

VERIFICATION STATEMENT

Background

Inoks Capital SA ('INOKS') is a signatory of the Operating Principles for Impact Management ('the Impact Principles'). As per the ninth principle, each signatory undertakes an independent annual verification of the Impact Principles' implementation.

INOKS has requested Steward Redqueen to verify alignment of its operations and assets under management (USD 650 million as of 31 August 2021) with the Impact Principles.

This verification statement refers to INOKS' Disclosure Statement dated 15 July 2021.

Verification process

For this verification, Steward Redqueen undertook the following activities:

1. Review of documentation on INOKS' policies, procedures and tools around impact management to assess alignment with the impact principles;
2. Verification of how these are implemented in practice based on a selection of three transactions (selected by considering (i) diversity in investment stage (due diligence versus monitoring), (ii) geographical location and (iii) commodity;
3. Interviews with staff to evaluate how impact management is incorporated into team research, discussions, and decision-making.

Verification outcomes

In line with the findings of the previous verification, INOKS demonstrates good alignment with the Operating Principles for Impact Management. On top of the commitment, strategy, policies and procedures already in place, INOKS has introduced new elements to further improve its alignment with the Impact Principles and streamline its impact management practices; the most relevant being the impact scoring and Impact Management Tool.

Moving forward, we provide INOKS two main recommendations. First, a stronger focus on performing portfolio level analysis would allow INOKS and its stakeholders to grasp the bigger picture – on where the portfolio stands in terms of impact expected and impact achieved. This would ensure full alignment with Principle 2. Second, while INOKS has until present largely focused on the development of an impact framework, policies and methodologies, INOKS could now prioritize the implementation of the system in practice over further development of policies and procedures.

Amsterdam, **October 18, 2021**

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