J.P. MORGAN DEVELOPMENT FINANCE INSTITUTION

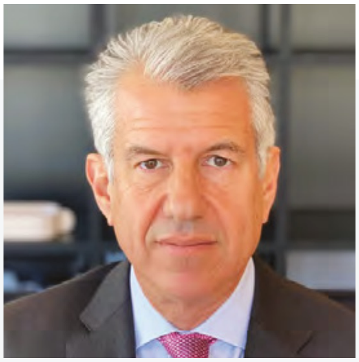
2024 Annual Report

J.P.Morgan

ABOUT J.P. MORGAN DEVELOPMENT FINANCE INSTITUTION

J.P. Morgan Development Finance Institution (JPM DFI) aims to facilitate capital flows to finance sustainable development, particularly in emerging markets and developing economies. JPM DFI does this through:

- **Impact Disclosure:** Helping corporate and sovereign clients measure and report their development impact, supporting their capacity to manage their impact performance and attract sustainable pools of capital
- **Distribution:** Connecting corporate and sovereign clients with sources of capital that seek investments with both financial returns and sustainable development impact
- **Impact Assessment:** Using JPM DFI's methodology to assess the anticipated development impact of eligible transactions executed by J.P. Morgan's Commercial & Investment Bank (CIB)[1]



DANIEL ZELIKOW

Chair of JPM DFI Governing Board

I would like to congratulate JPM DFI on another successful year of operations. In 2024, JPM DFI completed a record number of engagements and helped clients attract sustainable capital through better impact disclosure. JPM DFI also acted as co-chair of the Impact Disclosure Taskforce, a network of financial institutions and capital markets stakeholders, to scale financing for the United Nations Sustainable Development Goals (SDGs).

The Impact Disclosure Taskforce highlighted the lack of robust and harmonized impact data as a critical barrier to mobilizing institutional capital towards sustainable development. The taskforce released guidance that helps corporate and sovereign entities measure and report their development impact. The taskforce also seeks to build an impact data platform to facilitate entities to provide impact data in-line with its guidance, and to enable institutional investors to access, validate, and interpret impact data.

JPM DFI's efforts have led to the emergence of a "market standard" for development impact data, thus removing a key constraint to growing development impact investing. Looking to 2025 and beyond, JPM DFI will work to propagate the use of this data in financial markets and move closer to establishing development finance as an asset class.

ARSALAN MAHTAFAR

Head of JPM DFI

I am pleased to present the fifth annual report of JPM DFI. 2024 was a record year for our team: we served as Development Finance Structuring Agent (DFSA) for 22 client engagements, for a total notional value of $5.6 billion. We are encouraged to see that the size of funds managing sustainable investing strategies continued to grow, providing demand for our team to originate transactions that are anticipated to generate positive impact alongside financial returns.

2024 also marked a major milestone. The Impact Disclosure Taskforce, of which J.P. Morgan served as its co-chair, released its guidance to increase impact transparency in financial markets. Taskforce members are now working to apply this guidance, which seeks to connect sustainable investors with entities that are accountable to reducing poverty, addressing inequality, and expanding access to basic human needs in their countries of operations.

Achieving the SDGs requires trillions of dollars of investment per year, a goal that cannot be achieved without private capital. We look forward to continuing our work to facilitate private funding for the global goals.

2024 IN REVIEW

Photo Source: Tangier Med Port Authority (TMPA).
J.P. Morgan acted as DFSA for TMPA s €203,000,000 Multilateral Investment Guarantee Agency (MIGA)-backed loan for its port expansion project. This financing sits alongside an International Finance Corporation (IFC) facility to support the port expansion project.

2024 was JPM DFI's fifth year of operations. Over the past five years, we have worked to facilitate capital flows towards the UN Sustainable Development Goals (SDGs). This year, we focused on expanding the scope of our client services, qualifying transactions towards our firm's $2.5 trillion 10-year Sustainable Development Target (SDT), and co-chairing a taskforce of capital markets participants to build systems that can further scale financing for the SDGs.

In 2024, we acted as Development Finance Structuring Agent (DFSA) for 22 client engagements, making it a record year for our team. In these engagements, we assisted corporate and sovereign clients to measure and report their development impact and connect with impact-focused investors. For the first time since JPM DFI's inception, we worked with clients headquartered in higher-income countries, such as the United Arab Emirates and Korea, to help them to measure and manage their development impact in the lower-income countries where they operate. Most of our engagements in 2024 were with financial institutions and corporate clients, and primarily in the Central and Eastern Europe, Middle East, and Africa (CEEMEA) region. We continued to exchange views with sustainability- or impact-focused investors, facilitating capital flows from accounts that integrate impact criteria into their investment process.[2] We further enhanced our understanding of investors' impact criteria while sharing our insights on industry best practices for development impact assessment.

