

Continuous issuance of Shares with a Nominal Value of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200 each in the capital of:

OIKOCREDIT, Ecumenical Development Co-operative Society U.A. (the “Cooperative”)

*Incorporated in the Netherlands as a cooperative society with excluded liability
having its registered office in Amersfoort, the Netherlands.*



Photo from a farm financed by Colombian microfinance Partner CONTACTAR, Corporación Nariño Empresa y Futuro

A copy of this prospectus can be obtained from the issuer at:

OIKOCREDIT, Ecumenical Development Co-operative Society U.A.,
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*This prospectus is valid for a period of 12 months after 1 June 2018 (date of approval) by the
Authority for the Financial Markets (Autoriteit Financiële Markten) in the Netherlands.*

1. General information about the issuer

The definitions as included in section 5 of this Prospectus shall fully apply to the definitions used in this summary, unless the context explicitly provides otherwise.

By continuously issuing Shares to its 567 Cooperative Members (as at 31 December 2017), the Cooperative mobilises the capital needed to carry out its mission of development financing through the funding of organisations that are engaged in economic activity or engaged in enterprises which provide both a financial and social return, mostly in low-income countries ("Partners").

The Shares are continuously offered to Members and organisations eligible to be Members. There is no realistic estimation of the proceeds of Shares issued and how many Shares will be issued. New Shares issued can be derived from the annual audited consolidated financial statements of the Cooperative, and in general are not publicly announced separately. Participation in the Cooperative is restricted to organisations that meet the criteria set up in the Articles of Association of the Cooperative. Primarily these are Church organisations and the Support Associations of the Cooperative. For more information, see section 7.9, 'Participation in the Cooperative'. There are other local ways to participate in the Cooperative indirectly via the Support Associations, the Oikocredit International Share Foundation and other organisations such as certain social banks which support the mission of the Cooperative. Full details can be found on the website: www.oikocredit.coop. The Cooperative had approximately 56,000 investors as at 31 December 2017.

The Shares are in book entry form, meaning that the Cooperative holds a register stating the number of Shares registered in each Member's name. Upon the issuance of Shares, the name and details of the shareholder are entered into the share register. Each Member may at any time apply for a certified extract from the register stating the number of Shares registered in their name.

Shares are registered with a Nominal Value of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200. According to the Articles of Association of the Cooperative, the Managing Board, following the prior approval of the Supervisory Board can decide to issue Shares in currencies other than the euro, Canadian dollar, Swiss franc, British pound, Swedish krona or US dollar.

Before issuing Shares in other currencies, the Nominal Value per Share will be determined for each additional currency in which the Shares are issued. Shares are continuously issued at the discretion of the Managing Board and there is no limit to the number of Shares that can be issued. The offer may be revoked or suspended by the Managing Board, if within the year this Prospectus is valid, there is an increase of more than 50% in share capital, and the Managing Board expects that the Cooperative cannot invest the proceeds of the Shares in development financing (e.g. if demand for new development financing is not sufficient or development financing does not meet the Cooperative's criteria) within the following three years.

Subscriptions which do not result in the issuance of Shares will be refunded via the payment method used for the payment of the subscriptions. No interest will be paid on refunded subscriptions. Shares are issued pursuant to a resolution of the Managing Board. Changes in the offering price (if any) will be disclosed in an amendment to this Prospectus.

Prospective investors are explicitly advised that such investments entail financial risks. In making an informed investment decision, investors must rely on their own analysis of the Cooperative and its Shares, including the merits and risks involved. The risks summarised in this Prospectus are distinctive and characteristic for the Cooperative's operations and organisation. These risks may have a material impact on the Cooperative's future financial performance and risks related to the Shares. Please refer to section 4 of this Prospectus for a more detailed description of these risks.

This Prospectus was approved by the Authority for the Financial Markets (*Autoriteit Financiële Markten*, the "AFM") in the Netherlands for the purposes of Directive 2003/71/EC (the "Prospectus Directive") on 1 June 2018 (the "Approval Date"). The Prospectus is subsequently "passported" to several EU member states with formal notification of the approval of the Prospectus by the Dutch AFM given to the financial regulatory authorities in those countries (listed in section 6.3).

Pursuant to this Prospectus, Shares can be offered by the Cooperative until 1 June 2019. In the meantime, changes may occur in the financial position or the activities of the Cooperative. In accordance with article 5:23 of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*), the Cooperative shall make such information publicly available by issuing a supplement to this Prospectus. Supplements will be posted on the website: <https://www.oikocredit.coop/prospectus>.

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3. Summary

The definitions as included in section 5 of this Prospectus shall fully apply to the definitions used in this summary, unless the context explicitly provides otherwise.

Summaries are made up of disclosure requirements known as 'elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the elements required for these types of securities and this type of issuer. As some elements are not required (to be addressed) in this summary, there may be gaps in the numbering sequence of the elements.

In the event that an element needs to be included in this summary for these types of securities and this type of issuer, it is possible that no relevant information can be given. In such cases, a short description of the element will be included in the summary, stating 'not applicable'.

Section A – Introduction and warnings

A.1	Introduction and warnings	This summary should be read as an introduction to the Prospectus. Any decision to invest in the Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary (including any translation thereof), but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or if it does not provide – when read together with the other parts of the Prospectus – key information in order to assist investors when considering investing in the Shares.
A.2	Consent	Not applicable; there will be no subsequent resale or final placement of Shares by financial intermediaries.

