

Triodos  
Renewables  
Europe Fund

Triodos  
Organic Growth  
Fund

Sub-funds of Triodos Impact  
Strategies II NV

Semi-annual report June 2020

## Triodos Renewables Europe Fund

## Triodos Organic Growth Fund

## Semi-annual report June 2020

Triodos Renewables Europe Fund and Triodos Organic Growth Fund were launched on 2 December 2019 as sub-funds of Triodos Impact Strategies II NV. Both are the successor sub-funds of Triodos SICAV II – Triodos Renewables Europe Fund and Triodos SICAV II – Triodos Organic Growth Fund.

The reporting period of this semi-annual report is the first, reporting period of Triodos Impact Strategies II and comprises the extended period 2 December 2019 until and including 30 June 2020.

The investment portfolio of the sub-funds and the investment objectives, risk profile, investment management and costs have not changed materially, compared to their respective predecessors.

Comparative figures are not included in this semi-annual report. For historic figures of Triodos SICAV II – Triodos Renewables Europe Fund and Triodos SICAV II – Triodos Organic Growth Fund, please refer to [www.triodos-im.com](http://www.triodos-im.com).

# Key figures

## Triodos Renewables Europe Fund

2 December 2019  
until 30 June 2020

(amounts in thousands of EUR)

Net assets (end of reporting period)	148,098
Income	4,135
Expenses	2,496
Net operating income	1,639
Realised and unrealised results on investments	1,018
Net result	2,657
<b>Ongoing charges per share class*</b>	
I-cap (EUR)	2.75%
Q-cap (EUR)	2.91%
R-cap (EUR)	3.23%
Z1-cap (EUR)	2.76%
Z2-cap (EUR)	2.77%

### Net asset value (NAV) per share

(amount in EUR)

25 June 2020\*\*

I-cap (EUR)	38.98
Q-cap (EUR)	38.95
R-cap (EUR)	35.94
Z1-cap (EUR)	31.74
Z2-cap (EUR)	31.74

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

	6-month return****	1-year return	3-year return p.a.	5-year return p.a.	10-year return p.a.	Return p.a. since inception
I-cap (EUR)	0.3	3.8	5.2	3.9	–	3.6
Q-cap (EUR)	0.2	3.7	5.2	3.9	2.5	3.2
R-cap (EUR)	-0.1	3.1	4.5	3.3	1.9	2.6
Z1-cap (EUR)	0.2	3.7	5.1	3.9	2.3	2.9
Z2-cap (EUR)	0.2	3.7	5.1	3.9	2.3	2.9

\* 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 seven-month period since inception of the sub-fund and annualised to arrive at the estimated yearly ongoing charges figure.

\*\* NAV per share is based on share prices as per 25 June 2020, i.e. the last price at which shares were traded in the reporting period.

\*\*\* All share classes have limited history. Triodos Impact Strategies II – Triodos Renewables Europe Fund is the successor of Triodos SICAV II – Triodos Renewables Europe Fund. Returns prior to the launch date of share class are based on the returns of the comparable share class of Triodos SICAV II – Triodos Renewables Europe Fund.

\*\*\*\* The reporting period of this semi-annual report is 2 December 2019 to 30 June 2020. This 6-month return, which is based on the period 1 January 2020 to 30 June 2020, therefore does not reconcile with the semi-annual accounts.

# Key figures

## Triodos Organic Growth Fund

(amounts in thousands of EUR)	2 December 2019 until 30 June 2020
Net assets (end of reporting period)	43,332
Income	346
Expenses	1,023
Net operating income	-677
Realised and unrealised results on investments and foreign exchange contracts	956
Net result	279
<b>Ongoing charges per share class *</b>	
I-dis	2.92%
Q-cap	3.48%
Q-dis	3.48%

### Net asset value (NAV) per share

(amounts in EUR)	30 June 2020
I-dis	97.90
Q-cap	97.81
Q-dis	97.77

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

Share class	6-month return***	1-year return	3-year return p.a.	5-year return p.a.	Return p.a. since inception
I-dis	0.7	-8.1	-5.5	-1.1	-0.3
Q-cap	0.7	-8.2	-5.6	-1.2	-0.3
Q-dis	0.7	-8.2	-5.6	-1.2	-0.3

\* 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 seven-month period since inception of the sub-fund and annualised to arrive at the estimated yearly ongoing charges figure.

\*\* All share classes have limited history. Triodos Impact Strategies II – Triodos Organic Growth Fund is the successor of Triodos SICAV II – Triodos Organic Growth Fund. Returns prior to the launch date of share class are based on the returns of the comparable share class of Triodos SICAV II – Triodos Organic Growth Fund.

\*\*\* The reporting period of this semi-annual report is 2 December 2019 to 30 June 2020. This 6-month return, which is based on the period 1 January 2020 to 30 June 2020, therefore does not reconcile with the semi-annual accounts.

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# General information

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## Legal structure

Triodos Renewables Europe Fund and Triodos Organic Growth Fund were launched in June 2006 and January 2014, respectively, as sub-funds of Triodos SICAV II. In December 2019, the sub-funds changed domicile to the Netherlands, where both funds have been set-up as a sub-fund of a newly incorporated Dutch legal entity, Triodos Impact Strategies II NV (Triodos Impact Strategies II). The sub-funds have an open-end fund structure. Triodos Renewables Europe Fund has euro-denominated share classes for retail and professional investors, one of which is listed on Euronext Fund Services. Triodos Organic Growth Fund has euro-denominated share classes for professional and certain qualified private investors. None of its share classes are listed on any stock exchange.

Triodos Impact Strategies II has been incorporated under the Laws of the Netherlands as an investment company with variable capital as referred to in article 2:76a DCC. Triodos Impact Strategies II NV is an alternative investment fund (AIF) subject to the requirements of Directive 2011/61/EU of June 8, 2011 on Alternative Investment Fund Managers (AIFMD), as implemented in the Netherlands in the Dutch Financial Supervision Act (Wft). Triodos Impact Strategies II NV is regulated by the Dutch Authority for the Financial Markets (AFM). The registered office of Triodos Impact Strategies II is at Nieuweroordweg 1, 3704 EC Zeist.

## Investment policies

### Triodos Renewables Europe Fund

Triodos Renewables Europe Fund invests primarily in renewable energy producing project companies. These project companies produce energy from natural resources such as wind, sun and hydropower. The sub-fund does not invest in renewable energy technology or technology providers. The main focus of the sub-fund is on investments in wind farms, solar photovoltaic (PV) and solar thermal 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 in subordinated debt in qualifying investments. The sub-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.

### Triodos Organic Growth Fund

Triodos Organic Growth Fund invests primarily in mature and profitable, privately-owned organic and sustainable consumer lifestyle businesses in Europe. It aims to offer investors a unique opportunity to invest in the long-term development of the organic and sustainable consumer sector in Europe and to have positive social and environmental impact. The investment focus is on selected values-based businesses with a track record of successful trading and profitability. Through an evergreen approach, the sub-fund invests as an aligned co-owner, by providing succession and/or growth capital. As a long-term investment partner, the sub-fund typically takes significant minority or majority (quasi-)equity positions, is represented on the board of directors and/or at annual shareholders meetings and adds value through a strategic, professional ownership approach.

## Alternative Investment Fund Manager

Triodos Investment Management BV (Triodos Investment Management, or Alternative Investment Fund Manager, or AIFM), a wholly owned subsidiary of Triodos Bank NV, acts as the sole statutory director and manager of Triodos Impact Strategies II. Triodos Investment Management is licensed by the Dutch regulator (Autoriteit Financiële Markten, or AFM) to manage investment companies within the meaning of Section 2:65 Wft. Triodos Investment

Management is a member of the Dutch Fund and Asset Management Association (DUFAS). DUFAS has drawn up the Asset Managers Code, which contains a number of principles. In order to act in accordance with these principles, Triodos Investment Management, as a member of DUFAS, has formulated the Fund Governance Principles.

These Fund Governance Principles can be consulted at [www.triodos-im.com/governance](http://www.triodos-im.com/governance). The Board of Triodos Investment Management consists of:

Jacco Minnaar (Chair)  
Kor Bosscher (Director Risk & Finance)  
Dick van Ommeren (Director)

## Fund Managers

Triodos Investment Management has internally appointed separate fund managers for both sub-funds. Vincent van Haarlem is the fund manager for Triodos Renewables Europe Fund whereas Jurriën Appers is the fund manager for Triodos Organic Growth Fund.

