

**INFORMATION NOTE DATED 25 JULY 2024  
RELATING TO THE OFFERING OF SHARES BY INCOFIN CVSO  
FOR A MAXIMUM OF EUR 5 MILLION**

This document has been drafted by Incofin CVSO, a limited liability cooperative society with a social purpose incorporated under Belgian law.

THIS DOCUMENT IS NOT A PROSPECTUS AND HAS NOT BEEN CHECKED OR APPROVED BY THE FINANCIAL SERVICES AND MARKETS AUTHORITY.

**WARNING**

THE INVESTOR MAY LOSE ALL OR PART OF ITS INVESTMENT AND/OR MAY NOT OBTAIN THE EXPECTED YIELD. THE INVESTMENT INSTRUMENTS ARE NOT LISTED: THE INVESTOR MAY FACE SERIOUS DIFFICULTIES IN SELLING ITS PARTICIPATION TO A THIRD PARTY IF HE WISHES TO SELL.

**CONTINUOUS PUBLIC OFFERING FOR A PERIOD OF 12 MONTHS FROM 25 JULY 2024**

This information note is valid for a period of 12 months from the date of publication, i.e. 25 July 2024. Continuous public offering of shares for a period of 12 months from 25 July 2024 for a maximum of EUR 5 million. **The offer period is 12 months from the date of this document (i.e. from 25 July 2024 to 24 July 2025)** unless the offer is closed early as a result of reaching the maximum amount of EUR 5 million before the end of this 12-month period. Subscription to Incofin CVSO shares can take place continuously during this period.

**IMPORTANT INTRODUCTORY INFORMATION**

Incofin CVSO is a non-public alternative investment fund within the meaning of the law of 19 April 2014 on alternative investment funds and their managers (the "AICB Act").

Incofin CVSO is a limited liability cooperative society with social purpose. It does not pursue profit maximisation for its shareholders, but has a prominent social objective. The social component is emphasised by the fact that the investments of Incofin CVSO contribute to socio-economic development.

In concrete terms, Incofin CVSO invests both directly, through participations and loans, as indirectly in microfinance institutions to support small entrepreneurs in developing countries.

Incofin Investment Management NV ("**Incofin IM**") is the appointed alternative investment fund manager in accordance with article 3, 44° of the AICB Act.

Belfius Bank NV ("**Belfius**") has been appointed as the **depository** of Incofin CVSO in accordance with the AICB Act.

## PART I – RISK FACTORS

Risks are by definition associated with any investment in shares. Potential risk factors relating to the issuance of Incofin CVSO shares are described below. Before making an investment decision regarding the Incofin CVSO shares, investors must carefully consider the following risk factors, as well as the other information contained in this information note.

The objectives formulated in the articles of association and the nature of the resulting activities entail a number of risks. Incofin CVSO's policy aims at managing these risks as well as possible without completely ruled out. Incofin CVSO makes a distinction between risk factors specific to Incofin CVSO's activities and risk factors specific to the ownership of shares.

### Risk factors that are specific to Incofin CVSO's activities.

Incofin CVSO is mainly exposed to the following types of risks:

#### Credit risks

Incofin CVSO invests in microfinance institutions ("**MFIs**"), which in turn grant loans to persons who often are unable to submit actual collateral. Incofin CVSO also collaborates with such MFIs and microfinance funds. It cannot be ruled out that the MFIs in which Incofin CVSO invests or with which Incofin CVSO collaborates may become insolvent at some point in time, which could result in the loss of Incofin CVSO's investment. Incofin CVSO manages this risk by:

- performing rigorous financial analysis;
- assessing business planning;
- evaluating the management and the board;
- requiring regular reporting on the evolution of the activities;
- regular on-site follow-up.

#### Country risks

Incofin CVSO invests in developing countries, which are the subject of significant country risks. These risks include the political risk (e.g. war or civil war) and the transfer risk (inability to recover invested funds from the country due to foreign exchange scarcity or other government measures). Incofin CVSO mitigates the country risk through provisions (since October 2018) and through diversification in its investment portfolio.

#### Market risks

Incofin CVSO's investments are also exposed to market and environmental risks. These risks include economic environmental factors, legal certainty and the quality of local regulations on MFIs. Incofin CVSO analyses these issues closely and adopts furthermore a healthy geographic diversification in the composition of the portfolio in order to minimise this risk as much as possible.

#### Exchange rate risks

The investments of Incofin CVSO are subject to exchange rate risk. Incofin CVSO defines exchange rate risk as the risk that the real value or future cash flows of loans granted to MFIs or the share participations will fluctuate as a result of exchange rate changes.

- *Loans in foreign currency*: Incofin CVSO actively manages the exchange rate risk on the loans it awards by using hedging techniques (such as cross currency swaps, forwards etc.). If an issued loan is not repaid according to the agreed terms (credit risk), Incofin CVSO must still fulfil its obligation to its hedging partner. In this scenario, Incofin CVSO runs an exchange rate risk and a potential liquidity risk, given that on the spot market, foreign currency must be purchased at the prevailing price with liquid assets available at that time.
- *Shareholdings in foreign currency*: The exchange rate risk on shareholdings in local currency is not actively hedged. In those cases, the return on the investment is expected to compensate for the potential depreciation of the currency in question.

#### Interest rate risk

Incofin CVSO attracts debt financing on the one hand and places foreign currency loans with MFIs on the other. The interest rate to which these operations are subject over time is subject to market influences. Incofin CVSO will always ensure that the margin between the debit and credit interest rates remains broad enough to enable continued growth within Incofin CVSO. Incofin IM, Incofin CVSO's fund manager, manages this risk by (i) using fixed interest rates for both incoming and outgoing transactions and (ii) by setting a "minimum" rate of return on all lending transactions.

## Liquidity risk

Liquidity risk is the risk arising from Incofin CVSO's ability to anticipate its liquidity needs in an appropriate and timely manner, taking into account the available funding sources, in order to be able to meet its financial commitments.

- *Liquidity risk in debt financing:* Incofin CVSO's liquidity risk is limited in view of the maturity of its loan portfolio (i.e. loans granted by Incofin CVSO) as well as the availability of liquid assets. The available liquid assets, the available credit lines that Incofin CVSO can use and the outstanding loans maturing in the coming year are always amply sufficient to meet the necessary financing obligations and to cover any loan defaults.
- *Liquidity risk due to the withdrawal of shareholders:* Withdrawals and exclusions result in an outgoing cash flow. The number of applications for exits can be subject to strong fluctuations, which may have negative repercussions on Incofin CVSO's liquidity position. The Board of Directors can refuse the withdrawal of a shareholder, but not for speculative reasons. If the number of withdrawals and/or exclusions of shareholders cannot be controlled from Incofin CVSO's liquidity position, this could lead to shareholders not receiving the full nominal value of their shares.

## Risks associated with the competence of Incofin IM as fund manager

Notwithstanding the experience of Incofin IM, the manager of Incofin CVSO, in the microfinance industry, there is no guarantee that Incofin IM will have the necessary ability to identify sufficient volume of attractive investments to meet the investment objectives of Incofin. Factors that may affect this risk may include, but are not limited to, competition from other funds and fund managers, changes in the political, economic and regulatory environmental factors in the developing countries or changes in the global macroeconomic circumstances.

## Risk factors specific to the offering and ownership of shares

### Risks associated with investing in shares/shares of a cooperative company

An investment in Incofin CVSO's shares, as with any investment in shares, entails economic risks. When investing in shares, all or part of the invested capital may be lost.

The shares are registered and cannot be transferred.

Withdrawal of shareholders is only permitted in the first six months of each financial year, following approval by the Board of Directors and only to the extent that the capital held by the shareholders is not reduced below the minimum capital (EUR 866,815.80) as a result of the withdrawal and if the number of shareholders does not fall below three. The Board of Directors cannot refuse the withdrawal of a shareholder for speculative reasons.

### Returns are limited to dividend distributions

The return on an investment in Incofin CVSO shares is limited to any dividends paid out, as upon withdrawal, exclusion or dissolution, the maximum amount that is paid to an investor is equal to the nominal value of the shares. There is therefore no potential for capital gains on the shares themselves, while the risk of a loss on the shares of Incofin CVSO is not excluded. An investor can thus lose all or part of its investment.

On withdrawal, a shareholder is entitled to a payment in accordance with Article 14 of the articles of association and in particular the lowest of the two following amounts: (i) the nominal value of the share; and (ii) the book value of the share, calculated by dividing the shareholders' equity, as shown in the most recently approved financial statements prior to withdrawal, minus the reserves, by the number of existing shares. If applicable, this payment will be reduced by the outstanding payment obligation of the withdrawing shareholder. Consequently, the maximum amount paid out to a shareholder upon withdrawal is equal to the nominal value of the shares. The financial return on Incofin CVSO shares consists of a dividend payment to the extent proposed by the Board of Directors and approved by the General Meeting of shareholders. The maximum amount of a dividend is currently set at 6% of the nominal value of a share.

### Risks associated with the limited liquidity of Incofin CVSO shares

There is no secondary market on which Incofin CVSO's shares are traded. As it is only possible for a shareholder to withdraw in accordance with the procedure provided for in the articles of association, there is therefore limited liquidity. According to the articles of association (article 10), shareholders can only withdraw or request a partial take back of their shares during the first six months of the financial year, subject to the approval of the board of directors. Finally, the shares may only be transferred with the prior approval of the board of directors. The funds that shareholders entrust to Incofin CVSO are invested by Incofin CVSO as efficiently as possible in the core activities. These funds are, subject to various contracts with the MFIs, used for a certain period as working capital to finance micro-entrepreneurs and are therefore not immediately available for withdrawal.

### Risks associated with future dividend changes

Returns achieved in the past are no guarantee for the future and no guarantee is given regarding future returns. The dividend may decrease or increase currently by a maximum of 6% of the nominal value of a share as defined in the Law of 20/7/1955 for cooperatives recognised by the Dutch National Council for Cooperatives. Incofin CVSO makes no prognoses or estimates about the development of the dividend yield.

### **No capital protection and no deposit protection scheme**

An investment in Incofin CVSO's shares does not benefit from capital protection or capital guarantee: because there is no protection against future market performance or credit risk, an investor may lose all or part of its investment.