Section B – Issuer

B.1	Legal and commercial name of the issuer	OIKOCREDIT, Ecumenical Development Co-operative Society U.A. (the “Cooperative”).																								
B.2	Domicile, legal form, legislation and country of incorporation of the issuer	The Cooperative is a cooperative society with excluded liability (<i>coöperatie met uitsluiting van aansprakelijkheid</i>) incorporated under the laws of and domiciled in the Netherlands. The Cooperative has its statutory seat in Amersfoort, the Netherlands, and its head office at Berkenweg 7, 3818 LA in Amersfoort, the Netherlands.																								
B.3	Key factors relating to the nature of the issuer's operations and its principal activities, including products, services and principal markets	<p>The Cooperative was founded in 1975 as an initiative of the World Council of Churches to provide churches and church-related organisations with an investment tool aimed at supporting people in low-income countries.</p> <p>The Cooperative's mission is: challenge all to invest responsibly. It provides financial services and supports organisations to improve the quality of life of low-income people or communities in a sustainable way. The Cooperative maintains its ambition to serve low-income people and communities. We will do so in markets where need and opportunity are greatest and where we can maximise social impact, while safeguarding the environment and generating fair financial returns.</p> <p>The Cooperative's principal tool in achieving its mission is Partner Funding. In general the Cooperative provides loans and other types of financing (equity, quasi-equity - such as, but not restricted to convertible loans - or guarantees) for the development of viable economic enterprises conducted by or for the benefit of (groups of) low-income people who are generally denied access to financial services. The Cooperative supports other cooperatives and comparable organisations, as well as financial intermediaries such as MFIs. MFIs enable the Cooperative to reach individuals or small groups of people whom it cannot serve with direct loans.</p> <p>The Partner Funding by the Cooperative mainly takes the form of loans. Direct loans or financing amounts provided by the Cooperative start from € 50,000 with an average loan repayment period of four years. Financing above € 10,000,000 requires Supervisory Board approval.</p> <p>The active Partner portfolio consists of approved funding of approximately € 1.2 billion to 747 Partners in 71 countries. Of this approved amount, approximately € 982 million was outstanding as at 31 December 2017. The table below shows the principal markets in which the Cooperative operates.</p> <table><tr><th>Countries invested in (> 4% of total outstanding)</th><th>31-12-17</th><th>31-12-16</th><th>31-12-15</th></tr><tr><td>India</td><td>10%</td><td>9%</td><td>11%</td></tr><tr><td>Bolivia</td><td>7%</td><td>8%</td><td>7%</td></tr><tr><td>Cambodia</td><td>6%</td><td>5%</td><td>8%</td></tr><tr><td>Ecuador</td><td>6%</td><td>6%</td><td>6%</td></tr><tr><td>Paraguay</td><td>5%</td><td>6%</td><td>6%</td></tr></table>	Countries invested in (> 4% of total outstanding)	31-12-17	31-12-16	31-12-15	India	10%	9%	11%	Bolivia	7%	8%	7%	Cambodia	6%	5%	8%	Ecuador	6%	6%	6%	Paraguay	5%	6%	6%
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		<p>The credit portfolio makes up the largest part (86.4%) of the Cooperative's development financing portfolio (equity comprises 13.6%).</p> <p>With effect from two years ago, the Cooperative focuses on making direct equity investments. As an active shareholder and through board representation, the Cooperative helps Partners enhance their social and financial performance and organisational sustainability.</p> <p>In capacity building, the Cooperative's three global programmes continued to develop and innovate, aiming to strengthen agricultural cooperatives and associations and financial intermediaries for the benefit of farmer members and low-income borrowers.</p>
B.4a	<i>Significant trends affecting the issuer and industries in which it operates</i>	<p>In April 2017 the Cooperative welcomed its new Managing Director, Thos Gieskes, who comes to the Cooperative with over 20 years of experience in banking with Rabobank (an international cooperative bank with its headquarters in the Netherlands) in Chile, Australia and New Zealand. In December 2017, the Cooperative welcomed Laura Pool to the new role of director of risk and member of the Managing Board. The role of director of risk in the Managing Board will strengthen the balance between the focus on growth and innovation and the ability to manage and mitigate any associated risks.</p> <p>Inclusive finance</p> <p>Microfinance markets are maturing, with a lot of competition, high liquidity and a low interest rate environment, which puts pressure on profitability. The Cooperative has responded by increasing the size of loans to an average of about € 1.6 million per newly approved project. To keep a balance between large and small loans, the Cooperative continues to finance smaller local organisations as well. The Cooperative also believes it is wise to diversify further, spreading the risks and seeking new ways to achieve impact.</p> <p>Agriculture</p> <p>The agriculture sector is important to the Cooperative because of its capacity to reduce rural unemployment and poverty and to strengthen food sovereignty in developing countries. However, the sector has continued to experience falling prices, crop losses due to erratic weather associated with climate change, uncertain or unfavourable regulatory environments and a depreciation of emerging market currencies.</p> <p>Renewable energy</p> <p>In the renewable energy sector, declining costs of solar equipment are catalysing development and driving growth. Cheap solar and innovative business models are revolutionising energy access in least developed countries, while both demand for and availability of funding for clean energy are accelerating in emerging markets.</p> <p>The Cooperative's renewables strategy aims to provide clean and affordable access to energy to low-income households in developing countries. The Cooperative's financing comprises three market segments: off-grid solar (mainly in sub-Saharan Africa), on-grid renewable energy infrastructure in solar, wind and hydropower (all regions) and clean cook stoves.</p> <p>Africa</p> <p>Regulations are changing in some African countries, with impacts on the Cooperative's work and that of its Partners. Kenya, for example, introduced a regulation to limit interest rates. Very high or rising inflation rates in Nigeria and other countries in Africa make it more difficult for the Cooperative to do business and support Partners.</p> <p>Challenges</p> <p>After recent years of strong growth in terms of assets, countries of operation, types of transactions and portfolio size, 2017 was a year of consolidation for the Cooperative. In 2017 the Cooperative remained committed to its mission of empowering people on low incomes by providing financing and capacity building support to partner organisations active in inclusive finance, agriculture and renewable energy. The Cooperative saw strong support from its investor community and the Boards are grateful for their loyalty. The client satisfaction survey showed that Partners appreciate the support offered.</p> <p>2017 also saw the Cooperative addressing a number of challenges. Some are largely beyond the control of the Managing Board and management, while others are more amenable to be tackled. Because income is received mainly from interest rates, the low interest rate environment has continued to put margins under pressure, as has been the case for several years. Competition in social impact investing is increasingly strong, and there is much liquidity in many markets, including from a wide range of investors seeking more socially directed opportunities.</p> <p>An extra effect dealt with in 2017 was the strengthening of the euro. Much of our lending and income is denominated in US dollars or correlated currencies, while we receive capital and pay out dividends in euro. The Cooperative's consolidated income after taxation showed a negative result for the first time in many years, in large part because of the appreciation of the euro against other currencies. Drawing on the local currency risk fund enabled a positive income for the Society of € 18.4 million but this heavily depleted the fund in the process. While capital inflow from investors continued to increase</p>

		<p>in line with planning, disbursements reduced. Together with negative exchange rate effects, this resulted in a decrease in the outstanding portfolio.</p> <p>In response to these challenges, the Cooperative has revisited the strategy initially set for 2020. Having undertaken a thorough review of the context in which the Cooperative works, a high-level strategy for 2018–2022 has been developed which will start to be implemented in 2018.</p> <p>The Cooperative's ambition is to serve low-income people and communities, in markets where need and opportunity are greatest and where the Cooperative can maximise social impact, while safeguarding the environment and generating fair financial returns. This means a stronger focus on Latin America, Africa and Asia. Within that focus the organisation will work to reduce complexity and increase efficiency through a review of our processes and operating model.</p>
B.5	<p><i>Description of the Cooperative Group and position of the issuer therein</i></p>	<p>The Cooperative forms the head of a group, as defined in section 2:24b of the Dutch Civil Code (<i>Burgerlijk Wetboek</i>). The Group includes the Cooperative itself, including its offices abroad, and its subsidiaries and other entities in which the Cooperative exercises direct or indirect control based on a shareholding of more than 50%, control through voting rights, or whose financial and operating policies it otherwise has the power to govern.</p> <p>The Cooperative operates directly in the following countries, through its offices or its subsidiaries or through other entities of the Group, whose offices may or may not have legal status according to the laws of the country concerned: Argentina, Benin, Bolivia, Brazil, Cambodia, Costa Rica, Ecuador, El Salvador, Ghana, Guatemala, India, Ivory Coast, Kenya, Mali, Mexico, Nicaragua, Nigeria, Paraguay, Peru, the Philippines, Rwanda, Senegal, Uganda, Ukraine, and Uruguay.</p> <p>The Cooperative also has offices (called "National Support Offices") in Austria, Canada, France, Germany and the United Kingdom. These offices raise awareness of the Cooperative, build strategic partnerships and liaise with the Support Associations (if applicable).</p> <p>Material entities</p> <p>The following entities within the Cooperative Group are considered to have material importance, because of certain activities these companies conduct, for example lending and/or financing:</p> <ul style="list-style-type: none"> • Maanaveeya Development & Finance Private Limited, India. A wholly owned subsidiary of the Cooperative in India which conducts its development financing activities in India. • Finance Company Oikocredit Ukraine, Ukraine. A wholly owned subsidiary of the Cooperative in Ukraine which conducts its development financing activities in Ukraine. • Oikocredit International Support Foundation, the Netherlands. The Oikocredit International Support Foundation (ISUP) was established on 10 March 1995, in Amersfoort, as a foundation (<i>stichting</i>) under the laws of the Netherlands. The main purpose of ISUP is to promote the provision of microfinance and other forms of development finance to support enterprise initiatives by local people in developing countries lacking an adequate banking network available to fund such initiatives, and to promote the provision of anything related to this, or which may be conducive to achieving this goal. • Low Income Countries Loan Fund, the Netherlands (LIC Loan Fund). The Cooperative has developed the LIC Loan Fund which invests in Partners in low-income countries. This fund has been created as a restricted, closed-end, tax transparent investment fund (<i>'beleggingsfonds'</i>). The fund is not an incorporated legal entity, but an unincorporated fund for joint account (<i>'fonds voor gemene rekening'</i>). The fund and the participations will not be listed on any stock exchange. The Cooperative acts as fund manager of the Low Income Countries Loan Fund. In June 2017 the LIC Fund reached the end of its five-year investment period. In November 2017 the terms and conditions of the LIC Loan Fund were amended to allow for the distribution of distributable assets. Since December 2017 and until the end of the life of the LIC Loan Fund on 30 June 2022, distributable assets are distributed to the participants of the LIC Loan Fund in proportion to the capital contributions made by the participants. Participants are the persons that are holders of participations in the LIC Loan Fund admitted as such to the fund by the Cooperative, subject to the unanimous approval of the meeting of participants.
B.6	<p><i>Persons who, directly and indirectly, have a notifiable interest in the company's capital or voting rights</i></p>	Not applicable; there is no obligation under Dutch Law or under the Articles of Association that Members need to disclose their interest in the Cooperative.
	<p><i>Whether major shareholders have different voting rights</i></p>	Not applicable. All Members have equal voting rights: every Member has one vote, regardless of the size of their shareholding.
	<p><i>Direct and indirect ownership of or control over the</i></p>	The Cooperative is not aware of any party or parties that directly or indirectly control the voting at any General Meeting of Members, nor is the Cooperative aware of any arrangement that may result in a change of control of the organisation.