## Supervisory Board

Triodos Impact Strategies II has a Supervisory Board which is charged with supervising the day-to-day management of the AIFM in its capacity as statutory director of Triodos Impact Strategies II. In connection therewith, the manager will provide the members of the Supervisory Board with all information that is necessary or conducive in view of these tasks. The members of the Supervisory Board are independent from the Triodos Group, as a further safeguard of the checks and balances within the Triodos Impact Strategies II.

The composition of the Supervisory Board is as follows:

Jacqueline Rijdsdijk (Chair)  
Elfrieke van Galen  
Gerard Groener  
Henk Raué  
Jan Willem van der Velden

## Administrator, Fund Agent, Listing Agent, Paying Agent, Transfer Agent and Depositary

BNP Paribas Securities Services SCA (BNP Paribas) has been appointed as depositary for Triodos Impact Strategies II. CACEIS has been appointed as Administrator, Fund Agent, Listing Agent, Paying Agent and Transfer Agent for Triodos Impact Strategies II.

# Management Report

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## Restructuring

In recent years a variety of new measures were implemented or are scheduled to be implemented in many OECD jurisdictions, including Luxembourg and the Netherlands, with the intention to prevent international tax avoidance. Triodos Investment Management reviewed the structuring of both Triodos Renewables Europe Fund and Triodos Organic Growth Fund, as sub-funds of Triodos SICAV II, ultimately concluding that as a result of these measures the actively managed funds would run a substantial risk to incur significant tax costs if they would remain situated in Luxembourg, and it would therefore be in the best interest of the funds and its investors to be transferred to the Netherlands.

Both Triodos Renewables Europe Fund and Triodos Organic Growth Fund were originally set-up as a sub-fund of Triodos SICAV II and have successfully been transferred to the Netherlands in December 2019, to be set-up as a sub-fund of the newly incorporated entity Triodos Impact Strategies II. The shareholders of Triodos Renewables Europe Fund and Triodos Organic Growth Fund while being a sub-fund of Triodos SICAV II were offered the possibility to elect whether or not they would receive shares in Triodos Renewables Europe Fund and/or Triodos Organic Growth Fund as a sub-fund of Triodos Impact Strategies II in return for their shares in Triodos SICAV II. The restructuring occurred by way of the Luxembourg funds contributing its assets in kind to the new Dutch funds and in exchange receiving shares in these funds. This way the position of the shareholders remained unchanged, other than becoming a shareholder to the new Dutch fund.

## COVID-19

The first half of 2020 centered around the unprecedented influence of the COVID-19 pandemic. The pandemic is a health crisis affecting us all, with a profound impact on our economy and society. Triodos Investment Management follows

the guidelines of the National Institute for Public Health and the Environment (RIVM) and the government. It has taken all necessary steps to ensure the well-being and safety of its co-workers. Our co-workers have worked from home as much as possible and international travel for work was suspended. Triodos Investment Management is very satisfied with the way co-workers have adapted to the new situation in order to guarantee the continuity of the sub-funds.

The restrictions are gradually being lifted in the Netherlands. In accordance with government guidelines, the AIFM advises co-workers to keep working from home as much as possible. The maximum occupancy rate in the offices has been reduced to one third of the normal capacity. Arrangements have been made to make the office '1.5 meter-proof', such as one-way traffic in the corridors and on the stairways, as well as limiting the number of desks available.

To assess the impact of the COVID-19 pandemic on the investments managed by Triodos Investment Management, it is important to distinguish between direct impact on fund returns through, for example, oil price declines or currency movements and the potential indirect impact. The latter includes increased counterparty risk and local economic downturn. Triodos Investment Management has intensified the monitoring of all countries and investments in the portfolio in the reporting period.

The development of the COVID-19 pandemic requires ongoing attention in managing the sub-funds moving forward. Local COVID-19 outbreaks may occur, and restrictions may be intensified. Thorough risk assessments of countries and investments, and close contacts with our partners will support us in managing the sub-funds and in taking investment decisions in these extraordinary circumstances.

## Triodos Renewables Europe Fund

In the reporting period, the sub-fund's net assets increased from EUR 117.3 million as per 2 December 2019 to EUR 148.1 million as per 30 June 2020, of which 53% was invested. The portfolio currently comprises 29 projects. The sub-fund's portfolio valuation in the first half of 2020 was marked by lower power price scenarios triggered by COVID-19 which decreased valuation of existing assets in portfolio.

### Fund data, 30 June 2020

Net assets	EUR 148.1 million
Portfolio value	EUR 78.9 million
Number of equity investments*	36
Number of subordinated loans*	9
Number of projects	29
Number of countries	7

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

The Impact Report 2019 of Triodos Renewables Europe Fund gives an insight into the impact of the projects that the sub-fund finances.

See: <https://www.triodos-im.com/impact-report/2019/energy-and-climate/triodos-renewables-europe-fund>

### Market developments

A severe double shock hit the European energy markets the first half of 2020. The first was the outbreak of the COVID-19 pandemic, which has dampened electricity demand in Europe and across the world as a result of the containment measures taken. The second was the breakdown of the OPEC+ talks caused by disagreement between Russia and Saudi Arabia, which led to a collapse in oil prices in March. These events occurred within a European context of economic slowdown and abundant gas supplies, following two years of consecutive mild winters.

The impact of the oil price decline on electricity prices was limited, as gas prices have a larger impact on wholesale electricity prices in Europe, and in the Netherlands in particular. In response to the COVID-19 crisis, OPEC+ agreed to production cuts in April to sustain oil prices, which were further extended into June.

The German and French governments have modified renewable tender procedures and timelines to mitigate disruptions in the development of new renewable projects caused by the COVID-19 pandemic. Germany issued new regulation to avoid financial penalties and the loss of incentives due to missed deadlines, while France has delayed the dates of the next round of solar tenders. In the UK, the pound weakened against the euro in the first half of 2020, as a combination of Brexit and COVID-19 lockdowns. The Netherlands continued its efforts to increase its shares of renewables and the previously awarded SDE+ projects were granted the possibility to apply for a one-year extension, as projects were facing construction delays due to COVID-19 as well as grid constraints. The 2020 spring round for allocating the subsidy SDE+ was oversubscribed, with over half of the available budget claimed by solar PV projects. Despite policy efforts, the Netherlands is lagging behind meeting its 14% renewable energy target, having only 8.6% of generation from renewable sources in 2019.

The countries where the sub-fund has investments have credit ratings starting from BBB for Italy, to credit ratings of an A and higher for all other countries.

The impact of the COVID-19 pandemic on the investment portfolio has so far been limited. While many businesses across the world have been severely affected by the virus itself and the measures to contain it, the assets in the portfolio operate with little human intervention and therefore have continued to produce electricity. The reduction in electricity consumption as a result of the worldwide reduction in economic activity does not directly affect the volume of electricity generation of renewable assets sold to the grid, as they

have priority of dispatch over fossil fuel powered stations. It has nonetheless affected the prices at which electricity is sold on the grid and reduced the revenues of those renewable generating assets that are exposed to price fluctuations.

Over the first half of 2020, the valuation of the portfolio was reduced several times as a result of expected declines in electricity prices, as the negative impact of COVID-19 on the economy is lasting longer than previously anticipated. As business activities are interrupted and reduced across several sectors of the economy, the associated reduction in electricity demand will extend further into the coming years. Demand is not expected to return to previously forecasted levels, thereby having a dampening effect on electricity prices up to the end of the decade.

Despite the lower anticipated earnings, all assets in the sub-fund's portfolio remain profitable and continue their operations. Several steps have been taken to adapt to government restrictions, such as reducing the number of workers on-site by prioritising the most urgent maintenance activities and delaying the ongoing periodic checks, and by postponing large, labour-intensive maintenance works. The Dutch projects that are currently at construction stage, are moving ahead as planned. Projects in portfolio that are in development may experience some delays.

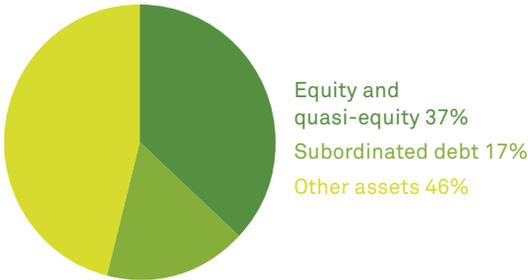
**Investments**

As per 30 June 2020, the net assets of Triodos Renewables Europe Fund totaled EUR 148.1 million, of which 53% was invested. The sub-fund has investments in 29 projects throughout Europe. The sub-fund consists of onshore wind, ground mounted and roof-top solar PV assets, an energy efficiency portfolio, an energy transition fund investment, and a battery storage project.

