

# Prospectus

## ASN Beleggingsfondsen UCITS N.V.

30 December 2022

ASN Impact Investors

This document is a translation of the original text of the Prospectus of ASN Beleggingsfondsen UCITS N.V.  
In case of conflict the Dutch text of the Prospectus will prevail.

# **Addendum to the Prospectus of ASN Beleggingsfondsen UCITS N.V.**

**This document is an addendum to the prospectus of ASN Beleggingsfondsen UCITS N.V. dated 30 December 2022 and will form an integral part of the prospectus.**

Where the text of the prospectus conflicts with the text of this Addendum, the text of this Addendum will prevail.

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The Hague, 15 March 2023

## I. Change to Chapter 11: 'Costs and fees'

Effective date of change: 15 March 2023

Change to Chapter 11 under '**The costs of entry and exit: surcharge and deduction**'

With effect from 15 March 2023, the level of a couple of surcharges and deductions per fund will change. The table on page 28 will be updated. The surcharge and deduction percentages will be replaced by the new surcharge and deduction percentages as applicable from 15 March 2023:

The percentage in the table:

	<i>ASN Duurzaam Obligatiefonds</i>	<i>ASN Duurzaam Aandelenfonds</i>	<i>ASN Duurzaam Small &amp; Midcapfonds</i>
Surcharge	+ 0.075%	+ 0.175%	+ 0.45%
Deduction	- 0.075%	- 0.05%	- 0.40%

Will be replaced by:

	<i>ASN Duurzaam Obligatiefonds</i>	<i>ASN Duurzaam Aandelenfonds</i>	<i>ASN Duurzaam Small &amp; Midcapfonds</i>
Surcharge	+ 0.025%	+ 0.125%	+ 0.40%
Deduction	- 0.025%	- 0.05%	- 0.40%

## Accountability and important information

This is the Prospectus<sup>1</sup> of ASN Beleggingsfondsen UCITS N.V. It has been prepared by ASN Beleggingsinstellingen Beheer B.V., acting under the name of ASN Impact Investors. ASN Impact Investors was appointed as UCITS manager for ASN Beleggingsfondsen UCITS N.V. on 18 June 2020. The Netherlands branch of CACEIS Bank S.A. was appointed as Depositary by ASN Impact Investors on 18 June 2020.

This Prospectus contains general information about ASN Beleggingsfondsen UCITS N.V. and information relating to all the Funds. In addition, a Supplement for each individual Fund is provided in Chapter 15 of the Prospectus. Each Supplement contains specific information about, among other things, the objective and investment policy of the Fund in question. If the wording of the Prospectus differs from the wording of the Supplements, the wording of the Supplements will prevail. All the annexes to the Prospectus form part of the Prospectus.

Potential investors in the Funds of ASN Beleggingsfondsen UCITS N.V. should be aware that financial risks are involved in an investment in any Fund. Investors are therefore expressly advised to read this Prospectus carefully and to fully acquaint themselves with its contents.

The information provided in this Prospectus does not constitute investment advice. Each investor should consider his personal circumstances before deciding to purchase ordinary shares in ASN Beleggingsfondsen UCITS N.V. Each investor is recommended to seek the advice of an independent adviser, i.e. a financial and/or tax adviser, regarding, among other things, the structure of ASN Beleggingsfondsen UCITS N.V. and the risks associated with an investment in the ordinary shares of ASN Beleggingsfondsen UCITS N.V., as well as his personal tax position. He should also seek advice regarding the extent to which an investment in the ordinary shares of ASN Beleggingsfondsen UCITS N.V. is consistent with his risk profile.

The issue and distribution of this Prospectus may be subject to legal or other restrictions in certain jurisdictions outside the Netherlands. This also applies to the offering, selling and transfer of each series of ordinary shares. Everyone who receives a copy of this Prospectus is requested to acquaint themselves with and to comply with these restrictions.

This Prospectus does not constitute an offer to acquire shares or other securities nor is it an invitation to make such an offer, nor a request to subscribe for any share in any jurisdiction where this is not permitted under the applicable local regulations. ASN Beleggingsfondsen UCITS N.V. and ASN Impact Investors are not liable for any infringement of such regulations by another party, irrespective of whether or not this party is a potential buyer of shares. The shares in ASN Beleggingsfondsen UCITS N.V. are only offered in the Netherlands and in other EU Member States for which the procedure for notification to the Dutch Authority for the Financial Markets has been completed.

The following applies to all references to (projected) returns shown in this Prospectus: the value of shares may fluctuate; past performance is no guarantee of future results. Forward-looking statements involve inherent risks and uncertainties, as they relate to events that depend on circumstances that may or may not occur in the future.

Apart from ASN Beleggingsfondsen UCITS N.V. and ASN Impact Investors, no one is authorised to supply information or to make statements that are not included in this Prospectus. If such information has nonetheless been supplied or if such statements have been made, they may not be relied upon as if they were supplied or made by ASN Beleggingsfondsen UCITS N.V. or ASN Impact Investors. The release of this Prospectus and the purchase, sale, issue and repurchase of shares in ASN Beleggingsfondsen UCITS N.V. should not under any circumstance be interpreted as meaning that the information in the Prospectus will remain accurate beyond the date of the Prospectus. ASN Beleggingsfondsen UCITS N.V. and ASN Impact Investors, for as long as the latter remains the UCITS manager of ASN Beleggingsfondsen UCITS N.V., will update the information in the Prospectus as soon as there is a reason for doing so.

This Prospectus is governed exclusively by Dutch law. Any dispute arising in relation to this Prospectus, including disputes regarding its existence and validity, will be settled exclusively by the competent court in the Netherlands.

A Key Information Document (KID) with information on the product, costs and risks is available for each Fund. Do not take any unnecessary risks: read the Key Information Document.

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<sup>1</sup> Unless otherwise indicated, capitalised terms have the meanings shown in the list of definitions provided in Chapter 1.

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# 1 Definitions

In this Prospectus, the following words and abbreviations have the following meanings.<sup>2</sup>

## ASN Bank

ASN Bank, trading name of de Volksbank N.V., with registered office in The Hague and place of business at Bezuidenhoutseweg 153, 2594 AG The Hague

## ASN Beleggingsfondsen UCITS N.V.

ASN Beleggingsfondsen UCITS N.V., with registered office in The Hague and place of business at Bezuidenhoutseweg 153, 2594 AG The Hague

## ASN Impact Investors

ASN Impact Investors, trading name of ASN Beleggingsinstellingen Beheer B.V., the management of ASN Beleggingsfondsen UCITS N.V., in accordance with its Articles of Association, with registered office in The Hague and place of business at Bezuidenhoutseweg 153, 2594 AG The Hague

## ASN Sustainability Criteria

The sustainable selection criteria for investments as described in more detail in the Guide to Sustainability Criteria for ASN Investment Funds

## Investment universe

The list of companies, public authorities, institutions and other investments that meet the ASN Sustainability Criteria and in which a Fund may invest

## Trading Day

Day on which the Euronext stock exchange is open for trading in the Netherlands

## Custodian

The Custodian as stated in Section 1:1 of the Financial Supervision Act

## BGfo

Market Conduct Supervision (Financial Institutions) Decree under the Financial Supervision Act

## CACEIS

Netherlands branch of CACEIS BANK N.V., with registered office in Amsterdam and place of business at De Entree 500, 1101 EE, Amsterdam

## Cut-off Time

Time (16:00 CET) before which orders must be received on a Trading Day in order to be accepted for trading on the next Trading Day

## de Volksbank

de Volksbank N.V., with registered office in Utrecht and place of business at Croeselaan 1, 3521 BJ Utrecht

## Management board

The management of ASN Beleggingsfondsen UCITS N.V., namely ASN Impact Investors, in accordance with its Articles of Association

## Sustainable investment objective

The specific social or ecological objective that a Fund aims to achieve by investing in economic activities of businesses, governments and/or institutions and other investments that contribute to achieving that objective, which do not lead to serious adverse consequences for humans and the environment and which follow good governance practices.

## KID

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<sup>2</sup> Unless explicitly specified otherwise, a term described in the plural here has the same meaning in the singular, and vice versa.

## Key Information Document

### Euronext

Euronext Amsterdam, Euronext Fund Services segment

### Fund

A series of ordinary shares of ASN Beleggingsfondsen UCITS N.V., an investment compartment of ASN Beleggingsfondsen UCITS N.V. within the meaning of Article 1(2) of the UCITS Directive

### Fund Administrator

Entity responsible for keeping the accounting records of the Funds on behalf of ASN Impact Investors, also including the determination of the net asset value and the determination of the Transaction Price, being BNP Paribas Securities Services S.C.A. Amsterdam branch

### Fund Agent

Entity that performs the acceptance and execution of requests for issue and purchase of shares on behalf of ASN Impact Investors, CACEIS

### Paris Agreement

The Paris Agreement on climate change is the first universal, legally binding global climate treaty, which stipulates that the increase in global average temperature should be kept well below 2 degrees Celsius compared to pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degrees Celsius, recognising that this would significantly reduce the risks and impacts of climate change

### UCITS

Undertaking for Collective Investment in Transferable Securities, within the meaning of the Financial Supervision Act

### Prospectus

This prospectus in accordance with Section 4:49 of the Financial Supervision Act

### Registration Document

The registration document referred to in Section 4:48 of the Financial Supervision Act

### SFDR

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (*Sustainable Finance Disclosure Regulation*)

### Supplement

The specific information concerning a Fund as included in Chapter 15 of the Prospectus

### Taxonomy Regulation

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

### Transaction Price

The net asset value of a share of a Fund, plus or minus a surcharge or deduction, respectively

### UCITS manager

A manager of a UCITS as referred to in Section 2:69b of the FSA, namely: ASN Impact Investors

### UCITS Directive

EU Directive 2009/65 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast)

### Website

[www.asnimpactinvestors.com](http://www.asnimpactinvestors.com)

### FSA

Financial Supervision Act



# 2 Introduction

ASN Beleggingsfondsen UCITS N.V. is an investment company with variable capital. ASN Beleggingsfondsen UCITS N.V. was established pursuant to a division of ASN Beleggingsfondsen N.V. into a UCITS investment firm (ASN Beleggingsfondsen UCITS N.V.) and an AIF investment company (ASN Beleggingsfondsen AIF N.V.) on 18 June 2020. As a result of the division, the ASN Duurzaam Obligatiefonds, the ASN Milieu & Waterfonds, the ASN Duurzaam Aandelenfonds and the ASN Duurzaam Small & Midcapfonds transferred from a regulatory standpoint from the AIFMD regime to the UCITS regime.

ASN Beleggingsfondsen UCITS N.V. is an open-ended UCITS and has an umbrella structure, with the ordinary shares being divided into various series of shares (the Funds). Each Fund has its own Sustainable Investment Objective(s), investment policy, risk profile and pricing rules. The Funds have no legal personality as such; the assets are held by one and the same legal entity: ASN Beleggingsfondsen UCITS N.V.

ASN Impact Investors acts as UCITS manager for ASN Beleggingsfondsen UCITS N.V. ASN Impact Investors also forms the management of ASN Beleggingsfondsen UCITS N.V., in accordance with its Articles of Association, and lays down the investment policy of ASN Beleggingsfondsen UCITS N.V.

At the date of publication of this Prospectus, the following Funds are included within the umbrella structure of ASN Beleggingsfondsen UCITS N.V.:

- Fund U1: ASN Duurzaam Obligatiefonds
- Fund U2: ASN Milieu & Waterfonds
- Fund U3: ASN Duurzaam Aandelenfonds
- Fund U4: ASN Duurzaam Small & Midcapfonds

Other Funds may also be included at any future moment.

Information on each of the Funds listed above can be found in the Supplement that is provided for each Fund in Chapter 15 of this Prospectus.

A new Fund is introduced by the issue of shares of the series of ordinary shares in question. A Supplement, setting out the specific characteristics of the new Fund, will be drawn up to accompany the introduction of the Fund. A Key Information Document concerning the new Fund will also be prepared and published.

# 3 Key principles of ASN Bank

ASN Beleggingsfondsen UCITS N.V. is an investment fund umbrella originating from an initiative by ASN Bank. ASN Bank provides the opportunity to participate in the Funds as a logical consequence of its mission statement and the values and aspirations arising from it. ASN Bank defines its mission as follows:

ASN Bank as a business has set itself the mission of facilitating a better world. ASN Bank believes that this calls for a society in which sustainability is paramount.

ASN Bank is a business that wishes to promote sustainability in society and allows its financial operations to be guided by this. It views promoting sustainability in society as working together to achieve changes intended to put an end to processes whose harmful effects are shifted to the future or are foisted onto the environment, nature or vulnerable communities.

It is clear from its financial operations that ASN Bank recognises the need to generate a return in the long term that ensures its continued existence as a sound business concern. And that it recognises the need to manage the funds its customers entrust to it in a way that respects customers' expectations in that regard.

ASN Impact Investors and ASN Beleggingsfondsen UCITS N.V. share the key principles of ASN Bank. This is expressed, among other things, in the sustainability policy pursued by the Funds of ASN Beleggingsfondsen UCITS N.V. The key principles of this sustainability policy are detailed in Chapter 4.

# 4 Sustainability policy and Investment Universe

## Sustainability policy

ASN Impact Investors has developed an extremely cautious investment process that is based on contributing to positive effects on society and the environment and avoiding adverse consequences of investments. The Funds invest in different categories of assets and, partly as a result of this, each have individual specific Sustainable Investment Objectives and return objectives (see Chapter 15 "Supplements").

The investment process is based on the sustainability policy of ASN Impact Investors, which ensures that each Fund is invested in economic activities which do not have any serious adverse consequences for people or the environment and which observe good governance practices. This policy is based on a broad selection of sustainability factors, in particular three pillars: human rights, climate and biodiversity. In addition, ASN Impact Investors specifically takes account of the risks that may arise from non-sustainable development (possibly) having a significantly negative impact on the return on investments. For example, because the temperature of the earth will continue to rise, the climate will change and there will be less rain in some areas during certain periods. As a result, harvests may fail or production companies may (temporarily) not be able to produce everywhere. This could damage returns on investments. Chapter 13 "Risk factors and risk management" explains in further detail how ASN Impact Investors manages this category of risks.

The sustainability policy forms the basis for compiling the Investment Universe. This Investment Universe is the list of companies, governments, institutions and other investments from which the investments for the Funds of ASN Beleggingsfondsen UCITS N.V. are selected. Financial instruments and loans issued by companies, governments and institutions and public authorities that contribute to the achievement of the Sustainable Investment Objectives of the Funds and meet the ASN Sustainability Criteria as laid down in the ASN Impact Investors policy documents are eligible for inclusion in the Investment Universe. The detailed implementation of the ASN Sustainability Criteria is set out in the "Guide to Sustainability Criteria for ASN Investment Funds". This guide and the various policy documents, including the climate policy, can be found at [www.asnimpactinvestors.com.nl/duurzamekeuzes](http://www.asnimpactinvestors.com.nl/duurzamekeuzes).

The ASN Impact Investors' climate policy describes the ASN Sustainability Criteria for the climate pillar, the climate criteria. Where a Fund has the minimisation of CO2 emissions as its Sustainable Investment Objective, ASN Impact Investors uses the climate criteria in its sustainability research into companies and countries and on that basis selects investments for the Investment Universe that contribute to the environmental objectives of climate change mitigation and climate change adaptation. Activities that directly and indirectly emit a lot of greenhouse gases and thus contribute significantly to climate change are excluded from the Investment Universe.

### Activities in the context of mitigation

Mitigation means preventing the earth's temperature from continuing to rise, thereby containing the climate problem. Limiting the temperature increase will improve the chance of adaptation and might yet help to prevent dangerous climate change. In the context of mitigation, ASN Impact Investors primarily selects activities that contribute to creating a climate-neutral society. ASN Impact Investors prioritise investments that add relatively little to greenhouse gas emissions. In addition, energy-saving technologies, such as LED lighting, thermal insulation, heat pumps and ground-coupled heat exchange systems are selected. Renewable energy generation is an excellent way to reduce greenhouse gas emissions. Various forms of renewable energy generation are eligible for investment, such as solar energy, wind energy, geothermal energy, heat pumps, hydropower and tidal energy.

### Activities in the context of adaptation

Adaptation means anticipating the impact of climate change, such as drought, flooding and loss of biodiversity. The importance of contributing to adaptation is growing. This is particularly relevant in areas where the climate impact is most severe, such as low-lying areas and geographies traditionally suffering from dry spells. In the context of adaptation, ASN Impact Investors is looking to make investments in activities that mitigate the negative effects of greenhouse gases, such as investments in water

management, poverty alleviation and activities aimed at preserving and expanding forested areas. However, options for funding climate adaptation are limited at this point.

### **Taxonomy Regulation**

The technical screening criteria supplementing the Taxonomy Regulation for environmentally sustainable economic activities in respect of the environmental objectives of climate change mitigation and climate change adaptation apply from 1 January 2022. The technical screening criteria for the other four environmental objectives as described in the Taxonomy Regulation have not yet been developed. These detailed criteria require the availability of multiple specific data points regarding each investment. There is currently insufficient reliable, timely and verifiable data available to assess investments using the technical screening criteria.

ASN Impact Investors is keeping this situation under active review and where sufficient reliable, timely and verifiable data on the Funds' investments becomes available, the above descriptions will be provided and this Prospectus will be updated.

## **Investment Universe**

### **Sustainability research**

The establishment of the Investment Universe is predicated on extensive sustainability research. ASN Impact Investors looks for companies with future-proof business activities and sound financial prospects. These companies are assessed against the ASN Sustainability Criteria before they can be selected for the Investment Universe. The assessment method employed for each investment category is explained below.

#### *Assessment of companies*

In the case of the Funds that invest in equities of listed companies, the first step in the assessment of sustainability is to categorise the names of the companies that may be eligible for sustainability research (including regular reassessment) into three groups: 'do good' companies, which contribute directly to one of the three pillars of human rights, climate and biodiversity; 'do no harm' companies, where the impact is less clearly attributable to a specific topic within the three pillars; and 'do harm' companies, which on closer inspection do not appear to meet ASN Sustainability Criteria because they, for example, engage in activities to be excluded or avoided, or because human rights are not sufficiently embedded in their business processes.

Companies which fall into the first two categories are put forward for sustainability research. The companies submitted undergo an in-depth analysis, carried out by ASN Bank's Expertise Centre for Sustainability (ECD: Expertise Centrum Duurzaamheid) on behalf of ASN Impact Investors. The sustainability research consists of the sustainability risk analysis and of a sustainability analysis of the company. The exclusion criteria in the sustainability risk analysis are applied to all companies. The sustainability criteria in the sustainability analysis are applied proportionally, taking into account the company's size. Specialised research firms such as Moody's (Vigeo Eiris) and Sustainalytics, in addition to other resources, are used for the sustainability assessment. These research firms collect all sorts of data about the sustainability performance of companies worldwide. The ECD also uses the services of RepRisk. This organisation collects news reports about companies. Based on RepRisk information, investments are continuously monitored to prevent companies in which investments are made from being affected by controversies or breaches of UN Global Compact principles or OESO guidelines. In addition, MSCI provides data on the impact of business activities on the environment and climate.

For the sustainability risk analysis, the ECD identifies the risks of the relevant sector and the relevant company. The basis for this is formed by the three sustainability pillars, i.e. human rights, climate change and biodiversity. In addition, the ECD also assesses a company's governance and, if applicable, animal welfare. In that context, the following questions are answered: in which sector does the company operate and in which activities is it involved? The ECD lays down these risks in a sector profile, with the outcome being that the sector risk is low, average or high. Then it is established whether the company operates in low-risk countries, risk countries or high-risk countries. Together, this all determines the level of analysis.

The sustainability analysis then follows. In this analysis, a clear distinction is made between the activities of a company, the existing policy and how the practice behaves in practice. Is the company engaged in activities that we avoid or exclude? Is the company active in risk countries and/or high-risk countries? Does the company have a sustainability policy covering human rights, climate change, biodiversity and governance and, if applicable, animal welfare? What is the quality of the policy? How does the company perform in practice? Is there any misconduct? Based on these questions, the analysts at the ECD provide the business profile, giving final advice about the risks, the quality of the policy and how the company in question operates in practice. Deeds weigh more heavily than words here. ASN Impact Investors looks for companies that actually actively contribute to a transition to a sustainable world.

Based on a number of steps, advice is issued on whether a company should be added to or removed from the Investment Universe. The final decision rests with the Investment Committee of ASN Impact Investors. Companies included in the Investment Universe are reviewed at least once every 48 months, or at such earlier time as may be necessary.

#### *Assessment of countries*

In the case of the Funds that invest in sovereign bonds, the process for assessing sustainability involves the use of exclusion criteria and sustainability criteria. Countries are first assessed on the basis of the exclusion criteria for human rights, climate and biodiversity. ASN Impact Investors excludes countries where serious violations of international law, such as in the case of crimes against humanity, genocide and war crimes, occur, or which have not (yet) ratified the Paris Agreement or ratified international treaties to preserve biodiversity. After applying the exclusion criteria, ASN Impact Investors assesses the sustainability performance of the countries on the basis of fifteen sustainability indicators. For this purpose ASN Bank ECD compiles a country index, comprising the fifteen indicators. These indicators are related to human rights, climate and biodiversity. The best-performing countries on the basis of these indicators are eligible for inclusion in the Investment Universe. The availability of reliable data plays a role in the selection. The ASN Impact Investors Investment Committee assesses country reports and profiles of individual countries. Countries are reviewed against the exclusion criteria and the sustainability criteria every two years.

#### *Assessment of other investments*

At a minimum, all other investments are assessed against the ASN Sustainability Criteria.

#### **Determination of Investment Universe**

To determine the Investment Universe, ASN Impact Investors has set up an Investment Committee. The Investment Committee is mandated by the management board of ASN Impact Investors to approve or reject a company, country, institution or other investment object for inclusion in the Investment Universe. Based on the sustainability profiles, the Investment Committee is given advice about the companies, countries, institutions or other investment objects examined. The requirements made by ASN Impact Investors of the ESG policy and the implementation of ESG by companies, countries, or other entities are extremely high. This means that only a very limited number of companies, countries, institutions or other investment objects are eligible for inclusion in the Investment Universe. Only companies, countries, institutions or other investment objects with future-proof activities are included in the Investment Universe.

The Investment Committee meets at least six times per year to determine the composition of the Investment Universe. The decision can be: approve, reject or engagement. Each Fund that invests in listed equities has its own Investment Universe that is leading for the construction of the portfolio.

Reviewing individual companies and countries is an ongoing process. Changes in the Investment Universe are made by admitting or removing companies, countries and issuers or through acquisitions, mergers or bankruptcy, or through maturing loans. Investments are admitted and removed on the basis of sustainable performance, which is assessed against the ASN Sustainability Criteria. Investments are monitored continuously; if after the original admission it appears that the sustainability criteria have been violated, an investment can be removed from the Investment Universe or the decision is taken to conduct engagement, as explained below. If a Fund invests in a company country or issuer that is removed from the Investment Universe, the investment concerned will be removed from the portfolio as soon as possible, and in any event within six months, unless ASN Impact Investors decides otherwise in the interest of the shareholders.

#### *Engagement and voting*

Engagement is understood to mean engaging in dialogue with companies and institutions for the purpose of making them more aware of their sustainability performance and to urge them to improve it. The Investment Committee decides on engagement if after (re)assessment of a company or institution in the Investment Universe it appears that the policy no longer meets the ASN Sustainability Criteria but the activities are still in line with the ASN Sustainability Criteria: in this case, the company remains in the Investment Universe and engagement is started. Engagement can also be decided upon if malpractice is identified giving rise to the conclusion that the company no meets the ASN Sustainability Criteria. The Investment Committee determines who will conduct engagement. It can be ASN Impact Investors itself, ASN Bank, one of the investment managers to which ASN Impact Investors has outsourced portfolio management of the Funds, or a collaboration of named parties. In addition to engagement, ASN Impact Investors can also influence the policy and management of companies via the voting rights at shareholders' meetings. ASN Impact Investors exercises this voting right in accordance with a specially developed sustainable voting policy flowing from the mission and ASN Sustainability Criteria. The voting policy at shareholders' meetings is described in Chapter 16 "Miscellaneous information" and enclosed in Appendix 1 of this Prospectus.

#### **Composition of portfolio and monitoring**

Once the Investment Universe has been determined, a financial analysis and the construction of the portfolio follow. Taking the Investment Universe as a starting point, the asset managers to which ASN Impact Investors has outsourced the portfolio

management of the Funds perform the financial analyses. The focus in these analyses is on valuations and specific business risks in the names to be examined. Companies from the Investment Universe that meet the Sustainable Investment Objectives of a Fund and which qualify as financially attractive are eligible for inclusion in the relevant portfolios. When compiling the portfolio, account is taken, among other things, of the concentration and risk guidelines formulated by ASN Impact Investors.

### *Monitoring*

ASN Impact Investors continuously monitors and analyses the composition of the Funds and the individual names in the portfolios, as well as the progress made in relation to the Sustainable Investment Objectives. ASN Impact Investors has set up the Performance Review Committee (PRC) and the Impact Committee for this.

The PRC has been mandated by the management of ASN Impact Investors to assess the sustainable performance of investments. The PRC also monitors the service provision and performance of the asset managers to which ASN Impact Investors has outsourced the portfolio management of the Funds.

The Impact Committee has been mandated by the management of ASN Impact Investors to perform the following duties: determining/approving Sustainable Investment Objectives; defining interim KPIs; determining principal adverse impacts; assessing principal adverse impacts; assessing climate performance of investments; assessing biodiversity performance of investments; assessing living wage performance of clothing companies; proposing/assessing/determining/approving methodologies, strategy, scenario risk analyses that contribute to the achievement of the Funds' Sustainable Investment Objectives; assessing engagement reports; and assessing voting reports.

ASN Impact Investors may amend the ASN Sustainability Criteria as laid down in the policy documents. The annual report and half-year report of ASN Beleggingsfondsen UCITS N.V. contain further information on the sustainable investment policy that is conducted and the research method that is employed.

# 5 Structure

## ASN Beleggingsfondsen UCITS N.V.

ASN Beleggingsfondsen UCITS N.V. is an investment company with variable capital under Dutch law within the meaning of Section 2:76a of the Dutch Civil Code. The Funds are listed on Euronext Amsterdam, Euronext Fund Services segment. ASN Beleggingsfondsen UCITS N.V. was established on 22 April 2020 pursuant to a division of its legal predecessor (ASN Beleggingsfondsen N.V., established on 2 January 2001) into a UCITS investment firm (ASN Beleggingsfondsen UCITS N.V.) and an AIF investment company (ASN Beleggingsfondsen AIF N.V.) on 18 June 2020. The Articles of Association of ASN Beleggingsfondsen UCITS N.V. are attached as Annex 2 to this Prospectus. ASN Beleggingsfondsen UCITS N.V. is listed in the Trade Register of the Chamber of Commerce for Haaglanden in The Hague under number 77885899. ASN Beleggingsfondsen UCITS N.V. has its registered and principal office in The Hague.

ASN Beleggingsfondsen UCITS N.V. is an open-ended investment fund and has an umbrella structure. This means that the share capital of ASN Beleggingsfondsen UCITS N.V. is divided into various series of shares (the Funds). Each Fund pursues its own investment policy and has a characteristic return/risk profile related to that policy. The Funds have no legal personality as such; the assets are held by one and the same legal entity: ASN Beleggingsfondsen UCITS N.V.

ASN Impact Investors acts as the UCITS manager for ASN Beleggingsfondsen UCITS N.V. and in this capacity lays down the investment policy of ASN Beleggingsfondsen UCITS N.V. ASN Impact Investors also forms the management board of ASN Beleggingsfondsen UCITS N.V., in accordance with its Articles of Association.

## Object under the Articles of Association

The object of ASN Beleggingsfondsen UCITS N.V. is to invest assets in a manner consistent with the tax regime for investment institutions within the meaning of Section 28 of the Corporation Tax Act 1969. The assets of ASN Beleggingsfondsen UCITS N.V. should be invested in such a way as to ensure that the risks thereof are spread, so that the shareholders of ASN Beleggingsfondsen UCITS N.V. may share in the proceeds from the investments. ASN Beleggingsfondsen UCITS N.V. may perform all acts and engage in all activities that are related to or may be conducive to these objects, to be interpreted in the broadest sense.

## Funds

The assets that are paid into or are attributable to a specific Fund are invested and administered separately in ASN Beleggingsfondsen UCITS N.V., on a (capital) account that is held for that purpose for each Fund (the Fund Account).

In addition, a 'reserve account' is held in the accounting records for each Fund on which differences in prices are recorded. If and insofar as a Fund experiences price drops that exceed the balance of the reserve account, a debit or debits will be charged to the Fund Account itself.

The amount to be paid into each Fund and the assets attributable to each Fund are invested on behalf of the Fund in question. Each Fund pursues its own investment policy. The Supplement for each Fund describes the specific investment policy, risk factors and performance of the Fund. Further information can be found in Chapter 15 ('Supplements').

ASN Impact Investors may amend the investment policy, the investment restrictions and/or the investment terms and conditions. Further information can be found in Chapter 6 ('Amendment of the terms and conditions').

## Risk profile

Financial risks are involved in investments in a Fund. The investments of each Fund are subject to market fluctuations and the risks inherent in investing in investment funds. The value of the investments may fluctuate widely as a result of the investment policy. ASN Impact Investors cannot give any guarantees that it will realise the Sustainable Investment Objectives and financial investment objectives set out in Chapter 15 "Supplements". The net asset value of each Fund may increase or decrease. Further

information on the risks involved in a Fund can be found in Chapter 13 'Risk factors and risk management' and in the description of the risk profile for each Fund in the Supplement of the Fund in question.

## Capital

ASN Beleggingsfondsen UCITS N.V. was established on 22 April 2020. The authorised share capital of ASN Beleggingsfondsen UCITS N.V. is € 730,000,002.50, and is divided into 1 priority share and 146,000,000 ordinary shares, each with a nominal value of € 5.00. The ordinary shares are divided across twenty series. A series of ordinary shares is referred to as a Fund. Further information on the capital of ASN Beleggingsfondsen UCITS N.V. can be found in the Articles of Association of ASN Beleggingsfondsen UCITS N.V.

ASN Beleggingsfondsen UCITS N.V. is an open-ended UCITS. This means that each Fund may, in principle, issue and purchase ordinary shares on each Trading Day, as described further in the Articles of Association of ASN Beleggingsfondsen UCITS N.V., at a price based on the net asset value per share of the Fund concerned. Further information in this regard can be found in Chapter 10 ("Determination of net asset value and pricing") and in Chapter 12 ("Information concerning the shares").

The Funds were established and their shares were admitted to Euronext on the dates shown below:

<b>Fund</b>	<b>Admission to Euronext<sup>1</sup></b>	<b>Date of Fund establishment<sup>2</sup></b>
Fund U1: ASN Duurzaam Obligatiefonds	15 January 2001	15 January 2001
Fund U2: ASN Milieu & Waterfonds	02 July 2001	02 July 2001
Fund U3: ASN Duurzaam Aandelenfonds	22 April 2003	20 April 1993
Fund U4: ASN Duurzaam Small & Midcapfonds	09 May 2006	09 May 2006

*1 The Funds were still part of ASN Beleggingsfondsen N.V. on the dates shown in the table above*

*2 Or one of its predecessors*

## ASN Beleggingsfondsen UCITS N.V. Priority Share

The priority share serves to protect the special nature of ASN Beleggingsfondsen UCITS N.V. against unwanted influences by third parties. It is held by ASN Duurzame Deelnemingen N.V., a wholly-owned subsidiary of de Volksbank. Information on the rights attached to the priority share can be found in the Articles of Association of ASN Beleggingsfondsen UCITS N.V.

## Management board

ASN Impact Investors forms the management of ASN Beleggingsfondsen UCITS N.V., in accordance with its Articles of Association. ASN Impact Investors is authorised to enter into agreements that it considers necessary to enable the performance of its activities as the management of ASN Beleggingsfondsen UCITS N.V.

The management board of ASN Impact Investors consists of the following members:

1. Mr K.S. Lie
2. Mr R.R.R. Dielbandhoesing
3. Mr D.J. Stam

## UCITS manager

ASN Impact Investors is the UCITS manager of ASN Beleggingsfondsen UCITS N.V. and is licensed in accordance with Section 2:69b of the FSA. In this capacity, ASN Impact Investors manages the assets of the Funds. This is understood to be the investment and reinvestment of funds and other assets within the framework of the investment policy established by ASN Impact Investors.

ASN Impact Investors is also responsible for the risk management of the various Funds and for all other tasks that a UCITS manager is required to perform. ASN Impact Investors may outsource activities to third parties, for example by appointing an investment manager for a Fund.

ASN Impact Investors is also the manager of ASN Beleggingsfondsen AIF N.V., an alternative umbrella investment fund, and is licensed in accordance with Section 2:65 of the FSA. ASN Beleggingsfondsen AIF N.V. consists of the following subfunds:

- ASN Duurzaam Mixfonds Zeer Defensief (Sustainable Mixed Fund Very Defensive)
- ASN Duurzaam Mixfonds Defensief (Sustainable Mixed Fund Defensive)



- ASN Duurzaam Mixfonds Neutraal (Sustainable Mixed Fund Neutral)
- ASN Duurzaam Mixfonds Offensief (Sustainable Mixed Fund Aggressive)
- ASN Duurzaam Mixfonds Zeer Offensief (Sustainable Mixed Fund Very Aggressive)
- ASN Groenprojectenfonds (Green Projects Fund)
- ASN Microkredietfonds (Microcredit Fund)

ASN Impact Investors also manages the following alternative investment funds in the form of mutual funds:

- ASN Groenprojectenpool (Green Projects Pool)
- ASN Microkredietpool (Microcredit Pool)

#### **ASN Impact Investors remuneration policy**

ASN Impact Investors has a remuneration policy. Information on the current remuneration policy including, among other things, details of how the remuneration and benefits are calculated and the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, is available on the Website. A copy of these details can be requested from ASN Impact Investors free of charge. ASN Impact Investors reports on the amount and structure of the remuneration of the management board and staff members in the annual reports of ASN Impact Investors and the Funds. These reports are published on the Website. ASN Impact Investors' remuneration policy is summarised below:

ASN Impact Investors is part of de Volksbank and has, as such, aligned with the (restrained) remuneration policy of de Volksbank. This policy complies with applicable legislation and regulations, guidelines and codes of conduct and is in line with the mission, vision and strategy of de Volksbank and ASN Impact Investors.

The amount of the fixed salary of employees as well as management is around the median fixed income of comparable positions in the financial and other sectors. De Volksbank ceased awarding variable remuneration with effect from 1 January 2018. This involves all forms of variable remuneration: all extra payments and benefits that depend on the performance delivered or, in certain cases, on other contractual criteria. This has removed any unwanted remuneration incentives that might place short-term individual interest above long-term collective goals. Individual performances in the area of sustainable investment can also not lead to a variable remuneration

The remuneration policy of de Volksbank lists the responsibilities of the "Remuneration and Nomination Committee". Adherence to the remuneration policy is checked annually by various corporate support departments. De Volksbank and ASN Impact Investors both publish information annually regarding the implementation of and compliance with the remuneration policy ("Corporate Governance" section on [www.devolsbank.nl](http://www.devolsbank.nl) and in the annual report of ASN Beleggingsfondsen UCITS N.V., available on the Website).

#### **Supervisory board of ASN Beleggingsfondsen UCITS N.V.**

ASN Beleggingsfondsen UCITS N.V. has a supervisory board with the following members:

1. Ms A. Gram, chair
2. Mr L. Hennink, vice-chair
3. Ms T.E. Lambooy
4. Mr W.F.M. Bams
5. Mr G.C. Zadeh

	<i>Year of appointment</i>	<i>Retirement or reappointment</i>
Mr L. Hennink	2015 <sup>1</sup>	2023
Ms A. Gram	2021 <sup>1</sup>	2025
Ms T.E. Lambooy	2019 <sup>1</sup>	2023
Mr W.F.M. Bams	2020	2024
Mr G.C. Zadeh	2021	2025

<sup>1</sup> The members of the supervisory board were appointed to the supervisory board of the legal predecessor of ASN Beleggingsfondsen UCITS N.V.

Members of the supervisory board are appointed for a maximum term of four years and are only eligible for reappointment once.

The above-named members of the supervisory board of ASN Beleggingsfondsen UCITS N.V. are members of the supervisory body of ASN Beleggingsfondsen UCITS N.V. within the meaning of the FSA.