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B.7	Selected historical key financial information of the issuer for each financial year covered by the historical key financial information	<p>The Cooperative's overall results were substantially lower than in the previous year. Income after taxation was negative, with a loss of € 20.0 million (following a profit of € 42.1 million in 2016). This was mainly a result of the low interest rate environment and the euro's strengthening and associated exchange rate differences, with the local currency result € 48.7 million negative. In line with the purpose of the local currency risk fund, this was used to counteract part of the negative result. The addition from the fund to the Cooperative's income was € 38.6 million.</p> <p>Income after releases from funds was positive at € 18.4 million (€ 29.0 million in 2016) as a result of the drawdown from the local currency risk fund, while total operating income fell from € 104.9 million to € 27.9 million. Hedging costs increased from € 5.5 million to € 11.5 million. In contrast to the previous year, there were no large gains from the sale of equity investments.</p> <p>The following information is derived from the audited consolidated financial statements for the years 2017, 2016 and 2015, contained in the annual reports 2017, 2016 and 2015, respectively, incorporated by reference in this Prospectus. The information should be read in conjunction with the consolidated financial statements and the related notes that have been incorporated by reference in this Prospectus, and with the rest of this Prospectus, including 'financial position'.</p> <table><tr><th>CONSOLIDATED BALANCE SHEET</th><th>31-12-17</th><th>31-12-16</th><th>31-12-15</th></tr><tr><td>(before appropriation of net income)</td><td>EUR ,000</td><td>EUR ,000</td><td>EUR ,000</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>NON-CURRENT ASSETS</td><td></td><td></td><td></td></tr><tr><td>Intangible fixed assets</td><td>1,132</td><td>1,024</td><td>1,182</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>Tangible assets</td><td>2,247</td><td>1,328</td><td>623</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>Financial assets</td><td></td><td></td><td></td></tr><tr><td>Development financing:</td><td></td><td></td><td></td></tr><tr><td>Outstanding partner financing</td><td>981,664</td><td>1,047,226</td><td>900,153</td></tr><tr><td>Less: - loss provision</td><td>(69,329)</td><td>(77,513)</td><td>(64,478)</td></tr><tr><td></td><td>912,335</td><td>969,713</td><td>835,675</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>Term investments</td><td>149,851</td><td>112,807</td><td>120,188</td></tr><tr><td>Other financial fixed assets</td><td>3,220</td><td>998</td><td>1,024</td></tr><tr><td></td><td>1,065,406</td><td>1,083,518</td><td>956,887</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>Total non-current assets</td><td>1,068,785</td><td>1,085,870</td><td>958,692</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>CURRENT ASSETS</td><td></td><td></td><td></td></tr><tr><td>Receivables and other current assets</td><td>31,936</td><td>27,958</td><td>25,442</td></tr><tr><td>Cash and banks</td><td>119,324</td><td>95,447</td><td>42,214</td></tr><tr><td>Total</td><td>151,260</td><td>123,405</td><td>67,656</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>TOTAL</td><td>1,220,045</td><td>1,209,275</td><td>1,026,348</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td>GROUP EQUITY AND FUNDS</td><td></td><td></td><td></td></tr><tr><td>Member capital¹</td><td>1,012,421</td><td>912,968</td><td>806,277</td></tr><tr><td>General and other reserves and funds</td><td>91,680</td><td>122,208</td><td>108,674</td></tr><tr><td>Undistributed net income for the year</td><td>18,439</td><td>29,003</td><td>15,371</td></tr><tr><td></td><td>1,122,540</td><td>1,064,179</td><td>930,322</td></tr><tr><td>Third-party interests</td><td>2,703</td><td>4,959</td><td>4,680</td></tr><tr><td>Total group equity and funds</td><td>1,125,243</td><td>1,069,138</td><td>935,002</td></tr><tr><td></td><td></td><td></td><td></td></tr></table>	CONSOLIDATED BALANCE SHEET	31-12-17	31-12-16	31-12-15	(before appropriation of net income)	EUR ,000	EUR ,000	EUR ,000					NON-CURRENT ASSETS				Intangible fixed assets	1,132	1,024	1,182					Tangible assets	2,247	1,328	623					Financial assets				Development financing:				Outstanding partner financing	981,664	1,047,226	900,153	Less: - loss provision	(69,329)	(77,513)	(64,478)		912,335	969,713	835,675					Term investments	149,851	112,807	120,188	Other financial fixed assets	3,220	998	1,024		1,065,406	1,083,518	956,887					Total non-current assets	1,068,785	1,085,870	958,692					CURRENT ASSETS				Receivables and other current assets	31,936	27,958	25,442	Cash and banks	119,324	95,447	42,214	Total	151,260	123,405	67,656					TOTAL	1,220,045	1,209,275	1,026,348					GROUP EQUITY AND FUNDS				Member capital ¹	1,012,421	912,968	806,277	General and other reserves and funds	91,680	122,208	108,674	Undistributed net income for the year	18,439	29,003	15,371		1,122,540	1,064,179	930,322	Third-party interests	2,703	4,959	4,680	Total group equity and funds	1,125,243	1,069,138	935,002				
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Undistributed net income for the year	18,439	29,003	15,371																																																																																																																																											
	1,122,540	1,064,179	930,322																																																																																																																																											
Third-party interests	2,703	4,959	4,680																																																																																																																																											
Total group equity and funds	1,125,243	1,069,138	935,002																																																																																																																																											

PROVISIONS	1,582	-	-
LIABILITIES			
Non-current liabilities	56,934	39,877	34,090
Current liabilities	36,286	100,260	57,256
	93,220	140,137	91,346
TOTAL	1,220,045	1,209,275	1,026,348

¹ As per the 2015 financial year the Managing Board opted to make use of the exemption in Dutch Generally Accepted Accounting Principles (GAAP) to classify Member capital (shares in euro and foreign currencies) as equity (RJ 290.808) in the consolidated financial statements. Given the identical subordination and features in the event of dissolution of the Society, the Managing Board believes that the presentation of all Member capital as equity reflects the nature of these instruments.