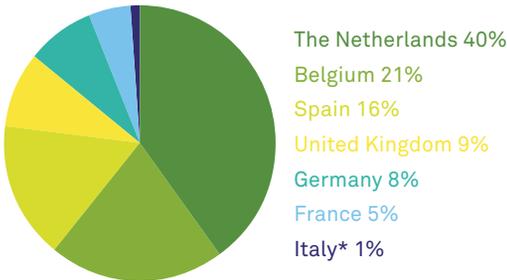
Triodos Renewables Europe Fund made several additional investments during the first half of 2020. The sub-fund concluded its investment in two large ground-mounted solar PV projects in the Netherlands, Energiepark Duurkenakker

and Zuidbroek Energie in the municipality of Midden-Groningen. The former project is currently under construction, while the latter is in development stage. The solar parks are close to each other and together, with a total capacity of 112 MWp, they will virtually form the largest solar park in the Netherlands.

**Asset allocation (% of fund's net assets), 30 June 2020**

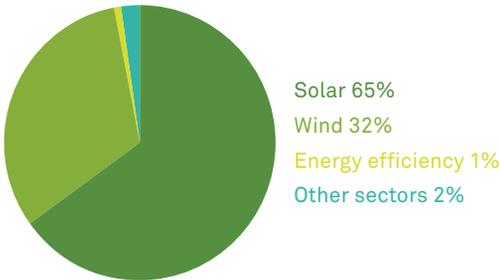


**Country allocation (% of portfolio), 30 June 2020**



\* The investment in Italy was made through a Dutch parent company

**Sector allocation (% of portfolio), 30 June 2020**



The sub-fund also provided a EUR 1.2 million subordinated loan to Giga Rhino, a utility scale lithium-ion energy storage system located in the Netherlands, at the Wageningen University & Research test centre. With an output power of 12 MW, the Giga Rhino energy storage system will be the most powerful electricity storage project in the Netherlands. By increasing flexibility of the grid Giga Rhino will contribute to increase the share of renewables in the Dutch energy mix. The project is currently being constructed and is expected to be operational in the last quarter of 2020.

Furthermore, the SEP solar portfolio in the Netherlands has been expanded through additional investments.

As per 30 June 2020, 65% of the sub-fund's investment portfolio consisted of solar projects, 32% of wind projects, 1% of energy efficiency projects, and 2% invested in other sectors. On an annual basis, solar assets provide more stable cash flows than wind assets. The cash flows from wind energy projects are slightly less predictable because of greater fluctuations in the frequency and strength of wind.

Over the first half of 2020, the average power production of the sub-fund's portfolio was higher than expected. This was mainly due to higher-than-

projected wind supply, resulting in higher electricity production by the wind farms, as well as several solar assets performing better than expected. The sub-fund's weighted average portfolio discount rate at 30 June 2020 was 7.8%.

## Results

### Financial results

Triodos Renewables Europe Fund closed the first period until 30 June 2020 with a positive net operating income of EUR 1.6 million. The sub-fund received EUR 4.1 million in dividends and interest income. In addition to this, the performance of the portfolio led to an unrealised appreciation on investments of EUR 1.3 million. The net result for the period was EUR 2.7 million.

### Return

The return over the reporting period was 1.4% for the I-share class. The return was negatively affected in 2020 by Covid 19 related downward adjustments of power prices. The severity was dampened at fund level due to the high cash position of the sub-fund. Mitigating factors were the positive adjustment in the spanish subsidy scheme in December and the achievement of milestones in projects in development.

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

	6-month return***	1-year return	3-year return p.a.	5-year return p.a.	10-year return p.a.	Return p.a. since inception
I-cap (EUR)	0.3	3.8	5.2	3.9	–	3.6
Q-cap (EUR)	0.2	3.7	5.2	3.9	2.5	3.2
R-cap (EUR)	-0.1	3.1	4.5	3.3	1.9	2.6
Z1-cap (EUR)	0.2	3.7	5.1	3.9	2.3	2.9
Z2-cap (EUR)	0.2	3.7	5.1	3.9	2.3	2.9

\* NAV per share is based on share prices as per 25 June 2020, i.e. the last price at which shares were traded in the reporting period.

\*\* All share classes have limited history. Triodos Impact Strategies II – Triodos Renewables Europe Fund is the successor of Triodos SICAV II – Triodos Renewables Europe Fund. Returns prior to the launch date of share class are based on the returns of the comparable share class of Triodos SICAV II – Triodos Renewables Europe Fund.

\*\*\* The reporting period of this semi-annual report is 2 December 2019 to 30 June 2020. This 6-month return, which is based on the period 1 January 2020 to 30 June 2020, therefore does not reconcile with the semi-annual accounts.

## Liquidity

The liquidity of the sub-fund increased as a result of continued inflows in 2020, despite several disbursements made in connection to the recent investment activities. This increase is primarily driven by further investors subscriptions over the reporting period of 2020 and by the successful refinancing of several assets in the portfolio, which led to higher than anticipated cashflows from existing investments. The sub-fund's liquidity ratio (cash and cash equivalents) changed from 37% of the sub-fund's net assets (per 31 December 2019) to 46% as per 30 June 2020. The high liquidity position has somewhat dampened the negative impact of the COVID-19 inflicted drop in power prices.

## Costs

The largest item in the cost structure of Triodos Renewables Europe Fund is the management fee paid to the AIFM, Triodos Investment Management. The AIFM uses this fee primarily to cover staff-related costs and travel expenses incurred in connection with the labour-intensive investment process. Other costs include the fees paid to BNP Paribas and CACEIS for their depositary and administrative services.

Triodos Renewables Europe Fund's ongoing charges, including the management fee, amounted to 2.75% for the I-share class, 2.91% for the Q-share class, 3.23% for the R-share class, 2.76% for the Z1-share class and 2.77% for the Z2-share class as per 30 June 2020. More detailed information about management fees and ongoing charges can be found on pages 42-46.

## Outlook

The higher liquidity levels enable the team to pursue a larger amount of opportunities and larger investments. The sub-fund currently has several projects under construction or in a development stage: two Dutch wind repowering projects - Vluchthaven and Noordland-Buiten; the expanding solar PV roof-top SEP portfolio; the recently acquired ground-mounted solar PV projects

– Zuidbroek and Duurkenakker - and the battery storage project in the Netherlands - Giga Rhino.

With respect to the current transition to a low-carbon energy system, the sub-fund positions itself as an experienced and reliable financial partner and supports developers of renewable energy projects and other types of technologies that help to reduce CO<sub>2</sub> emissions. The sub-fund currently has a promising pipeline, spanning across all three focus areas: generation capacity, efficiency and flexibility. The sub-fund is in an advanced stage of due diligence for a wind portfolio in the Netherlands. Furthermore, it is exploring various opportunities across Europe in line with the energy transition theme.

## Triodos Organic Growth Fund

In the reporting period, the sub-fund's net assets increased by 2,9% (EUR 1.2 million) as a result of a positive performance and EUR 1.0 million of net inflow. As per 30 June 2020, 86.7% of the net assets was invested (2 December 2019: 107,2%). Despite high uncertainty in the market due to the COVID-19 crisis, the portfolio showed an increase compared to 2 December 2019.

### Fund data, 30 June 2020

Net assets	EUR 43.3 million
Portfolio value	EUR 37.5 million
Number of equity investments	9
Number of countries	6

The Impact Report 2019 of Triodos Organic Growth highlights the importance and dynamics of the portfolio companies, presented in the context of activities, stories, films and numbers.

See: <https://www.triodos-im.com/impact-report/2019/sustainable-food-and-agriculture/triodos-organic-growth-fund>

### Market developments

The severe measures taken by governments to slow down the spread of the COVID-19 virus, have a strong negative impact on economic activity in many countries. The severity of this impact depends on how long these measures need to be upheld and the monetary and fiscal actions taken to overcome structural damage to economies. As such, the impact of the pandemic on people, companies and the economy at large cannot be assessed in full depth at this stage. However, it is to be expected that the negative impact of this global crisis will be felt long after the virus has been contained.

In times of economic uncertainties, the food system seems to be well positioned during the COVID-19 crisis since people still need to eat and will give priority to food purchases. The empty food retail stores and restaurants closing due to the lock

down, remind us of how much we depend on our food system and how important food is in our lives. What we eat and where we buy our food defines who we are. As Triodos Organic Growth Fund, we feel it is vital to use these times to reflect on our current food system. As advocated in Triodos Bank's vision on food & agriculture, we need a system that works with rather than against nature, provides healthy nutritious food and equitable distribution of prosperity throughout the value chain.