JPM DFI also applied its public development impact assessment methodology to assess the development impact of all transactions in the CIB and qualify them towards the SDT.[3] In 2024, we qualified a total of $139 billion, the largest volume to date.[3,4]

Additionally, we continued to co-chair the Impact Disclosure Taskforce, a network of over 80 financial institutions and capital markets stakeholders, to scale investment for sustainable development. Following a four month public consultation period, the Taskforce published the Impact Disclosure Guidance in October 2024. This guidance outlines a three-pronged approach to increase impact transparency in financial markets by: 1) establishing common practices for measuring and disclosing development impact, 2) outlining a vision for a data platform to aggregate and disseminate information for impact-focused issuers and investors, and 3) providing guidance for third party service providers to help validate and interpret the impact data on the platform.

JPM DFI 2024 highlights:

- **Helped develop and publish an industry guidance** on development impact measurement and disclosure
- **Acted as DFSA for 22 client engagements** and expanded our service to clients in new geographies
- **Engaged with investors with interest in sustainability** on best practices for SDG-aligned investing
- **Assessed 861 transactions for a total of $139 billion** to contribute to at least one of the 17 UN SDGs[3,4]

Source: The Arab Bank for Economic Development in Africa (BADEA). J.P. Morgan acted as DFSA for BADEA's €500 million social bond.

DEVELOPMENT FINANCE AS AN ASSET CLASS

Sustainable investing has continued to evolve, with investors now distinguishing between using Environmental, Social, and Governance (ESG) criteria for risk management purposes, from those seeking financial, environmental and social returns ("sustainable finance"). The total sustainable assets under management grew by 8% year over year to $3.2 trillion as of the end of 2024.[5]

Investors believe the demand for sustainable investing is constrained by the supply of eligible investment opportunities. Certain corporate and sovereign entities, especially in emerging markets and developing economies, face challenges in accessing this sustainability-focused capital. These challenges arise from a lack of transparency of their impact strategy or the absence of sufficiently large sustainable projects suitable for asset-level financing. These entities may have substantial impact on the SDGs, yet the lack of information inhibits their access to sustainable capital.

To address these challenges, 80 institutions, including some of the world's largest buy-side and sell-side companies, launched the Impact Disclosure Taskforce to spur additional capital flows towards the SDGs. This industry taskforce, co-chaired by J.P. Morgan and Natixis, released the Impact Disclosure Guidance in October 2024. The guidance helps corporate and sovereign entities leverage existing sustainability reporting standards to produce a Sustainable Development Impact Disclosure (SDID).

The SDID is characterized by three key features:

- **Entity-level but context-specific:** Assesses the entity's overall strategy in countries of focus, measuring how the entity's products, services, and operations are anticipated to address the most acute development gaps in each country;
- **Impact-oriented:** Focuses on outputs and outcomes, including plans to achieve outputs and the theory of change assumed to lead to outcomes; and
- **Forward-looking:** Establishes targets that measure intended impacts, as well as a commitment to monitoring and reporting progress against targets.

Ultimately, an SDID provides transparency on an entity's plans to grow its products and services and conduct its operations in a way that addresses acute development gaps in its countries of operation. The taskforce is now working on building market infrastructure to help verify disclosed impact information. This market infrastructure includes building consensus among investors that securities issued by entities with verified SDIDs can be included in sustainable investor portfolios. Increasing impact transparency can broaden the investable universe for sustainable investors, removing a key barrier to scaling financing for the SDGs. According to our estimates, establishing such market infrastructure, including the impact data platform, could create a $1 trillion asset class within five years.[6]

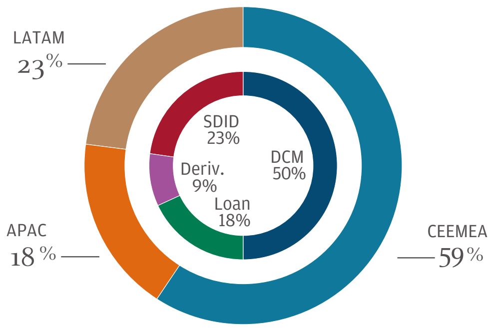
Photo Source: Rotoplas.
J.P. Morgan acted as DFSA for Rotoplas, providing Rotoplas an SDID.

RESULTS

JPM DFI engages in two key activities:

1. **Acting as Development Finance Structuring Agent (DFSA)** to help clients measure and communicate their development impact and attract impact-focused investors. When serving as DFSA, JPM DFI works closely with clients to disclose their anticipated development impacts and helps them create a framework for ongoing monitoring and reporting. The framework is used to engage with investors during transactions, and can act as a tool for our clients' impact management processes.
2. **Assessing the development impact of J.P. Morgan's Commercial and Investment Bank (CIB) transactions** to understand the bank's contributions towards the UN SDGs. JPM DFI assesses transactions by applying its methodology to all transactions executed by the CIB and identifies those that are anticipated to have development impact, determining which contribute to the firm's Sustainable Development Target (SDT).

