

# Prospectus Triodos SICAV I

Société d'Investissement à Capital Variable  
Luxembourg

RCS Luxembourg B 119 549

February 2017

# Preliminary.

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Triodos Sicav I (the “Company”) is offering shares (the “Shares”) of several separate sub-funds (individually a “Sub-Fund” and collectively the “Sub-Funds”) on the basis of the information contained in the prospectus (the “Prospectus”) and in the documents referred to herein.

The distribution of the Prospectus is valid only if it is accompanied by a copy of the latest annual report containing the audited accounts and by the latest semi-annual report if such report is published after the latest annual report. These reports form an integral part of the Prospectus.

No person is authorised to give any information or to make any representation other than those contained in the Prospectus or in the documents referred to in the Prospectus. Such documents are available to the public at the registered office of the Company.

The board of directors of the Company (the “Board of Directors”) has taken all reasonable care to ensure that the information contained herein is accurate and complete in all material respects. The Board of Directors accepts responsibility accordingly.

Any information given by any person not mentioned in the Prospectus should be regarded as unauthorised. The information contained in the Prospectus is considered to be accurate at the date of its publication. To reflect material changes, this document may be updated from time to time and potential subscribers should enquire of the Company as to the issue of any later Prospectus.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain jurisdictions. The Prospectus does not constitute an offer or solicitation to subscribe to the Shares by any person in any jurisdiction in which such offer or solicitation is unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of the Prospectus and any persons wishing to make application for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of relevant jurisdictions.

**Luxembourg** – The Company is an investment company governed by the laws of the Grand Duchy of Luxembourg and is subject to Part I of the law dated 17 December 2010 on undertakings for collective investment (the “Law of 2010”). The above registration does however not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus or the assets held in the various Sub-Funds. Any representations to the contrary are unauthorised and unlawful.

The Articles (as defined in the “Glossary of Terms”) give powers to the Board of Directors to impose such

restrictions as they may deem necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the opinion of the Board of Directors might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered (such persons being referred to as the “Prohibited Persons”).

Investors should inform themselves and should take appropriate advice as to possible tax consequences, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, domicile or other eligible laws and which might be relevant to the subscription, purchase, holding, redemption or disposal of the Shares of the Company.

The Company draws the investors’ attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders’ meetings, if the investor is registered himself and in his own name in the shareholders’ register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

**United States** – The Shares have not been and will not be registered under the United States Securities Act of 1933 for offer or sale as part of their distribution and the Company has not been and will not be registered under the United States Investment Company Act of 1940. However, in compliance with the National Securities Markets Improvement Act of 1996, the Company may privately place its Shares in the United States with an unlimited number of US qualified purchasers, provided that such offer or sale is exempt from registration under the United States Securities Act of 1933 and provided that the Company qualifies for an exemption from the requirement to register under the United States Investment Company Act of 1940.

# Directory.

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<b>Registered Office of the Company</b>	11-13, Boulevard de la Foire L-1528 Luxembourg Grand-Duchy of Luxembourg
<b>Board of Directors</b>	<b>Chairman</b> Garry Pieters, Partner of The Directors' Office Luxembourg  <b>Members</b> Pierre Aeby, CFO of Triodos Bank Monique Bachner, Independent, Founder of Bachner Legal Patrick Goodman, Independent, Partner of Innpact Dick van Ommeren, Managing Director of Triodos Investment Management
<b>Management Company</b>	Triodos Investment Management B.V.  Registered office: Nieuweroordweg 1 3704 EC Zeist The Netherlands Postal address: P.O. Box 55 3700 AB Zeist The Netherlands
<b>Investment Manager</b>	Delta Lloyd Asset Management N.V.  Registered office: Amstelplein 6 1096 BC Amsterdam The Netherlands Postal address: P.O. Box 1000 1000 BA Amsterdam The Netherlands
<b>Distributor</b>	Triodos Investment Management B.V.  Registered office: Nieuweroordweg 1 3704 EC Zeist The Netherlands Postal address: P.O. Box 55 3700 AB Zeist The Netherlands
<b>Depositary, Administrative Agent, Registrar Agent, Paying Agent</b>	RBC Investor Services Bank S.A. 14, Porte de France L-4360 Esch-sur-Alzette Grand-Duchy of Luxembourg

**Independent Auditors**

PricewaterhouseCoopers, Société Coopérative  
2, rue Gerhard Mercator  
L-2182 Luxembourg  
Grand-Duchy of Luxembourg

**Legal Advisor**

Arendt & Medernach S.A.  
41A, avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand-Duchy of Luxembourg

Copies of the prospectus and any information relating thereto may be obtained from the registered office of the Company at 11-13, Boulevard de la Foire, L-1528 Luxembourg and from the relevant financial service provider.

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# Glossary of terms.

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<b>Administrative Agent</b>	RBC Investor Services Bank S.A.
<b>AFM</b>	the Netherlands Authority for the Financial Markets, the Dutch authority (or its successor) in charge of the supervision of the conduct of the financial markets in The Netherlands
<b>Articles</b>	the articles of incorporation of the Company dated 21 September 2006 and as may be supplemented or amended from time to time
<b>Auditors</b>	PricewaterhouseCoopers, Société Coopérative
<b>Board of Directors</b>	the board of directors of the Company
<b>British Pound</b>	the legal currency of the United Kingdom
<b>Business Day</b>	any day on which banks are open for business in Luxembourg
<b>Class</b>	each class of Shares within a Sub-Fund
<b>Company</b>	Triodos SICAV I, which term shall include any Sub-Fund from time to time thereof
<b>Corporate Bonds</b>	bonds issued by companies, listed on the worldwide markets
<b>CSSF</b>	the Luxembourg Commission de Surveillance du Secteur Financier
<b>Depository</b>	RBC Investor Services Bank S.A.
<b>Distributor</b>	the Management Company and/or any distributor appointed by the Company from time to time in replacement of the Management Company. A full list of distributors is available at the Registered Office of the Company
<b>Distribution Agreement</b>	the Management Company Agreement
<b>Domiciliary Agent</b>	RBC Investor Services Bank S.A.
<b>EU</b>	European Union
<b>Euro or EUR</b>	legal currency of the European Monetary Union
<b>Group of Companies</b>	companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts, as amended or according to recognized international accounting rules
<b>Impact Bonds</b>	impact bonds are fixed income instruments, the proceeds of which the issuer will use to finance clearly defined projects with environmental or social benefits

<b>Initial Offering Period</b>	in relation to each Sub-Fund and each Class of Shares means the first offering of Shares in a Sub-Fund or Class of Shares made at the Initial Subscription Price pursuant to the terms of the Prospectus and the Supplements (it being understood that the Initial Offering Period may be restricted to a single day corresponding to the launch date of the relevant Sub-Fund or Class of Shares)
<b>Initial Subscription Price</b>	in relation to each Class of Shares in each Sub-Fund means the amount stipulated in the Supplement relating to such Sub-Fund as the subscription price per Share for the relevant Class of Shares in connection with the Initial Offering Period
<b>Investment Manager</b>	Delta Lloyd Asset Management N.V.
<b>Investment Management Agreement</b>	the Investment Management Agreement with effect as from 1 January 2015 between the Management Company and the Investment Manager and as may be supplemented or amended from time to time
<b>KIID</b>	the key investor information document
<b>Law of 2010</b>	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as may be amended from time to time
<b>Legal Advisor (as to Luxembourg law)</b>	Arendt & Medernach S.A.
<b>Management Company</b>	Triodos Investment Management B.V.
<b>Management Company Agreement</b>	the Management Company Agreement with effect as from 1 January 2015 between the Company and the Management Company and as may be supplemented or amended from time to time
<b>Member State</b>	a member state of the European Union
<b>Mémorial</b>	the Mémorial C, Recueil des Sociétés et Associations
<b>Minimum Holding Investment</b>	means the minimum number of Shares or amount (as appropriate) which must be held by a Shareholder at any time after the Initial Offering Period
<b>Minimum Initial Investment</b>	means the minimum number of Shares or amount (as appropriate) which must be subscribed/converted for by a new Shareholder
<b>Minimum Investment Requirement(s)</b>	each of “Minimum Holding Investment”, “Minimum Initial Investment” or “Minimum Subsequent Investment” as provided for relevant Class of Shares or Sub-Fund in the Supplements
<b>Minimum Subsequent Investment</b>	means the minimum number of Shares or amount (as appropriate) which must be subscribed/converted for by an existing Shareholder
<b>Money Market Instruments</b>	instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time

<b>Net Assets</b>	the total assets of the Company or attributable to the relevant Class of Shares or Sub-Fund less the liabilities of the Company or allocable to the relevant Class of Shares or Sub-Fund
<b>Net Asset Value</b>	has the meaning ascribed to that term under section “Net Asset Value”
<b>Other Regulated Market</b>	market which is regulated, operates regularly and is recognized and open to the public, namely a market: <ul style="list-style-type: none"> <li>(i) that meets the following cumulative criteria: liquidity, multilateral order matching (general matching of bid and ask prices in order to establish a single price) and transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions);</li> <li>(ii) on which the securities are dealt in at a certain fixed frequency;</li> <li>(iii) which is recognized by a state or by a public authority which has been delegated by that state or by another entity which is recognized by that state or by that public authority such as a professional association and;</li> <li>(iv) on which the securities dealt are accessible to the public</li> </ul>
<b>Ongoing Charges</b>	the ratio of the gross amount of expenses of (Class of Shares of the) Sub-Fund to its average Net Assets during the preceding twelve month period
<b>Other State</b>	any State of Europe which is not a Member State, and any State of America, Africa, Asia, Australia and Oceania
<b>Paying Agent</b>	RBC Investor Services Bank S.A.
<b>Prohibited Persons</b>	has the meaning ascribed to that term under section “Preliminary”
<b>Prospectus</b>	the Prospectus dated February 2017, as may be supplemented or amended from time to time
<b>Redemption Price</b>	has the meaning ascribed to that term under section “Redemption of Shares”
<b>Reference Currency</b>	currency of denomination of the relevant Class or Sub-Fund
<b>Registrar Agent</b>	RBC Investor Services Bank S.A.
<b>Regulated Market</b>	a regulated market as defined in the Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments (“Directive 2004/39/EC”), namely a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third- party buying and selling interest in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of the Directive 2004/39/EC



<b>Regulatory Authority</b>	the Luxembourg authority or its successor in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg
<b>Share</b>	each share within any Class of a Sub-Fund
<b>Shareholder</b>	a person recorded as a holder of Shares in the register of shareholders maintained by the Registrar Agent
<b>SICAV</b>	a Société d'Investissement à Capital Variable
<b>Sovereign Bonds</b>	bonds issued by governments
<b>Sub Sovereign Bonds</b>	bonds issued by regional or local authorities, by international financial institutions and by (semi-)public institutions
<b>Sub-Distributor</b>	any sub-distributor which has entered into a sub-distribution agreement with the Distributor
<b>Sub-Fund</b>	each sub-fund of the Company
<b>Subscription Price</b>	has the meaning ascribed to that term under section "Issue and Sale of Shares"
<b>Supplements</b>	supplements to the Prospectus
<b>Transferable Securities</b>	<ul style="list-style-type: none"> <li>– shares and other securities equivalent to shares ("shares")</li> <li>– bonds and other debt instruments ("debt securities")</li> <li>– any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, with the exclusion of techniques and instruments</li> </ul>
<b>Triodos Group</b>	the entities of the Triodos Group of Companies
<b>UCI(s)</b>	undertaking(s) for collective investment
<b>UCITS</b>	an undertaking for collective investment in transferable securities governed by the UCITS Directive
<b>UCITS Directive</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as may be amended from time to time
<b>U.S.</b>	United States of America

## U.S. Person

the term “U.S. Person” is defined in Regulation S adopted under the U.S. Securities Act (“U.S. Person”) and includes a natural person resident in the U.S.; any partnership or corporation organised or incorporated in the U.S.; any estate of which any executor or administrator is a U.S. Person; any trust of which any trustee is a U.S. Person; any agency or branch of a non-U.S. entity located in the U.S.; any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the U.S.; and any partnership or corporation if organised or incorporated under the laws of any non-U.S. jurisdiction and formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act unless organised and owned by accredited investors (as defined in the U.S. Securities Act) who are not natural persons, estates or trusts. A U.S. Person does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated or (if an individual) resident in the U.S.; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person, if (A) any executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. Person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the U.S. and customary practices and documentation of such country; (v) any agency or branch of a U.S. Person located outside the U.S. if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Regulation S under the U.S. Securities Act

## Valuation Day

the Business Day as of which the Net Asset Value of a Sub-Fund is calculated, as determined in the relevant Supplement

# The Company.

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The Company is an open-ended investment company with a designated Management Company in compliance with article 27 of the Law of 2010, incorporated under the laws of the Grand Duchy of Luxembourg as a société d'investissement à capital variable (SICAV) under the form of a société anonyme. The Company is governed by the law of the Grand Duchy of Luxembourg of 10 August 1915 on commercial companies, as amended, and by Part I of the Law of 2010.

The Company was incorporated on 21 September 2006 for an unlimited period under the name of Triodos Sicav I. The registered office of the Company (the "Registered Office") is established at 11-13, Boulevard de la Foire, L-1528 Luxembourg. The Company is recorded at the Registre de Commerce et des Sociétés with the District Court of Luxembourg under the number B 119549. The Articles have been deposited with the Chancery of the District Court of Luxembourg and published in the Memorial on 4 October 2006. Any interested person may inspect these documents at the Chancery of the District Court of Luxembourg; copies are available on request at the registered office of the Company.

The minimum capital of the Company, which has been achieved within six months after the date on which the Company has been authorised as an UCI under Luxembourg law, is EUR 1,250,000. The capital of the Company is represented by fully paid-up Shares of no par value.

The Company is open-ended which means that it may, at any time on the request of the Shareholders, redeem its Shares at prices based on the applicable Net Asset Value per Share.

The share capital of the Company will be equal, at any time, to the total value of the Net Assets of all the Sub-Funds.

The Shares to be issued hereunder shall be issued in several separate Sub-Funds of the Company. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective, as described for each Sub-Fund in the Supplements. As a result, the Company is commonly known as an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which one or more Sub-Fund(s) may be most appropriate for their specific risk and return expectations as well as their diversification needs.

Furthermore, in accordance with the Articles, the Board of Directors may issue Shares of different classes (individually a "Class" and collectively the "Classes") in each Sub-Fund. Each Class may, as more fully described in the relevant Supplement for each Sub-Fund, (i) have a

different currency of denomination, (ii) be targeted to different types of investors, (iii) have different Minimum Investment Requirements, (iv) have a different fee structure, (v) have a different distribution policy or (vi) have a different distribution channel.

Shares of the different Classes if any, within the different Sub-Funds, may be issued, redeemed and converted at prices computed on the basis of the Net Asset Value per Share of the relevant Class within the relevant Sub-Fund, as defined in the Articles.

The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

The net proceeds from the subscriptions are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Company shall be considered as one single legal entity. With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

The Sub-Funds which are open for subscription for the time being are those which are listed in the Supplements. Supplements will be added to or removed from the Prospectus from time to time as Sub-Funds are added to the Company or closed, as the case may be.

# Investment objective and policies.

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## Investment objective

The Company intends to invest its assets in:

- Equities of listed companies and/or
- Corporate Bonds and/or
- Sovereign Bonds and/or
- Sub Sovereign Bonds and/or
- Impact Bonds and/or
- Units or shares of UCITS and/or UCIs

which (i) are expected to deliver attractive returns, (ii) do not harm society and/or the environment and (iii) comply with the investment strategy as described below.

The Company's objective is to invest all or most of its assets in equities, bonds and other securities in such a way that the related risks are diversified.

The Company aims to achieve a long-term net asset growth.

The type of securities for investment and the related risk and return profile vary for each Sub-Fund. The assets of each Sub-Fund will be invested separately in accordance with the investment objectives and policies of that Sub-Fund which are set out in the relevant Supplements.

## Investment policy

The investment policy of the Company is based on the evaluation of the factors **"People, Planet and Profit"**, where **"Profit"** means justifiable return and risk, **"People"** means decency, responsible relations and the manner in which companies, international financial institutions and (semi-)public institutions fulfil their role in society and **"Planet"** means attention for sustainability, and responsible behaviour towards the use of natural resources, waste and ecology.

The Company shall select companies and Sub Sovereign Bonds, issued by international financial institutions and (semi-)public institutions, eligible for investment by carefully selecting companies, international financial institutions and (semi-)public institutions that perform best-in-class based on environmental, social and governance performance and that meet strict minimum standards.

The Company shall select Sovereign Bonds and Sub Sovereign Bonds, issued by regional or local authorities, eligible for investment by carefully selecting governments and regional or local authorities that perform best-in-class based on functioning of their democratic process and that meet strict minimum standards.

## Investment strategy

The strategy for selecting companies, Sub Sovereign Bonds, issued by international financial institutions and (semi-)public institutions, and UCITS or UCIs eligible for investment is essentially determined by the factors **"People"** and **"Planet"**. The strategy for selecting Sovereign Bonds and Sub Sovereign Bonds, issued by regional or local authorities, eligible for investment is essentially determined by the factor **"Democracy"** (or **"People"**).

The final decision relating to selection of companies, international financial institutions, (semi-)public institutions and governments for investment is based on the factor **"Profit"**.

The selection of sustainable companies, international financial institutions, (semi-)public institutions and governments, is an intensive process. The Management Company assesses the sustainability on the basis of best-in-class performance and minimum standards. These criteria are based on (i) the degree to which the sustainability of our society is influenced and (ii) the respect of our cultural heritage, animal wellbeing, ecosystems, human rights, natural resources, social structures and public health.

## Sector focus

The Company has no specific sector focus and no sectors are excluded for sustainable investment beforehand. However, the Company will not invest in companies that manufacture or provide goods or services that, in the opinion of the Management Company, have harmful effects on society, as described in section "Investment strategy" above. As a result of this strict selection process an entire sector may be excluded for sustainable investments if no company in the sector meets the investment criteria.

## Geographic focus

The Company primarily invests in the Member States, the United States of America and Japan.

# Sustainability assessment.

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The Sub-Funds invest in companies, Corporate Bonds, Sub Sovereign Bonds, Sovereign Bonds and Impact Bonds (or UCITS or UCIs) that meet the Management Company's criteria. Companies, together with international financial institutions and (semi-)public institutions, are screened using different indicators than the screening of governments.

## Sustainability assessment for companies, international financial institutions and (semi-)public institutions

The selection process consists of the following:

### Step 1: Sustainable activities

The Management Company has identified certain types of products and services that contribute to the health and well-being of people and planet. A company that derives over 50% of its revenues from such sustainable activities qualifies for investment by one of the Sub-Funds. The sustainable activities are grouped in three themes: clean planet, climate protection and healthy people. Companies can also be selected for their leading role in corporate social responsibility within their industry. These are the Corporate Social Responsibility (CSR) Pioneers.

#### Clean planet

The Management Company favours companies that contribute to a clean planet and the development of solutions for environmental pollution. This is an urgent issue because the natural environment is under increasing pressure. Examples of products and services that fall within the scope of this theme are environmental technology aimed at preventing and cleaning up pollution, equipment to monitor energy and water consumption, bicycles and public transport.

#### Climate protection

Climate change poses a serious threat to the long-term health of the environment and the world's population. It requires global action by governments, companies and citizens. The Management Company encourages companies to contribute to combating climate change. Companies in this theme are active in the production of renewable energy from the sun, wind, waves and geothermal energy. In addition, we include companies that develop new ways to storing energy and enhancing energy efficiency.

#### Healthy people

The Management Company prefers companies that contribute to a healthy lifestyle for everyone. Companies that fall within this theme offer solutions for health care issues, such as medical technology, drugs for treating serious diseases in developing countries, clean drinking

water and innovative health care, medicines based on natural ingredients and organic food products.

#### CSR Pioneers

A company that qualifies as a CSR Pioneer is considered a real sector leader in terms of corporate social responsibility. A CSR Pioneer demonstrates leadership in its products or production process, showing its industry the path of transition to a sustainable society. In addition to the above, in specific situations or as part of new developments, other sustainable activities may also be considered, for example new products or services that have particular importance from an environmental and/or social perspective.