The COVID-19 pandemic has emphasised the importance of a strong and dependable food supply chain. The increased awareness amongst consumers of where and how food is produced, has led to a growing demand for healthy food and direct sales from farmers and local food initiatives. It has also made many consumers to turn to trusted organic labels. As a result, many organic brands have seen demand explode. In the United Kingdom, after a peak increase in organic produce sales of 50% during the initial 'hoarding period' when the country closed down, sales of organic products continued to increase by more than 20% in the spring of 2020. Packaged and frozen organic food saw double-digit growth, with consumers having to prepare their meals at home due to the lockdown measures. According to the 2020 Organic Industry Survey, published on 9 June 2020 by the Organic Trade Association, the current interest in organic products may have intensified, but their growing popularity is not new. The commitment to organic food has always resided at the intersection of health and safety. It is to be expected that this commitment will further strengthen in these unsettling times.

### Investments

At the end of June 2020, Triodos Organic Growth Fund was invested in nine sustainable consumer good companies in six different countries and across all parts of the value chain. The sub-fund invests in these portfolio companies through equity participations and is represented on their boards.

In December 2019, Dutch sustainable food retailer Marqt was fully acquired by Udea, a leading

Benelux wholesaler, brand owner and organic retailer through their chains EkoPlaza, Origin’o and Natuurwinkel. This strategic step meant a responsible exit for Triodos Organic Growth Fund, as the sub-fund sold its shareholding in Marqt with a positive financial result while safeguarding Marqt’s future and mission. Triodos Organic Growth Fund became a shareholder in Marqt in April 2017 and in total invested EUR 7.7 million in the company. With the sale of the company to Udea, the total proceeds for the sub-fund are EUR 9.5 million, implying a realised IRR of 9.7%. EUR 0.1 million, being the difference between the sales price and the valuation on 2 December 2019, of the total gain of EUR 1.8 million has been booked as realised gain during the reporting period.

In February 2020, Groupe Natimpact, one of the sub-fund’s three French portfolio companies, acquired the chocolate company Bovetti. The acquisition was financed by both its existing shareholders (led by Triodos Organic Growth Fund) and by two regional funds from Crédit Agricole. These two funds share Triodos Organic Growth Fund’s commitment to an inclusive organic industry, with positive regional impacts. The sub-fund remains the majority shareholder in Groupe Natimpact. After the acquisition of Naturgie in 2019, the French leading producer of organic jams, and with the recent acquisition of Bovetti, Groupe Natimpact confirms its ambition to create a federation of autonomous small and medium-sized enterprises in the field of organic and sustainable food, fostering their growth by reinforcing their commercial synergies.

The sub-fund reported a marginal positive performance in the reporting period. There was a negative performance due to the high uncertainty in the market as a result of the COVID-19 crisis in the first quarter of 2020, the second quarter showed a positive performance. The performance in the second quarter is the result of better than expected performance of the sub-fund’s portfolio companies. With a strong increase in online food sales, Aarstiderne (Denmark) is still experiencing a significant upswing in its sales. Sales growth at

DO-IT (Netherlands) continues to be strong, as the result of hoarding and increased consumer demand for organic and healthy food. Naty (Denmark) also experienced a spike in sales due to hoarding, albeit only temporarily. On the other hand, three portfolio companies (Hari & CO, Ecoffee Cup and Naturfrisk) are considerably impacted by the lock-down of the out-of-home sector, their main distribution channel. As this sector is slowly re-opening, and with sales increasing in other distribution channels, for instance (online) retail, and/or through expanding of their product range, sales at Hari & CO and Naturfrisk seem to be recovering. As a result, the valuation of the sub-fund’s positions in Aarstiderne and Hari & Co (France) increased, as did the valuation of DO-IT and TIPA (Israel).

**Asset allocation (% of fund’s net assets), 30 June 2020**



**Results**

**Financial results**

The sub-fund’s total income over the reporting period up until 30 June 2020 amounted to EUR 0.3 million. Total expenses, the majority of which consist of management fees, amounted to EUR 1.0 million. The (un)realised value gain in the sub-fund’s portfolio, including the related gain on forward foreign exchange contracts, amounted to EUR 1.0 million. The net result of Triodos Organic Growth Fund in the reporting period therefore amounts to a profit of EUR 0.3 million.

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

Share class	6-month return**	1-year return	3-year return p.a.	5-year return p.a.	Return p.a. since inception
I-dis (EUR)	0.7	-8.1	-5.5	-1.1	-0.3
Q-cap (EUR)	0.7	-8.2	-5.6	-1.2	-0.3
Q-dis (EUR)	0.7	-8.2	-5.6	-1.2	-0.3

\* All share classes have limited history. Triodos Impact Strategies II – Triodos Organic Growth Fund is the successor of Triodos SICAV II – Triodos Organic Growth Fund. Returns prior to the launch date of share class are based on the returns of the comparable share class of Triodos SICAV II – Triodos Organic Growth Fund.

\*\* The reporting period of this semi-annual report is 2 December 2019 to 30 June 2020. This 6-month return, which is based on the period 1 January 2020 to 30 June 2020, therefore does not reconcile with the semi-annual accounts.

### Return

In the reporting period, the net asset value in the Q-dis and Q-cap share classes increased by 0.7%, from EUR 97.21 per share on 2 December 2019 to EUR 97.77 and EUR 97.81, respectively, on 30 June 2020. On January 8, 2020, the I-dis share was launched at a share price of EUR 97.13 which increased to EUR 97.90 on 30 June 2020. The average net return per annum since inception is -0.3%. The long-term net target return is 8.0% per annum, which Triodos Organic Growth Fund aims to achieve through a combination of dividend income and value gains in the portfolio.

### Liquidity

The liquidity (cash and cash equivalents) of Triodos Organic Growth Fund represented 13.3% of the sub-fund's net assets as per 30 June 2020. Additionally, the sub-fund may borrow up to 20% of its net assets, for which the sub-fund has a credit facility. Including this facility, the available cash and cash equivalents add up to 33.3% of the net assets. During the reporting period, the net inflow amounted to EUR 1.0 million.

### Costs

The main recurring item in the cost structure of Triodos Organic Growth Fund is the management fee paid to the AIFM, Triodos Investment Management. The AIFM uses this fee primarily to cover staff-related costs and travel expenses incurred in connection with investments. The

investment process is labour-intensive. A new investment on average takes four to six months to be put into effect, from the initial meeting to the signing of contracts and other documentation. As the sub-fund focuses on investment opportunities across a number of European countries (with the initial focus on Northwestern Europe), relatively frequent travelling is required. Other costs include the fees paid to BNP Paribas and CACEIS for their depositary and administrative services.

The ongoing charges of the Q-dis share class, including the management fee, represented 3.48% of the sub-fund's net assets on an annual basis as per 30 June 2020. The ongoing charges of the I-dis share class is 2.92% and the ongoing charges of the Q-cap share class is 3.48% (both based on annualised costs). More detailed information about management fees and ongoing charges can be found on pages 42-46. The increase in ongoing charges is the result of the amortization of the formation expenses (20-25bps) and the costs of the credit facility (20bps).

### Outlook

The severe measures taken by governments to slow down the spread of the COVID-19 virus, have a strong negative impact on economic activity in many countries. The severity of this impact depends on how long these measures need to be upheld and the monetary and fiscal actions taken to overcome

structural damage to economies. As such, the impact of the pandemic on people, companies and the economy at large cannot be assessed in full depth at this stage. However, it is to be expected that the negative impact of this global crisis will be felt long after the virus has been contained.

At the end of June 2020, the sub-fund's portfolio may still face several short-term challenges as a result of COVID-19, its overall performance was better than expected. Based on the favourable developments at the portfolio companies and the positive market trends for sustainably sourced, healthy and organic food, the outlook for the sub-fund for 2020 is positive.

In the past two years, the sub-fund has invested a total amount of EUR 18.6 million in five new portfolio companies. In the past few months, the investment team has focused on supporting and monitoring all portfolio companies in these unprecedented times, but deal sourcing activities nevertheless continued.

Now perhaps even more than ever, our investments have the potential to truly make a difference, contributing to creating an inclusive, resilient and sustainable food system. Therefore, we continue to provide capital to those companies that can support this transition. We aim to make a new investment in August, thereby becoming fully invested. The sub-fund has a full pipeline and the team is actively nurturing several interesting new portfolio candidates. In order to be well positioned to finance new investments, Triodos Organic Growth Fund aims to raise new funding from both current and new investors.