CONSOLIDATED INCOME STATEMENT	2017	2016	2015
	EUR ,000	EUR ,000	EUR ,000
INCOME			
Interest and similar income			
Interest on development financing portfolio	80,726	77,216	68,572
Interest on term investments	2,548	3,466	3,377
Revaluation of term investments	(858)	(1,088)	(3,094)
Total interest and similar income	82,416	79,594	68,855
Interest and similar expenses			
Interest expenses	(2,068)	(1,544)	(1,381)
Total interest and similar expenses	(2,068)	(1,544)	(1,381)
Income from equity investments			
Result from sale of equity investments	4,395	19,245	442
Dividends	2,465	1,946	2,836
Total income from equity investments	6,860	21,191	3,278
Grant income	894	796	3,436
Other income and expenses			
Exchange rate differences	(48,699)	10,227	(4,672)
Hedge premiums	(11,489)	(5,456)	(5,565)
Other	19	54	47
Total other income and expenses	(60,169)	4,825	(10,190)
TOTAL OPERATING INCOME	27,933	104,862	63,998
GENERAL AND ADMINISTRATIVE EXPENSES			
Personnel	(23,083)	(20,380)	(17,391)
Travel	(1,116)	(1,286)	(1,180)
General and other expenses	(13,359)	(12,299)	(12,793)
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	(37,558)	(33,965)	(31,364)

ADDITIONS TO LOSS PROVISIONS AND IMPAIRMENTS			
Additions to loss provisions	(7,354)	(18,250)	(15,273)
Impairments on equity investments	237	(8,697)	(1,711)
TOTAL ADDITIONS TO LOSS PROVISIONS AND IMPAIRMENTS	(7,117)	(26,947)	(16,984)
INCOME BEFORE TAXATION	(16,742)	43,950	15,650
Taxes	(3,238)	(1,865)	(1,779)
INCOME AFTER TAXATION	(19,980)	42,085	13,871
Third-party interests	(136)	(279)	(28)
Additions to and releases from funds	38,555	(12,803)	1,528
INCOME FOR THE YEAR AFTER ADDITION TO FUNDS	18,439	29,003	15,371
CONSOLIDATED CASH FLOW STATEMENTS	2017	2016	2015
	EUR ,000	EUR ,000	EUR ,000
Income before taxation	(16,742)	43,950	15,650
<i>Adjusted for non-cash items</i>			
Value adjustments loans, equity and receivables	(2,191)	24,159	13,737
Unrealised revaluation term investments	727	1,088	3,094
Depreciation tangible fixed assets	1,091	581	271
Taxes	(3,249)	(1,774)	(1,809)
Exchange adjustments	61,656	(30,125)	(12,219)
<i>Changes in:</i>			
Development financing (disbursements and repayments)	(41,453)	(128,788)	(145,419)
Other financial assets	287	(8)	169
Receivables and other current assets	3,589	(2,816)	(5,525)
Provisions	1,582	0	0
Current liabilities	(48,177)	38,289	18,891
Cash flow from operating activities	(42,875)	(55,444)	(113,160)
Term investments	(37,826)	6,187	31,789
Intangible fixed assets	(325)	(91)	(465)
Tangible fixed assets	(1,349)	(1,037)	(365)
Cash flow from investing activities	(39,500)	5,059	30,959
Member capital (issue and redemptions)	99,453	106,691	95,165
Dividend paid on Member capital	(16,706)	(15,005)	(13,383)
Loans and notes	21,113	11,932	(10,258)
Third-party interests	2,392	0	1,642
Cash flow from financing activities	106,252	103,618	73,166

		<table><tr><th>CHANGES IN CASH AND BANKS</th><th>23,877</th><th>53,233</th><th>(9,035)</th></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td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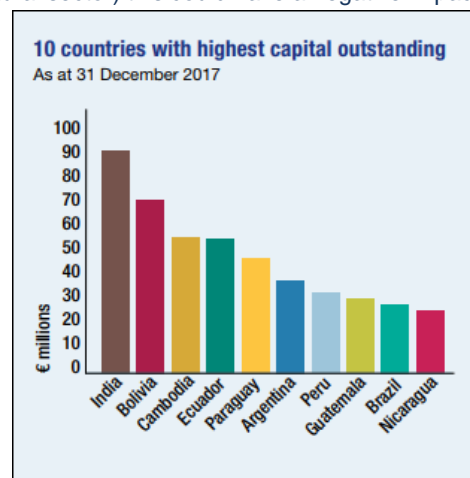
	<i>Security identification number</i>	<p>Managing Board, following the prior approval of the Supervisory Board. The Shares are subdivided into fractions of Shares, expressed in decimals.</p> <p>Not applicable. The Shares do not have a security identification number.</p>
C.2	<i>Currency of the shares</i>	The Shares are denominated in EUR, CAD, CHF, GBP, SEK, or USD or in any other currency as resolved by the Managing Board.
C.3	<i>Number of shares issued and fully paid, par value per share</i> <i>Number of shares issued and not fully paid</i>	<p>As at 31 May 2018, all 5,305,525 Shares were issued and fully paid. The Shares have a par value of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200 or any other value in a currency as resolved by the Managing Board, following the prior approval of the Supervisory Board.</p> <p>Not applicable. The Cooperative has not issued Shares that are not fully paid.</p>
C.4	<i>Rights attached to the shares</i>	<p>Shares are governed by, and shall be construed in accordance with, the laws of the Netherlands. Shares are continuously issued at their Nominal Value, and there is no limit to the number of Shares that can be issued. The offer may be revoked or suspended by the Managing Board, if within the year this Prospectus is valid, there is an increase of more than 50% in share capital, and the Managing Board expects that the Cooperative cannot invest the proceeds of the Shares in development financing (e.g. if demand for new development financing is not sufficient or development financing does not meet the Cooperative's criteria) within the following three years.</p> <p>All Shares entitle the holder to a dividend proportional to the Nominal Value of the Shares. Participants in the General Meeting, having considered the recommendations of the Managing Board, allocate the net profits. Dividends are paid either by allotting additional fractions of Shares or in cash.</p> <p>Provided at least one Share is held, fractions of Shares may also be purchased. Each Member may exercise one vote at the General Meeting, irrespective of the number of Shares held. Shares are issued on the date the amounts for share capital are received by the Cooperative from its Members.</p> <p>When Shares are issued to new Members, the shareholdings of other Members immediately dilute as a result. The amount and percentage of the immediate dilution cannot be calculated as Shares are issued on a continuous basis and the number of Shares that can be offered is unlimited.</p> <p>Shares will be redeemed by the Cooperative taking into account the conditions mentioned in article 13 of the Articles of Association which are as follows:</p> <ul style="list-style-type: none"> • Shares shall be redeemed, if a Member has ceased to be a Member of the Cooperative, no later than five years after cessation of membership; • Shares shall be redeemed no later than five years after the redemption request, without prejudice to what has been provided in article 10 of the Articles of Association, without the Member ceasing its membership of the Cooperative; • The redemption shall be at Nominal Value. However, if the Net Asset Value per Share is lower than the Nominal Value per share in the most recently audited (interim) balance sheet preceding the redemption by the Cooperative, the amount payable upon redemption of the share(s) shall not exceed the sum corresponding to the Net Asset Value of the share(s) according to that balance sheet. <p>In relation to the foregoing, the Managing Board of the Cooperative has submitted a proposal to the General Meeting, approved by the Supervisory Board, to amend articles 13.1 and 13.2 of the Articles of Association of the Cooperative to provide the Managing Board with the authority to stop accepting redemptions. In summary, if the proposed amendments to article 13 are adopted, the 5-year redemption period is taken out of the articles. This means that, in principle, then, any redemption request might be delayed indefinitely by the Cooperative. Until such time these amendments are put in place, redemption requests can be delayed, but only for a maximum period of 5 years.</p> <p>If adopted by the General Meeting of the Cooperative, the proposed changes to the Articles of Association of the Cooperative will become effective under the following conditions:</p> <ol style="list-style-type: none"> 1. a Managing Board resolution to this change (which also includes the intended date of execution of the deed referred to under 3)); and 2. approval by the Supervisory Board of the resolution referred to under 1); and 3. the execution of a notarial deed recording the fulfilment of the conditions precedent referred to under 1) and 2). Article 13 will be effective as per the execution of the deed. <p>The Managing Board may only pass the resolution referred to under 1. if:</p> <ol style="list-style-type: none"> i. the decision is made to prepare the Cooperative's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS); or ii. the Cooperative continues preparing its consolidated financial statements in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the Shares are classified as financial liability under Dutch GAAP as a result of <ol style="list-style-type: none"> a. changed Dutch GAAP rules; or b. a change in the interpretation of the Dutch GAAP rules by external auditors.