### Step 2: Identification of best-in-class companies

A company that does not derive over 50% of its revenues from sustainable activities (step 1) can still qualify for investment if its all-round sustainability performance puts it among the best in its industry. The Management Company assesses the performance by using more than 70 generic and sector-specific indicators, relating to ESG (Environmental, Social and Governance) issues.

#### Environmental indicators

The environmental indicators compose a picture of the sustainability of the production process and the nature of the products supplied. To justify its long-term existence, a company must make a continuous effort to minimise its negative impact on the natural environment, including the reduction of water and energy use, green procurement and the development of sustainable products and services.

#### Social indicators

The social indicators examine the way in which a company fulfils its role in society and covers its relations with the community, employees, contractors, customers and competitors. Good employee relations are an important condition for the long-term success of a company. Employment terms and working conditions, and also the labour conditions of employees in the supply chain, are rated according to several different indicators.

#### Governance indicators

Ethical business management is an important condition for a sustainable relationship between a company and its stakeholders. The governance indicators analyse the corporate structure and the company's business ethics, but also ESG governance, tax transparency and remuneration.

Together, the ESG indicators determine the sustainability score of a company. When this score puts the company in the top 50% performers within its industry, it is eligible for investment - provided it also passes step 3.

### Step 3: Minimum standards

Following the selection of companies with sustainable activities (step 1) and the identification of best-in-class companies (step 2), companies are assessed against Triodos Bank's minimum standards (Minimum Standards). None of the companies selected for inclusion in the Triodos investment universe may be involved in activities that materially prevent the long-term development of a sustainable society.

Every company is subjected to a thorough analysis at least once every three years. During the intervening period the Management Company continuously checks whether companies that are included in the investment universe still meet the strict Minimum Standards. If the Management Company finds that a company no longer meets the investment criteria, or is in danger of no longer meeting those standards, the Management Company can deploy various dialogue methods to call that company to account. If the dialogue does not produce the desired change in behaviour, the Sub-Funds will remove the company from their sustainable investment universe.

The latest version of the Triodos Bank's Minimum Standards can be found on [www.triodos.com/en/investment-management/socially-responsible-investment/](http://www.triodos.com/en/investment-management/socially-responsible-investment/).

### Sustainability assessment for Impact Bonds

Triodos Sustainable Bond Fund and Triodos Sustainable Mixed Fund may invest in bonds that qualify as Impact Bonds, such as green, social and blue impact bonds, climate awareness bonds and/or bonds issued under the Climate Bond initiative. Impact Bonds shall fulfil the eligibility criteria of the Law of 2010.

These bonds are listed, euro-denominated bonds eligible for investment and have a credit rating of at least investment grade. The issuers selected must meet sustainability criteria.

The selection process consists of the following:

#### Step 1: Triodos Bank's Minimum Standards for the issuer

The Triodos Bank's Minimum Standards are the starting point. These are absolute criteria Triodos Bank applies to ensure not to fund any business engaged in controversial activities, or activities that are harmful to individuals, society or the environment. The issuer of the Impact Bonds has to comply with these Minimum Standards on human rights, environmental protection, etc.

### Step 2: Measurable Impact

The proceeds of the Impact Bonds need to be invested in projects that contribute to healthy people, climate protection and/or a clean planet. Furthermore, the sustainability of the projects financed through the Impact Bond needs to be measurable, so that the positive impact can be calculated.

### Step 3: Sustainable process

In order to become eligible for sustainable investment, Impact Bonds need to meet the following process criteria:

- **Transparency:** issuers must be clear on which activities are financed and they need to be clear on the investment decision-making process.
- **Traceability:** the proceeds need to be earmarked, tracked and publicly disclosed (at least) on an annual basis.
- **Assurance:** activities and practices related to Impact Bonds require annual verification by an external auditor.

Bonds eligible for investment will be followed on a continuous basis to see if they continue to meet the sustainability criteria.

### Sustainability assessment for Sovereign and Sub Sovereign Bonds, issued by regional or local authorities

Triodos Sustainable Bond Fund and Triodos Sustainable Mixed Fund apply a set of generally accepted criteria to assess the quality of the government of a country in the screening process. These criteria reflect the basic responsibilities of a government and are inspired by the Charter of the United Nations (the "Charter"). The first part of the preamble of the Charter reads as follows:

'We, the peoples of the United Nations, determined

- to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and
- to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and
- to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and
- to promote social progress and better standards of life in larger freedom.....'

With reference to this mission, the Sub-Funds therefore only invest in Sovereign Bonds of countries of which the democracy is well functioning, that have a free press and

a government that looks after the well-being of its citizens. In this way, the criteria aim to reflect the mission of the United Nations.

Triodos Sustainable Bond Fund and Triodos Sustainable Mixed Fund may also invest in bonds that are issued by Sub Sovereigns, being regional or local authorities. For Sub Sovereign Bonds, issued by regional or local authorities, the same criteria apply as for Sovereign Bonds.

The selection process consists of the following:

### Step 1: Identification of best-in-class

The best-in-class selection of governments is focusing on governance issues. Based on a number of criteria, a rating is assigned to each country. In addition to this rating, a performance trend is provided. This trend shows the long-term performance of a country. The overall rating combines an assessment of the current performance and the trend.

Governments that distinguish themselves as belonging to the 50% best-in-class within the 100 largest countries worldwide based on gross domestic product qualify for possible inclusion in the Triodos investment universe.

#### Best-in-class criteria on governance

The effectiveness of a country's democratic process and the level of safety provided to the citizens are examined. The criteria are:

1. Voice and accountability: the right to participate in the political process, freedom of expression and free media.
2. Political stability and absence of violence: intensity and severity of conflicts in relation to use of violent methods, frequency and severity of violent behaviour and implications for population.
3. Government effectiveness: quality of public and civil services and the degree of independence from political pressures, the quality of policy formulation and implementation and the credibility of the government's commitment to such policies.
4. Regulatory quality: the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.
5. Rule of law: the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.
6. Control of corruption: the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

### Step 2: Minimum requirements

Governments, eligible for investment on the basis of the best-in-class selection, are also assessed against a set of minimum standards specifically designed for governments. None of the governments of countries selected for inclusion in the Triodos investment universe may materially prevent the long-term development of a sustainable society. As an indicator, countries need to be free of international (EU and UN) sanctions. Moreover, countries need to ratify the most widely accepted United Nations backed conventions including the most important ones focusing on human rights and the environment. Given the dynamic nature of the process of proposing and ratifying these conventions, the application of this criterion will change from time to time. If and when a country does not comply fully with this criterion, the background and the materiality of its non-compliance will be assessed as part of the decision to exclude the country for government bond investments or not.

Important note: To implement the investment strategy, the Management Company relies on publicly available information communicated by the companies and countries themselves and by third parties. The Management Company is therefore unable to ensure that such information is complete and/or accurate. At any time, the Management Company may reconsider previous investments on the basis of newly available information. The latest updates on the investment criteria and Minimum Standards can be found on <http://www.triodos.com/en/investment-management/socially-responsible-investment/>

# Investment restrictions.

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The assets of each Sub-Fund are managed in accordance with the following investment restrictions. However, a Sub-Fund may be subject to different or additional investment restrictions that will be set forth in the relevant Supplement.

## I. Investments by the Sub-Funds shall comprise only one or more of the following:

- (1) Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;
- (2) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
- (3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt in on an Other Regulated Market in an Other State;
- (4) recently issued Transferable Securities and Money Market Instruments, provided that:
  - the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market, a stock exchange in an Other State or on an Other Regulated Market as described under (1)-(3) above;
  - such admission is secured within one year of issue;
- (5) units of UCITS and/or other UCIs within the meaning of the first and second indent of Article 1 (2) of UCITS Directive, whether situated in a Member State or in an Other State, provided that:
  - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured (currently any Member State, all EFTA member states (this includes Iceland, Liechtenstein, Norway and Switzerland), Isle of Man, Jersey, Guernsey, the United States of America, Canada, Hong Kong, Singapore and Japan);
  - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of UCITS Directive;
  - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- (6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in Community law;
- (7) financial derivative instruments, i.e. in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
  - the underlying consists of instruments covered by this section I, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

Under no circumstance shall these operations lead the Company to diverge from its investment objectives.
- (8) Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
  - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a federal state, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
  - issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above; or



- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by Community law; or
- issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) (or such equivalent in any other currency) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, as amended, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the Group of Companies or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

## II. Each Sub-Fund may however:

- (1) Invest up to 10% of its Net Assets in Transferable Securities and Money Market Instruments other than those referred to above under I (1) through (4) and (8).
- (2) Hold cash and cash equivalents on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if the Board of Directors considers this to be in the best interest of the Shareholders.
- (3) Borrow up to 10% of its Net Assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute “borrowings” for the purpose of this restriction.
- (4) Acquire foreign currency by means of a back-to-back loan.

III. In addition, the Company shall comply in respect of the Net Assets of each Sub-Fund with the following investment restrictions per issuer:

### III.1. Risk Diversification rules

For the purpose of calculating the restrictions described in (1) to (5) and (8) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (7) to (9) and (12) to (16) hereunder.

### A. Transferable Securities and Money Market Instruments

- (1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:
  - (i) upon such purchase more than 10% of its Net Assets would consist of Transferable Securities and Money Market Instruments of one single issuer; or
  - (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its Net Assets would exceed 40% of the value of its Net Assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- (2) A Sub-Fund may invest on a cumulative basis up to 20% of its Net Assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.
- (3) The limit of 10% set forth above under (1) (i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).
- (4) The limit of 10% set forth above under (1) (i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control

in order to protect the holders of such qualifying debt securities. For the purposes hereof, “qualifying debt securities” are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its Net Assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the Net Assets of such Sub-Fund.

(5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1) (ii).

**(6) Notwithstanding the ceilings set forth above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its Net Assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other Member State of the Organisation for Economic Cooperation and Development (“OECD”) such as the U.S. or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the Net Assets of such Sub-Fund.**

(7) Without prejudice to the limits set forth hereunder under III.2., the limits set forth in (1) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund’s investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Regulatory Authority, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

## B. Bank Deposits

(8) A Sub-Fund may not hold more than 20% of its Net Assets in deposits with the same body.

## C. Derivative Instruments

(9) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund’s Net Assets when the counterparty is a credit institution referred to in I (6) above or 5% of its Net Assets in other cases.

(10) Investments in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (15) and (16). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in (1) to (5), (8), (9), (15) and (16).

(11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of I (7) and III (1) above as well as with the risk exposure and information requirements laid down in the Prospectus.

## D. Units of Open-Ended Funds

(12) No Sub-Fund may invest more than 20% of its Net Assets in the units of a single UCITS or other UCI.

(13) Investments made in units of UCIs other than UCITS may not in the aggregate exceed 30% of the Net Assets of each Sub-Fund.

(14) If any UCITS and/or UCI in which a Sub-Fund invests is linked to the Sub-Fund by common management or control or by a substantial direct or indirect holding, investment in the securities of such UCITS and/or UCI shall be permitted only if no subscription or redemption fees are charged to the Sub-Fund on account of such investment.

## E. Combined limits

(15) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not combine:

- investments in Transferable Securities or Money Market Instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with, and/or
- exposures arising from efficient portfolio management techniques with a single body in excess of 20% of its Net Assets.

(16) The limits set out in (1), (3), (4), (8), (9) and (15) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in

accordance with (1), (3), (4), (8), (9) and (15) above may not exceed a total of 35 % of the Net Assets of the Sub-Fund.

### III.2. Limitations on Control

- (17) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Company to exercise a significant influence over the management of the issuer.
- (18) Neither any Sub-Fund nor the Company as a whole may acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or units of any one UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

- (19) The ceilings set forth above under (17) and (18) do not apply in respect of:
- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
  - Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
  - Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s); and
    - shares in the capital of a company which is incorporated under or organised pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under III, items (1) to (5), (8), (9) and (12) to (18).
    - shares in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

IV. In addition, the Company shall comply in respect of its Net Assets with the following investment restrictions per instrument:

- (1) Each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

V. Finally, the Company shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

- (1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof.
- (2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (3) No Sub-Fund may use its assets to underwrite any securities.
- (4) No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.
- (5) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non-fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under I, (5), (7) and (8).
- (6) The Company may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under I, (5), (7) and (8).

VI. Notwithstanding anything to the contrary herein contained:

- (1) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to securities in such Sub-Fund's portfolio.
- (2) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.

The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Company are offered or sold.

## VII. Global Exposure

In accordance with the Law of 2010, the Regulatory Authority Regulation 10-4 on organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company, and Regulatory Authority Circular 11/512, both as may be amended from time to time, the Management Company uses for each Sub-Fund a risk management process which enables it to assess the exposure of the Sub-Fund to market liquidity and counterparty risks, and to all other risks, including operational risks.

### VII. 1. Market risk exposure and risk management

As part of the risk management process, the Management Company uses for each Sub-Fund one of the following methodologies to monitor and measure its global exposure, each as disclosed below: (i) the commitment approach, (ii) the relative VaR approach; or (iii) the absolute VaR approach.

The selection of the appropriate methodology for calculating global exposure is made by the Management Company based upon a consideration of the following factors: (i) whether the Sub-Fund engages in complex investment strategies which represent a significant part of the Sub-Fund's investment policy; (ii) whether the Sub-Fund has a significant exposure to exotic derivatives; and/or (iii) whether the commitment approach adequately captures the market risk of the Sub-Fund's portfolio.

Shareholders should refer to the relevant Supplement for the methodology employed by the Management Company for the relevant Sub-Fund in order to calculate its global exposure.

#### A. Commitment Approach

Where the Management Company determines the global exposure that is related to positions on derivative financial instruments (including those embedded in Transferable Securities or Money Market Instruments) on the basis of the commitment approach, the positions on derivative financial instruments are converted into equivalent positions on the underlying assets. A Sub-Fund's total commitment to derivative financial instruments is then calculated as the sum of the absolute values of the individual commitments, after consideration of the effects of netting and coverage.

#### B. VaR

VaR is a measure of the maximum potential loss on all the positions held by the Sub-Fund due to market risk rather than leverage. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period (holding period) under normal market conditions.

The calculation of VaR should be carried out in accordance with the following parameters (the "VaR Parameters"):

- (a) one-sided confidence interval of 99 %;
- (b) holding period equivalent to 1 month (20 business days);
- (c) effective observation period (history) of risk factors of at least 1 year (250 business days) unless a shorter observation period is justified by a significant increase in price volatility (for instance extreme market conditions);
- (d) updates to the data set on a quarterly basis, or more frequent when market prices are subject to material changes; and
- (e) at least daily calculation.

A confidence interval and/or a holding period differing from the VaR Parameters in (a) and (b) above may be used by a Sub-Fund provided the confidence interval is not below 95% and the holding period does not exceed 1 month (20 business days).

#### (1) Relative VaR Approach

The relative VaR approach will be used by the Management Company for all Sub-Funds for which it is possible or appropriate to identify a reference portfolio which does not use leverage (the "Benchmark") that reflects the Sub-Fund's investment strategy and complies with the criteria set out below under "Benchmark".

The relative VaR approach requires that, on any day, the VaR of the relevant Sub-Fund may not be greater than twice the VaR of the Benchmark.

#### Benchmark

The Benchmark shall be selected by the Management Company taking into account both the Sub-Fund's investment policy, as set forth in the Prospectus, and the Sub-Fund's actual composition. The Benchmark should comply with the following criteria: (a) the Benchmark should be unleveraged and should, in particular, not contain any financial derivative instruments or embedded derivatives, except that (i) a Sub-Fund engaging in a long/short strategy may select a Benchmark which uses financial derivative instruments to gain the short exposure; and (ii) a Sub-Fund that intends to hold currency hedged assets may select a currency hedged index as a Benchmark; and (b) the risk profile of the

Benchmark should be consistent with the investment objectives, policies and limits of the Sub-Fund.

Shareholders should refer to the relevant Supplement for information on the Benchmark.

## **(2) Absolute VaR Approach**

The absolute VaR approach will be used if the risk/return profile of a Sub-Fund changes frequently or if the definition of a Benchmark is not possible. The absolute VaR approach requires that, on any day, the VaR of the Sub-Fund cannot be greater than 20% of the Net Asset Value of the Sub-Fund. If different VaR Parameters are being used to calculate VaR, the maximum absolute VaR limit of 20% should be rescaled to reflect the new VaR Parameters. Shareholders should refer to the relevant Supplement for the expected level of leverage and method used for the determination of the expected level of leverage.

## **VII. 2. Expected Level of Leverage**

Shareholders should refer to the relevant Supplement for the expected level of leverage employed and method used for the determination of the expected level of leverage.

The assets of each Sub-Fund are managed in accordance with the limits laid down in section "Investment Restrictions". These limits laid down in section "Investment Restrictions" are being monitored on a daily basis by the Investment Manager and Administration Agent according to the relevant agreements in place with these organisations.

# Techniques and instruments.

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## 1. General

The Management Company may employ techniques and instruments relating to Transferable Securities and Money Market Instruments under the conditions and within the limits laid down in this Prospectus and provided that such techniques and instruments are used for efficient portfolio management and hedging purposes.

When these operations concern the use of derivative instruments, the conditions and limits shall conform to the provisions laid down in section "Investment Restrictions".

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under section "Investment Objectives and Policies" and in the relevant Supplement.

## 2. Securities lending and borrowing

The Company may enter into securities lending and borrowing transactions provided that it complies with the following regulations:

- (i) The Company may only lend or borrow securities through a standardised system organised by a recognised clearing institution or through a first class financial institution specializing in this type of transaction.
- (ii) As part of lending transactions, the Company must in principle receive a guarantee, the value of which must constantly during the contract be at least equal to the global valuation of the securities lent.

This guarantee must be given in the form of:

- liquid assets and/or
- securities issued or guaranteed by a Member State of the OECD or by their local authorities or by international financial institutions and undertakings of a community, regional or worldwide nature or by an on demand guarantee furnished by a first class financial institution, and blocked in the name of the Company until the expiry of the loan contract and/or
- shares listed on an EU stock exchange and enjoying the highest rating entered in an escrow account in the name of the Company until the expiry date of the loan contract and/or
- a guarantee of a highly rated financial institution blocked in favour of the Company until the expiry date of the loan contract.

Such a guarantee shall not be required if the securities lending is made through recognised clearing institutions or through any other organisation assuring to the lender a reimbursement of the value of the securities lent, by way of a guarantee or otherwise.

- (iii) Securities lending transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund. Securities lending and borrowing transactions may not extend beyond a period of 30 days. These limitations do not apply where the Company is entitled at all times to the cancellation of the contract and the restitution of the securities lent.
- (iv) The securities borrowed by the Company may not be disposed of during the time they are held by the Company, unless they are covered by sufficient financial instruments which enable the Company to return the borrowed securities at the close of the transaction.
- (v) Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund.
- (vi) The Company may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; (c) to cover for failed settlement of portfolio securities; and (d) as a technique to meet its obligation to deliver the securities being the object of a repurchase agreement when the counterparty to such agreement exercises its right to repurchase these securities, to the extent such securities have been previously sold by the Company.

## 3. Repurchase Agreement Transactions

The Company may on an ancillary basis enter into repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and a time agreed by the two parties in their contractual arrangement.

The Company may act as either purchaser or seller in repurchase agreement transactions or a series of continuing repurchase transactions. However, its involvement in such transactions is subject to the following regulations:

- (i) The Company may not buy or sell securities using a repurchase agreement transaction unless the counterparty in such transactions is a first-class

financial institution specialising in this type of transaction.

- (ii) During the term of a repurchase agreement contract, the Company cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired, except to the extent it has borrowed similar securities in compliance with the provisions set forth here above in respect of securities borrowing transactions.
- (iii) As the Company is exposed to redemptions of its own Shares, it must take care to ensure that the level of its exposure to repurchase agreement transactions is such that it is able, at all times, to meet its redemption obligations.