Incofin CVSO's shares are not eligible for the guarantee of the protection fund for deposits and financial instruments. An investor may thus lose all or part of its investment in the event of total loss of Incofin CVSO's assets or in the event of depreciation of Incofin CVSO's shares.

### **Potential changes to the legal and tax framework in which Incofin CVSO operates**

Incofin CVSO is aware that changes in laws and regulations can be implemented or that new obligations can arise. Changes in the legal and/or tax framework within which Incofin CVSO acts may adversely affect Incofin CVSO's business activities, financial situation, operational results and prospects. Such adverse developments could reduce the value of Incofin CVSO's shares such that the investor could lose its part or all of its investment. Incofin CVSO strictly monitors the potential changes to the applicable legal and tax framework in order to manage such risks.

## **PART II – INFORMATION ABOUT THE ISSUER AND THE PROVIDER OF THE INVESTMENT INSTRUMENTS**

### **A. Identity of the issuer**

#### **1. Issuer**

Registered office: Ravensteinstraat 1, B-9000 Ghent  
Legal form: Incofin CVSO is: (i) a limited liability cooperative society with social purpose under Belgian law, (ii) a non-public alternative investment fund in the sense of the AICB Act, and (iii) a development fund as referred to in Article 2 (1) of the law of 1 June 2008, and therefore falls under the exemption regime provided for in Article 180 (2) (2) of the AICB Act.  
Formation date: 27 August 1992  
Company number: 0448.125.845  
Country of origin: Belgium  
Website address: [www.incofincvso.be](http://www.incofincvso.be)

#### **2. Issuing body activities**

Incofin CVSO is a specialised actor in the microfinance sector. Incofin CVSO invests both directly, through participations and loans, and indirectly in MFIs to support small entrepreneurs in developing countries. The funds invested by Incofin CVSO are in turn used by the MFIs to allocate microcredits to local micro-entrepreneurs. Incofin CVSO reaches more than 4.2 million micro-entrepreneurs with its investments in 38 MFIs. Thanks to microcredit, small entrepreneurs have working capital to expand their business and are given leverage to improve their own livelihoods. In this way, Incofin CVSO wants to support local entrepreneurship in developing countries and raise the standard of living of entrepreneurs and their families.

#### **3. Individuals with more than 5% of the issuer's capital**

There are no shareholders with more than 5% of Incofin CVSO's capital.

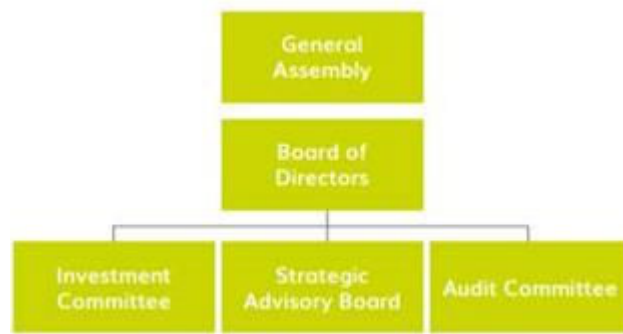
#### **4. Transactions between the issuer and individuals with more than 5% of the issuer's capital.**

Not applicable.

#### **5. Governing body and day-to-day management**

## The Board of Directors

The general management structure of Incofin CVSO is as follows:



The Board of Directors has the most extensive powers to perform all acts of management and administration that fall within the scope of the corporate purpose. The day-to-day management of Incofin CVSO is in principle observed by the Board of Directors: there is no general delegation of the day-to-day management to a managing director or an external person.

On the date of this information note, the Board of Directors consists of the following persons:

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### Director:

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Michiel Geers (Chair)  
Frank De Leenheer  
Frans Samyn  
Peter van den Brock  
Frank Vereecken  
Steven Brusselle  
Willy Bosmans

Nancy Govaerts  
Patrick Vandeberghe  
Guy Pourveur  
Anne Van Autreve  
Vic Van de Moortel  
Frank Degraeve  
Annette Terpstra

The members of the Board of Directors are appointed by the General Meeting. The term of the mandate is six years. Members are eligible for re-election. The Board of Directors generally meets four times a year.

Incofin CVSO is validly represented towards third parties by two directors acting jointly and who themselves may not belong to the same company or association.

In accordance with Article 20 of the articles of association, the Board of Directors has established a Strategic Advisory Council, an Investment Committee and an Audit Committee (individually a "**committee**" and collectively the "**committees**"). The committees operate on the basis of delegation, which is granted to them by the Board of Directors. The composition, operation, powers and reporting of the Board of Directors and of the committees were laid down in an amended Internal Regulation approved by the Board of Directors at the meeting of 19 September 2023.

### Relationship with Incofin Investment Management NV as the appointed fund manager

Incofin CVSO has appointed Incofin IM as manager to develop its activities as an alternative investment fund.

Incofin IM is responsible for the performance of the investment management functions in the sense of article 3, 41° of the AICB Act, being:

- Portfolio management,
- Risk management,
- Administration of the fund,
- Distribution of the shares of the fund, and
- Activities related to the assets of the fund.

As part of its investment management activities, Incofin IM has the mandate to develop and manage the investment portfolio of Incofin CVSO.

Incofin IM receives a market-based fee from Incofin CVSO for the performance of these investment management activities. The management agreement between Incofin CVSO and Incofin IM has been entered into for a fixed period of three years, with the option to renew it by means of a written agreement. The agreement can be terminated by both parties provided that a notice period of 12 months is respected.

As a fund manager and advisor, Incofin IM also provides service to funds and facilities other than Incofin CVSO. However, Incofin IM has a licence from the FSMA to act as fund manager for alternative investment funds, and is therefore subject to the prudential supervision of the FSMA and is obliged to apply a strict conflict of interest procedure when identifying and presenting investment and divestment opportunities to the various funds and facilities that it manages or advises.

### Relationship with Belfius as the depository

Incofin CVSO has appointed Belfius as the depository of the fund.

The depository is responsible for the proper monitoring of Incofin CVSO's cash flows, and, in particular, for ensuring that investor money and cash belonging to the fund is booked correctly on accounts opened in the name of the fund.

The depository is responsible for (i) the safe-keeping of the assets of Incofin CVSO, and (ii) the verification of ownership of the assets of Incofin CVSO.

### The Strategic Advisory Board

The Strategic Advisory Board's primary objective is to provide input, advice and recommendations from the shareholder base to the Board of Directors on:

- the mission, current and long-term strategies, objectives and plans, and the positioning of the company; and
- governance-related matters, and more specifically with regard to:
  - the establishment, operation and composition of the committees within the Board of Directors; and
  - the appointment and/or dismissal of directors in accordance with the conditions stated in the Internal Regulations.

### Investment Committee

The Board of Directors has set up an Investment Committee to which it grants the authority to issue advice to Incofin IM with regard to investment and divestment decisions by Incofin IM as manager of the Incofin CVSO's portfolio, in accordance with the terms of the management agreement between Incofin CVSO and Incofin IM.

The Investment Committee is composed of a minimum of 5 members with relevant experience. They are appointed by the Board of Directors. The Investment Committee meets on a regular basis, in person, via conference call or video conference.

### Audit committee

The Audit Committee performs a supervisory function on the procedures and processes of Incofin CVSO, including all aspects relating to risks and their management. The Audit Committee is composed of at least 3 members appointed by the Board of Directors, who cannot sit on any another committee formed by the Board of Directors.

## 6. Remuneration of administrative bodies

The mandates of the members of the Board of Directors and of the committees are unpaid, unless the General Meeting decides to grant compensation. The last General Meeting did not award any remuneration.

## 7. For persons owning more than 5% of the issuer's capital, mentioning of any conviction as referred to in article 20 of the Law of 25 April 2014 on the status and supervision of credit institutions and listed companies

Not applicable since none of the shareholders possess more than 5% of Incofin CVSO'S capital.

## **8. Conflicts of interest**

There are no conflicts of interest between Incofin CVSO, the members of the Board of Directors or a person representing more than 5% of the capital.

Potential conflicts of interests between the duties of Incofin CVSO directors and their own interests and/or other duties are handled in accordance with the requirements of common law. In the 12 months preceding the date of the information note, no conflict of interest procedure was used.

## **9. Auditor**

Deloitte Bedrijfsrevisoren, represented by Mr Tom Renders, has been appointed as external company auditor.

## **B. Financial information about the issuer**

### **1. Financial statements for the previous financial years**

The annual accounts for the financial years 2023 and 2022 are included as an annex to this information note.

### **2. Working capital**

Incofin CVSO's working capital is sufficient to meet its current obligations for a period of at least 12 months following the publication date of this information note.

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### 3. Key figures of the issuer, including an overview of shareholders' equity and debt position

#### 3.1 BALANCE SHEET

	12/2023	12/2022
<b>ASSETS</b>		
<b>Investment portfolio</b>	<b>17.151</b>	<b>116.342</b>
Acquisition costs	11.572	11.046
Stock dividends	6.633	6.089
Impairments	-1.055	-792
<b>Subordinated loan portfolio</b>	<b>11.999</b>	<b>13.895</b>
Subordinated loan portfolio > 1 jaar	9.408	10.532
Subordinated loan portfolio < 1 jaar	3.124	3.363
Impairments	-533	
<b>Loan portfolio</b>	<b>39.652</b>	<b>37.898</b>
Loan portfolio > 1 jaar	18.287	24.645
Loan portfolio < 1 jaar	21.365	17.699
<b>Impairments</b>		<b>-4.446</b>
<b>Available provision</b>	<b>-2.363</b>	<b>-2.289</b>
<b>Current assets</b>	<b>4.437</b>	<b>4.238</b>
Other receivables	3.758	3.783
Deferred charges and accrued income	678	455
<b>Cash and cash equivalents</b>	<b>3.839</b>	<b>8.050</b>
<b>ASSETS</b>	<b>74.115</b>	<b>78.134</b>

	12/2023	12/2022
<b>LIABILITIES</b>		
<b>Equity</b>	<b>56.033</b>	<b>55.364</b>
Capital	50.600	49.955
Reserves	1.597	1.546
Result carried forward	3.836	3.864
<b>Fonds empruntés</b>	<b>11.650</b>	<b>16.600</b>
Debt financing > 1 year	6.150	7.100
Debt financing < 1 year	5.500	9.500
<b>Current liabilities</b>	<b>7.032</b>	<b>6.170</b>
Other payables	4.300	4.268
Dividends	1.077	788
Provision for technical assistance	193	130
Accruals and deferred income	1.462	983
<b>LIABILITIES</b>	<b>74.115</b>	<b>78.134</b>

#### 4. Change in financial or trading position

After the end of the financial year 2023, no changes of significance have occurred in Incofin CVSO's financial or trading position.