1. ACTING AS DEVELOPMENT FINANCE STRUCTURING AGENT (DFSA)



Geographic and product breakdown of JPM DFI's DFSA transactions in 2024. Geographies include Latin America (LATAM), Asia Pacific (APAC), and Central and Eastern Europe, Middle East and Africa (CEEMEA). Products include Derivatives (Deriv.), Debt Capital Markets (DCM), Loans, and standalone Suistainable Development Impact Disclosure (SDID).

In 2024, JPM DFI was mandated as DFSA for 22 client engagements, assisting clients to communicate their development impact intentions to stakeholders and preparing frameworks for annual impact reporting. JPM DFI also worked with clients to create standalone impact frameworks under the Impact Disclosure Guidance. We worked with clients on a variety of transactions including bond issuances and loan facilities, and helped to create SDIDs in line with the new industry-wide guidance on impact.

Following the release of the Impact Disclosure Guidance, JPM DFI began applying this industry-recognized guidance for client engagements. The guidance provides a framework for entities to disclose their impact intentions on a strategic level. The new guidance enabled JPM DFI to work with clients to articulate how their strategies are anticipated to contribute towards global development, regardless of their decision to execute a financial transaction with J.P. Morgan at the time.

Our clients in 2024 represented a diverse global footprint, with engagements spanning across North Africa, Central Asia, the Middle East, Eastern Europe, Western Asia, East Asia, Central America, Latin America, Southeast Asia, and Sub-Saharan Africa. This highlights J.P. Morgan's role in fostering development across a wide array of regions worldwide. Following are five examples of the DFSA engagements.

EXAMPLE

DP WORLD

Photo Source: DP World.

DP World is a global port and logistics operator with operations in over 75 countries. In 2024, J.P. Morgan supported DP World to create a Sustainable Development Impact Disclosure for its operations in Brazil, Somaliland, Senegal, South Africa and India.

DP World is the first company to measure and disclose its development impact in accordance with the Impact Disclosure Guidance. DP World's SDID highlights its impact intentions in the Global South by articulating expected impact of its strategic investments in areas such as resilient infrastructure, community engagement, and gender equality. In Sub-Saharan Africa, DP World collaborates with partners to enhance port and logistics capabilities, which supports local employment and economic growth.

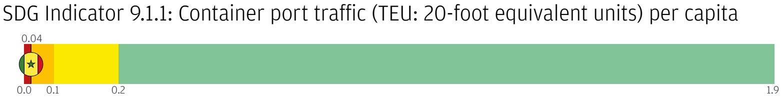
Across South America, DP World's expanded operations bolster regional trade. Similarly, in India, efforts are underway to improve logistics capabilities and trade connectivity. DP World has committed to monitoring and reporting its progress against its impact intentions on an annual basis in the countries in scope of its SDID.

DP World has disclosed its intentions to contribute to development gaps in the countries in scope of its SDID, including:

SDG — Low Gap | Moderate Gap | High Gap | Very High Gap — **TARGET OUTPUTS AND OUTCOMES**

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

SDG Indicator 9.1.1: Container port traffic (TEU: 20-foot equivalent units) per capita



In Senegal, container traffic is 0.04 TEU per capita, which is below the median value for peer countries of 0.10.[8]

Operationalize Ndayane Port by 2027, which is expected to expand container handling capacity in the country by up to 130% in the short term and up to 300% in the long term

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

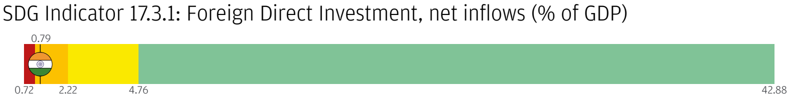
SDG Indicator 12.5.1: Municipal Solid Waste

In Brazil, the municipal solid waste is 0.38 metric tons per capita, above the median for peer countries of 0.22.[9]

Launch waste management initiatives to promote waste segregation, treat and repurpose all waste, and eliminate the need for landfills

17 PARTNERSHIPS FOR THE GOALS

SDG Indicator 17.3.1: Foreign Direct Investment, net inflows (% of GDP)



Foreign direct investment in India is 0.79% of GDP, which is below the median value for peer countries of 2.22%.[10]

Boost Foreign Direct Investment in India by increasing use of Free Trade Warehousing Zones from 25% in 2023 to 50% by 2028, which simplifies customs procedures, reduces trade barriers, and encourages companies to invest and expand operations

In addition to the development gaps shown above, DP World also intends to contribute to SDGs #3 (Good Health and Well-Being), #4 (Quality Education), #5 (Gender Equality), #6 (Clean Water and Sanitation), #7 (Affordable and Clean Energy), #8 (Decent Work and Economic Growth), #10 (Reduced Inequalities), #13 (Climate Action), #14 (Life Below Water), and #15 (Life on Land).

EXAMPLE

THE EXPORT-IMPORT BANK OF KOREA

Photo Source: KEXIM.