Zeist, 31 August 2020

Fund Manager Triodos Renewables Europe Fund  
Vincent van Haarlem

Fund Manager Triodos Organic Growth Fund  
Jurriën Appers

Management Board Triodos Investment Management  
Jacco Minnaar (Chair)  
Kor Bosscher  
Dick van Ommeren

# Summary of semi-annual accounts 2020

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The reporting period of the semi-annual accounts is the first, reporting period of Triodos Impact Strategies II and comprises the extended period 2 December 2019 until 30 June 2020.

# Statement of net assets as per 30 June 2020

## Triodos Impact Strategies II

(amounts in EUR)	Notes	30 June 2020
<b>Assets</b>		
<b>Fixed assets</b>		
Investment in financial assets	3	114,329,733
Formation expenses	4	1,618,000
<b>Current assets</b>		
Cash and cash equivalents		77,594,504
Net unrealised gain on forward foreign exchange contracts		68,219
Subscriptions receivable		512,830
Other receivables	5	432,761
<b>Total assets</b>		<b><u>194,556,049</u></b>
<b>Liabilities</b>		
<b>Liabilities due within one year</b>		
Net unrealised loss on forward foreign exchange contracts	3	90,889
Investment management fees payable		2,086,655
Accounts payable and accrued expenses	6	948,226
<b>Total liabilities</b>		<b><u>3,125,770</u></b>
<b>Net assets</b>	7	<b><u><u>191,430,280</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of net assets as per 30 June 2020

## Triodos Renewables Europe Fund

(amounts in EUR)	Notes	30 June 2020
<b>Assets</b>		
<b>Fixed assets</b>		
Investment in financial assets	3	76,788,643
Formation expenses	4	1,131,716
<b>Current assets</b>		
Cash and cash equivalents		71,642,705
Subscriptions receivable		512,830
Other receivables	5	361,410
<b>Total assets</b>		<b><u>150,437,304</u></b>
<b>Liabilities</b>		
<b>Liabilities due within one year</b>		
Investment management fees payable		1,608,160
Accounts payable and accrued expenses	6	730,625
<b>Total liabilities</b>		<b><u>2,338,785</u></b>
<b>Net assets</b>	7	<b><u><u>148,098,520</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of net assets as per 30 June 2020

## Triodos Organic Growth Fund

(amounts in EUR)	Notes	30 June 2020
<b>Assets</b>		
<b>Fixed assets</b>		
Investment in financial assets	3	37,541,091
Formation expenses	4	486,284
<b>Current assets</b>		
Cash and cash equivalents		5,951,799
Net unrealised gain on forward foreign exchange contracts		68,219
Other receivables	5	71,351
<b>Total assets</b>		<b><u>44,118,745</u></b>
<b>Liabilities</b>		
<b>Liabilities due within one year</b>		
Net unrealised loss on forward foreign exchange contracts		90,889
Investment management fees payable		478,495
Accounts payable and accrued expenses	6	217,601
<b>Total liabilities</b>		<b><u>786,985</u></b>
<b>Net assets</b>	7	<b><u><u>43,331,760</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of operations for the period ended 30 June 2020

## Triodos Impact Strategies II

(amounts in EUR)	Notes	30 June 2020
<b>Income</b>		
Dividend income		3,201,447
Interest on loans		1,154,793
Other income	10	125,309
<b>Total income</b>		<b>4,481,549</b>
<b>Expenses</b>		
Amortization of formation expenses	4	212,000
Investment management fees	9	2,086,655
Administrative and depositary fees	8	125,126
Audit and advisory fees	11	236,210
Other interest paid		230,657
Other expenses	12	628,674
<b>Total expenses</b>		<b>3,519,322</b>
<b>Net operating income</b>		<b>962,227</b>
Realised gain on investments		289,896
Realised loss on investments		-431,838
Realised gain on foreign exchange contracts		63,431
Realised loss on foreign exchange contracts		-101,045
Realised loss on foreign exchange		-30,888
Change in net unrealised appreciation on investments		8,809,544
Change in net unrealised depreciation on investments		-6,602,019
Change in net unrealised appreciation on forward foreign exchange contracts		89,452
Change in net unrealised depreciation on forward foreign exchange contracts		-112,122
<b>Net increase/(decrease) in net assets resulting from operations</b>		<b>2,936,637</b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of operations for the period ended 30 June 2020

## Triodos Renewables Europe Fund

(amounts in EUR)	Notes	30 June 2020
<b>Income</b>		
Dividend income		2,963,665
Interest on loans		1,134,739
Other income	10	36,782
<b>Total income</b>		<b>4,135,186</b>
<b>Expenses</b>		
Amortization of formation expenses	4	148,284
Investment management fees	9	1,608,160
Administrative and depositary fees	8	82,959
Audit and advisory fees	11	166,872
Other interest paid		171,631
Other expenses	12	317,947
<b>Total expenses</b>		<b>2,495,853</b>
<b>Net operating income</b>		<b>1,639,333</b>
Realised gain on investments		86,723
Realised loss on investments		-308,017
Realised loss on foreign exchange		-22,316
Change in net unrealised appreciation on investments		5,007,013
Change in net unrealised depreciation on investments		-3,745,452
<b>Net increase/(decrease) in net assets resulting from operations</b>		<b>2,657,284</b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of operations for the period ended 30 June 2020

## Triodos Organic Growth Fund

(amounts in EUR)	Notes	30 June 2020
<b>Income</b>		
Dividend income		237,782
Interest on Loans		20,054
Other income		88,527
<b>Total income</b>		<b>346,364</b>
<b>Expenses</b>		
Amortisation of formation expenses	4	63,716
Investment management, distribution and service fees	9	478,495
Administrative and advisory fees	8	42,167
Audit and reporting expenses	11	69,338
Other interest paid		59,026
Other expenses	12	310,727
<b>Total expenses</b>		<b>1,023,469</b>
<b>Net operating income</b>		<b>-677,105</b>
Realised gain on investments		203,173
Realised loss on investments		-123,821
Realised gain on forward foreign exchange contracts		63,431
Realised loss on forward foreign exchange contracts		-101,045
Realised loss on foreign exchange		-8,572
Change in net unrealised appreciation on investments		3,802,531
Change in net unrealised depreciation on investments		-2,856,567
Change in net unrealised appreciation on forward foreign exchange contracts		89,452
Change in net unrealised depreciation on forward foreign exchange contracts		-112,122
<b>Net increase/(decrease) in net assets resulting from operations</b>		<b>279,353</b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of changes in net assets for the period ended 30 June 2020

## Triodos Impact Strategies II

(amounts in EUR)	30 June 2020
<b>Operations</b>	
Net operating income	962,226
Realised gain on investments	289,897
Realised loss on investments	-431,838
Realised gain on foreign exchange contracts	63,431
Realised loss on foreign exchange contracts	-101,045
Realised loss on foreign exchange	-30,888
Change in net unrealised appreciation on investments	8,809,544
Change in net unrealised depreciation on investments	-6,602,019
Change in net unrealised appreciation on forward foreign exchange contracts	89,452
Change in net unrealised depreciation on forward foreign exchange contracts	-112,122
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b><u>2,936,637</u></b>
<b>Capital transactions</b>	
<b>Capital subscriptions</b>	
<b>Total subscriptions</b>	<b><u>59,820,241</u></b>
<b>Capital redemptions</b>	
<b>Total redemptions</b>	<b><u>-30,654,360</u></b>
<b>Net increase/(decrease) in net assets resulting from capital transactions</b>	<b><u>29,165,881</u></b>
<b>Net assets</b>	
Net assets at the beginning of the period/year	159,327,761
Total increase in net assets	32,102,518
<b>Net assets at the end of the period/year</b>	<b><u><u>191,430,280</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Statement of changes in net assets for the period ended 30 June 2020

## Triodos Renewables Europe Fund

(amounts in EUR)	30 June 2020
<b>Operations</b>	
Net operating income	1,639,333
Realised gain on investments	86,723
Realised loss on investments	-308,017
Realised loss on foreign exchange	-22,316
Change in net unrealised appreciation on investments	5,007,013
Change in net unrealised depreciation on investments	-3,745,452
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b><u>2,657,284</u></b>
<b>Capital transactions</b>	
<b>Capital subscriptions</b>	
R Share Class	8,339,590
Q Share Class	3,453,980
I Share Class	11,160,497
Z1 Share Class	1,685,817
Z2 Share Class	22,251,838
<b>Total subscriptions</b>	<b><u>46,891,722</u></b>
<b>Capital redemptions</b>	
R Share Class	-276,479
Q Share Class	-13,141,939
I Share Class	
Z1 Share Class	-255,668
Z2 Share Class	-5,051,212
<b>Total redemptions</b>	<b><u>-18,725,299</u></b>
<b>Net increase/(decrease) in net assets resulting from capital transactions</b>	<b><u>28,166,423</u></b>
<b>Net assets</b>	
Net assets at the beginning of the period/year	117,274,812
Total increase in net assets	30,823,707
<b>Net assets at the end of the period/year</b>	<b><u><u>148,098,520</u></u></b>

The accompanying notes form an integral part of these financial statements.  
The figures in these financial statements have not been subjected to an external audit.

