

Francis Fitzpatrick FCCA
Francis Fitzpatrick & Company
Chartered Certified Accountants
& Statutory Auditors
619 North Circular Road
Dublin 1

To: Diane C. Damskey
Secretariat, Operating Principles for Impact Management,
IFC, World Bank Group

CC: Kieran McLoughlin
VentureWave Capital Limited
The Merrion Buildings
Merrion Street Upper
Dublin 2,
D02 XH98
Ireland

31st December 2020

Dear Diane,

RE.: Independent Verification of VentureWave Capital Limited's strategic alignment and compliance with the Operating Principles for Impact Management.

- **Background and Scope**

I have been asked by VentureWave Capital Limited (hereafter referred to as the "Signatory") to undertake an independent review of the Signatory's overall strategic alignment and compliance with the Operating Principles for Impact Management with particular emphasis on Principle 9.

The "Covered Assets" reviewed were the assets of the Signatory's sole investment fund, Impact Ireland LP.

My review was undertaken in the first half of December 2020.

- **Professional Background**

I am a Fellow of the Association of Chartered Certified Accountants and have been a practicing Accountant for the past 28 years.

- **The Operating Principles for Impact Management**

For the sake of clarity, I think it useful at this point to state the 9 Operating Principles for Impact Management.

The Operating Principles for Impact Management are as follows:

1. Define strategic impact objective(s), consistent with the investment strategy.
2. Manage strategic impact on a portfolio basis.
3. Establish the Manager's contribution to the achievement of impact.
4. Assess the expected impact of each investment, based on a systematic approach.
5. Assess, address, monitor, and manage potential negative impacts of each investment.
6. Monitor the progress of each investment in achieving impact against expectations and respond appropriately.
7. Conduct exits considering the effect on sustained impact.
8. Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.
9. Publicly disclose alignment with the Principles and provide regular independent verification of the alignment.

- **Steps Taken**

1. I have carefully reviewed and considered the following documents:

- The 9 Operating Principles for Impact Management;
- The Governing Principles of the Operating Principles for Impact Management;
- The Annual Disclosure Statement that the Signatory submitted to you last summer;
- The Information Memorandum for the Signatory's Irish – domiciled investment fund;
- The impactprinciples.org website;
- The business plan of the portfolio company in which the Signatory's investment fund has recently acquired a strategic equity stake.

2. I have reviewed the Signatory's established investment policies and investment restrictions together with its compliance and corporate governance structures and procedures.

3. I have held extensive conversations with management regarding the business strategy of the Signatory and the investment objectives and investment strategy of their investment fund.

- **Conclusion**

Having concluded my review, I can confirm unequivocally that the Signatory's investment objectives and strategy as well as its corporate culture are fully aligned to each of the 9 Operating Principles.

I can confirm that the Signatory has complied with the requirement to submit a written Annual Disclosure Statement to the IFC. With specific regards to the public Disclosure Statement, the Signatory's website clearly affirms its status as a Signatory to the Operating Principles for Impact

Management. Moreover, the Signatory has made their Annual Disclosure Statement publicly available on their website. It can be found at:

<https://venturewave.com/ifc-annual-disclosure-statement/>

When conducting my review and when arriving at my conclusion, I was mindful of the legal and regulatory restrictions to which the Signatory, as a manager of third-party capital and an entity registered with the Central Bank of Ireland, is subject. The most noteworthy of these restrictions relates to the content that the Signatory can publish on its website, particularly any comments that could be interpreted as an endorsement of the Signatory's fund as an investment proposition.

Disclosure:

I hereby disclose that I have no fiduciary obligations whatsoever to the Signatory and the undertaking of this review on my part gave rise to no conflicts of interest.

This verification letter does not constitute the provision of any legal or investment advice in connection with the Operating Principles. While I wholeheartedly provide this verification letter in good faith, I shall not be held liable for any statements or assertions made in this letter nor in connection with, any act, omission or disclosure by any Signatory or otherwise in respect of the Operating Principles.

Yours sincerely,


Francis Fitzpatrick FCCA