The Export-Import Bank of Korea (KEXIM) serves as Korea's official export credit agency (ECA) and is one of the country's leading policy banks. KEXIM's mission is to enhance Korea's economic cooperation with other countries by providing financial support for areas including but not limited to export and import transactions, overseas investment projects and the development of overseas natural resources. With a mandate to bolster Korea's economic cooperation globally, KEXIM has set a vision (KEXIM Vision 2030) to expand beyond its traditional ECA role to act as the Korean government's DFI.

KEXIM has established a strategy for acting as a DFI, which includes:

1. **Supporting private sector projects with development impact in developing countries:** In collaboration with JPM DFI, KEXIM updated its Private Investment Promotion Program (PIPP) to evaluate the development impact of its private sector projects in developing countries. The PIPP utilizes a comprehensive assessment framework to ensure projects contribute significantly to job creation, sector outputs, market development, and climate action.
2. **Creating the Private-sector Development Investment Facility (PDIF):** The new finance product, PDIF, is designed to support projects with development impact in emerging markets with a focus on three sectors: infrastructure, energy, and financial services. Through the PDIF, KEXIM will look to deliver development impact, and enhance Korea's economic cooperation with other countries, while generating sustainable financial returns. Unlike traditional export finance products, the PDIF does not require purchases from Korean entities.
3. **Establishing a Global DFI Network:** KEXIM is committed to establishing and growing a global network of DFIs for international cooperation. KEXIM has signed memoranda of understanding (MOUs) with other MDBs and DFIs to enhance opportunities for co-financing activities, such as the U.S. International Development Finance Corporation (DFC) and the Japan Bank for International Cooperation (JBIC).

KEXIM aims to fund approximately US$1.5 billion to private sector projects through both PIPP-assessed and PDIF projects in emerging market countries by 2030. KEXIM has also committed to monitoring and reporting its progress on the impact intentions disclosed through its PIPP and PDIF on an annual basis.

An Innovative Issuance

In support of its development finance strategy, KEXIM successfully priced a $500 million bond in October 2024. J.P. Morgan acted as sole underwriter and DFSA. The use of proceeds of the issuance were for KEXIM's general operations, including the pursuit of its development finance strategy. This innovative transaction supports KEXIM's commitment to integrating development impact into its lending criteria and to expanding its traditional ECA role.

EXAMPLE

AFRICELL

Photo Source: Africell

In 2024, J.P. Morgan acted as Joint Global Coordinator, Bookrunner, and DFSA for Africell's $300 million debut issuance.[11] Africell is a leading regional African mobile network operator, serving approximately 16 million subscribers with over 150 million people living in areas under licenses held by Africell.[12]

Africell aims to expand its coverage, resulting in wider social and economic impact across The Gambia, Sierra Leone, Angola and Democratic Republic of Congo (DRC) through telecommunications services and second-order effects such as improved access to employment, education, and financial services. As part of its expansion efforts, Africell aims to increase the number of live tower sites across four markets in its network from 2,268 in 2023 to approximately 3,100 by 2026. Africell also intends to contribute to smartphone penetration in the region and support affordable telecommunication services to improve the retail customer experience.

In addition to these strategic improvements, Africell also intends to increase total employment, increase the female proportion of employment, and train 350-400 employees on customer service, health and safety, leadership, compliance, governance, and technical skills.

Africell has disclosed its intentions to contribute to development gaps in The Gambia, Sierra Leone, Angola and DRC, including:

SDG

Low Gap | Moderate Gap | High Gap | Very High Gap

TARGET OUTPUTS AND OUTCOMES

8 DECENT WORK AND ECONOMIC GROWTH

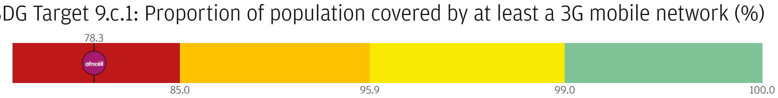
SDG Target 8.5.2: Unemployment rate - 13th ICLS (%)

The average unemployment rate in the countries where Africell operates is 7.2%, which is higher than the median value for peer countries of 5.7%.[14]

Increase total employment from a baseline of 1,260 employees in 2023, with a focus on promoting female employment

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

SDG Target 9.c.1: Proportion of population covered by at least a 3G mobile network (%)



The proportion of the population covered by at least a 3G mobile network in the countries where Africell operates is 78.3%, which is lower than the median value for peer countries of 95.9%.[15]

Increase the number of live tower sites in network in all four countries, complete data center renovation and disaster recovery center projects, expand coverage in remote regions, and expand into additional provinces

In addition to the development gaps shown above, Africell also intends to contribute to SDGs #4 (Quality Education), #5 (Gender Equality), #6 (Clean Water and Sanitation), #7 (Clean and Affordable Energy), #12 (Responsible Consumption and Production), and #13 (Climate Action).