As of the date of this Prospectus, the Company does not intend to use efficient portfolio management techniques (those techniques including the securities lending and borrowing as well as repurchase agreement transactions described herein) or to enter into securities financing transactions (which includes repurchase transactions, securities or commodities lending and securities or commodities borrowings, buy-sell back transactions or sell-buy back transactions, margin lending transactions and total return swaps). As of the date of this Prospectus, the Company does not intend to use derivative instruments (including OTC derivative). The Prospectus shall be updated accordingly, should the use of the above mentioned efficient portfolio management techniques of derivative instruments be envisaged in the future.

# Risk factors.

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## General

Each Sub-Fund is intended for long-term investors who can accept the risks associated with investing primarily in the securities of the type held in that Sub-Fund. Investors in the equity Sub-Funds will be subject to the risks associated with listed equity and equity-related securities, including fluctuations in market prices, adverse issuer or market information and the fact that equity and equity-related interests are subordinate in the right of payment to other corporate securities, including debt securities. In addition, investors should be aware of the risks associated with the active management techniques that are expected to be employed by the Management Company. An investment in Shares of a Sub-Fund does not constitute a complete investment program. Investors may wish to complement an investment in a Sub-Fund with other types of investments.

## Risk management framework

The Management Company has implemented an integral risk management framework throughout its organisation in order to adequately monitor and manage the risks related to the Sub-Funds. The risk management framework is based on the COSO (The Committee of Sponsoring Organisations of the Treadway Commission) framework for integral risk management. Furthermore it contains a permanent, independent risk management function, as well as policies and procedures designed in accordance with European regulations and best market practices. The risk management framework describes, amongst others, the roles and responsibilities of the risk management function, risk governance (the 'three-lines-of-defence' model) and the risk management process to identify, measure, mitigate, monitor, report and evaluate all relevant risks related to the Sub-Funds. The risk management function is responsible for the implementation and execution of the risk management process and policies. The risk management function is functionally and hierarchically separated from the portfolio management function.

## Operational risk within the Management Company

Operational risk includes the risks that arise from human error, process or system failure and from external events. It includes the improper handling of confidential information and the so-called compliance risk of regulatory requirements not being met. The primary responsibility for the effective identification, management and monitoring of operational risk lies with the Management Company. The Management Company

identifies, monitors and mitigates operational risks through a risk management program that includes a periodic "risk and control self-assessment". For further details and a breakdown of the operational risks within the Management Company, we refer to the Annual Report of the Management Company which can be found on [www.triodos.com](http://www.triodos.com).

## Main risks of the Company

The general risks that apply to the Company are described below.

### Counterparty risk

A counterparty of a Sub-Fund may fail to fulfil its obligations towards this Sub-Fund. This risk is limited as much as possible by taking every possible care in the selection of counterparties.

The Company will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties in accordance with the Luxembourg laws and regulations. Regardless of the measures the Management Company may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default nor that a Sub-Fund will not sustain losses as a result.

### Liquidity risk

As the Company is an open-ended fund, each Sub-Fund may in theory be faced with a large number of redemptions on each Valuation Day. In such an event, investments need to be sold quickly in order to comply with the repayment obligation towards the redeeming Shareholders.

In the extreme scenario that a position held on behalf of a Sub-Fund cannot be liquidated in time and at a reasonable price, the Company can resort to the suspension or restriction of purchase and issue of the Sub-Fund's Shares. The minimum liquidity requirement for the Sub-Funds is 0% of the Net Asset Value. The Sub-Funds aim to be fully invested and therefore have an upper liquidity limit as described in each Supplement. This limit may only be exceeded for tactical purposes.

From time to time, the counterparties of a Sub-Fund with which a Sub-Fund effects transactions might cease making markets or quoting prices in certain instruments. In such instances, a Sub-Fund might be unable to enter into a desired transaction or to enter into an offsetting



transaction with respect to an open position, which might adversely affect its performance.

### Euro currency risk

All or part of the assets of the Sub-Funds may be invested in securities denominated in Euro. In the event of any adjustments, including a full break-up, an exit of individual countries or other circumstances that may result in the emergence or re-introduction of national currencies, each Sub-Fund runs the risks that value of its investments is reduced and/or the liquidity of its investments is (temporary) reduced, regardless of the measures the Management Company may seek to reduce this risk.

In the event of one or more countries leaving the Euro zone, Shareholders should be aware of the redenomination risk to the Sub-Fund's assets and obligations denominated in EUR being redenominated into either new national currencies or a new European currency unit. Redenomination risk may be affected by a number of factors including the governing law of the financial instrument in question, the method by which one or more countries leave the Euro zone, the mechanism and framework imposed by national governments and regulators as well as supranational organisations and interpretation by different courts of law. Any such redenomination might also be coupled with payment and/or capital controls and may have a material impact on the ability and/or willingness of entities to continue to make payments in EUR even where they may be contractually bound to do so, and enforcement of such debts may in practice become problematic even where legal terms appear to be favourable.

### Market risk

All Sub-Funds only invest in transferable securities listed on Regulated Markets. The securities in the investment portfolios of the Sub-Funds are exposed to the risk of free market price fluctuations. Market risk includes to a large extent interest rate risk, currency risk and country risk since publically transferrable asset classes can continuously value risks into the price volatility of the publically traded security. The underlying financial or operational risks in companies or in other entities in which a Sub-Fund holds an equity or debt interest must also be considered an integral part of the market risk for the Sub-Fund. The separate Sub-Funds invest in different asset classes, each with their own market risk characteristics.

**Interest rate risk:** the Sub-Funds are exposed to interest rate risk by investing in fixed income instruments that are not valued at nominal value but at market value. The market value of a bond is largely based on the bond's

present value of future cash flows. The present value is largely based on the yield curve and the bond's risk premium. The market value of bonds generally will vary inversely with changes in interest rates and such variation affects bond prices accordingly.

**Currency exchange and concentration risk:** the reference currency for the Sub-Funds is the euro, whereas investments by the Sub-Funds may be denominated either in euro or in foreign currencies. Currency exchange rates may fluctuate significantly over short periods of time causing along with other factors, a Sub-Fund's Net Asset Value to fluctuate as well. The currency exposure will affect the Sub-Fund's performance independently from the performance of issuing parties of these securities. A Sub-Fund may concentrate its investments in any currency, currencies or currency basket selected by the Investment Manager in accordance with the Sub-Fund's investment objective and policies. Concentration in a particular currency will increase a Sub-Fund's exposure to adverse developments affecting the value of such currency.

Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of a Sub-Fund's total assets, adjusted to reflect the Sub-Fund's net position after giving effect to currency transactions, is denominated in the currencies of particular countries, the Sub-Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

**Credit risk:** the Sub-Funds invest in bonds and are therefore exposed to credit risk. Credit risk includes credit default risk and concentration risk. Credit default risk is the risk that the issuer of a bond fails to meet its obligation to repay the principal upon maturity of the bond.

**Country risk:** The country risk of investing in issuers that are generally subject to different accounting, auditing and financial reporting standards in different countries throughout the world is deemed represented in the price of a security exposed to such country risk.

### General risks inherent to the investment objective and investment strategy

Investment in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in

securities of issuers from a single country, but also involve certain significant risks. Among the risks involved are fluctuations in currency exchange rates and the possible imposition of exchange control regulations or other laws or restrictions applicable to such investments.

The volume of trading, the volatility of prices and the liquidity of issuers may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed companies is different throughout the world. The laws of some countries may limit a Sub-Fund's ability to invest in securities of certain issuers located in those countries.

Different markets also have different clearing and settlement procedures. Dependent on the volume of a trade, a delay of settlement can result in the Sub-Fund being temporarily underinvested. This delay in settlement can result in a liquidity level for the Sub-Fund that is higher than desired and it can have an impact on the return on that investment. The inability of a Sub-Fund to make intended security purchases due to settlement problems could cause the Sub-Fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to the Sub-Fund due to subsequent declines in value of the portfolio security, or, if the Sub-Fund has entered into a contract to sell the security, could result in possible liability to the purchaser. Certain markets may require payment for securities to be made before delivery with the accompanying credit risk for the Sub-Fund concerned.

With respect to certain countries, there is a possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments, limitations on the removal of funds or other assets of a Sub-Fund, political or social instability or diplomatic developments that could affect investments in those countries.

## Legal risk

The Company may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Company and its operations.

Specifically, investors should note that, in compliance with the relevant provisions of the UCITS Directive governing the provision of services on a cross-border basis by authorised management companies, the Company is managed by a management company authorised under Dutch law and regulated by the AFM whereas the Company is authorised under the Law of 2010 and regulated by the Regulatory Authority. In general terms, as further detailed in the UCITS Directive, Dutch law governs matters relating to the organisation of the Management Company whereas the Law of 2010 governs matters relating to the constitution and functioning of the Company. However, specific situations may occur where it may be unclear whether Dutch law or Luxembourg law applies to, and/or whether the AFM or the Regulatory Authority has jurisdiction over, the activities of the Management Company and the Company, thereby leading to legal uncertainty.

## Risk related to the Foreign Account Tax Compliance Act ("FATCA") and common reporting standard ("CRS")

### Foreign Account Tax Compliance Act ("FATCA")

Capitalised terms used in this section should have the meaning as set forth in the Luxembourg IGA (as defined below), unless provided otherwise herein.

The Company may be subject to regulations imposed by foreign regulators, in particular, the United States Hiring Incentives to Restore Employment Act (Hire Act) which was enacted into U.S. law on 18 March 2010. It includes provisions generally known as FATCA. FATCA provisions generally impose a reporting to the U.S. Internal Revenue Services of non-U.S. Financial Institutions that do not comply with FATCA and U.S. persons' (within the meaning of FATCA) direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

Under the terms of FATCA, the Company will be treated as a Foreign Financial Institutions. As such, the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Company become subject to a withholding tax as a result of FATCA, the value of the Shares held by Shareholders may be materially affected.

The Company and/or the Shareholders may also be indirectly affected by the fact that a non U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Company shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any Shares issued by the Company;
- require any investor or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to any tax authority, as may be required by applicable laws or regulations or requested by such authority; and
- delay payments to a Shareholder until the Company holds sufficient information to comply with applicable laws and regulations or determine the correct amount to be withheld

The Company and/or its investors may also be indirectly affected by the fact that a non-U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

### Common Reporting Standard

Capitalized terms used in this section should have the meaning as set forth in the CRS-Law (as defined hereafter), unless provided otherwise herein.

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters and its Common Reporting Standard (“CRS”) as set out in the Luxembourg law dated 18 December 2015 implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory automatic exchange of information in the field of taxation (the “CRS-Law”).

Under the terms of the CRS-Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions, the Company will be required to annually report to the Luxembourg tax administration (“LTA”) personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain investors qualifying as Reportable Persons and (ii) Controlling Persons of certain non-financial entities (“NFEs”) which are themselves Reportable Persons. This

information, as exhaustively set out in Annex I of the CRS-Law (the “Information”), will include personal data related to the Reportable Persons.

The Company’s ability to satisfy its reporting obligations under the CRS-Law will depend on each Shareholder providing the Company with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that the Company will process the Information for the purposes as set out in the CRS-Law. The Shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Company.

The Shareholders are further informed that the Information related to Reportable Persons will be disclosed to the LTA annually for the purposes set out in the CRS-Law. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the LTA.

Similarly, the Shareholders undertake to inform the Company within thirty (30) days of receipt of these statements should any included personal data be not accurate. The Shareholders further undertake to inform the Company within thirty (30) days of, and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any Shareholder that fails to comply with the Company’s Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such Shareholder’s failure to provide the Information, and the Company may in its sole discretion redeem the Shares of such Shareholder.

# Conflicts of interest.

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## General

Prospective investors should note that the Management Company, the Depositary and their respective affiliates, directors, officers and shareholders may be involved in other financial, investment and professional activities which may cause conflicts of interest in their relationships with the management and administration of the Company. The following considerations are given on a non-exhaustive basis.

Shareholders should be aware that management of conflicts of interest can lead to a loss of investment opportunity or to the Management Company having to act differently than it would have acted in the absence of the conflict of interest. This may have a negative impact on the performance of the Company and its Sub-Funds.

In the event that any member of the Board of Directors has an interest conflicting with that of the Company in a transaction which is subject to the approval of the Board of Directors, that member must make such interest known to the Board of Directors and cause a record of his/her statement to be included in the minutes of the meeting. This member must not deliberate or vote upon any such transaction. Such abstention from voting shall not be counted when calculating the quorum. Any such transaction must be specifically reported at the next meeting of Shareholders before any other resolution is put to a vote.

Where conflicts of interest cannot be avoided and there exists a risk of damage to Shareholders' interests, the Management Company shall inform the Shareholders of the general nature or causes of the conflicts of interest and develop appropriate policies and procedures in order to mitigate such conflicts while ensuring equal treatment between the Shareholders and ensuring that the Company is treated in an equitable manner. Such information will be disclosed on the following website: [www.triodos.com](http://www.triodos.com).

## Conflicts of interest between the Management Company and the Company

The Management Company shall act in the best interests of the Company. The Management Company shall immediately inform the Company of any circumstance where the Company would participate in a transaction in which the Management Company or any of its affiliates have directly or indirectly a material interest or a relationship with another party which may involve a conflict with the Management Company's duty to the Company. Any such transaction will be specifically reported in the Company's annual report.

## Conflicts of interest between the Company and other Companies managed by the Management Company

The Management Company may also act as the management company for other funds that have investment programs that are similar to the Company. Such relation may give rise to conflicts of interest.

## Conflicts of interest between the Company and the Investment Manager

No Investment Manager can be appointed if its interests are likely to conflict with those of the Management Company or the Shareholders, save where such Investment Manager has separated, on a functional and hierarchical basis, the performance of its portfolio management or risk management tasks from its other potentially conflicting tasks. The Investment Manager must properly identify, manage, monitor and disclose the potential conflicts of interest to the Shareholders.

## Conflicts of interest between the Company and its Shareholders

No Shareholder will be required or expected to disclose or make available to the Company investment opportunities it may pursue for its own account or in the capacity of a Shareholder or manager or advisor of any other UCI, including investment opportunities suitable to or under consideration by the Company.

In the course of their regular business activities, Shareholders may possess, or come into possession of, information directly relevant to investment decisions of the Company and of the Management Company. No such Shareholders will be required or expected to disclose or otherwise reveal any such information to third parties, including the Company and the Management Company.

# Management of the Company.

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The Board of Directors shall have the broadest powers to act in any circumstances on behalf of the Company, subject to the powers expressly assigned by law to the general meetings of Shareholders.

The Board of Directors is responsible for determining the investment objectives and policies of each Sub-Fund and for the supervision of the management and administration of the Company.

## Management Company

The Board of Directors has appointed Triodos Investment Management B.V. to serve as its designated Management Company under the freedom to provide services' regime provided by the UCITS Directive. In compliance with the relevant articles of the Law of 2010, the Management Company shall meet the requirements imposed by Dutch laws as regards its organisation, the delegation requirements, risk management procedures, prudential and supervision rules, rules of conduct applicable to it for the portfolio management of UCITS and the reporting requirements. The Management Company shall further comply with the Luxembourg rules as regards the constitution and functioning of the Company.

Pursuant to a Management Company Agreement entered into between the Management Company and the Company effective as from 1 January 2015, the Management Company shall provide (i) investment management services, (ii) administrative agency, registrar and transfer agency services and (iii) marketing, principal distribution and sales services to the Company, subject to the overall supervision of the Board of Directors.

The Management Company Agreement is concluded for an unlimited period of time and may be terminated by either party upon a 3 month prior notice or forthwith by the Company when it is in the best interest of the Shareholders.

The Management Company shall at all-time act in the best interest of the Shareholders and according to the provisions set forth by the Law of 2010, the Articles and the Prospectus.

The Board of Directors may, subject to the approval of the Regulatory Authority, authorise the Management Company to wholly or partly delegate some of its functions, the costs and liability of which shall be borne by the Management Company or the Company.

The Management Company has delegated the following functions to third parties: investment management, central administration and distribution.

The Management Company will receive periodic reports from the services providers in relation to the services they

provide. The Management Company shall also submit its own reports to the Board of Directors on a periodic basis and inform the Board of Directors without delay of any non-compliance of the Company.

With reference to the Management Company Agreement, in the event that a majority participation in the Company is held by an entity that is not part of the Triodos Group or the Management Company ceases to be a member of the Triodos Group, the Company agrees that it will, on request of Triodos Bank N.V., change its name to another name omitting the word "Triodos" and not including any brand name of any company within the Triodos Group.

The Management Company adheres to a remuneration policy, designed and implemented on Triodos group level, which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile of the Company. The remuneration policy to which the Management Company adheres, integrates governance, balanced pay structure between fixed and variable components as well as risk and long-term performance alignment rules, that are designed to be consistent with the business strategy, objectives, values and interests of the Management Company and the Company and the Shareholders, and includes measures to avoid conflicts of interest. Triodos Group chooses not to have bonuses (such as variable remuneration based on predetermined targets or achievements). In general, the policy details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits are available on [www.triodos.com](http://www.triodos.com) and a paper copy of the details of such remuneration policy is available to investors free of charge upon request at the registered office of the Management Company.

## Investment Manager

The Management Company has appointed as investment manager Delta Lloyd Asset Management N.V. which may, subject to the approval of the Management Company, delegate its powers, in which case the Prospectus will be updated or supplemented accordingly.

The Investment Manager will provide the Management Company with advice, reports and recommendations in connection with the management of the assets of the Sub-Funds and shall advise the Management Company as to the investments of the Sub-Funds and, pursuant to the relevant agreement(s), will have discretion, on a day-to-day basis and subject to the overall control and responsibility of the Management Company, to purchase

and sell such assets and otherwise to manage the Sub-Funds' portfolios.

The Investment Manager has EUR 54 billion assets under management. As a manager of both retail and institutional investment funds the Investment Manager is supervised by the Netherlands Authority for the Financial Markets.

The Investment Manager focuses on company subsidiaries (including OHRA and ABN AMRO Insurances), unit linked related investment funds, sold by own distribution channels, separated investment pools, allocated at collective life insurance contracts and institutional assets under management (segregated accounts and mandates).

As the Investment Manager also manages assets for third parties such as institutional clients through segregated accounts or mandates a licence of the Netherlands Authority for the Financial Markets is obliged. The Investment Manager received this licence under the 'Act of the Supervision of the Securities Trade 1995' in 2003.

The appointment of the Investment Manager was made under the Investment Management Agreement, which provides for the appointment to continue for an unlimited period of time from the date of its signature.

The Investment Management Agreement may be terminated by the Management Company or the Investment Manager on giving a 90 day prior written notice. In accordance with the Law of 2010, the Management Company is entitled, at any time, to withdraw the mandate of the Investment Manager with immediate effect when this is in the interests of the investors of the Company. A party may terminate the Investment Management Agreement with immediate effect if the other party or one of the Sub-Funds:

- fails to comply with one or more material stipulation(s) from the present Agreement and has still failed to comply within 14 (fourteen) days following written reminder to comply;
- if one of the parties no longer has the necessary licence(s); or
- the business of a party is to be dissolved, liquidated or terminated;

If one of the situations as referred to hereabove should arise in respect of one of the parties, that party shall duly immediately inform the other party, in writing.

# Depository, Administrative Agent, Registrar Agent, Paying Agent.

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The Company has appointed RBC Investor Services Bank S.A. (“RBC”), having its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, as depository bank and principal paying agent of the Company with responsibility for the

- (a) safekeeping of the assets;
- (b) oversight duties;
- (c) cash flow monitoring; and
- (d) principal paying agent functions.

In accordance with the Law of 2010, and the Depository Bank and Principal Paying Agent Agreement dated 13 December 2016 and entered into between the Company and RBC (the “**Depository Bank and Principal Paying Agent Agreement**”).

RBC Investor Services Bank S.A. is registered with the Luxembourg Register for Trade and Companies (RCS) under number B-47192 and was incorporated in 1994 under the name “First European Transfer Agent”. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services. Its equity capital as at 31 October 2015 amounted to approximately EUR 983,781,177.-.

The Depository has been authorised by the Company to delegate its safekeeping duties (i) to delegates in relation to other assets and (ii) to sub-custodians in relation to financial instruments and to open accounts with such sub-custodians.

