

Verifier Statement

Independent Verification Report

Prepared for The Vistria Group: 21 August, 2024

Introduction

The Vistria Group (“Vistria”) engaged BlueMark to undertake an independent assessment of the alignment of Vistria’s impact management (IM) system with impact investing and ESG industry best practices and market standards.¹ BlueMark’s assessment conclusions are intended to provide Vistria with learning output on the extent of its alignment.

Summary assessment conclusions

BlueMark has independently verified Vistria’s extent of alignment with impact investing industry best practices. Key takeaways from BlueMark’s assessment are as follows:

- *Impact objectives:* Vistria invests in Healthcare, Financial Services, and Knowledge and Learning solutions, with DEI and climate mitigation as cross-cutting goals. Each vertical has a documented impact thesis, supported by external evidence. Vistria aligns its impact and ESG metrics with the SDGs.
- *Portfolio-level impact management:* Vistria has developed the Vistria Optimal Impact (VOI) model to define, compare, and analyze impact across its portfolio throughout the investment lifecycle. Staff performance reviews include contributions to DEI and core impact values.
- *Investor contribution:* Vistria leverages its knowledge, expertise and network to help investees optimize impact, advance DEI and mitigate climate change risks. The firm develops value-creation plans with investee management, monitors progress, and summarizes the key achievements as part of their exit analysis.
- *Impact due diligence:* Vistria evaluates the expected impact of prospective investments during due diligence using the VOI model, which assesses an investment's actual vs anticipated impact and leverages the IMP’s 5 Dimensions. Transaction-level impact theses are documented in IC memos alongside impact risks.
- *ESG risk management:* Vistria incorporates ESG considerations into its investment strategy and processes. Final IC memos include the top three positive and negative ESG factors impacting the investment and where relevant, action items to improve ESG management with investees.
- *Impact monitoring:* Vistria monitors the impact performance of its investments over time and against targets, where possible. The firm uses Novata to support impact data collection and supplements monitoring data with third-party benchmarks, efficacy studies and stakeholder surveys to assess outcomes.
- *Impact at exit:* Vistria’s approach includes assessing buyer impact, the influence of new ownership on impact quality, accessibility, scale and business conduct. Pre-investment, Vistria evaluates exit options and works with investees to improve and embed impact sustainability. In line with stated intention, Vistria should further enhance its responsible exit process by ensuring a consistent and documented assessment of impact at exit, including how the timing and structure may influence long-term impact.
- *Impact Review:* Vistria has a structured approach to reviewing the impact of each investment, including regular meetings to discuss investment impact results, unintended impacts and proposed interventions. In line with stated intention, Vistria should further enhance its review process by ensuring structured feedback loops leverage the findings of impact performance reviews to improve related operational processes and/or strategic investment decisions.

¹ The standards and frameworks used to inform BlueMark’s assessment of each client’s IM system include the Impact Management Project, the Operating Principles for Impact Management, the Principles for Responsible Investment and SDG Impact.

Verifier Statement

Independent Verification Report

Prepared for The Vistria Group: 21 August, 2024

Assessment methodology and scope

Vistria provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IM system. The scope of BlueMark's work was limited to processes in place as of May 2024. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.⁴

BlueMark's full assessment methodology, based on its professional judgment, consisted of:

1. Assessment of the IM system in relation to the impact investing industry best practices, 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 Vistria staff responsible for defining and implementing the IM system;
3. Testing of selected Vistria transactions to check the application of the IM system; and
4. Delivery of detailed assessment findings to Vistria, outlining areas of strong alignment and recommended improvement, as well as BlueMark's proprietary benchmark ratings on the extent of alignment with impact investing industry best practices.

Permissions

This statement, including our conclusions, has been prepared solely for Vistria in accordance with the agreement between our firms. We permit Vistria to disclose this statement in its entirety online, or to furnish this statement to other interested parties to demonstrate Vistria's alignment with the industry best practices. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Vistria for our work or this statement except where terms are expressly agreed between us in writing.

About BlueMark

BlueMark, a Delaware-registered public benefit 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 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; and Portland, OR; and is headquartered at 154 W 14th St, 2nd Floor, New York, NY 10011. Its outside investors include S&P Global, Temasek Trust Capital, Blue Haven Initiative, Gunung Capital, Tsao Family Office, Ford Foundation and Radicle Impact. For more information, please visit www.bluemark.co.

⁴The 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 Vistria. BlueMark has relied on the accuracy and completeness of any such information provided by Vistria. The assessment results represent BlueMark's professional judgment based on the procedures performed and information obtained from Vistria.