EXAMPLE

BANCO DO BRASIL

Photo Source: Banco do Brasil

Banco do Brasil S.A. (Banco do Brasil) is the largest financial institution in Latin America, serving more than 20 countries through its subsidiaries, branches and representative offices. In August 2024, to support its plans to enhance sustainable agriculture and small- and medium-sized enterprises (SMEs), Banco do Brasil received a $800 million green loan (the Facility) arranged by J.P. Morgan, guaranteed by Multilateral Investment Guarantee Agency (MIGA).[16] JPM DFI acted as DFSA, helping Banco do Brasil measure and report its impact as part of the Facility.

The Facility is expected to provide direct and more competitive financing for no-till farming and other sustainable operations to SMEs in Brazil. No-till farming is considered a climate-smart agricultural practice, as it offers carbon sequestration and climate resilience benefits. Banco do Brasil also plans to support women-led SMEs and reduce its net greenhouse gas (GHG) emissions per year. As part of the Facility, Banco do Brasil has committed to report the volume of production under no-till farming, the number of conservation agriculture loans to SME farmers, the proportion of women-led SMEs supported, the proportion of women in leadership positions, and its net GHG emissions on an annual basis.

Banco do Brasil has disclosed its intentions to contribute to development gaps in Brazil, including:

SDG | Low Gap | Moderate Gap | High Gap | Very High Gap | **TARGET OUTPUTS AND OUTCOMES**

2 ZERO HUNGER

SDG Target 2.4.1: Agricultural Land (% of land area)

28.6% of the total land area in Brazil (excluding forests, mountains, and inland water bodies) is arable, under permanent crops, or under permanent pastures in Brazil, which is lower than the median for peer countries of 41.5%.[18]

Provide financing for sustainable and conservation agriculture technologies, including no-till farming, spanning 12 million hectares of land

13 CLIMATE ACTION

Target 13.2.2: CO2 emissions (metric tons per capita)

CO2 emissions in Brazil are 1.90 metric tons per capita, which is higher than the median for peer countries of 1.38.[19]

Support no-till financing, a farming technique that is expected to reduce carbon dioxide emissions by an average of 42% relative to traditional farming techniques

In addition to the development gaps shown above, Banco do Brasil also intends to contribute to SDGs #5 (Gender Equality) and #8 (Decent Work and Economic Growth).

MUANGTHAI CAPITAL

Photo Source: Muangthai Capital

In September 2024, J.P. Morgan acted as Sole Global Coordinator, Sole Ratings Advisor, and DFSA for Muangthai Capital (MTC)'s US$335 million debut issuance. MTC is a non-bank financial institution in Thailand, offering a diverse range of retail secured and unsecured loan products tailored to underbanked populations. With a vast network of 7,980 branches across 76 provinces, MTC serves over 3.5 million customers, focusing on low-to-medium- income demographics. MTC plays an important role in promoting financial inclusion and economic growth in the region.

MTC aims to expand its reach and impact, resulting in wider social and economic benefits across Thailand. As part of its strategic initiatives, MTC plans to increase its branch network to 9,000 by 2026, enhance digital financial services through the Muangthai Capital 4.0 mobile application, and cater to underserved populations through innovative loan products. These efforts are designed to improve access to financial services, promote financial literacy, and support economic empowerment. In addition to these strategic improvements, MTC is committed to supporting smallholder farmers and financing sustainable agriculture, enhancing access to affordable and clean energy, and promoting gender financing.

MTC has disclosed its intentions to contribute to development gaps in Thailand, including:

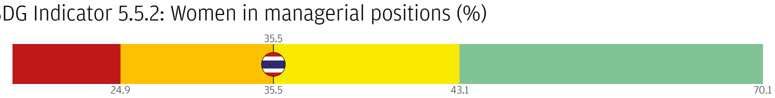
SDG

Low Gap | Moderate Gap | High Gap | Very High Gap

TARGET OUTPUTS AND OUTCOMES

5 GENDER EQUALITY

SDG Indicator 5.5.2: Women in managerial positions (%)

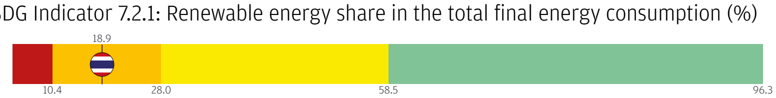


The female proportion of management in Thailand is 35.5%, which is the median for peer countries.[21]

Expand financing opportunities for women-owned enterprises by setting specific lending thresholds.

