



# Triodos Renewables Europe Fund

a sub-fund of Triodos SICAV II

Annual report 2016

# Energy and Climate

For a transition from a carbon-based economy to a sustainable economy, it is essential to reduce energy demand, to use energy as efficiently as possible and to invest massively in renewable energy systems, while switching to low carbon fuels.

## Triodos SICAV II - Triodos Renewables Europe Fund Annual report 2016

Triodos Renewables Europe Fund is a sub-fund of Triodos SICAV II (Société d'Investissement à Capital Variable), which is established in the Grand Duchy of Luxembourg. Triodos SICAV II, including its sub-funds, is supervised by the Luxembourg regulator, the Commission de Surveillance du Secteur Financier (CSSF). Triodos Investment Management BV is the external alternative investment fund manager of Triodos SICAV II - Triodos Renewables Europe Fund. Triodos Investment Management BV is incorporated under the laws of the Netherlands and is wholly-owned subsidiary of Triodos Bank NV. Triodos Investment Management BV is supervised by the Dutch regulator, Autoriteit Financiële Markten.

The value of investments may fluctuate. Past performance is no guarantee of future results.

No subscription can be accepted on the basis of financial reports. Subscriptions are only valid if they are made on the basis of the latest published prospectus accompanied by the latest annual report and the most recent semi-annual report, if published thereafter. The prospectus is available free of charge at the registered office of Triodos SICAV II in Luxembourg and from Triodos Bank: [www.triodos.com](http://www.triodos.com).

## Key figures

(amounts in EUR)	2016	2015	2014	2013	2012
Total assets (end of reporting period)	73,892,541	64,573,050	62,653,789	58,808,903	66,366,227
Net assets (end of reporting period)	72,890,787	64,094,871	61,972,666	58,019,977	65,689,152
Income	3,140,864	2,464,630	3,160,185	4,703,378	3,282,705
Expenses	1,791,092	1,690,343	1,526,991	1,842,106	1,971,266
Net operating gain/loss	1,349,772	774,287	1,633,194	2,861,272	1,311,439
Realised and unrealised gains/losses on investments	-293,815	1,996,564	567,534	-6,119,921	-3,276,321
Net result	1,055,957	2,770,851	2,200,728	-3,258,649	-1,964,882
<b>Ongoing charges per share class*</b>					
R-cap (EUR)	2.97%	3.07%	2.85%	3.06%	3.35%
I-cap (EUR)	2.42%	2.45%	2.49%	2.48%	2.76%
Z-cap (EUR)	2.45%	2.53%	2.48%	2.51%	n.a.

### Net asset value (NAV) per share\*\*

(amounts in EUR)	December 29, 2016	December 31, 2015	December 29, 2014	December 27, 2013	December 27, 2012
R-cap (EUR)	32.15	31.84	30.59	29.56	31.10
I-cap (EUR)	34.12	33.60	32.09	30.83	32.24
Z-cap (EUR)	27.84	27.43	26.20	25.18	n.a.

### Return based on NAV per share\*\*

	1-year return	3-year return p.a.	5-year return p.a.	Average return p.a. since inception
R-cap (EUR)	1.0%	2.8%	0.1%	2.4%
I-cap (EUR)	1.6%	3.5%	0.7%	3.0%
Z-cap (EUR)	1.5%	3.4%	0.4%***	2.6%***

\* The ongoing charges reflect the total normalised expenses charged to the result, divided by the average net asset value. For the calculation of the average net asset value, each computation and publication of the net asset value is taken into account. The ongoing charges are calculated over the twelve-month period ending at the end of the reporting period.

\*\* NAV per share is based on share prices per December 29, 2016, i.e. the last price at which shares were traded in the reporting period

\*\*\* The Z share class has a limited history. Returns prior to the launch date of the Z share class are based on the returns of the comparable R share class.

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# Report of the investment manager

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## General Information

### Legal structure

Triodos Renewables Europe Fund (the fund) was launched in June 2006 as a sub-fund of Triodos SICAV II. The fund has a semi open-end fund structure and is not quoted on any stock market. Triodos Renewables Europe Fund has euro denominated share classes for retail and institutional investors.

Triodos SICAV II was incorporated under the laws of the Grand Duchy of Luxembourg as a “société d’investissement à capital variable” (SICAV) in the form of a “société anonyme” on April 10, 2006, for an unlimited period. Triodos SICAV II is governed by Part II of the Luxembourg Law of December 17, 2010, as amended. Triodos SICAV II is an alternative investment fund (AIF) subject to the requirements of Directive 2011/61/EU of June 8, 2011 on Alternative Investment Fund Managers Directive (AIFMD), as implemented in Luxembourg through the law of July 12, 2013 on alternative investment fund managers. Triodos SICAV II, including its sub-funds, is supervised by the Luxembourg regulator, the Commission de Surveillance du Secteur Financier (CSSF). The registered office of Triodos SICAV II is established at 11-13, Boulevard de la Foire, L-1528 Luxembourg.

### Investment policy

Triodos Renewables Europe Fund invests primarily in renewable energy producing project companies. These project companies produce energy from natural resources such as wind, sun, biomass and hydro. The fund does not invest in renewable energy technology or technology providers. The main focus of the fund is on investments in wind farms, solar photovoltaic and solar thermal installations, clean biomass installations and small hydro projects. Typically, these installations are privately owned and/or operated by a special purpose company.

Triodos Renewables Europe Fund invests in equity and/or quasi-equity, such as shareholder loans and preferred capital, and subordinated debt in

qualifying investments. The fund primarily invests in project companies that operate existing renewable energy power plants or newly developed plants/ installations at financial close that constitute well-developed projects. Investment criteria include the use of proven technologies, solid project contracts, adequate insurance coverage, qualified management of the project, availability of the required irrevocable permits and licenses, Power Purchase Agreements, grid connection, solid cash flow projections and project financing in place. The fund may invest temporary liquidity surpluses in bonds and money market instruments issued by companies, governments or public international bodies admitted to the Triodos sustainable investment universe.

### Alternative Investment Fund Manager

The Board of Directors of Triodos SICAV II has appointed Triodos Investment Management BV (Triodos Investment Management) as the alternative investment fund manager (investment manager) of Triodos SICAV II. Triodos Investment Management is incorporated under the laws of the Netherlands and is a wholly-owned subsidiary of Triodos Bank NV. Triodos Investment Management is supervised by the Dutch regulator, Autoriteit Financiële Markten (AFM). The Management Board of Triodos Investment Management consists of:  
Marilou van Golstein Brouwers (Chair)  
Dick van Ommeren (as of February 1, 2016)  
Laura Pool

### Depositary and Paying Agent, Domiciliary, Corporate and Administrative Agent, Registrar and Transfer Agent

RBC Investor Services Bank SA (RBC Investor Services Bank) has been appointed as depositary for Triodos SICAV II. Furthermore, RBC Investor Services Bank acts as Paying Agent, Domiciliary, Corporate and Administrative Agent, and Registrar and Transfer Agent for Triodos SICAV II.

## Impact

Triodos Renewables Europe Fund is designed to offer investors the opportunity to actively contribute to the growth of renewable energy production in Europe. It invests in relatively small-scale European producers of green power, such as wind farms, solar energy power plants and hydropower facilities.

The fund aims to further develop the renewable energy sector by investing in clean-power producing assets, thus increasing the proportion of the total energy demand that is met by clean energy and reducing CO<sub>2</sub> emissions. All activities of the fund are based on Triodos Group's values, which focus on sustainability and the "Triple P" principle (People, Planet, and Profit). These values require projects to have a positive impact on the environment and contribute to sustainability: reducing CO<sub>2</sub> emissions, replacing fossil fuels and providing clean energy. Energy has become a necessity of modern life and access to it is essential for economic development.

Triodos Renewables Europe Fund has a significant direct environmental and social impact. Overall, the projects in the fund's portfolio produced 386 GWh of green and renewable energy over the full year 2016, providing 113,649 European households access to clean energy and reducing CO<sub>2</sub> emissions by 158,663 tonnes. In proportion to the stake of the fund in the projects, the production of green and renewable energy amounted to approximately 147 GWh. This production is lower than expected, which is mainly attributable to lower wind speeds. Based on the current estimated production for 2016, the ownership of 54 shares in the fund equals the energy consumption of one average household in the Netherlands.

## Market developments

Climate change and the future of our planet were a prominent discussion topic in 2016. Average global temperatures in 2016 were almost 1 degree Celsius higher than the mid-20th century mean. This makes 2016 the third year in a row to set a new record for

global average surface temperatures. This temperature rise is mainly driven by increased carbon dioxide and other human-made emissions into the atmosphere. Most of the warming has occurred in the past 35 years, with 16 of the 17 warmest years on record occurring since 2001<sup>1</sup>.

# 113,649 households

provided with  
clean energy

Public debate has intensified, with governments around the world considering stimulus measures to achieve a more sustainable mix of electricity generation, phasing out conventional sources of power generation in favour of renewables. The awareness of the potential consequences of rising temperatures increased in the course of 2015-2016, with the signing and ratification of the Paris Agreement on climate change playing an important role in this respect. A common framework was introduced, requiring all countries to put forward their best efforts. For the first time, parties are required to report regularly on their CO<sub>2</sub> emissions and implementation efforts, subject to international review.