An up to date description of any safekeeping functions delegated by the Depository and an up to date list of the delegates and sub-custodians may be obtained, upon request, from the Depository or via the following website link: <http://gmi.rbcits.com/rt/gss.nsf/Royal+Trust+Updates+Mini/53A7E8D6A49C9AA285257FA8004999BF?open> document.

The Depository shall act honestly, fairly, professionally, independently and solely in the interests of the Company and the Shareholders in the execution of its duties under the Law of 2010 and the Depository Bank and Principal Paying Agent Agreement.

Under its oversight duties, the Depository will:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the applicable national law and with the Articles,
- ensure that the value of Shares is calculated in accordance with the applicable national law and the Articles,
- carry out the instructions of the Company or the Management Company acting on behalf of the

Company, unless they conflict with the applicable national law or the Articles,

- ensure that in transactions involving the Company’s assets, the consideration is remitted to the Company within the usual time limits,
- ensure that the income of the Company is applied in accordance with the applicable national law and the Articles.

The Depository will also ensure that cash flows are properly monitored in accordance with the Law of 2010 and the Depository Bank and Principal Paying Agent Agreement.

## Depository Bank’s conflicts of interests

From time to time conflicts of interests may arise between the Depository and the delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to Company. On an ongoing basis, the Depository analyses, based on applicable laws and regulations any potential conflicts of interests that may arise while carrying out its functions. Any identified potential conflict of interest is managed in accordance with the RBC’s conflicts of interests’ policy which is subject to applicable laws and regulation for a credit institution according to and under the terms of the Luxembourg law of 5 April 1993 on the financial services sector.

Further, potential conflicts of interest may arise from the provision by the Depository and/or its affiliates of other services to the Company and/or other parties. For example, the Depository and/or its affiliates may act as the depository, custodian and/or administrator of other funds. It is therefore possible that the Depository (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depository (or any of its affiliates) act.

RBC has implemented and maintains a management of conflicts of interests’ policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interests;
- Recording, managing and monitoring the conflicts of interests situations in:
  - Implementing a functional and hierarchical segregation making sure that operations are carried out at arm’s length from the Depository business;
  - Implementing preventive measures to decline any activity giving rise to the conflict of interest such as:

- RBC and any third party to whom the custodian functions have been delegated do not accept any investment management mandates;
- RBC does not accept any delegation of the compliance and risk management functions.
- RBC has a strong escalation process in place to ensure that regulatory breaches are notified to compliance which reports material breaches to senior management and the board of directors of RBC.
- A dedicated permanent internal audit department provides independent, objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

continue to act as depositary pending replacement, which shall occur within two months of the Depositary's resignation or removal, and until all assets of the Company have been transferred to the successor depositary.

RBC Investor Services Bank S.A. is empowered to delegate, under its full responsibility, all or part of its duties as Administrative Agent and Registrar Agent to a third-party Luxembourg entity, with prior consent of the Management Company.

RBC confirms that based on the above no potential situation of conflicts of interest could be identified.

An up to date information on conflicts of interest policy referred to above may be obtained, upon request, from the Depositary or via the following website link: [https://www.rbcits.com/AboutUs/CorporateGovernance/p\\_InformationOnConflictsOfInterestPolicy.aspx](https://www.rbcits.com/AboutUs/CorporateGovernance/p_InformationOnConflictsOfInterestPolicy.aspx).

RBC Investor Services Bank S.A. was also appointed by the Management Company as Registrar Agent and Administrative Agent of the Company. In such capacities, it will be responsible for the safe keeping of the register of Shareholders of the Company and for all administrative duties required by Luxembourg law, in particular for the book-keeping and calculation of the Net Asset Value of the Shares, for handling the processing of subscriptions for Shares, dealing with requests for redemption and conversion and accepting transfers of funds.

The rights and duties of the Depositary and Paying Agent are governed by a Depositary Bank and Principal Paying Agent Agreement entered into between the Company and the Depositary on 13 December 2016 for an unlimited period of time from the date of its signature.

The rights and duties of the Domiciliary Agent are governed by a Domiciliary and Corporate Agency Agreement with effect as from 1 January 2015 for an unlimited period of time from the date of its signature.

The rights and duties of the Administrative Agent and Registrar Agent are governed by an Administration Agency Agreement entered into between the Management Company, the Company and the Administrative Agent with effect as from 1 January 2015 for an unlimited period of time from the date of its signature.

Such agreements may be terminated by each party by notice in writing, delivered by registered mail to the other party, not less than 90 days prior to the date upon which such termination becomes effective. The Depositary shall



## Distributor.

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The Company has appointed the Management Company as Distributor. The role of the Distributor is to market and promote the Company's Shares in each Sub-Fund.

The appointment of the Management Company as distributor was made pursuant to the Distribution Agreement between the Company and the Management Company, concluded for an unlimited period. It may be terminated by the Company or the Management Company on giving a 90 days' prior written notice.

The Distributor may conclude contractual arrangements with dealers as its agents for the distribution of Shares. The Distributor may delegate the distribution of Shares to one or several Sub-Distributor(s), the list of which shall be made available at all times at the registered office of the Company. In such case, the Sub-Distributor(s) will have to comply with the applicable provisions concerning the prevention of money laundering as well as market-timing and late trading practices.

The Distributor or any of its agents may be involved in the collection of subscription, conversion and redemption orders on behalf of the Company and any of the Sub-Funds and may, in that case, provide a nominee service for investors purchasing Shares through it. Investors may elect to make use of such nominee service pursuant to which the nominee will hold the Shares in its name for and on behalf of the investors who shall be entitled at any time to claim direct title to the Shares and who, in order to empower the nominee to vote at any general meeting of Shareholders, shall provide the nominee with specific or general voting instructions to that effect.

# The shares.

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The Company issues Shares in each Class of the separate Sub-Funds.

The net proceeds from the subscriptions to the Class or Classes of the separate Sub-Funds are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Within each Sub-Fund, the Board of Directors is authorised to issue Classes of Shares. Each Class may, as more fully described for each Sub-Fund in the relevant Supplement, (i) have a different currency of denomination, (ii) be targeted to different types of investors, i.e. retail investors and institutional investors, (iii) have different Minimum Investment Requirements, (iv) have a different fee structure, (v) have a different distribution policy or (vi) have a different distribution channel.

The Company shall be considered as one single legal entity. With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall however be exclusively responsible for all liabilities attributable to it. The Shares may be issued in registered or bearer form. The registered Shares are recorded in the Shareholders' register kept by the Registrar Agent appointed to that effect by the Management Company; the inscription shall indicate the name of each holder of registered Shares, his nationality, residence, legal address or registered office, tax jurisdiction, tax ID and occupation, as communicated to the Company and the number of registered Shares held. The inscription of the Shareholder's name in the register evidences his right of ownership on such registered Shares. Shares will only be issued to Shareholders who have provided adequate identification documentation and information as required by the Registrar Agent from time to time.

Unless a Share certification is requested, a holder of registered Shares shall receive a written confirmation of his or her shareholding.

All Shares must be fully paid up. They are of no nominal value and carry no preferential or pre-emption rights. Each Share of whatever Class in whatever Sub-Fund of the Company is entitled to one vote at the general meeting of Shareholders in accordance with the law and the Articles.

Forms for the transfer of Shares are available at the Registered Office of the Company. Shares are freely transferable except to Prohibited Persons.

Fractions of Shares may be issued up to three decimal places of a Share and such fractional Shares shall not be

entitled to vote but shall be entitled to a participation in the net results and in the proceeds of liquidation attributable to the relevant Class of Shares in the relevant Sub-Fund on a pro rata basis.

## Classes of Shares

The Sub-Funds may offer Shares of the following Classes:

- Euro-denominated Class P - Capitalisation
- Euro-denominated Class R - Capitalisation
- Euro-denominated Class R - Distribution
- Euro-denominated Class Z - Capitalisation
- Euro-denominated Class Z - Distribution
- Euro-denominated Class I - Capitalisation
- Euro-denominated Class I - Distribution
- British Pound-denominated Class K-Retail - Capitalisation
- British Pound-denominated Class K-Retail - Distribution
- British Pound-denominated Class K-Institutional - Capitalisation
- British Pound-denominated Class K-Institutional - Distribution
- Euro-denominated Class S - Capitalisation
- Euro-denominated Class S - Distribution

Subscription of Euro-denominated Class "P" Shares is open to entities of Triodos Group qualifying as Institutional Investor. Class "P" Shares subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.01% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

Euro-denominated Class "P" Shares gives the right, in accordance with the Articles, to propose the general meeting of Shareholders a list containing the names of candidates for the position of director of the Company out of which a majority of the directors of the Company must be appointed.

The Class P Shareholders shall propose a list of candidates to the general meeting of Shareholders out of which a majority of the directors appointed by the general meeting of Shareholders to the Board of Directors of the Company must be chosen by the general meeting of Shareholders as Class P directors (the "Class P Directors"). As a result, there shall be a majority of Class P Directors at the Board of Directors of the Company at all times. The list of candidates submitted by the Class P Shareholders shall indicate a number of candidates equal to at least twice the number of directors to be appointed as Class P Directors. Shareholders may not express their votes for a number of candidates exceeding the number of directors to be appointed as Class P Directors. The candidates of the list having received the highest number of votes will be elected.

In addition, any Shareholder, who wants to propose a candidate for the position of director of the Company to the general meeting of Shareholders, must present such candidate to the Company in writing at least two weeks prior to the date of such general meeting. For the avoidance of doubt, the list of candidates of the Class P Shareholders must also comply with such requirement.

Subscription to Euro-denominated Class "R" Shares is open to any investor. Euro-denominated Class "R" Shares is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.05% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

Subscription to Euro-denominated Class "Z" Shares is open to any investor. Euro-denominated Class "Z" Shares is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.05% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

Euro-denominated Class "I" Shares is open to Institutional Investors. Euro-denominated Class "I" Shares is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.01% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

British Pound-denominated Class "K-Retail" Shares is open to retail investors who are resident in the United Kingdom. British Pound-denominated Class "K-Retail" Shares is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.05% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

British Pound-denominated Class "K-Institutional" Shares is only open to Institutional Investors who are resident in the United Kingdom. British Pound-denominated Class "K-Institutional" Shares is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.01% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

Euro-denominated Class "S" Shares is only open to investors who are resident in Spain. Euro-denominated Class "S" Shares is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.05% of its Net Assets as at the end of the calendar quarter which is calculated and payable quarterly at the end of the relevant quarter.

The Board of Directors may, without limitation, issue Shares of any Class at any time within each Sub-Fund. Upon creation of new Classes, the Prospectus will be updated accordingly.

# Issue and sale of shares.

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The Subscription Price per Share will be the total of (i) the Net Asset Value per Share of each Class of the relevant Sub-Fund plus (ii) any applicable entry charges of up to a maximum of 5% of the Net Asset Value for the benefit of the Distributor, the Sub-Distributor(s) and/or other selling agents, as stated for each Class of Shares in the relevant Supplement.

The Minimum Initial Investment requirements are set out for each Sub-Fund or Class of Shares in the relevant Supplement.

Subsequent subscriptions, other than, as the case may be as mentioned in the relevant Supplement, through reinvestment of dividends, must ordinarily equal or exceed the Minimum Initial Investment amount of the relevant Sub-Fund or Class of Shares. Minimum Subsequent Investment requirements may be set out for each Sub-Fund or Class of Shares in the relevant Supplement.

The Company reserves the right to accept or reject subscriptions in any amount, whole or part, to suspend at any time and without prior notice the issue of Shares of a Sub-Fund or Class of Shares, to modify the Minimum Initial Investment or Minimum Subsequent Investment requirements and the manner in which Shares are offered and to change or eliminate the entry charge applicable to the purchase of Shares.

Investors whose applications are accepted will be allotted Shares issued on the basis of the Net Asset Value per Share determined as of the Valuation Day (as defined for each Sub-Fund in the relevant Supplement) following receipt of the subscription request provided that such application is received at the registered office of the Registrar Agent by a time disclosed for each Sub-Fund or Class of Shares in the relevant Supplement and subject to receipt by the Depositary of the corresponding subscription price.

Different subscription procedures and time limits may apply if applications for Shares are made through a Distributor. In such instances, each investor should obtain from the Distributor information about the subscription procedure relevant to their application together with any time limit by which the subscription must be received. Investors should note that they may be unable to subscribe for Shares through a distributor on days that such Distributor is not open for business.

Investors shall be required to complete a subscription form as may be prescribed from time to time or other documentation satisfactory to the Company.

The entry charge is indicated for each Class of Shares or Sub-Fund in the relevant Supplement.

Payments for Shares will be required to be made in the Reference Currency of the relevant Sub-Fund or Class,

within the timeframe specified for each Sub-Fund in the relevant Supplement. Any applications made in currencies other than the Reference Currency of the relevant Sub-Fund will be converted into that currency at prevailing exchange rates. This foreign exchange transaction will be at the cost and risk of the relevant investor.

Payments for Shares should be made to the order of the Depositary by electronic bank transfer net of all bank charges (except where local banking practices do not allow electronic bank transfers).

Other methods of payment are subject to the prior approval of the Registrar Agent and of the Company. Where payments do not result in the immediate receipt of cleared funds, processing of the subscription will be deferred until cleared monies are received, unless otherwise agreed with the Company or its duly appointed agents. If payment is not received within the timeframe specified for each Sub-Fund in the relevant Supplement, then the Company reserves the right to cancel any allotment of the relevant Shares without prejudice to the right of the Company to obtain compensation for any loss directly or indirectly resulting from the failure of an applicant to effect settlement.

The Company may agree to issue Shares as consideration for a contribution in kind of securities, provided that such securities comply with the investment objectives and policies of the relevant Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Auditors which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant Shareholders.

No Shares of any Sub-Fund will be issued during any period when the calculation of the Net Asset Value per Share in such Sub-Fund is suspended by the Company, pursuant to the powers reserved to it by the Articles.

In the case of suspension of dealings in Shares the application will be dealt with on the first Valuation Day following the end of such suspension period.

In the event of the transfer of Shares to a third party, the Board of Directors shall be authorised to require from the transferor all of the information deemed necessary to identify the proposed transferee and to subject such a transfer to its express and prior agreement.

In the event that the proposed transferee is not approved by the Board of Directors, the transferor shall have the right to request the Company to proceed itself with the redemption of all or part of its Shares.

## Restriction on ownership of Shares

The Company may restrict or prevent the ownership of Shares in the Company by any person, firm or corporate body, if such person, firm or corporate body holds, without written authorization by the Board of Directors more than 20% of the Shares of any Sub-Fund at the time of issue, if in the opinion of the Company such holding may be harmful to the Company, if it may result in a breach of any law or regulation, whether Luxembourg or foreign, or if as a result thereof the Company may become exposed to tax disadvantages or other financial disadvantages that it would not have otherwise incurred. In particular, the Board of Directors has resolved to prevent the ownership of Shares by US Persons.

The sale of Shares of certain Classes may also be restricted to institutional investors within the meaning of Article 174 of the Law of 2010 (“Institutional Investors”) and the Company will not issue or give effect to any transfer of Shares of such Classes to any investor who may not be considered an Institutional Investor. The Company may, at its discretion, delay the acceptance of any subscription for Shares of a Class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of Shares of a Class restricted to Institutional Investors is not an Institutional Investor, the Company will, at its discretion, either redeem the relevant Shares in accordance with the provisions under the section “Redemption of Shares” below or convert such Shares into Shares of a Class which is not restricted to Institutional Investors (provided there exists such a Class with similar characteristics) and notify the relevant Shareholder of such conversion.

## Nominees

Nominees are banks and financial institutions appointed as (Sub-)Distributors by the Management Company or the company responsible for arranging the distribution of the Shares of the Company which act as intermediaries between investors and the Company. Subject to local laws in countries where Shares are offered, the (Sub-)Distributors and their agents, if any, may, on the request of the respective investor, act as nominee for such investors. As nominee the (Sub-)Distributor or its agents, if any, shall, in their name but as nominee for the investor, purchase, convert or redeem Shares and request registration of such operations in the register of shareholders. However, the investor is not obliged to make use of the nominee service provided by the (Sub-)Distributor and its agents and shall be entitled at any time to claim direct title to the Shares. In order to empower the

nominee to vote at any general meeting of shareholders, the investor shall provide the nominee with specific or general voting instructions to that effect. Applicants retain the ability to directly invest in the Company without using a nominee service.

The terms and conditions of the nominee services, if any, will be provided in the relevant distribution or nominee agreement.

The (Sub-)Distributor and its agents, if any, will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to anti-money laundering and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking. To the extent the (Sub-)Distributor or its agents are not submitted to anti-money laundering regulations, the necessary control will be carried out by the Registrar Agent of the Company.

## Money Laundering and Terrorist Financing

The Company, the Registrar Agent, any (Sub-)Distributor and their officers are subject to the provisions of legislation currently in force in Luxembourg relating to monies which are derived directly or indirectly from criminal activity including but not limited to activities relating to illegal substances and, where appropriate, for the provisions of similar legislation in force in any other relevant country. Applicants may be required to furnish independent documentary evidence of their identity, a permanent address and information relating to the source of the monies to be invested.

Failure to provide such information or documentation in a timely manner could result in delay in the allotment of Shares, or in a refusal to allot Shares.

If a (Sub-)Distributor or its agents are not submitted to anti-money laundering and anti-terrorist financing regulations, the necessary control will be carried out by the Registrar Agent of the Company.

## Market Timing and Late Trading

Subscriptions and conversions of Shares should be made for investment purposes only. The Company does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm fund performance. To minimise harm to the Company and the Shareholders, the Board of Directors or the Administrative Agent on its behalf have the right to reject any subscription or conversion order, or levy in addition to any subscription, redemption or conversion fees which may be charged according to the Supplements, a fee of up

to 2% of the value of the order for the benefit of the Company from any investor who is engaging in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Board of Directors, has been or may be disruptive to the Company or any of the Sub-Funds. In making this judgment, the Company may consider trading done in multiple accounts under common ownership or control. The Board of Directors also has the power to redeem all Shares held by a Shareholder who is or has been engaged in excessive trading. The Board of Directors or the Company will not be held liable for any loss resulting from rejected orders or mandatory redemptions.

Subscriptions, redemptions and conversions are dealt with at an unknown Net Asset Value per Share.

# Redemption of shares.

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Each Shareholder of the Company may at any time request the Company to redeem on any Valuation Day all or any of the Shares held by such Shareholder in any Class of Shares in any Sub-Funds.

Shareholders desiring to have all or any of their Shares redeemed should apply in writing to the registered office of the Registrar Agent.

Redemption requests should contain the following information (if applicable): the identity, address and signature of the Shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Sub-Fund and Class of Shares and details as to where payment should be made. Failure to provide required documentation or information may result in the withholding of redemption proceeds.

Shareholders whose applications for redemption are accepted will have their Shares redeemed at the next Valuation Day provided that the applications have been received in Luxembourg by a time disclosed for each Class of Shares in the relevant Supplement.

Shares will be redeemed at a price based on the Net Asset Value per Share of the relevant Class of Shares within the relevant Sub-Fund, less any redemption fee (the "Redemption Price"). The redemption fee is indicated for each Class of Shares or Sub-Fund in the relevant Supplement. The Redemption Price may further be decreased by any applicable exit charges of up to a maximum of 1% of the Net Asset Value, payable to the Distributor, the Sub-Distributor(s) and/or other selling agents, as indicated for each Class of Shares or Sub-Fund in the relevant Supplement. The level of these exit charges can be obtained from the relevant (Sub-)Distributor.

The Redemption Price shall be paid within the timeframe specified for each Class of Shares or Sub-Fund in the relevant Supplement.

Payment will be made by cheque mailed to the Shareholder at the address of record in the register of Shareholders maintained by the Registrar Agent or by wire to an account indicated by the Shareholder, in the Shareholder's name, at such Shareholder's expense and at the Shareholder's risk. No third party payments will be made.

The Redemption Price will be paid in the Reference Currency of the relevant Class of Shares or Sub-Fund or in any other freely convertible currency specified by the Shareholder. In the latter case, any currency conversion costs and risk shall be borne by the Shareholder.

The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase. Shares in any Sub-Fund will not be redeemed if the calculation of the Net Asset Value per Share in such Sub-Fund is

suspended by the Board of Directors in accordance with the Articles.