7 AFFORDABLE AND CLEAN ENERGY

SDG Indicator 7.2.1: Renewable energy share in the total final energy consumption (%)



The renewable portion of the total final energy consumption in Thailand is 18.9%, which is lower than the median for peer countries of 28.0%.[22]

Increase renewable energy financing by introducing solar cell loans for households

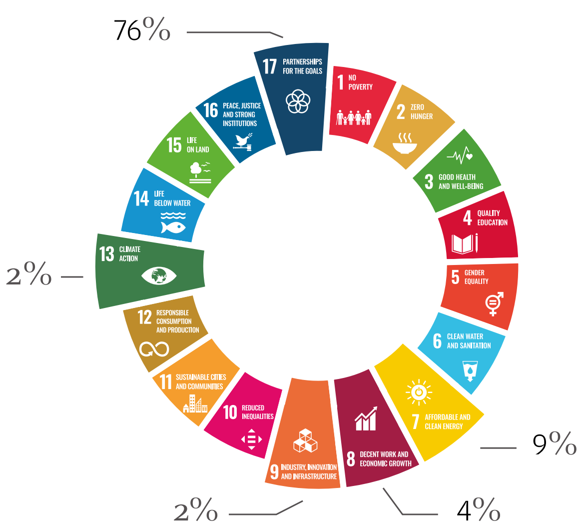
In addition to the development gaps shown above, MTC also intends to contribute to SDGs #1 (No Poverty), #2 (Zero Hunger), and #8 (Decent Work and Economic Growth).

JPM DFI applies its impact assessment methodology to assess the development impact of eligible CIB transactions and qualify them toward the Development Finance pillar of JPMorgan Chase's 10-year Sustainable Development Target (SDT). In 2024, JPM DFI assessed 861 CIB transactions to have anticipated development impact, representing a total value of $139 billion,[3,4] a 21% increase from 2023. Notably, banking transactions (debt offerings, loans, mergers & acquisitions (M&A) and equity) assessed by JPM DFI increased by 26% over 2023. During 2024, the value of markets transactions increased by 18%. Further details are presented in the following charts.

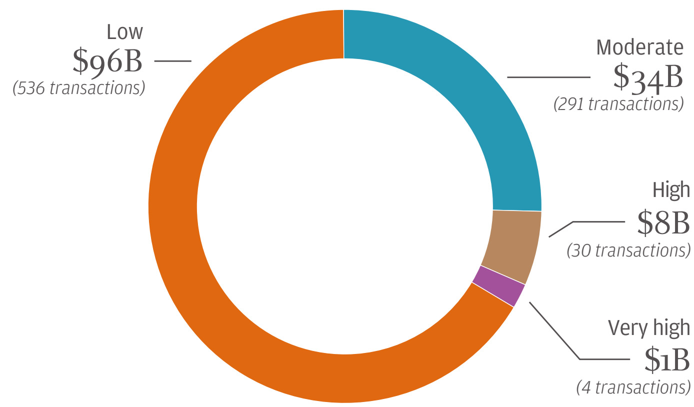
Key Highlights of 2024 Assessments

JPM DFI assessed 861 transactions, totaling $139 billion,[3,4] to have anticipated development impact. Qualified transactions were aligned with one of the seventeen SDGs that were primarily anticipated to be advanced. Transactions were also assigned a development intensity score using the JPM DFI methodology. The higher scores indicate robust disclosures on the client's development impact intentions, while those with lower scores often lack detailed development impact targets.

SDG Contribution[23]



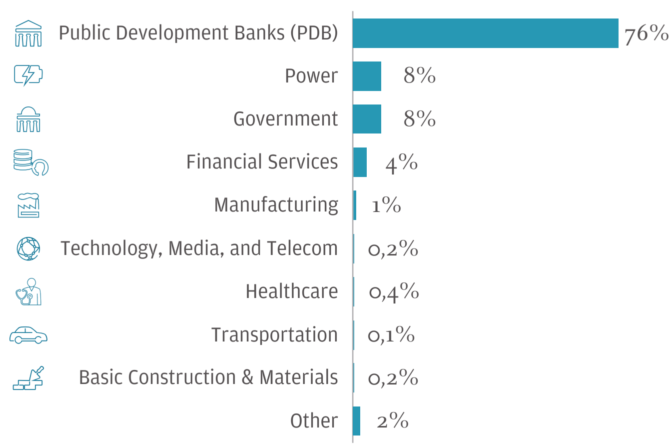
Development Intensity Score



Sector, Product and Geography Breakdown

Across industry sectors, public development banks (PDBs) represented the largest segment of assessed transactions, at 76% of the total, which reflects their dedicated roles in driving sustainable impact. The power sector followed, constituting 8% of the total assessed value, supported by the transition towards renewable energy. Transactions with governments also represented 8% of the total assessed value, which has highlighted the intentions of these governments to foster economic growth and employment. Financial services, especially those that support the growth of small and medium enterprises, contributed to 4% of the total assessed value.