		<p>In order to amend article 13 of the Articles of Association of the Cooperative, the majority of the Members at the General Meeting must vote in favour of the said proposal. Therefore, at present, it remains uncertain as to whether the proposal will be approved by the General Meeting.</p> <p>In relation to the offering and redemption of Shares, the Managing Board of the Cooperative is preparing a policy, subject to the approval of the Supervisory Board. The Managing Board is considering submitting the policy for discussion at the General Meeting. The policy outlines the circumstances in which the Managing Board could (or could not) stop or resume redemption and/or stop, resume, suspend or revoke the offering of Shares.</p>
C.5	<i>Restrictions on free transferability of the shares</i>	As the Articles of Association (articles 5 and 9) determine that only Members can hold Shares, Members may freely transfer their Shares to other Members (taking into account the obligation to hold at least one Share) upon written notice to the Cooperative, however the Managing Board will obstruct the transfers of Shares by Members to non-Members.
C.6	<i>Listing and admission to trading of shares and regulated markets</i>	Not applicable. The Shares will not be listed nor admitted to trading.
C.7	<i>Dividend policy</i>	<p>The allocation of the 2017 annual net income will be decided by the General Meeting, after consideration of the Managing Board's proposal, as approved by the Supervisory Board. Net income available for distribution is calculated by correcting the annual net income with any extraordinary costs or income not arising from normal operations and an addition to the general reserves. The remaining net income available for distribution is paid out as dividend.</p> <p>The Cooperative's policy is to pay 1/12th of the dividend percentage as approved by the General Meeting for every full calendar month that the Shares were registered. Dividends may be payable in the form of one or more fractions of Shares and/or in cash. Dividends made available in cash, which are not claimed within five years, shall be forfeited for the benefit of the Cooperative. Dividends in amounts below EUR 50, USD 50, CAD 50, SEK 500, GBP 50 or CHF 50 will not be paid out but will be automatically reinvested.</p> <p>For 2017 the Managing Board proposed a dividend that amounts to € 9.6 million. The proposed dividend per share for 2017 amounts to 1/12th of 1% for every full calendar month of 2017 that the EUR, CAD, CHF, GBP, SEK and USD, Shares were registered. It is up to the General Meeting to adopt the proposal of the Managing Board and to approve the dividend.</p> <p>During the annual General Meeting in 2017, the Members were informed that it would be highly likely that the proposed dividend for 2017 would be lower than the dividend paid in previous years. The Cooperative also informed its Members of the circumstances which could lead to a lower 2017 dividend by letter in the summer of 2017.</p>
Section D – Risks		
D.1	<i>Key risks specific to the issuer or its industry</i>	<p>The definitions as included in section 5 of this Prospectus shall fully apply to this section "Risk factors", unless the context explicitly provides otherwise. Interested parties are expressly advised to note that participation in the Cooperative involves financial risk.</p> <p>The following provides a brief overview of the important risk factors involved in the Cooperative's work. It should be noted that although the Cooperative believes that the risks and uncertainties described below are the Cooperative's material risks and uncertainties, these may not be the only ones the Cooperative faces. Additional risks and uncertainties not presently known to the Cooperative, or that the Cooperative currently deems immaterial, may also have a material adverse effect on the Cooperative's business, results of operations or the financial condition and could negatively affect the Net Asset Value of the Shares.</p> <p>Key risks specific to the Cooperative as issuer and its industry</p> <p>The events outlined in the following paragraphs may negatively impact the growth possibilities of the Cooperative as well as the financial results. These events may therefore have a negative impact on the dividend to be paid out on the Shares, and therefore may impact the Net Asset Value of the Shares.</p> <p>Financial risk</p>

Credit risk

A change in the credit quality of a counterparty to which the Cooperative has granted loans (for example due to: specific counterparty risks, the nature of activities or the sector in which the counterparty conducts its business), can affect the value of the Cooperative's position. A part of our development financing may also be concentrated in certain sectors. If problems occur within a certain sector (for example, natural disasters within the agricultural sector) this could have a negative impact on Partners that are active within the sector. This may result in non-payment from Partners which could result in losses in our development financing portfolio. Any losses could negatively impact the financial results and therefore have a negative impact on the dividend to be paid out on the Shares as well as on the Net Asset Value.

Credit risk also includes country risk. Country risk arises from country-specific events that have an impact on the exposure in a specific country, such as those of a political or macroeconomic nature from time to time in conjunction with (extreme) inflation or devaluation. All investments in low-income countries involve country risk. The top 10 of countries with the highest capital outstanding per 31 December 2017 is shown in the graph on the right.



Equity risk

Equity investments have different risk characteristics compared with loans: there is a longer lock-up period of capital and no steady cash flow through instalments and interest payments. There is a risk in equity investment stake-changes influencing the value of the portfolio (for example, due to finding a buyer and realising a responsible exit), specific business and market risks, sector risks, reputational risks and country and currency risks. In general, equity risk is higher than the credit risk of a company because of the junior position of equity, meaning that the value of equity decreases significantly in case the risk of default of a Partner increases. Per 31 December 2017, 14% of the Cooperative's financing activities were done in the form of equity.

Liquidity risk

Liquidity risk refers to the risk that the Cooperative will encounter difficulty in raising funds and as such is unable to meet its commitments to its Members (for example not being able to redeem all or part of the Shares, when requested), Partners (for example not being able to meet loan or investment commitments) and other counterparties. Non-payment from Partners could also have a negative impact on the liquidity position of the Cooperative. At 31 December 2017, the Cooperative had a 22% liquidity ratio.

Foreign currency risk

Currency risk is defined as the risk that the value of the Cooperative's currency positions will fluctuate due to changes in foreign currency exchange rates. Significant currency risks exist, as the Cooperative's available Member capital is predominantly denominated in euro while 42% of the amounts outstanding in development financing were denominated in US dollars and 52% in local currencies, with 6% in euros, per 31 December 2017.

Declining exchange rates of for example the US dollar, or domestic currencies versus the euro may negatively impact the financial results and the reserves and may therefore have a negative impact on the dividend to be paid out on Shares, as well as on the Net Asset Value.

Interest rate risk

Changes in market interest rates will cause fluctuations in the value of the Cooperative's development financing and term investment portfolio. This may negatively impact the financial results and therefore have a negative impact on the dividend to be paid out on Shares, as well as on the Net Asset Value of the Shares. Like other investors in development financing the Cooperative faces the current risk of a prolonged period of low market interest rates which may negatively impact the financial results and therefore have a negative impact on the dividend to be paid out on Shares, as well as on the Net Asset Value.