## PART III – INFORMATION ABOUT THE OFFERING OF INVESTMENT INSTRUMENTS

### A. Description of the offer

#### 1. Maximum amount for which the offer is made

There is no maximum number of shares for which one investor can subscribe. For each Subscription Period (as defined below), Incofin CVSO may issue shares for a maximum of EUR 5 million.

#### 2. Terms of the offer

Both natural and legal persons can become shareholders of Incofin CVSO. Associations without legal personality may also become shareholders insofar as they appoint a natural person to represent them in respect of the company. Finally, Incofin IM's employees can also become shareholders.

Incofin CVSO cannot refuse the subscription of an investor for speculative reasons. Subscription can only be declined if the prospective investor does not meet the general conditions of subscription or if it acts in a manner contrary to the interests of the company.

Incofin CVSO's shares are issued without the intervention of a financial intermediary.

Subscription takes place in the following 3 steps:

- The subscription takes place on the basis of a dated and signed subscription form on which the name of the subscriber is stated, as well as the number of shares and the type of shares (either shares with a nominal value of EUR 2,604 or shares with a nominal value of EUR 130.20) that they wish to subscribe to. In addition to the option of subscribing by submitting a physical version of the subscription form, there is also the option of subscribing online. Subscription forms can be found on [www.incofincvso.be](http://www.incofincvso.be).
- The subscriber is then asked to transfer the subscription amount to Incofin CVSO's bank account in EUR at VDK bank (IBAN: BE16 8900 1429 2474, BIC: VDSPBE91). The subscriber must transfer the full subscription amount to Incofin CVSO's account stating the name, address, the type of shares (shares with a nominal value of EUR 2,604 or EUR 130.20) and the number of shares.
- The new shareholder is assigned a shareholder number and included in the electronic shareholders' register. The subscription for shares implies the acceptance of the articles of association.

The electronic shareholders' register also states the amount and number of shares subscribed to and the date of payment. The shareholders receive an extract from the shareholders' register and a share certificate in the form required by law.

#### 3. Total price of the shares

Subscriptions can be made to:

- shares with a nominal value of EUR 2,604 per share;
- 1/20th shares with a nominal value of EUR 130.20 per share.

#### 4. Timeframe of the offer

The subscription period during which investors can subscribe to Incofin CVSO shares is 12 months from the date of this information note (i.e. from 25 July 2024 to 24 July 2025) (the "**Subscription Period**"), unless the offer is closed early as a result of reaching the maximum amount of EUR 5 million before the end of the Subscription Period.

#### 5. Costs will be borne by the investor

No costs are charged to the investor when subscribing to Incofin CVSO's shares.

## B. Reason for the offer

The proceeds from the offer will be used by Incofin CVSO to invest in microfinance institutions and investment funds in developing countries. In this way, Incofin CVSO can meet the ever-growing demand for capital (in the form of participations and loans) by these entities.

Whoever acquires Incofin CVSO's shares does not do this with the main intention of realising a financial return. A subscription to Incofin CVSO's shares primarily contributes to Incofin CVSO's ability to invest in MFIs in developing countries, either directly or through investment funds. These MFIs in turn provide microcredit to small local entrepreneurs who can expand their business. Incofin CVSO wants to strengthen the support base of small entrepreneurs in developing countries through investments in MFIs and thus contribute to the alleviation of poverty.

In this way, an investment in Incofin CVSO is primarily an investment with a social return.

## PART IV – INFORMATION ABOUT THE OFFERING OF INVESTMENT INSTRUMENTS

### A. Characteristics of the investment instruments offered

#### 1. Nature and category of the investment instruments

There are two types of shares that can be subscribed to:

- "Whole" shares with a nominal value of EUR 2,604 per share, and
- "twentieths of shares" with a nominal value of EUR 130.20 per share.

This information note relates to the issuance of both types of shares.

Incofin CVSO is a limited liability cooperative society with social purpose under Belgian law. This issuance therefore relates to shares governed by Belgian law. Incofin CVSO's shares are registered and are represented by entries in the share register.

#### 2. Currency, denomination and nominal value

Currency: Euro ("**EUR**")

Denomination: Whole shares

Twentieths of shares

Nominal value: Whole shares – EUR 2,604 per share

twentieths of shares – EUR 130.20 per share

#### 3. Maturity date and repayment terms

Withdrawal – in whole or in part – can, according to the articles of association, only take place during the first six months of the financial year and after approval by the Board of Directors. Withdrawal is only possible if the capital held by the shareholders is not reduced below the minimum capital (EUR 866,815.80) and if the number of shareholders does not fall below three.

Shareholders can be excluded if they cease to fulfil the conditions for joining or if they perform acts which are contrary to the interests of the company, if they do not comply with the articles of association or the Internal Regulations, if they refuse to submit to the decisions of the General Meeting or of the Board of Directors, or if they fail to meet their obligations towards the company.

Upon withdrawal and exclusion, a shareholder is entitled to a payment in accordance with article 14 of the articles of association and in particular the lowest amount of the following two amounts (further the "**Exit Amount**"):

- nominal value of the share;
- book value of the share calculated by dividing the shareholders' equity, as shown by the most recently approved annual accounts prior to the withdrawal, minus the reserves, by the number of existing shares.

If applicable, this payment will be reduced by the outstanding payment obligation of the shareholder.

During the year when the withdrawal takes place, a shareholder is entitled to a dividend pro rata to the number of full months during which that shareholder was registered in the electronic shareholders' register, provided that the Incofin CVSO General Meeting decides to pay a dividend.

Insofar as the practical formalities of withdrawal/exclusion are met and the approval of the Board of Directors is obtained, a shareholder is removed from the electronic shareholders' register on the date on which the Exit Amount is transferred by Incofin CVSO to the bank account of such shareholder. This therefore means that a shareholder loses shareholdings rights (including the right to dividend distributions) from the day on which the Exit Amount is transferred by Incofin CVSO to such shareholder's bank account.

#### **4. Rank of the investment instruments in the capital structure of the issuing body in the event of insolvency**

The new shares are, like the existing shares, ordinary shares that are last in the capital structure in the event of insolvency.

#### **5. Potential restrictions on the free transfer of investment instruments.**

The shares may not be transferred or transitioned unless with the prior consent of the Board of Directors.

Shareholders who wish to transfer shares must submit a written request to the Board of Directors to this end. The Board of Directors will make known the approval or refusal of the transfer in writing within a period of 1 month following receipt of the notification. The decision to decline the request, against which there may be no remedy, does not need to be justified. The transfer or transition of shares to other parties than existing shareholders is only possible if such parties meet the conditions for subscription.

The transfer or transition of shares is only opposable to the company and third parties from the date of registration in the shareholders' register.

#### **6. Dividend policy**

The net profit of the company is allocated in accordance with the following sequence:

1. addition of the net profit to the statutory reserves, as long as the legal minimum has not been reached.
2. distribution of a dividend to the shareholders, which may not, however, be higher than the maximum determined in accordance with the applicable provisions for cooperative companies (decisions to implement the law of 20 July 1955 establishing a National Council of the Cooperative). This maximum is currently set at 6% of the nominal share value. For shareholders who subscribed during the financial year prior to the profit distribution, the amount of the profit distribution is multiplied by a fraction whose denominator is equal to 12 and numerator is equal to the number of remaining months of the relevant financial year following the month of subscription.
3. the remaining part of the net profit can be transferred in whole or in part to the next financial year or added to the non-statutory reserves, on the understanding that these must always be used to achieve the company's social purpose.

Incofin CVSO wishes to pay a modest dividend in the coming years.

When the General Meeting approves the distribution of dividends, the individual shareholders are contacted by means of a letter which, in addition to the calculation of the respective dividend amount allocated, also states the account into which the net dividend amount (after deduction of the withholding tax on dividends) will be deposited. New shareholders are requested to provide their contact details and account numbers.

Uncollected dividends are forfeited to the company after a period of five years from the date of payment was instructed. The withholding tax is deducted by Incofin CVSO and paid to the tax authorities.

#### **7. Dates on which the dividend is paid out**

When a dividend is paid, this happens once a year following approval by the General Meeting.

#### **8. Trading of investment instruments on an MTF and ISIN code.**

Not applicable.

## PART V – ALL OTHER IMPORTANT INFORMATION PROVIDED VERBALLY OR IN WRITING TO ONE OR MORE INVESTORS

- The annual accounts for the financial years 2023 and 2022: included as an annex to this information note.
- Registration form: Available on [www.incofincvso.be](http://www.incofincvso.be)
- The articles of association of Incofin CVSO are available at the company's registered office.
- The Internal Regulations are available at the company's registered office.

## PART VI – SUSTAINABLE FINANCE DISCLOSURES

### 1. Sustainability Risks

This section sets out the information required under Articles 6 and 7 of the Regulation 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**").

Incofin CVSO is exposed to sustainability risks in the form of environmental, social or governance (ESG) events and conditions that can have negative impacts on the assets, financial and/or earnings situation, or the reputation of Incofin CVSO.

Incofin CVSO is exposed to sustainability risks primarily through its direct exposure in financial service providers, as well as indirectly through the sustainability risk exposure of such clients with their end-clients. Such risks could be triggered from external events such as climate change, as well as through weak business practices.

This risk is amplified by the often weaker environmental and social laws and other laws and regulations and enforcement thereof in the countries in which Incofin CVSO operates, i.e. including, but not limited to Africa, Asia, Eastern Europe and Central Asia, and Latin America and Caribbean region.