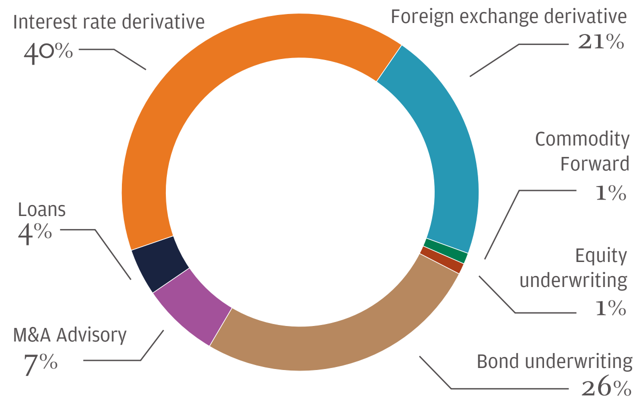
Sector[24]



Several products contributed to the total value of assessed transactions, including cross-currency and interest rate derivatives, loans, bonds, M&A advisory, and equity issuances. Foreign exchange derivatives and interest rate derivatives that provide risk management solutions to activities with anticipated development impact accounted for 21% and 40% of the total, respectively; bonds represented 26% of the total value of assessed transactions and M&A accounted for 7%.

The assessed value of M&A transactions was four times the previous year's assessed value. Equity, loans, and commodity forwards together made up the remaining 6%.

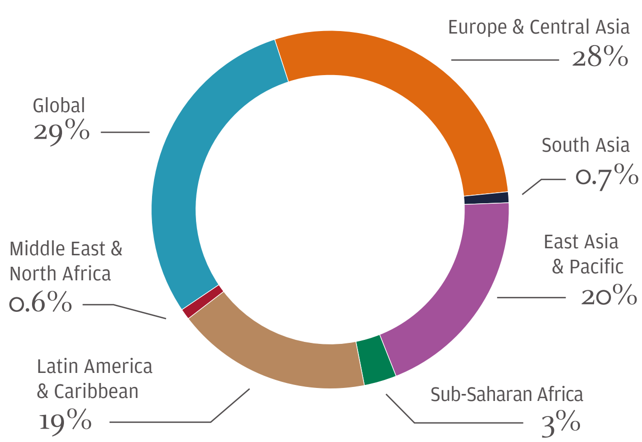
Product[24]



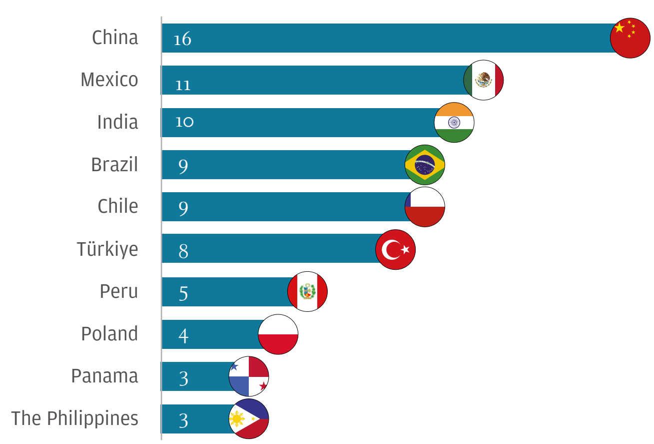
Transactions were diversified across emerging markets geographies. Activity in Eastern Europe & Central Asia (28%) contributed most to the target, growing by 6% over the previous year, which can be attributed to an uptick in debt capital markets activity in the region. Other meaningful contributors to transaction value were in the East Asia & Pacific (20%) and Latin America & Caribbean (19%) regions. PDBs operating globally (i.e., not tied to a specific emerging market region) accounted for 29% this year.

In 2024, 75% of transactions (excluding public development banks) assessed were in 10 countries –China, Mexico, India, Brazil, Chile, Türkiye, Peru, Poland, Panama and the Philippines. More details regarding numbers of deals assessed by the top countries are shown in the chart below.

Region[24]



Top 10 countries by number of transactions assessed to have anticipated development impact in 2024



LOOKING AHEAD

Photo Source: Georgia Global Utilities (GGU).
J.P. Morgan acted as DFSA for GGU's $300mm green notes.

The publication of the Impact Disclosure Guidance in October 2024 marked a major milestone in our mission to facilitate capital flows for the SDGs. The guidance has created a market consensus on how development impact should be measured, monitored, and reported. This provides two benefits. On one hand, corporate and sovereign entities now clearly know the information to attract sustainable capital. By providing this information they need to disclose, the supply of sustainable investment opportunities can grow. On the other hand, sustainable investors can more easily identify opportunities that provide development impact alongside financial returns.

Looking ahead, JPM DFI plans to continue to work with clients to help them disclose their measurable intentions to achieve development impact and support dialogue with sustainable investors. Additionally, JPM DFI plans to work with other financial institutions and market data and analytics providers to look to establish a platform that will utilize artificial intelligence to apply the guidance. This platform will aim to pre-populate Sustainable Development Impact Disclosures for all entities that seek to measure and manage their development impact and attract sustainable investors. The platform will assist investors to identify companies that are accountable to managing their development impact across various impact themes. By providing the data and analytical needs of impact-focused issuers and investors, the impact data platform can help remove a key barrier to scaling financing for the SDGs.

