

Verifier Statement

Independent Verification Report

Prepared for Good Harvest Ventures Management: August 24, 2021

Introduction

As a signatory of the Operating Principles for Impact Management (the Impact Principles)¹, Good Harvest Ventures Management engaged BlueMark to undertake an independent verification of the alignment of Good Harvest Ventures Management’s impact management (IM) system with the Impact Principles.

Summary assessment conclusions

BlueMark has independently verified Good Harvest Ventures Management’s extent of alignment with the Impact Principles. Key takeaways from BlueMark’s assessment are as follows:

Principle 1: Good Harvest Ventures Management has six impact objectives that underpin its investment strategy and that are each linked to positive, measurable indicators. To further align with this principle, Good Harvest Ventures Management could demonstrate clearer alignment between its impact objectives and the international frameworks it references (e.g., EU Farm-to-Fork, SDGs).

Principle 2: Good Harvest Ventures Management integrates impact considerations throughout the investment lifecycle, leveraging its impact framework. Additionally, impact achievements are used to determine the amount of carry distributed to the investment team. To further align with this principle, Good Harvest Ventures Management could document and apply its impact analyses in a more consistent manner.

Principle 3: Good Harvest Ventures Management’s Responsible Investment Policy describes its approach to providing and managing value-add interventions. Good Harvest Ventures Management could further align with this principle by tracking the expected benefits and results of its interventions on a more systematic basis.

Principle 4: Good Harvest Ventures Management uses its Investment Fact Sheets to document alignment of potential investments with its impact framework and to describe what impacts can be expected from a potential investment. To further align with this principle, Good Harvest Ventures Management could deepen its pre-investment analysis to include more robust consideration of different dimensions of expected impact.

Principle 5: Good Harvest Ventures Management typically screens for ESG risks when evaluating potential investments and conducts more detailed ESG analyses post-investment. Good Harvest Ventures Management works with its portfolio companies to develop ESG roadmaps on an as-needed basis. Good Harvest Ventures Management could further align with this principle by implementing a more consistent approach to conducting ESG risk assessments and developing tools/action plans to respond accordingly.

Principle 6: Good Harvest Ventures Management has formulated a process in its Responsible Investment Policy for tracking impact results over time, but as a relatively new fund with recently established IM protocols, the firm has yet to implement its monitoring processes in a standardized manner. Good Harvest Ventures Management could increase alignment by adding more specificity to relevant policies detailing how the team will collect and use these data to monitor progress relative to expectations.

Principle 7: Good Harvest Ventures Management has not yet standardized and tested its process for reviewing impact considerations at exit. To further align with this principle, Good Harvest Ventures Management could develop a responsible exit framework to facilitate analysis and discussion of key factors for sustaining impact post-exit.

Principle 8: Good Harvest Ventures Management has formulated a process to review impact performance annually. To further align with this principle, Good Harvest Ventures Management could develop standard templates/tools for conducting annual reviews to ensure they occur consistently and that they allow for comparable analysis to derive learnings across the portfolio and to facilitate meaningful comparison of expected vs. achieved impact.

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.”

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Assessment methodology and scope

Good Harvest Ventures Management 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 24, 2021. 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.²

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

² 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 Good Harvest Ventures Management. BlueMark has relied on the accuracy and completeness of any such information provided by Good Harvest Ventures Management. The assessment results represent BlueMark’s professional judgment based on the procedures performed and information obtained from Good Harvest Ventures Management.