		<p>Non-financial risk</p> <p>Operational and compliance risk</p> <p>Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems or from external events. Legal risk, for example the risk that transactions and agreements with partners are invalidated resulting in a financial loss, is considered as operational risk. With invalidation of agreements is meant the unenforceability of collateral and/or guarantees. The Cooperative operates in developing countries and markets under local law, which law systems are sometimes not yet fully developed, which could increase the risk of unenforceability. The risk of unenforceability is mitigated insofar as possible by due diligence and obtaining local legal opinions. However, local laws are subject to change beyond the Cooperative's control, which in turn could affect the enforceability of collateral and/or guarantees.</p> <p>The other possible cause of unenforceability are errors of staff in drafting agreements. Local legal opinions and risk management procedures, such as the four-eye principle, are in place to mitigate the latter.</p> <p>Compliance risk is the risk related to the failure to (timely) comply with (changes in) laws/regulations, internal rules/policies, and good business practices. The most relevant laws and regulations the Cooperative is subject to are, for its capital raising activities: Dutch corporate and tax law, the Dutch Act on Financial Supervision (Wet op het financieel toezicht), the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft), General Data Protection Regulation (GDPR), European Sanctions law and Directive 2003/71/EC (the "Prospectus Directive"). For the development financing activities, in addition to the above, local regulatory and tax laws apply.</p> <p>Both operational and compliance risk may lead to financial losses and/or and reputational damage, for example non-compliance with regulations could lead to regulatory sanctions.</p> <p>Reputational risk</p> <p>As the Cooperative is dependent on its Members for (new) share capital, damage to the Cooperative's reputation could seriously affect future capital inflow or might impel Members to cease their membership and/or to make a redemption request could also affect the ability to finance new activities.</p> <p>Strategic risk</p> <p>Strategic risk</p> <p>Strategic risk can be defined as the risk of losses caused by a failure to respond well to changes in the business environment or implementation of strategy, and can potentially have a major impact on the Cooperative's financial situation and ability to meet its strategic objectives. Strategic choices could lead to less opportunities to invest because of (local) competition in social impact investments. This in turn could lead to less income for the Cooperative, through decreased margins to stay competitive, or because less investment opportunities are available to act on. This could negatively affect the financial return for the investor in Shares of the Cooperative.</p> <p>Strategic issues that had an impact in 2017 and are expected to have an impact on the organisation also for the years to come, are the low interest rate and high liquidity environment globally and accordingly increased competition that requires improved operational efficiency as well as a global increase of regulations that need to be complied with.</p> <p>The Cooperative has conducted a review of its strategy in 2017. The implementation started in November 2017. In the first phase of implementation, the Cooperative will sharpen its focus on specific countries within Latin America, Africa and Asia. The second phase will concentrate its efforts on core organisational priorities, reducing complexity and increasing efficiency through a review of its processes and operating model. Strengthening the capabilities of the organisation, its people and its systems will be key.</p>
D.3	Key risks specific to the shares	<p>The following are risks specific to the Shares:</p> <p>Dividend risk</p> <p>Dividend can vary and is not certain. The key risks specific to the Cooperative as issuer and its industry may have a negative impact on the amount of dividend to be paid out on the Shares.</p> <p>Net income available for distribution is calculated by correcting the annual net income with any extraordinary costs or income not arising from normal operations and an addition to the general reserves. The remaining net income available for distribution is paid out as dividend. A dividend of</p>

		<p>1/12th of the dividend percentage as approved by the General Meeting for every full calendar month that the Shares were registered.</p> <p>Shares are in principle issued on a continuous basis and the number of Shares that can be offered is unlimited. Balancing in- and outflow of the Cooperative's capital is important to avoid unnecessary cash positions with a lower return. High cash positions could negatively impact the amount of dividend per share to be paid out.</p> <p><i>Risk that redemption of Shares will be below the Nominal Value</i></p> <p>Shares can be redeemed by the Cooperative. Shares will be redeemed by the Cooperative taking into account the conditions mentioned in Article 13 of the Articles of Association, which are as follows:</p> <ul style="list-style-type: none"> • Shares shall be redeemed, if a Member has ceased to be a Member of the Cooperative, no later than five years after cessation of membership; • Shares shall be redeemed no later than five years after the redemption request, without prejudice to what has been provided in article 10 of the Articles of Association, without the Member ceasing its membership of the Cooperative; • The redemption shall be at Nominal Value. However, if the Net Asset Value per Share is lower than the Nominal Value per Share in the most recently audited (interim) balance sheet preceding the redemption by the Cooperative, the amount payable upon redemption of the Share(s) shall not exceed the sum corresponding to the Net Asset Value of the Share(s) according to that balance sheet. <p><i>Risk for delay in redemption</i></p> <p>The aforementioned Article 13 of the Articles of Association brings that a request for redemption could be delayed for up to five (5) years and the value of Shares could have reduced in that time waiting for redemption. Members cannot sell their Shares since there is no market for the Shares.</p> <p>In relation to the foregoing, the Managing Board of the Cooperative has submitted a proposal to the General Meeting, approved by the Supervisory Board, to amend articles 13.1 and 13.2 of the Articles of Association of the Cooperative to provide the Managing Board with the authority to stop accepting redemptions. In summary, if the proposed amendments to article 13 are adopted, the 5-year redemption period is taken out of the articles. This means that, in principle, then, any redemption request might be delayed indefinitely by the Cooperative. Until such time these amendments are put in place, redemption requests can be delayed, but only for a maximum period of 5 years.</p> <p>If adopted by the General Meeting of the Cooperative, the proposed changes to the Articles of Association of the Cooperative will become effective under the following conditions:</p> <ol style="list-style-type: none"> 1. a Managing Board resolution to this change (which also includes the intended date of execution of the deed referred to under 3)); and 2. approval by the Supervisory Board of the resolution referred to under 1); and 3. the execution of a notarial deed recording the fulfilment of the conditions precedent referred to under 1) and 2). Article 13 will be effective as per the execution of the deed. <p>The Managing Board may only pass the resolution referred to under 1. if:</p> <ol style="list-style-type: none"> i. the decision is made to prepare the Cooperative's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS); or ii. the Cooperative continues preparing its consolidated financial statements in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the Shares are classified as financial liability under Dutch GAAP as a result of <ol style="list-style-type: none"> a. changed Dutch GAAP rules; or b. a change in the interpretation of the Dutch GAAP rules by external auditors. <p>In order to amend article 13 of the Articles of Association of the Cooperative, the majority of the Members at the General Meeting must vote in favour of the said proposal. Therefore, at present, it remains uncertain as to whether the proposal will be approved by the General Meeting.</p> <p>In relation to the offering and redemption of Shares, the Managing Board of the Cooperative is preparing a policy, subject to the approval of the Supervisory Board. The Managing Board is considering submitting the policy for discussion at the General Meeting. The policy outlines the circumstances in which the Managing Board could (or could not) stop or resume redemption and/or stop, resume, suspend or revoke the offering of Shares.</p>
<p style="text-align: center;">Section E – Offer</p>		

