

Independent Verification Report

For the Operating Principles on Impact Management

*Prepared for Developing World Markets
31 March 2021*

In accordance with the Operating Principles for Impact Management (the Principles) Developing World Markets (DWM) has engaged Innovest Advisory to perform an independent verification of the alignment of its impact management policies and procedures, and disclosure thereof, with the Principles.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that DWM's impact management and monitoring policies and procedures, and disclosure thereof, are not in alignment in all material respects with the Principles as at 2 December 2020. The pursuit of impact is clearly and deeply embedded within DWM's operations and taken into account at all stages of the investment process.

Scope

The scope of our work focused on verification of alignment of the impact policies and procedures in place, and the disclosure thereof, to the Principles. Our work relates to all funds as listed in DWM's Disclosure.

Our verification conclusion relates to policies and procedures in place during the period between the date that DWM became a signatory to the Principles (2 December 2019) and the date of its Disclosure (2 December 2020). However, our inquiries have extended outside of this period in order to fully understand ongoing improvements that have been made.

The scope of our procedures does not include an assessment of the effectiveness of DWM's impact measurement approach in achieving impact, nor the verification of the resulting impacts achieved. We recognise that there is no single best approach to impact management that aligns with the Principles. As such we have drawn upon a range of established practices and our professional judgement in this verification engagement.

Relationship with Client

Innovest Advisory has an informal advisory relationship with DWM with regards to future fund design. Innovest has not been engaged to provide services under a formal agreement, prior to this verification engagement.

Innovest has not contributed to DWM's strategies, policies, systems or monitoring related to impact.

Responsibilities of DWM

DWM is responsible for:

- Designing, implementing and maintaining the policies, procedures, roles and responsibilities necessary to align its organisation with the Principles;
- Preparing the statements in the Disclosure Statement that align with the Principles and publicly reporting on its alignment with the Principles on an annual basis.

Our Responsibilities

Innovest Advisory is responsible for:

- Planning and performing the verification engagement in order to verify whether DWM's operations are in alignment with the Principles;
- Assessing the relevance, completeness, reliability, neutrality and understandability of the Policies in relation to the Principles;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion and findings to DWM.

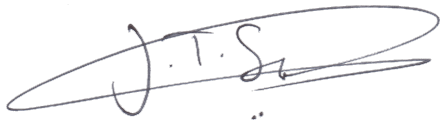
Work Performed

Our conclusion is based on the following work performed:

- A detailed review of DWM's fund documentation, policies and procedures to understand DWM's approach to impact management and monitoring.
- Enquiries of DWM's management and deal teams, including those with responsibility for DWM's Disclosure Statement, to further understand the policies and procedures in place.
- Performance of walkthrough tests as interviews to check the correct application of the policies and procedures in place.

- Enquiries of the management teams of a sample of DWM's portfolio companies and review of their impact documentation.
- Review of the Disclosure Statement to ensure the integrity of the information provided.

This Verification Report, including our conclusions, has been prepared solely for DWM in accordance with the agreement between us, to assist DWM in reporting its alignment with the Operating Principles for Impact Management. We permit this report to be disclosed online to assist DWM in responding to their governance responsibilities by obtaining independent verification in connection with their Disclosure. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the DWM management for our work or this report except where terms are expressly agreed between us in writing.



Justin Sykes
Managing Director, Innovest Advisory
Guernsey, Channel Islands
31 March 2021

About Innovest Advisory

Innovest Advisory is an impact investment advisor to the private funds industry. We provide a full range of services to fund managers and social impact companies that want to be more intentional about impact.

Innovest Advisory is headquartered in Guernsey, with offices in Jersey, London and Johannesburg. For more information please visit www.innovestadvisory.com