**Verifier Statement**

*Independent Verification Report*

*Prepared for Clime Capital: September 29, 2023*

### Introduction

As a signatory of the Operating Principles for Impact Management (the Impact Principles), Clime Capital engaged BlueMark to undertake an independent verification of the alignment of Clime Capital’s impact management (IM) system with the Impact Principles. Clime Capital’s assets under management covered by the Impact Principles (Covered Assets) totals $22.5 million, as of August 2023.

### Summary assessment conclusions

BlueMark has independently verified Clime Capital’s extent of alignment with the Impact Principles. Key takeaways from BlueMark’s assessment are as follows:

**Principle 1:** Clime Capital has a clearly defined impact strategy that seeks to deploy early-stage development and scale up capital to accelerate the low carbon transition in Southeast Asia. Clime Capital has gathered supporting research and evidence to substantiate the need for its approach.

**Principle 2:** Clime Capital has policy-level documentation outlining the firm’s approach to integrating impact considerations at each stage of the investment lifecycle and has developed a core set of impact metrics which facilitate the comparison of impact performance across portfolios.

**Principle 3:** Clime Capital’s investor contribution is both financial and non-financial and value-add activities are tracked across transactions. To further align, Clime Capital should increase the consistency and depth with which it assesses the firm’s contribution to impact pre-investment and consider opportunities to validate its approach.

**Principle 4:** Clime Capital implements a consistent and standardized framework for assessing the potential impact of each investment. To further align, Clime Capital should enhance their approach for considering indirect and systemic impacts as well as deepen its assessment of potential negative impacts.

**Principle 5:** Clime Capital has developed a robust Environmental, Health & Safety, and Social Framework (EHSS). ES Screens present Clime with a list of E&S topics, highlighting any red flag issues and Environmental Social Action Plans (ESAPs) are developed where issues arise during due diligence.

**Principle 6:** Clime Capital has developed an impact monitoring process in which the team tracks performance data for each company and uses a traffic light system to monitor the status of each project. To further align, Clime Capital should develop action plan protocols for managing impact underperformance.

**Principle 7:** Clime has developed an Investment Exit Report which offers an overview of impact reporting for each project and outlines a set of covenants to be included in the transaction. To further align, Clime should enhance its Exit Reports to more explicitly consider how potential exit scenarios might influence impact performance during due-diligence.

**Principle 8:** Monthly and quarterly reports provide evidence that the firm has a consistent approach to reviewing and documenting the impact performance of each investment. To further align, Clime Capital should systematically track lessons learned and ensure they result in improvements.

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1 Principle 9 states that signatories “shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.”

2 Assets under management figure as confirmed by Clime Capital as of 07/21/2023. BlueMark’s assessment did not include verification of the AUM figure.
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Assessment methodology and scope
Clime Capital 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 related to the Covered Assets as of August 2023. BlueMark’s assessment of the IM system included an evaluation of both the system itself and supporting documentation, as well as the consistency of the draft disclosure statement with the IM system. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.

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 Clime Capital staff responsible for defining and implementing the IM system;
3. Testing of selected Clime Capital transactions to check the application of the IM system; and
4. Delivery of detailed assessment findings to Clime Capital, 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 Clime Capital in accordance with the agreement between our firms, to assist Clime Capital in fulfilling Principle 9 of the Operating Principles for Impact Management. We permit Clime Capital to disclose this statement in its entirety online, or to furnish this statement to other interested parties to demonstrate Clime Capital’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 Clime Capital 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.

*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 Clime Capital. BlueMark has relied on the accuracy and completeness of any such information provided by Clime Capital. The assessment results represent BlueMark’s professional judgment based on the procedures performed and information obtained from Clime Capital.*