If, as a result of any request for redemption, the aggregate Net Asset Value of the Shares held by any Shareholder in a Class of Shares would fall below the Minimum Investment Requirements indicated in the Supplement of certain Sub-Funds, the Company may treat such request as a request to redeem the entire shareholding of such Shareholder in such Class of Shares.

If on any Valuation Day, the redemption requests exceed 10% of the total number of Shares in issuance of any Sub-Fund, the Board of Directors may decide that part or all of such requests for redemption will be deferred pro rata, so that 10% limit is not exceeded. On the next Valuation Day following that period, these redemption requests will be satisfied in priority to later requests, subject always to the 10% limit.

The Articles enable the Company to compulsorily redeem Shares held by Prohibited Persons. Additionally, the Company may redeem Shares of any Shareholder if the Board of Directors determine that any of the representations given by the Shareholder were not true and accurate or have ceased to be true and accurate or that the continuing ownership of Shares by the Shareholder would cause an undue risk of adverse tax consequences to the Company or any of its Shareholders. The Company may also redeem Shares of a Shareholder if it determines that the continuing ownership of Shares by such Shareholder may be prejudicial to the Company or any of its Shareholders.

The Company shall have the right, if the Board of Directors so determine, to satisfy payment of the Redemption Price to any Shareholder who agrees, in specie by allocating to the holder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in the Articles) as of the Valuation Day on which the Redemption Price is calculated, to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Shares and the valuation used shall be confirmed by a special report of the Auditors of the Company. The costs of any such transfers shall be borne by the transferee.

# Conversion of shares.

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Shareholders have the right, subject to the provisions hereinafter specified, to convert Shares from one Sub-Fund for Shares of another Sub-Fund within the same Class of Shares. If appropriate and as disclosed for each Sub-Fund in the Supplements, Shareholders may also have the right to convert their Shares from one Class to Shares of another Class within the same or another Sub-Fund.

The rate at which Shares of any Class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Shares and currency exchange rate if denominated in different Reference Currency, calculated as of the same Valuation Day following receipt of the documents referred to below. The conversion charge is indicated for each Class of Shares or Sub-Fund in the relevant Supplement.

If Shares are converted for Shares of another Sub-Fund or Class of Shares having a higher sales charge, the Company retains the right to charge, in addition to the conversion fee which is described for each Sub-Fund or Class of Shares in the Supplements, a fee equal to the difference in percentage of the sales charges of the relevant Shares.

A conversion of Shares of one Sub-Fund for Shares of another Sub-Fund, including conversions between Classes of Shares, will be treated as a redemption of Shares and a simultaneous purchase of Shares. A converting Shareholder may, therefore, realise a taxable gain or loss in connection with the conversion under the laws of the country of the Shareholder's citizenship, residence or domicile.

Shares may be tendered for conversion on any Valuation Day. The conversion of Shares between Sub-Funds and/or Classes of Shares having different calculation frequencies of the Net Asset Value may only be effected on a common Valuation Day.

All terms and notices regarding the redemption of Shares shall equally apply to the conversion of Shares.

No conversion of Shares will be effected until the following documents have been received at the Registered Office of the Company:

- a duly completed conversion request form or other written notification acceptable to the Registrar Agent;
- the transfer form duly completed together with any other documentation that may be requested by the Company from time to time (including the same identification documentation and information required of new Shareholders as noted above).

In converting Shares of a Sub-Fund for Shares of another Sub-Fund or Class of Shares, a Shareholder must meet the applicable Minimum Initial Investment requirements

indicated for certain Sub-Funds or Classes of Shares in the relevant Supplement.

If, as a result of any request for conversion, the aggregate Net Asset Value of the Shares held by the converting Shareholder in a Class of Shares of a Sub-Fund falls below the Minimum Holding Investment requirement indicated in the relevant Supplement, the Company may treat such request as a request to convert the entire shareholding of such Shareholder in such Class.

If on any Valuation Day, the conversion requests exceed 10% of the total number of Shares in issuance of any Sub-Fund, the Board of Directors may decide that part or all of such requests for conversion will be deferred pro rata, so that 10% limit is not exceeded. On the next Valuation Day following that period, these conversion requests will be satisfied in priority to later requests, subject always to the 10% limit.

Shares of any Class in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share of such Sub-Fund is suspended by the Company pursuant to the Articles.

Conversion will be carried out using the following formula:

$$A = \frac{(B \times C \times D) - E}{F}$$

- A being the number of Shares to be allotted in the new Sub-Fund or Class of Shares;
- B being the number of Shares to be converted in the initial Sub-Fund or Class of Shares;
- C being the Net Asset Value, on the applicable Valuation Day, of the Shares to be converted in the initial Sub-Fund or Class of Shares;
- D being the exchange rate applicable on the Valuation Day for the currencies of the two Sub-Funds or Classes of Shares;
- E being the conversion fees applicable (as indicated for each Sub-Fund or Class of Shares in the relevant Supplement);
- F being the Net Asset Value, on the applicable Valuation Day, of the Shares to be allotted in the new Sub-Fund or Class of Shares.



# Determination of the net asset value.

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## 1. Calculation

The Net Asset Value per Share of each Sub-Fund shall be expressed in the Reference Currency of the relevant Sub-Fund or Class as determined in the Supplements and shall be calculated for each Sub-Fund by dividing the assets of such Sub-Fund less its liabilities (to include a provision for duties and charges) by the number of Shares in issue in respect of such Sub-Fund. The Net Asset Value per Share of each Class of Shares in a Sub-Fund shall be determined by calculating that portion of the Net Asset Value attributable to each Class by reference to the number of Shares in issue or deemed to be in issue in each Class on the relevant Valuation Day subject to adjustment to take account of assets and/or liabilities attributable to each Class.

The Net Asset Value per Share may be rounded up or down to the nearest unit of the relevant currency as the Company shall determine. If calculated in Euro, the Net Asset Value per Share may be rounded up or down to the nearest sub-unit, i.e. to the nearest cent. If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the Company may, at the discretion of the Board of Directors and in order to safeguard the interests of the Shareholders and the Company, instruct the Management Company to cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.

The value of such assets shall be determined as follows:

- a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- b) The value of Transferable Securities, Money Market Instruments and any financial assets listed or dealt in on a Regulated Market, a stock exchange in an Other State or on any Other Regulated Market is based on the last available price on the relevant market which is normally the principal market for such assets.
- c) In the event that any assets are not listed or dealt in on any Regulated Market, any stock exchange in an Other State or on any Other Regulated Market, or if, with respect to assets listed or dealt in on any such markets, the price as determined pursuant to subparagraph (b) is not representative of the fair market

value of the relevant assets, the value of such assets will be based on reasonably foreseeable sales prices determined prudently and in good faith by the Board of Directors.

- d) The Board of Directors may authorise the use of the amortised cost method of valuation for short-term transferable debt securities in certain Sub-Funds of the Company. This method involves valuing a security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the Sub-Fund would receive if it sold the securities. For certain short term transferable debt securities, the yield to a Shareholder may differ somewhat from that which could be obtained from a similar sub-fund which marks its portfolio securities to market each day.
- e) The liquidating value of futures, forward and options contracts not traded on Regulated Markets, stock exchanges in Other States or on Other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on Regulated Markets, stock exchanges in Other States or on Other Regulated Markets shall be based upon the last available settlement prices of these contracts on Regulated Markets, stock exchanges in Other States or Other Regulated Markets on which the particular futures, forward or options contracts are traded by the Company; provided that if a futures, forward or option contract could not be liquidated on the day with respect to which Net Assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.
- f) Interest rate swaps will be valued at their market value established by reference to the applicable interest rates curve. Index and financial instruments related swaps will be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument relating swap agreement shall be based upon the market value of such swap transaction established in good faith. Total return swaps will be valued on a consistent basis.
- g) All other securities and other assets will be valued at fair market value as determined in good faith pursuant

to the procedures established by the Board of Directors.

The value of all assets and liabilities not expressed in the Reference Currency of a Sub-Fund or Class will be converted into the Reference Currency of such Sub-Fund or Class at rates last quoted by any major bank. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Board of Directors.

The Board of Directors, in its discretion, may permit some other method of valuation to be used if they consider that such valuation better reflects the fair value of any asset of the Company.

In the event that the quotations of certain assets held by the Company should not be available for calculation of the Net Asset Value per Share in a Class or a Sub-fund, each one of these quotations might be replaced by its last known quotation (provided this last known quotation is also representative) preceding the last quotation of the relevant month or by the last appraisal of the last quotation of such month on the relevant Valuation Day, as determined by the Board of Directors.

The Net Asset Value per Share and the issue, redemption and conversion prices per Share of each Class within each Sub-Fund may be obtained during business hours at the Registered Office of the Company.

## 2. Temporary suspension of the calculation

The Company may temporarily suspend the determination of the Net Asset Value per Share of any Sub-Fund and/or the issue, redemption and conversion of its Shares from its Shareholders:

- a) during any period when any Regulated Market, stock exchange in an Other State or any Other Regulated Market on which any substantial portion of the investments of the Company attributable to such Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation on the investments of the Company attributable to a Sub-Fund quoted or dealt thereon; or
- b) during the existence of any state of affairs which constitutes an emergency in the opinion of the Board of Directors as a result of which disposal or valuation of assets owned by the Company attributable to such Sub-Fund would be impracticable; or
- c) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the

current price or values on any stock exchange or other market in respect of the assets attributable to such Sub-Fund; or

- d) when for any other reason beyond the control of the Board of Directors the prices of a significant part of the investments owned by the Company attributable to any Sub-Fund cannot promptly or accurately be ascertained; or
- e) during any period when the Company is unable to repatriate Sub-Funds for the purpose of making payments on the redemption of the Shares of such Sub-Fund or during which any transfer of Sub-Funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange; or
- f) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving the winding-up of the Company, any Sub-Funds or Classes of Shares, or merging the Company or any Sub-Funds, or informing the Shareholders of the decision of the Board of Directors to terminate Sub-Funds or Classes of Shares or to merge Sub-Funds.

Any such suspension shall be published, if appropriate, by the Company and shall be notified to Shareholders having made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended. Such suspension as to any Sub-Fund shall have no effect on the calculation of the Net Asset Value per Share, the issue, redemption and conversion of Shares of any other Sub-Fund.

Any request for subscription, redemption or conversion may be revocable (i) with the approval of the Board of Directors or (ii) in the event of a suspension of the calculation of the Net Asset Value, in which case Shareholders may give notice that they wish to withdraw their application. If no such notice is received by the Company, such application will be dealt with on the first Valuation Day, as determined for each relevant Sub-Fund, following the end of the period of suspension.

# Distribution policy.

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In each Class of Shares within each Sub-Fund, the Board of Directors may issue capitalisation Shares and distribution Shares, as more fully described in the relevant Supplement.

Distribution Shares may pay a dividend to their holders whereas capitalisation Shares capitalise their entire earnings.

The annual general meeting shall decide, on recommendation of the Board of Directors, what share of the Company's profits shall be distributed from each relevant Class of Shares. Distribution of a dividend may be decided independently of all capital gains or losses, realised or unrealised. Moreover, dividends may include a distribution of capital up to the minimum legal capital foreseen in the Law of 2010.

Consequently, the annual general meeting may approve, for each Sub-Fund or Class of Shares, the distribution of the net income and capital gains, realised or unrealised, after deduction of capital losses, realised or unrealised. The amounts corresponding to income attributable to the Shares of a Class which decided not to pay a dividend will be capitalised in the assets of the Class concerned.

The type of distribution (net investment income or capital) will be specified in the Company's financial statements. Every resolution of the annual general meeting deciding the distribution of a dividend in a Sub-Fund must be approved by the Shareholders of the said Sub-Fund by a simple majority vote of the Shareholders present or represented.

For each Sub-Fund, the Board of Directors may decide on the payment of interim dividends in compliance with legal requirements.

The distribution policy of each Class of Shares within each Sub-Fund is set out in the relevant Supplement.

Entitlement to dividends and allocations not claimed within five years of the due date shall be forfeited and the corresponding assets shall revert to the Sub-Fund concerned or, in case of liquidation of such Sub-Fund, to the remaining Sub-Fund.

# Data protection.

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The Company collects, stores and processes by electronic or other means the data supplied by Shareholders at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with its legal obligations.

Any data collected by the Company are to be processed in accordance with the Luxembourg law dated 2 August 2002 on the protection of persons with regard to the processing of personal data, as amended by the Luxembourg law dated 27 July 2007.

The data processed includes the name, address and invested amount of each Shareholder as well as any data requested by the Company in order to ensure the Company's compliance with FATCA and CRS regulations (the "Personal Data").

The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Company. In this case however the Company may reject his/her/its request for subscription of Shares in the Company.

In particular, the data supplied by Shareholders is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering, counter terrorist financing, FATCA and CRS rules.

The Company can delegate to another entity (the Management Company, the Distributor, the Administrative Agent, or the Registrar Agent) the processing of the Personal Data.

Each Shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and incomplete. In relation thereto, the Shareholder can ask for a rectification by letter addressed to the Company.

The Shareholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by letter addressed to the Company.

Personal Data shall not be retained for longer than the time required for the purpose of its processing subject, to the legal limitation periods.

# Charges and expenses.

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## General

The Company pays out of the relevant assets of the relevant Sub-Fund all expenses payable by the Company which shall include but not be limited to fees (investment management fees and performance fees, if any) payable to its Management Company, Investment Manager, fees and expenses payable to its Auditors and accountants, Depositary and its correspondents, any Paying Agent, any permanent representatives in places of registration, as well as any other agent employed by the Company, the remuneration of the Board of Directors and officers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in registering and maintaining the registration of the Company with any governmental agencies, stock exchanges or other markets in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses including the costs of preparing, printing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements and the costs of any reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, the costs for the publication of the Subscription and Redemption Prices, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Company may accrue administrative and other expenses of a regular or recurring nature, based on an estimated amount payable for yearly or other periods.

Each Sub-Fund shall pay the costs and expenses directly attributable to it, in addition to such other expenses as listed in the relevant Sub-Fund Supplement, as the case may be (see "Charges and Expenses" in the relevant Supplement).

## Formation and launching expenses of the Company and of additional Sub-Funds

The costs and expenses incurred in connection with the incorporation of the Company, including those incurred in the preparation and publication of the Prospectus, as well as the taxes, duties and any other publication expenses, have been about EUR 110.000. These costs and expenses were borne by the initial Sub-Funds and have been amortised over a period of five years. Expenses incurred in connection with the creation of any additional Sub-Fund shall be borne by the relevant Sub-Fund and, where applicable, will be written off in proportion to their Net Assets over a period not exceeding five years. Hence, the additional Sub-Funds shall not bear a pro rata of the costs and expenses incurred in connection with the creation of the Company and the initial issue of Shares, which have

not already been written off at the time of the creation of the new Sub-Funds. The maximum formation expenses of any additional Sub-Fund launched after the initial Sub-Funds will be described in the relevant Supplement.

## Fees of the Management Company

In consideration of its services, the Management Company is entitled to a fee received out of the assets of the Company, payable quarterly the amounts of which are further described in the relevant Supplement.

## Fees of the Investment Manager

The Investment Manager is entitled to receive in respect of each Class, if any, within each Sub-Fund an annual fee. This fee is part of the Management Fee, separately disclosed for each Sub-Fund in Appendix I, and payable quarterly out of the assets attributable to the relevant Class of Shares or Sub-Fund as a percentage of the Net Assets of the Sub-Fund and/or Class.

## Fees of the Depositary, Paying Agent, Registrar Agent and Administrative Agent

The Depositary is entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg subject to an agreement with the Company. In addition, the Depositary is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

The fees payable to the Depositary and to the Administrative Agent, Registrar Agent and Paying Agent are at such rates and/or amounts as may be agreed from time to time with the Company in accordance with customary banking practice in Luxembourg. The maximum fee payable to the Depositary and to the Administrative Agent, Registrar Agent and Paying Agent per annum, is disclosed for each Class of Shares or Sub-Fund in the relevant Supplement and in each case is based on the Net Asset Value of the relevant Sub-Fund, unless the Net Asset Value of the Sub-Fund falls below certain levels in which case agreed minimums will apply. In addition, the Depositary and the Administrative Agent, Paying Agent, Registrar Agent are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements and for charges of any correspondents. In addition, fees and costs of any facility agreement with the Depositary to be paid in accordance with such agreement and as disclosed for each Class of Shares or Sub-Fund in the relevant Supplement from time to time.

# Taxation.

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The following information is of a general nature only and is based on the Company's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of this Prospectus. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. This summary is based on the laws in force in Luxembourg on the date of this Prospectus and is subject to any change in law that may take effect after such date. Prospective Shareholders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) personal income tax (*impôt sur le revenu*), as well as a temporary equalisation tax (*impôt d'équilibrage budgétaire temporaire*). Corporate taxpayers may further be subject to net worth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge invariably apply to most corporate taxpayer's resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge and the temporary equalization tax. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

## I. Taxation of the Company

### 1. Subscription tax

The Company is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.05% per annum of its net asset value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Company at the end of the relevant calendar quarter.

This rate is however of 0.01% per annum for:

- undertakings the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions;
- undertakings the exclusive object of which is the collective investment in deposits with credit institutions; and
- individual compartments of UCIs with multiple compartments as well as for individual classes of securities issued within a UCI or within a compartment of a UCI with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Are further exempt from the subscription tax:

- the value of the assets represented by units held in other UCIs, provided such units have already been subject to the subscription tax;
- UCIs as well as individual compartment of umbrella funds (i) whose securities are reserved for institutional investors<sup>1</sup>, (ii) whose exclusive object if the collective investment in money market instruments and the placing of deposits with credit institutions, (iii) whose weighted residual portfolio maturity must not exceed 90 days, and (iv) which have obtained the highest possible rating from a recognized rating agency;
- UCIs whose securities are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, created on the initiative of a same group for the benefit of its employees and (ii) undertakings of this same group investing funds they hold, to provide retirement benefits to their employees and
- exchange-traded funds.

### 2. Withholding tax

Under current Luxembourg tax law, there is no withholding tax on any distribution, redemption or payment made by the Company to its Shareholders under the Shares. There is also no withholding tax on the distribution of liquidation proceeds to the Shareholders.

### 3. Income tax

Under current law and practice, the Company is not liable to any Luxembourg income tax.

### 4. Value added tax

The Company is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without input VAT deduction right with regards to its fund management activities. According to current Luxembourg legislation, a SICAV benefits from a VAT exemption for the services received which qualify as fund management services.

Other services supplied to the Company could potentially trigger VAT and require the VAT registration of the Company in Luxembourg as to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability in principle arises in Luxembourg in respect of any payments by the Company to its Shareholders to the extent such payments are linked to their subscription to the Company's Shares and do therefore not constitute the consideration received for any taxable services supplied.

## 5. Other taxes

No stamp or other tax is generally payable at a proportional rate in Luxembourg in connection with the issue of Shares against cash by the Company. Any amendment to the Articles of the Company is generally subject to a fixed registration duty of EUR 75.

The Company may be subject to withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments. As the Company itself is exempt from income tax, withholding tax levied at source, if any, is not refundable in Luxembourg.

## II. Taxation of the Shareholders

### 1. Luxembourg tax residency of the Shareholders

A Shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of the shares or the execution, performance or enforcement of his/her rights thereunder.

### 2. Income tax

#### 2.1. Luxembourg resident Shareholders

A Luxembourg resident Shareholder is not liable to any Luxembourg income tax on reimbursement of share capital previously contributed to the Company.

#### Luxembourg resident individuals

Dividends and other payments derived from the Shares by a resident individual Shareholder, who acts in the course of the management of either his/her private wealth or his/her professional/business activity, are subject to income tax at the ordinary progressive rates.

Capital gains realised upon the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the

shares are disposed of within six months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual Shareholder holds or has held, either alone or together with his spouse or partner and/or minor children, directly or indirectly at any time within the 5 years preceding the disposal, more than 10% of the share capital of the company whose shares are being disposed of. A Shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the 5 years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realised on a substantial participation more than six months after the acquisition thereof are taxed according to the half-global rate method (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the participation.

