

Operating Principles for Impact Management: Internal Verification (statement as of December 31st, 2020)

As the Internal Audit department of COFIDES we have been asked by the Management to verify COFIDES' impact management systems alignment with the Operating Principles for Impact Management (the "Impact Principles"). Our scope of review and process are described under Principle 9 of the Disclosure Statement. Our review does not include a verification of the resulting impacts achieved.

Based on the documents submitted for our review, we believe that COFIDES's impact management systems are, in all material respects, in alignment with Impact Principles for the EUR 999.32 million under management (as of December 31st, 2020).



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Spain, Madrid, June 14th, 2021

Independent Internal Impact Assessment

Background

COFIDES is a signatory member to the Operating Principles for Impact Management (hereafter the Impact Principles) since April 5th, 2019.

As required for the signatories, COFIDES will publish a Disclosure Statement on the alignment with the Operating Principles for Impact Management (hereafter the Disclosure Statement) describing COFIDES's activities and alignment with the Impact Principles.

In Compliance with Principle 9, this Disclosure Statement is to be independently verified.

Among the options specified in the Impact principles and in accordance with the companion guide document to the Impact principles, COFIDES has chosen an internal independent verification as its Verification Process.

Our independence and internal procedures

We applied our internal procedures and Code of Ethics according to international standards which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

As a function we directly report to the Board of Directors Audit and Risk Committee.

Professional standards applied and level of assurance

We performed a limited assurance engagement which is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Objective

Conduct an internal independent verification of COFIDES's impact management systems alignment with the Impact Principles.

Verify whether to the Internal Audit Department's satisfaction, the Disclosure Statement is free from material misstatement.

Work done

We have verified COFIDES's impact management systems and the Disclosure Statement by reviewing relevant documentation and performed interviews with COFIDES Investment (including Corporate Governance internal group), Development Advisory, Environmental, Social and Impact professionals, where our professional judgement deemed it necessary. We have performed limited substantive testing on a selective basis of the Statement to check that information had been appropriately collected, recorded, collated and reported; considered the disclosure and presentation of the Statement; reviewed the Disclosure Statement to ensure assumptions and judgements have been clearly disclosed and communicated findings and recommendations in a report to Senior Management.