Investments in emerging countries also face risks related to labour and working conditions including child labour, hazards to human health, safety and security, resource efficiency and pollution, land acquisition and (involuntary) resettlement, biodiversity, management of living natural resources, indigenous peoples and cultural heritage.

Incofin CVSO is financing activities which can potentially be exposed to and have adverse negative impact on the environment and society in terms of environmental pollution, hazards to human health, safety and security, as well as threats to a region's biodiversity and cultural heritage. If not adequately managed, these risks can have a negative impact on the relevant investee's reputation, regulatory compliance and financial viability. Given Incofin CVSO's strategic focus, such impacts can in turn negatively affect Incofin CVSO's risk profile, reputation and/or its financial situation.

However, sustainability risks are largely mitigated by Incofin CVSO's investment strategy to finance exclusively companies that meet strict sustainability criteria. Incofin CVSO applies exclusions and refrains from financing activities with a high level of environmental and social risk. Incofin CVSO integrates sustainability considerations into decision-making and investee engagement throughout the investment process. Incofin IM's evaluation of potential investees includes an ESG risk screening and an ESG due diligence, customized according to the risk profile of the investee. By performing its due diligence on potential investees, Incofin IM also applies the principles set-out under the Sustainability Risk Policy of Incofin CVSO, which spells out the general framework for identifying, assessing and mitigating sustainability risks and made available to investors.

Engagement with potential and existing investees, including on ESG matters, is an integral component of Incofin CVSO's investment cycle and contribution to positive development impact. Incofin CVSO monitors its investments through quarterly and annual reporting provided by Incofin IM to the board of directors of Incofin CVSO. Monitoring will also occur through regular follow-up visits (either physical or virtual) by the team of Incofin IM.

Based on its selective and targeted investment approach, sustainability risks at the level of Incofin CVSO are not considered significant and thus not expected to materially impact the value of the assets and the financial performance of Incofin CVSO.

However, given the broad scope of sustainability risks and despite policies, procedures and tools in place to manage sustainability risks, there can be no certainty that Incofin CVSO will be successful in eliminating or mitigating all sustainability risks or that sustainability risks will not materialise, in each case with potentially significant financial, reputational, or other consequences for Incofin CVSO.

As regards Incofin CVSO's approach in respect of the principal adverse sustainability impact of its investments, reference is made to the disclosure on its website (<https://incofincvso.be/en/downloads/sustainability-risk-policy/>).

## 2. Sustainable Objective

Incofin CVSO makes investments in economic activities that contribute to a social objective and, therefore, is considered as having sustainable investment as its objective in accordance with article 9 of the SFDR. More information about the sustainable investments of Incofin CVSO can be found in Annex II of this information note.



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20				1	EUR
NAT.	Deposit date	Nr.	PP.	B.	D.

Abbr-cap 1

**ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE  
FILED FOLLOWING THE COMPANIES CODE**

**IDENTIFYING DATA (on the deposition date)**

NAME: **Incofin cvso**

Legal form: **706 Cooperative society**

Entity industry:

Address: **Ravensteinstraat**

Nr.: **1**

Box:

Postal code: **9000**

Municipality: **Gent**

Country: **België**

Entities register - Business court of:

**0448.125.845**

Internet address<sup>1</sup>: **http://www.incofin.be**

E-mail:

Enterprise number

**BE 0448.125.845**

DATE **08-05-2018** of the deposit of the most recent document mentioning the date of publication of the deed of incorporation and of the deed amending the articles of association.

ANNUAL ACCOUNTS  IN EURO<sup>2</sup>

approved by the General Assembly of **24-04-2024**

concerning the financial year covering the period from **01-01-2023** till **31-12-2023**

Preceding period from **01-01-2022** till **31-12-2022**

The data related to the preceding period **are / are not**<sup>3</sup> identical to data published before.

The enterprise **has / has not**<sup>3</sup> taken over another enterprise or suspended activities during the financial year.

Total number of pages deposited:  
of service:

Number of sections of the standard model not deposited for not being

Signature  
(name and position)

**Geers Michiel - Voorzitter van de  
raad van bestuur**

Signature  
(name and position)

**Samyn Frans-Bestuurder**

<sup>1</sup> Optional statement.

<sup>2</sup> If required, modify the unit and the currency of the amounts.

<sup>3</sup> Delete where appropriate.

**LIST OF ADMINISTRATORS, MANAGERS AND  
STATUTORY AUDITORS AND DECLARATION ABOUT  
COMPLEMENTARY AUDITING OR ADJUSTMENT MISSION**

**LIST OF ADMINISTRATORS, MANAGERS AND STATUTORY AUDITORS**

COMPLETE LIST WITH name, first names, profession, residence-address (address, number, postal code, municipality) and position within the partnership

***Geers Michiel, Chairman of the board of directors***

Mandate: 23-06-2009 - 26-04-2028

Gavermolenstraat 57, 9111 Belsele, België

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***Bosmans Willy, Director***

Mandate: 29-04-2009 - 26-04-2028

Wijngaardberg 4, 2170 Merksem (Antwerpen), België

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***De Leenheer Frank, Director***

Mandate: 28-04-2010 - 26-04-2028

Ravestraat 52, 9240 Zele, België

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***Pourveur Guy, Director***

Mandate: 28-04-2010 - 26-04-2028

Rue de Mersch 106, 8181 Kopstal, Luxemburg

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***Samyn Frans, Director***

Mandate: 24-04-2013 - 30-04-2025

Nelemeersstraat 7A, 9830 Sint-Martens-Latem, België

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***van den Brock Peter, Director***

Mandate: 25-04-2007 - 30-04-2025

Ludwig-Wilhelm-Strasse 20, D-76530 Baden-Baden, Duitsland

---

***Van de Moortel Vic, Director***

Mandate: 20-09-2016 - 26-04-2028

Zwartzustersvest 21 box 201, 2800 Malines, België

---

***Van Autreve Anne, Director***

Mandate: 27-04-2016 - 26-04-2028

Havenlaan 88 box 100, 1000 Brussel-stad, België

---

***Haesen Patrick, Director***

Mandate: 27-04-2022 - 26-04-2028

Diestsevest 32 box 5B, 3000 Leuven, België

---

***Vereecken Frank, Director***

Mandate: 27-04-2022 - 26-04-2028

Watermuntweg 9, 9080 Lochristi, België

---

***Govaerts Nancy, Director***

Mandate: 27-04-2022 - 26-04-2028

Vogelenzangstraat 46, 3070 Kortenberg, België

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***Vandenbergh Patrick, Director***

Mandate: 27-04-2022 - 26-04-2028

Petronilla Van Outryvestraat 5, 8310 Sint-Kruis (Brugge), België

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**LIST OF ADMINISTRATORS, MANAGERS AND  
STATUTORY AUDITORS AND DECLARATION ABOUT  
COMPLEMENTARY AUDITING OR ADJUSTMENT MISSION**

**LIST OF ADMINISTRATORS, MANAGERS AND STATUTORY AUDITORS**

COMPLETE LIST WITH name, first names, profession, residence-address (address, number, postal code, municipality) and position within the partnership

***Degraeve Frank, Director***

Mandate: 26-04-2023 - 26-04-2029

Ravensteinstraat 1, 9000 Gent, België

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***Terpstra Annette, Director***

Mandate: 26-04-2023 - 26-04-2029

Ravensteinstraat 1, 9000 Gent, België

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***Deloitte Bedrijfsrevisoren. Vertegenwoordigd door: Tom Renders (Lidmaatschapsnr:A02527), Auditor (Membership nr.: B-00025)***

BE 0429.053.863      Mandate: 26-04-2023 - 26-04-2026

Luchthaven Brussel Nationaal 1 box J, 1930 Zaventem, België

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**DECLARATION ABOUT COMPLEMENTARY AUDITING OR ADJUSTMENT MISSION**

The managing board declares that no order was given for auditing nor adjusting to a person who is not authorized by law pursuant to art. 34 and 37 of the law of the 22nd of April 1999 concerning the accounting and fiscal professions.

The annual accounts **have** / **have not**\* been audited or adjusted by an external accountant or by a auditor who is not the statutory auditor.

When affirmative, mention here after: name, first names, profession and residence-address of each external accountant or auditor and the number of membership with his Institute, as well as the type of assignment:

- A. Bookkeeping of the partnership\*\*;
- B. Preparing the annual accounts\*\*;
- C. Auditing the annual accounts and/or
- D. Adjusting the annual accounts

If assignments mentioned under A. or under B. were executed by authorized accountants or by authorized accountants-tax specialists, may be mentioned here after: name, first names, profession and residence-address of each authorized accountant or authorized accountant-tax specialist and membership number of the Institute of Authorized Accountants and Tax Specialists as well as the type of assignment.

Name, first name, profession, residence-address	Number of membership	Nature of the mission (A, B, C and/or D)

\* Delete where appropriate.

\*\* Optional disclosure.