The attention for climate change and the ratification of the Paris Agreement underline the urgency of investments in renewable energy. Renewable energy is growing throughout Europe, proven technologies are becoming increasingly competitive relative to fossil fuel generators and governments are revisiting the support mechanisms for renewable energy production. Europe is moving towards an

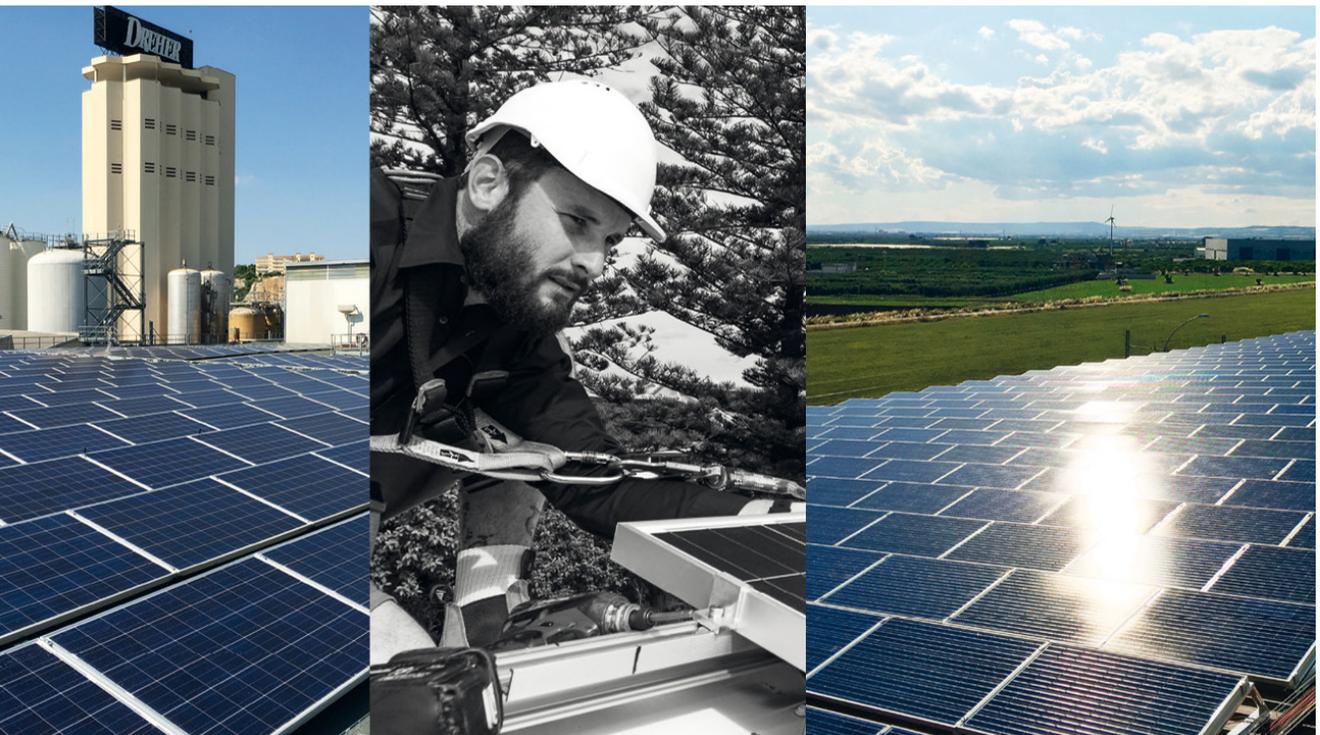
<sup>1</sup> Source: <https://www.nasa.gov/press-release/nasa-noaa-data-show-2016-warmest-year-on-record-globally>



## SOLAR PANELS, HEINEKEN, ITALY

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Following the investment in solar panels on the roofs of Dutch beer brewer Heineken's distribution centers in the Netherlands, Triodos Renewables Europe Fund made another investment in roof mounted solar panels for Heineken in a joint project with long-term partner SolarAccess. This project adds 2.3MWp solar PV production capacity on the roof of the Heineken brewery in Massafra, Italy. Due to its location in southern Italy, energy production will be relatively high, equivalent to the annual electricity demand of approximately 1,850 Italian households. All the generated electricity will be used by the Massafra Heineken brewery. The solar project realises a reduction of 1,722 tonnes CO<sub>2</sub> emission and as such strongly contributes to Heineken's emission reduction targets across the value chain.



auction-based model, which would result in a further reduction in costs, as well as less government support for renewables. In a maturing renewable energy sector and given the current transition to a low-carbon energy system, the fund positions itself as an experienced and reliable financial partner and supports developers of small to medium-sized renewable energy projects.

Triodos Renewables Europe Fund will continue to focus on opportunities in areas with relatively modest support programs, demonstrating the sustainability of the projects by employing proven technologies. The declining capital costs of proven renewable energy technologies continue to improve the competitiveness of renewably generated power. The fund therefore sees justification in reducing the dependence on regulatory support mechanisms in the sector and thus for increasing the sustainability of the energy system.

Regulatory support mechanisms account for a substantial part of the fund's revenues. The fund believes that the regulatory support, for which the projects in the portfolio have already qualified, will remain stable in the next 20 years. During 2016, we saw a reduction in the long-term projection of European electricity prices. This was driven by the drop in global oil prices and a proposed regulatory change in many European countries. Later in the year the price forecast recovered, fuelled by higher expected coal prices in the long term and a stronger US dollar. Both these changes have been incorporated in the long-term price projections that are used to calculate the fund's value.

Approximately half of Europe's electricity is generated from oil, natural gas or coal, the costs of which are all closely correlated to global oil prices. Wholesale electricity prices significantly declined in 2016, due to a decrease in oil and gas prices. As gas plants are likely to take a more dominant share in the overall production mix and oil prices remain relatively low, we may expect further (downward) pressure on European electricity prices going forward.

The second driver of future electricity prices is the introduction of new EU energy market regulatory regimes. These new regimes will affect wholesale electricity prices in several European markets. The so-called capacity market mechanisms will provide supplemental income for fossil-fuelled power producers to ensure security of supply. This supplemental income will allow them to bid into the wholesale market at a lower level, thus reducing the prices in the wholesale market. The capacity market mechanisms are part of a package of measures aimed at supporting the continued proliferation of renewable energy projects.

The renewable energy projects in the fund's portfolio sell electricity and therefore have exposure to the wholesale market. The fund mitigates its exposure to price volatility in the wholesale electricity markets by a range of measures, including deriving revenue from regulatory support and power sales agreements incorporating fixed prices. The fund also reduces its exposure to energy prices through its geographical diversification, as each country has different power price sensitivities and support schemes for renewable energy. As a result, changes in the long-term energy price outlook only had a limited impact on the portfolio's value.

The countries where the fund has investments (see table on page 12) have credit ratings varying from BBB- to AAA. With the exception of Spain and Italy, all countries have a minimum rating of AA according to S&P ratings. Following the outcome of the Brexit referendum in June 2016, the UK is expected to remain closely integrated with the EU, converging on a European Economic Area (EEA)-type of arrangement in the long-run, with a relatively short period of uncertainty while these new arrangements are established. At year-end 2016, the United Kingdom had an AA rating. The reduction in the level of support mechanisms for new projects is also in line with the objective of the fund, as this demonstrates the sustainability of these projects, with lower capital expenditure per MWh required. Especially for solar projects the continued downward trend of construction costs, mainly due to falling solar module costs, is considered a positive

sign of the improved profitability of renewable energy projects, which implies a reduced dependence on government support. This will enable the fund to acquire projects at lower costs. Where applicable, government support for each project is contractually secured at the time of investment.

## Investments

At year-end, Triodos Renewables Europe Fund held investments in 21 different renewable energy projects. The fund invests directly in these projects through equity participations, shareholder loans and/or subordinated loans. The total generation capacity of the projects in which the fund has invested is 229 MW (2015: 226 MW).

The fund made several new investments. In the fourth quarter of 2016 the fund increased its stake in Dutch wind farms Neeltje Jans and Zeeland I, by purchasing part of the shares held by DELTA, one of the partners in the joint venture that owns both wind farms. The remainder of DELTA's shares was bought by co-shareholder E-Connection. As a result, DELTA is no longer shareholder in the joint venture. The investments in these wind farms fit in with the fund's strategy to expand its share in existing projects and strengthen existing partnerships.

The fund also invested in a 2.3 MWp rooftop solar plant at the Heineken brewery in Massafra, in southern Italy. The fund was able to leverage its relationship with long-term partner SolarAccess, a Dutch renewable energy supplier. Following the installation of an additional 8,800 solar panels, the total installed capacity of the plant is 3.3 MWp, making it the largest solar PV project on a beer brewery worldwide. Due to its location in southern Italy, energy production will be relatively high and will be equivalent to the annual electricity demand of approximately 1,850 Italian households. The solar project reduces CO<sub>2</sub> emissions by 1,722 tonnes and as such makes a significant contribution to Heineken's objective of reducing its CO<sub>2</sub> emissions across the value chain. The solar plant was completed at the end of 2016.

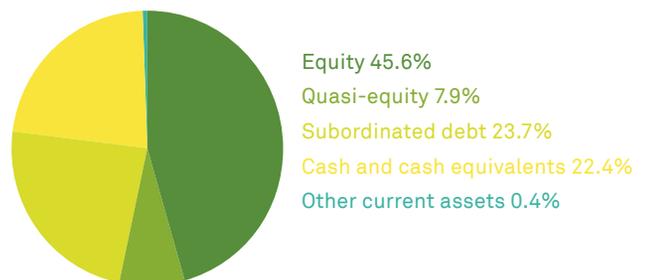
The fund's portfolio of renewable energy assets is geographically diversified across seven European countries, spreading the fund's exposure to country and regulatory risks. A substantial part of the fund's revenues is derived from regulatory support; the remainder comes from electricity sales. Whilst EU policies support the proliferation of renewable energy and the use of regulations to achieve this, at a national level support is delivered through a variety of mechanisms. Maintaining exposure to a range of countries mitigates the risk of the fund's performance being materially impacted by changes in national support mechanisms. Regulatory changes in countries where the fund is invested did not have a negative impact on any of the projects in the fund's portfolio.

### Fund data, December 31, 2016

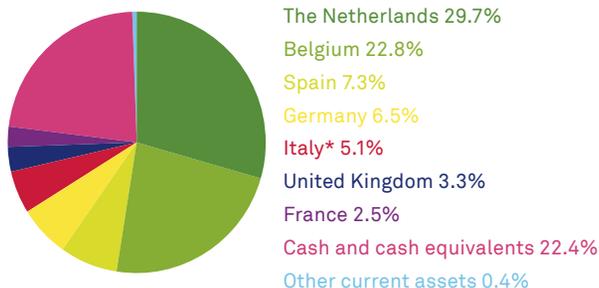
Total assets	73,892,541
Net assets	72,890,787
Portfolio value	57,026,310
Number of equity investments*	35
Number of subordinated loans*	5
Number of projects	21
Number of countries	7

\* Shareholder loans are classified as equity investments. A project can comprise multiple equity investments and/or subordinated loans.

### Asset allocation (% of fund's total assets), December 31, 2016

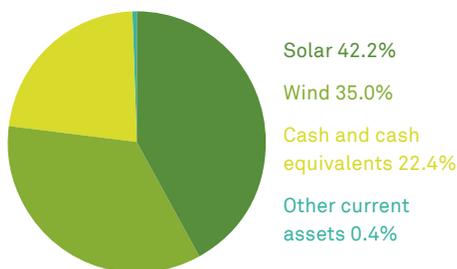


Country allocation (% of fund's total assets),  
December 31, 2016



\* The investment in Italy is done through a Dutch parent company.