Capital gains realised on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

#### Luxembourg resident companies

A Luxembourg resident company (société de capitaux) must include any profits derived, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable profits for Luxembourg income tax assessment purposes.

#### Luxembourg residents benefiting from a special tax regime

Shareholders who are Luxembourg resident companies benefiting from a special tax regime, such as (i) undertakings for collective investment governed by the Law of 2010, (ii) specialized investment funds governed by the amended law of 13 February 2007 and (iii) family wealth management companies governed by the amended law of 11 May 2007, are income tax exempt entities in Luxembourg, and profits derived from the Shares are thus not subject to Luxembourg income tax.

#### 2.2. Luxembourg non-resident Shareholders

A non-resident, who has neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, is not liable to any Luxembourg income tax on income received and

capital gains realised upon the sale, disposal or redemption of the Shares.

A non-resident company which has a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in its taxable income for Luxembourg tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

### 3. Net worth tax

A Luxembourg resident, as well as a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are subject to Luxembourg net worth tax on such Shares, except if the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment governed by the Law of 2010, (iii) a securitization company governed by the amended law of 22 March 2004 on securitization, (iv) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (v) a professional pension institution governed by the amended law dated 13 July 2005, (vi) a specialized investment fund governed by the amended law of 13 February 2007 or (vii) a family wealth management company governed by the law of 11 May 2007. However, (i) a securitization company governed by the amended law of 22 March 2004 on securitization, (ii) a company governed by the amended law of 15 June 2004 on venture capital vehicles and (iii) a professional pension institution governed by the amended law dated 13 July 2005 remain subject to the minimum net worth tax in Luxembourg.

### 4. Other taxes

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his/her death, the Shares are included in his or her taxable basis for inheritance tax purposes. On the contrary, no inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance purposes.

Gift tax may be due on a gift or donation of the shares, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

## III Exchange of information

### 1. FATCA

Capitalized terms used in this section should have the meaning as set forth in the IGA (as defined below), unless provided otherwise herein.

The Company is subject to the so-called FATCA legislation which generally requires reporting to the US Internal Revenue Services of non-US Financial Institutions that do not comply with FATCA and direct or indirect ownership by US persons (within the meaning of FATCA) of non-US entities. As part of the process of implementing FATCA, the US government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA.

Luxembourg has entered into a Model I Intergovernmental Agreement implemented by the Luxembourg law dated 24 July 2015 ("IGA") which requires Foreign Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by US Specified Persons, if any, and non-U.S. Financial Institutions that do not comply with FATCA to the competent authorities.

Given that it is established in Luxembourg and subject to the supervision of the CSSF in accordance with the Law of 2010, the Company will be treated as a Foreign Financial Institution for FATCA purposes.

This status imposes on the Company the obligation to regularly obtain and verify information on all of its Shareholders. On the request of the Company, each Shareholder shall agree to provide certain information, including, in the case of a Non-Financial Foreign Entity ("NFFE"), the direct or indirect owners above a certain threshold of ownership of such NFFEs, along with the required supporting documentation. Similarly, each investor shall agree to actively provide to the Company within thirty days any information that would affect its status, such as for instance a new mailing address or a new residency address.

FATCA and the IGA may require the Company to disclose the names, addresses and taxpayer identification numbers (if available) of Shareholders as well as information such as account balances, income and gross proceeds (non-exhaustive list) to the Luxembourg tax authorities (*administration des contributions directes*) under the terms of the IGA. Such information will be relayed by the Luxembourg tax authorities to the US Internal Revenue Services.



Additionally, the Company is responsible for the processing of personal data and each Shareholder has the right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Company are to be processed in accordance with the Luxembourg law dated 2 August 2002 on the protection of persons with regard to the processing of personal data, as amended.

Although the Company will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses. The failure of the Company to obtain such information from each Shareholder and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of US source income and on proceeds from the sale of property or other assets that could give rise to US source interest and dividends.

Any Shareholder that fails to comply with the Company's documentation requests may be charged with any taxes imposed on the Company as a result of such investor's failure to provide the information and the Company may, at its sole discretion, redeem the shares of such Shareholder.

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this US withholding tax and reporting regime.

Shareholders should consult a US tax advisor or otherwise seek professional advice regarding the above requirements.

## 2. CRS

Capitalized terms used in this section should have the meaning as set forth in the CRS Law (as defined above), unless provided otherwise herein.

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which provides for an automatic exchange of financial account information between Member States ("DAC Directive"). The adoption of the aforementioned directive implements the OECD's common reporting standard ("CRS") and generalizes the automatic exchange of information as of 1 January 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information

under the CRS. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The CRS-Law implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS-Law, the Company may be required to annually report to the Luxembourg tax authorities, the name, address, Member State(s) of residence, tax identification number(s), as well as the date and place of birth of i) each Reportable Person that is an Account Holder within the meaning of CRS-Law, ii) and, in the case of a Passive Non-Financial Entity within the meaning of the CRS-Law, of each Controlling Person(s) that is a Reportable Person. Such information may be disclosed by the Luxembourg tax authorities to foreign tax authorities.

Additionally, the Company is responsible for the processing of personal data and each Investor has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Company are to be processed in accordance with the Luxembourg law dated 2 August 2002 on the protection of persons with regard to the processing of personal data, as amended.

The Company's ability to satisfy its reporting obligations under the CRS-Law will depend on each investor providing the Company with the information, including information regarding direct or indirect owners of each investor, along with the required supporting documentary evidence. Upon request of the Company, each investor shall agree to provide the Company such information,

Although the Company will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the CRS-Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a tax or penalty as result of the CRS-Law, the value of the Shares held by the investors may suffer material losses.

Any Shareholder that fails to comply with the Company's documentation requests may be charged with any taxes and penalties imposed on the Company attributable to such investor's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS-Law on their investment.

# General information.

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## Meetings

The annual general meeting of Shareholders takes place in the City of Luxembourg at a place specified in the notice of meeting, each year on the third Wednesday in the month of April and for the first time in 2008. If such day is not a Business Day then the meeting will be held on the next Business Day.

Notice of any general meeting of Shareholders (including those considering amendments to the Articles or the dissolution and liquidation of the Company or of any Sub-Fund) shall be mailed to each registered Shareholder at least eight days prior to the meeting and shall be published to the extent required by Luxembourg law in the Mémorial and in any Luxembourg and other newspaper(s) that the Board of Directors may determine.

If the Articles are amended, such amendments shall be filed with the Chancery of the District Court of Luxembourg and published in the Mémorial.

The Shareholders of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Sub-Fund.

The Shareholders of any Class of Shares of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Class of Shares.

## Reports

The Company publishes annually a detailed audited report on its activities and on the management of its assets; such report shall include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and a report from the Auditors.

The Company shall further publish semi-annual unaudited reports, including, inter alia, a description of the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication.

Copies of the aforementioned documents may be obtained free of charge by any person at the registered office of the Company.

The combined accounts of the Company shall be maintained in Euro being the currency of the share capital. The financial statements relating to the various separate Sub-Funds shall also be expressed in the Reference Currency of the Sub-Funds.

## Accounting year

The accounting year of the Company shall commence on the 1st January of each year and shall terminate on the 31st December of the same year.

## Dissolution and liquidation of the Company

The Company may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements applicable for amendments to the Articles.

Whenever the share capital falls below two-thirds of the minimum capital of the Company, the question of the dissolution of the Company shall be referred to a general meeting of Shareholders by the Board of Directors. The general meeting, for which no quorum shall be required, shall decide by the simple majority of the Shares represented at the meeting.

The question of the dissolution of the Company shall also be referred to a general meeting of Shareholders whenever the share capital falls below one-fourth of the minimum capital of the Company; in such event, the general meeting shall be held without any quorum requirement and the dissolution may be decided by Shareholders holding one-fourth of the Shares represented at the meeting.

The meeting must be convened so that it is held within a period of forty days as from ascertainment that the Net Assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the regulatory authority and appointed by the general meeting of Shareholders which shall determine their powers and their compensation.

The net proceeds of liquidation corresponding to each Class of Shares within each Sub-Fund shall be distributed by the liquidators to the holders of Shares of the relevant Class in the relevant Sub-Fund in proportion to their holding of such Shares in such Class.

Should the Company be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 2010. Such Law specifies the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit in escrow at the Caisse de Consignations at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

## Liquidation of Sub-Funds

If the Net Assets of a Sub-Fund fall below the equivalent of EUR 5 million in any Reference Currency, which is the minimum level for a Sub-Fund to be operated in an economically efficient manner or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalization, the Board of Directors may decide on a forced redemption of the remaining Shares in the Sub-Fund concerned without the Shareholders' approval being necessary. In this case, a notice relating to the closing of the Sub-Fund will be sent to all the Shareholders of this Sub-Fund. The said redemption will be effected on the basis of the Net Asset Value per Share calculated after all the assets attributable to this Sub-Fund have been sold. The amounts not claimed by the Shareholders at the time of the closure of the Sub-Fund's liquidation will be deposited with the Caisse de Consignations in Luxembourg where they will be available to them for the period established by law. At the end of such period any unclaimed amounts will be returned to the Luxembourg State.

## Mergers

The merger (i) of the Company, either as receiving or absorbed UCITS, with another Luxembourg or foreign UCITS (the "New UCITS") or a sub-fund thereof, as well as the merger (ii) of any Sub-Fund of the Company, either as receiving or absorbed Sub-Fund, with another existing Sub-Fund within the Company or another sub-fund within a New UCITS, or a New UCITS, shall be implemented in compliance with the Law of 2010, in particular with regard to the information that shall be provided to the Shareholders on the proposed merger and a project of the merger to be prepared by the Board of Directors.

## Documents available for inspection

Copies of the following documents may be obtained for inspection during usual business hours on any Business Day at the registered office of the Company and at the relevant financial service provider:

- (i) the Prospectus;
- (ii) the KIIDs;
- (iii) the Articles;
- (iv) the Depositary Bank and Principal Paying Agent Agreement entered into between the Company and the Depositary;
- (v) the Domiciliary and Corporate Agency Agreement entered into by the Company and the Domiciliary Agent;

- (vi) the Administration Agency Agreement entered into by the Company, the Administrative Agent and the Management Company;
- (vii) the Investment Management Agreement entered into between the Management Company and the Investment Manager;
- (viii) the Management Company Agreement entered into between the Company and the Management Company;
- (ix) the Distribution Agreement entered into between the Company and the Distributor and the list of (Sub-) Distributors appointed;
- (x) the Collaboration Agreement entered into between the Management Company and the Depositary.

## Complaints handling

The Company has a complaints handling policy to guarantee a conscientious handling of complaints. The policy is, amongst others, applicable to complaints of investors in relation to the Company and the Sub-Funds. The Company has appointed a Complaints Handling Officer, who is responsible for implementation of the complaints handling policy.

Complaints can be submitted until one year after the moment of act or refrain from the Company, the Sub-Funds, and the Management Company or after the moment that the (potential) investor could have reasonably become acquainted herewith.

Complaints can be submitted in writing:  
Triodos SICAV I  
Attention: Complaints Handling Officer  
11-13, Boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duché de Luxembourg  
E-mail address:  
triodosinvestmentmanagement@triodos.nl.

The Company strives to inform the investor in writing within ten (10) business days after receipt of the complaint about the resolution of his/her complaint. In any case where the answer cannot be provided within this period, the investor will receive written receipt of acknowledgement within ten (10) business days after receipt of the complaint. Such receipt of acknowledgement shall include the progress made in resolving the complaint and the date by which the investor may expect to be informed about the final resolution of his/her complaint.

If the investor did not obtain an answer or a satisfactory answer from the Complaints Handling Officer, he/she shall be given the opportunity to raise the complaint up to the Board of Directors. Where the complaint handling did

not result in a satisfactory answer for the investor, the Complaints Handling Officer shall:

- Provide the investor with a full explanation of its position as regards to the complaint;
- Inform the investor of the existence of the out-of-court complaint resolution procedure before the CSSF; and
- Indicate to the investor the different means to contact the CSSF to file a request.

The client complaints handling policy of the Company as well as the Company's policies for the exercise of the voting rights, are also available upon request from the Company.

# Supplement.

## Triodos Sustainable Equity Fund

The information contained in this Supplement must be read in conjunction with the complete text of the Prospectus.

### 1. Profile of the typical investors

The typical investor in the Sub-Fund would be a natural person or an Institutional Investor, who wants to invest in shares of publicly quoted companies that combine good financial results with a good performance on social and environmental issues.

The typical investor can handle the risk of losing (part of or all) their investment. The Sub-Fund is designed for the investment objective of long-term capital growth.

### 2. Investment policy

The Sub-Fund primarily invests in shares of large cap companies, listed on the worldwide markets, which comply with the sustainable investment strategy described in the general part of the Prospectus, section "Sustainability Assessment", and offer a good investment perspective.

Up to 20% of the Net Asset Value may be held in cash. Under exceptional circumstances such as substantial uncertainties in the financial markets this percentage may be exceeded for a short period of time.

The Sub-Fund may not invest more than 10% of its assets in shares or units of other UCITS or other UCIs.

The Sub-Fund uses the commitment approach to calculate its global exposure.

### 3. Return

In evaluating the return profile of an investment in the Sub-Fund, investors should consider the following factor:

Triodos Sustainable Equity Fund invests worldwide in shares of listed companies that meet strict sustainability criteria. By entering into a dialogue with these companies, the Sub-Fund aims to further advance the sustainability agenda. Triodos Sustainable Equity Fund aims to achieve

financial returns that are in line with the market. The Sub-Fund compares the financial returns of the companies in which it invests with the MSCI World Index in USD (converted to EUR or to GBP with the London 16:00 exchange rates depending on the share class) as a benchmark for (non-sustainable) global equity funds. This is a generally accepted index for worldwide diversified equity funds. The investment policy that is pursued by Triodos Sustainable Equity Fund is not aimed at replicating or outperforming the benchmark in the short term. The Sub-Fund may deviate from the benchmark because the fund only invests in companies that meet strict sustainability criteria. The Sub-Fund believes that in the longer term sustainable investments offer more stable and give higher financial returns than non-sustainable investments. The Sub-Fund therefore tends to invest in companies on the basis of a long-term investment horizon.

### 4. Special risk consideration

The Triodos investment universe does not represent regular country or sector indices. The performance of the Sub-Fund can temporarily differ from these indices both in a positive and in a negative way.

### 5. Reference currency

The Reference Currency of the Sub-Fund is the Euro.

### 6. Minimum investment requirements

The table below shows the Minimum Holding Investment, the Minimum Initial Investment and the Minimum Subsequent Investment requirements for each Class of Shares:

All of the below Minimum Investment Requirements are subject to the discretion of the Board of Directors to accept lesser amounts.

### 7. Frequency of the net asset value calculation and valuation day

The Net Asset Value per Share of each Class of the Sub-Fund is calculated on each Business Day (the "Valuation Day").

	Minimum Holding Investment	Minimum Initial Investment	Minimum Subsequent Investment
Class "P" Shares	No minimum	No minimum	No minimum
Class "R" Shares	No minimum	No minimum	No minimum
Class "Z" Shares	No minimum	No minimum	No minimum
Class "I" Shares	EUR 100,000	EUR 1,000,000	No minimum
Class "K-Retail" Shares	No minimum	No minimum	No minimum
Class "K-Institutional" Shares	GBP 100,000	GBP 800,000	No minimum
Class "S" Shares	No minimum	No minimum	No minimum

## 8. Subscriptions

### Subscriptions during the Initial Offering Period of Shares

Subscriptions in Euro-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of EUR 25.

Subscriptions in British Pound-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of GBP 20.

The Initial Offering Period for the British Pound – denominated Class “K-Institutional” Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of GBP 20. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the Euro – denominated Class “S” Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of EUR 25. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

### Subscriptions after the Initial Offering Period of Shares

After the relevant Initial Offering Period, Shares may be offered for subscription to any investors without reserving the existing Shareholders a pre-emptive right to subscription.

The Subscription Price per Share of the Sub-Fund is the Net Asset Value per Share. An entry charge of up to a maximum of 5% may be applied for the benefit of the Distributor, the Sub-Distributor(s) and/or other selling agents. The precise entry charge can be obtained from the relevant (Sub-)Distributor.

Any person applying for Shares in the Sub-Fund shall complete an application form in such form as the Company may from time to time prescribe and shall comply with such conditions as may be prescribed by the Company. All applications must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Any application received after the time aforesaid shall be deemed to be made in respect of the Valuation Day next following such relevant Valuation Day.

Payment of the subscription monies must be received by the Depositary in the relevant Reference Currency of a Class, within three Business Days after the relevant Valuation Day. In the event of a late payment, the investor may be charged with an interest.

## 9. Redemptions

All redemption requests must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Redemption proceeds shall be paid in the relevant Reference Currency usually within three Business Days after the relevant Valuation Day. Redemption proceeds may be converted into any freely convertible currency on a Shareholder’s request and at his own expense.

The Redemption Price per Share of the Sub-Fund is the Net Asset Value per Share. No redemption fee will be charged for the benefit of the Sub-Fund. The Redemption Price may further be decreased by any applicable exit charges of up to a maximum of 1% of the Net Asset Value, payable to the Distributor, the Sub-Distributor(s) and/or other selling agents. The level of these exit charges can be obtained from the relevant (Sub-)Distributor.

## 10. Conversions

Shares of the Sub-Fund may be converted with Shares of other Sub-Funds within the same Class of Shares, as further described under Section “Conversion of Shares” of the Prospectus. If appropriate, Shareholders may also have the right to convert their Shares from one Class to Shares of another Class within the same or another Sub-Fund subject to the requirements and procedure set forth under Section “Conversion of Shares” of the Prospectus.

If Shares are converted for Shares of another Sub-Fund or Class of Shares having a higher sales charge, the Company retains the right to charge, in addition to the conversion fee, a fee equal to the difference in percentage of the sales charges of the relevant Shares.

## 11. Charges and expenses

The Ongoing Charges for the Sub-Fund is at a maximum 2.25% of the Net Assets of the Sub-Fund and is divided into a Management Fee, a Service Fee and Taxes, as described below.

### A. Management Fee

The annual management fee of the Sub-Fund (the “Management Fee”) is at a maximum 2.0% of the Net Assets of the Sub-Fund as of each Valuation Day. Appendix I shows the current annual Management Fee for each Class of Shares of each Sub-Fund. This fee will be used to cover charges and expenses of the Sub-Fund to be paid to the Investment Manager (Appendix I shows separately the fee for the Investment Manager for each Sub-Fund), the Distributor and the Management Company.

## **B. Service Fee**

The annual service fee of the Sub-Fund (the “Service Fee”) is at a maximum 0.25% per annum, based on the Net Assets of the Sub-Fund as of each Valuation Day. This fee will be used to cover all charges and expenses of the Sub-Fund, among which fees to be paid to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent<sup>1</sup> and excludes: fees to be paid to the Investment Manager, the Distributor, the Management Company and all taxes payable by the Sub-Fund in relation to the fact it is an investment company. Subject to termination or revision at the sole discretion of the Management Company, with respect to the Shares of the Sub-Fund, the Management Company has agreed to bear within the Sub-Fund the expenses attributable to each Class of Share such that the Ongoing Charges of each Class of Shares comprising the Management Fee, the Service Fee and Taxes does not exceed 2.25% per annum, based on the Net Assets of the relevant Class of the Sub-Fund as of each Valuation Day.

The Depositary and the Administrative Agent, Paying Agent, Registrar Agent are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements and for charges of any correspondents. These fees are also part of the Service Fee.

The Sub-Fund shall pay for the general costs and expenses directly attributable to it. See also “Charges and Expenses” in the main body of the Prospectus. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company shall be allocated to the Sub-Funds of the Company on an equitable basis, in proportion to their respective Net Assets. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company, and are irrespective of the size of the Sub-Fund’s Net Assets, shall be divided equally among the Sub-Funds. These fees are all part of the Service Fee.

## **C. Taxes**

All taxes payable by the Sub-Fund in relation to the fact it is an investment company (the “Taxes”).

## **12. Distribution policy**

The Sub-Fund issues capitalisation Shares and distributing Shares.

