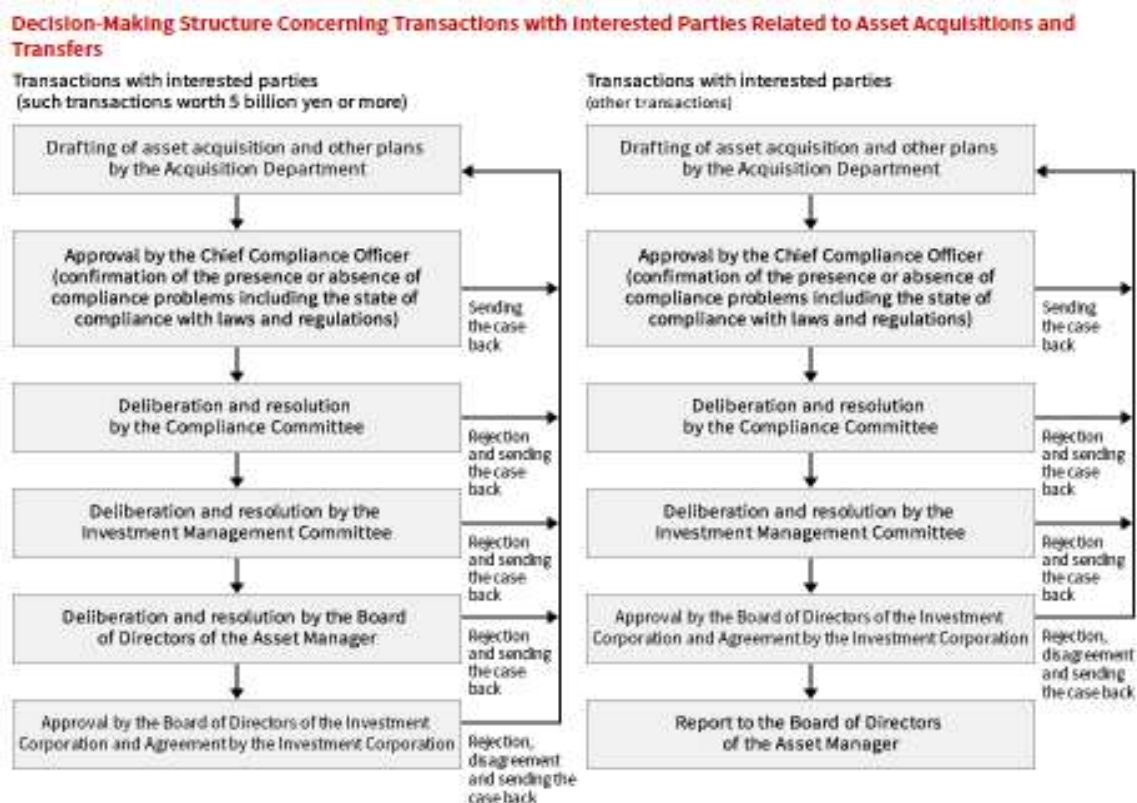
VI-2-1 Control Environment for Legal Compliance

Financial instruments business operators, which play an important role in investors' investment management, have fiduciary duty to the investors who entrust investment to them, and are required to fulfill the duty of loyalty, the duty of due care, and the responsibility for ensuring segregated management under the FIEA. In addition, they are required to conduct their business operations as market players in a sound and appropriate manner.

The above duty is a duty imposed on an asset manager which assumes a duty of loyalty and a duty of due care to investors who entrust their investment to it under an Asset Management Agreement, and an asset manager is required to make judgments which do not harm the interests of the investors which have entrusted asset management to it when making various judgments about events which might give rise to a conflict of interests with the unitholders of the asset manager itself. Accordingly, in the asset management decision-making process, especially in the case of conflict of interest transactions, checks need to be carried out from various perspectives and it is extremely important that systems are in place to prevent a breach of the imposed duties.

Measures against conflicts of interests

The Asset Manager has laid down measures for preventing harmful influences in the Regulations for Interested Party Transactions in connection with transactions and the like with interested parties such as Canadian Solar Group companies with which conflicts of interest are highly likely to emerge.



Enhancing and strengthening governance, compliance and risk management

Compliance structure

The compliance related organs are as follows.