# Statement of changes in net assets for the period ended 30 June 2020

## Triodos Organic Growth Fund

(amounts in EUR)	30 June 2020
<b>Operations</b>	
Net operating income	-677,107
Realised gain on investments	203,173
Realised loss on investments	-123,821
Realised gain on forward foreign exchange contracts	63,431
Realised loss on forward foreign exchange contracts	-101,045
Realised loss on foreign exchange	-8,572
Change in net unrealised appreciation on investments	3,802,531
Change in net unrealised depreciation on investments	-2,856,567
Change in net unrealised appreciation on forward foreign exchange contracts	89,452
Change in net unrealised depreciation on forward foreign exchange contracts	-112,122
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b><u>279,353</u></b>
<b>Capital transactions</b>	
<b>Capital subscriptions</b>	
I- Distribution Share Class (EUR)	9,614,025
Q- Cap Share Class (EUR)	3,064,494
Q- Distribution Share Class (EUR)	250,000
<b>Total subscriptions</b>	<b><u>12,928,519</u></b>
<b>Capital redemptions</b>	
I- Distribution Share Class (EUR)	-
Q- Cap Share Class (EUR)	-1,895,727
Q- Distribution Share Class (EUR)	-10,033,334
<b>Total redemptions</b>	<b><u>-11,929,061</u></b>
<b>Net increase/(decrease) in net assets resulting from capital transactions</b>	<b><u>999,458</u></b>
<b>Net assets</b>	
Net assets at the beginning of the period/year	42,052,949
Total increase in net assets	1,278,811
<b>Net assets at the end of the period/year</b>	<b><u><u>43,331,760</u></u></b>

The accompanying notes form an integral part of these financial statements.  
The figures in these financial statements have not been subjected to an external audit.

# Cash flow statement for the period ended 30 June 2020

## Triodos Impact Strategies II

(amounts in EUR)	30 June 2020
<b>Cash provided by investment activities</b>	
Profit/(loss) after taxation	2,936,636
(-) increase/(+) decrease in unrealised gains and losses on investments, forward foreign exchange contracts and swap contracts	-2,193,427
(-) increase/(+) decrease in realised gains and losses on investments	210,444
(+) increase/(-) decrease in receivables and other assets	-290,784
(+) increase/(-) decrease in payables	2,142,726
(-) Net cash from acquisitions and disposals of investments	6,600,904
<b>Net cash provided by investment activities</b>	<b><u>9,406,499</u></b>
<b>Cash provided by financing activities</b>	
(+) proceeds from shares issued	59,820,241
(-) decrease from shares redeemed	-30,654,360
<b>Net cash provided by financing activities</b>	<b><u>38,486,244</u></b>
<b>Cash</b>	
Net increase/(decrease) in cash and cash equivalents	38,572,382
Cash at the beginning of the period/year	39,022,122
<b>Cash at the end of the period/year</b>	<b><u><u>77,594,504</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Cash flow statement for the period ended 30 June 2020

## Triodos Renewables Europe Fund

(amounts in EUR)	30 June 2020
<b>Cash provided by investment activities</b>	
Profit/(loss) after taxation	2,657,284
(-) increase/(+) decrease in unrealised gains and losses on investments, forward foreign exchange contracts and swap contracts	-1,261,561
(-) increase/(+) decrease in realised gains and losses on investments	243,610
(+) increase/(-) decrease in receivables and other assets	-300,329
(+) increase/(-) decrease in payables	2,014,169
(-) Net cash from acquisitions and disposals of investments	-2,033,049
<b>Net cash provided by investment activities</b>	<b><u>1,320,124</u></b>
<b>Cash provided by financing activities</b>	
(+) proceeds from shares issued	46,891,722
(-) decrease from shares redeemed	-18,725,299
<b>Net cash provided by financing activities</b>	<b><u>28,166,423</u></b>
<b>Cash</b>	
Net increase/(decrease) in cash and cash equivalents	29,486,548
Cash at the beginning of the period/year	42,156,157
<b>Cash at the end of the period/year</b>	<b><u><u>71,642,705</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Cash flow statement for the period ended 30 June 2020

## Triodos Organic Growth Fund

(amounts in EUR)	30 June 2020
<b>Cash provided by investment activities</b>	
Profit after taxation	279,353
(-) increase/(+) decrease in unrealised gains and losses on investments, forward foreign exchange contracts and swap contracts	-931,866
(-) increase/(+) decrease in realised gains and losses on investments	-33,166
(+) increase/(-) decrease in receivables and other assets	9,545
(+) increase/(-) decrease in payables	128,557
(-) Net cash from acquisitions and disposals of investments	8,633,953
<b>Net cash provided by investment activities</b>	<b><u>8,086,376</u></b>
<b>Cash provided by financing activities</b>	
(+) proceeds from shares issued	12,928,519
(-) decrease from shares redeemed	-11,929,061
<b>Net cash provided by financing activities</b>	<b><u>999,458</u></b>
<b>Cash</b>	
Net increase/(decrease) in cash and cash equivalents	9,085,834
Cash at the beginning of the period/year	-3,134,035
<b>Cash at the end of the period/year</b>	<b><u><u>5,951,799</u></u></b>

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

The figures in these financial statements have not been subjected to an external audit.

# Notes to the financial statements

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## 1. General

### Legal structure

Triodos Impact Strategies II NV has been incorporated under the Laws of the Netherlands as an investment company with variable capital as referred to in article 2:76a DCC. Triodos Impact Strategies II NV is an alternative investment fund (AIF) subject to the requirements of Directive 2011/61/EU of June 8, 2011 on Alternative Investment Fund Managers (AIFMD), as implemented in the Netherlands in the Dutch Financial Supervision Act (Wft). Triodos Impact Strategies II NV is regulated by the Dutch Authority for the Financial Markets (AFM). The registered office of Triodos Impact Strategies II NV is at Nieuweroordweg 1, 3704 EC Zeist.

Triodos Renewables Europe Fund and Triodos Organic Growth Fund have been set-up as sub-fund Triodos Impact Strategies II NV and have an open-end fund structure. Triodos Renewables Europe Fund has euro-denominated share classes for retail and professional investors, one of which is listed on Euronext Fund Services. Triodos Organic Growth Fund has euro-denominated share classes for professional and certain qualified private investors. None of its share classes are listed on any stock exchange.

### Restructuring

In recent years a variety of new tax measures were implemented or are scheduled to be implemented in many OECD jurisdictions, including Luxembourg and the Netherlands, with the intention to prevent international tax avoidance. Triodos Investment Management reviewed the structuring of both Triodos Renewables Europe Fund and Triodos Organic Growth Fund, ultimately concluding that as a result of these measures the actively managed funds would run a substantial risk to incur significant tax costs if they would remain situated in Luxembourg, and it would therefore be in the best interest of the funds and its investors to be transferred to the Netherlands.

Both Triodos Renewables Europe Fund and Triodos Organic Growth Fund were originally set-up as a sub-fund of Triodos SICAV II and have successfully been transferred to the Netherlands in December 2019, to be set-up as a sub-fund of the newly incorporated entity Triodos Impact Strategies II NV. The shareholders of Triodos Renewables Europe Fund and Triodos Organic Growth Fund while being a sub-fund of Triodos SICAV II were offered the possibility to elect whether or not they would receive shares in Triodos Renewables Europe Fund and/or Triodos Organic Growth Fund as a sub-fund of Triodos Impact Strategies II NV in return for their shares in Triodos SICAV II.

### COVID-19

The first half of 2020 centered around the unprecedented influence of the COVID-19 pandemic. The pandemic is a health crisis affecting us all, with a profound impact on our economy and society. Triodos Investment Management follows the guidelines of the National Institute for Public Health and the Environment (RIVM) and the government. It has taken all necessary steps to ensure the well-being and safety of its co-workers. Our co-workers have worked from home as much as possible and international travel for work was suspended. Triodos Investment Management is very satisfied with the way co-workers have adapted to the new situation in order to guarantee the continuity of the fund.

The restrictions are gradually being lifted in the Netherlands. In accordance with government guidelines, the Manager advises co-workers to keep working from home as much as possible. The maximum occupancy rate in the offices has been reduced to one third of the normal capacity. Arrangements have been made to make

the office '1.5 meter-proof', such as one-way traffic in the corridors and on the stairways, as well as limiting the number of desks available.