The members of the supervisory board receive an annual fee for the work they perform. The amount of this fee is set during the general meeting of shareholders. The chair receives € 12,540 per annum, with the other members receiving € 8,360 per annum. This fee will apply as from the start of the financial year 2021, and includes the expense allowance, but excludes VAT.

## **Custodian**

CACEIS acts as the Depositary of ASN Beleggingsfondsen UCITS N.V. The Depositary is appointed by ASN Impact Investors. To this end the aforementioned parties have entered into an agreement in which the Depositary's statutory tasks and the parties' mutual obligations are laid down. The Depositary has the following tasks: to monitor the cash flows from and to the Funds and to ensure that the Funds' assets are correctly recorded in the accounts (checking and reconciliation of cash flows and accounts). The Depositary's tasks also include, among other things, verifying the ownership and registration of assets for which custody is not a suitable option and checking that investments are made with due regard for the investment policy of ASN Beleggingsfondsen UCITS N.V. Where possible, all relevant cash and securities accounts are held with the Depositary.

Finally, the Depositary has the following specific supervisory tasks:

- to ensure that the sale, issue, purchase, repayment and cancellation of shares of ASN Beleggingsfondsen UCITS N.V. are effected in accordance with the applicable domestic laws and with the regulations or the Articles of Association;
- to ensure that the values of shares in ASN Beleggingsfondsen UCITS N.V. are calculated in accordance with the applicable domestic laws, the regulations or the Articles of Association in accordance with Article 85 of the UCITS Directive;
- to carry out the instructions of ASN Impact Investors, except where they contravene the applicable domestic laws or the regulations or the Articles of Association;
- to ascertain that, in transactions involving the assets of ASN Beleggingsfondsen UCITS N.V., the equivalent value is transferred within the usual time limits;
- to ascertain that the proceeds are appropriated in accordance with the applicable domestic laws, the UCITS Directive and with the regulations or Articles of Association.

It follows from Section 4:62p (1) of the FSA that the Depositary is liable toward the Funds for the loss of a financial instrument held in its custody, unless it can prove that the loss is the result of an external event the Depositary cannot reasonably control and the consequences of which were inevitable, despite efforts to prevent them. The Depositary is also liable toward the Funds for other loss and/or damage insofar as the Depositary acts contrary to the FSA or the UCITS Directive due to wilful misconduct or gross negligence. ASN Impact Investors will notify the investors without delay of any changes relating to the Depositary's liability. Any change in the Depositary's liability will be announced on the Website.

## **Fund Administrator**

ASN Impact Investors has appointed BNP Paribas Securities Services S.C.A. as Fund Administrator. The Fund Administrator keeps the accounting records of the Funds. To this end, ASN Impact Investors and the Fund Administrator have entered into an agreement laying down the Fund Administrator's tasks and the parties' mutual obligations. The Fund Administrator has the following tasks, among other things: to determine and monitor the net asset value and to determine the Transaction Price as well as to carry out financial accounts administration, reporting and disclosure activities.

## **General meeting of shareholders (AGM)**

The annual general meeting of shareholders will be held within four months of the end of the financial year. The agenda for this meeting will include the following items, among other things:

- consideration and adoption of the annual report; discussion of the activities of ASN Beleggingsfondsen UCITS N.V. and the policy conducted;
- discharge of the members of the management board from liability for their management in the previous financial year;
- discharge of the members of the supervisory board from liability for their supervision exercised in the previous financial year;
- adoption of the financial statements and the proposal to distribute dividend;
- discussion of every substantial change in the governance structure of ASN Beleggingsfondsen UCITS N.V.;
- consideration of proposals submitted by the management board or shareholders;
- performance of all acts otherwise prescribed by the law.

Notice of a general meeting of shareholders of ASN Beleggingsfondsen UCITS N.V. must be given at least 42 days before the start of the meeting. A general meeting of shareholders is convened by means of a notice placed in one or more Dutch national daily newspapers and/or on the Website.

#### **Extraordinary General Meeting of Shareholders**

Extraordinary General Meetings of Shareholders (EGMs) of ASN Beleggingsfondsen UCITS N.V. will be held whenever deemed necessary or appropriate by the management board. Meetings of holders of shares of a Fund will be held as often as deemed necessary or appropriate by the management board or the supervisory board. In addition, an extraordinary general meeting of shareholders will be held within three months after it has become clear to the management board that ASN Beleggingsfondsen UCITS N.V.'s own capital has been reduced to an amount equal to or less than half of the issued capital.

The management board will be obliged furthermore to convene a general meeting as soon as the supervisory board, or one or more persons authorised to attend a general meeting who jointly represent at least ten per cent (10%) of the issued capital request that the management board convene such a meeting in writing, specifying the topics to be discussed. The management board shall ensure that this meeting is held within eight weeks of receipt of the request in writing. If it fails to do so, each of the persons making the request shall be authorised themselves to convene the meeting, with due regard for the relevant provisions in the Articles of Association of ASN Beleggingsfondsen UCITS N.V.

#### **Voting at a General Meeting of Shareholders**

At the General Meeting of Shareholders, each share confers the right to cast one vote. Except where a larger majority is expressly prescribed by law or these Articles of Association, resolutions will be adopted by an absolute majority of votes.

### **Winding up and liquidation**

Only the holder of the priority share may propose a resolution to liquidate ASN Beleggingsfondsen UCITS N.V. in accordance with its Articles of Association. The general meeting of shareholders can only adopt this resolution with at least two-thirds of the votes cast, at a meeting at which at least two-thirds of the issued capital is represented. The liquidation shall be conducted by the management board under the supervision of the supervisory board, unless the general meeting of shareholders determines otherwise. From the balance of a Fund's assets after payment of all debts, the nominal amount (as stated in Article 4.1(i) of the Articles of Association of the Fund) of the priority share shall first be distributed to the holder of the priority share. The balance then remaining shall be distributed to the holders of ordinary shares of the Fund in question, in proportion to the nominal amount of the shares they hold in the Fund concerned.

Without prejudice to the above, each shareholder is entitled to submit a proposal to liquidate the Fund to the address of ASN Impact Investors at any time. On receipt of such a proposal to liquidate the Fund, ASN Impact Investors will act in the interests of the Fund and its shareholders.

# 6 Amendment of the terms and conditions

The Articles of Association of ASN Beleggingsfondsen UCITS N.V. may be amended by a resolution to that effect by the general meeting of shareholders of ASN Beleggingsfondsen UCITS N.V. To this end, the general meeting of shareholders may only decide on a proposal of the holder of the priority share. ASN Impact Investors may amend the other terms and conditions set out in the Prospectus. The other terms and conditions also include the investment policy and the investment restrictions of the Funds. ASN Impact Investors will in that case draw up an amended prospectus.

An amendment of, or proposal to amend, the terms and conditions that apply between ASN Beleggingsfondsen UCITS N.V. and the shareholders will be announced on the Website and in a notice in a Dutch national daily newspaper or in a notice to the address of each participant. Explanatory information on the amendment of, or proposal to amend, the terms and conditions will be made available on the Website.

Amendments to the terms and conditions that apply between ASN Beleggingsfondsen UCITS N.V. and the shareholders will, in certain cases, not enter into effect until one month after they are announced. This applies to amendments that reduce the rights and securities of the shareholders or impose charges on the shareholders, and to amendments that change the investment policy. During this month, the shareholders may sell their shares in the Fund concerned to ASN Beleggingsfondsen UCITS N.V. under the usual terms and conditions. This is subject to the relevant provisions in the Prospectus, the Articles of Association of ASN Beleggingsfondsen UCITS N.V. and the other terms and conditions that apply between ASN Beleggingsfondsen UCITS N.V. and the shareholders.

# 7 Reports and other data

ASN Beleggingsfondsen UCITS N.V.'s financial year is concurrent with the calendar year. The management board will publish the financial statements, the annual report and the other information on a financial year each year within four months of the close of the financial year. The aforementioned documents and information will be published on the Website, with due regard for the provisions in Part 9 of Book 2 of the Dutch Civil Code and the Dutch Financial Supervision Act as well as further regulations. The Dutch Authority for the Financial Markets will also receive a copy within the same period.

The annual report of ASN Beleggingsfondsen UCITS N.V. will include a statement by ASN Impact Investors in its role as UCITS manager that it has, for the UCITS, a description of the operational management structure that satisfies the provisions under Section 3:17(2)(c) and Section 4:14(1) of the Financial Supervision Act, and that the UCITS's business operations are conducted effectively and in accordance with the description.

The general meeting of shareholders of ASN Beleggingsfondsen UCITS N.V. will engage a chartered accountant or another expert, as referred to in Section 2:393(1) of the Dutch Civil Code, to examine the financial statements. The provisions in Section 2:393(2) of the Dutch Civil Code will apply. The auditor will report on his examination to the management board and the supervisory board. The auditor will present the results of his examination in an opinion, which will be appended to the financial statements.

The annual general meeting of shareholders will be held within four months of the close of the financial year for the purpose of discussing the results of ASN Beleggingsfondsen UCITS N.V. The agenda for this meeting will include the adoption of the financial statements, among other things.

The management board will file the financial statements with the Trade Register within eight days of their adoption. It will announce to the shareholders where the financial statements, the annual report and the other information can be obtained. If the financial statements are adopted in amended form, the announcement will also state that ASN Beleggingsfondsen UCITS N.V. will make the annual report with the related audit opinion available to the shareholders free of charge and will publish it on the Website.

The management board will publish a half-year report each year within nine weeks of the end of the first six months. This covers the first half of the financial year in question, with due regard for the provisions in the Market Conduct Supervision (Financial Institutions) Decree. The Dutch Authority for the Financial Markets will also receive a copy within the same period.

The financial statements and half-year reports are stated in euros. The last financial statements of ASN Beleggingsfondsen UCITS N.V. were audited by Ernst & Young Accountants LLP, Wassenaarseweg 80, 2596 CZ The Hague. The half-year reports and financial statements, including the annual report and other information of ASN Beleggingsfondsen UCITS N.V. and ASN Beleggingsfondsen N.V., the predecessor of ASN Beleggingsfondsen UCITS N.V., are available free of charge on request from ASN Beleggingsfondsen UCITS N.V. for three years. They are also available on the Website.

The financial statements, including the annual report and the other information of ASN Impact Investors, as referred to in Section 361(1), Section 391(1) and Section 392(1)(a) to (h) of Book 2 of the Dutch Civil Code will be sent to the Dutch Authority for the Financial Markets each year within six months of the close of the financial year. ASN Impact Investors will provide the aforementioned financial statements in the form in which they were prepared pursuant either to the international financial reporting standards or Part 9 of Book 2 of the Dutch Civil Code. The aforementioned financial statements of ASN Impact Investors will also be published on the Website within six months, where they will remain available for three years.

# 8 Information provision

ASN Beleggingsfondsen UCITS N.V. will issue notices and periodic information in one or more Dutch national daily newspapers or on the Website.

A copy of ASN Impact Investors' licence to operate as UCITS manager, this Prospectus, a Registration Document, a copy of the Articles of Association of ASN Beleggingsfondsen UCITS N.V. and a copy of the agreement between ASN Impact Investors and the Depositary are available to everyone free of charge from ASN Impact Investors. These documents are also available on the Website. Information concerning ASN Impact Investors, the Depositary and ASN Beleggingsfondsen UCITS N.V. that must be included in the Trade Register pursuant to any statutory regulation will be supplied to anyone on request at no more than cost price.

ASN Beleggingsfondsen UCITS N.V. will provide its shareholders on request, at no more than cost price, with:

- the information concerning ASN Impact Investors, the Funds and the Depositary;
- a copy of ASN Impact Investors' licence to operate as a UCITS manager of ASN Beleggingsfondsen UCITS N.V.;
- a copy of the depositary agreement that ASN Impact Investors has entered into with the Depositary;
- if applicable, a copy of a decision by the Dutch Authority for the Financial Markets on exemption from the provisions in the Financial Supervision Act and the Market Conduct Supervision (Financial Institutions) Decree regarding ASN Impact Investors, the Funds and the Depositary (all as referred to in Article 50(1)(d) of the Market Conduct Supervision (Financial Institutions) Decree);
- a copy of the monthly statement, with information on the total value of the investments within each Fund;
- an overview of the composition of the investments within each Fund, the number of shares outstanding of each Fund and the latest net asset value of the shares of the Funds, stating the time at which the net asset value was determined (all as referred to in Article 50(2) of the Market Conduct Supervision (Financial Institutions) Decree).
- The voting policy of ASN Beleggingsfondsen UCITS N.V.

This information is also available on the Website.

After the annual general meeting of shareholders of ASN Beleggingsfondsen UCITS N.V. has been held, the management board of ASN Beleggingsfondsen UCITS N.V. will announce the composition of the dividend declared for the previous financial year on the Website as well as the date and manner of payment of the dividend.

Information concerning the Funds, the Prospectus, the KID (Key Information Document) for each Fund, the financial statements and the half-year report are available free of charge on request in writing from ASN Beleggingsfondsen UCITS N.V. and ASN Impact Investors. This information, including the net asset value per share calculated on a daily basis, is also available on the Website and can be supplied in digital form by ASN Impact Investors on request.

This Prospectus has been verified by the auditor, Ernst & Young (EY). EY has announced in this regard that the Prospectus contains the information prescribed by law (assurance report), as referred to in Section 4:49(2)(c) of the FSA. The assurance report is included Chapter 16 (Other information).

# 9 Description of contractual arrangements regarding management

## The management - services provided by third parties

ASN Impact Investors uses the services of third parties for its activities as UCITS manager of the Funds. The principles of this outsourcing arrangement with the service organisations are laid down in writing in agreements, which include, among other things, provisions to ensure that ASN Impact Investors complies with the requirements ensuing from the FSA. The agreements also include provisions on performance standards, mutual provision of information, the (formal) notice period and the fees payable. The fees for outsourced activities are borne entirely by ASN Impact Investors. The investment policy, which forms the basis for the portfolio management, is laid down by ASN Impact Investors.

Accounts administration, reporting and disclosure activities related to the Funds have been outsourced to the Fund Administrator. The principles of this outsourcing arrangement are laid down in writing in an agreement, which includes, among other things, provisions to ensure that the UCITS manager can comply with the requirements ensuing from the FSA. The agreement also includes provisions relating to the performance standards, mutual provision of information and the fee payable. The costs of these outsourced activities are borne entirely by ASN Impact Investors.

Below is an overview of the activities that ASN Impact Investors, as UCITS manager, has outsourced to third parties:

<i>Activities</i>	<i>Service organisation</i>
Investment management of the ASN Duurzaam Obligatiefonds and the ASN Duurzaam Aandelenfonds	Achmea Investment Management B.V.
Investment management of the ASN Milieu & Waterfonds	Impax Asset Management Ltd., London (UK)
Investment management of the ASN Duurzaam Small & Midcapfonds	Kempen Capital Management N.V.
Accounts administration, reporting and disclosure activities	BNP Paribas Securities Services S.C.A.
Fund Agent, ENL (Euroclear Nederland) Agent, tax reclaims and proxy voting	CACEIS
Various activities in relation to controlling, audit, compliance, sustainability policy, legal and tax affairs, product approval and review and HR	de Volksbank

### **Asset management**

ASN Impact Investors has outsourced the investment management of the Funds. An investment management agreement has been entered into with the aforementioned parties, setting out, among other things, the investment restrictions that apply and detailing the agreements on reporting and termination. The investment restrictions are a detailed and concrete elaboration of the investment policy. Outsourcing of investment management does not release ASN Impact Investors from its ultimate responsibility towards investors. The investment managers monitor the investment portfolios on the basis of risk management systems in order to ensure they comply with the aforementioned restrictions at all times. ASN Impact Investors has implemented outsourcing procedures that enable monitoring of the outsourced activities, among other things.

## Transactions with affiliated parties

Implementing the investment policy may involve transactions with parties affiliated with ASN Beleggingsfondsen UCITS N.V. Pursuant to the Market Conduct Supervision (Financial Institutions) Decree, in this respect all parties belonging to the de Volksbank group and/or (legal) entities that are related to ASN Impact Investors, ASN Beleggingsfondsen UCITS N.V. or the Depositary via a control structure are regarded as affiliated parties. In the case of ASN Beleggingsfondsen UCITS N.V., the affiliated parties include ASN Impact Investors and ASN Bank, among others. Transactions with affiliated parties may involve, among other things: currency transactions, banking services and intermediation/brokerage services. If transactions are conducted with affiliated parties, they will take place on market terms. If a transaction is conducted with an affiliated party outside a regulated market, securities exchange or another regulated and recognised open market with regular trading, the transaction should in all cases be based on an independent value assessment.

# 10 Determination of net asset value and pricing

## Determination of the net asset value

Separate accounting records are kept for each Fund. These records include all the movements, revenue and costs attributable to the Fund in question. The Fund Administrator determines the total net assets of each Fund in euros once a day on each Trading Day.

In order to calculate the net asset value per share, the Fund Administrator divides the total net asset value in euros present in a Fund by the number of shares outstanding of the Fund in question at the moment of calculation. This calculation at least includes:

- interest accrued but not yet paid;
- dividends declared but not yet received;
- costs incurred but not yet paid; and
- all other costs payable by the Fund in the opinion of the Fund Administrator.

Assets and liabilities will essentially be valued in accordance with generally accepted accounting principles. The accounting principles applied for assets and liabilities are set out in the annual report and half-year report. The accounting principles for securities are set out in the description of the investment policy of the Fund in question, as included in the Supplement to the Fund in question. The Transaction Price of each Fund is published on the Website each Trading Day. ASN Impact Investors will inform anyone on request of the Transaction Price and the net asset value of the shares in the Fund in question.

ASN Impact Investors is authorised, in exceptional circumstances, to temporarily suspend the publication of the net asset value of the assets of a Fund, if the Dutch Authority for the Financial Markets has granted an exemption from the requirement to publish the net asset value. ASN Impact Investors will announce this suspension on the Website without delay. The consequences of this suspension for the issue and purchase of shares of ASN Beleggingsfondsen UCITS N.V. are described in Chapter 12 "Information concerning the shares".

## Compensation for incorrect calculation of net asset value

The Fund Administrator determines the net asset value and monitors it afterwards, and also informs ASN Impact Investors if a net asset value has been determined incorrectly. Incorrect calculation of the net asset value can lead to an incorrect Transaction Price. This may result in an unintended financial benefit or loss for buyers or sellers of shares of a Fund or for a Fund.

If the Transaction Price is too high, this will result in a financial loss for a buyer of shares of the Fund. If the Transaction Price is too low, this will result in a financial loss for the seller of shares of the Fund, and an equivalent benefit for the Fund. In these cases, the Fund will compensate the financial loss. The compensation for buyers will as far as possible be provided in the form of shares in the capital of the Fund. The compensation for sellers will be provided in the form of cash.

If the Transaction Price is too low, this will result in a financial benefit for a buyer of shares of the Fund. If the Transaction Price is too high, this will result in a financial benefit for the seller of shares of the Fund, and an equivalent loss for the Fund. Where it is not possible (any longer) to void the transactions in question, ASN Impact Investors will compensate the Fund in cash.

A prerequisite for compensation is that the extent to which the net asset value used deviates from the correct net asset value, is material. In addition, ASN Impact Investors must be informed in this regard, within no more than thirty calendar days after the transaction date in question. A deviation is considered to be material if it is 0.5% or more compared to the correct net asset value and results in a difference of at least € 50 per transaction.



## Pricing

### General

ASN Beleggingsfondsen UCITS N.V. is an open-ended UCITS. This means that when demand for the shares of a Fund exceeds the available supply, ASN Beleggingsfondsen UCITS N.V. will issue new shares for that Fund or re-issue purchased shares. This will be undertaken barring exceptional circumstances and at the sole discretion of ASN Impact Investors. If the supply of shares of a Fund exceeds demand for the shares, ASN Beleggingsfondsen UCITS N.V. is prepared to purchase its own shares insofar as this is in the interest of the shareholders. ASN Beleggingsfondsen UCITS N.V. is prepared to do so if and to the extent that this does not conflict with the conditions (contained in the Articles of Association) or statutory provisions. The repurchase will be undertaken barring exceptional circumstances, to be solely decided by ASN Impact Investors.

ASN Impact Investors may, if it believes this to be necessitated by exceptional circumstances, limit or suspend the issue or purchase of shares in the interest of ASN Beleggingsfondsen UCITS N.V. and its shareholders. ASN Impact Investors will immediately announce this on the Website and notify the Dutch Authority for the Financial Markets without delay. The information concerning the shares is set out in Chapter 12 of this Prospectus.

### The Euronext Fund Services trading platform

Shares of the funds of ASN Beleggingsfondsen UCITS N.V. are traded via Euronext Fund Services (EFS), the trading platform for open-ended UCITS that are registered in the Netherlands and are listed on Euronext. On this platform, there is one time of trading per Trading Day.

Pricing is based on the 'forward pricing' principle, in which all orders that are entered before the Cut-off Time are settled at the next Transaction Price that is officially calculated and issued by ASN Impact Investors.

All orders entered in EFS before 16:00 on a Trading Day and accepted on behalf of ASN Beleggingsfondsen UCITS N.V. will be executed at the Transaction Price calculated for the Fund. ASN Impact Investors will set this price before 10:00 on the next Trading Day and supply it to Euronext. Orders that are entered in EFS after 16:00 on a Trading Day will be executed as if they were entered before the Cut-off Time of the next Trading Day. If necessitated by the circumstances, ASN Beleggingsfondsen UCITS N.V. may decline an order in its own interest and in that of its shareholders.

In connection with the timely processing of orders and the Cut-off Time of EFS, the institutions (including the banks) that are registered with Euronext have each set their own latest time for receiving orders. You should consult your adviser at the registered institution concerned for this cut-off time. A different Cut-off Time may apply to shares that are held in book-entry form.

### Transaction

Shares are issued and purchased at the Transaction Price calculated for the Fund. The Transaction Price is calculated in the manner set out below.

Shares are issued at the net asset value per share of the Fund in question. This is increased by a surcharge for costs associated with investment of new funds. This also applies to the reissue of own shares repurchased.

Shares are purchased at the net asset value per share of the Fund in question. This is reduced by a deduction for costs associated with the sale of investments. The price determined in this manner is referred to as the Transaction Price.

In calculating the net asset value, the financial instruments that are listed on a stock exchange are valued at the closing price of the stock exchange in question after the Cut-off Time of EFS. In the case of Funds that invest in financial instruments that are listed on markets in financial instruments in Asia, the valuation can be made on the basis of fair value pricing. The net asset value is then calculated in present value terms based on the development of relevant market indices.

## Costs of issue and purchase

For the Fund, there are costs associated with the issue and repurchase of its own shares by the Fund. These are direct costs associated with the issue or repurchase of own shares, such as brokers' fees and possibly market-impact costs. There is said to be a market impact if orders cannot be executed without this having a significant influence on the prices of the investments concerned. The costs are paid out of a surcharge to the net asset value in case of a (net) issue of shares in ASN Beleggingsfondsen UCITS N.V., or a deduction of the net asset value in case of a (net) purchase. The amount of the surcharge or deduction is stated in Chapter 11 "Fees and costs" below.

The starting point for determining the amount of the surcharge or deduction is that ASN Beleggingsfondsen UCITS N.V. should cover the average transaction costs that it incurs in the long term for repurchasing or issuing its own shares. For reasons of transparency and simplicity, the surcharge or deduction is expressed as a fixed percentage of the net asset value. The amount is determined on the basis of the actual purchase and sale costs with respect to the financial instruments in which the Fund invests. ASN Impact Investors may adjust this percentage rate if the long-term average has changed as a result of market circumstances. ASN Impact Investors evaluates the surcharge and deduction costs on an annual basis. The surcharge or deduction accrues entirely to ASN Beleggingsfondsen UCITS N.V., so that it can pay the purchase and sale costs of the underlying financial instruments. This protects investors in the Funds against the costs that ASN Beleggingsfondsen UCITS N.V. needs to incur in order to issue or repurchase its own shares.

# 11 Fees and costs

## Fund costs

ASN Impact Investors receives a fixed fee from ASN Beleggingsfondsen UCITS N.V. for the cost of managing the Funds. This fee is referred to as fund costs. The amount of the fee is expressed as a percentage of the fund capital per annum. The fund costs are used to pay the cost of managing the Funds. The following fees and costs are in any event paid out of the fund costs:

- fees paid to the investment managers;
- the costs of supervision by regulators;
- fees paid to the Depositary;
- fees paid to the Fund Administrator;
- fees paid to the members of the supervisory board;
- listing fees;
- the costs of the Fund Agent and the costs of the ENL (Euroclear Nederland) Agent;
- the fees of the auditor;
- the costs of the annual report;
- the costs of the general meeting of shareholders;
- marketing expenses;
- the set-up cost, the cost of placing shares and the cost for the introduction of a new Fund;
- the cost of conducting sustainability research.

The following table gives an overview of the fund costs per Fund, expressed as a percentage of the fund capital per annum.

	<i>ASN Duurzaam Obligatiefonds</i>	<i>ASN Milieu &amp; Waterfonds</i>	<i>ASN Duurzaam Aandelenfonds</i>	<i>ASN Duurzaam Small &amp; Midcapfonds</i>
Fund costs	0.45%	1.00%	0.85%	1.20%

The fund costs are reserved daily (on trading days) and charged to the Fund capital. This is prorated on the basis of the percentage per annum shown in the table above, and the Fund capital at day-end. ASN Impact Investors charges the fund costs monthly in arrears to the Fund. The overall net assets of a Fund are determined in accordance with the valuation methods described in the Supplement of the Fund in question.

The fund costs of a Fund may change if ASN Impact Investors is of the opinion that this is necessary in light of developments (see also Chapter 6, "Amendment of the terms and conditions").

### Direct costs charged to the result

Non-recurring, extraordinary costs charged by third parties, other than those specified above, in connection with fund restructuring, for example, may be charged directly to the result of the Funds concerned. These costs are therefore not paid out of the fund costs.

### Investment transaction costs

The costs of the investment transactions (transaction costs) are direct costs for the Funds. Transaction costs consist of fees for, among other things, brokerage costs, settlement costs, currency differences and market-impact costs. The transaction costs are included in the buying and selling prices of the respective investments. Those transaction costs that are identifiable and quantifiable are included in the annual financial statements of the Funds.

Not all transaction costs can intrinsically be identified or qualified. For example, transaction costs for fixed-income securities cannot intrinsically be determined because they are included in the assets of the buyers and sellers of the fixed-income securities. Which transaction costs can and cannot be identified and qualified is explained annually in the financial statements of the Funds.

### Ongoing charges figure

The ongoing charges figure (OCF) is used to indicate the level of costs in the Fund. The OCF is equivalent to the overall costs, excluding the costs of investment transactions and interest costs, debited to the Fund in a reporting period relative to the

average fund capital. In calculating the OCF, the average fund capital is determined based on the frequency with which the intrinsic value or net asset value (NAV) is issued. All NAVs issued during the year are added up and divided by the number of NAVs issued.

The costs forming part of the ongoing charges are not charged separately to investors; they are incorporated in the NAV of the Fund.

The following table shows percentages of the OCF for each Fund at the end of the financial year from 2017 onwards.

<i>OCF</i>	<i>ASN Duurzaam Obligatiefonds</i>	<i>ASN Milieu &amp; Waterfonds</i>	<i>ASN Duurzaam Aandelenfonds</i>	<i>ASN Duurzaam Small &amp; Midcapfonds</i>
2021	0.45%	1.20%	0.85%	1.20%
2020	0.45%	1.20%	0.85%	1.20%
2019	0.45%	1.20%	0.85%	1.20%
2018	0.45%	1.20%	0.85%	1.20%
2017	0.50%	1.20%	0.85%	1.20%

The costs of entry and exit: surcharge and deduction

The costs of entry and exit here refer to the surcharges and deductions in respect of the net asset value that are charged on a net basis on entry and exit, respectively. These charges accrue to the Fund and are intended to compensate for transaction costs incurred in respect of investment transactions in the portfolio of a Fund. This eliminates any negative impact on existing shareholders from transactions conducted by investors entering and exiting a Fund. In the case of a net issue of shares of a Fund, the net asset value is increased by a surcharge for costs associated with investment of new funds. In the case of a net purchase of shares of a Fund, the net asset value of a share of the Fund is decreased by a deduction. The following table shows the surcharges and deductions for each Fund. ASN Impact Investors reviews the amount of the percentages on an annual basis.

	<i>ASN Duurzaam Obligatiefonds</i>	<i>ASN Milieu &amp; Waterfonds</i>	<i>ASN Duurzaam Aandelenfonds</i>	<i>ASN Duurzaam Small &amp; Midcapfonds</i>
Surcharge	+0.075%	+ 0.125%	+ 0.175%	+ 0.45%
Deduction	-0.075%	-0.10%	-0.05%	-0.40%

Soft dollar practices

Soft dollar practices may be employed. Soft dollar practices are arrangements under which products and services of financial service providers are provided to investment managers in the context of the execution of transactions in financial instruments. The products and services are funded from the revenue from transactions in financial instruments. Where soft dollar practices are employed, the (indirect) costs charged will be stated and will be disclosed in the respective financial statements of ASN Beleggingsfondsen UCITS N.V.

Return commissions

Return commissions refer to the reimbursement of the costs paid to third parties for a product or service or a part thereof. Commissions reimbursed in this fashion will accrue to the Funds to which the costs concerned were charged. ASN Impact Investors will disclose return commissions in the respective financial statements of ASN Beleggingsfondsen UCITS N.V.

## **Fund distribution costs**

Aside from costs that are chargeable to the Fund, investors may be liable to pay costs to the distributor through whom they buy, hold or sell the Fund. These costs may consist of transaction charges for buying and selling the Fund. The distributor in question may also charge costs for maintaining the investment account or holding the shares. The costs charged by a distributor can be requested from the distributor in question.

# 12 Information concerning the shares

## Euronext listing

Each Fund is separately admitted to listing on Euronext, EFS segment. This means that each separate Fund can, in principle, be traded on Euronext each Trading Day. It also means that investors can, whenever they wish, give an instruction to buy or sell shares of ASN Beleggingsfondsen UCITS N.V. to a bank or broker of their own choice (see also Chapter 10 “Determination of net asset value and pricing”).

## Issue of shares

Shares may, in principle, be issued on every Trading Day. ASN Impact Investors may refuse the issue of the shares if the issue of shares would result in a particular Fund no longer meeting one or more of the requirements to qualify as a fiscal investment institution within the meaning of Section 28 of the Corporation Tax Act 1969. No issue of shares shall take place during a period in which, among other things,

1. the net asset value of the Fund is not calculated in accordance with the provisions in this Prospectus;
2. it can be reasonably expected that an issue of shares would lead to the interests of the existing shareholders being substantially harmed.

The Fund must have received the purchase amount of the shares by no later than the date of issue by the Fund. If the investor pays by money transfer, the amount transferred by him must be credited to the Fund's bank account by no later than the date referred to in the preceding sentence. If the issue of shares is conducted through the stock exchange, the purchase amount is to be credited to and appear on the Fund's bank account immediately following settlement. In the case of exchange trading, the settlement day is set at two days after the transaction date (t+2).

## Purchase of shares

Shares may, in principle, be purchased on every Trading Day. ASN Impact Investors may refuse the purchase of shares if, for example, the purchase of shares would result in a Fund no longer meeting one or more of the requirements to qualify as a fiscal investment institution within the meaning of Section 28 of the Corporation Tax Act 1969. No purchase of shares shall take place during the period that the net asset value of the Fund is not calculated in accordance with the provisions in the Prospectus. It is possible that the net asset value of a share in a Fund cannot be determined if:

- One or more stock exchanges or markets are closed during days other than customary days of closure. This relates to stock exchanges on which securities are listed or are traded that form part of the capital of the Fund or the capital of investment institutions in which the Fund invests, either directly or indirectly. This also applies where the transactions on these stock exchanges have been suspended or are subject to non-usual restrictions. This concerns those cases in which ASN Impact Investors is of the opinion that it is unable to determine a correct valuation for the price of the (listed) securities.
- The means of communication or calculation facilities normally used to determine the capital of the Fund no longer function. This also applies to the capital of investment institutions in which the Fund invests, either directly or indirectly. This also includes all other reasons why the value of an investment that forms part of the capital of the Fund or of investment institutions in which the Fund invests, either directly or indirectly, cannot be determined with the speed or accuracy required by ASN Impact Investors;
- ASN Impact Investors is unable, for whatever reason, to determine the value of the capital of the Fund or the capital of an investment institution in which the Fund invests, either directly or indirectly; or
- A resolution to close the Fund concerned or to liquidate ASN Beleggingsfondsen UCITS N.V. has been adopted.

No purchase of shares shall take place either if it can be reasonably expected that the purchase would lead to the interests of the existing shareholders being substantially harmed.

Without prejudice to the provisions above and the statutory provisions, there are sufficient safeguards in place to ensure that the Fund can meet the obligation to purchase shares and the resulting obligation to pay the purchase price. The Fund shall not

receive any dividend or other distribution on purchased shares. It cannot derive any voting rights at shareholders' meetings from shares that have been purchased.

### **Shareholders' selling obligation**

If and as soon as ASN Beleggingsfondsen UCITS N.V. and/or a Fund (i) does not meet or no longer meets, or is at risk of not or no longer meeting one or more of the requirements to qualify as a fiscal investment institution within the meaning of Section 28 of the Corporation Tax Act 1969 or (ii) the FATCA status would change or is at risk of changing, ASN Impact Investors shall be authorised to take any and all measures to remedy or prevent the breach. ASN Impact Investors can thus impose, on one or more shareholders holding an interest of more than 20% in ASN Beleggingsfondsen UCITS N.V. and/or a Fund, the obligation to sell and transfer without delay one or more of their shares, or may impose other commitments. If and as long as a shareholder is subject to an obligation to sell and transfer shares, ASN Impact Investors shall be irrevocably authorised to sell and transfer the shares concerned on behalf of the shareholder in question, to receive the purchase price and pay it to the seller, after deduction of any costs, in accordance with the Article 10 of the Articles of Association of ASN Beleggingsfondsen UCITS N.V.

### **Shareholders' notification requirement**

Shareholders with an interest of 20% or more are subject to a notification requirement. The aim is to retain the status of a fiscal investment institution within the meaning of Section 28 of the Corporation Tax Act 1969, as elaborated in the Investment Institutions Decree (Besluit beleggingsinstellingen), for ASN Beleggingsfondsen UCITS N.V. and each Fund. As soon as a shareholder's interest reaches the 20% threshold, he must notify ASN Impact Investors of this without delay. This applies to a single shareholder, to a shareholder together with one or more affiliated entities and to an entity established in the Netherlands through the intermediary of a foreign mutual fund (fonds voor gemene rekening) or a foreign company. If the interest is greater than 20%, the shareholder must sell a number of shares such that his interest is brought below the level of 20% of the Fund.

### **Provisions on profit distribution**

In accordance with Article 27 of the Articles of Association of ASN Beleggingsfondsen UCITS N.V., the management board determines separately for each Fund which portion of the profit is to be distributed to the holders of ordinary shares within eight months of the end of the financial year. In making this determination, a distribution in the amount of the statutory interest, calculated on the nominal value of the priority share, is deducted. The supervisory board must approve the determination of the distribution.

All the shares in a particular Fund will receive an equal share in the profits of the Fund concerned achieved in the financial year in question. ASN Beleggingsfondsen UCITS N.V. may make interim distributions of profit chargeable to a Fund. The management board shall determine the date on which distributions of profit and other distributions are made payable and shall announce the date and manner of payment of the dividend on the Website.

# 13 Risk factors and risk management

## General

The activities undertaken by ASN Beleggingsfondsen UCITS N.V. may entail varying types of financial risk for the various Funds. The principal financial risks are associated with the management of the investment portfolios. As each Fund pursues its own investment policy, these risks vary for each Fund.

Investing in the Funds of ASN Beleggingsfondsen UCITS N.V. involves (financial) risks. In order to control the respective risks to which ASN Beleggingsfondsen UCITS N.V. and the various Funds are exposed, ASN Impact Investors applies and maintains the systems, procedures, reports, controls (as laid down in ASN Impact Investors' control framework), risk profiles and investment restrictions that are laid out in the Supplements of each Fund. The following paragraph "Risk management" describes how this control is organised.

The risk factors that are significant and relevant to investors in the Funds in light of the consequences and their likelihood are set out below. This also means that not all possible risk factors are listed. The financial risk factors that are significant and relevant for each specific Fund (the risk profile) are set out in the description of the investment policy that is included in the Supplement to the Fund in question (see Chapter 15 "Supplements"). The risk profile is stated in the KID (Key Information Document) accompanying the Fund in question.