## ANNUAL ACCOUNTS

### BALANCE SHEET AFTER APPROPRIATION

	Note	Codes	Period	Preceding period
<b>ASSETS</b>				
<b>FORMATION EXPENSES</b> .....		20		
<b>FIXED ASSETS</b> .....		21/28	<b>17.150.955,30</b>	<b>16.342.443,78</b>
<b>Intangible fixed assets</b> .....	6.1.1	21		
<b>Tangible fixed assets</b> .....	6.1.2	22/27		
Land and buildings .....		22		
Plant, machinery and equipment .....		23		
Furniture and vehicles .....		24		
Leasing and other similar rights .....		25		
Other tangible fixed assets .....		26		
Assets under construction and advance payments .....		27		
<b>Financial fixed assets</b> .....	6.1.3	28	<b>17.150.955,30</b>	<b>16.342.443,78</b>
<b>CURRENT ASSETS</b> .....		29/58	<b>57.564.029,51</b>	<b>61.791.602,43</b>
<b>Amounts receivable after more than one year</b> .....		29	<b>24.799.074,52</b>	<b>32.887.526,03</b>
Trade debtors .....		290	<b>24.799.074,52</b>	<b>32.887.526,03</b>
Other amounts receivable .....		291		
<b>Stocks and contracts in progress</b> .....		3		
Stocks .....		30/36		
Contracts in progress .....		37		
<b>Amounts receivable within one year</b> .....		40/41	<b>28.247.408,16</b>	<b>20.399.363,13</b>
Trade debtors .....		40	<b>24.490.791,66</b>	<b>16.617.657,11</b>
Other amounts receivable .....		41	<b>3.756.616,50</b>	<b>3.781.706,02</b>
<b>Current investments</b> .....		50/53	<b>48.351,90</b>	<b>48.280,46</b>
<b>Cash at bank and in hand</b> .....		54/58	<b>3.791.094,32</b>	<b>8.001.729,54</b>
<b>Deferred charges and accrued income</b> .....		490/1	<b>678.100,61</b>	<b>454.703,27</b>
<b>TOTAL ASSETS</b> .....		20/58	<b>74.714.984,81</b>	<b>78.134.046,21</b>

	Note	Codes	Period	Preceding period
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b> .....		10/15	<b>56.033.049,85</b>	<b>55.364.181,31</b>
<b>Contribution</b> .....		10/11	<b>50.600.144,89</b>	<b>49.954.615,01</b>
Capital .....		10	<b>50.600.144,89</b>	<b>49.954.615,01</b>
Issued capital .....		100	<b>50.600.144,89</b>	<b>49.954.615,01</b>
Uncalled capital <sup>1</sup> .....		101		
Outside the capital .....		11		
Share premium account .....		1100/10		
Other .....		1109/19		
<b>Revaluation surpluses</b> .....		12		
<b>Reserves</b> .....		13	<b>1.597.057,34</b>	<b>1.545.537,86</b>
Reserves not available .....		130/1	<b>1.597.057,34</b>	<b>1.545.537,86</b>
Legal reserve .....		130	<b>840.383,79</b>	<b>788.864,31</b>
Reserves statutorily not available .....		1311	<b>756.673,55</b>	<b>756.673,55</b>
Aquisition of own shares .....		1312		
Financial support .....		1313		
Other .....		1319		
Untaxed reserves .....		132		
Available reserves .....		133		
<b>Accumulated profits (losses)</b> ..... (+)/(-)		14	<b>3.835.847,62</b>	<b>3.864.028,44</b>
<b>Investment grants</b> .....		15		
<b>Advance to associates on the sharing out of the assets<sup>2</sup></b> .....		19		
<b>PROVISIONS AND DEFERRED TAXES</b> .....				
<b>Provisions for liabilities and charges</b> .....		160/5	<b>192.933,80</b>	<b>130.433,80</b>
Pensions and similar obligations .....		160		
Taxation .....		161		
Major repairs and maintenance .....		162		
Environmental obligations .....		163	<b>192.933,80</b>	<b>130.433,80</b>
Other liabilities and charges .....		164/5		
<b>Deferred taxes</b> .....		168		

<sup>1</sup> Amount to be deducted from the issued capital.

<sup>2</sup> Amount to be deducted from the other parts of the equity.

	Note	Codes	Period	Preceding period
<b>AMOUNTS PAYABLE</b> .....		17/49	<b>18.489.001,17</b>	<b>22.639.431,10</b>
<b>Amounts payable after more than one year</b> .....	6.3	17	<b>6.150.000,00</b>	<b>7.100.000,00</b>
Financial debts .....		170/4	<b>6.150.000,00</b>	<b>7.100.000,00</b>
Credit institutions, leasing and other similar obligations .....		172/3	<b>5.150.000,00</b>	<b>4.100.000,00</b>
Other loans .....		174/0	<b>1.000.000,00</b>	<b>3.000.000,00</b>
Trade debts .....		175		
Advances on contracts in progress .....		176		
Other amounts payable .....		178/9		
<b>Amounts payable within one year</b> .....	6.3	42/48	<b>10.877.323,61</b>	<b>14.556.045,90</b>
Current portion of amounts payable after more than one year falling due within one year .....		42	<b>5.500.000,00</b>	<b>9.500.000,00</b>
Financial debts .....		43	<b>2,34</b>	
Credit institutions .....		430/8	<b>2,34</b>	
Other loans .....		439		
Trade debts .....		44	<b>545.040,06</b>	<b>468.610,52</b>
Suppliers .....		440/4	<b>545.040,06</b>	<b>468.610,52</b>
Bills of exchange payable .....		441		
Advances on contracts in progress .....		46		
Taxes, remuneration and social security .....		45		
Taxes .....		450/3		
Remuneration and social security .....		454/9		
Other amounts payable .....		47/48	<b>4.832.281,21</b>	<b>4.587.435,38</b>
<b>Deferred charges and accrued income</b> .....		492/3	<b>1.461.677,56</b>	<b>983.385,20</b>
<b>TOTAL LIABILITIES</b> .....		10/49	<b>74.714.984,82</b>	<b>78.134.046,21</b>

## INCOME STATEMENT

	Note	Codes	Period	Preceding period
<b>Operating income and charges</b>				
Gross margin ..... (+)/(-)		9900	<b>-1.638.732,05</b>	<b>-1.546.971,74</b>
Of which: non-recurring operating income .....		76A		
Turnover * .....		70		
Raw materials, consumables, services and other goods * .....		60/61		
Remuneration, social security costs + pension ... (+)/(-)		62		
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets .....		630		
Amounts written down stocks, contracts in progress and trade debtors: appropriations (write-backs) .....				
..... (+)/(-)		631/4	<b>789.716,00</b>	<b>576.289,56</b>
Provisions for risks and charges: appropriations (uses and write-backs) ..... (+)/(-)		635/8	<b>62.500,00</b>	<b>37.063,45</b>
Other operating charges .....		640/8	<b>4.601,79</b>	<b>22.812,90</b>
Operating charges carried to assets as restructuring costs .....		649		
Non-recurring operating charges .....		66A		
<b>Operating profit (loss) ..... (+)/(-)</b>		9901	<b>-2.495.549,84</b>	<b>-2.183.137,65</b>
<b>Financial income</b> .....	6.4	75/76B	<b>4.227.861,57</b>	<b>3.531.465,54</b>
Recurring financial income .....		75	<b>4.227.861,57</b>	<b>3.531.465,54</b>
Of which: Investment grants + interest subsidies ..		753		
Non-recurring financial income .....		76B		
<b>Financial charges</b> .....	6.4	65/66B	<b>567.118,81</b>	<b>488.143,28</b>
Recurring financial charges .....		65	<b>567.118,81</b>	<b>488.143,28</b>
Non-recurring financial charges .....		66B		
<b>Gain (loss) for the period before taxes</b> .....				
..... (+)/(-)		9903	<b>1.165.192,92</b>	<b>860.184,61</b>
<b>Transfer from deferred taxes</b> .....		780		
<b>Transfer to deferred taxes</b> .....		680		
<b>Income taxes</b> ..... (+)/(-)		67/77	<b>134.803,36</b>	<b>148.923,02</b>
<b>Gain (loss) of the period</b> ..... (+)/(-)		9904	<b>1.030.389,56</b>	<b>711.261,59</b>
<b>Transfer from untaxed reserves</b> .....		789		
<b>Transfer to untaxed reserves</b> .....		689		
<b>Gain (loss) of the period available for appropriation</b> ...				
..... (+)/(-)		9905	<b>1.030.389,56</b>	<b>711.261,59</b>

**APPROPRIATION ACCOUNT**

	Codes	Period	Preceding period
<b>Profit (loss) to be appropriated</b> ..... (+)/(-)	9906	<b>4.894.418,00</b>	<b>4.650.287,29</b>
Gain (loss) of the period available for appropriation .....			
..... (+)/(-)	(9905)	<b>1.030.389,56</b>	<b>711.261,59</b>
Profit (loss) brought forward .....	14P	<b>3.864.028,44</b>	<b>3.939.025,70</b>
<b>Transfers from capital and reserves</b> .....	791/2		
<b>Transfers to capital and reserves</b> .....	691/2	<b>51.519,48</b>	<b>35.563,08</b>
to the contribution .....	691		
to legal reserve .....	6920	<b>51.519,48</b>	<b>35.563,08</b>
to other reserves .....	6921		
<b>Profit (loss) to be carried forward</b> ..... (+)/(-)	(14)	<b>3.835.847,62</b>	<b>3.864.028,44</b>
<b>Owners' contribution in respect of losses</b> .....	794		
<b>Profit to be distributed</b> .....	694/7	<b>1.007.050,91</b>	<b>750.695,77</b>
Remuneration of the contribution .....	694	<b>1.007.050,91</b>	<b>750.695,77</b>
Directors' or managers' entitlements .....	695		
Employees .....	696		
Other beneficiaries .....	697		

	Codes	Period	Preceding period
<b>FINANCIAL FIXED ASSETS</b>			
<b>Acquisition value at the end of the period</b> .....	8395P	XXXXXXXXXXXXXXXXXX	<b>17.134.880,05</b>
<b>Movements during the period</b>			
Acquisitions .....	8365	<b>1.070.591,83</b>	
Sales and disposals .....	8375		
Transfers from one heading to another ..... (+)/(-)	8385		
Other movements ..... (+)/(-)	8386		
<b>Acquisition value at the end of the period</b> .....	8395	<b>18.205.471,88</b>	
<b>Revaluation gains at the end of the period</b> .....	8455P	XXXXXXXXXXXXXXXXXX	
<b>Movements during the period</b>			
Recorded .....	8415		
Acquisitions from third parties .....	8425		
Cancelled .....	8435		
Transfers from one heading to another ..... (+)/(-)	8445		
<b>Revaluation gains at the end of the period</b> .....	8455		
<b>Amounts written down at the end of the period</b> .....	8525P	XXXXXXXXXXXXXXXXXX	<b>792.436,27</b>
<b>Movements during the period</b>			
Recorded .....	8475	<b>262.080,31</b>	
Written back .....	8485		
Acquisitions from third parties .....	8495		
Cancelled owing to sales and disposals .....	8505		
Transfers from one heading to another ..... (+)/(-)	8515		
<b>Amounts written down at the end of the period</b> .....	8525	<b>1.054.516,58</b>	
<b>Uncalled amounts at the end of the period</b> .....	8555P	XXXXXXXXXXXXXXXXXX	
<b>Movements during the period</b> ..... (+)/(-)	8545		
<b>Uncalled amounts at the end of the period</b> .....	8555		
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(28)	<b>17.150.955,30</b>	



