

Independent verification of the alignment of Innova/7's impact management systems with the Operating Principles for Impact Management

This verification is prepared for Innova/7 GP Sarl ("GP") and Innova/7 SICAV-RAIF ("Fund") by Cormack Services to present the level of alignment of the Fund's and GP's procedures and reporting with the Operating Principles for Impact Management ("Impact Principles"). Operating Principles for Impact Management (<https://www.impactprinciples.org/>) is a division of The Global Impact Investing Network (<https://thegiin.org/>).

In preparing this verification, Cormack Services has taken into account a review of the following :

- Innova/7 GP's Disclosure Statement: Operating Principles for Impact Management
- Innova Capital's Annual ESG Report 2023 (covering the 3 investments completed in 2023)
- Innova/7 documentation relating to ESG and impact management procedures and relevant portfolio company reporting

Meetings with the Innova Capital ESG Director have provided additional background to the verification process. The meetings contributed to the confirmation of some of the more practical elements of the impact management procedures in specific investments. The verification exercise was carried out on the basis of the Impact Operating Principles for Impact Management website and brochure published in February 2019 (updated December 2023) and specifically taking into account Principle 9 of the Impact Principles. The subject of the verification are the assets under management valued at 31 July 2024 at EUR 427.4 m and their alignment with the Impact Principles..

It is noted that Innova/7 is at an early stage of its investment process but at 31 July 2024 there were 6 investments in the portfolio. The stage of implementation of the impact management processes reflects the fact that the shareholdings have been acquired in the course of 2023 and 2024. Impact management processes have been introduced in the companies but the initiatives intending to generate impact are in progress and being monitored regularly.

For disclosure purposes, Cormack Services states that it has provided various ESG-related services to the Innova Capital Group from 2010 to 2020 and also reviewed the new ESG Annual Report in 2023. In the opinion of Cormack Services and Innova/7 GP, Cormack Services is independent from Innova/7 GP. The previous knowledge of Innova Capital's business and ESG processes has helped during the process of verification but Cormack Services has not contributed to Innova/7's Impact Management and Measurement policy. Iain Haggis at Cormack Services has been responsible for the preparation of this verification. He has 15 years' ESG experience, working for a number of private equity funds, portfolio companies and other corporations. He is also a

director of Valores Foundation, which is a Polish venture philanthropy and impact investor.

Innova/7 GP has prepared the Disclosure Statement and is responsible for the information within it as well as the design and implementation of relevant procedures relevant to its preparation.

This statement has been prepared for Innova/7 with the explicit intention of being made available online and provided to interested third parties however Cormack Services does not accept or assume any responsibility for the content of the statement to parties other than Innova/7 GP.

Cormack Services has independently assessed the alignment of Innova/7's procedures with individual Impact Principles.

Principle 1: Innova/7 uses SDGs as one of the bases for aligning its impact objectives with external benchmarks. The 'Beyond Profit' strategy implemented in 2023 has defined strategic impact objectives.

Principle 2: Innova/7 applies ESG and impact management procedures to all of its portfolio companies. It was confirmed that the Innova ESG Director and other team members have ESG-related bonus targets as part of their remuneration.

Principle 3: The Innova ESG Annual Report provides narratives for the joint contribution of Innova and portfolio company management to the achievement of impact.

Principle 4: Innova/7 has built into its investment process detailed data collection and reviews at every stage, which ensure that it is addressing transparently on entry the planned impact and its potential significance. The impact is tracked through the life of the investment and can be remedied if it is falling below plan or increased if this is possible. Who experiences the impact may not always be explicitly stated but should be understood by interested parties.

Principle 5: Innova/7 uses KPIs to test that its investees are not doing significant harm.

Principle 6: Innova/7 monitors all its investees ESG and impact activity on a quarterly basis and is able to take corrective action through board actions.

Principle 7: Innova/7 has not yet instigated any exits but the consideration of future sustainability is built into its investment processes.

Principle 8: Innova/7 declares clearly that ESG and impact management is part of a continuous improvement regime. Positive and negative experience is used from other Innova funds to enhance the impact management of Innova/7.

It has been verified that the impact management internal tools and systems implemented by Innova/7 along with the impact reporting and procedures were clearly and appropriately reported in the Disclosure Statement. The Innova ESG Officer and the Partner responsible for ESG lead the impact management process supported by ESG Officers and management in portfolio companies and the deal teams responsible for individual investments.

Based on the information obtained, there is no evidence to suggest that the Disclosure Statement confirming Innova/7's alignment with the Operating Principles for Impact Management, is not materially true and fairly stated nor that the impact management systems, policies, processes, key documents and tools themselves implemented by Innova/7 are not aligned with the Impact Principles.

The accuracy of information provided was relied upon and not independently and individually verified. This verification statement should be understood solely in the context of the scope of the work carried out as an independent verifier.

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Signed:



Date: 9 August 2024
In Warsaw