The value of investments in Funds of ASN Beleggingsfondsen UCITS N.V. may increase or decrease as a result of these risk factors. Investors can lose part of their investment or their entire investment due to declines in value.

This risk is due to fluctuations in the value of the investments and/or the direct income from the investments (mainly dividends and interest) and/or investment choices that produce a different return than was initially anticipated. The value of the investments fluctuates with changes in the price of the financial instruments invested in. All financial instruments are exposed to the risk of price changes.

Price changes may be due to general risk factors (market risk) as well as specific risk factors that only apply to an individual investment (specific risks). In many cases, the consequences of market risks have a far greater impact on the movements in the value of diversified investment portfolios than the consequences of specific risks.

The return on an investment for the period from the time of purchase to the time of sale will not be determined before the time of sale and is not guaranteed, in any way, by Beleggingsfondsen UCITS N.V. In addition, it is by no means certain, and ASN Beleggingsfondsen UCITS N.V. cannot give a guarantee, that the investment objective of a Fund will be realised.

The changes in the price of the financial instruments invested in can vary in positive or negative terms from the financial instruments that are included in the benchmark for the Fund (relative return risk). In the case of a negative variation, there is a risk that the objective of a Fund will not be realised. ASN Impact Investors applies performance standards and investment restrictions in order to control these risks.

The investment policy conducted by the Funds includes no direct guidance in respect of their benchmarks. ASN Impact Investors has selected benchmarks that most closely match the investment strategy of a fund in order to be able to compare the financial performance of sustainable investments with the broader market. On the other hand, the benchmarks for the Funds have not been selected on the basis of sustainability considerations or in order to monitor Sustainable Investment Strategies, even though sustainability is the guiding principle for the Funds when investing. The composition of the portfolio will therefore generally differ significantly from the benchmark.

## Risk management

ASN Impact Investors' risk management is based on the 'three-lines-of-defence' model. In this model, different parts of the organisation have their own tasks and responsibilities. The three lines of defence support and strengthen one another:

The first line of defence is the line organisation. The first line is responsible for the operational management tasks and in that sense is responsible for risk and managing the risk. The second line is formed by corporate support departments of ASN Impact Investors and ASN Impact Investors' affiliated parties. These support departments are responsible for evaluating whether realisation of internal control by management complies with policy principles of ASN Beleggingsfondsen UCITS N.V. and ASN Impact Investors, and they advise the management board of ASN Impact Investors on matters of internal control. Support departments and roles within this second line include the Risk Management and Compliance departments. ASN Impact Investors' Risk Management department is independent from the first line and reports to ASN Impact Investors' risk management committee at regular intervals. The risk function supports risk management and monitors it proactively.

Within ASN Impact Investors, there are three distinct areas of responsibility in risk management:

- Portfolio Compliance
- Operational Risk Management
- Financial Risk Management

The Audit department forms the third line in terms of responsibility for internal control within ASN Impact Investors. The Audit department evaluates internal control, and does this entirely independently of ASN Impact Investors management.

The structure and organisation of risk management are established in conformity with applicable legislation and regulations. The annual report of ASN Beleggingsfondsen UCITS N.V. includes a report on the risk management undertaken in the previous financial year. The most recent annual report can be found on the Website.

## **Market risk**

Market risks can vary according to the investment category and according to the submarket in a particular category. The market risks described below relate to investment categories that are relevant to the Funds: equities, fixed-income securities and liquidities. Market risks and specific risks both increase by concentration of investments in a particular region or sector, for example, or through the choice of individual investments.

### **Equity market risk**

Market risks for investments in equities are influenced by many factors, including the prospects for economic growth, the rate of inflation and price movements in commodities and foreign exchange markets. The more these factors fluctuate, the greater the market risk. The market risk increases as the investments are spread less widely across regions and sectors.

In addition, the level of development of the country on which the investment policy is focused is important for the extent of the market risk. The market risk is greater in such 'emerging' countries with a less stable government and less developed markets in financial instruments than in more developed countries.

The investment policy of the Funds provides scope in the case of ASN Duurzaam Aandelenfonds and ASN Milieu & Waterfonds for investments in emerging countries and regions, which may entail greater market risk. See Chapter 15 "Supplements" of the Funds in question.

Investing in different regions and sectors and investing in different investment categories should mitigate most of the market risk. In order to reduce the market risk, the Funds therefore aim to carefully select and spread their investments, based on qualitative and quantitative analyses.

### **Interest rate risk of fixed-income securities**

Interest rate risk is a specific type of market risk. Interest rate risk is the risk of depreciation or fluctuations in the value of the Funds due to interest rate movements. The value of investments in fixed-income securities fluctuates as a result of changes in market interest rates. A key factor causing changes in market interest rates is a change in the expected rise in the rate of inflation. If the capital market interest rate rises relative to the (fixed) coupon rate of a bond, for instance, the value of that bond will decrease, and vice versa. The longer the average duration of a portfolio of fixed-income securities, the greater the market risk. In order to reduce these risks within the ASN Duurzaam Obligatiefonds, the average (interest rate) maturity of the portfolio of the ASN Duurzaam Obligatiefonds, the duration, needs to remain within a fixed bandwidth. Spreading investments



across varying durations allows the interest rate risk to be reduced. Duration is a measure of interest rate sensitivity. Given a duration of 3, for example, a 1% decrease in the interest rate will result, approximately, in a 3% rise in the price, and vice versa.

#### Repayment risk

Repayment risk is a specific type of market risk. Repayment risk is the risk that losses will arise as a result of early redemption of a bond or loan by the issuer. If the issuer decides to repay the principal amount early, the ASN Duurzaam Obligatiefonds will need to reinvest the funds released at the then current market terms.

#### Currency risk

Currency risk, or foreign exchange risk, is a specific type of market risk. The value of investments is influenced by developments in the exchange rates of the currencies in which the investments concerned are denominated, insofar as the euro is not the reference currency, since there is a risk that the exchange rate of the currency in question can rise or fall relative to the euro. The value of a currency can fall relative to the Euro to such an extent that a positive investment result is (more than) wiped out or a negative investment result is worsened. All the Funds of ASN Beleggingsfondsen UCITS N.V. are subject to the rule that active currency positions that have not resulted from underlying investments are not permitted.

#### Market risk liquidities

Movements in the money market interest rate in particular are relevant to the market risks of liquidities. The investment return from money market instruments depends on the level of the money market interest rate. The rate of the European Central Bank (ECB) largely determines the level of the money market interest rate. In setting its rate levels, the ECB is primarily guided by its estimate of developments in the inflation rate. A higher inflation outlook leads to an increase of the ECB rate, and vice versa.

#### Specific risks

Specific risks relate to the risks that movements in the exchange rate or the valuation of a selected individual investment will deviate in a negative sense from estimates at the time of purchase of the investment. This risk is related to the effectiveness of securities research, the analyses based on that research and the timeliness of making and executing investment decisions. The approach to the process of selecting investments is set out in the description of the investment policy of the respective Funds. The specific risks increase as the investments are less diversified. In order to reduce this risk, each Fund is subject to diversification standards. ASN Impact Investors' Risk Management department monitors the actual implementation of the investment policy by assessing compliance with these standards.

## Credit risk

Credit risk is defined as the risk of fluctuations in the size and return of the Funds due to the possibility of a borrower or counterparty failing to perform a financial or contractual obligation. The value of investments in fixed-income securities is affected by positive or negative developments in the creditworthiness of the institutions issuing the fixed-income securities: the debtors. Of decisive importance for the value of investments in fixed-income securities, therefore, is the estimate that the market makes of the likelihood that the debtor will meet its interest and repayment obligations. This estimate is affected both by factors that apply to the business concerned and by factors that apply more specifically to the sector in which the business operates. A less favourable earnings outlook for a sector may have a negative impact on the estimate of the creditworthiness of all the businesses in that sector. When the market considers it likely that a debtor will not meet its interest and repayment obligations, the value of the investment will decrease. In order to reduce credit risk, the investments undertaken by the Funds are carefully diversified, on the basis of qualitative and quantitative analyses. Credit risks can also arise in the case of short-term receivables as a result of sales transactions. These short-term receivables have a very low risk, since the underlying assets are delivered against immediate receipt of the transaction amount.

#### Default risk

Default risk is a specific type of credit risk. The value of investments in fixed-income securities is affected by how likely the market estimates that the debtor will meet its interest and repayment obligations, the so-called credit risk on fixed-income securities. In addition, it is possible that a debtor is no longer able to meet its interest and repayment obligations as a result of specific factors applicable to it. This is referred to as default. The default risk can be summarised as the risk that a debtor is no longer able to meet its interest and

repayment obligations without this being reflected in the market valuation. This might result in the loss of the entire market value of the financial instrument.

#### Counterparty risk

Counterparty risk, or the risk that an issuing institution or another counterparty may fail to meet its obligations, is a specific type of credit risk. The Funds can sustain losses if a counterparty defaults in respect of a transaction before the definitive settlement of the cash flows related to the transaction has taken place. Purchase and sales transactions in relation to financial instruments will generally only result in short-term receivables. The risk is low as a result, since delivery takes place against (virtually) immediate receipt of the consideration. ASN Impact Investors reduces these risks by selecting counterparties that are sufficiently creditworthy.

The Funds use bank accounts for holding liquid assets. The Funds are exposed to counterparty risk on the amounts held in the bank accounts. ASN Impact Investors selects banks that are sufficiently creditworthy for holding liquid assets in order to reduce the counterparty risk.

#### Risk on settlement of transactions in financial instruments

The risk on the settlement of transactions in financial instruments is the risk that a settlement via a payment system may not take place as expected, because a counterparty may fail to pay for or deliver the financial instruments bought or sold or fail to do so on time or as expected (settlement risk). All transactions in financial instruments shall only be settled after the sufficient size and the accuracy of the equivalent value have been established. Delivery of financial instruments shall only take place upon simultaneous receipt of the proceeds (delivery against payment). Payment of purchased financial instruments shall only take place upon simultaneous receipt of the purchased financial instruments.

#### Credit spread risk

Credit spread risk, or the risk of fluctuations in the prices of fixed-income securities as a result of fluctuations in the credit risk premiums on them, is a specific type of credit risk. The credit spread risk applies to the investments of the ASN Duurzaam Obligatiefonds. The value of investments in fixed-income securities is affected by positive or negative developments in the creditworthiness of enterprises, institutions or countries issuing the fixed-income securities, or the debtors; this translates to fluctuations in credit risk premiums of the financial instruments invested in. A negative development is accompanied by an increased likelihood that the debtor will default, fully or partially, and will not meet its interest and/or repayment obligation. This will cause the credit risk premium on the financial instruments issued by the debtor to increase, resulting in a fall in the price of the instruments. The value of investments of the ASN Duurzaam Obligatiefonds fluctuates as a result of changes in the credit risk premiums. This results in exposure of the ASN Duurzaam Obligatiefonds to credit spread risk, in absolute terms as well as relative to the benchmark.

In order to reduce credit spread risk, there are restrictions in place for the ASN Duurzaam Obligatiefonds with regard to geographical spread, diversification across different debtor categories, minimum debtor quality (credit rating) and the size of each debtor's investment.

## **Liquidity risk**

The liquidity risk is the risk that sufficient liquid assets cannot be made available in time to meet short-term financial obligations, whether or not in normal circumstances or in times of stress, without incurring any unacceptable costs or losses. The liquidity of an investment can be defined as the marketability of that investment at a reasonably stable price level. The liquidity risk is the risk that an investment will need to be sold at unacceptable cost or loss in order to meet a financial obligation. A Fund may be unable to sell a security readily at a reasonable price for lack of liquidity in the market due to a mismatch between demand and supply. This can occur, for example, in the case of shares of small companies or unlisted companies or in the case of venture capital investments. When forced to sell, investors may receive a lower price.

The degree of marketability of the shares of the Funds is closely related to the degree of marketability of the financial instruments in which the Funds invest. All the Funds invest primarily in financial instruments that are listed on an official regulated market in financial instruments.

ASN Impact Investors conducts a strict liquidity policy under which, on the basis of the investment policy, cash flows are closely aligned with expected cash flows from subscription and redemption for each maturity horizon.

The marketability for the Funds is generally such that securities can be bought and sold in good time. Insofar as the Funds may invest in unlisted instruments, the marketability of the investment in the Fund may decrease and there is a risk that securities cannot be sold in time, or only at a less favourable price. No more than 5% of the fund capital of the ASN Duurzaam Aandelenfonds is invested in unlisted instruments via one or more venture capital funds. The percentage of illiquid investments of the ASN Duurzaam Aandelenfonds in venture capital funds is stated in the annual report and half-year report.

The degree of marketability of the financial instruments invested in is related, among other things, to the transaction volumes on the market in financial instruments. The marketability increases as these volumes are larger. The marketability affects the level of the actual buying and selling prices. In order to reduce the marketability risks, investments are generally undertaken in financial instruments that are readily marketable and are listed on a market in financial instruments. Investment decisions also take into consideration the turnover in the market in financial instruments, among other things. Equity investment decisions also take into consideration the size of the free float. Bond investment decisions also take into consideration the size of the outstanding loan. This high degree of marketability also forms the basis for ensuring that the payment on the purchase of its own shares by ASN Beleggingsfondsen UCITS N.V. can be made in good time.

The marketability of financial instruments is generally such that underlying financial instruments can be sold in good time so as to release sufficient funds to meet the obligations to purchase shares of Funds. The liquidity requirements that each Fund should meet are determined on the basis of the characteristics specific to the fund and the investment policy. The liquidity policy is based on these characteristics.

For each Fund, the available funds are monitored and kept in line with the financial resources that would be needed in a scenario of an unexpectedly large outflow. This reduces the risk of investments having to be sold while sustaining unacceptable losses.

Exceptional circumstances may occur rendering a Fund unable to issue or purchase shares for a shorter or longer period of time. The causes of this may include a malfunctioning of the market in financial instruments (e.g. computer malfunctions) on which the Fund is listed (Euronext Amsterdam) or a malfunctioning of one or more markets in financial instruments on which the Fund's investments are listed. Provisions and amendments to provisions relating to the liquidity policy will be announced in the prospectus or through the Website.

## **Inflation risk**

A risk closely related to market risk is inflation risk. Inflation risk implies that, as a result of inflation, the fair value of investments and investment income may be eroded. The fair value of investments and investment income in this context is formed by the nominal value after deduction of the impact of inflation. The expected development of the rate of inflation is, in principle, factored into the price of fixed-interest securities. The inflation risk for investments in fixed-income securities means that the investment income in question is insufficient to compensate for the actual rate of inflation. This risk is not hedged.

## **Leverage and securities lending**

The investment policy of the Funds is geared towards ensuring that the investment portfolios cannot have a negative value. The investment policy of the Funds does not exclude investing with borrowed money. The selling of financial instruments not owned by the Funds, short selling, is, just as the lending of financial instruments (securities lending), not permitted.

## **Concentration risk**

A risk closely related to market risk is concentration risk. A Fund can concentrate its investments in companies that operate in the same country, the same region, the same sector, or in specific companies. The

concentration risk implies that certain events have a greater impact on the value of the investment portfolio of the Fund than would be the case with a lesser degree of concentration. The concentration of the portfolio may be the result of market developments, the investment policy that is conducted, the investment guidelines that are adhered to or the size and composition of the available investment universe. A smaller investment universe results in more limited scope for diversification than a larger universe. ASN Impact Investors adheres to criteria in the investment policy of the Funds in order to manage the concentration risk, such as restrictions per company, debtor, sector, country or region. For the restriction per Fund see Chapter 15 “Supplements” of this Prospectus.

## **Sustainability risks**

Sustainability risk is the risk of the occurrence of an environmental, social or governance-related event or condition that could cause an actual or potential material negative impact on the value of an investment. ASN Impact Investors takes these risks into account on behalf of the Funds. Depending on the type of investment, sustainability risks lead to a change in market or credit risks. Depending on the type of investment, sustainability risks lead to a change in market or credit risks. It is currently still very unclear how and to what extent sustainability risks will affect future returns.

Sustainability risks are first mitigated (in part) for the Funds by applying the ASN Sustainability Criteria. These criteria include detailed criteria for activities to be excluded and avoided, as well as limits that avoid or reduce the exposure to sustainability risks. Investments in activities that should be excluded or avoided usually do not qualify for inclusion in the Investment Universe. For example, the Funds do not invest in companies involved in the exploitation, production and refining of fossil materials, as such investments, in addition to having a negative impact on people and the environment, may have an adverse effect on the financial return due to the energy transition. After investments have been assessed against the exclusion criteria, ASN Impact Investors conducts risk analyses of the impact of sustainability risks on the value of an investment and incorporates the findings thereof in the investment decisions. Ecological risks are considered by assessing if, for example, investments are exposed to climate-related changes, such as an increased risk of forest fires or increased risk of water scarcity and drought. Social and governance risks are considered by assessing whether companies are involved in any controversies relating to human rights in general and labour law in particular, and by assessing companies’ governance policy, with a particular focus on their anti-corruption policy. ASN Impact Investors uses the analyses of ASN Bank’s Expertise Centre for Sustainability for this. These analyses are based on indicators relating to the observance of human rights and labour rights (in the interest of averting strikes and social unrest) and respect for the environment and governance.

In addition, the exposure to sustainability risks is mitigated by ensuring diversification in the Funds by means of allocation limits and concentration limits. Concentration limits apply to countries and to the amount of an individual investment.

ASN Impact Investors continuously evaluates and strengthens its framework and methods for monitoring, assessing, mitigating and managing sustainability risks. As more reliable data becomes available allowing the underlying risks to be quantified, ASN Impact Investors will gain an even more accurate understanding of the specific sustainability risks facing the Funds.

## **Compliance risk**

Compliance risk is the risk that the consequences of (changing) legislation and regulations are not recognised, or not recognised in good time, resulting in breach of legislation and regulations. In addition to the external aspect of the compliance risk, there is also an internal aspect relating to the risk of non-compliance, or not complying in good time, with internal regulations (policy). The policy ensures that the policy’s compliance with legislation and regulations is regularly assessed.

### **Integrity risk**

Integrity risk is a specific type of compliance risk. This concerns harm to the reputation, the assets or the profits of ASN Impact Investors and/or ASN Beleggingsfondsen UCITS N.V. as a result of non-compliance with internal and external legislation and regulations. The culture and behaviour of employees, clients and the parties with whom ASN Impact Investors does business in particular play an important role. Actions contrary to ASN Impact Investors’ core values, the code of conduct or legal provisions are not tolerated.

### Fraud and corruption risk

Fraud and corruption risk is a specific type of compliance risk. Fraud and corruption can harm the reputation, the assets and the profits of ASN Beleggingsfondsen UCITS N.V. and/or ASN Impact Investors. ASN Impact Investors has adopted a fraud and corruption policy and related procedures aimed at mitigating these risks as much as possible.

### Outsourcing risk

The risk of outsourcing activities is that the third party cannot meet its obligations, despite existing agreements as laid down in contracts with outsourcing parties. This can result in the Fund sustaining losses.

ASN Impact Investors has outsourced the investment management of several Funds to external investment managers. A contract has been entered into with each party, setting out, among other things, the investment restrictions that apply and detailing the agreements on, for example, reporting. The investment restrictions are a detailed and concrete elaboration of the investment policy. The investment policy and Investment Universe are always laid down by ASN Impact Investors. The investment managers monitor the investment portfolios on the basis of risk management systems in order to ensure they comply with the aforementioned restrictions at all times. The fee for outsourced activities is borne entirely by ASN Impact Investors.

In addition, ASN Impact Investors has outsourced the accounts recording, reporting and disclosure activities related to the Funds. The principles of this outsourcing arrangement are laid down in writing in an agreement, which includes, among other things, provisions to ensure that ASN Impact Investors can comply with the requirements ensuing from the FSA. The agreement also includes provisions relating to performance standards, mutual provision of information and the fee payable.

To limit outsourcing risks, ASN Impact Investors has implemented outsourcing procedures that enable monitoring of the outsourced activities, among other things. They provide for monitoring to be performed on the basis of the reports and in-control statements of the external investment manager. For the purpose of assurance reporting, ISAE 3402 assurance standard and similar reports are used to establish that the internal risk management procedures of the external parties concerned are adequate. Where necessary, additional activities can be carried out, such as due diligence in respect of the parties to whom an activity has been outsourced.

Outsourcing of investment management does not release ASN Impact Investors from its ultimate responsibility towards investors. The outsourcing agreements include provisions relating to liability between ASN Impact Investors and the external party concerned. ASN Impact Investors may terminate the outsourcing arrangement with the aforementioned parties at any time and outsource the activities to other competent bodies, or perform the activities itself.

### Operational risk

Operational risk is the risk of fluctuations in the size and performance of the Funds due to inadequate or poor internal control of processes or systems. Operational risks may arise due to inadequate or failing internal processes or systems, inadequate, harmful or fraudulent actions, or due to external events. In addition, financial and tax legislation and regulations are subject to change. Operational risk is mitigated by codes of conduct, the separation of functions, a well-defined administrative organisation (AOIC) and monitoring of compliance with and the functioning of the agreed procedures. The Compliance and Audit departments assess, entirely independently of ASN Impact Investors' management, the control of the internal procedures.

### Valuation risk

Valuation risk is a specific type of operational risk. It is the risk that the valuation given to investments of a Fund cannot be clearly and correctly established. This may be caused by inadequate information and/or deficiencies in valuation processes, for instance. The result is that the valuation given may potentially not correctly reflect the true valuation. The valuations are arrived at on the basis of valuation policy established by ASN Impact Investors. This policy is applied consistently to all investments. The policy adheres to the principle of valuation based on fair value. The valuation policy is validated at regular intervals and discussed with the auditor as part of the audit of the financial statements. Despite the fact that considerable care is exercised in drawing up and

implementing the valuation policy, it is possible that the valuation of investments does not adequately reflect the fair value, due to inadequate information and/or deficiencies in valuation processes, for instance.

## **Custody risk**

Custody risk is the risk that assets may be lost as a result of, for example, the insolvency of or fraudulent activities by the entity with whom financial instruments are placed in custody. The assets of the Funds are placed in custody with CACEIS. CACEIS has put internal control measures in place to reduce this risk.

## **Umbrella risk**

ASN Beleggingsfondsen UCITS N.V. operates on the basis of an umbrella structure, which means that it is divided into Funds that are covered by the same legal structure. The umbrella has undivided assets, meaning that a capital shortfall of one Fund can have consequences for the other Funds. This applies in particular where distributions are made, as well as in the event a Fund is wound up or liquidated with the possibility that any capital shortfall could be allocated over the other Funds. Given the nature of the investments and the investment policy of the Funds, the probability of such a situation arising is, in principle, limited. The investments are financed by the Funds, solely out of their equity capital.

Another umbrella risk concerns the status of a fiscal investment institution as referred to in Section 28 of the Corporation Tax Act 1969, which applies to the Funds. Failure to meet the applicable requirements in this regard for individual Funds has consequences for the status of a fiscal investment institution for the other Funds under the umbrella. ASN Impact Investors has formulated appropriate measures to mitigate this risk.

## **Tax risk**

Tax risk is the risk that the tax or legal treatment of the Fund or the shareholders may change during the lifetime of the Fund due to changes in legislation and regulations. Changes in the legal or tax status of the shareholders or relevant changes in local laws and their interpretation can have a substantial impact on the tax position of shareholders.

### **Risk of change in respect of tax regimes**

The risk of change with regard to tax regimes refers, broadly speaking, to the situation that a public authority may alter tax legislation in an unfavourable or adverse manner for a Fund. This can have a negative impact on the value of the investment portfolio and/or the value of the capital equity of a Fund. It cannot be ruled out that the law or interpretation of the law will change, whether or not with retroactive effect. It is possible that, as a result, additional taxes will become due, including the possibility of withholding tax in relation to dividends or interest that have been made payable, which could not be foreseen at the time the Prospectus was issued or at the time of purchase, valuation or sale. This risk increases as more is invested in countries with less stable governments and democratic procedures in relation to the adoption of tax legislation and other legislation. The Funds invest predominantly in countries where these less favourable external factors are not applicable. Nonetheless, the risk of change in respect of tax regimes applies to all investments in all countries.

### **Risk of not retaining status of fiscal investment institution**

ASN Beleggingsfondsen UCITS N.V. has the status of a fiscal investment institution in accordance with Section 28 of the Corporation Tax Act 1969. Profits and losses are consequently taxed at 0%. There are several conditions attached to the status of a fiscal investment institution. Each Fund must satisfy these conditions separately. If one of the Funds does not meet one of the conditions, this will result in ASN Beleggingsfondsen UCITS N.V. losing its status of a fiscal investment institution with effect from 1 January of the year in which the conditions are no longer met. If a Fund fails to fulfil the dividend payment obligation, or fails to do so in a timely manner, ASN Beleggingsfondsen UCITS N.V. will lose this status with effect from the year to which the dividend payment obligation applies. The loss of status as a fiscal investment institution will result in ASN Beleggingsfondsen UCITS N.V. being subject to regular Dutch corporation tax with effect from the year concerned. There is an increased risk in the case of a listed fund, since there is no clear picture of who all the shareholders in the Fund are. Further information on some of the conditions is given in Chapter 14 "Tax features".

#### Risk of erosion of fund capital

ASN Beleggingsfondsen UCITS N.V. has the status of a fiscal investment institution. In order to retain this status, the company is required to distribute the taxable profit in its entirety to the shareholders each year. Under certain circumstances, the taxable annual profit may be higher than the profit calculated in accordance with the rules that apply to the preparation of the statutory financial statements. In addition, a Fund may, under certain circumstances, conduct a policy that provides for more dividend to be distributed than the annual result. It is possible that, as a result, a dividend distribution may cause the capital of the investment institution to decrease by more than the size of the annual profit.

#### Risk under FATCA/CRS

ASN Beleggingsfondsen UCITS N.V. will comply with the US Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard (CRS) and the provisions in that regard in Dutch legislation. One of these provisions is that ASN Beleggingsfondsen UCITS N.V. identifies its accounts to be disclosed (shareholdings or receivables) and its account holders to be disclosed. To this end, documentation (such as a self-certification form) is requested from the account holders. ASN Beleggingsfondsen UCITS N.V. has an obligation to report information regarding any accounts subject to disclosure to the Tax and Customs Administration on an annual basis. If ASN Beleggingsfondsen UCITS N.V. fails to meet its obligations under FATCA, there is a risk (in the case of "significant non-compliance") that US cash flows will be subject to US withholding tax, which can have consequences for the net asset value (NAV).

#### Tax reduction

If (pension) entities exempt from income tax or foreign parties who are entitled to claim a rebate of Dutch dividend tax participate in the Fund, this may have consequences for the returns of the Fund. ASN Beleggingsfondsen UCITS N.V. may not apply the tax reduction to any foreign withholding tax that may be due in an amount equal to the interest of these parties.

# 14 Tax features

## General

### Tax structure

The main tax aspects of ASN Beleggingsfondsen UCITS N.V. that may be relevant to investors in ASN Beleggingsfondsen UCITS N.V. are discussed below. This information does not constitute advice for the specific personal situation of investors. It is recommended that a tax adviser be consulted for this purpose. The information on the tax aspects is based on Dutch legislation and case law as at 1 January 2021, with the exception of measures that are implemented with retroactive effect.

### Corporation tax

ASN Beleggingsfondsen UCITS N.V. opts for the status of a fiscal investment institution within the meaning of Section 28 of the Corporation Tax Act 1969 (Wet op de vennootschapsbelasting 1969), as elaborated in the Investment Institutions Decree (Besluit beleggingsinstellingen). As a result, ASN Beleggingsfondsen UCITS N.V. is zero-rated for Dutch corporation tax, provided that it meets the conditions set forth in the Act and the Decree. If ASN Beleggingsfondsen UCITS N.V. no longer meets the conditions, it will lose the status of a fiscal investment institution.

In accordance with these conditions, the shareholders are made subject to certain requirements. They include the requirement, for instance, that the interests of individual natural persons in ASN Beleggingsfondsen UCITS N.V. should be less than 25%. The management board members as well as more than half the members of the supervisory board of ASN Beleggingsfondsen UCITS N.V. may not also have an employment relationship with nor be a director or supervisory board member of an entity (or its affiliated entities) that holds an interest of 25% or more in ASN Beleggingsfondsen UCITS N.V. In addition, less than 45% of the total number of shares should be held by one taxable entity (or multiple affiliated entities). If the shares are held through the intermediary of non-resident mutual funds or companies, 25% or more of the interest may not be held by an entity established in the Netherlands.

Moreover, a fiscal investment institution may not finance its investments with unlimited loan capital. If it incurs debts as a result, the debts may not equal more than 20% of the value for tax purposes of the investments.

A further key condition for the status of a fiscal investment institution is that ASN Beleggingsfondsen UCITS N.V. should distribute the profit available for distribution, with due regard for the rounding-off reserve and the reinvestment reserve, to the shareholders within eight months of the end of the financial year (the dividend payment obligation).

ASN Impact Investors will ensure, insofar as it is able, that ASN Beleggingsfondsen UCITS N.V. always meets the conditions for obtaining and retaining the status of a fiscal investment institution. If ASN Beleggingsfondsen UCITS N.V. at any time does not meet one or more conditions, it will lose its status as a fiscal investment institution with retroactive effect to the beginning of the financial year in question. If ASN Beleggingsfondsen UCITS N.V. fails to fulfil the dividend payment obligation, or fails to do so in a timely manner, it will lose this status with effect from the year to which the dividend payment obligation applies. The loss of status as a fiscal investment institution will result in ASN Beleggingsfondsen UCITS N.V. being subject to regular Dutch corporation tax with effect from the year concerned.

The conditions that apply to ASN Beleggingsfondsen UCITS N.V. also apply to each Fund separately.

### Dividend tax

In principle, ASN Beleggingsfondsen UCITS N.V. is required to deduct 15% dividend tax from dividend distributions to its shareholders and pay this to the Tax and Customs Administration. ASN Beleggingsfondsen UCITS N.V. may apply a tax reduction to the dividend tax that it must pay (and that is deducted from dividend distributions made by ASN Beleggingsfondsen UCITS N.V.). This tax reduction is, in principle, the dividend tax/withholding tax that is deducted from interest receipts and dividend distributions payable by ASN Beleggingsfondsen UCITS N.V.

### Foreign withholding tax

Many countries deduct withholding tax from interest payments and dividend distributions. If the Netherlands has a treaty with the source country to avoid double taxation, it is possible that the withholding tax rate may be reduced in accordance with the tax treaty. Depending on the tax treaty concerned, ASN Beleggingsfondsen UCITS N.V. will, in principle, request a (partial) rebate of the withholding tax that was deducted (up to the treaty rate) from the foreign tax authorities. The tax reduction for dividend



tax may be applied for the remaining foreign withholding tax (the treaty rate up to a maximum of 15%). ASN Beleggingsfondsen UCITS N.V. may not apply this tax reduction in respect of foreign withholding tax insofar as (pension) entities that are exempt from income tax and foreign parties who are entitled to claim a rebate of Dutch dividend tax participate in ASN Beleggingsfondsen UCITS N.V. This may potentially have a negative impact on the returns of ASN Beleggingsfondsen UCITS N.V. The extent of the impact depends on the interest these investors hold in the Fund.

#### Value added tax

All fees and costs are stated exclusive of the statutory VAT that is payable, insofar as applicable and to the extent that these fees and costs are not otherwise covered by an exemption.

#### FATCA/CRS

ASN Beleggingsfondsen UCITS N.V. will comply with the US Foreign Account Tax Compliance Act ('FATCA'), the Common Reporting Standard ('CRS') developed by the Organisation for Economic Cooperation and Development (OECD) and the provisions in that regard in Dutch legislation. Shareholders may be requested to provide documentation to enable their status under FATCA, CRS or Dutch law to be established (on a continuous basis). ASN Beleggingsfondsen UCITS N.V. reports to the Tax and Customs Administration on an annual basis. If, as a result of non-compliance with FATCA, ASN Beleggingsfondsen UCITS N.V. is made subject to US withholding tax on payments it receives, this may have consequences for the net asset value (NAV).

## Tax aspects for investors

#### Dutch private investors

The following information for private shareholders resident in the Netherlands is provided on the assumption that:

- no substantial interest exists (generally speaking, a substantial interest is considered to exist if, together with the partner for tax purposes, an interest of 5% or more is held in a Fund);
- the shares are not, or need not be, classified as business assets;
- the shares are not used to generate earnings from other activities;
- there is no expert who has been engaged abroad and who exercises the right of option referred to in Section 2.6 of the Income Tax Act 2001 (Wet inkomstenbelasting 2001); and
- the shares are not used in the context of tax schemes or facilities, such as bank savings.

Private individuals must take their shares in ASN Beleggingsfondsen UCITS N.V. into account when determining their taxable income from savings and investments (box 3). For this purpose, the basis for savings and investments in box 3 is allocated to a savings component and an investment component. The box 3 tax is not based on the actual income earned but on the deemed income, the so-called imputed, or notional, return. Three capital income brackets are used for the calculation of the imputed return. In 2021, an imputed return of 0.03% and 5.69% is assumed in box 3 for the savings component and the investment component, respectively.

<i>Basis for savings and investments<sup>1</sup></i>	<i>Savings component 0.03%</i>	<i>Investment component 5.69% Imputed return</i>	
up to € 50,000	67%	33%	1.898%
From € 50,001 to € 950,000	21%	79%	4.501%
€ 950,001 and more	0%	100%	5.690%

<sup>1</sup> After application of the exemption of € 50,000

The calculated imputed return is taxed at a rate of 31%.

The value of the shares is based on the Euronext closing price on the reference date (in principle, 31 December of the previous year). The closing price is published in the Official List of Euronext Amsterdam N.V. Part of the total assets is exempt from taxation. In 2021, this tax-free amount is € 50,000 per person. If you are partners for tax purposes for the entire year, your combined tax-free amount is € 100,000 (2021).

In principle, ASN Beleggingsfondsen UCITS N.V. deducts 15% dividend tax from the dividend distributions. Private individuals may, in principle, set off this dividend tax against the income tax due.

#### Entities liable for corporation tax in the Netherlands

An interest in ASN Beleggingsfondsen UCITS N.V. held by an entity established in the Netherlands that is liable for corporation tax does not qualify for the participation exemption. Dividends (except for any acquired dividend) and (realised) capital gains are therefore subject to corporation tax. Any losses are deductible. In principle, entities liable to pay corporation tax may set off all dividend tax withheld by ASN Beleggingsfondsen UCITS N.V. on dividend distributions against the corporation tax due.

#### Tax-exempt (pension) entities

In principle, a tax-exempt (pension) entity established in the Netherlands may reclaim from the Dutch Tax and Customs Administration all the dividend tax withheld by ASN Beleggingsfondsen UCITS N.V. on the dividend distributions. The participation of tax-exempt (pension) entities could potentially have a negative impact on the returns of ASN Beleggingsfondsen UCITS N.V. The size of the impact depends on the interest these investors hold in ASN Beleggingsfondsen UCITS N.V. (see the relevant comments regarding the tax reduction under "Foreign withholding tax").

#### Foreign shareholders

Foreign shareholders are, in principle, not subject to Dutch income tax or corporation tax, provided that the shares are not attributable to a Dutch company and do not qualify as a substantial interest. The dividend tax can generally be set off against the tax due in the country of residence or domicile.

# 15 Supplements

## Fund U1: ASN Duurzaam Obligatiefonds

### Investment policy

#### Objective

The ASN Duurzaam Obligatiefonds has the following Sustainable Investment Objectives:

- decreasing CO<sub>2</sub> emissions of the sovereign bond portfolio per year in line with the Paris Agreement expressed as the Fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050 (measured in tons CO<sub>2</sub> per euro invested); and
- avoiding CO<sub>2</sub> emissions of the green and social bond portfolio (measured in tons CO<sub>2</sub> per euro invested).

To achieve these Sustainable Investment Objectives, it invests in sovereign bonds and in green and social bonds, which are issued by governments and semi-public authorities that promote sustainability (in relation to climate, biodiversity, and human rights) and thereby contribute to these Investment Strategies. In addition, the governments and semi-public authorities must meet the ASN Sustainability Criteria as set out in Chapter 4 "Sustainability policy and investment universe".