## STATEMENT OF AMOUNTS PAYABLE

	Codes	Period
<b>BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM</b>		
<b>Total current portion of amounts payable after more than one year falling due within one year</b> .....	(42)	<b>5.500.000,00</b>
<b>Total amounts payable with a remaining term of more than one but not more than five years</b> .....	8912	<b>6.050.000,00</b>
<b>Total amounts payable with a remaining term of more than five years</b> .....	8913	<b>100.000,00</b>
<b>GUARANTEED AMOUNTS PAYABLE</b> <i>(included in the headings 17 and 41/48 of liabilities)</i>		
<b>Amounts payable guaranteed by the Belgian public authorities</b>		
Financial debts .....	8921	
Credit institutions, leasing and other similar obligations .....	891	
Other loans .....	901	
Trade debts .....	8981	
Suppliers .....	8991	
Bills of exchange payable .....	9001	
Advances on contracts in progress .....	9011	
Remuneration and social security .....	9021	
Other amounts payable .....	9051	
<b>Total amounts payable guaranteed by the Belgian public authorities</b> .....	9061	
<b>Amounts payable guaranteed by real securities or irrevocably promised by the partnership on its own assets</b>		
Financial debts .....	8922	
Credit institutions, leasing and other similar obligations .....	892	
Other loans .....	902	
Trade debts .....	8982	
Suppliers .....	8992	
Bills of exchange payable .....	9002	
Advances on contracts in progress .....	9012	
Taxes, remuneration and social security .....	9022	
Taxes .....	9032	
Remuneration and social security .....	9042	
Other amounts payable .....	9052	
<b>Total amounts payable guaranteed by real securities or irrevocably promised by the partnership on its own assets</b> .....	9062	

**RIGHTS AND COMMITMENTS NOT ACCRUED IN THE BALANCE SHEET**

	Codes	Period
<b>PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE PARTNERSHIP AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES .....</b>	9149	
<b>Of which</b>		
Bills of exchange in circulation endorsed by the partnership .....	9150	
<b>REAL GUARANTEES</b>		
<b>Real guarantees provided or irrevocably promised by the partnership on its own assets as security of debts and commitments of the partnership</b>		
<b>Mortgages</b>		
Book value of the immovable properties mortgaged .....	91611	
Amount of registration .....	91621	
For irrevocable mortgage mandates, the amount for which the proxy may subscribe under the mandate .....	91631	
<b>Pledging of commercial fund</b>		
Maximum amount for which the debt is guaranteed and for which registration takes place ...	91711	
For irrevocable mandates to pledge the commercial fund, the amount for which the proxy may proceed to register under the mandate .....	91721	
<b>Pledge on other assets or irrevocable mandates to pledge other assets</b>		
Book value of the immovable properties mortgaged .....	91811	
Maximum amount for which the debt is guaranteed .....	91821	
<b>Security provided or irrevocably promised on the assets still to be acquired by the partnership</b>		
Amount of the assets involved .....	91911	
Maximum amount for which the debt is guaranteed .....	91921	
<b>Privilege of the seller</b>		
Book value of the asset sold .....	92011	
Amount of the unpaid price .....	92021	

	Codes	Period
<b>Real guarantees, given or irrevocably promised by the partnership on its own assets as security of debts and commitments from third parties</b>		
<b>Mortgages</b>		
Book value of the immovable properties mortgaged .....	91612	
Amount of registration .....	91622	
For irrevocable mortgage mandates, the amount for which the proxy may subscribe under the mandate .....	91632	
<b>Pledging of commercial fund</b>		
Maximum amount for which the debt is guaranteed and for which registration takes place ...	91712	
For irrevocable mandates to pledge the commercial fund, the amount for which the proxy may proceed to register under the mandate .....	91722	
<b>Pledge on other assets or irrevocable mandates to pledge other assets</b>		
Book value of the immovable properties mortgaged .....	91812	
Maximum amount for which the debt is guaranteed .....	91822	
<b>Security provided or irrevocably promised on the assets still to be acquired by the partnership</b>		
Amount of the assets involved .....	91912	
Maximum amount for which the debt is guaranteed .....	91922	
<b>Privilege of the seller</b>		
Book value of the asset sold .....	92012	
Amount of the unpaid price .....	92022	

**AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS**

- 1) *Financiële Contracten: 26.645.000,00 USD*
- 2) *Financiële Contracten:805.600.000,00 INR*
- 3) *Financiële Contracten:53.015.278.062,00 IDR*
- 4) *Financiële Contracten:13.073.329.265,00 COP*
- 5) *Financiële Contracten:98.765.900,00 KGS*
- 6) *Financiële Contracten: 2.478.936.995,00 TZS*
- 7) *Financiële Contracten: 246.170.000,00 KZT*
- 8) *Financiële Contracten: 9.013.409,00 HNL*

Period
<i>23.952.574,69</i>
<i>9.199.355,23</i>
<i>3.271.050,06</i>
<i>2.963.657,28</i>
<i>1.000.000,00</i>
<i>945.268,91</i>
<i>500.000,00</i>
<i>318.831,88</i>

**SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE**

Brief description

Measures taken by the enterprise to cover the resulting charges

**PENSIONS FUNDED BY THE PARTNERSHIP**

Estimated amount of the commitments resulting from past services .....

Methods of estimation

Code	Period
9220	

**NATURE AND COMMERCIAL OBJECTIVE OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET**

Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company

Period

**OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)**

Period

**RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES, DIRECTORS, MANAGERS AND AUDITORS**

**AFFILIATED OR ASSOCIATED ENTERPRISES**

**Guarantees provided in their favour** .....  
**Other significant commitments undertaken in their favour** .....

Codes	Period
9294	
9295	
9500	
9501	
9502	

**DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE PARTNERSHIP WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS**

**Amounts receivable from these persons** .....  
 Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts  
**Guarantees provided in their favour** .....  
**Other significant commitments undertaken in their favour** .....

**STATUTORY AUDITORS OR PEOPLE THEY ARE LINKED TO**

- 1) *Vergoeding bedrijfsrevisor*
- 2) *Er zijn geen andere diensten (commissarissen)*

Period
<b>15.300,00</b>

**TRANSACTIONS CONCLUDED, DIRECTLY OR INDIRECTLY, OUTSIDE THE NORMAL MARKET CONDITIONS**

**With persons holding an participating interest in the partnership**

Nature of the transactions

**With companies in which the partnership holds participating interest**

Nature of the transactions

**With members of the administrative, management and supervisory bodies of the partnership**

Nature of the transactions

Period

**OTHER DOCUMENTS TO BE FILED FOLLOWING THE  
COMPANIES CODE**

**PARTICIPATING INTERESTS INFORMATION**

**PARTICIPATING INTERESTS AND SHARES IN OTHER ENTERPRISES**

List of both enterprises in which the partnership holds a participating interest (recorded in the heading 28 of the assets), and other enterprises in which the partnership holds rights (recorded in the headings 28 and 50/53 of the assets) in the amount of at least 10% of the capital, or of the equity or of some sort of shares of that partnership.

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the ENTERPRISE NUMBER	Participating interests held by			Information from the most recent period for which annual accounts are available			
	Nature	the enterprise (directly)		Annual accounts	Cur- rency	Equity	Net result
		Number	%			(+) of (-) (in monetary units)	
<b>1) Proempresa</b>  610 Private limited company  Jr Carlos Arrieta 1066, PE-1066 Lima, Peru	Gewone aand	136.699	1,76	31-12-2022	EUR	83.835.524,00	641.225,00
<b>2) Akiba Commercial Bank</b>  610 Private limited company  3rd Floor, amanu Place, Ohio street, TZ - 66 Dar es Salaam, Tanzania + eiland Zanzib	Gewone	617.850	5,62	31-12-2022	TZS	1.843.524.000,00	7.030.120.000,00
<b>3) Impulse Microfinance Investment Fund</b>  610 Private limited company BE 0870.792.160 Sneeuwbeslaan 20, 2610 Wilrijk (Antwerpen), België	Gewone aand	800	7,03	31-12-2022	EUR	1.422.232,00	332.825,00
<b>4) Banco FIE SA</b>  610 Private limited company  calle Generale Gonzales, 15032 Casilla - La Paz, Bolivia	Gewone aand	335.512	5,78	31-12-2022	BOB	1.439.241.622,00	173.284.379,00

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the ENTERPRISE NUMBER	Participating interests held by			Information from the most recent period for which annual accounts are available				
	Nature	the enterprise (directly)		subsidiaries	Annual accounts	Cur- rency	Equity	Net result
		Number	%				%	(+ of (-) (in monetary units)
<b>5) MFX Solutions, LLC</b>  610 Private limited company  20th Street 1724, US-2000 NW District of Columbia, Verenigde Staten	Gewone aand	500.000	3,30		31-12-2022	EUR	26.177.182,00	
<b>6) Incofin Investment Management</b>  610 Private limited company BE 0815.870.958 Sneeuwbeslaan 20, 2610 Wilrijk (Antwerpen), België	Gewone aand	467	25,00		31-12-2022	EUR	4.971.000,00	667.000,00
<b>7) Association pour la Coopération avec la Micro Entreprise (ACME)</b>  610 Private limited company  Bois de Patate, Haïti	Gewone aand	59.265	18,23		31-12-2022	HTG	547.504.263,00	-28.501.041,00
<b>8) Fairtrade Acces Fund S.A., Sicav-FIS</b>  610 Private limited company  Rue Aldringen 11, LU-1118 Luxembourg, Luxemburg	Gewone aand	7.500	2,68		31-12-2022	USD	41.850.806,87	-1.536.361,87
<b>9) FPM SA</b>  610 Private limited company  Avenue Kauka, Gombe 17, Congo (Dem. Rep.), Congo (ex-Zaire)	Gewone aand	1.000	0,43		31-12-2022	CDF	8.818.596.109,00	1.182.064.858,00
<b>10) Juhudi Kilimo</b>  610 Private limited company  2nd Floor, The priory, Kilimani, Kenia	Gewone aand	8.083	32,10		31-12-2022	KES	666.961.000,00	22.680.000,00

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the ENTERPRISE NUMBER	Participating interests held by			Information from the most recent period for which annual accounts are available				
	Nature	the enterprise (directly)		subsidiaries	Annual accounts	Cur-rency	Equity	Net result
		Number	%				%	(+/-) of (-) (in monetary units)
11) <b>Sempli</b>  610 Private limited company  Calle 11 AN 31 A - 89 Oficina 502A, Colombia	Gewone aand	317.014	5,64		31-12-2022	COP	9.683.019.000,00	5.622.382.000,00
12) <b>Lovcen Banka</b>  Bulevar Dzordza Vasingtona 56/l, Montenegro	Gewone aand	3.636	8,65		31-12-2022	EUR	24.289.000,00	2.359.000,00

## ANNEX II – SUSTAINABLE FINANCE DISCLOSURES (ART. 9 SFDR)

### Template 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: Incofin CVSO

Legal entity identifier: 54930005VTOTJJIS6X96

## Sustainable investment objective

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

Yes

No

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

- 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:** 85%

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**

**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

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.