Compliance-related organs

[Investment Committee]

Organ which deliberates on and decides the investment policy and other matters concerning asset management

Members

Representative Director and CEO (Chair), all full-time Directors, the Chief Compliance Officer, all Department General Managers, and external members

[Compliance Committee]

Organ which deliberates on and decides compliance -related matters associated with asset management

Members

Representative Director and CEO, the Compliance Officer (Chair), all full-time Directors, all Department General Managers, and external members

[Chief Compliance Officer]

Organ in charge of compliance

Person responsible for overseeing compliance at CSIF and CSAM

An individual with sufficient investigational and supervisory skills to ensure compliance with laws and regulations and norms is appointed as Chief Compliance Officer

Compliance training

CSIF and CSAM provide compliance training regularly to all employees and seek to increase companywide compliance awareness.

Training is provided around once every two months, using a combination of training programs implemented globally by the Canadian Solar Group, training programs provided for Japanese corporations by Canadian Solar Project K.K., and original training programs relevant to asset management services provided by CSAM on themes such as conflicts of interest, duty of care, and due diligence, and topics such as examples of administrative actions. New employees are also provided with compliance training on joining the company separately.

Respect for human rights

Basic Approach

The Canadian Solar Group fulfils its responsibility to respect human rights and diversity and inclusion (D&I) in all its corporate activities.

The Group's employees are the key to the Group's success.

The Canadian Solar Group endeavors to provide workplaces in which employees can fulfil their potential and also upholds its responsibility for providing workplaces in which all employees are treated fairly and properly and are safe.

The Group pledges to uphold the principles of equal opportunity.

Accordingly, the Group complies with laws, ordinances and regulations on equal employment opportunities for all applicants and employees.

The Canadian Solar Group's policy is to provide equal employment opportunities in connection with decisions on all aspects of employment including but not limited to promotion, recruitment, training, remuneration, allowances, transfer, leave, termination, layoff and employee programs.

In addition, the Group provides workplaces which are free from discrimination and harassment based on race, color, gender, sexual orientation, gender identity or expression, genetic information, creed, religion, age, marital status, country of origin, family status, pregnancy, health status, veteran status, nationality, physical or mental disability or other protected characteristic.

The Group's office-based employees will be allowed to opt for a hybrid working arrangement where time is split between the workplace and home.

The hybrid working model adopted based on employee feedback and an internal assessment can be expected to have effects such as delivering more flexible working styles, ensuring the work-life balance, improving satisfaction of employees, and increasing productivity.

The Group's employees also have the right to take sick leave, annual leave and child care leave in accordance with applicable laws, as shown in the Group's Labor and Human Rights Policy.

Human Rights Risk Management Structure

The Canadian Solar Group established a Labor and Human Rights Policy in accordance with documents such as the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.

The Policy applies to all officers and employees. The Group also demands that its business partners apply the Policy and endeavor to show respect for human rights.

(1) Prohibition of discrimination

The Group does not tolerate any form of discrimination based on race, religion, gender, age, physical disability, nationality, and other distinguishing characteristics.

(2) Prohibition of harassment

The Group does not tolerate any form of harassment, including but not limited to physical or psychological harassment, power harassment, maternity harassment, and paternity harassment.

(3) Prohibition of forced or compulsory labor

The Group does not tolerate any form of forced labor in which persons are coerced to work through the use of violence or intimidation, etc.

(4) Prohibition of child labor

The Group respects children's rights and does not tolerate child labor.

(5) Freedom of association and recognition of the right to collective bargaining

The Group strictly abides by the laws and regulations governing employees' rights of freedom of association and collective bargaining and supports and respects their right to do so.

(6) Payment of wages above the minimum wage

The Group pays wages that are above the minimum wage stipulated by law, and also pays wages which will lead to a higher standard of living, taking inflation into consideration.

(7) Worker health and safety

The Group complies with health and safety laws and regulations and develops healthy and safe working environments.

(8) Reduction of excessive working hours

The Group complies with labor-management agreements on overtime work (Article 36 Agreements) and other relevant laws and regulations and strives to reduce overtime work and curb excessive working hours.

CSR Procurement

The Canadian Solar Group is committed to responsible procurement of materials in all parts of its business. The Group requires suppliers to adhere to Canadian Solar's Supplier Code of Conduct, to maintain a responsible supply chain. This Code of Conduct sets out standards in relation to a wide range of issues including human rights, protection of the environment, health and safety, and corporate ethics.

The Group has been focusing on mitigating environmental impacts by reducing greenhouse gases and industrial water usage, etc. in the process of manufacturing solar panels.