#### **Sustainable Investment Objective 1: Decreasing CO<sub>2</sub> emissions of the sovereign bond portfolio**

To achieve this Sustainable Investment Objective, ASN Impact Investors selects the countries with the best performance in respect of sustainability. ASN Bank's Expertise Centre for Sustainability assesses the sustainability efforts of countries once every two years on behalf of ASN Impact Investors. In the first instance, countries are assessed to determine whether they meet the ASN exclusion criteria. The exclusion criteria are described below under "Investment Universe". In particular, the Fund invests only in countries that have ratified the Paris Agreement. Of those countries that meet the criteria, fifteen indicators relating to their policy and efforts in respect of climate, biodiversity and human rights are then used to determine a sustainability score. The sustainability score affects the final weighting of a country in the portfolio. The sustainability scores are used to compile the benchmark, as described below under 'Benchmark'. A higher sustainability score means a higher weighting of a country in the benchmark, with the benchmark being used as the starting point for the composition of the portfolio. As a result, the most sustainable countries are represented most strongly in the portfolio, thereby contributing to the objectives. In doing so, the Fund aims to select countries that actively contribute to the reduction of greenhouse gas emissions in line with a 7% decreasing trendline towards net zero emissions in 2050.

#### **Sustainable Investment Objective 2: Avoiding CO<sub>2</sub> emissions**

The investments of the ASN Duurzaam Obligatiefonds in green and social bonds contribute to this Sustainable Investment Objective. To boost the positive influence of the ASN Duurzaam Obligatiefonds on combating climate change and its consequences, ASN Impact Investors looks for projects that contribute to a climate-neutral economy. Taking steps to increase the quantity of avoided CO<sub>2</sub> is therefore an important criterion when selecting green and social bonds for the Fund.

***A description of the sustainability indicators and the methodologies used to measure the attainment of the above sustainable investment objectives is included in the sustainable investment information in Appendix U1 to this Supplement.***

With its Sustainable Investment Objectives, the ASN Duurzaam Obligatiefonds contributes to the following Sustainable Development Goals (SDGs): Reduced Inequality (SDG 10), Climate Action (SDG 13), Life on Land (SDG 15), and Peace, Justice and Strong Institutions (SDG 16).

Progress in achieving the Sustainable Investment Objectives is monitored continuously and reported in the annual report of ASN Beleggingsfondsen UCITS N.V., published on the Website. In addition, it will be reported on an annual basis how principal adverse impacts were taken into account. This information can be found in the Fund's periodic reporting template, which is part of the annual report.

Due to its Sustainable Investment Objectives, the ASN Duurzaam Obligatiefonds is a Section 9 product under the SFDR.

The financial investment objective of the ASN Duurzaam Obligatiefonds is to achieve a better return in the long term than that of the benchmark, which is defined below under "Benchmark".

## Investment Universe

The governments and semi-public authorities issuing bonds in which the ASN Duurzaam Obligatiefonds invests must be admitted to the Investment Universe. A description of the sustainability policy and of how the Investment Universe is determined is given in Chapter 4 "Sustainability policy and investment universe". ASN Impact Investors has developed an extremely cautious investment process for the ASN Duurzaam Obligatiefonds, which is based on selecting governments and semi-public authorities that contribute to the achievement of Sustainable Investment Objectives.

Despite the cautious, investment process, ASN Impact Investors recognises that it is not possible in everyday practice to exclude the possibility that investments may also have negative consequences for society and the environment. However, ASN Impact Investors has set up its investment processes so that these negative consequences are limited as far as possible.

Countries that issue sovereign bonds are only approved if they meet the exclusion criteria set out below in relation to climate, biodiversity and human rights.

- Climate
  - Countries that do not actively contribute to climate protection are excluded from investment, as they are not actively combating climate change. Countries can only be approved if they have ratified the Paris Agreement.
- Biodiversity
  - Countries that do not actively contribute to conserving biodiversity are excluded from investment, as they do not endorse the international conventions listed below. These conventions focus primarily on the conservation of species and ecosystems.
  - The conventions taken into consideration by ASN Impact Investors in assessing countries are: • Convention on Biological Diversity (CBD); • Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES); • Convention on the Conservation of Migratory Species of Wild Animals; • The International Treaty on Plant Genetic Resources for Food and Agriculture; • Convention on Wetlands (also known as the Ramsar Convention); • Unesco World Heritage Convention (WHC); • UN Convention on the Law of the Sea.
- Human rights
  - Countries are excluded if the following serious violations of international law occur or if there is a major risk of:
    - Crimes against humanity
      - Torture: countries can only be approved if they have ratified the Convention against Torture (CAT).
      - Slavery: countries are rejected if they run a very high risk of slavery. • Genocide: countries are rejected if they run a very high risk of genocide.
    - Capital punishment: countries can only be approved if they have not carried out the death sentence for crimes in the past ten years.
    - War crimes
      - Child soldiers: countries can only be approved if they, or groups in these countries, do not avail themselves of child soldiers.
      - Controversial weapons: countries can only be approved if they have ratified all of the following treaties or conventions: Treaty on the Non-Proliferation of Nuclear Weapons; Comprehensive Nuclear-Test-Ban Treaty; Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (Chemical Weapons Convention); Biological Weapons Convention; Convention on Certain Conventional Weapons; Anti-Personnel Landmines Convention; Convention on Cluster Munitions; Arms Trade Treaty.

When admitting countries and semi-public authorities to the Investment Universe, no account is taken of the credit rating of a country or issuer. As a result, both investment grade and non-investment grade countries may potentially be included in the investment universe. Investment grade debtors or issuers have a minimum credit rating of BBB-. The credit rating is assessed by special rating agencies. The investment grade is the standard for the Fund's portfolio.

The investment manager, who is responsible for managing the portfolio of the ASN Duurzaam Obligatiefonds, will sell bonds of countries that are removed from the Investment Universe as quickly as possible, within four weeks from the time of assessment. ASN Impact Investors may temporarily deviate from this rule in exceptional circumstances.

## Benchmark

The benchmark for the ASN Duurzaam Obligatiefonds is a compiled index consisting of: 80% Bloomberg Barclays EUR Treasury 1-10 yr and 20% Bloomberg Barclays Euro Green Bond Government Related 1-10 yr (below: ASN Duurzaam Obligatiefonds Benchmark). The Bloomberg Barclays EUR Treasury 1-10 yr benchmark is a customised benchmark that consists of all countries approved by ASN Impact Investors that issue bonds in euro. The weighting per country is determined on the basis of ASN sustainable country scores, whereby the weighting for illiquid countries is maximised. A rebalancing will take place every month.

The ASN Duurzaam Obligatiefonds Benchmark forms the starting point for the composition of the Fund's portfolio.

ASN Impact Investors considers the ASN Duurzaam Obligatiefonds Benchmark to be sufficiently representative and familiar as a means of gauging and comparing the financial investment performance. If, however, ASN Impact Investors is of the opinion that this is no longer sufficiently the case and it is no longer in the interests of the shareholders to maintain this benchmark, ASN Impact Investors will select another, more appropriate benchmark.

#### Securities

The ASN Duurzaam Obligatiefonds invests in sovereign bonds and in green and social bonds denominated in euro that are admitted to regulated markets in the EU or well-functioning regulated exchanges outside the EU. When justified by the market situation, the ASN Duurzaam Obligatiefonds may (temporarily) hold liquid assets of up to a maximum of 5% of the fund capital.

*Distribution across investments: neutral weighting*

	<i>Bandwidth</i>
80% Sovereign bonds	70-90%
20% Green and social bonds	10-30%
0% Liquidities	0-5%

ASN Impact Investors may amend the restrictions contained in the investment policy of the ASN Duurzaam Obligatiefonds in the interest of investors. This is only possible to the extent that ASN Impact Investors is of the opinion that the amendments are consistent with the ASN Duurzaam Obligatiefonds.

#### Policy & methodology

The portfolio of the ASN Duurzaam Obligatiefonds is divided into two parts, sovereign bonds on the one hand and green and social bonds issued by governments and semi-public authorities on the other hand.

#### *Portfolio of sovereign bonds:*

At least 70% of the ASN Duurzaam Obligatiefonds is invested in sovereign bonds denominated in euro.

The ASN Duurzaam Obligatiefonds invests solely in countries that perform adequately in terms of climate, biodiversity and human rights. In addition, the better a country's performance on sustainability criteria, the heavier the weighting towards that country will be in the portfolio. The sustainability score comprises the following indicators:

	<i>Indicator</i>	<i>Indicator-based assessment</i>
Climate	Per capita emission of greenhouse gases (measured in CO <sub>2</sub> equivalents)	the lower the better
	Share of renewable electricity generated in total electricity generated	the higher the better
	Quantity of nuclear energy produced per capita	the lower the better
Biodiversity	Surface area of nature reserves in total nature	the higher the better
	Per capita sulphur oxide (SO <sub>x</sub> ) emissions	the lower the better
	Waste disposed on land per capita	the lower the better
	Share of defence expenditure in a country's budget	the lower the better
	Risk of corruption	the lower the better
Human rights	Difference between highest and lowest income groups	the lower the better
	Share of development aid in government spending	the higher the better
	Risk of limitation of freedom of opinion	the lower the better
	Risk of the occurrence of child labour	the lower the better
	Risk of the occurrence of forced labour	the lower the better
	Risk of discrimination	the lower the better
	Risk of low freedom of association	the lower the better

Countries are also assessed on a more fundamental factor: their repayment capacity. This is the ratio between tax revenues and interest obligations (the interest a country must pay on the sovereign bonds it has issued). The higher a country's tax revenues in proportion to its interest obligations, the greater the weighting towards that country in the ASN Duurzaam Obligatiefonds.

The methodology is laid down in a quantitative model. The composition of the model is amended once a year in light of new data. This is done on the basis of the results of the sustainability performance of the countries and by using new data on the repayment capacity of the countries. The sustainability scores are reviewed every two years.

A liquidity filter is also applied, whereby minimum requirements are imposed on the size and the number of sovereign bonds that an approved country has issued, in order to ensure a sufficiently liquid market in the sovereign bonds in question. The

investment manager to which ASN Impact Investors has outsourced the portfolio management of this Fund assesses the countries on this point.

#### *Portfolio of green and social bonds:*

No more than 30% of the ASN Duurzaam Obligatiefonds may be invested in green and social bonds. Green and social bonds are loans issued by governments and semi-public authorities that are used to finance climate-friendly or social projects. Although green and social bonds finance different types of projects to sovereign bonds, the methodology for selecting the projects is the same. Green and social bonds are assessed on the basis of the following topics:

- Issuer: analysis of activities of issuer and search for possible abuses involving the issuer.
- Assessment of financed projects: before a green or social bond is approved, an analysis of the projects financed with the bond is carried out.
- Risky countries with regard to human rights: if the issuer has insufficient policy in place to guarantee that it respects human rights, an investment in the green or social bond will not be undertaken.
- CO<sub>2</sub> footprint: analysis of the CO<sub>2</sub> effects of the loan.
- Equator Principles: if any projects are financed through the green or social bond to which the Equator Principles apply, it must be assessed whether these projects meet the criteria of the Equator Principles.
- Additionally: ASN Impact Investors wishes preferably to invest in green and social bonds and loan portfolios that finance the new projects.

We arrive at a recommendation on the basis of the above considerations. If all criteria are met, a bond loan can be admitted to the Investment Universe. If the issuer does not meet all criteria, additional conditions can be set. The Investment Committee takes a final decision on the bond.

#### Spread

Economic developments do not necessarily run in parallel in all markets. By spreading the investments across countries, ASN Impact Investors aims to limit the negative impact of disappointing developments in any one country. The ASN Duurzaam Obligatiefonds achieves this spread by investing in multiple countries. The distribution between the various countries depends on the weightings from the sustainability criteria of a country, with fewer liquid countries being maximised at 2% of the fund capital. Subject to exemption granted by the Dutch Authority for the Financial Markets (AFM), no more than 35% of the capital of the ASN Duurzaam Obligatiefonds may be invested in bonds issued by any one country. No more than 10% of the fund capital is invested in bonds issued by countries that are not included in the ASN Duurzaam Obligatiefonds Benchmark, with a maximum of 5% per country. Furthermore, the maximum overweighting of government bonds may be 10% with respect to the benchmark for bonds from Germany and the Netherlands and 5% for bonds from other countries.

#### Participation in decision-making

In accordance with Article 140(2)(b) of the Market Conduct Supervision (Financial Institutions) Decree, the ASN Duurzaam Obligatiefonds does not invest in more than 10% of the bonds of the same issuer. This restriction does not apply to bonds issued or guaranteed by a member state, a public authority with regulatory powers in a member state, a state that is not a member state or an international organisation in which one or more member states take part.

#### Creditworthiness

The ASN Duurzaam Obligatiefonds invests a minimum of 95% in bonds of debtors with an average credit rating of at least 'BBB-' at the time of acquisition. In addition, a maximum of 5% of the fund capital is invested in bonds of debtors with a lower average rating of at least 'BB-' at the time of acquisition.

#### Duration

In order to reduce the interest rate risk, the weighted average duration of the portfolio may vary from -1 to 1 compared to the benchmark.

#### Currency

The currency risks arising from the investments of the ASN Duurzaam Obligatiefonds are not covered. A maximum of 10% of the fund capital investment may be invested in bonds issued in a currency other than the euro, with a maximum of 5% of fund capital per currency. Active currency items that have not arisen from the underlying investments are not permitted.

#### Derivative instruments

The ASN Duurzaam Obligatiefonds does not use any derivative instruments.

#### Loan capital

The investments undertaken by the ASN Duurzaam Obligatiefonds are not financed with loan capital. It is nonetheless possible that debit balances may arise for short periods on the cash accounts of the ASN Duurzaam Obligatiefonds.

#### Short selling and lending of financial instruments

The selling of financial instruments not owned by the ASN Duurzaam Obligatiefonds (short selling) is, just as the lending of financial instruments (securities lending), not permitted.

#### Valuation

Listed securities are stated at the most recently published stock market price. Securities for which there is no (recently published) stock market price or whose stock market price is not considered to be representative, as well as unlisted securities, are stated at the estimated market value. Standard market valuation methods are used to determine the estimated market value.

#### Dividend policy

The ASN Duurzaam Obligatiefonds distributes at least the profit available for distribution in its entirety to the shareholders. The distribution must be made within eight months after the end of the financial year in the form of dividend. The distribution is made in accordance with the fiscal dividend payment obligation.

### **Risk factors**

The value of investments may fluctuate. Shareholders in the ASN Duurzaam Obligatiefonds may get back less than they invested. No guarantee can be given that they will get back the full amount of their investment in the ASN Duurzaam Obligatiefonds. The risks described below may, if they materialise, affect the value of the investments and cause the value of a share in the ASN Duurzaam Obligatiefonds to fall. The risks that could affect investments in shares in the ASN Duurzaam Obligatiefonds are, in order of importance:

- market risk of fixed-income securities;
- credit spread risk;
- inflation risk;
- concentration risk;
- outsourcing risk;
- liquidity risk;
- counterparty risk;
- operational risk;
- risk on settlement of transactions in financial instruments;
- custody risk;
- risk of change in tax regimes;

Information on these risks can be found in Chapter 13 "Risk factors and risk management".

Sustainability risks can also affect the ASN Duurzaam Obligatiefonds; these risks can manifest themselves, for example, in an increase or reduction of the above-mentioned risks. However, it is currently not yet possible to measure exactly the relative importance of sustainability risks for an investment in shares in the ASN Duurzaam Obligatiefonds, which is why they are not included in the list above.

A detailed summary of the performance, capital and income and expenditure of the ASN Duurzaam Obligatiefonds over the past three years is given in the respective financial statements, with the unqualified audit opinions of ASN Beleggingsfondsen UCITS N.V., or ASN Beleggingsfondsen N.V. (the legal predecessor of ASN Beleggingsfondsen UCITS N.V.), and in the most recent interim figures of ASN Beleggingsfondsen UCITS N.V., published on the Website.



**Appendix U1: Sustainable investment information ASN Duurzaam Obligatiefonds**

This document provides you with information about the fund in relation to the Sustainable Finance Disclosure Regulation. The information is provided to help investors understand the sustainability objectives and risks of this fund. This document is to be read in conjunction with other relevant documentation (Prospectus, Factsheet, and the relevant website disclosures) to help investors with their decision-making.

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852

**Product name:** ASN Duurzaam Obligatiefonds

**Legal entity identifier (LEI):** 549300Y2T8X61N5WTL02

## Sustainable investment objective

### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

### Does this financial product have a sustainable investment objective?

**YES**

**NO**

- It will make a minimum of **sustainable investments with an environmental objective: 100%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**
- It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**



### What is the sustainable investment objective of this financial product?

The ASN Duurzaam Obligatiefonds (the fund) has the following sustainable investment objectives:

- Decreasing CO<sub>2</sub> emissions of the sovereign bond portfolio per year in line with the Paris Agreement expressed as the fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050 (measured in tons CO<sub>2</sub> per euro invested).
- Avoiding CO<sub>2</sub> emissions of the green and social bond portfolio (measured in tons CO<sub>2</sub> per euro invested).

In line with these objectives, the fund also takes into account climate change mitigation and climate change adaptation, as defined in the EU Taxonomy.

The fund aims to achieve the sustainable investment objective by investing in sovereign, green and social bonds, which are issued by governments and semi-public authorities that promote sustainability (in relation to climate, biodiversity, and human rights).

No reference benchmark has been designated for the purpose of measuring attainment of the sustainable investment objectives. The reason for this is that no suitable Paris Aligned benchmark is currently available. Besides, in the process of the portfolio construction, a broader set of ESG factors are taken into account than solely climate related factors.

In the absence of a Paris Aligned reference benchmark the attainment of the CO<sub>2</sub> emissions reduction objective in view of achieving the Paris Agreement goal is ensured by aiming for an average of 7% decarbonization per annum, provided this is realistically achievable.

In the absence of a benchmark, the attainment of the CO<sub>2</sub> emission avoidance objective in view of achieving the Paris Agreement goal is measured using the Partnership for Carbon Accounting Financials (PCAF) methodology.

### ● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The sustainability indicators of the fund are linked to the following United Nations Sustainable Development Goals: Reduced Inequality (SDG 10), Climate Action (SDG 13), Life on Land (SDG 15), and Peace, Justice and Strong Institutions (SDG 16).

The sustainability indicators used to measure the attainment of the sustainable investment objective are:

- To measure the reduction in CO<sub>2</sub> emissions for the sovereign bonds, the fund uses both the Partnership for Carbon Accounting Financials (PCAF) methodology (for current measurement) and a 7% decreasing trend line starting from the base year 2022.
- To measure the avoidance of CO<sub>2</sub> emissions for the green and social bonds, the fund uses the PCAF methodology.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### ● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

All investments of the fund must meet the Sustainability Policy of ASN Impact Investors (the policy) to be considered eligible for the investment universe. The policy consists of a selection process, conducted by ASN Bank's Sustainability Expertise Centre (ECD). Embedded in this process is the risk analysis which leads to the investment universe's exclusion criteria. The basis of the exclusion criteria is formed by ASN Impact Investors' three pillars, i.e., climate, biodiversity, and human rights. The list of exclusion criteria covers details relating, but not limited, to:

- Climate (activities relating to fossil fuels and nuclear energy are excluded).
- Biodiversity (countries in breach of international biodiversity conventions are excluded).
- Human rights (activities relating to crimes against humanity, capital punishment, and war crimes are excluded).

Furthermore, the policy consists of a list of sustainability criteria. These criteria assess the country or issuer of green and social bonds with regards to, amongst others, their greenhouse gases, air pollution, defense expenditure, corruption, freedom of speech and child labour.

The investment universe is ultimately determined by ASN Impact Investors' investment committee. Every country and issuer of green and social bonds is discussed in ASN Impact Investors' investment committee as part of the sustainability assessment. The investment committee decides to approve or disapprove a country or issuer of green and social bonds, and all these decisions result in the investment universe. After approval, the investment universe is periodically reviewed by ECD. Based on the above sustainability assessment process, it is assured that the investment universe is void of countries which cause significant harm to the sustainable investment objectives.

### ● **How have the indicators for adverse impacts on sustainability factors been taken into account?**

The policy ensures that all the mandatory principal adverse impacts (regarding greenhouse gas emissions, biodiversity, water, and waste and all the social and employee matters) are considered when creating the investment universe. The optional principal adverse impacts considered are (subject to data availability):

- Share of bonds not certified as green under a future EU act setting up an EU Green Bond Standard.
- Lack of anti-corruption and anti-bribery policies.
- Average corruption score.



### **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

The question is not applicable. The fund only invests in sovereign, green and social bonds. For the issuers of these bonds the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are not applicable.



### **Does this financial product consider principal adverse impacts on sustainability factors?**

**Yes**, principal adverse impacts on sustainability factors (or PAI) are considered as part of the sustainability assessment and selection process, whereby the fund also looks at the direct and indirect negative impacts related to the investments. The investment process is structured in such a way as to limit these adverse effects as much as possible.

ASN Impact Investors will report on how principal adverse impacts were taken into account on an annual basis. This information can be found in the fund's periodic reporting template which is part of the annual report of ASN Beleggingsfondsen UCITS N.V. Specifically, please refer to the question: **How have the indicators for adverse impacts on sustainability factors been taken into account?**

**No**



### **What investment strategy does this financial product follow?**

The fund invests in sovereign, green and social bonds which are issued by governments and semi-public authorities that contribute directly to the sustainable investment objective. For government bonds, the fund only invests in countries that have ratified the Paris Agreement. For green and social bonds, the fund only invests in issuers that actively contribute to avoiding CO<sub>2</sub>.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

### **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The portfolio of the fund is constructed within the investment universe, in such a way that it creates a maximum contribution to the sustainable investment objectives, whilst also keeping in mind the financial objective of the fund.

With regards to CO<sub>2</sub> emissions, the fund aims to select countries that actively contribute to decreasing GHG emissions in line with a 7% decreasing trend line towards net zero emissions in 2050. For green and social bonds, the fund only invests in issuers that actively contribute to avoiding CO<sub>2</sub>.

### **What is the policy to assess good governance practices of the investee companies?**

The question is not applicable. The fund only invests in sovereign, green and social bonds that are issued by governments and semi-public authorities.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



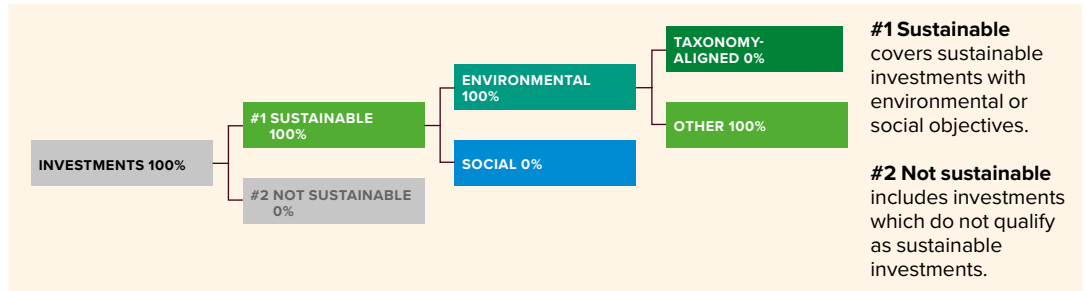
### **What is the asset allocation and the minimum share of sustainable investments?**

Due to the strict sustainability criteria and its sustainable investment objectives, the fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR. Therefore, the investment selection criteria only include investments which qualify as sustainable as defined by SFDR.

**Asset allocation** describes the share of investments in specific assets.

Cash held in the fund is not an investment. Cash is meant to facilitate liquidity of the fund on the exchange where the fund is traded. Cash is held in relation to liquidity management as per article 3:63 of the Financial Supervision Act (Wet op het financieel toezicht – Wft).

As the fund only has environmental objectives, all investments are categorized under "Environmental."



● **How does the use of derivatives attain the sustainable investment objective?**

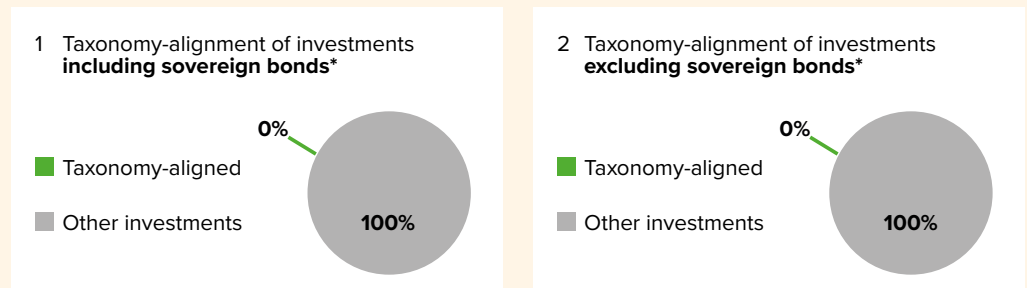
No derivatives are used.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

ASN Impact Investors believes that the EU Taxonomy, the EU list of sustainable economic activities, can potentially be an important instrument to determine which investments are sustainable. It could promote transparency, counter greenwashing, and drive the shift of capital to the sustainable economy of the future. However, regarding the environmental part of the EU Taxonomy, ASN Impact Investors cannot endorse the inclusion of nuclear energy and fossil gas as sustainable investments under the current EU Taxonomy. This is not in accordance with the convictions, vision, and mission of ASN Impact Investors. Considering this and the fact that still so much of the taxonomy is unclear, no specific target alignment for the EU taxonomy has been set so far.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

As ASN Impact Investors cannot, in principle, endorse the EU Taxonomy this question is not applicable (so the minimum share of investments in transitional and enabling activities is 0%).



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

As no specific target alignment goal has been set with regards to the EU Taxonomy, the minimum share of sustainable investments with an environmental objective not aligned with EU Taxonomy is 100%. The actual EU Taxonomy alignment number will be reported in the periodic reports, depending on the availability of data.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

**Enabling activities**

directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities**

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are environmentally sustainable investments

that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with a social objective?**

Social indicators are part of ASN Impact Investors' screening criteria used to determine the investment universe. However, applying these criteria does not classify as a social objective under SFDR. The fund primarily focuses on an environmental objective. As such, the fund does not have sustainable investments with a social objective, the question is not applicable (so the minimum share is 0%).



### **What investments are under “#2 Not sustainable”, what is their purpose and are there minimum environmental or social safeguards?**

Due to the sustainability criteria of ASN Impact Investors, no investments are made that are classified as “#2 Not sustainable”. The fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR.



### **Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

No reference benchmark has been designated for the purpose of attaining the two sustainable investment objectives, as there is currently no benchmark available in the market to measure both CO<sub>2</sub> emissions for sovereign, green and social bonds.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Question is not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Question is not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Question is not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Question is not applicable.



### **Where can I find more product specific information online?**

More product-specific information can be found on the website:  
[www.asnimpactinvestors.com](http://www.asnimpactinvestors.com)

## Fund U2: ASN Milieu & Waterfonds

### Investment policy

#### Objective

The ASN Milieu & Waterfonds has the following Sustainable Investment Objectives:

- decreasing CO<sub>2</sub> emissions per year in line with the Paris Agreement (expressed as the Fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050);
- decreasing the negative impact on biodiversity per euro invested (relative to base year 2019).

To achieve these Sustainable Investment Objectives, investments are made in a global portfolio of shares in listed companies that actively engage in the development, production and sale of technologies and systems that help solve environmental problems. The investment policy of the Fund is geared towards technologies and solutions in: water infrastructure and technology, renewable energy and mobility, circular economy, and sustainable food and agriculture. The companies must meet the ASN Sustainability Criteria (ESG) as set out in Chapter 4 "Sustainability policy and investment universe".

#### **Sustainable Investment Objective 1: Decreasing CO<sub>2</sub> emissions in line with the Paris Agreement**

To achieve this Sustainable Objective, ASN Impact Investors focuses on the climate performance of the companies in which the ASN Duurzaam Milieu & Waterfonds invests. When compiling the portfolio, therefore, ASN Impact Investors ensures that it takes into consideration not just the financial soundness and general financial outlook of companies, but also, just as importantly, the CO<sub>2</sub> emissions of the companies in question. Companies with relatively high CO<sub>2</sub> emissions are not included in the portfolio. ASN Impact Investors has insight into the CO<sub>2</sub> emissions of companies in the Investment Universe and factors this data into the investment process. The Fund aims to select companies that actively contribute to reducing CO<sub>2</sub> emissions in line with the MSCI Implied Temperature Rise (ITR) methodology.

ASN Impact Investors uses the PCAF2 methodology to determine the climate impact of the business activities of the companies in the ASN Milieu & Waterfonds. This means that ASN Impact Investors measures the total CO<sub>2</sub> emissions for all investments and reports on scope 1, 2 and 3, and the enterprise value. ASN Impact Investors uses the CO<sub>2</sub> emissions divided by the value of the investments for this. The value of the investment is multiplied by the total emissions (scope 1, 2 and 3), divided by income. The PCAF methodology explicitly examines the interest in the fossil fuel industry and mining. The ASN Milieu & Waterfonds has no interests in these sectors. ASN Impact Investors reports on the results of the CO<sub>2</sub> policy of the ASN Milieu & Waterfonds in the annual report and half-year report of ASN Beleggingsfondsen UCITS N.V.

#### **Sustainable Investment Objective 2: Decreasing the negative impact on biodiversity**

For the biodiversity objective, the decision was taken to focus on decreasing the negative impact per euro invested. Through their activities and complex supplier chains, listed companies have a negative impact on biodiversity. To decreasing the negative impact on the biodiversity of the portfolio, ASN Impact Investors focuses on the biodiversity performance of the portfolio in which the ASN Milieu & Waterfonds invests. This is done particularly by excluding companies that engage in activities that have a significant negative impact on biodiversity and by investing in companies that are actively attempting to minimise their negative impact on biodiversity. The impact on biodiversity is measured using the Biodiversity Footprint for Financial Institutions (BFFI) methodology.

***A description of the sustainability indicators and the methodologies used to measure the attainment of the above sustainable investment objectives is included in the sustainable investment information in Appendix U2 to this Supplement.***

With its Sustainable Investment Objectives, the ASN Milieu & Waterfonds contributes to the following Sustainable Development Goals (SDGs): Clean Water and Sanitation (SDG 6), Affordable and Clean Energy (SDG 7), Industry, Innovation, and Infrastructure (SDG 9), and Responsible Consumption and Production (SDG 12).

Progress in achieving the Sustainable Investment Objectives is monitored continuously and reported in the annual report of ASN Beleggingsfondsen UCITS N.V., published on the Website. In addition, it will be reported on an annual basis how principal adverse impacts were taken into account. This information can be found in the Fund's periodic reporting template, which is part of the annual report.

Due to its Sustainable Investment Objectives, the ASN Milieu & Waterfonds is a Section 9 product under the SFDR.

The financial investment objective of the ASN Milieu & Waterfonds is to achieve a better return in the long term than the benchmark, which is defined below under “Benchmark”.

#### Investment Universe

All the securities in which the ASN Milieu & Waterfonds invests must be admitted to the Investment Universe. A description of the sustainability policy and of how the Investment Universe is determined is given in Chapter 4 “Sustainability policy and investment universe”. ASN Impact Investors has developed an extremely cautious investment process for the ASN Milieu & Waterfonds, which is based on selecting companies that contribute to the achievement of Sustainable Investment Objectives. In addition, companies can be selected that actively engage in a new and innovative economic activity that makes a significant contribution to a sustainable transition. Examples of such companies would be those involved in plant-based food or electric vehicles.

Despite the cautious, investment process, ASN Impact Investors recognises that it is not possible in everyday practice to exclude the possibility that investments may also have negative consequences for society and the environment. However, ASN Impact Investors has set up its investment processes so that these negative consequences are limited as far as possible.

1. Firstly, activities with major negative consequences for society and the environment are excluded from the Investment Universe (including fossil fuels, weapons and tobacco). In addition, limits are imposed on a number of other economic activities, such as the development and management of dams, waste processing and agriculture. These are activities that do not by definition have a negative impact on society or the environment, but do incur a high chance of a negative impact from a certain order of magnitude.
2. Secondly, ASN Impact Investors imposes very high requirements for the ESG policy and for the implementation of ESG by companies. Issuers must, for example, meet international standards (including International Labour Organization (ILO) conventions, UN Global Compact). Instruments of companies that are associated with serious and frequent abuses are excluded. In addition, each sector is analysed to identify the ESG topics associated with an increased chance of a negative impact. For companies in the sector concerned, a strict lower threshold is then adopted in these topics. Specific attention is paid to reducing CO<sub>2</sub> emissions and energy and water consumption, and to improving biodiversity, human rights and anti-corruption. This means that the remaining Investment Universe<sup>3</sup> is extremely limited.
3. Thirdly, companies in the Investment Universe are continuously monitored to identify any link to serious and frequent abuses or to activities that would make the company subject to exclusion criteria. In addition, it is possible that the economic activities of a company may change as a result, for example, of an acquisition or strategic realignment. If a company wishes to engage in activities that we exclude, this will result in the removal of this company from the Investment Universe.

The investment manager will sell securities that have been removed from the Investment Universe as soon as possible after the time of assessment, within a maximum period of 6 months, unless ASN Impact Investors decides otherwise in the interest of the existing shareholders.

It is possible that a company whose shares are included in the portfolio may be acquired by or merge with a company that is not included in the Investment Universe. If this happens, the investment manager should sell the shares of the former company within one month of completion of the acquisition or merger.

#### Benchmark

The benchmark for the ASN Milieu & Waterfonds is: FTSE Environmental Technologies 100 Index (below: “ASN Milieu & Waterfonds Benchmark”). This index tracks the performance of global listed companies that engage in the development and implementation of technologies that contribute to the reduction/solution of environmental problems, including water infrastructure and technology, renewable energy and mobility, circular economy, and sustainable food and agriculture. The composition of the benchmark does not form the starting point for the composition of the portfolio of the ASN Milieu & Waterfonds. The composition of the portfolio may differ substantially from this benchmark due to the sustainable and active financial selection.

ASN Impact Investors considers this benchmark to be sufficiently representative and familiar as a means of gauging and comparing the investment performance. If ASN Impact Investors is of the opinion that this is no longer sufficiently the case and it is no longer in the interests of the shareholders to maintain this benchmark, ASN Impact Investors will select another, more

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<sup>3</sup> At the end of 2020, the ASN Investment Universe comprised 300 companies. According to the OECD, approximately 41,000 companies were listed on a stock exchange (end of 2017). Source: <https://www.oecd.org/corporate/who-are-the-owners-of-the-worlds-listed-companies-and-why-should-we-care.htm>



appropriate benchmark.

#### Securities

The ASN Milieu & Waterfonds invests primarily in readily marketable (depository receipts for) shares of small and medium-sized enterprises in the environmental technology sector that are admitted to regulated markets in the EU or well-functioning regulated exchanges outside the EU.

If justified by the market situation, for instance if a large number of shares are issued by the ASN Milieu & Waterfonds within a short period of time, the ASN Milieu & Waterfonds may (temporarily) hold liquid assets of up to a maximum of 5% of the fund capital.

ASN Impact Investors may amend the investment policy, in the interest of investors, to the extent that ASN Impact Investors is of the opinion that the amendments are consistent with the financial and Sustainable Investment Objectives of the ASN Milieu & Waterfonds.

#### Spread

In order to reduce the investment risks, the investments are spread across various countries, sectors and enterprises. The spread of the investments across subsectors and regions, with the accompanying bandwidths, is as follows.

<i>Subsectors:</i>	<i>Bandwidth:</i>
Water infrastructure and technology	25-60%
Renewable energy and mobility	20-50%
Circular economy	0-20%
Food & agriculture	0-20%
<i>Regions:</i>	<i>Bandwidth:</i>
United States and Canada	15-50%
Europe	30-60%
Rest of the world	5-35%

The spread of the investments across the sectors and regions has been selected so as to avoid any imbalance.

The investment manager performs fundamental research to inform the financial selection of investments. This research takes the form of qualitative and quantitative analyses. The investment risk is also reduced by the requirement that no more than 5% of the capital of the ASN Milieu & Waterfonds be invested in any one company or undertaking.

#### Other investment undertakings or UCITS.

The ASN Milieu & Waterfonds does not invest in participation rights in other investment undertakings or UCITS.

#### Participation in decision-making

ASN Impact Investors shapes the investment policy such that the Funds managed by ASN Impact Investors do not jointly acquire more than 20% of the shares with voting rights in the same issuer. The ASN Milieu & Waterfonds does not invest in more than 10% of the shares without voting rights of the same issuer.

#### Currency

The currency risks arising from the investments undertaken by the ASN Milieu & Waterfonds are not hedged. Active currency positions that do not ensue from underlying investments are not permitted.

#### Derivative instruments

The ASN Milieu & Waterfonds does not use any derivative instruments, other than those assimilated into the portfolio as a result of corporate actions of companies, for example rights-issues and warrants.