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

Incofin CVSO has sustainable investment as its objective as described in article 9 of the SFDR. The mandate of Incofin CVSO is to invest in entities contributing to the social, environmental and/or economic development of vulnerable populations in emerging countries. Specifically, Incofin CVSO seeks to invest in companies that contribute to at least one of the following:

- provide vulnerable and excluded populations with better access to basic goods and services, with a specific focus on financial inclusion (such as microloans, savings, microinsurance);
- support local entrepreneurship and raise the standards of living of entrepreneurs and their families;



- build strong and transparent companies that apply responsible practices and contribute to their customers' capacity building through the provision of non-financial services, such as training services on women empowerment, financial literacy, business development, sustainable agriculture practices, health and other educational services;
- support the development of the local communities, which can take the form of creating sustainable employment and decent jobs for people excluded from the labor market.

The portfolio is diversified across regions, countries, products (equity and debt instruments), and currencies. Such investments are expected to (i) provide a fair return to investors in Incofin CVSO, (ii) do no significant harm to society and/or the environment, and (iii) comply with the investment strategy of Incofin CVSO.

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

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

Incofin CVSO intends to deliver a positive impact and it expects from investee companies the highest standards in terms of environmental, social and governance practices. Incofin CVSO tracks the sustainable performance of its investment portfolio through the following indicators, which are linked to the UN Sustainable Development Goals (SDGs):

ESG risk score	1	% of the investment portfolio invested in investees having a minimum SPI4-ALINUS score of 60%
SDG 1: No Poverty	2	% of investees who offer services and products targeting vulnerable or excluded groups
	3	# of end-beneficiaries
	4	% of rural end-beneficiaries
SDG 2: Zero Hunger	5	% of investees having more than 20% of loan portfolio in agriculture
	6	Total \$ in agriculture financing by investees
SDG 5: Gender Equality	7	% of women end-beneficiaries
	8	% of women staff employed by investees
SDG 8: Decent Work & Economic Growth	9	% of investees having more than 50% of loan portfolio in productive activities
	10	% of investees following best practices on labour rights (SPI4-ALINUS dimension on staff treatment >60%)
SDG 10: Reduced inequalities	11	% of investees who have an anti-discrimination policy
	12	% of investees offering remittance services
SDG 12: Responsible consumption and production	13	% of FI investees who offer specific loan products to finance renewable energy, energy efficient technologies, or activities that promote environmentally-friendly practices (such as recycling, waste management, clean water, etc.)

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

In pursuing its sustainable objective, Incofin CVSO places a priority on the effective management of potential sustainability harm associated with its investments, with the principle of 'no significant harm to any area of environmental or social concern' as a minimum requirement. Towards that end, Incofin CVSO has implemented and maintains a specific investment process, investees selection criteria, exclusion list, and tools to conduct robust sustainability risk and impact assessment of each potential 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.

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

➤ Identifying principal adverse impacts (PAIs)

Given the pioneering target investment sector of Incofin CVSO, availability of data is a challenge for identifying the PAIs mandated by the SFDR regulation. Incofin CVSO has been working with its impact investors peers through the Social Performance Task Force (SPTF), a financial inclusion network of over 4,500 members, to standardize methodologies, metrics, data collection and reporting of the PAI indicators. A pilot test was conducted throughout 2022 to test the quality of the data, with the aim to finalize the methods and tools before the June 2023 deadline for the first quantitative PAI reporting.

Incofin CVSO will be reporting PAI indicators at the portfolio company level (financial institution), but will proactively work with peers to build capacities to collect and report at the end-client level in the future, likely with the use of proxy indicators.

➤ Prioritising the principle adverse impacts

To prioritize the PAIs and evaluate its materiality on Incofin CVSO’s sustainability objective, a mix of quantitative audit tools, judgement based techniques and benchmarking are used to process the information gathered. This includes an ESG rating using SPI4-ALINUS, an industry recognized social and environmental audit tool, to evaluate a company’s ESG practices against the industry’s best practices and furthermore, classify the risk level. Minimum thresholds corresponding to the risk appetite of Incofin CVSO are set as another safeguard.

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

All potential investees undergo an ESG risk assessment in addition to a credit risk assessment. A mix of industry recognized tools and dedicated proprietary tools are used to evaluate the environmental, social and governance risks and practices of the investee. All tools are aligned with international standards and minimum safeguards like the UN Guidelines for Business and Human Rights, the ILO Labour convention and the UN Global Compact Principles. Incofin CVSO’s impact framework complies with the Operating Principles for Impact Management.

Incofin CVSO’s ESG risk assessment thoroughly assesses the following aspects of the OECD Guidelines for Multinational Enterprises: employment and labour conditions, human rights, environment, information disclosure, combating bribery, customer protection and taxation.



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



Yes



No

Please see information under question “How have the indicators for adverse impacts on sustainability factors been taken into account?” above.

Additionally, the Sustainability Risk Policy of Incofin CVSO (the “Sustainability Risk Policy”) describes the process and tools used to identify, assess, control and monitor sustainability risks that could have a materially negative impact on the value of the investments and/or its sustainability objectives. This Policy is reviewed and approved periodically. The latest policy was approved on March 2021.

As outlined in the Sustainability Risk Policy, Incofin IM considers the sustainability risks of its investments from a double materiality perspective<sup>1</sup> using a 4-step risk management approach:

1. **Identify** - Principal adverse impacts are largely filtered out before an investment is even made through the eligibility criteria, which applies both a positive and negative screening;
2. **Assess** - The materiality of potential sustainability risks are evaluated with ESG rating tools that takes into account the probability of occurrence and severity of adverse impact, including their potentially irremediable character. A rigorous due diligence of the company, including an onsite verification, is carried out to determine if an adequate ESG management system is in place. The findings during the due diligence could lead to modification of the terms of the transaction. Where ESG-related risks of adverse impacts cannot be mitigated to a satisfactory extent, the investment will not proceed.
3. **Control** - Potential sustainability risks are controlled by avoiding or limiting them through various methods including ESG clauses in loan agreements, technical assistance to portfolio companies, requirement for an E&S action plan; and
4. **Monitor and report** - All portfolio companies are reviewed on an annual basis. Indicators are set to track the performance of the portfolio company over the investment period and reported to stakeholders.

Overall, Incofin IM uses an iterative process for the early recognition of sustainability risks, which continues throughout the investment period. Good quality information is the starting point for identifying sustainability risks. Incofin IM has a specialized team of investment professionals trained to collect relevant information and assess risks with an impact lenses. The main sources of information include:

- Interviews with relevant stakeholders (i.e. Company's senior management and board, industry experts, regulators, end borrowers, etc.);
- Review of external and internal audit reports;
- Historic data analysis;
- Benchmarking against peer group;
- Market and sector information.

The information on principal adverse impacts on sustainability factors is available in annex 1 of the annual report of Incofin CVSO.



## What investment strategy does this financial product follow?

Sustainability is designed into Incofin CVSO's investment process. To be eligible for financing, all potential investees must undergo a sustainability screening process. Firstly, a company must meet Incofin CVSO's investment mandate (positive screening). In addition, the company must also meet Incofin CVSO's "do no harm" standards (negative screening).

Incofin IM shall review the application form submitted by an organization requesting funding as a first step to verify that the potential investee meets the eligibility criteria of Incofin CVSO (including the general corporate governance practices). In addition, Incofin IM also checks references and evaluates the quality of financial reports. Internal approval to proceed will be requested for a potential investee that meets the eligibility criteria, and if provided, the terms and conditions of a possible investment will be negotiated with the potential investee.

Once the terms have been agreed between the potential investee and Incofin CVSO, pre-due diligence information will be gathered. Incofin IM analyses this information prior to conducting a field visit to the organization. The results of the pre-due diligence and the field visit will be used to conduct a financial risk analysis using the Counterparty Risk Score tool (as described in the Investment Policy) and

<sup>1</sup> 5 Double materiality perspective is referring to the external ESG risks that can negatively impact a portfolio company as well as the internal ESG risks created by the portfolio company through its operations.

a social and environmental risk analysis using the SPI4-ALINUS<sup>2</sup> tool, an industry recognized due diligence tool that is aligned with the Universal Standards<sup>3</sup>. Incofin IM assesses sustainability risk with a double materiality perspective<sup>4</sup>, taking into account both external ESG risks and internal negative impacts created by the company.

If Incofin IM identifies during its due diligence, eligibility criteria that may be improved by potential investees, Incofin IM may request Incofin CVSO to proactively provide technical assistance to the targeted investees in order to help them attain the quality level expected by Incofin CVSO. When a proposal from a potential investee scores below 60% on the SPI4-ALINUS tool and that ESG-related risks cannot be mitigated to a satisfactory extent, the investment does not proceed. If the score exceeds the minimum, an investment memorandum summarizing the results of the ESG risk assessment is presented to the Investment Committee of Incofin CVSO, which takes the final investment decision.