Key Environmental Achievements over 2017-2024



54% reduction
GHG emissions
intensity



37% reduction
Manufacturing
energy intensity



75% reduction
Manufacturing water
intensity



53% reduction
Manufacturing
waste intensity

Consideration for Natural Capital and Biodiversity

■ Environmentally friendly development and operation at CS Daisen-cho Power Plant

The district in which CS Daisen-cho Power Plant is located is in close proximity to districts known for their diverse and rich ecological environments with forests, plants and wild birds. The sponsor refrained from using chainsaws when developing the project to avoid damaging the habitat of rare species of indigenous falcons, while painting the fence around the site using camouflage colors.

■ Survey of rare flora and fauna under environmental protection agreement at CS Izu-shi Power Plant

The sponsor implemented measures to understand and protect the habitats of rare flora and fauna (species included in the Endangered species II category or higher) found in the region in which CS Izu-shi Power Plant is located.

■ Installation of small animal protective nets at CS Sakura-shi Power Plant

The sponsor installed side trench escape nets to protect small animals found in the region where CS Sakura-shi Power Plant is located.

Management of PV Power Generation Equipment in the Disposal Stage

If it becomes necessary to dispose of panels at power plants due to breakdown, etc., CSIF and CSAM check whether the industrial waste disposal business operator is licensed and then carry out the disposal procedure in accordance with the required waste manifest.

Framework for Cooperation with Local Communities

CSIF, CSAM and Canadian Solar Projects K.K. are committed to environmentally friendly development and operation, and also seek to build relationships of trust with local communities through active communication and activities that contribute to local communities.

■ Briefings for local residents

CSIF, CSAM and Canadian Solar Projects K.K. hold briefings to properly provide information to residents living in areas surrounding power plants, in accordance with applicable laws and regulations.

■ Installation of small animal protective nets at CS Sakura-shi Power Plant in response to a request from the local community

Canadian Solar Projects K.K. installed escape nets to protect small animals in the side trenches at CS Sakura-shi Power Plant in response to a request from the local community.

■ Sponsorship of an event in the town of Hiji in Oita Prefecture

CSAM sponsors the Xavier Road Walking Convention Competition held in the town of Hiji in Oita prefecture, which is where CS Hiji-machi Power Plant and CS Hiji-machi Dai-Ni Power Plant are located. Also, CSAM has been sponsoring "Shiroshita Karei (marbled sole) Festival every year.

■ Donation of Daisen Canadian Garden to the town of Daisen in Tottori Prefecture

Canadian Solar Projects K.K. created the Daisen Canadian Garden on the concept of harmonious coexistence of nature and mega-solar power plants and great challenges, in commemoration of the completion of the CS Daisen-cho Power Plant and as part of its contribution to local communities, and donated it to the Daisen-cho Town Government. In addition, Canadian Solar Projects K.K. repaired Hima Jinja Shrine and donated an incense holder made of white granite to Shimpukuji Temple in Daisen-cho.

■ Token of sympathy to the town of Marumori in Miyagi Prefecture

Canadian Solar Projects K.K. and CSAM gave a monetary gift as a token of sympathy to the town of Marumori, which is where CS Marumori-machi Power Plant is located and which was seriously affected by Typhoon No. 19 in October 2019.

Properly disclosing information and ensuring transparency

Basic Approach

To strengthen mutual trust between CSIF, CSAM and stakeholders, CSIF and CSAM disclose information about sustainability in a timely and appropriate manner and also make information disclosures in compliance with international initiatives to achieve communication with world-class levels of transparency.

Regular Reporting on Principles for Responsible Investment (PRI) Activities

Canadian Solar Asset Management K.K., which is CSIF's Asset Manager, supports the basic idea of the PRI and became a signatory in August 2019.

PRI signatories are required to report on their PRI activities annually.

Disclosure in Line with TCFD Recommendations

CSAM expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in February 2022, and discloses information on governance, strategy, risk management, and indicators/targets in line with the TCFD recommendations. For further details, please refer to pages 19 - 21 of this report.

Disclosure in Compliance with Article 8 of the SFDR

The EU Sustainable Finance Disclosure Regulation (SFDR) is a regulation aimed at increasing the transparency of sustainability investment and developing an environment that makes it easier for investors to make ESG investment decisions. The SFDR also helps prevent the greenwashing of investment products (making investors believe they are environmentally friendly when in fact, they are not.)

The fund operated by CSIF and CSAM is classified as an Article 8 fund, a term used to refer to a product that promotes positive environmental or social qualities in accordance with the SFDR, and disclosures in compliance with Article 8 of the SFDR are made.

For further details, please refer to the following website.

<https://www.canadiansolarinfra.com/en/esg/approach/sfdr.html>