E.1	<i>Total net proceeds and estimated total expenses of the issuing of shares, including expenses charged to the investor</i>	<p>The total amount of the net proceeds is dependent upon the number of Shares sold to the Members of the Cooperative, numbering 567 Members as at 31 December 2017. The Shares are continuously offered to Members and there is no maximum number of Shares that can be offered. Therefore, there is no realistic estimation of the proceeds of the share issue and how many Shares will be issued. The maximum cost involved in the issuing of Shares is approximately € 7.3 million.</p> <p>Not applicable. No expenses have been/will be charged to the investors of the Cooperative in relation to the offering of Shares.</p>
E.2a	<i>Reasons for offering and use of proceeds, estimated net amount of the proceeds</i>	<p>The reason for the offering is to generate capital. The capital generated by the issuing of Shares is used for funding of activities in the ordinary course of business for the Cooperative. As Shares are continuously offered to Members, there is no realistic estimation of the net amount of the proceeds of the share issue and how many Shares will be issued.</p>
E.3	<i>Terms and conditions of the offering</i>	<p>Membership of the Cooperative is open to eligible organisations, as governed by the Articles of Association. The Members and eligible organisations are:</p> <ul style="list-style-type: none"> • Member churches of the World Council of Churches; • Churches that are not members of the World Council of Churches; • Sub-division of churches and councils of churches; • Church-related organisations; • Support Associations; • Partner members who are invited by the Supervisory Board (SB); • Other organisations invited by the SB. Additionally these organisations invited to apply must: <ul style="list-style-type: none"> ○ have a mission and objectives that closely align with the Cooperative's mission; ○ be democratically organised to reflect the views of their constituency or membership; and ○ invest at least € 50,000 in Shares. <p>Support Associations are established locally within a country or region and can offer individuals and church congregations or parishes an opportunity to invest indirectly in the Cooperative. The Oikocredit International Share Foundation (OISF) is a special type of support association working internationally.</p> <p>Any interested party that meets the membership criteria of the Cooperative may at any time submit an application for membership of the Cooperative to the Managing Board. After approval, Shares may be acquired accordingly against payment of the Nominal Value thereof. Shares are registered Shares and issued at a Nominal Value of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200 per share, or any other currency approved by the Managing Board, following the prior approval of the Supervisory Board.</p> <p>Each Member is required to purchase at least one Share to join the Cooperative. Fractions of Shares may also be purchased thereafter. There is no limit to the number of Shares that may be issued.</p> <p>The Managing Board informs new Members of their acceptance in writing. Shares are issued on the date the amounts for share capital are received by the Cooperative from its Members. Shares are governed by, and shall be construed in accordance with, the laws of the Netherlands.</p>
E.4	<i>Any interest material to the offering (including conflicting interests)</i>	<p>Not applicable. As far as the Cooperative is aware, no person involved in the issuing of Shares has an interest material to the offering of the Shares and there are no conflicting interests.</p>
E.5	<i>Name of the offering entity Lock-up agreements, parties involved, period</i>	<p>The Cooperative issues and offers the Shares.</p> <p>Not applicable. There are no lock-up agreements.</p>
E.6	<i>Amounts and percentage of dilution resulting from the offer</i>	<p>In the event that Shares are issued to new Members, the shareholdings of other Members immediately dilute as a result thereof. The amount and percentage of the immediate dilution cannot be calculated as Shares are issued on a continuous basis and the number of Shares that can be offered is unlimited.</p>
E.7	<i>Estimated expenses charged to the investors by the issuer</i>	<p>Not applicable. No expenses have been/will be charged to investors by the Cooperative in relation to the offering of Shares.</p>

4. Risk factors

The definitions as included in section 5 of this Prospectus shall fully apply to this section "Risk factors", unless the context explicitly provides otherwise. Interested parties are expressly advised to note that participation in the Cooperative involves financial risk.

The following provides a brief overview of the important risk factors involved in the Cooperative's work. It should be noted that although the Cooperative believes that the risks and uncertainties described below are the Cooperative's material risks and uncertainties, these may not be the only ones the Cooperative faces. Additional risks and uncertainties not presently known to the Cooperative, or that the Cooperative currently deems immaterial, may also have a material adverse

effect on the Cooperative's business, results of operations or the financial condition and could negatively affect the price of the Shares.

4.1 Key risks specific to the Cooperative as issuer and its industry

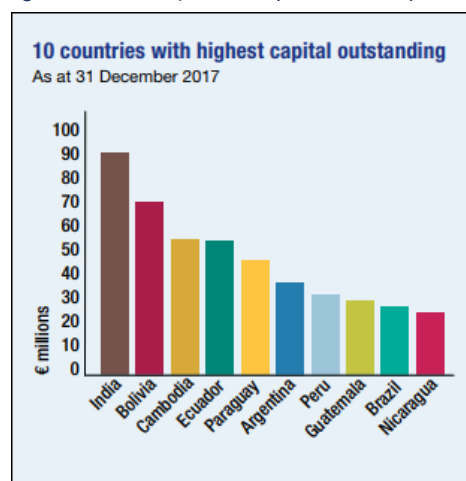
The events outlined in the following paragraphs may negatively impact the growth possibilities of the Cooperative as well as the financial results. These events may therefore have a negative impact on the dividend to be paid out on the Shares, and therefore may impact the Net Asset Value of the Shares.

Financial risk

Credit risk

A change in the credit quality of a counterparty to which the Cooperative has granted loans (for example due to: specific counterparty risks, the nature of activities or the sector in which the counterparty conducts its business), can affect the value of the Cooperative's position. A part of our development financing may also be concentrated in certain sectors. If problems occur within a certain sector (for example, natural disasters within the agricultural sector) this could have a negative impact on Partners that are active within the sector. This may result in non-payment from Partners which could result in losses in our development financing portfolio. Any losses could negatively impact the financial results and therefore have a negative impact on the dividend to be paid out on the Shares as well as on the Net Asset Value.

Credit risk also includes country risk. Country risk arises from country-specific events that have an impact on the exposure in a specific country, such as those of a political or macroeconomic nature from time to time in conjunction with (extreme) inflation or devaluation. All investments in low-income countries involve country risk. The top 10 of countries with the highest capital outstanding per 31 December 2017 is shown in the graph on the right.



Equity risk

Equity investments have different risk characteristics compared with loans: there is a longer lock-up period of capital and no steady cash flow through instalments and interest payments. There is a risk in equity investment stake-changes influencing the value of the portfolio (for example, due to finding a buyer and realising a responsible exit), specific business and market risks, sector risks, reputational risks and country and currency risks. In general, equity risk is higher than the credit risk of a company because of the junior position of equity, meaning that the value of equity decreases significantly in case the risk of default of a Partner increases. Per 31 December 2017, 14% of the Cooperative's financing activities were done in the form of equity.

Liquidity risk

Liquidity risk refers to the risk that the Cooperative will encounter difficulty in raising funds and as such is unable to meet its commitments to its Members (for example not being able to redeem all or part of the Shares, when requested), Partners (for example not being able to meet loan or investment commitments) and other counterparties. Non-payment from Partners could also have a negative impact on the liquidity position of the Cooperative. At 31 December 2017, the Cooperative had a 22% liquidity ratio.

Foreign currency risk

Currency risk is defined as the risk that the value of the Cooperative's currency positions will fluctuate due to changes in foreign currency exchange rates. Significant currency risks exist, as the Cooperative's available Member capital is predominantly denominated in euro while 42% of the amounts outstanding in development financing were denominated in US dollars and 52% in local currencies, with 6% in euros, per 31 December 2017.

Declining exchange rates of for example the US dollar, or domestic currencies versus the euro may negatively impact the financial results and the reserves and may therefore have a negative impact on the dividend to be paid out on Shares, as well as on the Net Asset Value.

Interest rate risk

Changes in market interest rates will cause fluctuations in the value of the Cooperative's development financing and term investment portfolio. This may negatively impact the financial results and therefore have a negative impact on the dividend to be paid out on Shares, as well as on the Net Asset Value of the Shares. Like other investors in development financing the Cooperative faces the current risk of a prolonged period of low market interest rates which may negatively impact the financial results and therefore have a negative impact on the dividend to be paid out on Shares, as well as on the Net Asset Value.

Non-financial risk

Operational and compliance risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems or from external events. Legal risk, for example the risk that transactions and agreements with partners are invalidated resulting in a financial loss, is considered as operational risk. With invalidation of agreements is meant the unenforceability of collateral and/or guarantees. The Cooperative operates in developing countries and markets under local law, which law systems are sometimes not yet fully developed, which could increase the risk of unenforceability. The risk of unenforceability is mitigated insofar as possible by due diligence and obtaining local legal opinions. However, local laws are subject to change beyond the Cooperative's control, which in turn could affect the enforceability of collateral and/or guarantees.

The other possible cause of unenforceability are errors of staff in drafting agreements. Local legal opinions and risk management procedures, such as the four-eye principle, are in place to mitigate the latter.

Compliance risk is the risk related to the failure to (timely) comply with (changes in) laws/regulations, internal rules/policies, and good business practices. The most relevant laws and regulations the Cooperative is subject to are, for its capital raising activities: Dutch corporate and tax law, the Dutch Act on Financial Supervision (Wet op het financieel toezicht), the Dutch Money Laundering and Terrorist Financing (Prevention) Act (Wwft), General Data Protection Regulation (GDPR), European Sanctions law and Directive 2003/71/EC (the "Prospectus Directive"). For the development financing activities, in addition to the above, local regulatory and tax laws apply.