#### Loan capital

The investments undertaken by the ASN Milieu & Waterfonds are not financed with loan capital. It is nonetheless possible that debit balances may arise for short periods on the cash accounts of the ASN Milieu & Waterfonds. In such cases, the total debit balance of the cash accounts, as a percentage of the size of the ASN Milieu & Waterfonds, may not exceed 2%.

#### Short selling and lending of financial instruments

The selling of financial instruments not owned by the ASN Milieu & Waterfonds (*short selling*) is, just as the lending of financial

instruments (*securities lending*), not permitted.

#### Valuation

Listed securities are stated at the most recently published stock market price. Securities for which there is no recently published stock market price or whose stock market price is not considered to be representative are stated at the estimated market value. Standard market valuation methods are used to determine the estimated market value.

#### Dividend policy

The ASN Milieu & Waterfonds distributes at least the profit available for distribution in its entirety to the shareholders. The distribution must be made within eight months after the end of the financial year in the form of dividend. The distribution is made in accordance with the fiscal dividend payment obligation.

## Risk factors

The value of investments may fluctuate. Shareholders in the ASN Milieu & Waterfonds may get back less than they invested. No guarantee can be given that they will get back the full amount of their investment in the ASN Milieu & Waterfonds. The risks described below may, if they materialise, affect the price and the value of the investments and cause the value of a share in the ASN Milieu & Waterfonds to fall. The risks that could affect investments in shares in the ASN Milieu & Waterfonds are, in order of importance:

- market risk of equities;
- currency risk;
- concentration risk;
- outsourcing risk;
- liquidity risk;
- counterparty risk;
- risk on settlement of transactions in financial instruments;
- operational risk;
- custody risk;
- risk of change in tax regimes;
- risk of erosion of fund capital.

Information on these risks can be found in Chapter 13 “Risk factors and risk management”.

Sustainability risks can also affect the ASN Milieu & Waterfonds; these risks can manifest themselves, for example, in an increase or reduction of the above-mentioned risks. However, it is currently not yet possible to exactly measure the relative importance of sustainability risks for an investment in shares in the ASN Milieu & Waterfonds, which is why they are not included in the list above.

A detailed summary of the performance, capital and income and expenditure of the ASN Milieu & Waterfonds over the past three years is given in the respective financial statements, with the unqualified audit opinions of ASN Beleggingsfondsen UCITS N.V., or ASN Beleggingsfondsen N.V. (the legal predecessor of ASN Beleggingsfondsen UCITS N.V.), and in the most recent interim figures of ASN Beleggingsfondsen UCITS N.V. published on the Website.

**Appendix U2: Sustainable investment information ASN Milieu & Waterfonds**

This document provides you with information about the fund in relation to the Sustainable Finance Disclosure Regulation. The information is provided to help investors understand the sustainability objectives and risks of this fund. This document is to be read in conjunction with other relevant documentation (Prospectus, Factsheet, and the relevant website disclosures) to help investors with their decision-making.

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852

**Product name:** ASN Milieu & Waterfonds

**Legal entity identifier (LEI):** 5493003MASTEE11NEJ34

## Sustainable investment objective

### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

### Does this financial product have a sustainable investment objective?

**YES**

**NO**

It will make a minimum of **sustainable investments with an environmental objective: 100%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



### What is the sustainable investment objective of this financial product?

The ASN Milieu & Waterfonds (the fund) has the following sustainable investment objectives:

- Decreasing CO<sub>2</sub> emissions per year in line with the Paris Agreement (expressed as the fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050).
- Decreasing the negative impact on biodiversity per euro invested (relative to base year 2019).

In line with these objectives, the fund also takes into account climate change mitigation and climate change adaptation, as defined in the EU Taxonomy.

The fund aims to achieve these sustainable investment goals by investing in a global portfolio of shares in listed companies that actively engage in the development, production and sale of technologies and systems that help solve environmental problems. The investment policy of the fund is geared towards technologies and solutions in water infrastructure and technology, renewable energy and mobility, circular economy, and sustainable food and agriculture.

No reference benchmark has been designated for the purpose of measuring attainment of the sustainable investment objectives. The reason for this is that in the process of defining the investment universe and consequently the portfolio construction, a broader set of ESG factors are taken into account than

solely climate and biodiversity related factors therefore, the fund's portfolio deviates too much from the available benchmarks.

In the absence of a suitable Paris Aligned benchmark, the attainment of the CO<sub>2</sub> emissions reduction objective in view of achieving the Paris Agreement goal is ensured by using the MSCI Implied Temperature Rise (ITR) methodology. The MSCI ITR methodology is an intuitive, forward-looking metric, expressed in degrees Celsius, designed to show the temperature alignment of companies, portfolios, and funds with global temperature goals. The MSCI ITR calculation uses an aggregated budget approach (for scope 1, 2 and 3 emissions, (as defined in [Overview of GHG Protocol scopes and emissions](#)) that compares the sum of financed emissions against the sum of financed carbon emission budgets for the underlying portfolio holdings. The total portfolio carbon emission over-/undershoot is then converted to a degree of temperature rise using the science-based ratio approach of Transient Climate Response to cumulative Emissions (TCRE).

In the absence of a suitable benchmark, progress on the attainment of the reduction in negative impact on biodiversity is measured using the Biodiversity Footprint for Financial Institutions (BFFI) methodology. This methodology measures, in hectares, the fund's negative biodiversity impact per euro invested.

### ● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The sustainability indicators of the fund are linked to the following United Nations Sustainable Development Goals: Clean Water and Sanitation (SDG 6), Affordable and Clean Energy (SDG 7), Industry, Innovation, and Infrastructure (SDG 9), and Responsible Consumption and Production (SDG 12). The sustainability indicators used to measure the attainment of the sustainable investment objective are:

- To measure CO<sub>2</sub> emissions, the fund uses both the Partnership for Carbon Accounting Financials (PCAF) methodology (for current measurement) and the MSCI ITR methodology (for management towards the Paris aligned objective).
- To measure the impact on biodiversity, the fund measures hectares based on the BFFI methodology.

### ● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

All investments of the fund must meet the Sustainability Policy of ASN Impact Investors (the policy) to be considered eligible for the investment universe. The policy consists of a selection process, conducted by ASN Bank's Sustainability Expertise Centre (ECD). Embedded in this process is the risk analysis which leads to the investment universe's exclusion criteria. The basis of the exclusion criteria is formed by ASN Impact Investors' three pillars, i.e., climate, biodiversity, and human rights, plus the investee's governance and where relevant animal welfare. The list of exclusion criteria covers details relating, but not limited to:

- Climate (activities relating to fossil fuels, and nuclear energy are excluded).
- Biodiversity (activities relating to deforestation, and waste dumping are excluded).
- Human rights (activities relating to crimes against humanity, genocide, war crimes, and the weapons industry are excluded).
- Investee's governance (companies that do not have a policy regulating the ethical conduct of its employees are excluded).
- Animal welfare (activities relating to animal testing and breach of the five freedoms on animal welfare are excluded).

Furthermore, the policy consists of a list of sustainability criteria. These criteria assess the companies with regards to, amongst others, their environmental policy, pollution, overexploitation, equal treatment, and discrimination, forced labour and a healthy and safe working environment.

The exclusion criteria are applied to all companies. The sustainability criteria are applied proportionally.

The investment universe is ultimately determined by ASN Impact Investors' investment committee. Every investee is discussed in ASN Impact Investors' investment committee as part of the sustainability assessment. The investment committee decides to approve, disapprove, or engage with a company, and that results in the investment universe. After approval the investment

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

universe is periodically reviewed by ECD. Based on the above sustainability assessment process, it is assured that the investment universe is void of companies who cause significant harm to any sustainable investment objectives.

● **How have the indicators for adverse impacts on sustainability factors been taken into account?**

The policy ensures that all the mandatory principal adverse impacts (regarding greenhouse gas emissions, biodiversity, water, and waste and all the social and employee matters) are considered when creating the investment universe. The optional principal adverse impacts considered are (subject to data availability):

- Water usage and recycling
- Lack of supplier code of conduct
- Lack of human rights policy.
- Operations and suppliers at significant risk of incidents of child labour.
- Operations and suppliers at significant risk of incidents of forced or compulsory labour.
- Number of identified cases of severe human rights issues and incidents.
- Lack of anti-corruption and anti-bribery policies.

● **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

The fund excludes companies that are known to be in breach of the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. When a breach is identified at a company in the investment universe, an engagement process is started. When the company is not willing or able to handle the situation in line with the guidelines, the company is excluded from the investment universe.

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights apply to all companies admitted to the investment universe. All companies in the investment universe are expected to always be in compliance, however in determining compliance, the methods applied can vary per company.



**Does this financial product consider principal adverse impacts on sustainability factors?**

**Yes**, principal adverse impacts on sustainability factors (or PAI) are considered as part of the sustainability assessment and selection process, whereby the fund also looks at the direct and indirect negative impacts related to the investments. The investment process is structured in such a way as to limit these adverse effects as much as possible.

ASN Impact Investors will report on how principal adverse impacts were taken into account on an annual basis. This information can be found in the fund's periodic reporting template which is part of the annual report of ASN Beleggingsfondsen UCITS N.V. Specifically, please refer to the question: *How have the indicators for adverse impacts on sustainability factors been taken into account?*

**No**



**What investment strategy does this financial product follow?**

The fund invests in shares of companies in the environmental technology sector across the globe that are committed to promoting sustainable societies and that have sound financial prospects. The fund only invests in companies that have been admitted to the investment universe.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The portfolio of the fund is constructed within the investment universe, in such a way that it creates a maximum contribution to the sustainable investment objectives, whilst also keeping in mind the financial objective of the fund.

With regards to CO<sub>2</sub> emissions, the fund aims to select companies that actively contribute to decreasing GHG emissions in line with ITR methodology.

With regards to biodiversity, the fund aims to select companies with a limited negative impact on biodiversity, or companies that are actively attempting to minimise their negative impact on biodiversity measured by hectares.

● **What is the policy to assess good governance practices of the investee companies?**

As part of the application of the policy, an assessment on good governance and ethical behaviour of investee companies is made. For investee companies, the policy incorporates requirements with regards to, amongst others, the compositions and remuneration of the Board; (anti-)corruption; transparency; supply chain, adherence to local legal and tax regulations.

The fund requires the investee to have a policy regulating the ethical conduct of its employees, regardless of where it operates. The fund applies stricter criteria with regards to the policy's substance and quality if the investee is active in risk countries or high-risk countries and/or activities. Finally, an assessment is made whether there has been any misconduct.

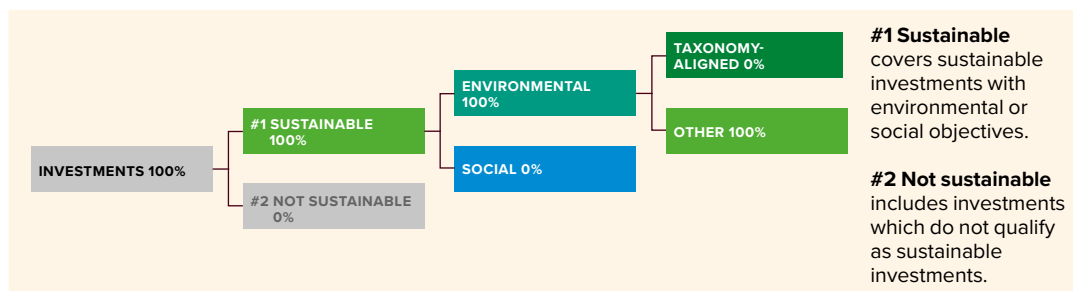


**What is the asset allocation and the minimum share of sustainable investments?**

Due to the strict sustainability criteria and its sustainable investment objectives, the fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR. Therefore, the investment selection criteria only include investments which qualify as sustainable as defined by SFDR.

Cash held in the fund is not an investment. Cash is meant to facilitate liquidity of the fund on the exchange where the fund is traded. Cash is held in relation to liquidity management as per article 3:63 of the Financial Supervision Act (Wet op het financieel toezicht – Wft).

As the fund only has environmental objectives, all investees are categorized under “Environmental.”



● **How does the use of derivatives attain the sustainable investment objective?**

No derivatives are used.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

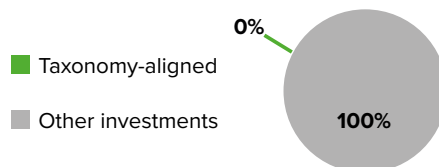


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

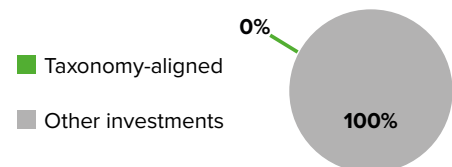
ASN Impact Investors believes that the EU Taxonomy, the EU list of sustainable economic activities, can potentially be an important instrument to determine which investments are sustainable. It could promote transparency, counter greenwashing, and drive the shift of capital to the sustainable economy of the future. However, regarding the environmental part of the EU Taxonomy, ASN Impact Investors cannot endorse the inclusion of nuclear energy and fossil gas as sustainable investments under the current EU Taxonomy. This is not in accordance with the convictions, vision, and mission of ASN Impact Investors. Considering this and the fact that still so much of the taxonomy is unclear, no specific target alignment for the EU taxonomy has been set so far.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1 Taxonomy-alignment of investments including sovereign bonds\*



2 Taxonomy-alignment of investments excluding sovereign bonds\*



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

As ASN Impact Investors cannot, in principle, endorse the EU Taxonomy this question is not applicable (so the minimum share of investments in transitional and enabling activities is 0%).



## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

As no specific target alignment goal has been set with regards to the EU Taxonomy, the minimum share of sustainable investments with an environmental objective not aligned with EU Taxonomy is 100%. The actual EU Taxonomy alignment number will be reported in the periodic reports, depending on the availability of data.



## What is the minimum share of sustainable investments with a social objective?

Social indicators are part of ASN Impact Investors' screening criteria used to determine the investment universe. However, applying these criteria does not classify as a social objective under SFDR. The fund primarily focuses on an environmental objective. As such, the fund does not have sustainable investments with a social objective, the question is not applicable (so the minimum share is 0%).



## What investments are under "#2 Not sustainable", what is their purpose and are there minimum environmental or social safeguards?

Due to the sustainability criteria of ASN Impact Investors, no investments are made that are classified as "#2 Not sustainable". The fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR.





Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

### Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated for the purpose of attaining the two sustainable investment objectives, as there is currently no benchmark available in the market uniting both CO<sub>2</sub> emissions and biodiversity.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Question is not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Question is not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Question is not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Question is not applicable.



### Where can I find more product specific information online?

More product-specific information can be found on the website:  
[www.asnimpactinvestors.com](http://www.asnimpactinvestors.com)

## Fund U3: ASN Duurzaam Aandelenfonds

### Investment policy

#### Objective

The ASN Duurzaam Aandelenfonds has the following Sustainable Investment Objectives:

- decreasing CO<sub>2</sub> emissions per year in line with the Paris Agreement (expressed as the Fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050);
- decreasing the negative impact on biodiversity per euro invested (relative to base year 2019); and
- stimulating the payment of living wages to factory workers in the clothing industry (relative to base year 2019).

To achieve these Sustainable Investment Objectives, investments are made in a global portfolio of shares in listed companies that are (increasingly) contributing to these investment objectives. The companies must meet the ASN Sustainability Criteria (ESG) as set out in Chapter 4 "Sustainability policy and investment universe".

#### **Sustainable Investment Objective 1: Decreasing CO<sub>2</sub> emissions in line with the Paris Agreement**

To achieve this Sustainable Objective, ASN Impact Investors focuses on the climate performance of the companies in which the ASN Duurzaam Aandelenfonds invests. When compiling the portfolio, therefore, ASN Impact Investors ensures that it takes into consideration not just the financial soundness and general financial outlook of companies, but also, just as importantly, the CO<sub>2</sub> emissions of the companies in question. Companies with relatively high CO<sub>2</sub> emissions are not included in the portfolio. ASN Impact Investors has insight into the CO<sub>2</sub> emissions of companies in the Investment Universe and factors this data into the investment process. The Fund aims to select companies that actively contribute to reducing CO<sub>2</sub> emissions in line with the MSCI Implied Temperature Rise (ITR) methodology.

#### **Sustainable Investment Objective 2: Decreasing the negative impact on biodiversity**

For the biodiversity objective, the decision was taken to focus on decreasing the negative impact per euro invested. Through their activities and complex supplier chains, listed companies have a negative impact on biodiversity. To decrease the negative impact on biodiversity, ASN Impact Investors focuses on the biodiversity performance of the portfolio in which the ASN Duurzaam Aandelenfonds invests. This is done particularly by excluding companies that have a significant negative impact on biodiversity and by investing in companies that are actively attempting to minimise their negative impact on biodiversity. The impact on biodiversity is measured using the Biodiversity Footprint for Financial Institutions (BFFI) methodology.

#### **Sustainable Investment Objective 3: Living wage in the clothing industry**

ASN Impact Investors focuses on the payment of an honest wage to factory workers (in the chains) of the clothing companies in the Investment Universe. Ultimately, ASN Impact Investors wants to see a living wage being paid in all sectors. Research has shown that the consequences of not paying an honest wage are most salient in the clothing industry, which is why this sector has been chosen as a starting point. Progress on the attainment of this Sustainable Investment Objective is measured using the average living wage score based on the Platform Living Wage Financials (PLWF) methodology. The Fund aims to achieve a year-on-year increase of the living wage score of the clothing industry companies in the portfolio.

***A description of the sustainability indicators and the methodologies used to measure the attainment of the above sustainable investment objectives is included in the sustainable investment information in Appendix U3 to this Supplement.***

With its Sustainable Investment Objectives, the ASN Duurzaam Aandelenfonds contributes to the following Sustainable Development Goals (SDGs): Decent Work and Economic Growth (SDG 8), Industry, Innovation, and Infrastructure (SDG 9), Responsible Consumption and Production (SDG 12), and Climate Action (SDG 13).

Progress in achieving the Sustainable Investment Objectives is monitored continuously and reported in the annual report of ASN Beleggingsfondsen UCITS N.V., published on the Website. In addition, it will be reported on an annual basis how principal adverse impacts were taken into account. This information can be found in the Fund's periodic reporting template, which is part of the annual report.

Due to its Sustainable Investment Objectives, the ASN Duurzaam Aandelenfonds is a Section 9 product under the SFDR.

The financial investment objective of the ASN Aandelenfonds is to achieve a better return in the long term than that of the

benchmark, which is defined below under “Benchmark”.

#### Investment Universe

All the securities in which the ASN Duurzaam Aandelenfonds invests must be admitted to the Investment Universe. A description of the sustainability policy and of how the Investment Universe is determined is given in Chapter 4 “Sustainability policy and investment universe”. ASN Impact Investors has developed an extremely cautious investment process for the ASN Duurzaam Aandelenfonds, which is based on selecting companies that contribute to the achievement of Sustainable Investment Objectives. In addition, companies can be selected that actively engage in a new and innovative economic activity that makes a significant contribution to a transition to a sustainable society. Examples of such companies would be those involved in plant-based food or electric vehicles.

Despite the cautious, investment process, ASN Impact Investors recognises that it is not possible in everyday practice to exclude the possibility that investments may also have negative consequences for society and the environment. However, ASN Impact Investors has set up its investment processes so that these negative consequences are limited as far as possible.

1. Firstly, activities with major negative consequences for society and the environment are excluded from the Investment Universe (including fossil fuels, weapons and tobacco). In addition, limits are imposed on a number of other economic activities, such as the development and management of dams, waste processing and agriculture. These are activities that do not by definition have a negative impact on society or the environment, but do incur a high chance of a negative impact from a certain order of magnitude.
2. Secondly, ASN Impact Investors imposes very high requirements for the ESG policy and for the implementation of ESG by companies. Issuers must, for example, meet international standards (including International Labour Organization (ILO) conventions, UN Global Compact). Instruments of companies that are associated with serious and frequent abuses are excluded. In addition, each sector is analysed to identify the ESG topics associated with an increased chance of a negative impact. For companies in the sector concerned, a strict lower threshold is then adopted in these topics. Specific attention is paid to reducing CO2 emissions and energy and water consumption, and to improving biodiversity, human rights and anti-corruption. This means that the remaining Investment Universe<sup>4</sup> is extremely limited.
3. Thirdly, companies in the Investment Universe are continuously monitored to identify any link to serious and frequent abuses or to activities that would make the company subject to exclusion criteria. In addition, it is possible that the economic activities of a company may change as a result, for example, of an acquisition or strategic realignment. If a company wishes to engage in activities that we exclude, this will result in the removal of this company from the Investment Universe.

The investment manager will sell securities that have been removed from the Investment Universe as soon as possible after the time of assessment, within a maximum period of 6 months, unless ASN Impact Investors decides otherwise in the interest of the existing shareholders.

It is possible that a company whose shares are included in the portfolio may be acquired by or merge with a company that is not included in the Investment Universe. If this happens, the investment manager should sell the shares of the former company within one month of completion of the acquisition or merger.

#### Benchmark

The benchmark for the ASN Duurzaam Aandelenfonds is: MSCI ACWI Climate Paris Aligned Total Return Index (EUR) (below: ‘ASN Duurzaam Aandelenfonds Benchmark’). The composition of the benchmark does not form the starting point for the composition of the ASN Duurzaam Aandelenfonds. The composition of the portfolio may differ substantially from the benchmark due to the sustainable and active financial selection.

ASN Impact Investors considers the ASN Duurzaam Aandelenfonds Benchmark to be sufficiently representative and familiar as a means of gauging and comparing the financial investment performance. If, however, ASN Impact Investors is of the opinion that this is no longer sufficiently the case and it is no longer in the interests of the shareholders to maintain this benchmark, ASN Impact Investors will select another, more appropriate benchmark.

#### Securities

The ASN Duurzaam Aandelenfonds invests in shares and depositary receipts for shares of issuers that are admitted to regulated markets in the EU or well-functioning regulated exchanges outside the EU. These are primarily shares and depositary receipts

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<sup>4</sup> At the end of 2020, the ASN Investment Universe comprised 300 companies. According to the OECD, approximately 41,000 companies were listed on a stock exchange (end of 2017). Source: <https://www.oecd.org/corporate/who-are-the-owners-of-the-worlds-listed-companies-and-why-should-we-care.htm>

for shares of large enterprises. The ASN Duurzaam Aandelenfonds may also invest in shares and depositary receipts for shares of small and/or medium-sized enterprises and in shares and depositary receipts for shares of property companies. If justified by the market situation, for instance where a large number of shares are issued by the ASN Duurzaam Aandelenfonds within a short period of time, the ASN Duurzaam Aandelenfonds may (temporarily) hold liquid assets of up to a maximum of 5% of the fund capital.

ASN Impact Investors may amend the restrictions contained in the investment policy, in the interest of investors, to the extent that ASN Impact Investors is of the opinion that the amendments are consistent with the ASN Duurzaam Aandelenfonds' objective.

#### Investments in venture capital funds

No more than 5% of the fund capital may be invested in unlisted equity investments through one or more venture capital funds. The percentage of the fund capital that is invested through venture capital funds may be greater than 5% as a result of:

- the upward adjustment of the valuation of one or more investments; or
- a decrease in the fund capital as a result of shareholders withdrawing money from the Fund.

If one of the aforementioned situations occurs, ASN Impact Investors will endeavour to restore the percentage of its fund capital that is invested via venture capital funds to no more than 5% as soon as reasonably possible.

#### Spread

In order to reduce the investment risks, the investments are spread across various countries, sectors and enterprises. Fundamental research, consisting of quantitative analyses, is performed to inform the financial selection of investments. The asset manager analyses investments based on their value, quality and the ESG factor in order to substantiate the Sustainable Investment Objectives. The investment risk is also reduced by the requirement that the ASN Duurzaam Aandelenfonds never invest more than 5% of the fund capital in one company or undertaking.

#### Participation in other investment undertakings or UCITS

The ASN Duurzaam Aandelenfonds does not invest, other than through venture capital funds as described above, in participation rights in other investment undertakings or UCITS.

#### Participation in decision-making

ASN Impact Investors shapes the investment policy such that the Funds managed by ASN Impact Investors do not jointly acquire more than 20% of the shares with voting rights in the same issuer. The ASN Duurzaam Aandelenfonds does not invest in more than 10% of the shares without voting rights of the same issuer.

#### Currency

The currency risks arising from the investments undertaken by the ASN Duurzaam Aandelenfonds are not hedged. Active currency positions that do not ensue from underlying investments are not permitted.

#### Derivative instruments

The ASN Duurzaam Aandelenfonds does not use any derivative instruments, other than those assimilated into the portfolio as a result of corporate actions of companies, for example rights-issues and warrants.

#### Loan capital

The investments undertaken by the ASN Duurzaam Aandelenfonds are not financed with loan capital. It is nonetheless possible that debit balances may arise for short periods on the cash accounts of the ASN Duurzaam Aandelenfonds. In such cases, the total debit balance of the cash accounts, as a percentage of the size of the ASN Duurzaam Aandelenfonds, may not exceed 2%.

#### Short selling and lending of financial instruments

The selling of financial instruments not owned by the ASN Duurzaam Aandelenfonds (short selling) is, just as the lending of financial instruments (securities lending), not permitted.

## Valuation

Listed securities are stated at the most recently published stock market price. Securities for which there is no recently published stock market price and unlisted securities are stated at the estimated market value. Standard market valuation methods are used to determine the estimated market value. The remaining assets and liabilities are stated at nominal value.

## Dividend policy

The ASN Duurzaam Aandelenfonds distributes at least the profit available for distribution in its entirety to the shareholders. The distribution must be made within eight months after the end of the financial year in the form of dividend. The distribution is made in accordance with the fiscal dividend payment obligation.

## Risk factors

The value of investments may fluctuate. Shareholders of the ASN Duurzaam Aandelenfonds may get back less capital than they invested. No guarantee can be given that they will get back the full amount of their investment in the ASN Duurzaam Aandelenfonds. The risks described below may, if they materialise, affect the price and the value of the investments and cause the value of a share in the ASN Duurzaam Aandelenfonds to fall. The risks that could affect investments in the ASN Duurzaam Aandelenfonds are, in order of importance:

- market risk of equities;
- currency risk;
- concentration risk;
- outsourcing risk;
- liquidity risk;
- counterparty risk;
- risk on settlement of transactions in financial instruments;
- operational risk;
- custody risk;
- risk of change in tax regimes;
- risk of erosion of fund capital.

Information on these risks can be found in Chapter 13 “Risk factors and risk management”.

Sustainability risks can also affect the ASN Duurzaam Aandelenfonds; these risks can manifest themselves, for example, in an increase or reduction of the above-mentioned risks. However, it is currently not yet possible to measure exactly the relative importance of sustainability risks for an investment in shares in the ASN Duurzaam Aandelenfonds, which is why they are not included in the list above.

A detailed summary of the performance, capital and income and expenditure of the ASN Duurzaam Aandelenfonds over the past three years is given in the respective financial statements, with the unqualified audit opinions of ASN Beleggingsfondsen UCITS N.V., or ASN Beleggingsfondse N.V. (the legal predecessor of ASN Beleggingsfondsen UCITS N.V.), and in the most recent interim figures of ASN Beleggingsfondsen UCITS N.V. published on the Website.

**Appendix U3: Sustainable investment information ASN Duurzaam Aandelenfonds**

This document provides you with information about the fund in relation to the Sustainable Finance Disclosure Regulation. The information is provided to help investors understand the sustainability objectives and risks of this fund. This document is to be read in conjunction with other relevant documentation (Prospectus, Factsheet, and the relevant website disclosures) to help investors with their decision-making.

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852

**Product name:** ASN Duurzaam Aandelenfonds

**Legal entity identifier (LEI):** 549300LDXPD7XM2J2X44

## Sustainable investment objective

### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### Does this financial product have a sustainable investment objective?

**YES**

**NO**

It will make a minimum of **sustainable investments with an environmental objective: 97.5%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective: 2.5%**

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



### What is the sustainable investment objective of this financial product?

The ASN Duurzaam Aandelenfonds (the fund) has the following sustainable investment objectives:

- Decreasing CO<sub>2</sub> emissions per year in line with the Paris Agreement (expressed as the fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050).
- Decreasing the negative impact on biodiversity per euro invested (relative to base year 2019).
- Stimulating the payment of living wages to factory workers in the clothing industry (relative to base year 2019).

In line with these objectives, the fund also takes into account climate change mitigation and climate change adaptation, as defined in the EU Taxonomy.

The fund aims to achieve the sustainable investment objectives by investing in a globally diversified portfolio of listed equities that (increasingly) contribute to these investment objectives.

No reference benchmark has been designated for the purpose of measuring attainment of the sustainable investment objectives. The reason for this is that in the process of defining the investment universe and consequently the portfolio construction, a broader set of ESG factors are taken into account than solely climate and biodiversity related factors, therefore, the fund's portfolio deviates too much from the available benchmarks.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

In the absence of a suitable Paris Aligned benchmark, the attainment of the CO<sub>2</sub> emissions reduction objective in view of achieving the Paris Agreement goal is ensured by using the MSCI Implied Temperature Rise (ITR) methodology. The MSCI ITR methodology is an intuitive, forward-looking metric, expressed in degrees Celsius, designed to show the temperature alignment of companies, portfolios, and funds with global temperature goals. The MSCI ITR calculation uses an aggregated budget approach (for scope 1, 2 and 3 emissions, (as defined in [Overview of GHG Protocol scopes and emissions](#)), that compares the sum of financed emissions against the sum of financed carbon emission budgets for the underlying portfolio holdings. The total portfolio carbon emission over-/undershoot is then converted to a degree of temperature rise using the science-based ratio approach of Transient Climate Response to cumulative Emissions (TCRE).

In the absence of a suitable benchmark, progress on the attainment of the reduction in negative impact on biodiversity is measured using the Biodiversity Footprint for Financial Institutions (BFFI) methodology. This methodology measures, in hectares, the fund's negative biodiversity impact per euro invested.

In the absence of a suitable benchmark, progress on the attainment of the stimulation of living wages to factory workers in the clothing industry is measured using the average living wage score based on the Platform Living Wage Financials (PLWF) methodology. The PLWF methodology evaluates the clothing companies based on their policy, engagement, assessing impacts, integrating findings, tracking performance, remedy, and transparency with regards to living wage. The methodology applied is based on an annual review of the living wage score which gives cause to maintain, monitor, or divest an investment. ASN Impact Investors recognizes that the PLWF methodology still has a narrow focus and is currently investigating a broader indicator, preferably with coverage over a larger number of human rights related themes and industries. Development of a broader indicator is subject to data availability on sustainable social objectives.

### ● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The sustainability indicators of the fund are linked to the following United Nations Sustainable Development Goals: Decent Work and Economic Growth (SDG 8), Industry, Innovation, and Infrastructure (SDG 9), Responsible Consumption and Production (SDG 12), and Climate Action (SDG 13).

The sustainability indicators used to measure the attainment of the sustainable investment objective are:

- To measure CO<sub>2</sub> emissions, the fund uses both the Partnership for Carbon Accounting Financials (PCAF) methodology (for current measurement) and the MSCI ITR methodology (for management towards the Paris aligned objective).
- To measure the impact on biodiversity, the fund measures hectares based on the BFFI methodology.
- To measure the stimulation of living wages in the clothing industry, the fund uses the living wage score based on the PLWF methodology.

### ● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

All investments of the fund must meet the Sustainability Policy of ASN Impact Investors (the policy) to be considered eligible for the investment universe. The policy consists of a selection process, conducted by ASN Bank's Sustainability Expertise Centre (ECD). Embedded in this process is the risk analysis which leads to the investment universe's exclusion criteria. The basis of the exclusion criteria is formed by ASN Impact Investors' three pillars, i.e., climate, biodiversity, and human rights, plus the investee's governance and where relevant animal welfare. The list of exclusion criteria covers details relating, but not limited, to:

- Climate (activities relating to fossil fuels and nuclear energy are excluded).
- Biodiversity (activities relating to deforestation and waste dumping are excluded).
- Human rights (activities relating to crimes against humanity, genocide, war crimes and the weapons industry are excluded).
- Investee's governance (companies that do not have a policy regulating the ethical conduct of its employees are excluded).
- Animal welfare (activities relating to animal testing and breach of the five freedoms on animal welfare are excluded).

Furthermore, the policy consists of a list of sustainability criteria. These criteria assess the companies with regards to, amongst others, their environmental policy, pollution, over-

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



exploitation, equal treatment, and discrimination, forced labour and a healthy and safe working environment.

The exclusion criteria are applied to all companies. The sustainability criteria are applied proportionally.

The investment universe is ultimately determined by ASN Impact Investors' investment committee. Every investee is discussed in ASN Impact Investors' investment committee as part of the sustainability assessment. The investment committee decides to approve, disapprove, or engage with a company, and that results in the investment universe. After approval the investment universe is periodically reviewed by ECD. Based on the above sustainability assessment process, it is assured that the investment universe is void of companies who cause significant harm to any sustainable investment objectives.

### ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The policy ensures that all the mandatory principal adverse impacts (regarding greenhouse gas emissions, biodiversity, water, and waste and all the social and employee matters) are considered when creating the investment universe. The optional principal adverse impacts considered are (subject to data availability):

- Natural species and protected areas.
- Lack of supplier code of conduct.
- Lack of human rights policy.
- Operations and suppliers at significant risk of incidents of child labour.
- Operations and suppliers at significant risk of incidents of forced or compulsory labour.
- Number of identified cases of severe human rights issues and incidents.
- Lack of anti-corruption and anti-bribery policies.

### ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The fund excludes companies that are known to be in breach of the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. When a breach is identified at a company in the investment universe, an engagement process is started. When the company is not willing or able to handle the situation in line with the guidelines, the company is excluded from the investment universe.

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights apply to all companies admitted to the investment universe. All companies in the investment universe are expected to always be in compliance, however in determining compliance, the methods applied can vary per company.



### **Does this financial product consider principal adverse impacts on sustainability factors?**

**Yes**, principal adverse impacts on sustainability factors (or PAI) are considered as part of the sustainability assessment and selection process, whereby the fund also looks at the direct and indirect negative impacts related to the investments. The investment process is structured in such a way as to limit these adverse effects as much as possible.

ASN Impact Investors will report on how principal adverse impacts were taken into account on an annual basis. This information can be found in the fund's periodic reporting template which is part of the annual report of ASN Beleggingsfondsen UCITS N.V. Specifically, please refer to the question: ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

**No**



### What investment strategy does this financial product follow?

The fund invests mainly in shares of listed companies across the globe that are committed to promoting sustainable societies and that have sound financial prospects. The fund only invests in companies that have been admitted to the investment universe.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The portfolio of the fund is constructed within the investment universe, in such a way that it creates a maximum contribution to the sustainable investment objectives, whilst also keeping in mind the financial objective of the fund.

With regards to CO<sub>2</sub> emissions, the fund aims to select companies that actively contribute to decreasing GHG emissions in line with ITR methodology.

With regards to biodiversity, the fund aims to select companies with a limited negative impact on biodiversity, or companies that are actively attempting to minimise their negative impact on biodiversity measured by hectares.

With regards to the living wage, the fund aims to increase the living wage score year-on-year of the clothing industry companies in the portfolio.

### What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

As part of the application of the policy, an assessment on good governance and ethical behaviour of investee companies is made. For investee companies, the policy incorporates requirements with regards to, amongst others, the compositions and remuneration of the Board; (anti-)corruption; transparency; supply chain, adherence to local legal and tax regulations.

The fund requires the investee to have a policy regulating the ethical conduct of its employees, regardless of where it operates. The fund applies stricter criteria with regards to the policy's substance and quality if the investee is active in risk countries or high-risk countries and/or activities. Finally, an assessment is made whether there has been any misconduct.



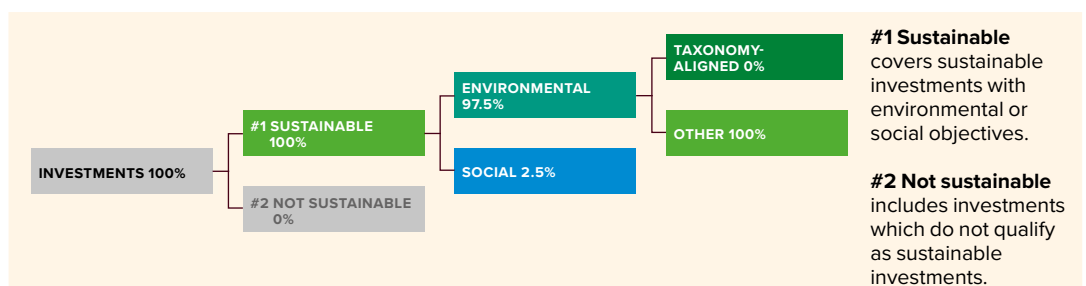
### What is the asset allocation and the minimum share of sustainable investments?