It is the Company’s intention that Shares of the Sub-Fund shall receive at least one annual distribution, normally payable no later than six months after the end of the accounting year to which such dividends relate, comprising the income of the Sub-Fund attributable to the relevant Class net of revenue expenses or, if greater, such amount as to enable the Class to attain the UK Inland Revenue distributing funds certification for the relevant accounts year (which for the avoidance of doubt may mean that part of such distribution is made out of capital profits).

<sup>1</sup> This change will be effective as of 1 April 2017. Currently and until 1 April 2017, fees payable to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent are part of the Management Fee.

# Supplement.

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## Triodos Sustainable Bond Fund

The information contained in this Supplement must be read in conjunction with the complete text of the Prospectus.

### 1. Profile of the typical investors

The typical investor in the Sub-Fund would be a natural person or an Institutional Investor, who wants to invest in (i) Corporate Bonds, (ii) Sovereign Bonds, (iii) Sub Sovereign Bonds and (iv) Impact Bonds that combine good financial results with a good performance on social and/or environmental issues.

The typical investor can handle the risk of losing (part of or all) their investment. The Sub-Fund is designed for the investment objective of long-term capital growth.

### 2. Investment policy

The Sub-Fund primarily invests in Euro denominated Corporate Bonds, Sovereign Bonds and Sub Sovereign Bonds which comply with the sustainable investment strategy described in the general part of the Prospectus, section "Sustainability assessment", and offer a good investment perspective. The Sub-Fund may also invest in Impact Bonds that comply with the sustainable investment strategy for Impact Bonds described in the general part of the Prospectus, section "Sustainability assessment for Impact Bonds", and offer a good investment perspective.

Corporate Bonds, Impact Bonds and Sub Sovereign Bonds, issued by international financial institutions and (semi-) public institutions, must be rated investment grade by at least one of the following rating agencies: Standard & Poor's, Moody's or Fitch. If a bond is rated by several agencies, then the arithmetic average rating is attached to the bond. If a bond is not rated, the rating of its parent is applied to determine whether the bond is eligible for the Sub-Fund. The rating is consolidated to the nearest rating grade. Rating notches are not used.

Euro denominated Sovereign Bonds and Sub Sovereign Bonds, issued by regional or local authorities, must be rated at least investment grade by two of the following rating agencies: Standard & Poor's, Moody's or Fitch. Additionally, governments must have a minimum of EUR 150 billion public debt outstanding. The Sub-Fund may not invest more than 5% of its assets in any single issuer of Sovereign Bonds rated A- or lower by two of the above rating agencies.

Up to 20% of the Net Asset Value may be held in cash. Under exceptional circumstances such as substantial uncertainties in the financial markets this percentage may be exceeded for a short period of time.

The Sub-Fund may not invest more than 10% of its assets in shares or units of other UCITS or other UCIs.

The Sub-Fund uses the commitment approach to calculate its global exposure.

### 3. Return

Triodos Sustainable Bond Fund invests worldwide in bonds issued by listed companies that meet strict sustainability criteria. By entering into a dialogue with these companies, the Sub-Fund aims to further advance the sustainability agenda. In addition to Corporate Bonds, the Sub-Fund also invests in Sovereign Bonds, Sub Sovereign Bonds and Impact Bonds. Triodos Sustainable Bond Fund aims to achieve financial returns that are in line with the market. The Sub-Fund compares its returns with the iBoxx Euro Non-sovereigns Eurozone Net Total Return (60%) and the iBoxx Euro Sovereigns Eurozone Net Total Return (40%). These are generally accepted indices for (non-sustainable) worldwide diversified bond funds. The investment policy that is pursued by Triodos Sustainable Bond Fund is not aimed at replicating or outperforming the benchmark in the short term. The Sub-Fund may deviate from the benchmark because the Sub-Fund only invests in bonds that meet strict sustainability criteria. The Sub-Fund believes that in the longer term sustainable investments offer more stable and give higher financial returns than non-sustainable investments. The Sub-Fund therefore tends to invest in companies, sovereigns and sub sovereigns on the basis of a long-term investment horizon.

### 4. Special risk consideration

The Triodos investment universe does not represent regular country or sector indices. The performance of the Sub-Fund can temporarily differ from these indices both in a positive and in a negative way.

### 5. Reference currency

The Reference Currency of the Sub-Fund is the Euro.

### 6. Minimum investment requirements

The table below shows the Minimum Holding Investment, the Minimum Initial Investment and the Minimum Subsequent Investment requirements for each Class of Shares.

All of the below Minimum Investment Requirements are subject to the discretion of the Board of Directors to accept lesser amounts.



	Minimum Holding Investment	Minimum Initial Investment	Minimum Subsequent Investment
Class "P" Shares	No minimum	No minimum	No minimum
Class "R" Shares	No minimum	No minimum	No minimum
Class "Z" Shares	No minimum	No minimum	No minimum
Class "I" Shares	EUR 100,000	EUR 1,000,000	No minimum
Class "K-Retail" Shares	No minimum	No minimum	No minimum
Class "K-Institutional" Shares	GBP 100,000	GBP 800,000	No minimum
Class "S" Shares	No minimum	No minimum	No minimum

### 7. Frequency of the net asset value calculation and valuation day

The Net Asset Value per Share of each Class of the Sub-Fund is calculated on each Business Day (the "Valuation Day").

### 8. Subscriptions

#### Subscriptions during the Initial Offering Period of Shares

Subscriptions in Euro-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of EUR 25.

Subscriptions in British Pound-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of GBP 20.

The Initial Offering Period for the British Pound – denominated Class "K-Retail" Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of GBP 20. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the British Pound – denominated Class "K-Institutional" Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of GBP 20. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the Euro – denominated Class "S" Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of EUR 25. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

#### Subscriptions after the Initial offering Period of Shares

After the relevant Initial Offering Period, Shares may be offered for subscription to any investors without reserving

the existing Shareholders a pre-emptive right to subscription.

The Subscription Price per Share of the Sub-Fund is the Net Asset Value per Share. An entry charge of up to a maximum of 5% may be applied for the benefit of the Distributor, the Sub-Distributor(s) and/or other selling agents. The precise entry charge can be obtained from the relevant (Sub-)Distributor.

Any person applying for Shares in the Sub-Fund shall complete an application form in such form as the Company may from time to time prescribe and shall comply with such conditions as may be prescribed by the Company. All applications must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Any application received after the time aforesaid shall be deemed to be made in respect of the Valuation Day next following such relevant Valuation Day.

Payment of the subscription monies must be received by the Depositary in the relevant Reference Currency of a Class, within three Business Days after the relevant Valuation Day. In the event of a late payment, the investor may be charged with an interest.

### 9. Redemptions

All redemption requests must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Redemption proceeds shall be paid in the relevant Reference Currency usually within three Business Days after the relevant Valuation Day. Redemption proceeds may be converted into any freely convertible currency on a Shareholder's request and at his own expense.

The Redemption Price per Share of the Sub-Fund is the Net Asset Value per Share. No redemption fee will be charged for the benefit of the Sub-Fund. The Redemption Price may further be decreased by any applicable exit charges of up to a maximum of 1% of the Net Asset Value,

payable to the Distributor, the Sub-Distributor(s) and/or other selling agents. The level of these exit charges can be obtained from the relevant (Sub-)Distributor.

## 10. Conversions

Shares of the Sub-Fund may be converted with Shares of other Sub-Funds within the same Class of Shares, as further described under Section “Conversion of Shares” of the Prospectus. If appropriate, Shareholders may also have the right to convert their Shares from one Class to Shares of another Class within the same or another Sub-Fund subject to the requirements and procedure set forth under Section “Conversion of Shares” of the Prospectus.

If Shares are converted for Shares of another Sub-Fund or Class of Shares having a higher sales subscription charge, the Company retains the right to charge, in addition to the conversion fee, a fee equal to the difference in percentage of the sales subscription charges of the relevant Shares.

## 11. Charges and expenses

The Ongoing Charges for the Sub-Fund will be at a maximum 2.2% of the Net Assets of the Sub-Fund and is divided into a Management Fee, a Service Fee and Taxes, as described below.

### A. Management Fee

The annual management fee of the Sub-Fund (the “Management Fee”) is at a maximum 2.0% of the Net Assets of the Sub-Fund as of each Valuation Day. Appendix I shows the current annual Management Fee for each Class of Shares of each Sub-Fund. This fee will be used to cover charges and expenses of the Sub-Fund to be paid to the Investment Manager (Appendix I shows separately the fee for the Investment Manager for each Sub-Fund), the Distributor and the Management Company.

### B. Service Fee

The annual service fee of the Sub-Fund (the “Service Fee”) is at a maximum 0.2% per annum, based on the Net Assets of the Sub-Fund as of each Valuation Day. This fee will be used to cover all charges and expenses of the Sub-Fund, among which fees to be paid to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent<sup>2</sup> and excludes: fees to be paid to the Investment Manager, the Distributor, the Management Company and all taxes payable by the Sub-Fund in relation to the fact it is an investment company. Subject to termination or revision at the sole discretion of the

Management Company, with respect to the Shares of the Sub-Fund, the Management Company has agreed to bear within the Sub-Fund the expenses attributable to each Class of Shares such that the Ongoing Charges of each Class of Shares comprising the Management Fee, the Service Fee and Taxes does not exceed 2.2% per annum, based on the Net Assets of the relevant Class of the Sub-Fund as of each Valuation Day.

The Depositary and the Administrative Agent, Paying Agent, Registrar Agent are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements and for charges of any correspondents. These fees are also part of the Service Fee.

The Sub-Fund shall pay for the general costs and expenses directly attributable to it. See also “Charges and Expenses” in the main body of the Prospectus. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company shall be allocated to the Sub-Funds of the Company on an equitable basis, in proportion to their respective Net Assets. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company, and are irrespective of the size of the Sub-Fund’s Net Assets, shall be divided equally among the Sub-Funds. These fees are all part of the Service Fee.

### C. Taxes

All taxes payable by the Sub-Fund in relation to the fact it is an investment company (the “Taxes”).

## 12. Distribution policy

The Sub-Fund issues capitalisation Shares and distributing Shares.

It is the Company’s intention that Shares of the Sub-Fund shall receive at least one annual distribution, normally payable no later than six months after the end of the accounting year to which such dividends relate, comprising the income of the Sub-Fund attributable to the relevant Class net of revenue expenses or, if greater, such amount as to enable the Class to attain the UK Inland Revenue distributing funds certification for the relevant accounts year (which for the avoidance of doubt may mean that part of such distribution is made out of capital profits).

<sup>2</sup> This change will be effective as of 1 April 2017. Currently and until 1 April 2017, fees payable to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent are part of the Management Fee.

# Supplement.

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## Triodos Sustainable Mixed Fund

The information contained in this Supplement must be read in conjunction with the complete text of the Prospectus.

### 1. Profile of the typical investors

The typical investor in the Sub-Fund would be a natural person or an Institutional Investor, who wants to invest in shares of stock-quoted companies and (i) Corporate Bonds, (ii) Sovereign Bonds (iii) Sub Sovereign Bonds and (iv) Impact Bonds that combine good financial results with a good performance on social and/or environmental issues.

The typical investor can handle the risk of losing (part of or all) their investment. The Sub-Fund is designed for the investment objective of long-term capital growth.

### 2. Investment policy

The Sub-Fund primarily invests in shares of large cap companies, listed on the worldwide markets, and Euro denominated Corporate Bonds, Sovereign Bonds and Sub Sovereign Bonds which comply with the sustainable investment strategy described in the general part of the Prospectus, section "Sustainability assessment", and offer a good investment perspective. The Sub-Fund may also invest in Impact Bonds that comply with the sustainable investment strategy for Impact Bonds described in the general part of the Prospectus, section "Sustainability assessment for Impact Bonds", and offer a good investment perspective.

These investments will have the same characteristics as the investments described in the investment policy of Triodos Sustainable Equity Fund and Triodos Sustainable Bond Fund.

The Sub-Fund may also invest in units or shares of UCITS and/or UCIs which offer the possibility to enhance the sustainable profile of the Sub-Fund. Investments in units or shares of UCITS and/or UCIs may be allowed up to a maximum of 10% of the Sub-Fund's Net Asset Value. The selected UCITS and/or UCIs shall provide for sufficient liquidity.

Triodos Sustainable Mixed Fund adjusts the allocation between shares and bonds in order to take advantage of market developments, within the following ranges:

Shares	minimum 30%	-	maximum 60%
Bonds	minimum 40%	-	maximum 70%

The Sub-Fund uses the commitment approach to calculate its global exposure.

### 3. Return

Triodos Sustainable Mixed Fund invests worldwide in shares and bonds issued by listed companies that meet strict sustainability criteria. By entering into a dialogue with these companies, the Sub-Fund aims to further advance the sustainability agenda. In addition to Corporate Bonds, the Sub-Fund also invests in Sovereign Bonds, Sub Sovereign Bonds and Impact Bonds. In principle 60% of the portfolio is invested in bonds and 40% is invested in equities. Triodos Sustainable Mixed Fund aims to achieve financial returns that are in line with the market. The Sub-Fund compares its returns with the MSCI World Index in USD (converted to EUR or to GBP with the London 16:00 exchange rates depending on the share class) (40%), the iBoxx Euro Non-sovereigns Eurozone Net Total Return (36%) and the iBoxx Euro Sovereigns Eurozone Net Total Return (24%). These are generally accepted indices for (non-sustainable) worldwide diversified equity and bond funds. The investment policy that is pursued by Triodos Sustainable Mixed Fund is not aimed at replicating or outperforming the benchmark in the short term. The Sub-Fund may deviate from the benchmark because the Sub-Fund only invests in equity and bonds that meet strict sustainability criteria. The Sub-Fund believes that in the longer term sustainable investments offer more stable and give higher financial returns than non-sustainable investments. The Sub-Fund therefore tends to invest in companies, sovereigns and sub sovereigns on the basis of a long-term investment horizon.

### 4. Special risk consideration

The Triodos investment universe does not represent regular country or sector indices. The performance of the Sub-Fund can temporarily differ from these indices both in a positive and in a negative way.

### 5. Reference currency

The Reference Currency of the Sub-Fund is the Euro.

### 6. Minimum investment requirements

The table below shows the Minimum Holding Investment, the Minimum Initial Investment and the Minimum Subsequent Investment requirements for each Class of Shares.

All of the below Minimum Investment Requirements are subject to the discretion of the Board of Directors to accept lesser amounts.

	Minimum Holding Investment	Minimum Initial Investment	Minimum Subsequent Investment
Class "P" Shares	No minimum	No minimum	No minimum
Class "R" Shares	No minimum	No minimum	No minimum
Class "Z" Shares	No minimum	No minimum	No minimum
Class "I" Shares	EUR 100,000	EUR 1,000,000	No minimum
Class "K-Retail" Shares	No minimum	No minimum	No minimum
Class "K-Institutional" Shares	GBP 100,000	GBP 800,000	No minimum
Class "S" Shares	No minimum	No minimum	No minimum

### 7. Frequency of the net asset value calculation and valuation day

The Net Asset Value per Share of each Class of the Sub-Fund is calculated on each Business Day (the "Valuation Day").

### 8. Subscriptions

#### Subscriptions during the Initial Offering of Shares

Subscriptions in Euro-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of EUR 25.

Subscriptions in British Pound-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of GBP 20.

The Initial Offering Period for the British Pound – denominated Class "K-Retail" Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of GBP 20. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the British Pound – denominated Class "K-Institutional" Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of GBP 20. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the Euro - denominated Class "S" Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of EUR 25. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

#### Subscriptions after the Initial Offering Period of Shares

After the relevant Initial Offering Period, Shares may be offered for subscription to any investors without reserving

the existing Shareholders a pre-emptive right to subscription.

The Subscription Price per Share of the Sub-Fund is the Net Asset Value per Share. An entry charge of up to a maximum of 5% may be applied for the benefit of the Distributor, the Sub-Distributor(s) and/or other selling agents. The precise entry charge can be obtained from the relevant (Sub-)Distributor.

Any person applying for Shares in the Sub-Fund shall complete an application form in such form as the Company may from time to time prescribe and shall comply with such conditions as may be prescribed by the Company. All applications must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Any application received after the time aforesaid shall be deemed to be made in respect of the Valuation Day next following such relevant Valuation Day.

Payment of the subscription monies must be received by the Depositary in the relevant Reference Currency of a Class, within three Business Days after the relevant Valuation Day. In the event of a late payment, the investor may be charged with an interest.

### 9. Redemptions

All redemption requests must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Redemption proceeds shall be paid in the relevant Reference Currency usually within three Business Days after the relevant Valuation Day. Redemption proceeds may be converted into any freely convertible currency on a Shareholder's request and at his own expense.

The Redemption Price per Share of the Sub-Fund is the Net Asset Value per Share. No redemption fee will be charged for the benefit of the Sub-Fund. The Redemption Price may further be decreased by any applicable exit charges of up to a maximum of 1% of the Net Asset Value,

payable to the Distributor, the Sub-Distributor(s) and/or other selling agents. The level of these exit charges can be obtained from the relevant (Sub-)Distributor.

## 10. Conversions

Shares of the Sub-Fund may be converted with Shares of other Sub-Funds within the same Class of Shares, as further described under Section "Conversion of Shares" of the Prospectus. If appropriate, Shareholders may also have the right to convert their Shares from one Class to Shares of another Class within the same or another Sub-Fund subject to the requirements and procedure set forth under Section "Conversion of Shares" of the Prospectus.

If Shares are converted for Shares of another Sub-Fund or Class of Shares having a higher sales charge, the Company retains the right to charge, in addition to the conversion fee, a fee equal to the difference in percentage of the sales charges of the relevant Shares.

## 11. Charges and expenses

The Ongoing Charges for the Sub-Fund is at a maximum 1.7% of the Net Assets of the Sub-Fund and is divided into a Management Fee, a Service Fee and Taxes, as described below.

### A. Management Fee

The annual management fee of the Sub-Fund (the "Management Fee") is at a maximum 1.5% of the Net Assets of the Sub-Fund as of each Valuation Day. Appendix I shows the current annual Management Fee for each Class of Shares of each Sub-Fund. This fee will be used to cover charges and expenses of the Sub-Fund to be paid to the Investment Manager (Appendix I shows separately the fee for the Investment Manager for each Sub-Fund), the Distributor and the Management Company.

### B. Service Fee

The annual service fee of the Sub-Fund (the "Service Fee") is at a maximum 0.2% per annum, based on the Net Assets of the Sub-Fund as of each Valuation Day. This fee will be used to cover all charges and expenses of the Sub-Fund, among which fees to be paid to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent<sup>3</sup> and excludes: fees to be paid to the Investment Manager, the Distributor, the Management Company and all taxes payable by the Sub-Fund in relation to the fact it is an investment company. Subject to termination or revision at the sole discretion of the

Management Company, with respect to the Shares of the Sub-Fund, the Management Company has agreed to bear within the Sub-Fund the expenses attributable to each Class of Share such that the Ongoing Charges of each Class of Shares comprising the Management Fee, the Service Fee and the Taxes does not exceed 1.7% per annum, based on the Net Assets of the relevant Class of the Sub-Fund as of each Valuation Day.

The Depositary and the Administrative Agent, Paying Agent, Registrar Agent are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements and for charges of any correspondents. These fees are also part of the Service Fee.

The Sub-Fund shall pay for the general costs and expenses directly attributable to it. See also "Charges and Expenses" in the main body of the Prospectus. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company shall be allocated to the Sub-Funds of the Company on an equitable basis, in proportion to their respective Net Assets. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company, and are irrespective of the size of the Sub-Fund's Net Assets, shall be divided equally among the Sub-Funds. These fees are all part of the Service Fee.

### C. Taxes

All taxes payable by the Sub-Fund in relation to the fact it is an investment company (the "Taxes").

## 12. Distribution policy

The Sub-Fund issues capitalisation Shares and distributing Shares.

It is the Company's intention that Shares of the Sub-Fund shall receive at least one annual distribution, normally payable no later than six months after the end of the accounting year to which such dividends relate, comprising the income of the Sub-Fund attributable to the relevant Class net of revenue expenses or, if greater, such amount as to enable the Class to attain the UK Inland Revenue distributing funds certification for the relevant accounts year (which for the avoidance of doubt may mean that part of such distribution is made out of capital profits).