To assess the impact of the COVID-19 pandemic on the investments managed by Triodos Investment Management, it is important to distinguish between direct impact on fund returns through, for example, oil price declines or currency movements and the potential indirect impact. The latter includes increased counterparty risk and local economic downturn. Triodos Investment Management has intensified the monitoring of all countries and investments in the portfolio in the reporting period.

The development of the COVID-19 pandemic requires ongoing attention in managing the fund moving forward. Local COVID-19 outbreaks may occur, and restrictions may be intensified. Thorough risk assessments of countries and investments, and close contacts with our partners will support us in managing the fund and in taking investment decisions in these extraordinary circumstances.

## 2. Summary of significant accounting principles

### Presentation of the financial statements

The financial statements are prepared in accordance with Dutch Civil Code Book 2, Title 9, the Dutch Supervision Act ("Wft") and Dutch Generally Accepted Accounting Standards ("RJ"). The accounting principles for valuation and the determination of profit over the reporting period are determined in accordance with RJ 394 for semi-annual reports.

The reporting period is the first reporting period of the fund and comprises the period 2 December 2019 up until 30 June 2020.

Investments are valued 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 European Venture Capital Association (EVCA), and is conducted with prudence and in good faith.  
  
In the sub-fund Triodos Renewables Europe Fund, the private equity and subordinated debt investments are valued on the basis of discounted cash flows.  
  
In the sub-fund Triodos Organic Growth Fund, the private equity investments are valued based on the application of an earnings multiple valuation methodology.
- b) The liquidating value of futures, forward foreign exchange contracts or options contracts not admitted to official listing on any stock exchange or dealt on any other Regulated Market means their net liquidating value 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.
- c) All other securities and assets are valued at fair market value as determined in good faith pursuant to procedures established by the Alternative Investment Fund Manager.
- d) Realised and unrealised changes in the value of investments are incorporated in the profit and loss account. Positive revaluations of individual investments above the initial costprice are added to the Revaluation reserves in Net assets. Negative revaluations below the initial costprice are directly attributed to the result for the reporting period (unappropriated profit).

- e) The costs of investments expressed in currencies other than EUR are translated into EUR at the exchange rate prevailing at purchase date.

Other assets are valued according to the following rules:

- f) Other assets and liabilities are recorded at nominal value after deduction of any provision in respect of anticipated non-recovery.
- 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 Alternative Investment Fund Manager may consider appropriate to reflect the true value thereof.
- h) Placements in foreign currency are quoted in euros with due observance of the currency exchange rates most recently known.

Principles for determination of profit:

- i) 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.
- j) Interest income is accrued pursuant to the terms of the underlying investment.
- k) Gain 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.
- l) Dividend income is recognised on cash basis, net of any withholding taxes.

### 3. Investments

#### Triodos Renewables Europe Fund

##### Equity instruments

Opening balance at 2 December 2019	47,657,168
Purchases	5,881,069
Sales	-9,938
Change in realised gains/losses	-116,938
Change in unrealised gains/losses	1,187,686
<b>Balance at 30 June 2020</b>	<b><u>54,599,047</u></b>

### Debt instruments

Opening balance at 2 December 2019	26,570,989
Purchases	12,401,000
Sales	-16,751,911
Change in unrealised gains/losses	-104,356
Change in unrealised gains/losses	73,875
<b>Balance at 30 June 2020</b>	<b><u>22,189,596</u></b>

The change in unrealised gains/losses comprise the positive and negative revaluations during the reporting period. Positive revaluations of individual investments above the initial costprice are added to the Revaluation reserves included in Net assets.

### Triodos Organic Growth Fund

#### Equity instruments

Opening balance at 2 December 2019	44,240,371
Purchases	2,027,152
Sales	-9,797,517
Change in realised gains/losses	125,123
Change in unrealised gains/losses	945,964
<b>Balance at 30 June 2020</b>	<b><u>37,541,091</u></b>

#### Debt instruments

Opening balance at 2 December 2019	795,771
Purchases	-
Sales	-750,000
Change in realised gains/losses	-45,771
Change in unrealised gains/losses	-
<b>Balance at 30 June 2020</b>	<b><u>-</u></b>

## Derivatives

Openings balance at 2 December 2019	–
Purchases	–
Sales	37,615
Change in unrealised gains/losses	-37,615
Change in unrealised gains/losses	-22,670
<b>Balance at 30 June 2020</b>	<b><u>-22,670</u></b>

The change in unrealised gains/losses comprise the positive and negative revaluations during the reporting period. Positive revaluations of individual investments above the initial costprice are added to the Revaluation reserves included in Net assets.

## Sale of Marqt

In December 2019, Dutch sustainable food retailer Marqt was fully acquired by Udea, a leading Benelux wholesaler, brand owner and organic retailer through their chains EkoPlaza, Origin'o and Natuurwinkel. This strategic step meant a responsible exit for Triodos Organic Growth Fund, as the sub-fund sold its shareholding in Marqt with a positive financial result while safeguarding Marqt's future and mission. Triodos Organic Growth Fund became a shareholder in Marqt in April 2017 and in total invested EUR 7.7 million in the company. With the sale of the company to Udea, the total proceeds for the fund are EUR 9.5 million, implying a realised IRR of 9.7%. EUR 0.1 million, being the difference between the sales price and the valuation on 2 December 2019, of the total gain of EUR 1.8 million has been booked as realised gain during the reporting period.

## 4. Formation expenses

### Triodos Renewables Europe Fund

The total formation expenses of the sub-fund amounted to EUR 1,280,000. These formation expenses will be amortised over a period of five years.

## Capitalised costs

Balance at 2 December 2019	–
Capitalised costs	1,280,000
Amortised capitalised costs	148,284
<b>Total Capitalised costs</b>	<b><u>1,131,716</u></b>

### Triodos Organic Growth Fund

The total formation expenses of the sub-fund amounted to EUR 550,000. These formation expenses will be amortised over a period of five years.

<b>Capitalised costs</b>	
Balance at 2 December 2019	–
Capitalised costs	550,000
Amortised capitalised costs	63,716
<b>Total Capitalised costs</b>	<b><u>486,284</u></b>

## 5. Other receivables

### Triodos Renewables Europe Fund

<b>Receivables</b>	
Interest receivable	361,410
<b>Total receivables</b>	<b><u>361,410</u></b>

### Triodos Organic Growth Fund

<b>Receivables</b>	
Other receivables	71,351
<b>Total receivables</b>	<b><u>71,351</u></b>

The other receivables have a term of less than one year.

## 6. Accounts payable and accrued expenses

The accounts payable and accrued expenses comprise the following:

### Triodos Renewables Europe Fund

<b>Accounts payable and accrued expenses</b>	
IMS fee	9,155
Bank fee	25,627
Supervisory Board fee	1,468
Supervisory fee	7,009
Audit fee	34,481
Formation fees to be paid	377,018
Advice costs	70,974
Payments in transit	61,082
Other accrued expenses	143,811
<b>Total accounts payable and accrued expenses</b>	<b><u>730,625</u></b>

The other accrued expenses comprise several invoices to be paid (advisory and other payments).

### Triodos Organic Growth Fund

<b>Accounts payable and accrued expenses</b>	
To be paid interest on bank account	8,169
IMS fee	4,868
Fundagent / ENL agent fees	4,766
Bank fee	20,704
Supervisory Board fee	-6,031
Supervisory fee	2,016
Audit fee	9,319
Formation fees to be paid	94,798
Advice costs to be paid	47,962
Other accrued expenses	31,030
<b>Total accounts payable and accrued expenses</b>	<b><u>217,601</u></b>

The accounts payable and accrued expenses have a term of less than one year.

## 7. Net assets

### Triodos Renewables Europe Fund

	30-06-2020
Issued and paid-up capital	4,277,339
Agio	141,163,896
Legal reserves	1,131,716
Capitalised costs reserves	-1,131,716
Unappropriated profit	2,657,284
<b>Total equity</b>	<b><u><u>148,098,520</u></u></b>

<b>Issued and paid-up capital</b>	
Opening balance at 2 December 2019	3,430,464
Issued capital	1,359,998
Paid-up capital	-513,123
<b>Balance at 30 June 2020</b>	<b><u><u>4,277,339</u></u></b>

<b>Agio</b>	
Opening balance at 2 December 2019	113,844,348
Addition from shares issued	45,531,724
Withdrawal from shares issued	-18,212,176
<b>Balance at 30 June 2020</b>	<b><u><u>141,163,896</u></u></b>

<b>Legal reserves</b>	
Opening balance at 2 December 2019	-
Change in legal reserves	1,131,716
<b>Balance at 30 June 2020</b>	<b><u><u>1,131,716</u></u></b>

### Legal reserve capitalised costs

Opening balance at 2 December 2019	–
Capitalised costs	-1,280,000
Amortised capitalised costs	148,284
<b>Balance at 30 June 2020</b>	<b><u>-1,131,716</u></b>

### Unappropriated profit

Opening balance at 2 December 2019	–
Result reporting period	2,657,284
<b>Balance at 30 June 2020</b>	<b><u>2,657,284</u></b>

Positive revaluations of individual investments above the initial costprice are added to the Revaluation reserves in Net assets. Negative revaluations below the initial costprice are directly attributed to the result for the reporting period (unappropriated profit). Hence, no direct reconciliation between the Revaluation reserves in Net assets and the revaluation in the Investments is possible.

