

Verifier Statement

Independent Verification Report

Prepared for ImpactA Global: October 27, 2023

Introduction

ImpactA engaged BlueMark to undertake an independent diagnostic verification of the alignment of ImpactA Global’s impact management (IM) system with the Operating Principles for Impact Management (the Impact Principles).¹ BlueMark’s review was based solely on the policies and processes that ImpactA Global has designed and did not include a review of evidence of their implementation as they have not yet deployed capital. BlueMark’s diagnostic conclusions are intended to provide ImpactA Global with learning output on the extent of its alignment.

Summary assessment conclusions

BlueMark has independently verified ImpactA Global’s (“ImpactA”) extent of alignment with the Impact Principles. Key takeaways from BlueMark’s assessment are as follows:

Principle 1: ImpactA has developed a strategy for reducing inequalities in Emerging Markets by providing catalytic capital to climate action and sustainable infrastructure projects within its four impact themes, each of which is tied to the SDGs. To further align, ImpactA should clearly define the impact outcomes it seeks to achieve.

Principle 2: ImpactA has developed a framework for assessing and managing impact across the portfolio, which includes an ex-ante impact assessment and standardized KPIs to compare impact performance of investments within themes. ImpactA has started to consider aligning staff incentives to impact performance.

Principle 3: ImpactA articulates its expected contribution to the impact of each investment in the Impact Scorecard. The firm assesses its degree of influence in line with its development objectives. To further align, ImpactA should establish a method for creating value on an investment level and capture engagement outcomes to validate its efforts.

Principle 4: ImpactA has developed a framework for evaluating the expected impact of prospective investments, including an Impact Scorecard which leverages the IMP’s Five Dimensions and the SDGs, as well as a Risk Scorecard.

Principle 5: ImpactA has developed a framework for conducting a sustainability analysis for each investment, that leverages proprietary tools alongside external data to identify and manage ESG risks. The firm’s approach is aligned with industry standards, including the Equator Principles.

Principle 6: ImpactA has developed an impact monitoring process for tracking impact performance and environmental and social risks and to identify impact underperformance.

Principle 7: ImpactA has developed a strategy to ensure that inherently impactful companies are selected at the outset and that impact and sustainability are strengthened and deepened during the investments’ holding period. To further align, ImpactA should incorporate additional impact at exit considerations into its approach.

Principle 8: ImpactA has developed a process to evaluate impact progress for each investment on a regular basis. To further align, ImpactA should formalize its review process and ensure to capture the unintended impacts of its investments.

¹ ImpactA Global is not currently a signatory to the Impact Principles. BlueMark’s diagnostic verification was undertaken as an independent assessment exercise and does not represent an official verification of the alignment to the Principles.

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Assessment methodology and scope

ImpactA Global provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IM system applicable to the Covered Assets. The scope of BlueMark’s work was limited to processes in place as of October, 2023. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.²

BlueMark’s full assessment methodology, based on its professional judgment, consisted of:

1. Assessment of the IM system in relation to the Impact Principles, using BlueMark’s proprietary rubric, and examining processes and policies against the following criteria:
 - *Compliance* of the IM system with a threshold level of practice;
 - *Quality* of the IM system’s design in terms of its consistency and robustness; and
 - *Depth* of sub-components of the system, focused on completeness
2. Interviews with ImpactA Global staff responsible for defining the IM system; and
3. Delivery of detailed assessment findings to ImpactA Global, outlining areas of strong alignment and recommended improvement, as well as BlueMark’s proprietary benchmark ratings on the extent of alignment to each of the Impact Principles.

Permissions

This statement, including our conclusions, has been prepared solely for ImpactA Global in accordance with the agreement between our firms. We permit ImpactA Global to disclose this statement in its entirety online, or to furnish this statement to other interested parties to demonstrate ImpactA Global’s alignment with the Operating Principles for Impact Management. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ImpactA Global for our work or this statement except where terms are expressly agreed between us in writing.

About BlueMark

BlueMark, a Tideline company, is a leading provider of impact verification services in the impact investing market. BlueMark was founded with a mission to “strengthen trust in impact investing” and to help bring more accountability to the impact investment process. BlueMark is a wholly owned subsidiary of Tideline Advisors, LLC, a certified women-owned advisory firm in impact investing. Since its founding in 2014, Tideline has become a recognized leader in impact measurement and management, working with leading asset owners and managers to design and implement impact management systems.

BlueMark has conducted this verification with an independent and unconflicted team experienced in relevant impact measurement and management issues. BlueMark has implemented a Standard of Conduct requiring our employees to adhere to the highest standards of professional integrity, ethics, and objectivity in their conduct of business activities.

BlueMark has office locations in London, UK; New York, NY; Portland, OR; and San Francisco, CA and is headquartered at 915 Battery St, San Francisco, CA 94111, USA. For more information, please visit www.bluemarktideline.com.

² The scope of BlueMark’s assessment procedures does not include the verification of the resulting impacts achieved. BlueMark’s assessment is based on its analyses of publicly available information and information in reports and other material provided by ImpactA Global. BlueMark has relied on the accuracy and completeness of any such information provided by ImpactA Global. The assessment results represent BlueMark’s professional judgment based on the procedures performed and information obtained from ImpactA Global.