Due to the strict sustainability criteria and its sustainable investment objectives, the fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR. Therefore, the investment selection criteria only include investments which qualify as sustainable as defined by SFDR.

Asset allocation describes the share of investments in specific assets.

Cash held in the fund is not an investment. Cash is meant to facilitate liquidity of the fund on the exchange where the fund is traded. Cash is held in relation to liquidity management as per article 3:63 of the Financial Supervision Act (Wet op het financieel toezicht – Wft).

ASN Impact Investors aims of to have 2.5% as a minimum share of the assets under management of the fund in clothing industry companies. The social investment objective solely focuses on the clothing industry companies in the portfolio; therefore, the same percentage is regarded as social. The remaining amount is regarded as environmental.



## ● **How does the use of derivatives attain the sustainable investment objective?**

No derivatives are used.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

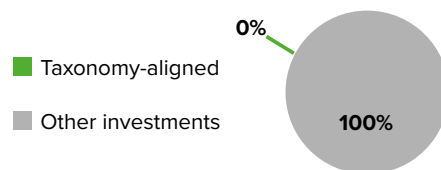


## **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

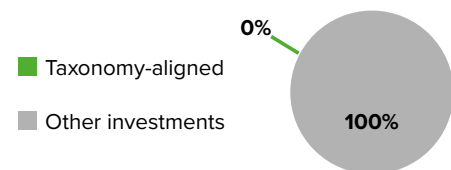
ASN Impact Investors believes that the EU Taxonomy, the EU list of sustainable economic activities, can potentially be an important instrument to determine which investments are sustainable. It could promote transparency, counter greenwashing, and drive the shift of capital to the sustainable economy of the future. However, regarding the environmental part of the EU Taxonomy, ASN Impact Investors cannot endorse the inclusion of nuclear energy and fossil gas as sustainable investments under the current EU Taxonomy. This is not in accordance with the convictions, vision, and mission of ASN Impact Investors. Considering this and the fact that still so much of the taxonomy is unclear, no specific target alignment for the EU taxonomy has been set so far.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1 Taxonomy-alignment of investments including sovereign bonds\*



2 Taxonomy-alignment of investments excluding sovereign bonds\*



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## ● **What is the minimum share of investments in transitional and enabling activities?**

As ASN Impact Investors cannot, in principle, endorse the EU Taxonomy this question is not applicable (so the minimum share of investments in transitional and enabling activities is 0%).



## **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

As no specific target alignment goal has been set with regards to the EU Taxonomy, the minimum share of sustainable investments with an environmental objective not aligned with EU Taxonomy is 100%. The actual EU Taxonomy alignment number will be reported in the periodic reports, depending on the availability of data.



## **What is the minimum share of sustainable investments with a social objective**

The social indicators are part of ASN Impact Investors' screening criteria used to determine the investment universe. The fund aims to have 2.5% of assets under management in the clothing industry. The social investment objective solely focuses on these companies; therefore, the same percentage is the minimum share of sustainable investments with a social objective.



## What investments are under “#2 Not sustainable”, what is their purpose and are there minimum environmental or social safeguards?

Due to the sustainability criteria of ASN Impact Investors, no investments are made that are classified as “#2 Not sustainable”. The fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR.



## Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated for the purpose of attaining the three sustainable investment objectives, as there is currently no benchmark available in the market uniting CO<sub>2</sub> emissions, biodiversity, and living wage.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Question is not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Question is not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Question is not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Question is not applicable.



## Where can I find more product specific information online?

More product-specific information can be found on the website:  
[www.asnimpactinvestors.com](http://www.asnimpactinvestors.com)

## Fund U4: ASN Duurzaam Small & Midcapfonds

### Investment policy

#### Objective

The ASN Duurzaam Small & Midcapfonds has the following Sustainable Investment Objectives:

- decreasing CO<sub>2</sub> emissions per year in line with the Paris Agreement (expressed as the Fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050);
- decreasing the negative impact on biodiversity per euro invested (relative to base year 2019); and
- stimulating the payment of living wages to factory workers in the clothing industry (relative to base year 2019).

To achieve these Sustainable Investment Objectives, investments are made in small and medium-sized European companies that are (increasingly) contributing to these investment objectives. The companies must meet the ASN Sustainability Criteria (ESG) as set out in Chapter 4 "Sustainability policy and investment universe".

#### **Sustainable Investment Objective 1: Decreasing CO<sub>2</sub> emissions in line with the Paris Agreement**

To achieve this Sustainable Objective, ASN Impact Investors focuses on the climate performance of the companies in which the ASN Duurzaam Small & Midcapfonds invests. When compiling the portfolio, therefore, ASN Impact Investors ensures that it takes into consideration not just the financial soundness and general financial outlook of companies, but also, just as importantly, the CO<sub>2</sub> emissions of the companies in question. Companies with relatively high CO<sub>2</sub> emissions are not included in the portfolio. ASN Impact Investors has insight into the CO<sub>2</sub> emissions of companies in the Investment Universe and factors this data into the investment process. The Fund aims to select companies that actively contribute to reducing CO<sub>2</sub> emissions in line with the MSCI Implied Temperature Rise (ITR) methodology.

#### **Sustainable Investment Objective 2: Decreasing the negative impact on biodiversity**

For the biodiversity objective, the decision was taken to focus on decreasing the negative impact per euro invested. Through their activities and complex supplier chains, listed companies have a negative impact on biodiversity. To decrease the negative impact on biodiversity, ASN Impact Investors focuses on the biodiversity performance of the portfolio in which the ASN Duurzaam Small & Midcapfonds invests. In the first instance, this is done by excluding companies that have a significant negative impact on biodiversity and by investing in companies that are actively attempting to minimise their negative impact on biodiversity. The impact on biodiversity is measured using the Biodiversity Footprint for Financial Institutions (BFFI) methodology.

#### **Sustainable Investment Objective 3: Living wage in the clothing industry**

ASN Impact Investors focuses on the payment of an honest wage to factory workers (in the chains) of the clothing companies in the Investment Universe. Ultimately, ASN Impact Investors wants to see a living wage being paid in all sectors. Research has shown that the consequences of not paying an honest wage are most salient in the clothing industry, which is why this sector has been chosen as a starting point. Progress on the attainment of this Sustainable Investment Objective is measured using the average living wage score based on the Platform Living Wage Financials (PLWF) methodology. The Fund aims to achieve a year-on-year increase of the living wage score of the clothing industry companies in the portfolio.

***A description of the sustainability indicators and the methodologies used to measure the attainment of the above sustainable investment objectives is included in the sustainable investment information in Appendix U4 to this Supplement.***

With its Sustainable Investment Objectives, the ASN Duurzaam Small & Midcapfonds contributes to the following Sustainable Development Goals (SDGs): Decent Work and Economic Growth (SDG 8), Industry, Innovation, and Infrastructure (SDG 9), Responsible Consumption and Production (SDG 12), and Climate Action (SDG 13).

Progress in achieving these investment objectives is monitored continuously and reported in the annual report of ASN Beleggingsfondsen UCITS N.V., published on the Website. In addition, it will be reported on an annual basis how principal adverse impacts were taken into account. This information can be found in the Fund's periodic reporting template, which is part of the annual report.

Due to its Sustainable Investment Objectives, the ASN Duurzaam Small & Midcapfonds is a Section 9 product under the SFDR.

The financial investment objective of the ASN Duurzaam Small & Midcapfonds is to achieve a better return in the long term than that of the benchmark, which is defined below under “Benchmark”.

#### Investment Universe

All the securities in which the ASN Duurzaam Small & Midcapfonds invests must be admitted to the Investment Universe. A description of the sustainability policy and of how the Investment Universe is determined is given in Chapter 4 “Sustainability policy and investment universe”. ASN Impact Investors has developed an extremely cautious investment process for the ASN Duurzaam Small & Midcapfonds, which is based on selecting companies that contribute to the achievement of Sustainable Investment Objectives. In addition, companies can be selected that actively engage in a new and innovative economic activity that makes a significant contribution to a transition to a sustainable society. Examples of such companies would be those involved in plant-based food or electric vehicles.

Despite the cautious, investment process, ASN Impact Investors recognises that it is not possible in everyday practice to exclude the possibility that investments may also have negative consequences for society and the environment. However, ASN Impact Investors has set up its investment processes so that these negative consequences are limited as far as possible.

1. Firstly, activities with major negative consequences for society and the environment are excluded from the Investment Universe (including fossil fuels, weapons and tobacco). In additions, limits are imposed on a number of other economic activities, such as the development and management of dams, waste processing and agriculture. These are activities that do not by definition have a negative impact on society or the environment, but do incur a high chance of a negative impact from a certain order of magnitude.
2. Secondly, ASN Impact Investors imposes very high requirements for the ESG policy and for the implementation of ESG by companies. Issuers must, for example, meet international standards (including International Labour Organization (ILO) conventions, UN Global Compact). Instruments of companies that are associated with serious and frequent abuses are excluded. In addition, each sector is analysed to identify the ESG topics associated with an increased chance of a negative impact. For companies in the sector concerned, a strict lower threshold is then adopted in these topics. Specific attention is paid to reducing CO<sub>2</sub> emissions and energy and water consumption, and to improving biodiversity, human rights and anti-corruption. This means that the remaining Investment Universe<sup>5</sup> is extremely limited.
3. Thirdly, companies in the Investment Universe are continuously monitored to identify any link to serious and frequent abuses or to activities that would make the company subject to exclusion criteria. In addition, it is possible that the economic activities of a company may change as a result, for example, of an acquisition or strategic realignment. If a company wishes to engage in activities that we exclude, this will result in the removal of this company from the Investment Universe.

The investment manager will sell securities that have been removed from the Investment Universe as soon as possible after the time of assessment, within a maximum period of 6 months, unless ASN Impact Investors decides otherwise in the interest of the existing shareholders.

It is possible that a company whose shares are included in the portfolio may be acquired by or merge with a company that is not included in the Investment Universe. If this happens, the investment manager should sell the shares of the former company within one month of completion of the acquisition or merger.

#### Benchmark

The benchmark for the ASN Duurzaam Small & Midcapfonds is: MSCI Europe Small Cap Total Return Net Index (below: 'ASN Duurzaam Small & Midcapfonds Benchmark'). The composition of the benchmark does not form the starting point for the composition of the ASN Duurzaam Small & Midcapfonds. The composition of the portfolio may differ substantially from this benchmark due to the sustainable and active financial selection of the investments.

ASN Impact Investors considers this benchmark to be sufficiently representative and familiar as a means of gauging and comparing the financial investment performance of the ASN Duurzaam Small & Midcapfonds. If, however, ASN Impact Investors is of the opinion that this is no longer sufficiently the case and it is no longer in the interests of the shareholders to maintain this benchmark, ASN Impact Investors will select another, more appropriate benchmark.

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<sup>5</sup> At the end of 2020, the ASN Investment Universe comprised 300 companies. According to the OECD, approximately 41,000 companies were listed on a stock exchange (end of 2017). Source: <https://www.oecd.org/corporate/who-are-the-owners-of-the-worlds-listed-companies-and-why-should-we-care.htm>

### Securities

The ASN Duurzaam Small & Midcapfonds invests in a concentrated portfolio of mainly readily marketable shares and depositary receipts for shares of small and medium-sized European enterprises that are admitted to regulated markets in the EU or well-functioning regulated exchanges outside the EU. A company's market capitalisation may not exceed € 6 billion at the time of its inclusion in the portfolio. The market capitalisation of the companies in the portfolio may not exceed the limit of € 10 billion for a period of more than three months. If justified by the market situation, for instance if a large number of shares are issued by the ASN Duurzaam Small & Midcapfonds within a short period, the investment manager may temporarily hold liquid assets up to a maximum of 10% of the fund capital.

ASN Impact Investors may amend the restrictions contained in the investment policy, in the interest of investors. This is only possible to the extent that ASN Impact Investors is of the opinion that the amendments are consistent with the ASN Duurzaam Small & Midcapfonds' objective.

### Spread

In order to reduce the investment risks, the ASN Duurzaam Small & Midcapfonds spreads the investments across European countries and companies. The investment manager performs fundamental research, consisting of qualitative and quantitative analyses, to inform the financial selection of investments. He also considers factors such as financial position, relative stock valuation, market capitalisation and marketability. The investment risk is also reduced by the requirement that no more than 10% of the fund capital be invested in any one company.

When the ASN Duurzaam Small & Midcapfonds purchases shares in a company, at the moment of purchase, they may:

- make up no more than 5% of the share capital of that company;
- make up no more than 5% of the fund capital; if this interest increases to 10%, the interest must be reduced to below 10%.

The total value of all the shares of companies that individually have a larger interest in the Fund than 5% may in the aggregate not amount to more than 40% of the fund capital.

### Participation in other investment undertakings or UCITS

The ASN Duurzaam Small & Midcapfonds does not invest in participation rights in other investment undertakings or UCITS.

### Participation in decision-making

ASN Impact Investors shapes the investment policy such that the Funds managed by ASN Impact Investors do not jointly acquire more than 20% of the shares with voting rights in the same issuer. The ASN Duurzaam Small & Midcapfonds does not invest in more than 10% of the shares without voting rights of the same issuer.

### Currency

The currency risks arising from the investments undertaken by the ASN Duurzaam Small & Midcapfonds are not hedged. Active currency positions that do not ensue from underlying investments are not permitted.

### Derivative instruments

ASN does not use any derivative instruments in the ASN Duurzaam Small & Midcapfonds, other than those assimilated into the portfolio as a result of corporate actions of companies, for example rights-issues and warrants.

### Loan capital

The investments undertaken by the ASN Duurzaam Small & Midcapfonds are not financed with loan capital. It is nonetheless possible that debit balances may arise for short periods on the cash accounts of the ASN Duurzaam Small & Midcapfonds. In such cases, the total debit balance of the cash accounts, as a percentage of the size of the ASN Duurzaam Small & Midcapfonds, may not exceed 2%.

### Short selling and lending of financial instruments

The selling of financial instruments not owned by the ASN Duurzaam Small & Midcapfonds (short selling) is, just as the lending of financial instruments (securities lending), not permitted.

#### Valuation

Listed securities are stated at the most recently published stock market price. Securities for which there is no (recently published) stock market price or whose stock market price is not considered to be representative, as well as unlisted securities, are stated at the estimated market value. Standard market valuation methods are used to determine the estimated market value.

#### Dividend policy

The ASN Duurzaam Small & Midcapfonds distributes at least the profit available for distribution in its entirety to the shareholders. The distribution must be made within eight months after the end of the financial year in the form of dividend. The distribution is made in accordance with the fiscal dividend payment obligation.

### **Risk factors**

The value of investments may fluctuate. Shareholders in the ASN Duurzaam Small & Midcapfonds may get back less than they invested. No guarantee can be given that they will get back the full amount of their investment in the ASN Duurzaam Small & Midcapfonds. The risks described below may, if they materialise, affect the price and the value of the investments and cause the value of a share in the ASN Duurzaam Small & Midcapfonds to fall.

The risks that could affect investments in shares in the ASN Duurzaam Small & Midcapfonds are, in order of importance:

- market risk of equities;
- concentration risk;
- currency risk;
- outsourcing risk;
- counterparty risk;
- risk on settlement of transactions in financial instruments;
- liquidity risk;
- operational risk;
- custody risk;
- risk of change in tax regimes;
- risk of erosion of fund capital.

Information on these risks can be found in Chapter 13 "Risk factors and risk management".

Sustainability risks can also affect the ASN Duurzaam Small & Midcapfonds; these risks can manifest themselves, for example, in an increase or reduction of the above-mentioned risks. However, it is currently not yet possible to exactly measure the relative importance of sustainability risks for an investment in shares in the ASN Duurzaam Small & Midcapfonds, which is why they are not included in the list above.

A detailed summary of the performance, capital and income and expenditure of the ASN Duurzaam Small & Midcapfonds over the past three years is given in the respective financial statements, with the unqualified audit opinions of ASN Beleggingsfondsen UCITS N.V., or ASN Beleggingsfondse N.V. (the legal predecessor of ASN Beleggingsfondsen UCITS N.V.), and in the most recent interim figures of ASN Beleggingsfondsen UCITS N.V. published on the Website.



**Appendix U4: Sustainable investment information ASN Duurzaam Small & Midcapfonds**

This document provides you with information about the fund in relation to the Sustainable Finance Disclosure Regulation. The information is provided to help investors understand the sustainability objectives and risks of this fund. This document is to be read in conjunction with other relevant documentation (Prospectus, Factsheet, and the relevant website disclosures) to help investors with their decision-making.

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852

**Product name:** ASN Duurzaam Small & Midcapfonds

**Legal entity identifier (LEI):** 54930008SFZH7W0RZF83

## Sustainable investment objective

### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### Does this financial product have a sustainable investment objective?

**X YES**

**NO**

- |  |   |
|--|---|
| <p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 97.5%</b></p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: 2.5%</b></p> | <p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p> |
|--|---|



### What is the sustainable investment objective of this financial product?

The ASN Duurzaam Small & Midcapfonds (the fund) has the following sustainable investment objectives:

- Decreasing CO<sub>2</sub> emissions per year in line with the Paris Agreement (expressed as the fund's contribution to keeping the temperature rise at a maximum of 1.5 degrees in 2050).
- Decreasing the negative impact on biodiversity per euro invested (relative to base year 2019).
- Stimulating the payment of living wages to factory workers in the clothing industry (relative to base year 2019).

In line with these objectives, the fund also takes into account climate change mitigation and climate change adaptation, as defined in the EU Taxonomy.

The fund aims to achieve these sustainable investment objectives by investing in small and medium-sized European companies that (increasingly) contribute to these investment objectives.

No reference benchmark has been designated for the purpose of measuring attainment of the sustainable investment objectives. The reason for this is that in the process of defining the investment universe and consequently the portfolio construction, a broader set of ESG factors are taken into account than solely climate and biodiversity related factors, therefore, the fund's portfolio deviates too much from the available benchmarks.

### Sustainability indicators

measure how the sustainable objectives of this financial product are attained.

In the absence of a suitable Paris Aligned benchmark, the attainment of the CO<sub>2</sub> emissions reduction objective in view of achieving the Paris Agreement goal is ensured by using the MSCI Implied Temperature Rise (ITR) methodology. The MSCI ITR methodology is an intuitive, forward-looking metric, expressed in degrees Celsius, designed to show the temperature alignment of companies, portfolios, and funds with global temperature goals. The MSCI ITR calculation uses an aggregated budget approach (for scope 1, 2 and 3 emissions, (as defined in [Overview of GHG Protocol scopes and emissions](#)) that compares the sum of financed emissions against the sum of financed carbon emission budgets for the underlying portfolio holdings. The total portfolio carbon emission over-/undershoot is then converted to a degree of temperature rise using the science-based ratio approach of Transient Climate Response to cumulative Emissions (TCRE).

In the absence of a suitable benchmark, progress on the attainment of the reduction in negative impact on biodiversity is measured using the Biodiversity Footprint for Financial Institutions (BFFI) methodology. This methodology measures, in hectares, the fund's negative biodiversity impact (in m<sup>2</sup>) per euro invested.

In the absence of a suitable benchmark, progress on the attainment of the stimulation of living wages to factory workers in the clothing industry is measured using the average living wage score based on the Platform Living Wage Financials (PLWF) methodology. The PLWF methodology evaluates the clothing companies based on their policy, engagement, assessing impacts, integrating findings, tracking performance, remedy, and transparency with regards to living wage. The methodology applied is based on an annual review of the living wage score which gives cause to maintain, monitor, or divest an investment. ASN Impact Investors recognizes that the PLWF methodology still has a narrow focus and is currently investigating a broader indicator, preferably with coverage over a larger number of human rights related themes and industries. Development of a broader indicator is subject to data availability on sustainable social objectives.

### ● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The sustainability indicators of the fund are linked to the following United Nations Sustainable Development Goals: Decent Work and Economic Growth (SDG 8), Industry, Innovation, and Infrastructure (SDG 9), Responsible Consumption and Production (SDG 12), and Climate Action (SDG 13).

The sustainability indicators used to measure the attainment of the sustainable investment objective are:

- To measure CO<sub>2</sub> emissions, the fund uses both the Partnership for Carbon Accounting Financials (PCAF) methodology (for current measurement) and the MSCI ITR methodology (for management towards the Paris aligned objective).
- To measure the impact on biodiversity, the fund measures hectares based on the BFFI methodology.
- To measure the stimulation of living wages in the clothing industry, the fund uses the living wage score based on the PLWF methodology.

### ● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

All investments of the fund must meet the Sustainability Policy of ASN Impact Investors (the policy) to be considered eligible for the investment universe. The policy consists of a selection process, conducted by ASN Bank's Sustainability Expertise Centre (ECD). Embedded in this process is the risk analysis which leads to the investment universe's exclusion criteria. The basis of the exclusion criteria is formed by ASN Impact Investors' three pillars, i.e., climate, biodiversity, and human rights, plus the investee's governance and where relevant animal welfare. The list of exclusion criteria covers details relating, but not limited, to:

- Climate (activities relating to fossil fuels, and nuclear energy are excluded).
- Biodiversity (activities relating to deforestation, and waste dumping are excluded).
- Human rights (activities relating to crimes against humanity, genocide, war crimes, and the weapons industry are excluded).
- Investee's governance (companies that do not have a policy regulating the ethical conduct of its employees are excluded).
- Animal welfare (activities relating to animal testing, and breach of the five freedoms on animal welfare are excluded).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Furthermore, the policy consists of a list of sustainability criteria. These criteria assess the companies with regards to, amongst others, their environmental policy, pollution, over-exploitation, equal treatment, and discrimination, forced labour and a healthy and safe working environment.

The exclusion criteria are applied to all companies. The sustainability criteria are applied proportionally.

The investment universe is ultimately determined by ASN Impact Investors' investment committee. Every investee is discussed in ASN Impact Investors' investment committee as part of the sustainability assessment. The investment committee decides to approve, disapprove, or engage with a company, and that results in the investment universe. After approval the investment universe is periodically reviewed by ECD. Based on the above sustainability assessment process, it is assured that the investment universe is void of companies who cause significant harm to any sustainable investment objectives.

### ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The policy ensures that all the mandatory principal adverse impacts (regarding greenhouse gas emissions, biodiversity, water, and waste and all the social and employee matters) are considered when creating the investment universe. The optional principal adverse impacts considered are (subject to data availability):

- Natural species and protected areas.
- Lack of supplier code of conduct.
- Lack of human rights policy.
- Operations and suppliers at significant risk of incidents of child labour.
- Operations and suppliers at significant risk of incidents of forced or compulsory labour.
- Number of identified cases of severe human rights issues and incidents.
- Lack of anti-corruption and anti-bribery policies.

### ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The fund excludes companies that are known to be in breach of the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. When a breach is identified at a company in the investment universe, an engagement process is started. When the company is not willing or able to handle the situation in line with the guidelines, the company is excluded from the investment universe.

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights apply to all companies admitted to the investment universe. All companies in the investment universe are expected to always be in compliance, however in determining compliance, the methods applied can vary per company.



### **Does this financial product consider principal adverse impacts on sustainability factors?**

**Yes**, principal adverse impacts on sustainability factors (or PAI) are considered as part of the sustainability assessment and selection process, whereby the fund also looks at the direct and indirect negative impacts related to the investments. The investment process is structured in such a way as to limit these adverse effects as much as possible.

ASN Impact Investors will report on how principal adverse impacts were taken into account on an annual basis. This information can be found in the fund's periodic reporting template which is part of the annual report of ASN Beleggingsfondsen UCITS N.V. Specifically, please refer to the question: ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

**No**



### What investment strategy does this financial product follow?

The fund invests in shares of small and medium-sized European companies that are admitted to regulated markets in the EU or well-functioning regulated exchanges outside the EU, but within Europe, that are committed to promoting sustainable societies and that have sound financial prospects. The fund only invests in companies that have been admitted to the investment universe.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The portfolio of the fund is constructed within the investment universe, in such a way that it creates a maximum contribution to the sustainable investment objectives, whilst also keeping in mind the financial objective of the fund.

With regards to CO<sub>2</sub> emissions, the fund aims to select companies that actively contribute to decreasing GHG emissions in line with ITR methodology.

With regards to biodiversity, the fund aims to select companies with a limited negative impact on biodiversity, or companies that are actively attempting to minimise their negative impact on biodiversity measured by hectares.

With regards to the living wage, the fund aims to increase the living wage score year-on-year of the clothing industry companies in the portfolio.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the policy to assess good governance practices of the investee companies?

As part of the application of the policy, an assessment on good governance and ethical behaviour of investee companies is made. For investee companies, the policy incorporates requirements with regards to, amongst others, the compositions and remuneration of the Board; (anti-)corruption; transparency; supply chain, adherence to local legal and tax regulations.

The fund requires the investee to have a policy regulating the ethical conduct of its employees, regardless of where it operates. The fund applies stricter criteria with regards to the policy's substance and quality if the investee is active in risk countries or high-risk countries and/or activities. Finally, an assessment is made whether there has been any misconduct.



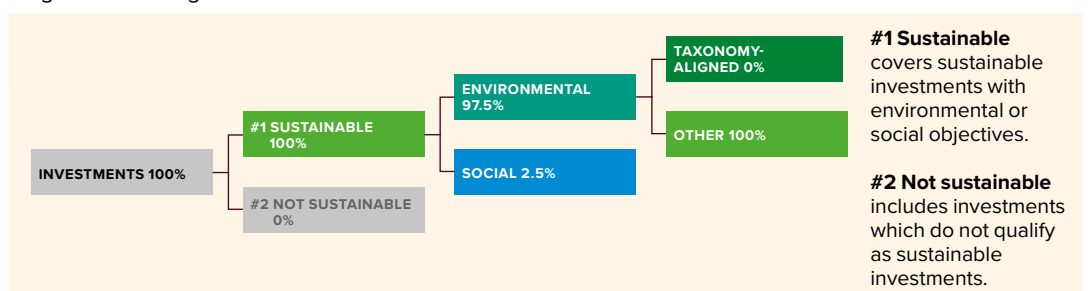
### What is the asset allocation and the minimum share of sustainable investments?

Due to the strict sustainability criteria and its sustainable investment objectives, the fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR. Therefore, the investment selection criteria only include investments which qualify as sustainable as defined by SFDR.

Asset allocation describes the share of investments in specific assets.

Cash held in the fund is not an investment. Cash is meant to facilitate liquidity of the fund on the exchange where the fund is traded. Cash is held in relation to liquidity management as per article 3:63 of the Financial Supervision Act (Wet op het financieel toezicht – Wft).

ASN Impact Investors aims of to have 2.5% as a minimum share of the assets under management of the fund in clothing industry companies. The social investment objective solely focuses on the clothing industry companies in the portfolio; therefore, the same percentage is regarded as social. The remaining amount is regarded as environmental.



## ● How does the use of derivatives attain the sustainable investment objective?

No derivatives are used.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are environmentally sustainable investments

that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

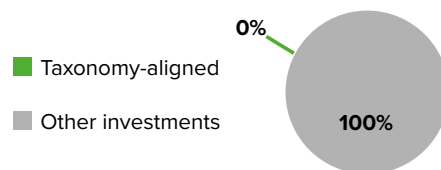


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

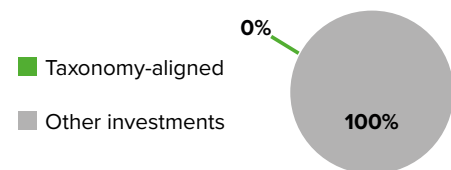
ASN Impact Investors believes that the EU Taxonomy, the EU list of sustainable economic activities, can potentially be an important instrument to determine which investments are sustainable. It could promote transparency, counter greenwashing, and drive the shift of capital to the sustainable economy of the future. However, regarding the environmental part of the EU Taxonomy, ASN Impact Investors cannot endorse the inclusion of nuclear energy and fossil gas as sustainable investments under the current EU Taxonomy. This is not in accordance with the convictions, vision, and mission of ASN Impact Investors. Considering this and the fact that still so much of the taxonomy is unclear, no specific target alignment for the EU taxonomy has been set so far.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1 Taxonomy-alignment of investments including sovereign bonds\*



2 Taxonomy-alignment of investments excluding sovereign bonds\*



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## ● What is the minimum share of investments in transitional and enabling activities?

As ASN Impact Investors cannot, in principle, endorse the EU Taxonomy this question is not applicable (so the minimum share of investments in transitional and enabling activities is 0%).



## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

As no specific target alignment goal has been set with regards to the EU Taxonomy, the minimum share of sustainable investments with an environmental objective not aligned with EU Taxonomy is 100%. The actual EU Taxonomy alignment number will be reported in the periodic reports, depending on the availability of data.



## What is the minimum share of sustainable investments with a social objective?

The social indicators are part of ASN Impact Investors' screening criteria used to determine the investment universe. The fund aims to have 2.5% of assets under management in the clothing industry. The social investment objective solely focuses on these companies; therefore, the same percentage is the minimum share of sustainable investments with a social objective. However, the social indicators are part of ASN Impact Investors' screening criteria used to determine the investment universe.



## What investments are under “#2 Not sustainable”, what is their purpose and are there minimum environmental or social safeguards?

Due to the sustainability criteria of ASN Impact Investors, no investments are made that are classified as “#2 Not sustainable”. The fund has been classified by ASN Impact Investors as an Article 9 product under the SFDR.



## Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated for the purpose of attaining the three sustainable investment objectives, as there is currently no benchmark available in the market uniting CO<sub>2</sub> emissions, biodiversity, and living wage.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Question is not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Question is not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Question is not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Question is not applicable.



## Where can I find more product specific information online?

More product-specific information can be found on the website:  
[www.asnimpactinvestors.com](http://www.asnimpactinvestors.com)

# Addresses and personal details

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The management board of ASN Impact Investors

1. Mr K.S. Lie
2. Mr R.R.R. Dielbandhoesing
3. Mr D.J. Stam

Supervisory board of ASN Beleggingsfondsen UCITS N.V.

1. Mr W.F.M. Bams
2. Ms A. Gram
3. Mr L. Hennink
4. Ms T.E. Lambooy
5. Mr G.C. Zadeh

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3503 TK Utrecht

# 16 Miscellaneous information

## Conflicts of interest

The UCITS manager is required by law and regulation to have in place adequate procedures and measures to prevent and deal with conflicts of interest. The conduct of ASN Impact Investors' business activities may give rise to conflicts of interest. Conflicts of interest may arise between, but are not confined to, the interests of ASN Impact Investors, on the one hand, and the funds managed by it, the investors in those funds, the outsourcing parties (including de Volksbank) and other clients of ASN Impact Investors, on the other. In addition, conflicts of interest may also arise mutually

- between the funds managed by ASN Impact Investors;
- between funds managed by ASN Impact Investors and clients of ASN Impact Investors; and
- between clients of ASN Impact Investors.

ASN Impact Investors has put in place appropriate and effective measures to prevent and manage (possible) conflicts of interest. ASN Impact Investors keeps records of the information relating to the types of activities performed by or on behalf of ASN Impact Investors that gave rise to or may give rise to a conflict of interests entailing a material risk of damage to the interests of one or more funds or of the investors. If the measures put in place by ASN Impact Investors to manage conflicts of interest are not sufficient, in the case of a specific conflict of interest, to ensure, with reasonable confidence, that risks of damage to investors' interests will be prevented, ASN Impact Investors will clearly disclose the general nature or the sources of the conflict of interest in question to investors.

ASN Impact Investors ensures by means of internal procedures the equitable treatment of investors. ASN Impact Investors hedges the professional liability risks ensuing from activities carried out by it in its role as manager by holding additional equity capital.

## Voting policy at shareholders' meetings

The Funds with investments in equities have the opportunity as shareholders to vote at shareholders' meetings of a company on proposals and resolutions put forward by the managing board or shareholders of the company in question. ASN Impact Investors has developed a policy for exercising these voting rights in line with the mission of ASN Bank and the investment policy of ASN Beleggingsfondsen UCITS N.V. This policy is included in Annex 1: "Voting policy of ASN Beleggingsfondsen UCITS N.V.". ASN Impact Investors takes care of the actual voting at shareholders' meetings. ASN Impact Investors uses the services of Sustanalytics for the operational implementation of voting.

The annual reports and half-year reports of ASN Beleggingsfondsen UCITS N.V. include an outline account of voting behaviour in the reporting period concerned. A more detailed account is given on the Website.

## Fund Agent and ENL Agent

ASN Beleggingsfondsen UCITS N.V. has agreed with CACEIS that the latter shall act as Fund Agent. The Fund Agent evaluates the buying and selling orders entered in the Euronext securities order book, in accordance with the conditions set out in this Prospectus (and the relevant Supplement). The agent then either accepts or declines the orders on behalf of ASN Impact Investors. After closure of the order book, the agent notifies the balance of all the buying and selling orders to ASN Impact Investors. ASN Impact Investors informs Euronext through the intermediary of the Fund Agent of the Transaction Price at which the buying and selling orders are to be settled the following Trading Day. CACEIS' position as Fund Agent is laid down in an agreement between inter alia ASN Beleggingsfondsen UCITS N.V. and CACEIS. CACEIS also acts as ENL (Euroclear Nederland) Agent. The ENL Agent represents ASN Beleggingsfondsen UCITS N.V. as issuer vis-a-vis Euroclear Nederland in respect of issues, cancellations and transfer of shares as well as payments.

## Other service providers/advisers

The activities for ASN Impact Investors are carried out by employees of various departments of de Volksbank. ASN Impact Investors consults the departments regarding day-to-day operational matters at regular intervals. The costs of the activities carried out by de Volksbank are charged to the fund capital through the fund costs.

## Benchmarks

ASN Impact Investors uses benchmarks to assess the performance of the Funds. For the ASN Duurzaam Obligatiefonds Benchmark, the benchmark is also used to determine the composition of the investment portfolio. The ASN Duurzaam Obligatiefonds Benchmark is a benchmark in the context of the EU Benchmark Regulation (2016/1011). The manager of the benchmark is based in the UK and has been registered with the European Securities and Markets Authority (ESMA). During the transition period in accordance with the Benchmark Regulation, benchmarks offered by this benchmark manager may be used until the manager is registered in the ESMA register again.

In accordance with the Regulation, ASN Impact Investors has drawn up a plan detailing procedures for cases where the composition of a benchmark used changes materially or is no longer being offered, or where the manager of the benchmark is no longer registered with the ESMA. These procedures consist in ASN Impact Investors having the option of using an alternative benchmark to assess the performance and/or to determine the composition of the investment portfolio of a fund. More information on the procedures concerned is available upon request.

## Complaints procedure

Any complaints you may have regarding ASN Beleggingsfondsen UCITS N.V. and the Funds may be notified in writing, by telephone or by email to ASN Impact Investors, PO Box 93514, 2509 AM The Hague, +31 (0)70-356 93 35, [info@asnimpactinvestors.com](mailto:info@asnimpactinvestors.com). Complaints will be handled in accordance with ASN Impact Investors' complaints procedure.

## Equitable treatment

Investors in the Funds can rely on fair and equal treatment by ASN Impact Investors. For each series of shares/each Fund, ASN Impact Investors makes no distinction, nor does it give any preferential treatment to an individual shareholder in the share series/the Fund in question. Notwithstanding the foregoing, various special rights are vested in the priority share, as described in Chapter 5 (ASN Beleggingsfondsen UCITS N.V. Priority Share) of this Prospectus and the Articles of Association of ASN Beleggingsfondsen UCITS N.V. These special rights are not vested in investors in the remaining Funds. For each decision, ASN Impact Investors will weigh whether the resulting consequences are unfair towards investors, given the contents of this Prospectus and what investors may reasonably expect on the basis of these contents and applicable laws and regulations.

## Assurance report of the independent auditor (re Section 4:49, subsection 2, under c, of the Wft)

To: the board of directors of ASN Beleggingsfondsen UCITS N.V.

### Our opinion

In accordance with Section 4:49, subsection 2, under c, of the Wet op het financieel toezicht (Wft, Act on Financial Supervision), we have examined the prospectus of ASN Beleggingsfondsen UCITS N.V., Amsterdam.

In our opinion the prospectus dated 30 December 2022 of ASN Beleggingsfondsen UCITS N.V. contains, in all material respects, at least the information required by or pursuant to the Wft for a prospectus of an undertaking for collective investment in transferable securities.

### Basis for our opinion

We performed our examination in accordance with Dutch law, including Dutch Standard 3000A, "Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)" (assurance engagements other than audits or reviews of historical financial information (attestation engagements)). This engagement is aimed to obtain

reasonable assurance. Our responsibilities in this regard are further described in the Our responsibilities for the examination of the prospectus section of our report.