Sector allocation (% of fund's total assets),  
December 31, 2016



Solar Photo-Voltaic projects, both ground-mounted and rooftop solar systems, accounted for 54.6% of the fund's portfolio value. Onshore wind accounted for the remaining 45.4%. On average, the solar PV projects performed slightly better than expected in 2016. Based on a portfolio value-weighted average, wind supply was significantly lower than expected, due to lower-than-expected wind speeds. The fund continues to review opportunities for investments in small to medium-sized hydro power, geothermal storage and tidal projects, in addition to wind and solar PV projects. All in all, the fund's weighted average portfolio discount rate decreased to 8.0% as at the end of 2016 (2015: 8.6%). This was due to the continued low interest rate environment.

## Results

### Financial results

During 2016, Triodos Renewables Europe Fund's net assets increased to EUR 72.9 million (2015: EUR 64.1 million). The fund closed its financial year with a net operating income of EUR 1.3 million. EUR 3.0 million was generated from dividends and interest income. In addition, the fund received EUR 1.8 million in subordinated debt repayments, resulting in a cash yield on a portfolio level of 5.8%, compared to 4.4% in 2015. This was mainly due to higher distributions to the fund from the wind and solar investments. In addition, the Spanish solar investments generated a minimal return for the fund in 2016. The bottom-line result was EUR 1.1 million (2015: EUR 2.8 million).

### Return

The overall return of the fund (I-cap) in 2016 was 1.6% (2015: 4.7%), despite a 2.5% return in the final quarter. The portfolio value increases when new investments are made and as the renewable energy assets in the portfolio mature. This value is calculated by forecasting the future dividends, interest and loan repayments of the wind and solar PV projects. Overall, the return was negatively influenced by lower power price forecasts and lower-than-anticipated production. The fund was able to offset part of this with better-than-expected extensions of operational contracts in the portfolio in Germany, the Netherlands and Spain. In addition,

EUR 72.9  
million

net assets  
as per end of 2016

## Return based on net asset value (NAV) per share\*

Share class	1-year return	3-year return p.a.	5-year return p.a.	Return p.a. since inception
R-cap (EUR)	1.0%	2.8%	0.1%	2.4%
I-cap (EUR)	1.6%	3.5%	0.7%	3.0%
Z-cap (EUR)	1.5%	3.4%	0.4%**	2.6%**

\* NAV per share is based on share prices as per December 29, 2016, i.e. the last price at which shares were traded in the reporting period.

\*\* The Z share class has a limited history. Returns prior to the launch date of the Z share class are based on the returns of the comparable R share class.

lower inflation and a reduced discount rate in line with the market were factors contributing positively to the fund's performance. Finally, the return was negatively influenced by the lower investment ratio of 77.2% of the total assets (2015: 86.0%).

### Liquidity

The liquidity percentage of the fund increased to 22.7% of the fund's net assets as at year-end 2016 (2015: 14.0%). The increased net inflow into the fund and the strong cash yield from projects contributed to the increase in liquidity exceeding the new investments in 2016. Liquidity is considered more than adequate for the fund to meet its short- and medium-term payment obligations and facilitate weekly subscriptions to and redemptions of its shares.

Given its semi open-end structure, the fund has a liquidity ratio target of 10% of the fund's net assets, including a EUR 2.5 million standby credit facility. Including this standby facility, which is available on demand, the available cash and cash equivalents add up to 26.1% of the net assets.

### Costs

The largest item in the cost structure of Triodos Renewables Europe Fund is the management fee paid to the investment manager. The latter uses this fee primarily to cover staff costs and travel expenses incurred in connection with investments. The investment process is generally quite labour-intensive.

Other significant costs are the fees paid to RBC Investor Services Bank, for instance for its depositary and administrative services. In 2016, Triodos Renewables Europe Fund's ongoing charges, including the management fee, amounted to 2.45% for the Z share class, 2.97% for the R share class and 2.42% for the I share class (2.53%, 3.07% and 2.45%, respectively, in 2015).

### Risks

Investments in Triodos Renewables Europe Fund are subject to several risks, which are described in detail in the particulars relating to the sub-fund included in the prospectus of Triodos SICAV II. Some of the relevant risks are highlighted below.

#### Country & regulatory risk

Many of the contracts relating to project companies, such as Power Purchase Agreements, subsidy agreements, green and/or renewable energy certificates, carbon offset arrangements, etc., are subject to government regulation and may change over time. Price developments for energy and oil, which differ per country, may influence the Power Purchase Agreements (PPA) and project revenues. The value of the investments may also be affected by other uncertainties, in the form of abrupt changes in domestic tax policies and other legislation and regulations.

This risk is partly mitigated by diversification across countries, technologies (see charts on page 12) and



## WIND FARM ZEELAND, THE NETHERLANDS

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Wind farm Zeeland I is a joint-venture between Triodos Renewables Europe Fund and developer Wind Connection BV and operates 12 turbines on three different locations in the southern part of the Netherlands: wind farm Vlissingen, wind farm Kapelle-Schore and wind farm Jacobahaven.

- Wind farm Vlissingen started operations in 1991 and has seven Vestas V29 225 kW wind turbines.
- Wind farm Kapelle became operational in 1991 and operates two Vestas V27 225 kW wind turbines. The current wind turbines of both wind farm Vlissingen and wind farm Kapelle replaced older 250 kW turbines which operated under the same permits and licenses at these sites. This new generation of wind turbines produces at least 45% more energy than the old wind turbines.
- Wind farm Jacobahaven became operational in the summer of 2006 and has three Vestas V90 3.0 MW wind turbines.



vintages of the portfolio projects. In each country, the price of electricity is influenced by the types of power generating assets (e.g. renewables, coal, gas etc.) and the regulatory environment. By investing in multiple countries, the fund reduces its exposure to events and developments in specific countries. In 2016, the downward trend of the European power price forecast was the main risk in this category. Downward adjustments of the price forecast had a limited negative impact on the fund's net assets.

### Liquidity risk

Triodos Renewables Europe Fund invests in assets that are not listed on a stock exchange or traded on any other regulated market. The investments are relatively illiquid. In view of the fund's semi open-end structure (enabling subscription and redemption of shares on a weekly basis), this could potentially lead to a situation in which the fund needs to temporarily close for redemptions. There is also a risk that the fund may be unable to obtain sufficient liquidity to meet its financial obligations.

To monitor and potentially mitigate this risk, the fund performs quarterly stress tests. On December 31, 2016, the fund held 22.7% of its net assets in cash and cash equivalents (2015: 14.0%).

Additionally, the fund is allowed to borrow up to 20% of its net assets and has a EUR 2.5 million stand-by credit facility. Including this stand-by facility, the available cash and cash equivalents add up to 24.4% of the net assets (2015: 17.9%). In 2016, liquidity was considered more than adequate for the fund to meet its short- and medium-term payment obligations and facilitate weekly subscriptions to and redemptions of its shares.

### Project risk

A long-term risk is constituted by the fact that the amount of electricity produced is determined by various uncertain factors, such as wind speed, rainfall and sunlight, which depend on the location of each project. In addition, technology risk (e.g. the actual performance of wind turbines and solar panels) can affect the amount of electricity

produced. Where the fund invests in projects that are not yet operational, it is also exposed to a construction risk at the project level.

In order to minimise the project risk, the fund works with experienced counterparties. Before the fund invests in a project, the technical design and the yield estimate are verified by an independent technical advisor. In the operational phase, the fund works with experienced commercial managers who manage and report on the performance of the project. This risk is further mitigated by geographically diversifying the portfolio, by working with multiple developers and by varying the key technology suppliers (turbines, modules, inverters). In 2016, the fund upgraded several maintenance contracts in the Netherlands and Germany. However, the electricity production was lower than expected due to lower wind speeds.

### Currency risk

The investments of Triodos Renewables Europe Fund are mainly denominated in euros. The fund may also invest in non-euro denominated assets in European countries. Currency exchange rates may fluctuate over time, which may, among other things, cause the value of the fund's total assets to fluctuate as well. Where possible, feasible and economically viable, the fund may take measures to reduce such currency risks by means of hedging. At this time, the fund does not apply a hedging policy for its long-term equity investments. The currency risk related to these investments is partly mitigated by limiting the exposure to any single non-euro currency to a maximum of 20% of its total assets. As at December 31, 2016, the non-euro currency exposure (British pound) is 3.3% of the fund's total assets (2015: 4.0%). The Brexit decision and weakening of the British pound over 2016 had no material impact on the fund's performance, as its exposure to non-euro currency denominated countries is only 3.3%.

## Outlook

In addition to identifying new investment opportunities, the fund supports the asset managers of the 21 renewable energy projects in the portfolio by exploring potential re-powering opportunities and, where appropriate, developing those opportunities. Re-powering means upgrading existing projects with new technology, thus improving and increasing their generation capacity. The fund presently supports a feasibility study relating to several wind projects in the Netherlands and Germany.

Actual developments in the power markets and their impact on both the revenues of projects in portfolio and the investment prospects are monitored closely. In the medium term, the fund does not anticipate a recovery of power prices. It is difficult to predict how the outcome of the US elections will impact the fight against climate change and in particular the European renewable energy sector. The fund continues to pursue a balanced portfolio, mitigating price risks where possible. Due to the strong cash yield of the fund and net inflow from investors in 2016, liquidity was higher than at the end of 2015. The current liquidity position provides a strong basis for new investments in 2017.

In 2017, the fund will focus on leveraging its long-term relationships with its current business partners in both the onshore wind and solar sectors, including several re-powering opportunities. Furthermore, the fund aims to diversify its portfolio in terms of geography, development phases and technology.

Triodos Renewables Europe Fund plans to seek further investment from both existing and new investors in 2017 to support its growth ambitions. Investing in new projects will diversify its income streams with a view to enhancing returns, whilst continuing to contribute to improving the sustainability of the European energy system.