<sup>3</sup> This change will be effective as of 1 April 2017. Currently and until 1 April 2017, fees payable to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent are part of the Management Fee.

# Supplement.

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## Triodos Sustainable Pioneer Fund

The information contained in this Supplement must be read in conjunction with the complete text of the Prospectus.

### 1. Profile of the typical investors

The typical investor in the Sub-Fund would be a natural person or an Institutional Investor, who wants to invest globally in shares of stock-quoted companies of primarily small and midcap size that combine good financial results with proven leadership in their contribution to sustainable development. This leadership is proven by an excellent performance on social and environmental issues if a company provides regular products and services, or by the provision of sustainable products and services.

The typical investor can handle the risk of losing (part of or all) their investment. The Sub-Fund is designed for the investment objective of long-term capital growth.

### 2. Investment policy

The Sub-Fund primarily invests in shares of small and midcap companies, listed on the worldwide markets, which comply with the sustainable investment strategy described in the general part of the Prospectus, section "Sustainability assessment", and offer a good investment perspective. The Sub-Fund may only invest in companies that are selected based on step 1 category "Sustainable Activities".

Through the Sub-Fund the investor will invest worldwide in shares of small and medium-sized listed companies, so-called small and mid-caps, which are engaged in innovative and ground breaking activities in the field of sustainability. A maximum of 33% of the investment portfolio may be invested in large-caps. Large-caps are defined as having a market capitalization of USD 12 billion or more. Mid-caps are defined as having a market capitalization of between USD 4 billion and USD 12 billion. Small-caps are defined as having a market capitalization of USD 4 billion or less. The investor will thus directly contribute to the development of innovative companies that are working on sustainable solutions for the future. The Sub-Fund focuses on sustainable energy (climate protection), environmental technology (clean planet) and medical technology (healthy people). Each of these themes represents between 15 and 45% of the investment portfolio. Moreover the Sub-Fund invests in companies that are considered clear leaders in corporate social responsibility (CSR Pioneers) within their respective sectors. This category represents between 5 and 25% of the investment portfolio. The Sub-Fund selects companies that actively contribute to innovative and sustainable solutions for the future.

Up to 10% of the Net Asset Value may be held in cash. Under exceptional circumstances such as substantial uncertainties in the financial markets this percentage may be exceeded for a short period of time.

The Sub-Fund may not invest more than 10% of its assets in shares or units of other UCITS or other UCIs.

The Sub-Fund uses the commitment approach to calculate its global exposure.

### 3. Return

Triodos Sustainable Pioneer Fund invests worldwide in shares of listed companies that meet strict sustainability criteria and are frontrunners in sustainability. By entering into a dialogue with these companies, the Sub-Fund aims to further advance the sustainability agenda. Triodos Sustainable Pioneer Fund aims to achieve financial returns that are in line with the market. The Sub-Fund compares its return with a composite index. This index comprises four sub-indices that are related to the four themes of the Sub-Fund. The index for the Clean Planet theme is the FTSE Environmental Opportunities All-Share Total Return (30%). The index for Climate Protection is the WilderHill New Energy Global Innovation Net Total Return (30%). The index for Healthy People is the MSCI Daily Net Total Return World Health Care Equipment & Services (30%). The index for CSR Pioneers is the MSCI Daily Net Total Return Small Cap World (10%). All four sub-indices are converted to EUR or to GBP with the London 16:00 exchange rates depending on the share class. These are generally accepted indices for (non-sustainable) worldwide diversified equity funds. The investment policy that is pursued by Triodos Sustainable Pioneer Fund is not aimed at replicating or outperforming the benchmark in the short term. The Sub-Fund may deviate from the benchmark because the Sub-Fund only invests in companies that meet strict sustainability criteria. The Sub-Fund believes that in the longer term sustainable investments offer more stable and give higher financial returns than non-sustainable investments. The Sub-Fund therefore tends to invest in companies on the basis of a long-term investment horizon.

### 4. Special risk consideration

The Triodos investment universe does not represent regular country or sector indices. The performance of the Sub-Fund can temporarily differ from these indices both in a positive and in a negative way. In addition, the fund invests a significant proportion of the assets in a limited number of sectors. As a result, the return of the Sub-Fund is likely to differ significantly even from other small and midcap funds that invest globally.

## 5. Reference currency

The Reference Currency of the Sub-Fund is the Euro.

## 6. Minimum investment requirements

The table below shows the Minimum Holding Investment, the Minimum Initial Investment and the Minimum Subsequent Investment requirements for each Class of Shares.

All of the below Minimum Investment Requirements are subject to the discretion of the Board of Directors to accept lesser amounts.

first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the Euro – denominated Class “S” Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of EUR 25. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

**Subscriptions after the Initial Offering Period of Shares**  
The Subscription Price per Share of the Sub-Fund is the

	Minimum Holding Investment	Minimum Initial Investment	Minimum Subsequent Investment
Class “P” Shares	No minimum	No minimum	No minimum
Class “R” Shares	No minimum	No minimum	No minimum
Class “Z” Shares	No minimum	No minimum	No minimum
Class “I” Shares	EUR 100,000	EUR 1,000,000	No minimum
Class “K-Retail” Shares	No minimum	No minimum	No minimum
Class “K-Institutional” Shares	GBP 100,000	GBP 800,000	No minimum
Class “S” Shares	No minimum	No minimum	No minimum

## 7. Frequency of the net asset value calculation and valuation day

The Net Asset Value per Share of each Class of the Sub-Fund is calculated on each Business Day (the “Valuation Day”).

## 8. Subscriptions

### Subscriptions during the Initial Offering Period of Shares

Subscriptions in Euro-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of EUR 25.

Subscriptions in British Pound-denominated Shares during the Initial Offering Period shall be effectuated at the Initial Subscription Price of GBP 20.

The Initial Offering Period for the Euro – denominated Class Z Shares – Distribution shall be 17 February 2017 at the Initial Subscription Price of EUR 25. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a first subscription in the relevant Class of Shares is received.

The Initial Offering Period for the British Pound – denominated Class “K-Institutional” Shares – Capitalisation and Distribution shall be 17 February 2017 at the Initial Subscription Price of GBP 20. In case no subscription is received in the Initial Offering Period, the Initial Subscription Price shall remain the same until a

Net Asset Value per Share. An entry charge of up to a maximum of 5% may be applied for the benefit of the Distributor, the Sub-Distributor(s) and/or other selling agents. The precise entry charge can be obtained from the relevant (Sub-)Distributor.

Any person applying for Shares in the Sub-Fund shall complete an application form in such form as the Company may from time to time prescribe and shall comply with such conditions as may be prescribed by the Company. All applications must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Any application received after the time aforesaid shall be deemed to be made in respect of the Valuation Day next following such relevant Valuation Day.

Payment of the subscription monies must be received by the Depositary in the relevant Reference Currency of a Class, within three Business Days after the relevant Valuation Day. In the event of a late payment, the investor may be charged with an interest.

## 9. Redemptions

All redemption requests must be received in good order by the Registrar Agent prior to 4.00 p.m. (Central European Time) on the Business Day preceding the relevant Valuation Day.

Redemption proceeds shall be paid in the relevant Reference Currency usually within three Business Days after the relevant Valuation Day. Redemption proceeds may be converted into any freely convertible currency on a Shareholder's request and at his own expense.

The Redemption Price per Share of the Sub-Fund is the Net Asset Value per Share. No redemption fee will be charged for the benefit of the Sub-Fund. The Redemption Price may further be decreased by any applicable exit charge of up to a maximum of 1% of the Net Asset Value, payable to the Distributor, the Sub-Distributor(s) and/or other selling agents. The level of these exit charges can be obtained from the relevant (Sub-)Distributor.

### 10. Conversions

Shares of the Sub-Fund may be converted with Shares of other Sub-Funds within the same Class of Shares, as further described under Section "Conversion of Shares" of the Prospectus. If appropriate, Shareholders may also have the right to convert their Shares from one Class to Shares of another Class within the same or another Sub-Fund subject to the requirements and procedure set forth under Section "Conversion of Shares" of the Prospectus.

If Shares are converted for Shares of another Sub-Fund or Class of Shares having a higher sales charge, the Company retains the right to charge, in addition to the conversion fee, a fee equal to the difference in percentage of the sales charges of the relevant Shares.

### 11. Charges and expenses

The Ongoing Charges for the Sub-Fund will be at a maximum 2.4% of the Net Assets of the Sub-Fund and is divided into a Management Fee, a Service Fee and Taxes, as described below.

#### A. Management Fee

The annual management fee of the Sub-Fund (the "Management Fee") is at a maximum 2.1% of the Net Assets of the Sub-Fund as of each Valuation Day. Appendix I shows the current annual Management Fee for each Class of Shares of each Sub-Fund. This fee will be used to cover charges and expenses of the Sub-Fund to be paid to the Investment Manager (Appendix I shows separately the fee for the Investment Manager for each Sub-Fund), the Distributor and the Management Company.

#### B. Service Fee

The annual service fee of the Sub-Fund (the "Service Fee") is at a maximum 0.3% per annum, based on the Net Assets of the Sub-Fund as of each Valuation Day. This fee will be used to cover all charges and expenses of the

Sub-Fund, among which fees to be paid to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent<sup>4</sup> and excludes: fees to be paid to the Investment Manager, the Distributor, the Management Company and all taxes payable by the Sub-Fund in relation to the fact it is an investment company. Subject to termination or revision at the sole discretion of the Management Company, with respect to the Shares of the Sub-Fund, the Management Company has agreed to bear within the Sub-Fund the expenses attributable to each Class of Share such that the Ongoing Charges of each Class of Shares comprising the Management Fee, the Service Fee and Taxes does not exceed 2.4% per annum, based on the Net Assets of the relevant Class of the Sub-Fund as of each Valuation Day.

The Depositary and the Administrative Agent, Paying Agent, Registrar Agent are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements and for charges of any correspondents. These fees are also part of the Service Fee.

The Sub-Fund shall pay for the general costs and expenses directly attributable to it. See also "Charges and Expenses" in the main body of the Prospectus. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company shall be allocated to the Sub-Funds of the Company on an equitable basis, in proportion to their respective Net Assets. These fees are all part of the Service Fee.

General costs and expenses that cannot be attributed to a given Sub-Fund of the Company, and are irrespective of the size of the Sub-Fund's Net Assets, shall be divided equally among the Sub-Funds. These fees are all part of the Service Fee.

#### C. Taxes

All taxes payable by the Sub-Fund in relation to the fact it is an investment company (the "Taxes").

### 12. Distribution policy

The Sub-Fund issues capitalisation Shares and distributing Shares.

It is the Company's intention that Shares of the Sub-Fund shall receive at least one annual distribution, normally payable no later than six months after the end of the

<sup>4</sup> This change will be effective as of 1 April 2017. Currently and until 1 April 2017, fees payable to the Depositary, the Paying Agent, the Registrar Agent and the Administrative Agent are part of the Management Fee.



accounting year to which such dividends relate, comprising the income of the Sub-Fund attributable to the relevant Class net of revenue expenses or, if greater, such amount as to enable the Class to attain the UK Inland Revenue distributing funds certification for the relevant accounts year (which for the avoidance of doubt may mean that part of such distribution is made out of capital profits).

# Appendix I

## Management and Service fee.

The tables show the actual annual Management Fee of the Management Company (in percentage of the Net Assets attributable to such class) for each Class of Shares of each Sub-Fund, which includes the fee for the Investment Manager, and the maximum Service Fee.

### Triodos Sustainable Equity Fund:

Class of Shares	Management Fee (including the fee for the Investment Manager which amounts to 0.25%)	Maximum Service Fee	ISIN Code
Euro-denominated Class P-Capitalisation	Not launched yet		
Euro-denominated Class R-Capitalisation	1.30%	0.25%	LU0278271951
Euro-denominated Class R-Distribution	1.30%	0.25%	LU0278272413
Euro-denominated Class Z-Capitalisation	0.75%	0.25%	LU0785617340
Euro-denominated Class Z-Distribution	0.75%	0.25%	LU0785617423
Euro-denominated Class I-Capitalisation	0.75%	0.25%	LU0309381191
Euro-denominated Class I-Distribution	0.75%	0.25%	LU0309381514
British Pound-denominated Class K-Retail-Capitalisation	0.75%	0.25%	LU0785617183
British Pound-denominated Class K-Retail-Distribution	0.75%	0.25%	LU0785617266
British Pound-denominated Class K-Institutional-Capitalisation	0.75%	0.25%	LU1092519765
British Pound-denominated Class K-Institutional-Distribution	0.75%	0.25%	LU1092519849
Euro-denominated Class S-Capitalisation	1.60%	0.25%	LU1538863777
Euro-denominated Class S-Distribution	1.60%	0.25%	LU1538863850

Triodos Sustainable Bond Fund:

Class of Shares	Management Fee (including the fee for the Investment Manager which amounts to 0.175%)	Maximum Service Fee	ISIN Code
Euro-denominated Class P-Capitalisation	Not launched yet		
Euro-denominated Class R-Capitalisation	1.00%	0.20%	LU0278272504
Euro-denominated Class R-Distribution	1.00%	0.20%	LU0278272769
Euro-denominated Class Z-Capitalisation	0.60%	0.20%	LU0785617852
Euro-denominated Class Z-Distribution	0.60%	0.20%	LU0785617936
Euro-denominated Class I-Capitalisation	0.40%*	0.20%	LU0309381605
Euro-denominated Class I-Distribution	0.40%*	0.20%	LU0309381860
British Pound-denominated Class K-Retail-Capitalisation	0.60%	0.20%	LU0785617696
British Pound-denominated Class K-Retail-Distribution	0.60%	0.20%	LU0785617779
British Pound-denominated Class K-Institutional-Capitalisation	0.40%*	0.20%	LU1092520003
British Pound-denominated Class K-Institutional-Distribution	0.40%*	0.20%	LU1092520342
Euro-denominated Class S-Capitalisation	1.30%	0.20%	LU1538863934
Euro-denominated Class S-Distribution	1.30%	0.20%	LU1538864072

\* This change will apply as from 1 April 2017. Currently and until 1 April 2017, the Management Fee for Class I EUR (Capitalisation and Distribution) as well as Class K Institutional GBP (Capitalisation and Distribution) amounts to 0.60%.

Triodos Sustainable Mixed Fund:

Class of Shares	Management Fee (including the fee for the Investment Manager which amounts to 0.225%)	Maximum Service Fee	ISIN Code
Euro-denominated Class P-Capitalisation	Not launched yet;		
Euro-denominated Class R-Capitalisation	1.05%	0.20%	LU0504302356
Euro-denominated Class R-Distribution	1.05%	0.20%	LU0504302604
Euro-denominated Class Z-Capitalisation	0.60%	0.20%	LU0785618231
Euro-denominated Class Z-Distribution	0.60%	0.20%	LU0785618405
Euro-denominated Class I-Capitalisation	0.60%	0.20%	LU0504302943
Euro-denominated Class I-Distribution	0.60%	0.20%	LU0504303081
British Pound-denominated Class K-Retail-Capitalisation	0.60%	0.20%	LU0785618074
British Pound-denominated Class K-Retail-Distribution	0.60%	0.20%	LU0785618157
British Pound-denominated Class K-Institutional-Capitalisation	0.60%	0.20%	LU1092520938
British Pound-denominated Class K-Institutional-Distribution	0.60%	0.20%	LU1092521159
Euro-denominated Class S-Capitalisation	1.35%	0.20%	LU1538864155
Euro-denominated Class S-Distribution	1.35%	0.20%	LU1538864239

Triodos Sustainable Pioneer Fund:

Class of Shares	Management Fee (including the fee for the Investment Manager which amounts to 0.35%)	Maximum Service Fee	ISIN Code
Euro-denominated Class P-Capitalisation	1.70%	0.30%	LU0278275606
Euro-denominated Class R-Capitalisation	1.70%	0.30%	LU0278272843
Euro-denominated Class R-Distribution	1.70%	0.30%	LU0278272926
Euro-denominated Class Z-Capitalisation	0.95%	0.30%	LU0785618744
Euro-denominated Class Z-Distribution	0.95%	0.30%	LU0785618827
Euro-denominated Class I-Capitalisation	0.95%	0.30%	LU0309382678
Euro-denominated Class I-Distribution	0.95%	0.30%	LU0309383726
British Pound-denominated Class K-Retail-Capitalisation	0.95%	0.30%	LU0785618587
British Pound-denominated Class K-Retail-Distribution	0.95%	0.30%	LU0785618660
British Pound-denominated Class K-Institutional-Capitalisation	0.95%	0.30%	LU1092521233
British Pound-denominated Class K-Institutional-Distribution	0.95%	0.30%	LU1092521407
Euro-denominated Class S-Capitalisation	2.00%	0.30%	LU1538864312
Euro-denominated Class S-Distribution	2.00%	0.30%	LU1538864403

# Appendix II

## Particulars.

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### Board of Directors

#### **G.R. Pieters (1958)**

Chair

Partner of the Directors' Office Luxembourg

Garry Pieters is an ILA (Institut Luxembourgeois des Administrateurs)-certified director. He is also Chair of the Board of Triodos SICAV II. Furthermore, he is the Money Laundering Reporting Officer (MLRO) for the Company and oversees handling of complaints. In addition, Garry Pieters is a Board Member of several other Luxembourg investment entities, including Fundsmith LLP, Astellon Capital Partners LLP and Sustainability Finance Real Economies fund (SFRE, initiated by the Global Alliance for Banking on Values). He is also a Conducting Officer for the Luxembourg entities of Columbia Threadneedle and Nikko Asset Management. He has over 30 years of experience in the field of finance, in particular with ING Group N.V. He was fund manager for a number of ING Group's Luxembourg money market and fixed income funds and was Chief Executive Officer of NN Investment Partners B.V. in Luxembourg and of its Singapore joint venture, as well as Senior Executive of its Korean joint venture.

#### **P.H. Aeby (1956)**

Chief Financial Officer and member of the Executive Board of Triodos Bank

Pierre Aeby (CFO) has been Statutory Director of Triodos Bank since 2000 and is a Member of the Executive Board of Triodos Bank. He is also a Member of the Board of Stichting Triodos Holding, Statutory Director of Triodos Ventures B.V., Member of the Board of Stichting Hivos Triodos Fonds, Member of the Board of Stichting Triodos Sustainable Finance Foundation, Chair of the Board of Stichting Triodos Foundation, Director of Triodos Fonds vzw, Member of the Board of Triodos SICAV II, Member of the Board of Triodos Invest CVBA, Chair of the Board of Enclude Ltd. and Member of the Board of Vlaams Cultuurhuis De Brakke Grond.

#### **M.D. Bachner (1972)**

Independent, Founder of Bachner Legal

Monique Bachner is a lawyer and an ILA-certified director. She started her legal career in London, at Freshfields Bruckhaus Deringer, and later moved to Debevoise & Plimpton. She currently has her own law firm, Bachner Legal. Monique Bachner focuses her practice on corporate and funds laws, as well as on corporate governance advisory services for Boards of Directors. She has served as Member of the Board of several investment funds and charitable institutions and is a Member of both the Board and the Management Committee of ILA (Institut Luxembourgeois des Administrateurs), as well as Chair of ILA's Education Committee and Member of ILA's Investment Funds Committee. Monique Bachner is also a Member of the Board of Triodos SICAV II.

#### **P.M. Goodman (1963)**

Independent, Partner of Innpect S.à.r.l.

Patrick Goodman is co-founder of Innpect S.à.r.l., which provides expert consulting services for the establishment and management support of impact finance vehicles. He has in-depth understanding of all operational, financial and legal processes of investment vehicles, backed by almost thirty years' experience in the banking and fund industry.

Previous employers include JP Morgan in Brussels and Citibank in Belgium and Luxembourg. Since early 2003, Patrick Goodman has dedicated his career to responsible finance and impact finance, providing structuring and management support for MIVs (Microfinance Investment Vehicles) and other impact finance vehicles. He is also a Member of the Board of Triodos SICAV II, as well as other impact finance investment funds.

#### **D.J. van Ommeren (1967)**

Managing Director of Triodos Investment Management

Dick van Ommeren is Director at Triodos Investment Management and Triodos Investment Advisory & Services B.V.