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

Geographical criteria:

Incofin CVSO is a global investor prioritizing countries which qualify as ‘Developing Countries’ and ‘Countries in Transition’ according to the DAC-List of the OECD . Additionally on a case by case basis also investments in other countries can be considered if the Board of Incofin CVSO allows.

Criteria relating to the investees:

In all cases, eligible investees must meet the following conditions:

- pertain to a business sector widely considered eligible for impact investments;
- show adequate and transparent corporate governance ;
- be externally audited;
- be able to provide good quality financial reports on a regular basis.

Target investees, who are financial intermediaries, must also meet the following conditions:

- provide financial services for the BoP with a maximum of 30% consumer finance (excluding housing and education finance);
- obtain minimum performance levels, meaning that it must have a minimum score of 60% on the Incofin IM financial risk score (CRS) and a minimum score of 60% on the SPI4-ALINUS tool;

Target investees, who are not financial intermediaries, must also qualify on the following:

- evaluation of ESG management against industry parameters, through use of SPI4-ALINUS tool.

With regard to the stage of investment, Incofin CVSO considers that every opportunity has to be assessed in relation to the maturity of the market in which the target operates, and therefore can invest over different stages of the lifecycle of a company, such as from greenfield over early-stage to mature.

Finally, Incofin CVSO is concerned about potentially harmful effects and will apply restrictions to minimize negative effects, excluding unlawful activities and others having harmful effects. To that effect, Incofin CVSO applies the following exclusion criteria:

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<sup>2</sup> Tool developed by CERISE, a non for profit organization which has more than 15 years of social audits in financial inclusion, rural finance and social businesses (<http://www.cerise-microfinance.org>), working to promote ethical and responsible finance.

<sup>3</sup> The Universal Standards for Social Performance Management (the “Universal Standards”) is a comprehensive manual of best practices created by and for people in microfinance as a resource to help financial service providers achieve their social goals. They were developed by the Social Performance Task Force (SPTF), a non-profit membership organization with more than 3,000 members from all over the world, engaging with all stakeholder groups in inclusive finance.

<sup>4</sup> Double materiality perspective is referring to the external ESG risks that can negatively impact a portfolio company as well as the internal ESG risks created by the portfolio company through its operations.

Incofin CVSO will not invest directly or indirectly in following activities:

- activities involving forced labour<sup>5</sup> or child labour<sup>6</sup>;
- production of or trade in any product or activity deemed illegal under host country legislation or regulations or international conventions and agreements;
- production of or trade in weapons and munitions<sup>7</sup>;
- trade in wildlife or wildlife products regulated under CITES<sup>8</sup>;
- production or use of or trade in hazardous materials such as radioactive materials<sup>9</sup>, unbounded asbestos fibers, products containing PCBs<sup>10</sup> and chemicals subject to international phase-outs or bans;
- commercial logging operations or the purchase of logging equipment for use in any primary forest or forest areas with a high biodiversity value, or any other activities that lead to substantial clear cutting of such forests<sup>11</sup>;
- production of or trade in pharmaceuticals subject to international phase-outs or bans;
- production of or trade in pesticides/herbicides subject to international phase-outs or bans;
- production of or trade in ozone depleting substances subject to international phase-out<sup>12</sup>.
- drift net fishing in the marine environment using nets in excess of 2.5 km in length.

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

During the screening and the due diligence processes, Incofin IM shall assess whether a potential investee company meets the eligibility criteria of Incofin CVSO, including general corporate governance practices such as: anti-corruption and bribery, board independence, financial transparency and tax honesty. Potential investee companies that do not implement principles of good corporate governance will be screened out. However, if during the screening process, Incofin IM determines that certain corporate governance practices may be improved, Incofin CVSO may decide to invest in the potential investee company and proactively provide technical assistance to the targeted investees in order to help them to attain the quality level expected by Incofin CVSO.

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

Incofin CVSO commits to invest at least 85% of its assets in investments considered as sustainable under the SFDR (#1 Sustainable) in alignment to its social sustainable investment objective. 100% of the sustainable investments of Incofin CVSO have social objectives.

Incofin CVSO shall invest up to 85% of its assets for liquidity management or hedging purposes.



**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.

<sup>5</sup> Forced labour means any work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

<sup>6</sup> Employees may only be taken on who are aged 15 or older, unless local legislation specifies a higher age for compulsory school attendance or as the minimum age for working. In such cases the higher age shall apply.

<sup>7</sup> This does apply to investees who are substantially involved in these activities.

<sup>8</sup> CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora.

<sup>9</sup> This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the radioactive source is considered to be trivial and/or adequately shielded.

<sup>10</sup> PCBs: Polychlorinated biphenyls, a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

<sup>11</sup> "Substantial" refers to any degree of deforestation which leads to the disappearance of the essential functionalities of the forest, though surface reduction under a critical minimum. With "essential functionalities" defined as carrying capacity for biodiversity, watershed management, erosion control and indigenous inhabitation.

<sup>12</sup> Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODSs and their target reduction and phase-out dates.

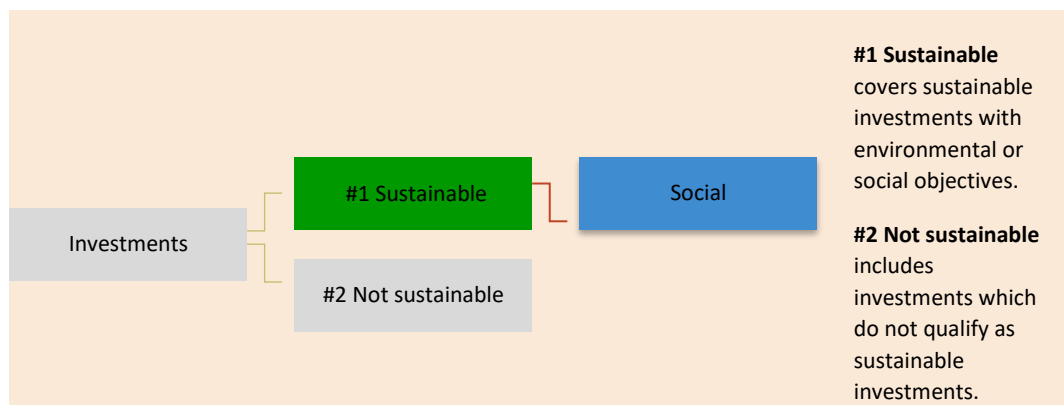
Taxonomy-aligned activities are expressed as a share of:

- **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.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**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.



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

Incofin CVSO's principal currency of funding is the EUR, as the capital is expressed in EUR and debt is mostly attracted in EUR. However, Incofin CVSO considers it is important that its clients should not be excessively exposed to foreign currency risk, and will structure its transactions, so as to limit foreign currency exposure, providing local currency where possible and/or setting thresholds for acceptable FX exposure at the client's level.

For its debt portfolio, Incofin CVSO, will seek appropriate hedging of the FX exposure through currency swaps, cross currency interest rate swaps, and non-deliverable forwards in order to swap the currency of funding (EUR) into the local currency of the investee. Incofin CVSO's Investment Committee shall review case-by-case the most appropriate hedging position and mechanism, including the possibility to accept not hedging the exposure.

As an exception to the aforementioned, Incofin CVSO's investments in equity will generally be exposed to foreign currency risk. Incofin CVSO's investments in equity can be made in all currencies, if and when the return on these investments is expected to compensate for the eventual local currency's depreciation



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

Incofin CVSO does not have an environmental objective aligned with the EU Taxonomy.

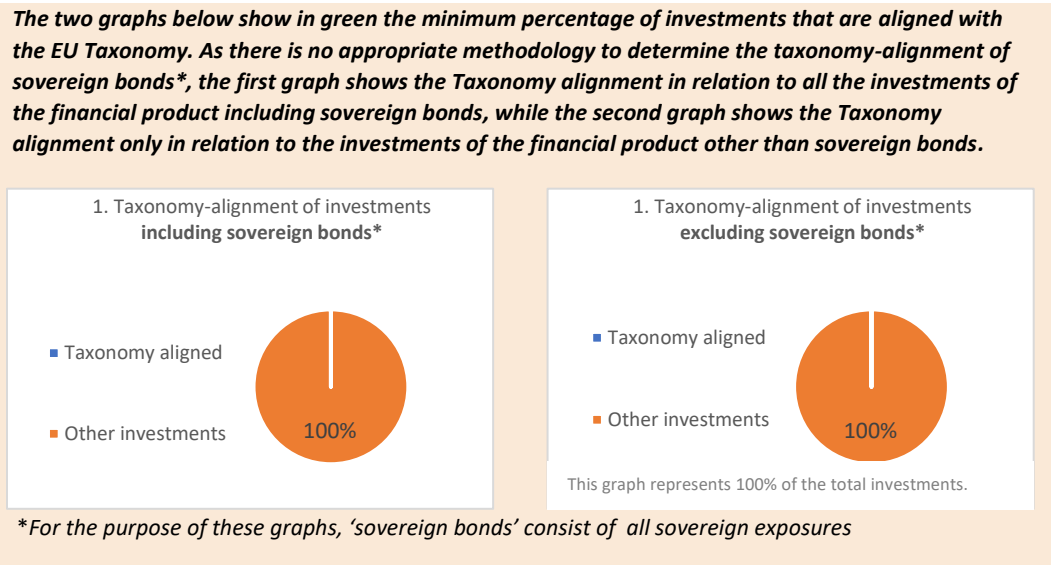
● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>13</sup>?**

- Yes
- In fossil gas       In nuclear energy
- No

<sup>13</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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 investments in transitional and enabling activities?**

Not applicable given the social investment objective of Incofin CVSO.



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

Incofin CVSO does not make investments with an environmental objective.



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

The minimum share of sustainable investments with a social objective is 100%.



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

Incofin CVSO shall invest up to 15% of its assets for liquidity management (e.g. maintenance of cash on the accounts of Incofin CVSO) or hedging purposes (to hedge the currency risk of investments in investee companies that are made in local currencies).



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

Incofin CVSO does not implement any international or EU index as reference benchmark.



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

More product-specific information can be found on the website: <https://incofincvso.be/>