## Additional Information Triodos SICAV II

### Foreign Accounting Tax Compliance Act

The Foreign Accounting Tax Compliance Act (FATCA) is a law enacted by the United States of America (US). This law is aimed at ensuring that income earned and assets held by US persons in offshore accounts or indirectly through ownership of foreign entities is reported to the US tax authorities (IRS). FATCA achieves this via the requirement that US and foreign persons - including entities and therefore financial institutions such as investment funds - identify and document payees and ultimately disclose information to the IRS. To mitigate foreign legal impediments due to FATCA compliance, intergovernmental agreements (IGA) with the US are being negotiated. Luxembourg has agreed an IGA with the US. Consequently and due to the specific nature of the IGA, which can be qualified as a model I, FATCA has become Luxembourg domestic legislation. As a Foreign Financial Institution (FFI), Triodos SICAV II qualifies as a participating FFI (PFFI). Triodos SICAV II is registered with the IRS as a PFFI, as a result of which a Global Intermediary Identification Number (GIIN) has been issued. FATCA became effective as of July 1, 2014, and on-boarding procedures are in place to identify (new) investors and debt providers.

### Common Reporting Standard

Similar to FATCA, the Organisation for Economic Cooperation and Development (OECD) has developed the Common Reporting Standard (CRS). CRS requires financial institutions, such as investment funds, in participating CRS jurisdictions to identify and report the tax residency and account details of investors and debt providers to the relevant authorities. The respective authorities automatically exchange the aforementioned information with the authorities of other participating CRS jurisdictions on an annual basis. On October 29, 2014, 51 jurisdictions, including Luxembourg, signed the first-ever multilateral competent authority agreement to automatically exchange information. As a Financial Institution (FI), Triodos SICAV II is

qualified as a participating FI. CRS is in force as of January 1, 2016, and on-boarding procedures are in place to identify (new) investors and debt providers.

### Operational risks

Operational risks are the risks of damage resulting from inadequate or failed internal processes, people and systems or from external events, such as changes in laws and regulations. In order to manage the operational risks, Triodos Investment Management has comprehensively documented its risk management policy. These risks are determined, measured, managed and monitored on an ongoing basis by means of appropriate procedures and reporting methods.

### ISAE 3402

As manager of the fund, Triodos Investment Management aims for continuous improvement of the effectiveness and manageability of the processes. This resulted in the start of an ISAE3402 project in 2016. The ISAE3402 report is tangible proof of the organisation and existence of the investment manager's core processes. This provides the investors in the fund with added assurance that the processes are carried out in a controlled manner.

### Solvency

Triodos Investment Management amply meets the minimum solvency requirements for asset managers. This makes Triodos Investment Management a solid party that is sufficiently able to absorb setbacks.

### Valuation risk

In order to ensure an independent, sound, comprehensive, consistent and auditor-approved valuation methodology, Triodos Investment Management has implemented a comprehensive valuation framework including valuation methodologies and procedures. This framework sets out general requirements regarding the selection, implementation and application of valuation methodologies and techniques for all asset types, taking into account the varied nature of asset types and the related market practices for the valuation of these assets. In addition, this framework sets out

the requirements regarding the valuation function at the sub-fund level. It ensures consistent procedures regarding the selection, implementation and application of valuation methodologies and ensures a consistent approach to the valuation function, independent valuation committees and, in some cases, the use of external valuers at the sub-fund level.

Valuation risk refers to the risk that the values of assets do not reflect their fair market value because valuations are based on infrequent market-based data, assumptions and peer group comparisons. As the sub-funds of Triodos SICAV II invest almost exclusively in assets that are not traded on a regulated market and are not listed on any stock exchange, its investments may not have readily available prices and may be difficult to value. In order to determine the value of these investments, the fund employs a consistent, transparent and appropriate valuation methodology, based on the International Private Equity and Venture Capital Valuation Guidelines (IPEV) as published by the IPEV Board and endorsed by the European Private Equity and Venture Capital Association (EVCA). To the extent that this methodology relies on periodic market-based data and peer group comparisons, the valuation of the assets may fluctuate with the variations in such data.

### Risk profile

The sub-funds of Triodos SICAV II each have a sector-specific focus and generally invest in risk-bearing, non-listed assets that cannot be made liquid in the short term and therefore have a relatively high risk profile. In most cases, added value in the sub-funds is generated over the longer term. An investment in the sub-funds of Triodos SICAV II therefore requires a medium to long-term investment horizon of the investor. In general, the sub-funds of Triodos SICAV II will only take on such risks that are deemed reasonable to achieve their investment objectives. The sub-funds of Triodos SICAV II have different risk profiles. There is no guarantee that the sub-funds will achieve their

objectives, due to market fluctuations and other risks to which the investments are exposed.

### Remuneration policy

Based on Article 22(2) of the AIFMD and section XIII (Guidelines on disclosure) of the 'ESMA Guidelines on sound remuneration policies under the AIFMD', management companies are required to at least disclose information about their remuneration practices for employees whose professional activities have a material impact on its risk profile (so-called "identified staff").

All of the staff members of Triodos Investment Management are employed by Triodos Bank. Triodos Bank believes good and appropriate remuneration for all its employees is very important. The core elements of the international remuneration policy of Triodos Bank are set out in the Principles of Fund Governance, which can be accessed via [www.triodos.com](http://www.triodos.com). The wage system used by Triodos Bank does not include bonuses or share option schemes. Triodos Bank considers financial incentives as an inappropriate way to motivate and reward employees. Variable remuneration is therefore limited. The Management Board of the alternative investment fund manager annually assesses the remuneration policy. Identified staff are employees as defined in the AIFM guidelines and include all employees who may influence the risk

profile of the fund. Besides the members of the board, these include the fund manager and the managers of support departments.

The table below provides an overview of the total remuneration, broken down into fixed and variable remuneration, and the remuneration of the senior management and the identified staff. The cost allocation model of the investment manager is used for the allocation of staff to Triodos Renewables Europe Fund. In this model, allocations are based on activities of the co-workers (activity-based costing, or the ABC-method).

As this table is intended to show the remuneration of employees, all other costs incurred by the investment manager of the fund, such as housing, workplace and travel costs and the cost of outsourced activities and external consultants, are excluded. The amounts shown in the tables include income tax, social security contributions, pension contributions and tokens of appreciation.

The largest part of the variable remuneration in 2015 was related to severance payments. Triodos Bank may provide additional individual tokens of appreciation to co-workers up to a maximum of one month salary. These tokens of appreciation are for extraordinary achievements and are at the discretion of management in consultation with Human Resources. Such a token is not based on

(remuneration in EUR)	Co-workers directly involved in Triodos Renewables Europe Fund		'Identified staff' in senior management positions		Other identified staff	
	2016	2015	2016	2015	2016	2015
<i>Number of staff involved</i>	25	22	5	5	5	4
<i>Average FTEs</i>	10.2	8.0	0.7	0.6	1.4	0.7
Fixed remuneration	954,783	709,041	130,569	97,836	181,684	71,699
Variable remuneration	7,228	13,311	675	8,332	415	201
<b>Total remuneration</b>	<b><u>962,011</u></b>	<b><u>722,352</u></b>	<b><u>131,244</u></b>	<b><u>106,168</u></b>	<b><u>182,099</u></b>	<b><u>71,900</u></b>

pre-set targets and always offered in retrospect. An annual, collective token of appreciation may be paid for the overall achievements and contribution of all co-workers. This very modest amount is the same for all co-workers with a maximum of EUR 500 for each co-worker. This can be paid in cash or in Triodos Bank NV depository receipts. End of 2015, the collective end-of-year token of appreciation was determined at EUR 500 and was awarded in 2016. The largest part of the variable remuneration in 2016 was related to the collective token of appreciation.

# Report of the Board of Directors

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The Board of Directors has the broadest powers to act in any circumstances on behalf of Triodos SICAV II, subject to the powers expressly assigned by law or the articles of incorporation of Triodos SICAV II. The Board of Directors is responsible for overall product strategy, relations with investors, the regulator and the auditor and for ensuring the AIFM performs its functions with due care and diligence. It is the Board's responsibility to provide independent review and oversight in the best interests of the investors of the sub-funds of Triodos SICAV II.

## Board composition

At the Annual General Meeting of shareholders of April 27, 2016, Olivier Marquet resigned as Director of Triodos SICAV II. Furthermore, Monique Bachner was appointed as Director of Triodos SICAV II and Marilou van Golstein Brouwers was re-elected as Director of Triodos SICAV II, both to serve for a period of six years. The Board appointed Garry Pieters as Chair of the Board of Directors as of June 24, 2016. He took over the role of Chair from Pierre Aeby.

## Board committees

Given the current size and complexity of Triodos SICAV II, the Board of Directors does not currently consider it necessary to have any committees.

## Board meetings

The Board of Directors meets at least four times a year. Additional meetings can be arranged if necessary. In 2016, four regular Board meetings were held.

An additional meeting was held with regard to the capital increase of the holding entities of Triodos Renewables Europe Fund and Triodos Organic Growth Fund (Triodos SII LuxCo S.à r.l. and Triodos OGF LuxCo S.à r.l.). At the regular Board meetings, Triodos Investment Management reports on various relevant topics, amongst others, the state of affairs of the sub-funds, anti-money laundering and 'know your customer' matters, regulatory changes,

marketing and sales activities, investment compliance monitoring and risk management.

Major decisions are submitted for review and approval to the Board of Directors. In 2016, the decision was made to update the leverage limits in each sub-fund to reflect the way each sub-fund is currently managed, and the prospectus of Triodos SICAV II was amended accordingly. These modifications did not result in a change in the hedging policy or the investment strategy of the sub-funds and did not change their risk profiles. The revised version of the prospectus came into effect on October 10, 2016.

## Conflict of interest

At each Board meeting, the Directors declare whether there are conflicts of interest regarding agenda items of the Board meeting. A Director who has conflicts of interest relating to an agenda item will declare such conflicts and abstain from voting on any decisions relating that agenda item. In 2016, no Directors declared any conflicts of interest regarding any agenda items, nor was any Director required to abstain from voting on any decisions during the reporting period. The Board also monitors potential conflicts by maintaining a conflicts of interest register.

## Board remuneration

According to the remuneration policy of Triodos SICAV II, each of the Directors not employed by the Triodos Group, is paid an equal fixed annual remuneration. The Board believes the remuneration of the Board reflects its responsibilities and experience and is fair given the size and complexity of Triodos SICAV II. The remuneration of the Directors is disclosed in the notes to the financial statements and approved annually by the shareholders at the Annual General Meeting of shareholders. The remuneration amount for a Director did not increase for the financial year 2016 compared to the financial year 2015.