We are independent of ASN Beleggingsfondsen UCITS N.V. and the fund manager in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in The Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

#### Relevant matters relating to the scope of our examination

Our examination consists of determining whether the prospectus contains the required information, which means we did not examine the accuracy of the information included in the prospectus.

Section 4:49, subsection 2 under a of the Wft requires that the prospectus of an undertaking for collective investment in transferable securities contains the information which investors need in order to form an opinion on the undertaking for collective investment in transferable securities and the costs and risks attached to it. Based on our knowledge and understanding, acquired through our examination of the prospectus or otherwise, we have considered whether the prospectus omits to state material information. We did not perform additional assurance procedures with respect to Section 4:49, subsection 2 under a of the Wft.

Our opinion is not modified in respect of these matters.

#### Responsibilities of the board of directors for the prospectus

The manager is responsible for the preparation of the prospectus that contains at least the information required by or pursuant to the Wft for a prospectus of an undertaking for collective investment in transferable securities.

Furthermore, the manager is responsible for such internal control as it determines is necessary to enable the preparation of the prospectus that is free from material omission, whether due to error or fraud.

#### Our responsibilities for the examination of the prospectus

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate assurance evidence for our opinion.

Our examination has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material omissions in the prospectus due to error and fraud.

We apply the Nadere voorschriften kwaliteitssystemen (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our examination included e.g.:

- Identifying and assessing the risks of material omissions of information required by or pursuant to the Wft in the prospectus, whether due to errors or fraud, designing and performing assurance procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material omission resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the collective investment in transferable securities

The Hague, 30 December 2022

Ernst & Young Accountants LLP

Signed by M.J. Knijnenburg

## **Declaration by UCITS manager**

ASN Impact Investors declares that ASN Beleggingsfondsen UCITS N.V., ASN Impact Investors and the Depositary comply with the rules laid down by or pursuant to the FSA and that the Prospectus complies with the rules laid down by or pursuant to the FSA.

The Hague, 30 December 2022

ASN Impact Investors,

K.S. Lie

R.R.R. Dielbandhoesing

D.J. Stam

# Annex 1 Voting Policy ASN Beleggingsfondsen UCITS N.V.

## A Introduction

### General

This Voting Policy describes the objective of and strategy for the exercise of voting rights by ASN Beleggingsfondsen UCITS N.V. Unless otherwise indicated, capitalised terms and the abbreviations that are used have the meanings set out in "Definitions and abbreviations".

### Objective of the policy

The objective of the Voting Policy is to ensure that the voting rights of ASN Beleggingsfondsen UCITS N.V. are exercised in accordance with the mission and vision and the special investment criteria of ASN Beleggingsfondsen UCITS N.V. The Voting Policy aims to enhance ASN Beleggingsfondsen UCITS N.V.'s involvement in increasing society's sustainability through the exercise of its voting rights. The Voting Policy focuses in particular on matters relating to human rights, climate and biodiversity.

### Scope of the policy

This policy applies to every person exercising voting rights on behalf of ASN Beleggingsfondsen UCITS N.V. The Voting Policy applies to all proposals, recommendations and motions of companies in which ASN Beleggingsfondsen UCITS N.V. invests that are subject to a vote or approval by ASN Beleggingsfondsen UCITS N.V., irrespective of whether they are put forward by the management or shareholders of the company concerned.

### Coherence with related documents

The Voting policy is based on the vision, business principles and sustainability policy of ASN Beleggingsfondsen UCITS N.V., as laid down in the various policy documents. The Voting Policy is additionally based on the internationally accepted principles of the *International Corporate Governance Network (ICGN)*; best practice guidelines applicable in specific markets, as presented in national corporate governance codes; other recognised best practice guidelines and codes for ethical, social and environmental issues, such as the OECD Guidelines for Multinational Enterprises.

### Regulatory framework

The Voting Policy is related to the UCITS Directive.

## B Voting policy

### Strategy of the voting policy

This Voting Policy provides guidelines for votes on matters relating to: human rights, climate and biodiversity, supply chain management, governance, operations, capital and other aspects.

As set out above, the Voting Policy is closely related to the sustainability policy and the investment strategy of ASN Beleggingsfondsen UCITS N.V. ASN Beleggingsfondsen UCITS N.V. only invests in companies that comply with the sustainability policy. As a result, investments in companies and hence votes relating to business activities that do not comply with the sustainability policy are, in principle, excluded.

Nevertheless, this Voting Policy includes guidelines that are intended to safeguard that votes cast by ASN Beleggingsfondsen UCITS N.V. ensure that companies engage in socially responsible business practices in accordance with the sustainability policy. This is relevant since, in theory, it is possible that a company in which ASN Beleggingsfondsen UCITS N.V. already invests plans to change its business activities such that they are rendered incompatible with the sustainability policy. If this is the case, ASN Beleggingsfondsen UCITS N.V. wants to be able to vote against the plan. In the event that a vote against cast by ASN Beleggingsfondsen UCITS N.V. cannot prevent the company from undertaking business activities that are incompatible with the sustainability policy, ASN Beleggingsfondsen UCITS N.V. could then consider excluding the company.

ASN Beleggingsfondsen UCITS N.V.'s Voting Policy is not static. Current developments and new insights may result in (immediate) review of this policy.

ASN Beleggingsfondsen UCITS N.V. believes that voting by proxy depends on a proper disclosure of information. ASN Beleggingsfondsen UCITS N.V. reserves the right to vote against a resolution if a company has failed to observe adequate or appropriate transparency.

#### C The Voting Guidelines

ASN Beleggingsfondsen UCITS N.V. has guidelines in place for voting on the following aspects:

- human rights;
- climate and biodiversity;
- supply chain management;
- governance and internal supervision;
- operations;
- capital;
- other.

### Voting Guidelines - Human Rights

#### 1 Point of departure for human rights

ASN Beleggingsfondsen UCITS N.V. will vote in favour of measures and proposals that lead a company to respect the Universal Declaration of Human Rights in all countries where it operates<sup>6</sup>. This also applies to international human rights standards that are based on this Declaration, and to the extent that these standards relate to the company's activities and sphere of influence.

#### 2 Human rights policy and transparency

ASN Beleggingsfondsen UCITS N.V. will vote in favour of laying down the human rights policy and increased transparency about a company's human rights policy in accordance with the Global Reporting Initiative (GRI).

#### 3 Equal treatment

ASN Beleggingsfondsen UCITS N.V. will vote in favour of all anti-discrimination measures and in favour of proposals that promote transparency about employee diversity, equal treatment of suppliers and anti-discrimination guidelines.

#### 4 Arms and security

ASN Beleggingsfondsen UCITS N.V. will vote in favour of terminating activities relating to the development, production and distribution of or trade in arms. It will also vote in favour of creating a secure company in accordance with human rights.

#### 5 Children

ASN Beleggingsfondsen UCITS N.V. will vote in favour of measures to protect children from exploitation.

#### 6 Employees

ASN Beleggingsfondsen UCITS N.V. will vote in favour of requests guaranteeing the rights of employees at the company and at suppliers in accordance with the guidelines of the International Labour Organization (ILO):

- ILO Guidelines 87 and 98: the right to freedom of association and the right to organise and collective bargaining;
- ILO Guidelines 29 and 105: abolition of every form of forced labour;
- ILO Guidelines 138 and 182: abolition of child labour;
- ILO Guidelines 100 and 111: equal remuneration;
- ILO Guidelines 100 and 111: abolition of discrimination.

ASN Beleggingsfondsen UCITS N.V. will vote in favour of requests for transparency about the closure of business units and the consequences this has for employees.

#### 7 Sovereignty and human rights

ASN Beleggingsfondsen UCITS N.V. will vote in favour of:

- measures resulting in a company's compliance with laws, rules and anti-corruption measures;
- proposals regarding the termination of high-risk activities in high-risk countries, because these might violate human rights;

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<sup>6</sup> In the United States, items about abortion may also be placed on the agenda. In ASN Beleggingsfondsen UCITS N.V.'s opinion, abortion falls under the human right of self-determination for every individual. Companies should not limit this right.



- proposals against political donations and for transparency about donations.

#### 8 Consumers

ASN Beleggingsfondsen UCITS N.V. will vote in favour of:

- measures to protect consumers, i.e. measures to terminate the production of tobacco, games of chance and violent video games;
- reporting on measures to prevent the abuse of products, for example to violate human rights (violation of privacy);
- measures to stop the sale of products that may lead to human rights violations (idem).

#### 9 Health

ASN Beleggingsfondsen UCITS N.V. will vote in favour of:

- measures for and evaluation of the pricing of medicines and access to these medicines for poor groups of the population;
- proposals supporting affordable general healthcare for individuals, families and the community (in accordance with the principles of the US Institute of Medicine).

#### 10 Vulnerable groups

ASN Beleggingsfondsen UCITS N.V. will vote in favour of policy for and transparency about the protection of cultural, social and economic rights of vulnerable groups.

### **Voting Guidelines - Climate and Biodiversity**

#### 11 Environmental policy and transparency

ASN Beleggingsfondsen UCITS N.V. will vote in favour of laying down improved environmental policy and environmental guidelines, as well as increased transparency (in accordance with the GRI) about a company's environmental policy.

#### 12 Environmental measures and investments

ASN Beleggingsfondsen UCITS N.V. will vote in favour of investments and measures intended to reduce the environmental impact, for example by:

- reducing greenhouse gas emissions;
- reducing the emission and use of toxic substances;
- reducing water consumption;
- measures that promote recycling;
- investments in renewable energy; and/or
- enhancing or restoring biodiversity.

#### 13 Nuclear energy

ASN Beleggingsfondsen UCITS N.V. will vote in favour of continuing the exclusion of activities regarding nuclear energy.

#### 14 Genetic engineering

ASN Beleggingsfondsen UCITS N.V. will vote in favour of:

- ceasing the genetic engineering of plants and animals, both for the purpose of food production and for the production of non-food products (except for medical applications that are only possible using genetic engineering, in which case this technology must be used in controlled conditions);
- adoption of the Cartagena Protocol on genetically modified organisms.

#### 15 Animals and plants

ASN Beleggingsfondsen UCITS N.V. will vote in favour of continuing the exclusion (or improving the certainty of exclusion) of:

- the hunt for and trade in species included in the Red List of the International Union for the Conservation of Nature (IUCN);
- activities that negatively impact areas that are designated as protected by UNESCO, IUCN or national or other governments;
- the trade in agricultural products and hardwood that have not been produced in a sustainable way; unsustainable production of fish and the trade in fish that has not been farmed or caught in a sustainable way.

#### 16 Animal testing

ASN Beleggingsfondsen UCITS N.V. will vote in favour of:

- measures to terminate animal testing for non-medical applications, if this animal testing is not required by law;
- transparency about the use of animal testing for medical applications;
- the introduction of 3R measures (reduce, refine, replace) for animal testing;
- measures that promote animal welfare or terminate activities that harm animal welfare (such as in the meat processing industry).

#### 17 Fossil energy

ASN Beleggingsfondsen UCITS N.V. will vote in favour of terminating activities relating to the use of fossil fuels/energy.

## Voting Guidelines - Supply Chain Management

#### 18 Supply chain management

ASN Beleggingsfondsen UCITS N.V. will vote in favour of responsible and transparent policy for sustainable supply chain management that is based on human rights and seeks to reduce the environmental impact throughout the chain and to provide clarity on this point.

#### 19 Transparency and responsibility

ASN Beleggingsfondsen UCITS N.V. will vote in favour of measures resulting in transparent or more transparent supply chain management. The purpose of these measures is to provide more insight into human rights and the environmental impact throughout the chain.

#### 20 Supply chain responsibility

ASN Beleggingsfondsen UCITS N.V. will vote in favour of taking responsibility in and showing the willingness to take responsibility for the chain in the areas of the environment and human rights.

#### 21 Recycling

ASN Beleggingsfondsen UCITS N.V. will vote in favour of measures promoting full recycling, both further up the chain and earlier in the chain. This means measures in the areas of:

- sustainable sourcing;
- resource efficiency;
- smart product design (ecodesign and substitution of unsustainable materials);
- longer and repeated use of objects (recycling and repair); and
- the optimal use of residual flows.
- Voting Guidelines - Governance and internal supervision

#### 22 Appointment of executive directors and non-executive directors

##### **Executive directors**

ASN Beleggingsfondsen UCITS N.V. will generally vote in favour of the appointment of management board members, unless it has doubts as to:

- the skills and experience of management board members, including in the areas of human rights, climate and biodiversity;
- the diversity on the management board; if, following the appointment, more than 60% of the management board members are of the same sex, ASN Beleggingsfondsen UCITS N.V. will vote against all new candidates of that sex;
- impeccable character, such as no convictions for criminal behaviour and no legal proceedings by shareholders;
- numerical feasibility;

- conflicts of interest.

#### **Non-executive directors**

ASN Beleggingsfondsen UCITS N.V. believes that the structure of the supervisory board or the non-executive directors on a one-tier board should be such that independence is guaranteed. This is the only way to ensure that shareholders and other stakeholders are represented in the best possible way, including in the areas of human rights, climate and biodiversity. This also means that the chairman of the supervisory board or the non-executive directors in the case of a one-tier board should be independent.

ASN Beleggingsfondsen UCITS N.V. will generally vote in favour of the appointment of a supervisory board member, unless it has doubts as to:

- the independence of the supervisory board member or non-executive director, for example if there are professional ties with the company;
- the skills and experience of the supervisory board or non-executive directors, including in the areas of human rights, climate and biodiversity;
- the involvement of the supervisory board member or non-executive director in human rights, climate and biodiversity and other matters that are laid down in ASN Beleggingsfondsen UCITS N.V.'s investment policy;
- his/her impeccable character, such as no conviction for criminal behaviour and no legal proceedings by shareholders;
- the diversity in the internal supervisory body; if, following the appointment, more than 60% of the members are of the same sex, ASN Beleggingsfondsen UCITS N.V. will vote against all new candidates of that sex;
- the supervisory board member's attendance at meetings; if attendance is below approximately 75% without proper grounds, a re-appointment will not be approved;
- the numerical feasibility.

#### **23 Remuneration of the board of the company in which ASN Beleggingsfondsen UCITS N.V. invests**

ASN Beleggingsfondsen UCITS N.V. will vote in favour of a board remuneration policy in which the remuneration is partly determined by sustainability performance indicators. It will also vote in favour of remuneration policy and incentive plans, unless it considers these to be excessive and unjustified in the current market conditions or if, in ASN Beleggingsfondsen UCITS N.V.'s opinion, they are not appropriate in the salary structure, in light of the company's financial position or in comparison to similar companies.

#### **24 Discharge from liability for the board**

ASN Beleggingsfondsen UCITS N.V. assesses on a case-by-case basis whether directors should be granted discharge from liability. It will vote in favour of such discharge, unless:

- there is reliable information that any of the directors has had insufficient overview or that actions were taken contrary to the fiduciary responsibility;
- there is reliable information on gross violations in the areas of environmental law and human rights;
- legal proceedings are pending with regard to verifiable allegations that the board is responsible for a breach of trust or illegal actions, such as price fixing, insider trading and bribery;
- the board's performance, for example its financial performance, was insufficient in the past financial year;
- the board fails to respond to requests from shareholders for information that is generally public;
- a supervisory board in the Netherlands fails to report on its activities.

#### **25 Indemnifying the board and auditors**

ASN Beleggingsfondsen UCITS N.V. will vote against proposals to permit the company to indemnify external auditors. Also considering the reasons and conditions for the indemnification, it will assess proposals for the indemnification and liability of directors on a case-by-case basis.

#### **26 Board composition**

ASN Beleggingsfondsen UCITS N.V. will vote in favour of recording the maximum number of directors, provided that there is a proper balance of skills, experience, independence and diversity.

### **Voting Guidelines - Operations**

#### **27 Annual report, financial statements and auditor's report**

ASN Beleggingsfondsen UCITS N.V. will vote in favour of the proposal if:

- there are no doubts as to the reliability of the documents;

- the report has been produced in time;
- the transparency of the documents is in accordance with best practices in the market;
- the company is willing to answer questions asked by shareholders;
- the annual report pays sufficient attention to sustainability issues in the areas of human rights, climate and biodiversity. If this is not the case, ASN Beleggingsfondsen UCITS N.V. will consider voting in favour of such reports only if the company has published a detailed sustainability report and has displayed credible commitment to sustainability.

#### 28 Appointment of (statutory) auditors

ASN Beleggingsfondsen UCITS N.V. will vote in favour of an appointment or re-appointment of the auditor and the auditor's fees if:

- there are no doubts as to the reliability of the information supplied;
- there are no concerns about the auditor's independence;
- the auditor does not provide any services to the company, in addition to the auditing services, that jeopardise the auditor's independence in light of their scope and nature;
- the company is able to provide a proper explanation when it replaces the auditor.

#### 29 Dividend

ASN Beleggingsfondsen UCITS N.V. will vote in favour of a distribution of dividend, unless:

- it considers the pay-out ratio (the portion of net profits to be distributed to the shareholders) to be excessive in relation to the company's financial position;
- the distribution rules out urgent investments needed in the area of sustainability.

#### 30 Dividend in shares or in cash

ASN Beleggingsfondsen UCITS N.V. will vote in favour of proposals for the payment of dividends in cash or in shares, except if the proposal is not in the shareholders' interest.

#### 31 Capitalising bonuses

ASN Beleggingsfondsen UCITS N.V. will vote in favour of including reserves in the balance sheet for the distribution of bonuses.

#### 32 Articles of Association

ASN Beleggingsfondsen UCITS N.V. assesses on a case-by-case basis how it will vote if the Articles of Association are amended. It will vote against amendments that:

- are not compatible with its mission, business principles and special investment criteria;
- entail an adverse change of the organisation's governance;
- harm the interests of relevant stakeholders, including shareholders, employees, consumers and groups that may be affected by a specific decision.

#### 33 Change of fiscal year

ASN Beleggingsfondsen UCITS N.V. will vote in favour of a change of the fiscal year, unless the company's aim is to postpone the shareholders' meeting.

#### 34 Disclosure of substantial interest

ASN Beleggingsfondsen UCITS N.V. will vote in favour of proposals to publish interests in shares that are smaller than the limits laid down in the Articles of Association or the law, subject to a lower limit of 1% of the issued share capital.

#### 35 Quorums for AGMs

ASN Beleggingsfondsen UCITS N.V. assesses on a case-by-case basis how it will vote on improving the quorum requirements for general meetings of shareholders. In doing so, it will consider the grounds for the proposal.

#### 36 Business activities

ASN Beleggingsfondsen UCITS N.V. assesses on a case-by-case basis how it will vote on new business activities. It balances the consequences of such a proposal against:

- its mission, business principles and special investment criteria;
- the pros and cons of the proposed transaction for the company's stakeholders, including shareholders, employees, consumers and groups that may be affected by a specific decision.

## Voting Guidelines - Capital

### 37 Issue of shares

ASN Beleggingsfondsen UCITS N.V. will vote in favour of issuing new shares if this serves the interests of all stakeholders in a balanced manner. It will only vote in favour of standard proposals for the issue of new shares without predetermined special rights if this is customary in the market and the issuer does not issue more shares than is considered usual in the relevant market under such circumstances. ASN Beleggingsfondsen UCITS N.V. will vote against the issue of new shares if it exceeds 100% of the share capital that has already been issued.

### 38 Expansion of authorised capital

ASN Beleggingsfondsen UCITS N.V. will vote in favour of an increase or expansion of authorised capital, unless it exceeds 100% of the authorised capital that has already been issued.

### 39 Reduction of capital

ASN Beleggingsfondsen UCITS N.V. will vote in favour of a capital reduction if this is beneficial to the shareholders.

### 40 Structure

ASN Beleggingsfondsen UCITS N.V. will vote in favour of the 'one share, one vote principle'. It will generally vote against proposals that introduce or retain different or unequal voting rights, provided that the interests of other relevant stakeholders are not harmed as a result (relevant stakeholders are shareholders, employees, consumers and communities).

### 41 Preference shares

ASN Beleggingsfondsen UCITS N.V. will vote in favour of the issue of preference shares if this does not adversely affect the interests of any group of stakeholders, including minority shareholders, employees, consumers and communities

### 42 Debt instruments

ASN Beleggingsfondsen UCITS N.V. will vote in favour of the issue of debt instruments, unless:

- the company's financial position does not permit this;
- this is to the detriment of shareholders.

### 43 Collateral

ASN Beleggingsfondsen UCITS N.V. assesses the use of assets as collateral on a case-by-case basis. It includes in its consideration the value that the relevant asset has for the continuity of operations.

### 44 Borrowing capacity

ASN Beleggingsfondsen UCITS N.V. assesses proposals for the expansion of a company's borrowing capacity on a case-by-case basis. In doing so, it also considers:

- the principal of the loan;
- the possible risk of the loan;
- the financial forecast for the company in the short term and the long term;
- the lender's transparency and reliability.

### 45 Redemption and re-issue of shares

ASN Beleggingsfondsen UCITS N.V. will vote in favour of the redemption and issue of a company's own shares if this is in accordance with market best practices, unless:

- this right is demonstrably being misused;
- no protection is in place against selective redemption or re-issue;

- the redemption rules out urgent investments needed in the area of sustainability.

## **Voting Guidelines - Miscellaneous**

### 46 Reorganisations, restructurings, acquisitions and takeovers

ASN Beleggingsfondsen UCITS N.V. assesses reorganisations, restructurings, acquisitions and takeovers on a case-by-case basis, taking into account the possible impact they may have on shareholders in the long term. It rejects business transactions that have a negative effect on human rights, climate or biodiversity.

### 47 Business expansion

ASN Beleggingsfondsen UCITS N.V. will vote in favour of business expansion, unless the expansion will ultimately lead to:

- negative effects, reduced performance or excessive risks in the areas of human rights, climate or biodiversity;
- excessive financial risks.

### 48 Anti-takeover proposals

ASN Beleggingsfondsen UCITS N.V. will vote against proposals intended to prevent a takeover, unless:

- the takeover will, on balance, ultimately result in a deterioration of the situation regarding human rights, the climate, biodiversity and stakeholders, including employees and consumers
- the proposal has been structured such that the shareholders may still decide.

# Annex 2 Articles of Association of ASN Beleggingsfondsen UCITS N.V., dated 22 April 2020

## Definitions.

### Article 1.

1.1. In these Articles of Association, the following terms have the meanings set out below, unless explicitly stated otherwise:

<b>Shareholder</b>	: a holder of one or more shares in the capital of the company. For the purposes of the provisions in these Articles of Association, with the exception of Article 9, a shareholder is also understood to mean a person who holds one or more shares included in a collective deposit or central securities deposit, as referred to in the Securities (Bank Giro Transactions) Act (Wet op het giraal effectenverkeer);
<b>General meeting</b>	: the body consisting of the shareholders with voting rights and persons authorised to attend general meetings;
<b>DCC</b>	: the Dutch Civil Code;
<b>FATCA</b>	: the US <i>Foreign Account Tax Compliance Act</i> , pursuant to which certain Dutch financial institutions that conduct business with persons from the United States are required to report certain information;
<b>FATCA status</b>	: the position of the company without reporting requirements under FATCA;
<b>FII</b>	: a fiscal investment institution within the meaning of Section 28 of the Corporation Tax Act 1969 (Wet op de vennootschapsbelasting 1969);
<b>FII restrictions on share ownership criteria</b>	: the restrictions applying to the company as a fiscal investment institution regarding numbers of shares and/or percentages of shares in its capital that may be held, either directly or indirectly, by certain persons and/or bodies or certain groups of persons and/or bodies, alone or jointly with others, as the restrictions ensue from time to time from Section 28 of the Corporation Tax Act 1969;
<b>Meeting of priority shareholders</b>	: the meeting of holders of priority shares;
<b>Prospectus</b>	: the prospectus of the company as it reads from time to time (also including a supplementary prospectus providing for specific matters related to a subfund);
<b>Subfund</b>	: a series of ordinary shares (with a specific numerical designation) in the capital of the company;
<b>Company</b>	: the public limited company (naamloze vennootschap) whose organisation is regulated in these Articles of Association;
<b>Persons authorised to attend general meetings</b>	: the usufructuary and pledgee of shares in the company with voting rights and the shareholder without voting rights;
<b>FSA</b>	: Financial Supervision Act (Wet op het financieel toezicht).

1.2. Unless explicitly stated otherwise, a term described in the plural in paragraph 1 above will have the meaning described in paragraph 1 in the singular as well, with a corresponding adjustment of the description provided.

## Name. Registered office. Status.

### Article 2.

2.1. The name of the company is:

ASN Beleggingsfondsen UCITS N.V.

2.2. The company has its registered office in The Hague.

2.3. The company is an investment company with variable capital within the meaning of Section 2:76a DCC.

## Object.

Article 3.

3.1. The sole object of the company is to invest, while adhering to risk diversification principles, in financial instruments as referred to in Section 4:60(1) FSA, for the purpose of enabling the company's shareholders to share in the proceeds from those investments, with due regard for the provisions that apply to undertakings for collective investment in transferable securities as referred to in the FSA, and the tax regime for investment institutions within the meaning of the Corporation Tax Act 1969.

3.2. The company is authorised, within the framework set out in paragraph 1 above, to perform all acts that are related to or may be conducive to the objects described above, all to be interpreted in the broadest sense.

## Capital.

Article 4.

4.1. The authorised capital of the company is seven hundred and thirty million and two euros and fifty eurocents (EUR 730,000,002.50), divided into:

- (i) one (1) priority share with a nominal value of two euros and fifty eurocents (EUR 2.50); and
- (ii) twenty (20) series of ordinary shares, numbered U1 to U20, inclusive, all with a nominal value of five euros (EUR 5.00).

A series of ordinary shares will hereinafter be referred to as a subfund with a specific numerical designation:

1. subfund U1 consists of thirty million (30,000,000) ordinary shares U1;
2. subfund U2 consists of forty million (40,000,000) ordinary shares U2;
3. subfund U3 consists of thirty million (30,000,000) ordinary shares U3;
4. subfund U4 consists of ten million (10,000,000) ordinary shares U4;
5. subfund U5 consists of six million (6,000,000) ordinary shares U5;
6. subfund U6 consists of two million (2,000,000) ordinary shares U6;
7. subfund U7 consists of two million (2,000,000) ordinary shares U7;
8. subfund U8 consists of two million (2,000,000) ordinary shares U8;
9. subfund U9 consists of two million (2,000,000) ordinary shares U9;
10. subfund U10 consists of two million (2,000,000) ordinary shares U10;
11. subfund U11 consists of two million (2,000,000) ordinary shares U11;
12. subfund U12 consists of two million (2,000,000) ordinary shares U12;
13. subfund U13 consists of two million (2,000,000) ordinary shares U13;
14. subfund U14 consists of two million (2,000,000) ordinary shares U14;
15. subfund U15 consists of two million (2,000,000) ordinary shares U15;
16. subfund U16 consists of two million (2,000,000) ordinary shares U16;
17. subfund U17 consists of two million (2,000,000) ordinary shares U17;
18. subfund U18 consists of two million (2,000,000) ordinary shares U18;
19. subfund U19 consists of two million (2,000,000) ordinary shares U19; and
20. subfund U20 consists of two million (2,000,000) ordinary shares U20.

4.2. The amounts paid up on the ordinary shares belonging to each subfund will be credited for each subfund concerned to the account held for that purpose for each subfund, hereinafter referred to as the **fund account**, which is indicated with the same numeral as the subfund concerned.

Separate accounting records shall be maintained for the funds and other assets credited to and/or allocated to these accounts as well as the reserve account corresponding to the respective subfund, referred to in Article 27, hereinafter referred to as the **reserve account**, for the holders of ordinary shares of the subfund concerned and be invested in a manner to be stipulated by the management board for the subfund concerned in accordance with the investment policy set out in the prospectus.

4.3. In addition to the priority share, each subfund shall also constitute a separate class of shares.

The words **shares** and **shareholders** in these Articles of Association shall be deemed to include the shares of each class and the



holders of shares of each class (each numerical designation), unless expressly indicated otherwise.

Where these Articles of Association refer to ordinary shares, this includes the ordinary shares of each class (each numerical designation), unless expressly stated otherwise.

4.4. If and as long as the priority share has not been issued, a proposal or nomination made by the meeting of priority shareholders to the general meeting as prescribed by the Articles of Association or an approval by the meeting of priority shareholders of a resolution of the general meeting as prescribed by the Articles of Association shall not be required.

4.5. The management board may resolve to increase the number of shares of a particular subfund included in the authorised capital, with the maximum number of shares by which the number of shares of the subfund in question may be increased being equal to the total number of shares included in the authorised capital that have not yet been issued at the time of the aforementioned resolution.

4.6. On adoption of a resolution as referred to in paragraph 5 to increase the number of shares of a particular subfund included in the authorised capital, the number of shares included in the authorised capital of the subfund(s) that are subject to the aforementioned increase will be decreased at the same time by such number of shares that the total authorised capital remains the same.

4.7. On adoption of a resolution as referred to in paragraph 5, the management board shall decide from what numbers of shares of the subfunds included in the authorised capital the number of shares referred to in paragraph 6 shall be deducted.

On the basis of the resolution to issue shares referred to in paragraph 5, the total number of shares referred to in paragraph 6 shall be deducted from the numbers of shares of the subfunds included in the authorised capital as is provided in the management board resolution referred to in the previous sentence.

4.8. A resolution as referred to in paragraph 5 may only be adopted under the condition precedent that a copy of the resolution is immediately filed with the Trade Register.

The resolution referred to in paragraph 5 shall state:

- a. the number by which the number of shares included in the authorised capital of the subfund in question will be increased as a result of the resolution to issue shares referred to in paragraph 5; and
- b. the numbers by which the numbers of shares included in the authorised capital of the subfund(s) in question will be decreased as a result of the resolution to issue shares referred to in paragraph 5.

4.9. The management board may resolve to convert a share of a particular class held by the company into a different class.

On such conversion, each share to be converted of a particular class shall be converted into a share of a different class.

In the resolution to convert shares, the management board shall stipulate (i) what class of shares is to be converted, (ii) the number of shares to be converted and (iii) into shares of what class conversion shall take place.

Conversion as referred to in this article cannot take place if restricted rights are vested in the shares concerned.

To the extent that, as a result of a resolution to convert shares, more shares are issued of a class than the number of shares of the class in question included in the authorised capital, paragraphs 5 up to and including 8 shall apply mutatis mutandis.

4.10. From the date that the management board has notified the Trade Register that at least ninety per cent (90%) of the authorised capital of the company has been issued, the authorised capital shall amount to one billion four hundred and sixty million and two euros and fifty eurocents (EUR 1,460,000,002.50), divided into one (1) priority share and the remainder divided across the subfunds in proportion to the number of ordinary shares of a subfund that is included in the authorised capital at the time of the increase referred to above.

## **Issue of shares. Pre-emptive right.**

Article 5.

5.1. The management board may resolve to issue shares and shall set the issue price and the other conditions of issue by the

resolution.

5.2. Shares shall never be issued below par.

5.3. Shareholders shall have no pre-emptive rights to issues of shares, unless otherwise provided in the resolution to issue shares.

## **Payment.**

Article 6.

6.1. Shares are only issued on payment in full.

6.2. Payment shall be made in cash, unless another contribution has been agreed on.

6.3. Payment may be made in foreign currency with the approval of the company.

6.4. The management board shall be authorised, without the prior approval of the general meeting, but with the approval of the supervisory board, to perform legal acts relating to non-cash contributions on shares and other legal acts referred to in Section 2:94(1) DCC.

## **Acquisition and disposal by the company of its own shares.**

Article 7.

7.1. The management board shall be authorised, under the conditions to be determined by it, to prompt the company to acquire paid-up shares in its own capital for valuable consideration, on the understanding that the issued capital of the company, less the amount of the shares that it holds itself, shall amount to at least one tenth (1/10th) of the authorised capital.

7.2. The management board shall be authorised to dispose of the shares acquired by the company in its own capital.

The provisions in Article 5 and Article 6(2) and (3) shall apply mutatis mutandis in respect of such disposal, with the proviso that the disposal may also be conducted below par.

7.3. No vote may be cast in the general meeting for a share belonging to the company.

Shares for which this paragraph and/or the law determines that no votes may be cast shall be disregarded for the purposes of determining the proportion of shareholders voting, present or represented, or the proportion of the share capital provided or represented.

7.4. Shares that the company holds in its own capital shall not be taken into account in calculating the appropriation of an amount designated for distribution on shares.

## **Capital reduction.**

Article 8.

8.1. The general meeting may, pursuant to a motion put forward by the management board, with due regard for the provisions in Section 2:99 DCC, resolve to reduce the issued capital by cancelling shares or reducing the value of the shares by means of an amendment of the Articles of Association.

This resolution must specify the shares to which the resolution relates and arrange for the implementation of such resolution.

A resolution to cancel, provided that it provides for repayment of their nominal amount, may only concern (i) shares held by the company itself or for which it holds the depositary receipts, or (ii) all the shares of a subfund.

Partial repayment of the amounts paid on shares shall be made either for all the shares or exclusively for a specific class of shares.

8.2. The reduction of the value of shares without repayment and without exemption from the payment obligation or partial repayment of the amounts paid on shares or exemption from the payment obligation must be applied proportionally to all the shares or, if undertaken exclusively in respect of a specific class of shares, proportionally to all the shares of that class.

The proportionality requirement may be deviated from with the consent of all the shareholders concerned.

8.3. The general meeting may only pass a resolution to reduce the capital with a majority of at least two thirds (2/3) of the votes cast, if less than half of the issued capital is represented at the meeting.

A resolution to reduce the capital shall, furthermore, require the prior or simultaneous approval of each group of holders of shares of the same class whose rights are affected; the first sentence of this paragraph shall apply mutatis mutandis to this resolution.

8.4. The notice convening a general meeting at which a resolution as referred to in this article is to be adopted shall state why and how the capital is to be reduced.

The resolution to reduce the capital must indicate the shares to which the resolution relates and provide for the implementation of the resolution.

## **Shares. Shareholders' register. Community of property.**

Article 9.

9.1. The shares are numbered in a manner to be determined by the management board and are registered shares.

9.2. No share certificates shall be issued for the registered shares.

9.3. If a share or a restricted right thereto forms part of a community of property, the joint owners may only be represented in dealings with the company by one or more persons appointed by them in writing for that purpose.

The combined joint owners may determine at the time of the appointment that, if a joint owner so wishes, a number of votes corresponding to his interest in the community of property will be cast in accordance with his instructions.

The provisions in the preceding sentence do not apply to shares that form part of a community of property as referred to in the Securities (Bank Giro Transactions) Act.

9.4. The management board shall, with respect to registered shares, keep a register of shareholders in which the names and addresses of the holders of these shares are included, stating the classes of shares, the date on which they acquired the shares, the date of acknowledgement or service and the amount paid up on each share.

The register shall also record the names and addresses of those persons holding a right of usufruct or a pledge in respect of registered shares, stating the date on which they acquired the right and the date of acknowledgement or service, as well as the rights vested in them in accordance with paragraphs 2 and 4 of Sections 2:88 and 2:89 DCC; all without prejudice to Section 2:85 DCC.

The register must be updated regularly.

9.5. Each entry in the register shall be signed by two members of the management board, if more than one member of the management board is in office, and, if only one member of the management board is in office, by that member of the management board.

For the purposes of the preceding sentence, the facsimile of a signature shall count as an autographic signature.

## **Share ownership restrictions due to FII status and FATCA status.**

Article 10.

10.1. It is forbidden for a shareholder or other person, through the acquisition of one or more shares, to place the company in a position (i) where one or more of the FII share ownership restriction criteria are breached; (ii) resulting in a change of FATCA status, if the shareholder or other person in question knew or ought to have known (due to publicly available information, by consulting the company, by consulting third parties related to the shareholder or other person in question, or otherwise) that (a) a breach of the FII share ownership restriction criteria or (b) a change of the FACTA status would result from such acquisition of shares. If any prohibition laid down in the preceding sentence has been contravened, the holder of the shares in question shall be obliged to immediately sell and transfer such number of the shares in question as are necessary to ensure that the breach of the FII share ownership restriction criteria or the change of FACTA status is remedied.

The provisions in this Article 10(1) above shall not prejudice, limit or restrict the management board's right, in case of contravention of any provision referred to in this Article 10(1) (i), to demand compensation or take other legal measures on behalf of the company and/or (ii) to impose on the holder of the shares in question in accordance with Article 10(2) below an obligation to sell and transfer the shares in question to a third party designated by the management board.