ENDNOTES

[1] In previous years, JPM DFI assessed transactions executed by the Corporate & Investment Bank. Due to the merger between the Corporate & Investment Bank and the Commercial Bank, JPM DFI now assesses transactions executed by the Commercial & Investment Bank (CIB).

[2] Based on transactions where J.P. Morgan acted as DFSA and supported orders from accounts that were made aware of the Sustainable Development Impact disclosure as part of the transaction.

[3] In the second half of 2025, J.P. Morgan intends to release a consolidated report on ESG and Climate topics, including progress toward the firmwide SDT. Certain DFI activity may be qualified towards the Green objective rather than the Development Finance objective of the SDT, in accordance with its methodology.

[4] The JPM DFI has adopted industry calculation conventions including: For debt capital markets and equity capital markets transactions, the full value of the transaction if J.P. Morgan is sole lead manager or sole global coordinator; in any other instances, J.P. Morgan's apportioned value as designated by Dealogic league tables. For loan transactions, if J.P. Morgan is the sole arranger, the entire facility size and in any other instances, J.P. Morgan's original commitment amount to the facility. For M&A transactions, the full announced transaction value. For derivative transactions, their notional amounts. In cases where J.P. Morgan was involved in both the financing and the derivative transaction, only the greater value of the two transactions was tracked.

[5] Source: Morningstar, Global ESG Flows, Q4 2024. Represents open-end and exchange-traded funds.

[6] Source: Reuters, Finance guide could spur extra $200 billion for sustainable development, J.P. Morgan says. Estimate is derived from J.P. Morgan-underwritten bonds assessed to have anticipated development impact, issued by issuers in emerging markets (excluding labelled issuances), grossed-up by J.P. Morgan's emerging markets underwriting market share.

[7] Charts represent distribution of data for each indicator, by quartile. SDG gaps are shown for select countries and list is not exhaustive. The scope of DP World's SDID also included South Africa and Somaliland. Peer countries are defined as the 144 countries eligible to borrow from the World Bank.

[8] Source: UNCTAD. Data retrieved from World Bank Data as of October 15, 2024 (n=110).

[9] Source: WhatAWaste Database. Data retrieved on September 9, 2024 (n=140). Proxy data source used due to lack of available data for SDG Indicator 12.5.1: National recycling rate.

[10] Source: International Monetary Fund, International Financial Statistics and Balance of Payments databases, World Bank, International Debt Statistics, and World Bank and OECD GDP estimates. Data retrieved from World Bank Data as of September 19, 2024 (n=141). Proxy data source used due to lack of available data for SDG Indicator 17.3.1: Additional financial resources mobilized for developing countries from multiple sources.

[11] J.P. Morgan's apportioned share in the transaction was $100 million. Per the SDT methodology, only J.P. Morgan's apportioned share was counted toward the SDT.

[12] As of June 30, 2024.

[13] Charts represent distribution of data for each indicator, by quartile. Peer countries are defined as the 144 countries eligible to borrow from the World Bank.

[14] Source: International Labor Organization. ILO Modelled Estimates and Projections database (ILOEST). Data retrieved from World Bank Development Indicators, Unemployment, total (% of total labor force) (modeled ILO estimate) as of September 18, 2024 (n=132).

[15] Source for countries in scope of Africell's operations: Hardiman, 2024. Source for median peer group: Ministries of Electricity and the Interior for respective countries. Data retrieved from UN Statistics, Proportion of population covered by at least a 3G mobile network (%) as of September 18, 2024 (n=142).

[16] J.P. Morgan's apportioned share in the transaction was $200 million. Per the SDT methodology, only J.P. Morgan's apportioned share was counted toward the SDT.

[17] Charts represent distribution of data for each indicator, by quartile. Peer countries are defined as the 144 countries eligible to borrow from the World Bank.

[18] Source: Food and Agriculture Organization of the United Nations (FAO). Data retrieved from the World Bank Database (n=143) as of December 15, 2023.

[19] Source: Climate Watch Historical GHG emissions (1990-2020). Washington, D.C.: World Resources Institute. Data retrieved from the World Bank Database (n=143) as of March 25, 2024.

[20] Charts represent distribution of data for each indicator, by quartile. Peer countries are defined as the 144 countries eligible to borrow from the World Bank.

[21] Source: International Labor Organization. ILO Modelled Estimates and Projections database (ILOEST), November 2023. UN Statistics Division (2023). Data accessed through UN SDGs database as of August 12, 2024 (n=121).

[22] Source: Energy Balances, UN Statistics Division (2023), IEA (2023), World Energy Balances; Energy Balances, UN Statistics Division (2023). Data accessed through UN SDGs database as of August 12, 2024 (n=143).

[23] Highlights the top five SDGs contributed to; as a result, numbers do not add to 100.

[24] Due to rounding, figures noted here may not add up to total.

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