### Annual General Meeting of shareholders

The Annual General Meeting of shareholders was held on April 27, 2016 in Luxembourg. During the meeting, the shareholders:

- approved the management report of the Board of Directors and the report of the auditor for the financial year ended as at December 31, 2015;
- approved the audited statements of assets and liabilities and the statement of operations for the financial year ended as at December 31, 2015;
- approved the allocation of the net results for the financial year ended as at December 31, 2015;
- granted full discharge to the members of the Board of Directors with respect to their performance of duties for all or part of the financial year ended as at December 31, 2015;
- re-elected Marilou van Golstein Brouwers as Class P Director and elected Monique Bachner as Director, both to serve for a period of six years ending on the date of the Annual General Meeting to be held in 2022;
- elected PricewaterhouseCoopers Société coopérative Luxembourg as the auditor to serve for the financial year ended as at December 31, 2016, and
- approved the remuneration of Directors for the financial year ended as at December 31, 2016.

No other meetings of shareholders were held in 2016.

### Complaints handling policy

Triodos SICAV II has a complaints handling policy to ensure proper handling of complaints as and when they may arise. Triodos SICAV II has appointed a Complaints Handling Officer, who is responsible for implementation of the complaints handling policy.

The complaints handling policy is available upon request from Triodos SICAV II. The Complaints Handling Officer did not receive any complaints relating to Triodos SICAV II in 2016.

Complaints can be submitted in writing:

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

### Best practices

The Board of Directors aspires to best practices and good governance. For example, the Board has made efforts to ensure the diversity of its members, in terms of gender, complementary experience and expertise, and a good representation of independent Directors. The Board of Directors aims to conduct periodic self-assessments in which it reflects on its performance and strategy, and carried out such a review during 2016.

The Board of Directors has adhered to the principles of the ALFI Code of Conduct and monitors its application.

Luxembourg, April 7, 2017

The Board of Directors of Triodos SICAV II

Garry Pieters (Chair)  
Pierre Aeby  
Monique Bachner  
Marilou van Golstein Brouwers  
Patrick Goodman

# Summary of annual accounts 2016

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# Statement of net assets as at December 31, 2016

(amounts in EUR)	Notes	December 31, 2016	December 31, 2015	December 31, 2014
<b>Assets</b>				
<b>Fixed assets</b>				
Investment in financial assets (Historic cost: EUR 52,754,851 as at December 31, 2016, EUR 51,504,274 as at December 31, 2015, EUR 47,488,244 as at December 31, 2014)	2	57,026,310	55,525,302	49,512,724
<b>Current assets</b>				
Cash and cash equivalents		16,549,120	9,029,701	12,982,720
Subscriptions receivable		298,054	–	139,831
Other receivable		13,501	13,501	13,501
Other current assets		5,556	4,546	5,013
<b>Total assets</b>		<u><b>73,892,541</b></u>	<u><b>64,573,050</b></u>	<u><b>62,653,789</b></u>
<b>Liabilities</b>				
<b>Liabilities due within one year</b>				
Investment management, distribution and service fees payable	5	722,726	319,964	315,986
Redemptions payable		108,061	–	256,308
Accounts payable and accrued expenses	8	170,967	158,215	108,829
<b>Total liabilities</b>		<u><b>1,001,754</b></u>	<u><b>478,179</b></u>	<u><b>681,123</b></u>
<b>Net assets</b>		<u><u><b>72,890,787</b></u></u>	<u><u><b>64,094,871</b></u></u>	<u><u><b>61,972,666</b></u></u>

The accompanying notes form an integral part of these financial statements.

## Statement of operations for the year ended December 31, 2016

(amounts in EUR)	Notes	December 31, 2016	December 31, 2015	December 31, 2014
<b>Income</b>				
Dividend income	2	1,138,754	1,104,610	1,411,371
Interest on loans	2	1,897,739	1,139,116	1,577,227
Bank interest		–	6,146	13,135
Other income	6	104,371	214,758	158,452
<b>Total income</b>		<b><u>3,140,864</u></b>	<b><u>2,464,630</u></b>	<b><u>3,160,185</u></b>
<b>Expenses</b>				
Investment management, distribution and service fees	5	1,409,266	1,241,392	1,214,354
Administrative and depositary fees	4	137,914	139,988	125,026
Audit and reporting expenses		39,592	49,282	44,061
Subscription tax	3	27,702	27,651	27,276
Other tax		10,089	9,642	10,168
Other expenses	7	166,529	222,388	106,106
<b>Total expenses</b>		<b><u>1,791,092</u></b>	<b><u>1,690,343</u></b>	<b><u>1,526,991</u></b>
<b>Net operating income</b>		<b>1,349,772</b>	<b>774,287</b>	<b>1,633,194</b>
Realised loss on investments		(544,265)	–	(1,882,442)
Realised gain on foreign exchange		1	107	–
Realised loss on foreign exchange		(6)	(70)	–
Change in unrealised appreciation on investments		–	1,996,527	2,449,976
Change in unrealised depreciation on investments		250,455	–	–
<b>Net increase in net assets resulting from operations</b>		<b><u>1,055,957</u></b>	<b><u>2,770,851</u></b>	<b><u>2,200,728</u></b>

The accompanying notes form an integral part of these financial statements.

# Statement of changes in net assets for the year ended December 31, 2016

(amounts in EUR)	December 31, 2016	December 31, 2015	December 31, 2014
<b>Operations</b>			
Net operating income	1,349,772	774,287	1,633,194
Realised loss on investments	(544,265)	–	(1,882,442)
Realised gain on foreign exchange	1	107	–
Realised loss on foreign exchange	(6)	(70)	–
Change in unrealised appreciation on investments	–	1,996,527	2,449,976
Change in unrealised depreciation on investments	250,455	–	–
<b>Net increase in net assets resulting from operations</b>	<b><u>1,055,957</u></b>	<b><u>2,770,851</u></b>	<b><u>2,200,728</u></b>
<b>Capital Transactions</b>			
<b>Capital subscriptions</b>			
R Share Class	2,952,222	1,852,699	2,018,050
I Share Class	12,417,200	4,424,813	3,632,523
Z Share Class	5,763,336	4,732,429	18,853,782
<b>Total subscriptions</b>	<b><u>21,132,758</u></b>	<b><u>11,009,941</u></b>	<b><u>24,504,355</u></b>
<b>Capital redemptions</b>			
R Share Class	(202,795)	(346,870)	(17,027,758)
I Share Class	(30,672)	(5,712,953)	(21,687)
Z Share Class	(13,159,332)	(5,598,764)	(5,702,949)
<b>Total redemptions</b>	<b><u>(13,392,799)</u></b>	<b><u>(11,658,587)</u></b>	<b><u>(22,752,394)</u></b>
<b>Net increase/(decrease) in net assets resulting from capital transactions</b>	<b><u>7,739,959</u></b>	<b><u>(648,646)</u></b>	<b><u>1,751,961</u></b>
<b>Net assets</b>			
Net assets at the beginning of the year	64,094,871	61,972,666	58,019,977
Total increase in net assets	8,795,916	2,122,205	3,952,689
<b>Net assets at the end of the year</b>	<b><u>72,890,787</u></b>	<b><u>64,094,871</u></b>	<b><u>61,972,666</u></b>

The accompanying notes form an integral part of these financial statements.

## Cash flow statement for the year ended December 31, 2016

(amounts in EUR)	December 31, 2016	December 31, 2015	December 31, 2014
<b>Cash provided by operating activities</b>			
Profit/(loss) after taxation	1,055,957	2,770,851	2,200,728
(-) increase/(+) decrease in unrealised gains and losses on investments and forward foreign exchange contracts	(250,455)	(1,996,527)	(2,449,976)
(+) increase/(-) decrease in receivables and other assets	(1,010)	467	56,322
(+) increase/(-) decrease in payables	415,514	53,364	(318,871)
<b>Net cash provided by operating activities</b>	<b><u>1,220,006</u></b>	<b><u>828,155</u></b>	<b><u>(511,797)</u></b>
<b>Cash provided by financing activities</b>			
(+) proceeds from shares issued	20,834,704	11,149,772	24,414,731
(-) decrease from shares redeemed	(13,284,738)	(11,914,895)	(22,541,326)
<b>Net cash provided by financing activities</b>	<b><u>7,549,966</u></b>	<b><u>(765,123)</u></b>	<b><u>1,873,405</u></b>
<b>Cash provided from investing activities</b>			
(-) Acquisitions of financial assets	(1,250,553)	(4,016,051)	1,573,681
<b>Net cash used by investing activities</b>	<b><u>(1,250,553)</u></b>	<b><u>(4,016,051)</u></b>	<b><u>1,573,681</u></b>
<b>Cash</b>			
Net increase/(decrease) in cash and cash equivalents	7,519,419	(3,953,019)	2,935,289
Cash at the beginning of the year	9,029,701	12,982,720	10,047,431
<b>Cash at the end of the year</b>	<b><u>16,549,120</u></b>	<b><u>9,029,701</u></b>	<b><u>12,982,720</u></b>

The accompanying notes form an integral part of these financial statements.

## Statement of changes in the number of shares outstanding for the year ended December 31, 2016

	December 31, 2016	December 31, 2015	December 31, 2014
<b>Number of Shares outstanding at the beginning of the year</b>			
Share Class R	311,556.425	263,336.425	765,879.741
Share Class I	197,895.241	238,969.545	126,651.753
Share Class P	1.000	1.000	1.000
Share Class Z	1,732,712.954	1,765,504.791	1,247,266.936
<b>Subscriptions over the year</b>			
Share Class R	93,482.000	59,504.000	66,123.490
Share Class I	373,769.242	131,999.741	112,990.792
Share Class P	–	–	–
Share Class Z	211,431.340	178,542.150	738,075.401
<b>Redemptions over the year</b>			
Share Class R	6,431.000	11,284.000	568,666.806
Share Class I	917.000	173,074.045	673.000
Share Class P	–	–	–
Share Class Z	485,743.904	211,333.987	219,837.546
<b>Number of Shares outstanding at the end of the year</b>			
Share Class R	398,607.425	311,556.425	263,336.425
Share Class I	570,747.483	197,895.241	238,969.545
Share Class P	1.000	1.000	1.000
Share Class Z	1,458,400.390	1,732,712.954	1,765,504.791

The accompanying notes form an integral part of these financial statements.