10.2. In the event that, such to be decided at the sole discretion of the management board, (i) one or more of the FII share ownership restriction criteria have been or are breached, or are at risk of being breached due to an interest of more than twenty per cent (20%) being held in the company, or (ii) the FATCA status would change or is at risk of changing, the management board shall be authorised to take any and all measures to remedy or prevent the breach, including, but not limited to, the right to impose on one or more shareholders the obligation to immediately sell and transfer one or more of their ordinary shares, or to impose other obligations.

The imposition on a shareholder of an obligation as referred to in this Article 10(2) above shall be undertaken in writing, stating reasons, with the notification being given to the address of the shareholder in question known to the management board or, in the absence of such known address, in accordance with legal and regulatory provisions.

If the obligation consists of an obligation to sell and transfer one or more shares, the shares are to be sold on the stock exchange.

If a sale on the stock exchange cannot be effected within one week after the date of the written notification by the management board, the management board will on first demand by the shareholder in question, or on its own initiative, provide the name and address of a third party that is willing to purchase in cash the shares concerned, as well as the price offered.

Unless otherwise agreed between the shareholder in question and the management board, the sale and transfer will in this case be made to the third party nominated by the management board.

The price per share at which the shares concerned are then sold to the third party shall be set by the shareholder concerned and the third party in joint consultation or by one or more experts designated by them. If an agreement on the price or on the expert or experts, as the case may be, is not reached by them, the price shall be set by one or more independent investment banks to be designated, at the request of the shareholder concerned, the third party or the management board, by the chairperson of the Chamber of Commerce where the company is listed in the Trade Register.

If the sale to a third party cannot be effected within the period agreed by the shareholder concerned and the management board, the company will, if the management board considers such to be in the company's interest, acquire the shares concerned for no consideration.

10.3. An obligation to transfer shares imposed on a shareholder by the management board in accordance with Article 10(2) above shall lapse (i) after three months from the date the obligation was imposed, if, through no fault of the shareholder in question, the shares have not been purchased within that period with due regard for the provisions in this Article 10, or (ii) through withdrawal of the obligation in question by the management board.

10.4. If and as long as a shareholder is subject to an obligation to transfer shares pursuant to Article 10(2) above, the management board shall be irrevocably authorised to sell and transfer the shares concerned on behalf of the shareholder in question and to receive the purchase price.

The company shall in that case pay the purchase price received to the seller after deduction of the costs that are for his expense (without prejudice to any rights to offset or otherwise that might be vested in the company in relation to the purchase price to be paid).

10.5. If and as long as a shareholder is subject to an obligation to transfer shares pursuant to Article 10(1) and/or Article 10(2) above, the shareholder may not exercise any rights to attend meetings or voting rights attached to the shares held by that shareholder.

## **Right of usufruct and pledge on shares. Depositary receipts for shares.**

### Article 11.

11.1. A right of usufruct may be established in respect of shares.

The voting rights attached to shares that are encumbered with usufruct shall only be vested in the usufructuary if so provided for upon the establishment of the right of usufruct.

11.2. A right of pledge may be established in respect of shares.

The voting rights attached to shares that have been pledged shall only be vested in the pledgee if so provided for upon the establishment of the pledge.

11.3. A shareholder without the right to vote and a usufructuary and a pledgee with the right to vote shall have the rights conferred by law upon the holders of depositary receipts issued for shares with the cooperation of the company.

11.4. A usufructuary or a pledgee without the right to vote shall not have the rights referred to in paragraph 3.

11.5. The company is not authorised to cooperate in the issue of depositary receipts for shares in its capital.

## **Notices convening meetings, notifications and announcements.**

### Article 12.

12.1. All notifications and announcements to shareholders and persons authorised to attend general meetings, also including notices convening general meetings, shall be given in a legally authorised manner (including by means of an electronically published announcement) as well as in the manner prescribed by the regulated market(s) where the shares in the capital of the company have been admitted to trading at the company's request.

12.2. Notifications and announcements to be addressed to the general meeting in accordance with the law or the Articles of Association can be given by inclusion either in the notice convening a general meeting or in a document that has been deposited for notification purposes at the company's offices, provided that this is noted in the convening notice.

Shareholders and persons authorised to attend general meetings may then obtain a copy of such a document free of charge.

## **Transfer of shares.**

### Article 13.

13.1. If and for as long as shares or depositary receipts for shares in the company are admitted to trading on a regulated market or a multilateral trading facility, as referred to in Section 1:1 of the FSA, or a system that is comparable to a regulated market or a multilateral trading facility of a state that is not a Member State, a transfer of registered shares or of a right of usufruct in respect of registered shares, or the establishment or removal of a right of usufruct or a pledge on registered shares shall require an instrument intended for that purpose, with due regard for the provisions in Section 2:86c of the Dutch Civil Code.

Unless the company itself is party to the legal act, the rights attached to a share can only be exercised, if the first sentence of this paragraph applies, after:

- a. the company has acknowledged the legal act; or
- b. the instrument has been served on the company,

all with due regard for the applicable legal provisions.

13.2. If and for as long as shares in the company are not admitted to trading on a regulated market or a multilateral trading facility, as referred to in Section 1:1 of the FSA, or a system that is comparable to a regulated market or a multilateral trading facility of a state that is not a Member State, a transfer of registered shares or of a right of usufruct in respect of registered shares, or the establishment or removal of a right of usufruct or a pledge on registered shares, shall require a notarial instrument intended for that purpose, with due regard for Section 2:86 of the Dutch Civil Code.

Unless the company itself is party to the legal act, the rights attached to a share can only be exercised, if the first sentence of this paragraph applies, after:

- a. the company has acknowledged the legal act;
- b. the instrument has been served on the company; or
- c. the company has acknowledged the legal act of its own accord by making an entry in the shareholders' register

all with due regard for the applicable legal provisions.

## **Management board.**

Article 14.

14.1. The company shall be managed by the management board, under the supervision of a supervisory board.

The supervisory board shall determine the number of members of the management board.

14.2. The management board shall meet as often as is required by a member of the management board.

The management board shall adopt resolutions by an absolute majority of the votes cast.

14.3. The supervisory board is authorised to make management board resolutions that are to be clearly specified in its resolution to that effect subject to its approval.

14.4. The management board shall require prior approval from the general meeting and the supervisory board for resolutions of the management board regarding any important change to the identity or the character of the company or its enterprise, including in any event the resolutions referred to in Section 2:107a DCC.

14.5. Any director with a direct or indirect personal conflict of interest with the company shall not take part in deliberations and decision-making on the matter concerned within the management board.

If a management board resolution cannot be adopted as a result, the resolution will be adopted by the supervisory board.

## **Appointment, suspension, dismissal and remuneration of the members of the management board.**

Article 15.

15.1. Members of the management board shall be appointed by the general meeting.

15.2. The meeting of priority shareholders may propose a (binding) list of candidates to the general meeting for the appointment of a director.

To this end, the management board will invite the meeting of priority shareholders to draw up a list of candidates within eight weeks of a vacancy arising, or the management board's request to that effect; the list of candidates should be such that for each appointment, a choice can be made from among at least the number of persons laid down by law.

The list of candidates will indicate whether the list of candidates is binding.

A list of candidates may be declared non-binding by the general meeting by a majority of two-thirds of the votes cast, representing at least half of the issued capital. If the proportion of the capital of at least one half as referred to in the preceding sentence is not represented at the meeting, but two-thirds of the votes cast are in favour of the resolution to declare the list of candidates non-binding, the resolution can be adopted by two-thirds of the votes cast in a new meeting to be convened,

irrespective of the proportion of the capital represented at this meeting.

The (binding) list of candidates shall be included in the notice convening the general meeting at which the appointment is to be considered, or it will be stated in the convening notice that a list of candidates has not been drawn up, or has not been drawn up on time.

In the event that a list of candidates is not drawn up, or is not drawn up on time, or it is indicated that a list of candidates is not binding, the general meeting shall be free in its choice of appointee.

15.3. Members of the management board can be suspended or dismissed at any time by the general meeting pursuant to a resolution adopted by a majority of two-thirds of the votes cast, representing at least half of the issued capital, unless the proposal for suspension or dismissal comes from the supervisory board, in which case the resolution shall be adopted by an absolute majority of votes, without a quorum being required. If the proportion of the capital of at least one half as referred to in the preceding sentence is not represented at the meeting, but two-thirds of the votes cast are in favour of the resolution to suspend or dismiss a member of the management board, the resolution can be adopted by a majority of two-thirds of the votes in a new meeting to be convened, irrespective of the proportion of the capital represented at this meeting.

The supervisory board is authorised to suspend a member of the management board at any time.

15.4. If either the general meeting or the supervisory board has suspended a member of the management board, it will be required to resolve either to dismiss the management board member or to cancel or maintain the suspension within three months of commencement of the suspension, in the absence of which the suspension will lapse.

A resolution to maintain the suspension may only be adopted once, with the suspension being maintained by such resolution for a maximum of three months, commencing on the day on which the general meeting adopts the resolution to maintain the suspension.

If the general meeting does not resolve to dismiss the management board member or to cancel the suspension within the term set in the preceding sentence, the suspension will lapse.

A suspended member of the management board shall be given the opportunity to account for his actions, and to be assisted by counsel in this respect, at the general meeting.

15.5. In the event that one or more members of the management board is absent or unable to act, the remaining members of the management board or the sole remaining member of the management board shall be provisionally charged with the management of the company.

In the event that all members of the management board are absent or unable to act, the person who will be appointed by the supervisory board to that end shall be provisionally charged with the management of the company.

In the event of absence, the person referred to in the previous sentence shall as soon as possible take the necessary measures to make a permanent provision.

15.6. The meeting of priority shareholders shall determine the remuneration and the further terms under which the members of the management board perform their services or work.

## **Holders of power of attorney.**

Article 16.

The management board may, after obtaining the approval of the supervisory board, vest powers of attorney or other continuing representative authority in one or more persons, whether or not employees of the company, and confer on one or more such persons as referred to above, and on other persons, such title as the management board deems appropriate.

## **Representation.**

Article 17.

The management board shall be authorised to represent the company.

If there is more than one director in office, the company may also be represented by two directors acting jointly.

## **Supervisory board, supervision of the management board and composition.**

Article 18.

18.1. The company shall have a supervisory board, consisting of three or more natural persons.

18.2. The function of the supervisory board shall be to supervise the policy of the management board and the general course of affairs in the company.

The supervisory board shall assist the management board with advice.

In discharging their duties, the supervisory board members shall be guided by the interests of the company.

The supervisory board is further charged with all other duties entrusted to it in these Articles of Association and by law.

18.3. The supervisory board shall lay down in the rules of procedure the allocation of duties in the supervisory board and its operating procedures.

18.4. Supervisory board members are appointed by the general meeting, with due regard for Article 18(5) below.

18.5. The supervisory board is authorised to propose a (binding) list of candidates to the general meeting for the appointment of a supervisory board member.

The list of candidates will be accompanied by the information laid down by law on the nominated candidate(s) and will indicate whether the list of candidates is binding.

In the event that the supervisory board omits to draw up a list of candidates or indicates that it will not draw up a list of candidates within six weeks of a vacancy arising, the meeting of priority shareholders shall be authorised to draw up a binding list of candidates for the appointment of a supervisory board member.

This binding list of candidates must be drawn up within six weeks after the notification by the supervisory board that it will not draw up a list of candidates, or the expiry of the term for the supervisory board to draw up a list of candidates.

A list of candidates should be such that for each appointment a choice can be made from among at least the number of persons laid down by law.

A binding list of candidates may be declared non-binding by the general meeting by a majority of two-thirds of the votes cast, representing at least half of the issued capital. If the proportion of the capital of at least one half as referred to in the previous sentence is not represented at the meeting, but two-thirds of the votes cast are in favour of the resolution to declare the list of candidates non-binding, the resolution can be adopted by two-thirds of the votes cast in a new meeting to be convened, irrespective of the proportion of the capital represented at this meeting.

The (binding) list of candidates shall be included in the notice convening the general meeting at which the appointment is to be considered, or it will be stated in the convening notice that a list of candidates has not been drawn up, or has not been drawn up on time.

In the event that a list of candidates is not drawn up, or is not drawn up on time, or it is indicated that a list of candidates is not binding, the general meeting shall be free in its choice of appointee.

18.6. Supervisory board members may be suspended and dismissed by the general meeting at all times.

A suspension may be extended one or more times, but may not last longer than three months in total.

18.7. The general meeting shall adopt the resolution for dismissal by an absolute majority of votes, provided that this majority represents at least one-third of the issued capital.

If the proportion of the capital of at least one-third as referred to in the previous sentence is not represented at the meeting, but an absolute majority of the votes cast is in favour of the resolution to dismiss a supervisory board member, the resolution can be adopted by an absolute majority of the votes in a new meeting to be convened, irrespective of the proportion of the capital represented at this meeting.



18.8. A supervisory board member duly authorised by the supervisory board shall have the right at all times to access all the buildings and premises used by the company as well as the right to inspect all the company's books and records and the right to audit all the company's assets.

## **Supervisory board, meetings and method of adopting resolutions.**

Article 19.

19.1. The supervisory board shall elect a chairman from among its number.

The supervisory board may also appoint a supervisory board member as a delegated supervisory board member, who shall be charged in particular with regularly consulting with the management board on the course of affairs in the company.

19.2. The supervisory board shall meet as frequently as desired by one or more members, as requested by the management board, or as a meeting is necessary pursuant to the provisions in these Articles of Association.

19.3. The supervisory board shall adopt resolutions by an absolute majority of the total number of votes cast by all the supervisory board members jointly in office.

If there is a tie in voting, the chairman shall have the deciding vote, although only in the event that at least three supervisory board members are in office.

Each member of the supervisory board shall be entitled to cast one vote.

Each supervisory board member can only be represented by a co-member of the supervisory board in the meetings of the supervisory board.

19.4. The supervisory board can also adopt resolutions without holding a meeting, provided that all the supervisory board members have been consulted and none of them has objected to this method of adopting resolutions.

19.5. Any supervisory board member with a direct or indirect personal conflict of interest with the company shall not take part in deliberations and decision-making on the matter concerned within the supervisory board.

If a supervisory board resolution cannot be adopted as a result, the resolution may nonetheless be adopted by the supervisory board.

19.6. If the supervisory board must provide proof of a resolution to shareholders or the management board, the signature of either the chair of the supervisory board or the delegated supervisory board member will be sufficient for this purpose.

## **General meetings.**

Article 20.

20.1. The annual general meeting shall be held within six (6) months of the end of the financial year.

20.2. The agenda for this meeting shall include the following items:

- a. discussion of the written report of the management board;
- b. the adoption of the financial statements;
- c. the proposal to discharge the members of the management board from liability for their management conducted during the previous financial year;
- d. the proposal to discharge the members of the supervisory board from liability for their supervision exercised during the previous financial year.

Other items placed on the agenda with due regard for Article 20(3) will also be discussed at this meeting.

20.3. The management board and the supervisory board shall provide the general meeting with all the information it may

require, unless there are compelling reasons to withhold it in the company's interest.

If the management board and the supervisory board withhold information on the grounds of the company's interest, they shall give their reasons for doing so.

20.4. Extraordinary general meetings shall be held as often as deemed appropriate by the management board.

In addition, an extraordinary general meeting will be convened whenever requested by the supervisory board, the meeting of priority shareholders or one or more persons entitled to cast at least ten per cent (10%) of the total number of votes that may be cast, addressed to the management board and stating the items to be discussed.

If, in that event, none of the members of the management board convenes a general meeting, such that it can be held within four weeks of receipt of the aforementioned request, each of the applicants shall be authorised to convene the meeting, subject to the relevant provisions of these Articles of Association and the law.

20.5. Within three months after it has become clear to the management board that the company's own capital has been reduced to an amount equal to or less than half of the issued capital, a general meeting shall be held to discuss the measures to be taken.

## **Venue. Notice of general meetings. Attendance.**

Article 21.

21.1. General meetings shall be held in the municipality where the company has its registered office, or in 's-Hertogenbosch, Utrecht or Amsterdam.

21.2. Shareholders and persons authorised to attend general meetings shall be called to the general meeting by a member of the management board or a supervisory board member; as such, the management board and the supervisory board are also authorised to convene a general meeting.

The notice convening a meeting shall be given with due observance of the statutory period for convening a meeting.

21.3. The notice convening a meeting shall state the business to be transacted as well as the other information required in accordance with the law or these Articles of Association.

21.4. All shareholders and other persons authorised to attend general meetings shall be entitled to attend and address the general meeting and, insofar as they have voting rights, to vote at the general meeting.

21.5. Shareholders and persons authorised to attend general meetings may be represented at the meeting by a proxy appointed in writing.

The written proxy shall be provided to the company by no later than the date stated in the notice convening a meeting.

21.6. The management board may resolve that the proceedings of the general meeting may be observed using an electronic means of communication.

The management board may resolve that every shareholder and person authorised to attend general meetings shall be entitled to exercise their voting rights and/or take part in the general meeting, either in person or through a proxy appointed in writing, using an electronic means of communication.

This shall be subject to the requirement that the shareholder and the person authorised to attend general meetings can be identified by the electronic means of communication and are able to participate directly in the proceedings of the general meeting.

The management board may lay down conditions concerning the use of electronic means of communication, which conditions shall be announced in the notice convening the general meeting and posted on the company's website.

21.7. Shareholders and persons authorised to attend general meetings shall be those persons in whom those rights are vested and as such have been registered in a register designated for that purpose by the management board on the registration date referred to in Section 2:119 DCC, irrespective of who, at the time of the general meeting, would have been authorised to attend general meetings if no registration date had applied.

The notice convening the general meeting shall state the registration date as well as the manner in which persons authorised to attend general meetings can register, the latest time by which the intention to attend the general meeting must be notified and the manner in which persons authorised to attend general meetings can exercise their rights.

21.8. The management board may decide that shareholders can cast their vote electronically in a manner to be determined by the management board and/or by post in advance of the general meeting within a period to be determined by the management board, which period may not commence earlier than the registration date referred to in the preceding paragraph.

Votes cast in accordance with the provisions in the preceding sentence shall be treated on the same basis as the votes cast at the general meeting itself.

21.9. The company shall send shareholders who have notified the company of their intention in accordance with the provisions in paragraph 7 an attendance card for the general meeting.

21.10. Before being admitted to a general meeting, a shareholder, a depositary receipt holder or his proxy shall sign an attendance register, stating his name and, if applicable, the number of votes he is entitled to cast.

If a shareholder or a person authorised to attend general meetings is represented by a proxy, the name(s) of the person(s) represented by the proxy shall also be stated.

## **Chairmanship of the general meeting. Minutes.**

Article 22.

22.1. The general meeting shall be chaired by the chairperson of the supervisory board, or by a person to be appointed by the chairperson of the supervisory board.

The chairperson shall appoint the secretary.

22.2. Minutes shall be kept except where a notarial record is made of the proceedings of the general meeting.

Minutes shall be adopted and signed in evidence thereof by the chairperson and the secretary of the meeting concerned, or shall be adopted at a subsequent meeting; in the latter case, the minutes shall be signed in witness of their adoption by the chairperson and the secretary of such subsequent meeting.

The notarial record or the minutes shall state the number of shares represented at the general meeting and the number of votes to be cast based on the attendance register referred to in Article 21(10); the attendance register referred to in Article 21(10) does not form part of the notarial record or the minutes and will not be provided to a shareholder or a person authorised to attend general meetings, unless he can demonstrate that he has a reasonable interest therein to verify that the proper procedures were followed for the meeting in question.

22.3. A written document, signed by the chairperson and the secretary of the general meeting, confirming that the general meeting has adopted a particular resolution, shall serve as proof of such resolution toward third parties.

22.4. The chairperson of the meeting and each member of the management board shall be authorised at all times to instruct that a notarial record be drawn up at the company's expense.

22.5. Without prejudice to the provisions in Section 2:13(4) DCC, all matters regarding admission to the general meeting, the exercise of voting rights, the result of votes and all other matters relating to the conduct of the general meeting shall be at the discretion of the chairperson of the general meeting in question.

22.6. The chairperson of the general meeting in question shall be authorised to admit persons other than shareholders and persons authorised to attend general meetings, their representatives and members of the management board to the general meeting.

## **Voting rights.**

Article 23.

23.1. At the general meeting, each share confers the right to cast one vote.

23.2. Blank and invalid votes shall be deemed not to have been cast.

23.3. Except where a larger majority is expressly prescribed by law or these Articles of Association, resolutions will be adopted by an absolute majority of votes.

23.4. The chairperson shall determine the method of voting, with the proviso that, if demanded by one of those present who are entitled to vote, votes regarding the appointment, dismissal or suspension of persons shall take place by means of sealed and unsigned ballots.

23.5. If no absolute majority is obtained in the first vote on the election of persons, a new vote shall be held.

If nobody obtains an absolute majority in the second vote either, a third vote shall be held between the two candidates who jointly obtained the most votes in the last vote.

If more than two candidates have obtained the largest and an equal number of votes, lots shall be drawn to determine which two candidates shall take part in the third vote.

If one candidate has obtained the largest number of votes and two or more candidates the next largest number of votes, lots shall be drawn to determine which of the latter shall take part in the third vote with the former.

In the event of a tie again, the matter shall be decided by drawing lots. The drawing of lots shall be done by the chairperson.

23.6. In the event of a tie in a vote on matters other than the appointment of persons, the motion shall be rejected.

23.7. The members of the management board and the supervisory board members shall be authorised to attend the general meetings and as such have an advisory role in the general meetings.

## **Meetings of holders of shares of a particular class.**

Article 24.

24.1. A meeting of holders of shares of a particular class shall be convened if so required by law, the Articles of Association, the management board, the meeting of priority shareholders or the supervisory board.

The provisions in Articles 21 to 23, inclusive, shall apply mutatis mutandis to such meeting.

24.2. Resolutions by the meeting of priority shareholders shall be adopted in writing or electronically in a readable and reproducible manner.

Resolutions can be adopted by the priority shareholders other than in a meeting if the holders of priority shares with voting rights have declared in writing (including all forms of text transmission) that they unanimously support the motion.

## **Financial year. Financial statements.**

Article 25.

25.1. The company's financial year shall be concurrent with the calendar year.

25.2. Within the term as set forth by or pursuant to the law each year, the management board shall make generally available: the financial statements, the report by the management board, the auditor's report as well as the other information that must be made generally available together with the financial statements by or pursuant to a legal obligation.

The financial statements shall be signed by all the members of the management board and all the supervisory board members; if the signature of one or more of them is missing, this shall be stated and the reason shall be given.

25.3. If the general meeting has not been informed of the report by the auditor, referred to in Article 26, the financial statements cannot be adopted unless the other information referred to in the first sentence of paragraph 2 includes legitimate grounds for the absence of this report.

## **Auditor.**

Article 26.

26.1. The general meeting shall engage a chartered accountant or another expert as referred to in Section 2:393(1) DCC, both referred to as **auditor**, to examine the financial statements prepared by the management board in accordance with the provisions in Section 2:393(3) DCC.{2}

The auditor shall report on his findings to the management board and the supervisory board and shall present these findings in an opinion on the truth and fairness of the financial statements.

The chartered accountant or the other expert appointed for that purpose in accordance with Section 2:393 DCC may be questioned by the general meeting on his opinion on the truth and fairness of the financial statements.

The chartered accountant or the other expert appointed for that purpose in accordance with Section 2:393 DCC will, accordingly, be invited to attend the general meeting and shall be authorised to address the meeting.

The audit engagement issued to the auditor may be withdrawn at any time by the general meeting.

The provisions in Section 2:393(2) DCC shall otherwise apply in respect of the issuing of the audit engagement, as referred to above, and the withdrawing of the engagement.

26.2. Both the management board and the supervisory board may issue engagements to the auditor referred to in paragraph 1 at the company's expense.

## **Profit and loss.**

Article 27.

27.1. Distribution of profit in accordance with the provisions in this article shall be made after adoption of the financial statements showing that distribution is permissible.

27.2. The company shall keep a reserve account for each of the subfunds, which account will be identified by the number of the subfund to which the account relates.

27.3. The adopted financial statements shall show the income realised for each subfund with the assets allocated to the subfund concerned.

The adopted financial statements shall also show, for each subfund, the following costs: (i) the costs and taxes paid in relation to the amounts paid for each subfund; (ii) the other costs relating to a subfund (including management costs); and (iii) the share of the subfund in question in the general expenses and costs of the company calculated in accordance with paragraph 4 above.

From the profit in any financial year, the management board shall first determine, subject to the approval of the supervisory board, for each subfund which portion of the balance of income and expenses attributable to a subfund is to be allocated to the reserve account kept for the subfund in question.

After the allocation referred to in the previous sentence and insofar as possible, a dividend shall be paid out on the priority share equal to the amount of the statutory interest at the end of the financial year on the nominal amount of the priority share to which the distributable profit relates.

No other distribution of profit will be made on the priority share.

Any balance then remaining shall be paid out to the holders of ordinary shares of the subfund concerned in proportion to the ordinary shares of the subfund in question held by each of them.

If the balance of income and expenses referred to above is negative, this amount shall be debited from the reserve account of the subfund and, insofar as this is not sufficient, from the fund account itself.

27.4. The general costs and expenses of the company, including the dividend distributable on the priority share, shall be

apportioned as from the date of allocation of these costs among the individual subfunds in proportion to the most recently determined total intrinsic value of all the shares belonging to those subfunds not placed with the company, on the understanding that general costs and expenses shall not be allocated, or not entirely allocated, to classes that invest in other investment institutions, insofar as this, in the management board's opinion, would result in double taxation of that class with the same costs and expenses.

27.5. Holders of shares in a subfund shall be entitled to the amount paid into the fund account as well as the balance of the reserve account of the subfund, in proportion to the nominal amount paid on the shares they hold of the subfund in question.

27.6. Distributions charged to or the closing of a reserve account referred to in paragraph 2 may be undertaken at all times, with due regard for paragraphs 7 and 8, pursuant to a resolution of the general meeting, passed on a motion of the meeting of holders of ordinary shares of the subfund in question.

27.7. The company can only make distributions to the shareholders and other parties entitled to the profits available for distribution insofar as its equity exceeds the amount of the issued capital plus the reserves required to be kept pursuant to the law.

If and insofar as statutory reserves that are not related to a specific subfund must be established or increased by the company in any year, such statutory reserves will be established or increased by charging the required amount equally to the reserves of the subfunds in question whose shares are placed with parties other than the company.

If and insofar as a statutory reserve is released, the amounts thus released will be added equally to the reserves of the subfunds in question for which the statutory reserve was established or increased.

27.8. The general meeting shall not be authorised to resolve to close all or part of any reserve without the prior approval of the supervisory board.

## **Dividends and other profit distributions**

Article 28.

28.1. Dividends and other profit distributions shall be made payable on a date to be determined by the management board within four weeks of being declared.

28.2. The amounts payable in respect of dividends and other profit distributions to shareholders, the composition of the distributions as well as the manner of payment shall be announced in the manner stated from time to time in the prospectus.

28.3. Any dividends that have not been collected within five years after becoming due and payable shall revert to the company.

28.4. With due regard for the provisions in Section 2:105 DCC, the management board may resolve, with the approval of the supervisory board, to make an interim dividend distribution.

28.5. The management board may resolve, with the approval of the supervisory board, that dividend shall be distributed and/or distribution from the reserves shall be made entirely or partly in a form other than cash, also including in the form of shares in the capital of the company or in participation rights in investment undertakings or undertakings for collective investment in transferable securities as referred to in the FSA (i) that are administered by the same manager as the company, (ii) that are administered by a group company of the manager of the company, or (iii) of which the management board is a group company of the manager.

Insofar as the management board, subject to the approval of the supervisory board, has provided for this, provided that the company maintains a share premium reserve and insofar as demanded by a shareholder, the distribution to be made available to him in the form of shares shall be charged to the share premium reserve.

28.6. A deficit may only be charged to the statutory reserves to the extent that this is permitted by law.

## **Amendment of the Articles of Association. Winding up.**

Article 29.

29.1. A resolution to amend these Articles of Association or the resolution to wind up the company can only be adopted by the general meeting at the recommendation of the meeting of priority shareholders.

Amendments to the Articles of Association diminishing the rights and interests of shareholders or imposing liabilities on them shall not take effect until the expiry of the term as set forth by law after the notification referred to in Section 4:47 of the FSA.

29.2. A motion to amend the Articles of Association must always be announced in the notice convening the general meeting at which the motion will be discussed and, when convening the meeting, a copy of the motion in which the proposed amendment to the Articles of Association is set out verbatim must be made available at the offices of the company and at such places as will be announced with the notice convening the meeting for inspection by each shareholder and person authorised to attend general meetings until the end of the general meeting in question.

The copies are available free of charge to shareholders and persons authorised to attend general meetings.

## **Liquidation.**

Article 30.

30.1. If the company is wound up pursuant to a resolution of the general meeting, the liquidation shall be conducted by the management board under the supervision of the supervisory board, unless the meeting of priority shareholders determines otherwise.

30.2. The liquidation shall be effected with due regard for the relevant statutory provisions.

The provisions of these Articles of Association shall remain in force in so far as possible during the liquidation.

30.3. From the balance of the company's assets after payment of all debts, the nominal amount of the priority share shall, if possible, first be distributed to the holder of that priority share.

The balance then remaining shall be distributed to the holders of ordinary shares per subfund as follows:

a. the holders of shares of a particular subfund shall receive, as soon as possible, the sum of the balances of the fund account and the reserve account relating to the shares belonging to that subfund held by them, after deduction of the costs to be charged to the reserve account;

any negative balance of a reserve that cannot be compensated by the balance of the share premium reserve of the shares belonging to that subfund shall be charged to the fund account itself;

b. any remaining balance shall be distributed per subfund to all the holders of shares;

c. all distributions that are made to holders of shares of a subfund pursuant to this article shall be made, in the event there are multiple holders of the shares in question, in proportion to each person's ordinary shares belonging to that subfund.

30.4. After the liquidation, the books and records of the company shall be kept by the person designated for that purpose by the general meeting for a period of seven years.

## **First financial year.**

Article 31.

31.1. The company's first financial year shall end on the thirty-first of December two thousand and twenty.

31.2. This article shall lapse together with its heading on the expiry of the company's first financial year.

# Annex 3 Registration document

## Registration document of ASN Beleggingsinstellingen Beheer B.V.

This document serves as the registration document of ASN Beleggingsinstellingen Beheer B.V. (the **Manager**) as referred to in Section 4:48 of the Financial Supervision Act (**FSA**) and Article 117 of the Market Conduct Supervision (Financial Institutions) Decree (Besluit Gedragstoezicht financiële ondernemingen Wft, **BGfo**). This document contains the information required in Annex H to Article 117 BGfo. This registration document will be amended or supplemented if and insofar as required by the law or any regulations based thereon.

### 1. Information on the activities of the Manager

The activities of the Manager consist of managing the following UCITS:

- ASN Duurzaam Obligatiefonds
- ASN Milieu & Waterfonds
- ASN Duurzaam Aandelenfonds
- ASN Duurzaam Small & Midcapfonds

These UCITS (the **UCITS**) form part of the umbrella UCITS, ASN Beleggingsfondsen UCITS N.V. In addition, the Manager manages the following investment institutions:

- ASN Duurzaam Mixfonds Zeer Defensief (Sustainable Mixed Fund Very Defensive)
- ASN Duurzaam Mixfonds Defensief (Sustainable Mixed Fund Defensive)
- ASN Duurzaam Mixfonds Neutraal (Sustainable Mixed Fund Neutral)
- ASN Duurzaam Mixfonds Offensief (Sustainable Mixed Fund Aggressive)
- ASN Duurzaam Mixfonds Zeer Offensief (Sustainable Mixed Fund Very Aggressive)
- ASN Groenprojectenfonds (Green Projects Fund)
- ASN Microkredietfonds (Microcredit Fund)
- ASN Groenprojectenpool (Green Projects Pool)
- ASN Microkredietpool (Microcredit Pool)

### 2. Information on the persons who jointly determine the day-to-day policy of the manager of a UCITS and each depositary of a UCITS or are part of a supervisory body of the manager of a UCITS and each depositary of a UCITS

The persons who determine the day-to-day policy of the Manager are:

- Mr K.S. Lie;
- Mr R.R.R. Dielbandhoesing, and
- Mr D.J. Stam

The persons who jointly determine the day-to-day policy of the Manager are:

- ASN Duurzame Deelnemingen B.V.
  - Koornneef, Arie
  - Fernandez van Leeuwen-Leenman, Stefanie
- De Volksbank N.V.
  - Dijst, Jeroen Robert
  - Gribnau, Martijn Hubert Jan
  - Haag, André
  - van der Meer, Marinka Laurentia
- Stichting Administratiekantoor beheer financiële instellingen
  - van den Goorbergh, Willem Maria
  - van Everdingen, Diana Cornelia Cecilia



The persons who determine the daily policy of the depositary, the Netherlands branch of CACEIS Bank S.A. (the **Depositary**), are:

- Van Katwijk, Sikko

The persons who determine or jointly determine the policy of the Depositary are:

- Abadie, Jean-François Michel Didier
- Abbad El Andaloussi-Delon, Zainab Sonia
- Coudreau, Frédéric Francois Pierre
- Duvaud, Catherine Pascale
- Florentin, Joseph
- Grivet, Jérôme Pierre
- Hocher, Jean-Yves José
- Lefebvre-Caudrillier, Alix Claude Paule Marie
- Saliba, Joseph
- Villebasse Boutinet, Martine Françoise

### **3a. General information on the Manager**

Name: ASN Beleggingsinstellingen Beheer B.V.

Legal form: Private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid)

Registered office: The Hague

Date of incorporation: 24/03/1993

Registration number listed in the Trade Register: 27143242

Place of registration in the Trade Register: The Hague

All the shares of the Manager are held by ASN Duurzame Deelnemingen N.V. 100% of the shares of ASN Duurzame Deelnemingen are held by Volksbank N.V. 100% of the shares of Volksbank N.V. are held by Stichting Beheer financiële instellingen (NLFi).

### **3b. General information on the Depositary**

The Netherlands branch of CACEIS Bank S.A. acts as the depositary of the UCITS.

Name: CACEIS Bank

Legal form: Société anonyme (French limited company)

Registered office: Paris

Date of incorporation: 05/06/1969

Registered office: Amsterdam

Registration number: 67323944

Place where registered: Amsterdam Chamber of Commerce

All the shares of the Depositary are held by Crédit Agricole S.A. and Santander

## **4. Financial information on the manager of a UCITS and the depositary of a UCITS**

An auditor has certified that the Manager and the Depositary meet the minimum equity requirements laid down in Sections 3:55 and 3:57 of the Financial Supervision Act.

The 2021 annual report of the Manager has been approved by the Manager's auditor. The report by this auditor is included in the annual report of the Manager and is published on the Manager's website [www.asnimpactinvestors.com/over-de-beheerder/documenten](http://www.asnimpactinvestors.com/over-de-beheerder/documenten)).

The 2021 annual report of the Depositary was approved by the auditor of the Depositary. The report by this auditor is included in the annual report of the Depositary and is published on the Manager's website ([www.asnimpactinvestors.com/over-de-beheerder/documenten](http://www.asnimpactinvestors.com/over-de-beheerder/documenten)).

## **5. Details of information provision**

The Manager issues notices and provides periodic information in one or more Dutch national daily newspapers or on the Manager's website: [www.asnimpactinvestors.com](http://www.asnimpactinvestors.com).

The Manager's financial year is concurrent with the calendar year. The Manager will prepare financial statements within four months of the end of the financial year. The Manager will provide the Dutch Authority for the Financial Markets (AFM) with interim figures within nine weeks from the end of the first six months of the financial year.

The Depositary's financial year is concurrent with the calendar year. The Depositary will prepare financial statements within five months of the end of each financial year.

The annual report, the Articles of Association and interim figures of the Manager are published on the Manager's website: ([www.asnimpactinvestors.com/over-de-beheerder/documenten](http://www.asnimpactinvestors.com/over-de-beheerder/documenten)). The Depositary's annual reports can also be found on this website. This information can also be requested free of charge from the Manager.

## **6. Information on replacement of the manager of a UCITS or the depositary of a UCITS**

The Manager may terminate its tasks as manager of the UCITS subject to six months' notice. The Manager has agreed with ASN Beleggingsfondsen UCITS N.V. that it will cooperate in every way necessary to enable a successive manager to manage the UCITS.

The Manager declares that, in the event it applies to the AFM for its licence to be revoked (as referred to in Section 1:104(1)(a) of the Financial Supervision Act), this will be announced in a Dutch national daily newspaper or to the address of each participant as well as on the Manager's website.