### Triodos Organic Growth Fund

30-06-2020

Issued and paid-up capital	442,512
Agio	42,609,895
Legal reserves	486,284
Capitalised costs reserves	-486,284
Unappropriated profit	279,353
<b>Total equity</b>	<b><u>43,331,760</u></b>

### Issued and paid-up capital

Balance at 2 December 2019	432,599
Issued capital	134,149
Paid-up capital	-124,236
<b>Balance at 30 June 2020</b>	<b><u>442,512</u></b>

<b>Agio</b>	
Balance at 2 December 2019	41,620,350
Addition from shares issued	12,794,370
Withdrawal from shares issued	-11,804,825
<b>Balance at 30 June 2020</b>	<b><u>42,609,895</u></b>

<b>Legal reserves</b>	
Balance at 2 December 2019	–
Change in legal reserves	486,284
<b>Balance at 30 June 2020</b>	<b><u>486,284</u></b>

<b>Capitalised costs reserves</b>	
Balance at 2 December 2019	–
Capitalised costs	-550,000
Amortised capitalised costs	63,716
<b>Balance at 30 June 2020</b>	<b><u>-486,284</u></b>

<b>Unappropriated profit</b>	
Balance at 2 December 2019	–
Result reporting period	279,353
<b>Balance at 30 June 2020</b>	<b><u>279,353</u></b>

Positive revaluations of individual investments above the initial costprice are added to the Revaluation reserves in Net Assets. Negative revaluations below the initial costprice are directly attributed to the result for the reporting period (unappropriated profit). Hence, no direct reconciliation between the Revaluation reserves in Net assets and the revaluation in the Investments is possible.

## 8. Administrative and depositary fees

The administrative and depositary fees comprise the following:

### Triodos Renewables Europe Fund

#### Administrative fees

IMS / Adm. compensation	61,104
Registry fees	3,632
<b>Total administrative fees</b>	<b><u>64,736</u></b>

#### Depositary fees

BNP depositary fees	18,223
<b>Total depositary fees</b>	<b><u>18,223</u></b>

### Triodos Organic Growth Fund

#### Administrative fees

IMS / Adm. compensation	32,101
Registry fees	217
Financial administration	1,089
<b>Total administrative fees</b>	<b><u>33,406</u></b>

#### Depositary fees

BNP Depositary fees	8,761
<b>Total depositary fees</b>	<b><u>8,761</u></b>

## 9. Investment management 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' Supplement.

### Triodos Renewables Europe Fund

The Sub Fund pays for the provision of management services and supporting services an annual Management Fee to the Alternative Investment Fund Manager of 1.70% for Class "I" Capitalisation Shares, 1.95% for Class "Q" Shares, 1.95% for Class "Z-1" Shares and for "Z-2" Shares and 2.50% for Class "R" Shares, calculated on the relevant Share Class' net assets, accrued weekly and payable quarterly.

Costs for marketing and distribution activities related to retail investors and attributable to Class "I" Shares, Class "R" Shares and Class "Z" Shares will only be borne by Class "I" Shares, Class "R" Shares and Class "Z" Shares respectively, and will be part of the Management Fee.

The costs for marketing activities related to retail investors and attributable to Class "Z" Shares may amount to maximum 0.20% (on an annual basis) of this Share Class, net assets.

The Management Fee is excluding VAT and when applicable will be charged to the Sub Fund.

### Triodos Organic Growth Fund

The Sub Fund pays for the provision of management services and supporting services an annual Management Fee to the Alternative Investment Fund Manager of 1.75% for Class "I" Capitalisation Shares and 2.00% for Class "Q" Shares, calculated on the relevant Share Class' net assets, accrued and payable quarterly.

The costs for marketing activities may amount to maximum 0.20% (on an annual basis) of the net assets of the Sub Fund.

The Management Fee is excluding VAT and when applicable will be charged to the Sub Fund.

## 10. Other income

The other income comprises the following:

### Triodos Renewables Europe Fund

Other income comprises the received provision regarding the sale of shares of the sub-fund.

### Triodos Organic Growth Fund

Other income comprises a dividend tax refund after the relevant Swedish authorities provided their approval in the first half year of 2020.

## 11. Audit and advisory fees

### Triodos Renewables Europe Fund

#### Audit and advisory fees

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Audit fees	34,481
Legal fees	54,339
Advice fee	66,434
Fiscal advice fees	10,121
Compliance advice fees	869
Notary fees	629

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**Total audit and advisory fees** 166,872

### Triodos Organic Growth Fund

#### Audit and advisory fees

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Audit fees	16,120
Legal fees	28,962
Advice fee	23,169
Compliance advice fees	1,021
Notary fees	66

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**Total audit and advisory fees** 69,338

## 12. Other expenses

The other expenses comprise the following:

### Triodos Renewables Europe Fund

#### Other expenses

Supervisory Board	10,137
Commissions and bank charges	57,395
Diverse other expenses	250,415
<b>Total other expenses</b>	<b><u>317,947</u></b>

#### Supervisory board

Supervisory Board fee	10,137
<b>Total costs of Supervisory Board</b>	<b><u>10,137</u></b>

#### Commissions and bank charges

Bank charges	50,004
Fundagent / ENL agent	5,075
Other commissions	2,316
<b>Total commissions and bank charges</b>	<b><u>57,395</u></b>

#### Diverse other expenses

Portfolio transaction costs	72,667
DNB costs	7,009
CIT costs	62,009
Marketing fees	4,528
Other costs	104,202
<b>Total diverse other expenses</b>	<b><u>250,415</u></b>

## Triodos Organic Growth Fund

### Other expenses

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Supervisory Board	10,137
Commissions and bank charges	87,951
Diverse other expenses	212,640

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**Total other expenses** 310,728

### Supervisory Board

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Supervisory Board fee	10,137
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**Total costs of Supervisory Board** 10,137

### Commissions and bank charges

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Bank charges	82,939
Fundagent / ENL agent	4,766
Other commissions	246

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**Total commissions and bank charges** 87,951

### Diverse other expenses

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Portfolio transaction costs	148,154
DNB costs	7,009
CIT costs	5,992
Marketing fees	10,615
Other costs	40,870

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**Total diverse other expenses** 212,640

## 13. Off-balance sheet commitments

### Triodos Renewables Europe Fund

The sub-fund has committed itself to investments of approximately EUR 16.6 million as per 30 June 2020.

### Triodos Organic Growth Fund

The sub-fund had no binding commitments as per 30 June 2020.

## 14. Ongoing charges cost ratios

### Triodos Renewables Europe Fund

#### Ongoing charges 30 June 2020

I-cap (EUR)	2.75%
Q-cap (EUR)	2.91%
R-cap (EUR)	3.23%
Z1-cap (EUR)	2.76%
Z2-cap (EUR)	2.77%

### Triodos Organic Growth Fund

#### Ongoing charges 30 June 2020

I-dis	2.92%
Q-cap	3.48%
Q-dis	3.48%

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 seven-month period since inception of the sub-fund and annualised to arrive at the estimated yearly ongoing charges figure.

## 15. Leverage ratio

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 Impact Strategies 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 Supplement in the prospectus of Triodos Impact Strategies 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 ratios are calculated by means of the commitment method and can be displayed as follows:

	%
Triodos Renewables Europe Fund	100.6
Triodos Organic Growth Fund	100.9

## 16. Subsequent events

There are no subsequent events to report.

## Other information

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### Belgian Savings Tax

Name of the sub-funds	In scope of Belgian Savings Tax	Method used to determine the status	Asset ratio	Period of validity of the status
Triodos Renewables Europe Fund	Yes	Asset testing	57.96%	From May 1, 2020 until April 30, 2021
Triodos Organic Growth Fund	Yes	Asset testing	11.41%	From May 1, 2020 until April 30, 2021

## Address

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## Colophon

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