## Statistics

(amounts in EUR)	December 31, 2016	December 31, 2015	December 31, 2014
<b>Total net asset value at the end of the year</b>			
Share Class R	12,814,951	9,921,510	8,054,633
Share Class I	19,474,827	6,649,776	7,667,077
Share Class P	36	35	34
Share Class Z	40,600,973	47,523,550	46,250,922
	<u>72,890,787</u>	<u>64,094,871</u>	<u>61,972,666</u>
<b>Net asset value per share at the end of the year</b>			
Share Class R	32.15	31.84	30.59
Share Class I	34.12	33.60	32.08
Share Class P	36.16	35.48	33.78
Share Class Z	27.84	27.43	26.20

The accompanying notes form an integral part of these financial statements.

# Notes to the financial statements

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## 1. General

Triodos Renewables Europe Fund is a sub-fund of Triodos SICAV II.

Triodos SICAV II (the "SICAV") has been 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" on April 10, 2006 for an unlimited period. Triodos SICAV II is governed by Part II of the Luxembourg Law of December 17, 2010, as amended. The SICAV is an alternative investment fund ("AIF") subject to the requirements of the Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Manager's Directive ("AIFMD") as implemented in Luxembourg through the law of 12 July 2013 on alternative investment fund managers (the "Law of 2013").

The Registered Office of the SICAV is established at 11/13, Boulevard de la Foire, L-1528 Luxembourg.

The Articles have been deposited with the Chancery of the District Court of Luxembourg on April 27, 2006 and published in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial"). The SICAV has been registered with the Companies Register of the District Court of Luxembourg under number B 115.771. The Articles were last amended at the extraordinary general meeting of shareholders held on October 16, 2014, and published in the Mémorial.

The SICAV is structured as an umbrella fund, which provides both institutional and retail investors with a variety of sub-funds, each of which relates to a separate portfolio of assets permitted by law and managed within specific investment objectives.

As at December 31, 2016, the SICAV has three sub-funds, Triodos Renewables Europe Fund, Triodos Microfinance Fund and Triodos Organic Growth Fund.

**Triodos Renewables Europe Fund, to which this annual report relates, does not constitute a separate legal entity, but there are two other sub-funds which together with Triodos Renewables Europe Fund form a single entity (TRIODOS SICAV II). The annual report of Triodos SICAV II, which has been fully prepared in accordance with the laws and regulations applicable for investment funds in Luxembourg, includes also the statement of investments of Triodos Microfinance Fund. This annual report is available at the registered office of the SICAV.**

The overall objective of the sub-fund is to offer investors an environmentally sound investment in renewable energy projects with the prospect of an attractive financial return combined with the opportunity to make a pro-active, measurable and lasting contribution to the development of sustainable energy sources.

The first net asset value was calculated on July 27, 2006.

Shares in the sub-fund may be subscribed once a week, on the Business Day preceding the Valuation Date. The sub-fund is semi open-ended, i.e. shares may be redeemed in principle once a week on the Business Day preceding the Valuation Date. However, the SICAV is entitled to (temporarily) stop trading and thus the execution of the redemption applications received, if trading is not possible, in accordance with the stipulations of the Prospectus.

The shares are divided into Shares of Classes "R", "Z", "I", "P". Class "R" Shares and Class "Z" Shares are open to any investor. Class "I" Shares is restricted to Institutional Investors. Class "P" Shares is open to entities of Triodos Group. Class "P" gives the right, in accordance with the Articles, to propose to the general meeting of shareholders a list containing the names of candidates for the position of director of the SICAV from which a majority of the directors of the SICAV must be appointed.

Currently, all shares issued are of the Capitalisation type. Therefore, the sub-fund does not pay dividends to its shareholders as realised profits are reinvested by the sub-fund.

The sub-fund Triodos Renewables Europe Fund incorporated Triodos S II LuxCo S.à r.l. (“the holding company”) in February 2011. As a wholly-owned subsidiary of the sub-fund, all assets and liabilities, income and expenses of the holding company are consolidated in the statement of net assets, the statement of operations and the statement of changes in net assets of the sub-fund. All investments held by the holding company are disclosed in the financial statements of the sub-fund.

The financial year end of the SICAV is end of December each year.

Triodos SICAV II, including the sub-fund, is supervised by the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF).

Triodos SICAV II, including the sub-fund, is also registered with the Dutch Supervisory authorities, the Autoriteit Financiële Markten (AFM).

## 2. Summary of significant accounting principles

Investments are valued at their fair value. The fair value is determined as follows:

- (a) The valuation of private equity investments (such as equity, subordinated debt and other types of mezzanine finance) are based on the International Private Equity and Venture Capital Valuation Guidelines, as published from time to time by the International Private Equity and Venture Capital Association, and is conducted with prudence and in good faith.

In the sub-fund, the private equity and subordinated debt investments are valued on the basis of discounted cash flows.

Other assets are valued according to the following rules:

- (b) Senior debt instruments, invested in/granted to companies not listed or dealt in on any stock exchange or any other Regulated Market, are valued at fair market value, deemed to be the nominal value, increased by any interest accrued thereon; such value is adjusted, if appropriate, to reflect the appraisal of the Advisor of the relevant sub-fund on the creditworthiness of the relevant debtor. The Board of Directors uses its best endeavors to continually assess this method of valuation and recommend changes, where necessary, to ensure that debt instruments are valued at their fair value as determined in good faith by the Board of Directors.
- (c) The value of money market instruments not listed on any stock exchange or dealt in on any other Regulated Market and with a remaining maturity of less than 12 months is deemed to be the nominal value thereof, increased by any interest accrued thereon.
- (d) The value of securities which are admitted to official listing on any stock exchange is based on the latest available price or, if appropriate, on the average price on the stock exchange, which is normally the principal market of such securities, and each security dealt on any other Regulated Market is based on the last available price. In the event that this price is, in the opinion of the Board of Directors, not representative of the fair market value of such securities, for example in the case of illiquid securities and/or stale prices, the directors value the securities at fair market value according to their best judgment and information available to them at that time.

- (e) Units or shares of open-end UCIs are valued at their last official net asset values, as reported or provided by such UCI or their agents, or at their last unofficial net asset values (i.e. estimates of net asset values) if more recent than their last official net asset values, provided that due diligence has been carried out by the relevant Advisor, in accordance with instructions and under the overall control and responsibility of the Board of Directors, as to the reliability of such unofficial net asset values.
- (f) The liquidating value of futures, forward or options contracts not admitted to official listing on any stock exchange or dealt on any other Regulated Market means their net liquidating value is determined, pursuant to the policies established prudently and in good faith by the Board of Directors, on a basis consistently applied for each different variety of contracts.
- (g) The value of any cash at hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends declared and interest accrued, and not yet received are deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discounts as the Board of Directors may consider appropriate to reflect the true value thereof.
- (h) Swaps, as far as credit swaps are concerned, are valued at fair market values as determined prudently and in good faith by the Board of Directors. Cross-currency interest rate swaps are valued on the basis of the prices provided by the counterparty.
- (i) All other securities and assets are valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.
- (j) Placements in foreign currency are quoted in euros with due observance of the currency exchange rates most recently known.
- (k) Realised and non-realised changes in the value of investments are incorporated in the profit and loss account.
- (l) The principle for determination of profit is based on the attribution of income and expenses to the relevant year. The income from payments of profit on equity participations is accounted for in the year in which they are made payable. Prepaid costs and costs still to be paid are taken into account in determining the expenses.
- (m) Other assets and liabilities are recorded at nominal value after deduction of any provision in respect of anticipated non-recovery.
- (n) The costs of investments expressed in currencies other than euro are translated into euro at the exchange rate prevailing at purchase date.
- (o) Interest income is accrued pursuant to the terms of the underlying investment. Income is recorded net of respective withholding taxes, if any.
- (p) Gains and losses arising from un-matured forward foreign exchange contracts are determined on the basis of the applicable forward exchange rates at the valuation date and are booked in the profit and loss accounts.
- (q) Dividend income is recognised on cash basis, net of any withholding taxes.
- (r) Equity investments of Triodos SICAV II are excluded from consolidation due to exemptions by temporary holding, size and time window.

### 3. Taxation

According to the law in force and current practice, the SICAV is not subject to any Luxembourg tax on income and capital gains, nor are dividends paid by the SICAV subject to any Luxembourg withholding tax.

However, each of the SICAV's sub-funds is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.05% p.a. Such rate may be decreased to 0.01% p.a. for certain sub-funds or Classes of Shares, which are restricted to Institutional Investors as specified in the relevant sub-fund Particulars. This tax is calculated and payable quarterly on the basis of the Net Asset Value of each sub-fund at the end of each quarter. This tax is not due on that portion of the SICAV's assets invested in other Luxembourg UCIs.

The issue of Shares in the SICAV is not subject to any registration duties or other taxes in Luxembourg.

### 4. Administrative and depositary fees

The Depositary and Paying Agent, the Administrative Agent, the Domiciliary and Corporate Agent and the Registrar and Transfer Agent are entitled to receive fees in accordance with usual practice in Luxembourg and payable quarterly.

The administrative and depositary fees comprise the following:

Currency (EUR)	2016	2015	2014
Domiciliary agency fee	15,542	14,671	14,795
Administrative fee	56,722	59,355	53,021
Transfer agency fee	28,983	30,258	42,488
Depositary fee	36,667	35,704	14,723
<b>Total</b>	<b><u>137,914</u></b>	<b><u>139,988</u></b>	<b><u>125,027</u></b>

### 5. Investment management, distribution and service fees

For the services it provides, the Alternative Investment Fund Manager is entitled to an annual fee payable quarterly and calculated as described in the relevant sub-funds' Particulars.

The sub-fund pays for the provision of investment management services and supporting services and the distribution activities an annual fee of 2.50% for Class "R" Shares, an annual fee of 1.95% for Class "Z" Shares, Class "I" Shares and Class "P" Shares, calculated on the relevant Class, net assets, accrued weekly and payable quarterly.

The costs for marketing and distribution activities related to retail investors and attributable to Class "R" Shares, will only be borne by Class "R" Shares and will be part of the management fee. The costs for marketing activities incurred by the Investment Manager related to retail investors and attributable to Class "Z" Shares will only be borne by Class "Z" Shares and may amount to a maximum of 0.20% (on an annual basis) of this Share Class, net assets.

## 6. Other income

The other income comprises the following:

Currency (EUR)	2016	2015	2014
Arrangement fees	–	110,850	129,252
Redemption fees	24,157	55,843	29,200
Administrative fee and other income	80,214	48,065	–
<b>Total</b>	<b><u>104,371</u></b>	<b><u>214,758</u></b>	<b><u>158,452</u></b>

## 7. Other expenses

The other expenses comprise the following:

Currency (EUR)	2016	2015	2014
Supervisory fee (CSSF)	2,000	2,000	2,000
Remuneration of the Board of Directors/Managers*	23,497	20,000	16,667
Legal fees	38,552	19,361	16,854
Consulting fees	9,825	61,625	10,094
Bank fees	32,454	22,438	25,369
Portfolio transaction fees	–	59,646	–
Other expenses	60,201	37,318	35,122
<b>Total</b>	<b><u>166,529</u></b>	<b><u>222,388</u></b>	<b><u>106,106</u></b>

\* Amounts include the remuneration of the Board of Managers of the sub-fund's holding company Triodos S II LuxCo S.à r.l.

## 8. Accounts payable and accrued expenses

As at December 31, 2016, the accounts payable and accrued expenses mainly include the following expenses: administrative fees, audit fees, consulting fees, depositary fees, domiciliary agency fees, legal fees, subscription tax and transfer agency fees.

## 9. Off-balance sheet commitments

As at December 31, 2016 the sub-fund has committed itself to investments in certain windfarms for a total of approximately EUR 2.0 million.

## 10. Ongoing charges cost ratios

	12 months ending December 31, 2016	12 months ending December 31, 2015	12 months ending December 31, 2014
Share Class I	2.42%	2.45%	2.49%
Share Class P	1.58%	1.70%	1.74%
Share Class R	2.97%	3.07%	2.85%
Share Class Z	2.45%	2.53%	2.48%

The ongoing charges reflect the total normalised expenses charged to the result, divided by the average net asset value. For the calculation of the average net asset value, each computation and publication of the net asset value is taken into account. The ongoing charges are calculated over the twelve month period ending at the end of the reporting year.

## 11. Transaction costs

The following table presents the transaction costs related to the portfolio of investments over 2016.

Currency (EUR)	2016
Triodos Renewables Europe Fund	7,820

## 12. Leverage

The leverage effect is determined by the AIFMD as being any method by which the AIFM increases the exposure of the sub-funds of Triodos SICAV II, whether through borrowing of cash or securities leverage embedded in derivative positions, or by any other means. The leverage creates risks for the sub-funds.

The leverage is calculated on a frequent basis and shall not exceed such thresholds as further described in the sub-funds Particulars in the prospectus of Triodos SICAV II, using both the "gross method" and the "commitment method" in accordance with European regulations. The gross method gives the overall exposure of the sub-funds, whereas the commitment method gives insight in the hedging and netting techniques used by the AIFM.

The leverage ratio calculated by the commitment method as per year-end 2016 for Triodos Renewables Europe Fund is 100.94%.

## Audit report

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### To the Shareholders of Triodos Renewables Europe Fund (a sub-fund of Triodos SICAV II)

We have audited the accompanying statement of net assets as at December 31, 2016 and the statement of operations, the statement of changes in net assets and the cash flow statement for the year then ended of Triodos Renewables Europe Fund (a sub-fund of Triodos SICAV II), and a summary of significant accounting policies and other explanatory notes to these statements (“the Financial Information”).

### Responsibility of the Board of Directors of the SICAV for this Financial Information

The Board of Directors of the SICAV is responsible for the preparation of this Financial Information in accordance with the accounting policies set out in Note 2, for making sure that this basis of preparation is appropriate in the circumstance, and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of Financial Information that is free from material misstatement, whether due to fraud or error.

### Responsibility of the “Réviseur d’entreprises agréé”

Our responsibility is to express an opinion on this Financial Information based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier”. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Information. The procedures selected depend on the judgment of the “Réviseur d’entreprises agréé”, including the assessment of the risks of material misstatement of the Financial Information, whether due to fraud or error. In making

those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation of the Financial Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the Financial Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, this Financial Information of Triodos Renewables Europe Fund as of and for the year ended December 31, 2016 has been prepared, in all material respect, in accordance with the accounting policies set out in Note 2.

### Basis of accounting

We draw attention to note 2 to the Financial Information which describes the basis of accounting. The Financial Information included in this report is prepared at sub-fund level. As a result, the Financial Information may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information included in the annual report but does not include the Financial Information and our audit report thereon.

Our opinion on the Financial Information does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the Financial Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Information or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

PricewaterhouseCoopers, Société coopérative

Luxembourg, April 25, 2017

Represented by  
Nathalie Dogniez

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Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518

## Appendix: Project descriptions

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As per the end of December 2016, Triodos Renewables Europe Fund was invested in 21 renewable energy projects.

### Wind farm Growind, the Netherlands

[www.growind.nl](http://www.growind.nl)

The wind turbines are located at the Eemshaven harbour near Delfzijl, on the northern coast of the Netherlands. Wind farm Growind is owned by several private investors and Triodos Renewables Europe Fund. The wind farm started operations in 2008 and comprises 21 Vestas V90 3.0 MW wind turbines. In 2014, Growind co-invested with a Dutch wind turbine technology development company to host and tests its latest 6 MW offshore turbine on the site. Recently, Dutch engineering company Lagerwey was contracted to build two L136 4.5MW wind turbines on the Growind site.

### Wind farm Haringvliet, the Netherlands

[www.e-connection.nl/en/wind-farm-haringvliet](http://www.e-connection.nl/en/wind-farm-haringvliet)

The wind turbines are situated at the northern end of the Haringvliet dam (part of the Delta Works), near Hellevoetsluis, the Netherlands. Wind farm Haringvliet is a joint-venture between Triodos Renewables Europe Fund, engineering company Lagerwey and developer E-Connection. The wind farm became operational in the summer of 1997 and comprises six BONUS 600 MK IV 600 kW wind turbines.

### Wind farm Neeltje Jans, the Netherlands

[www.e-connection.nl/en/wind-farm-neeltje-jans](http://www.e-connection.nl/en/wind-farm-neeltje-jans)

The wind turbines are situated at Neeltje Jans, on the Oosterschelde flood barrier (part of the Delta Works), near Veere, the Netherlands. Wind farm Neeltje Jans is a joint-venture between Triodos Renewables Europe Fund and developer E-Connection. The wind farm became operational in the summer of 2006 and originally comprised four Vestas V90 3.0 MW wind turbines. In the summer of 2012, one Vestas V90 turbine was added to the farm.

### Wind farm Roggeplaat, the Netherlands

[www.e-connection.nl/en/wind-farm-roggeplaat](http://www.e-connection.nl/en/wind-farm-roggeplaat)

The wind turbines are situated in a cluster on the Roggeplaat island, on either side of the Oosterschelde flood barrier (part of the Delta Works), near Veere, the Netherlands. Wind farm Roggeplaat is a joint-venture between Triodos Renewables Europe Fund and developer E-Connection. The four new Enercon E-82 2.3 MW wind turbines have been operational since the summer of 2012.

### Wind farm Roompotsluis, the Netherlands

[www.e-connection.nl/en/wind-farm-roompotsluis](http://www.e-connection.nl/en/wind-farm-roompotsluis)

The wind turbines are situated near the Roompot locks, on the Oosterschelde flood barrier (part of the Delta Works), near Veere, the Netherlands. Wind farm Roompotsluis is a joint-venture between Triodos Renewables Europe Fund and developer E-Connection. The wind farm operates four Vestas V90 3.0 MW turbines and started production in the summer of 2006, initially with two turbines. In the summer of 2012 the capacity of this wind farm was expanded with two additional similar wind turbines.

### Wind farm Willem-Annapolder, the Netherlands

[www.zeeuwind.nl/locaties/willem-annapolder](http://www.zeeuwind.nl/locaties/willem-annapolder)

The wind turbines are located in the Willem-Annapolder, near the town of Kapelle in the Netherlands, on the north shore of the Westerschelde river. Wind farm Willem-Annapolder is a joint-venture between Zeeuwind, a private investor and Triodos Renewables Europe Fund. The wind farm started operations in 2003, with ten NEG-Micon NM 52/900 wind turbines.

### Wind farm Zeeland I, the Netherlands

[www.e-connection.nl/en/wind-farms](http://www.e-connection.nl/en/wind-farms)

Wind farm Zeeland I is a joint-venture between Triodos Renewables Europe Fund and developer E-Connection and operates 12 wind turbines in three different locations in the southern part of the Netherlands: wind farm Vlissingen, wind farm Kapelle-Schore and wind farm Jacobahaven.

Wind farm Vlissingen started operations in 1991 and has seven Vestas V29 225 kW wind turbines.

Wind farm Kapelle became operational in 1991 and operates two Vestas V27 225 kW wind turbines.

The current wind turbines at wind farm Vlissingen as well as wind farm Kapelle replaced older 250 kW wind turbines which operated under the same permits and licences at these sites. This new generation of wind turbines produces at least 45% more energy than the old wind turbines.

Wind farm Jacobahaven became operational in the summer of 2006 and has three Vestas V90 3.0 MW wind turbines.

#### Wind farm Midlum, Germany

Triodos Renewables Europe Fund owns a wind farm in the municipality of Midlum, in Lower Saxony.

The wind farm has been operational since 1999 and comprises 70 Enercon E-40 wind turbines. The plant is situated in a good wind location, in an open agricultural landscape.

#### Wind farm Ransonmoor, United Kingdom

In February 2013, Triodos Renewables Europe Fund diversified its geographical spread by making an investment in the United Kingdom. Ransonmoor has been operational since 2007 and comprises three Gamesa G80 wind turbines and two Repower MM80 wind turbines.

#### Solar plant Fieva, Belgium

This project consists of over 40 rooftop solar plants which were all constructed and gradually became operational in 2010-2011. The plants are spread across Flanders and have a total installed capacity of over 12.8 MWp. The project is owned by a Danish Investment fund and Triodos Renewables Europe Fund has provided a subordinated loan to the project.

#### Solar plant GFS Veurne, Belgium

[www.greenfever.be/veurne](http://www.greenfever.be/veurne)

In 2013, Triodos Renewables Europe Fund acquired a majority stake in the ground-mounted solar project

GFS Veurne. The solar plant is located in the municipality of Veurne, Belgium, and was developed by Greenfever. The entrepreneurs behind Greenfever are still active as managers and minority shareholders of the solar plant. The plant consists of 12,780 solar panels with a combined capacity of 2.6 MWp and became operational in July 2009.

#### Solar plant Puurs, Belgium

[www.orka-power.com/nl/pv-projecten](http://www.orka-power.com/nl/pv-projecten)

Triodos Renewables Europe Fund has provided a subordinated loan to a project in Puurs, a small town in Flanders. This is the fund's first rooftop solar project in Belgium. The plant consists of solar panels with a total installed capacity of 2.4 MWp, installed on the roof of a logistics company. The project became operational in October 2010. This project was developed and is owned by our local Belgian partner Orka NV. Orka also developed Solar plant VRD.

#### Solar plant VRD, Belgium

[www.orka-power.com/nl/pv-projecten](http://www.orka-power.com/nl/pv-projecten)

Triodos Renewables Europe Fund has provided a subordinated loan to this solar project consisting of five rooftop plants on the logistical centers of VRD in Flanders. The total installed capacity of this project is 3.1 MWp. The project became fully operational in October 2011 and is a sister project of Solar plant Puurs.

#### Solar plant Silvius Sun, Belgium

<https://www.solaraccess.nl/clients/>

Silvius Sun is a joint-venture between Triodos Renewables Europe Fund and SolarAccess. In 2013, Triodos Renewables Europe Fund invested in the rooftop solar portfolio of SolarAccess. The project consists of 19 roof-mounted plants on industrial and agricultural buildings and benefits from the green certificate regime for solar projects in Flanders. The electricity is used primarily by the companies on whose roofs the plants are built. The total capacity of the portfolio is 19.4 MWp.

### Solar plant Aznalcollar, Spain

Triodos Renewables Europe Fund is co-shareholder of Aznalcollar, a 2.1 MWp solar PV project in Sevilla, Spain. The plant is located in a former mining pool and has been operational since September 2008.

### Solar plant El Carpio, Spain

Triodos Renewables Europe Fund is sole owner of the Carpio Fotovoltaica solar plant, a 4.5 MWp solar PV project in Valladolid, in northern Spain. The plant was developed and constructed by BP Solar. The plant uses high-quality panels with good guaranteed performance conditions.

### Solar plant Los Cabezos, Spain

Triodos Renewables Europe Fund is co-shareholder of and has provided a profit participating loan to the Los Cabezos solar plant, a 2.0 MWp solar PV project in southern Spain. The plant has been operational since July 2008.

### Solar plant Generación Solar Investment, Spain

Triodos Renewables Europe Fund is the majority owner of Generación Solar Investment. The plant consists of three solar PV projects located in La Villa de Don Fadrique, Toledo, Spain, and has a total installed capacity of 1.4 MWp. The project was developed in three phases and all the installations were connected to the electricity grid in September 2008. The plant is operated by co-shareholder GFM.

### Solar plant Lucentum, Spain

Triodos Renewables Europe Fund is co-shareholder in Lucentum Energia, a PV plant with a total capacity of up to 3.48 MWp in La Gineta, Albacete, Spain. The solar plant became operational in September 2008 and consists of Würz and Aleo panels and Enertron inverters, manufactured by Gamesa.

### Solar plant Helium, France

<http://www.sonnedix.com/power-plants/list-of-plants/operating/>

Solar Plant Helium is a ground-mounted solar park with an installed capacity of 5.4 MWp in the Languedoc Rousillon region. Triodos Renewables Europe Fund is co-shareholder together with Sonnedix, which also manages the project. The solar plant has been operational since March 2011.

### Solar plant SolarAccess Energy International, the Netherlands and Italy

<https://www.solaraccess.nl/clients/>

In 2015, Triodos Renewables Europe Fund invested in another rooftop solar portfolio of SolarAccess. Triodos Renewables Europe Fund is co-shareholder together with SolarAccess, which also constructed and manages the project. The project consists of eight roof-mounted solar plants in the Netherlands and one roof-mounted solar plant in Italy. All the locations are owned by Heineken, who is the direct consumer of the produced energy. In all, around 20,500 solar panels were installed on the roofs of Heineken distribution centres in the Netherlands and a brewery in Italy. The total capacity of the project is 5.3 MWp.

# Management and administration

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## Registered office

11-13, Boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duchy of Luxembourg

## Board of Directors

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

Chair (as of June 24, 2016)  
Associate 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 I. Furthermore, he is Money Laundering Reporting Officer (MLRO) of Triodos SICAV II and oversees the 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 NV. 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 BV in Luxembourg and of its Singapore joint venture, as well as Senior Executive of its Korean joint venture. As per December 31, 2016, Garry Pieters did not hold any shares in Triodos Renewables Europe Fund.

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

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

Pierre Aeby has been Statutory Director of Triodos Bank NV since 2000 and is a Member of the Executive Board of Triodos Bank NV. He is also a Member of the Board of Stichting Triodos Holding, Statutory Director of Triodos Ventures BV, 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 I, Member of the Board of Triodos Invest CVBA, Chair of the Board of Enclude Holding BV and Member of the Board of Vlaams Cultuurhuis De Brakke Grond. As per December 31, 2016, Pierre Aeby held 170 shares in Triodos Renewables Europe Fund.

### **M.D. Bachner (1972)** (as of April 27, 2016)

Independent, Founder Bachner Legal

Monique Bachner is 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 law, as well as on corporate governance advisory services for Board 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 I. As per December 31, 2016, Monique Bachner did not hold any shares in Triodos Renewables Europe Fund.

### **M.H.G.E. van Golstein Brouwers (1958)**

Chair of the Management Board of Triodos Investment Management BV

Marilou van Golstein Brouwers is Chair of the Management Board of Triodos Investment Management and Triodos Investment Advisory Services BV. In addition, she is a Member of the Board of Stichting Triodos Sustainable Trade Fund and Stichting Triodos Renewable Energy for Development Fund. Furthermore, Marilou van Golstein Brouwers is Member of the Board of the Global Impact Investing Network (GIIN), Member of the Advisory Board of the 'Fund for Rural Prosperity' of the MasterCard Foundation, Member of the Advisory Council on International Affairs Committee for Development Cooperation (AIV/COS) and Member

of the Supervisory Board of B Corps Europe. As per December 31, 2016, Marilou van Golstein Brouwers held 274 shares in Triodos Renewables Europe Fund.

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

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

Patrick Goodman is co-founder of Innpact S.à r.l., which provides expert consulting services for the establishment and management support of impact finance vehicles. He has an 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 I, as well as other impact finance investment funds. As per December 31, 2016, Patrick Goodman held 1,703 shares in Triodos Renewables Europe Fund.

**O.A.M. Marquet (1957)** (until April 27, 2016)

Managing Director of Triodos Bank NV (Belgian branch) (until December 1, 2015)

**Alternative Investment Fund Manager**

Triodos Investment Management BV

Registered office:

Nieuweroordweg 1

3704 EC Zeist

The Netherlands

Postal address:

P.O. Box 55

3700 AB Zeist

The Netherlands

Triodos Investment Management is the alternative investment fund manager of Triodos SICAV II. The Management Board of Triodos Investment Management has the following members:

**M.H.G.E. van Golstein Brouwers (1958)**

Marilou van Golstein Brouwers is Chair of the Management Board of Triodos Investment Management and Triodos Investment Advisory & Services BV. In addition, she is Member of the Board of Triodos SICAV II, Stichting Triodos Sustainable Trade Fund and Stichting Triodos Renewable Energy for Development Fund. Marilou van Golstein Brouwers is also Member of the Board of Global Impact Investing Network (GIIN) and the Advisory Board of the 'Fund for Rural Prosperity' launched by the Mastercard Foundation, Member of the Advisory Council on International Affairs Committee for Development Cooperation (AIV/COS) and Member of the Supervisory Board of B Corps Europe. As per December 31, 2016, Marilou van Golstein Brouwers held 274 shares in Triodos Renewables Europe Fund.

**D.J. van Ommeren (1967)** (as of February 1, 2016)

Dick van Ommeren is Director at Triodos Investment Management and Triodos Investment Advisory & Services BV. He is a Member of the Board of Triodos SICAV I. As per December 31, 2016, Dick van Ommeren did not hold any shares in Triodos Renewables Europe Fund.

**L.L. Pool (1968)**

Laura Pool is Director Risk and Finance at Triodos Investment Management and Triodos Investment Advisory & Services BV. She is also Member of the Supervisory Board of ECN (Energy Research Centre of the Netherlands) and Member of the Board of NVFE (Dutch Association of Financial Executives). As per December 31, 2016, Laura Pool did not hold any shares in Triodos Renewables Europe Fund.

**Fund Manager**

**V.R. van Haarlem (1972)**

Vincent van Haarlem has been fund manager of Triodos Renewables Europe Fund since September 1, 2015. He has an extensive track record in the field of renewable energy financing and has been part of the investment team of Triodos Renewables Europe Fund since 2014. Before joining Triodos Investment Management, Vincent van Haarlem worked in the energy sector for over 10 years, both in the fields of project finance and private equity. Besides

renewable energy, he also has experience in the fields of offshore oil and gas and traditional power plants. He has a wide experience in business development, portfolio management, asset remarketing, project finance and restructuring with respect to the aforementioned asset classes. Vincent van Haarlem holds an MSc in economics (corporate finance) from Erasmus University Rotterdam and an MBA from IE Business School in Madrid. As per December 31, 2016, Vincent van Haarlem did not hold any shares in Triodos Renewables Europe Fund.

#### Distributor

Triodos Investment Management BV  
Registered office:  
Nieuweroordweg 1  
3704 EC Zeist  
The Netherlands  
Postal address:  
P.O. Box 55  
3700 AB Zeist  
The Netherlands

#### Depository, Custodian, Paying Agent, Domiciliary, Corporate and Administrative Agent, Registrar and Transfer Agent

RBC Investor Services Bank SA  
14, Porte de France  
L-4360 Esch-sur-Alzette  
Grand Duchy of Luxembourg

#### Auditor

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

#### Legal Advisor in Luxembourg

Arendt & Medernach SA  
41A, Avenue John F. Kennedy  
L-2082 Luxembourg  
Grand Duchy of Luxembourg

Rated by:



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## Colophon

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