Both operational and compliance risk may lead to financial losses and/or reputational damage, for example non-compliance with regulations could lead to regulatory sanctions.

Reputational risk

As the Cooperative is dependent on its Members for (new) share capital, damage to the Cooperative's reputation could seriously affect future capital inflow or might impel Members to cease their membership and/or to make a redemption request could also affect the ability to finance new activities.

Strategic risk

Strategic risk

Strategic risk can be defined as the risk of losses caused by a failure to respond well to changes in the business environment or implementation of strategy, and can potentially have a major impact on the Cooperative's financial situation and ability to meet its strategic objectives. Strategic choices could lead to less opportunities to invest because of (local) competition in social impact investments. This in turn could lead to less income for the Cooperative, through decreased margins to stay competitive, or because less investment opportunities are available to act on. This could negatively affect the financial return for the investor in Shares of the Cooperative.

Strategic issues that had an impact in 2017 and are expected to have an impact on the organisation also for the years to come, are the low interest rate and high liquidity environment globally and accordingly increased competition that requires improved operational efficiency as well as a global increase of regulations that need to be complied with.

The Cooperative has conducted a review of its strategy in 2017. The implementation started in November 2017. In the first phase of implementation, the Cooperative will sharpen its focus on specific countries within Latin America, Africa and Asia. The second phase will concentrate its efforts on core organisational priorities, reducing complexity and increasing efficiency through a review of its processes and operating model. Strengthening the capabilities of the organisation, its people and its systems will be key.

4.2 Key risks specific to the Shares issued by the Cooperative

The following are risks specific to the Shares:

Dividend risk

Dividend can vary and is not certain. The key risks specific to the Cooperative as issuer and its industry may have a negative impact on the amount of dividend to be paid out on the Shares.

Net income available for distribution is calculated by correcting the annual net income with any extraordinary costs or income not arising from normal operations and an addition to the general reserves. The remaining net income available for distribution is paid out as dividend. A dividend of 1/12th of the dividend percentage as approved by the General Meeting for every full calendar month that the Shares were registered.

Shares are in principle issued on a continuous basis and the number of Shares that can be offered is unlimited. Balancing in- and outflow of the Cooperative's capital is important to avoid unnecessary cash positions with a lower return. High cash positions could negatively impact the amount of dividend per share to be paid out.

Risk that redemption of Shares will be below the Nominal Value

Shares can be redeemed by the Cooperative. Shares will be redeemed by the Cooperative taking into account the conditions mentioned in Article 13 of the Articles of Association, which are as follows:

- Shares shall be redeemed, if a Member has ceased to be a Member of the Cooperative, no later than five years after cessation of membership;
- Shares shall be redeemed no later than five years after the redemption request, without prejudice to what has been provided in article 10 of the Articles of Association, without the Member ceasing its membership of the Cooperative;
- The redemption shall be at Nominal Value. However, if the Net Asset Value per Share is lower than the Nominal Value per Share in the most recently audited (interim) balance sheet preceding the redemption by the Cooperative, the amount payable upon redemption of the share(s) shall not exceed the sum corresponding to the Net Asset Value of the Share(s) according to that balance sheet.

Risk for delay in redemption

The aforementioned Article 13 of the Articles of Association brings that a request for redemption could be delayed for up to five (5) years and the value of Shares could have reduced in that time waiting for redemption. Members cannot sell their Shares since there is no market for the Shares.

In relation to the foregoing, the Managing Board of the Cooperative has submitted a proposal to the General Meeting, approved by the Supervisory Board, to amend articles 13.1 and 13.2 of the Articles of Association of the Cooperative to provide the Managing Board with the authority to stop accepting redemptions. In summary, if the proposed amendments to article 13 are adopted, the 5-year redemption period is taken out of the articles. This means that, in principle, then, any redemption request might be delayed indefinitely by the Cooperative. Until such time these amendments are put in place, redemption requests can be delayed, but only for a maximum period of 5 years.

If adopted by the General Meeting of the Cooperative, the proposed changes to the Articles of Association of the Cooperative will become effective under the following conditions:

1. a Managing Board resolution to this change (which also includes the intended date of execution of the deed referred to under 3)); and
2. approval by the Supervisory Board of the resolution referred to under 1); and
3. the execution of a notarial deed recording the fulfilment of the conditions precedent referred to under 1) and 2). Article 13 will be effective as per the execution of the deed.

The Managing Board may only pass the resolution referred to under 1. if:

- i. the decision is made to prepare the Cooperative's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS); or
- ii. the Cooperative continues preparing its consolidated financial statements in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the Shares are classified as financial liability under Dutch GAAP as a result of
 - a. changed Dutch GAAP rules; or
 - b. a change in the interpretation of the Dutch GAAP rules by external auditors.

In order to amend article 13 of the Articles of Association of the Cooperative, the majority of the Members at the General Meeting must vote in favour of the said proposal. Therefore, at present, it remains uncertain as to whether the proposal will be approved by the General Meeting.

In relation to the offering and redemption of Shares, the Managing Board of the Cooperative is preparing a policy, subject to the approval of the Supervisory Board. The Managing Board is considering submitting the policy for discussion at the General Meeting. The policy outlines the circumstances in which the Managing Board could (or could not) stop or resume redemption and/or stop, resume, suspend or revoke the offering of Shares.

5. Definitions

In this Prospectus and in the general introduction, unless the context otherwise requires, the following terms shall have the following meanings:

“Appendix”	An appendix to this Prospectus which forms an integral part of this Prospectus.
“Approval Date”	The date of approval of the Prospectus by the Authority for the Financial Markets (Autoriteit Financiële Markten) in the Netherlands.
“Articles of Association”	The Cooperative’s articles of association, as incorporated by reference in this Prospectus and can be read at: www.oikocredit.coop/articles-of-association .
“Cooperative”	OIKOCREDIT, Ecumenical Development Co-operative Society U.A., which has its registered office in Amersfoort, the Netherlands.
“Cooperative Group”, or “the Group”	The economic unit in which the Cooperative and other legal entities and commercial partnerships are organisationally connected within the meaning of article 2:24b of the Dutch Civil Code. See section 7.6 for details.
“General Meeting”	The general meeting of members (<i>algemene ledenvergadering</i>) of the Cooperative as mentioned in article 15 of the Articles of Association.
“Managing Board”	The Cooperative’s managing board (<i>bestuur</i>) as mentioned in articles 35-46 of the Articles of Association.
“Managing Director”	The managing director (MD) of the Cooperative as mentioned in article 38 of the Articles of Association.
“Member”	A member (and shareholder) of the Cooperative as mentioned in article 5 of the Articles of Association.
“Micro Finance Institution (MFI)”	Microfinance institution, which provides financial services to low-income people and other disadvantaged people.
“Net Asset Value (per Share)”	The current value of a Share as calculated by the Cooperative. See section 7.9 for details. Note the redemption value can never be higher than the Nominal Value.
“Nominal Value (per Share)”	The value of the Share when issued – in Euro this is € 200. Other currencies are available.
“Oikocredit International Office”	The Cooperative’s head office in the Netherlands, which coordinates and supports the Cooperative’s activities worldwide.
“Oikocredit International Share Foundation (OISF)”	OISF is a Member of the Cooperative established to enable non-Member individuals and non-Member organisations to invest indirectly in the Cooperative. To achieve its purpose, OISF conducts no activities other than acquiring and administering Shares in the interest of the holders (<i>ten titel van beheer</i>), issuing Depositary Receipts to holders and activities directly related to the foregoing and therefore functions as an administrative office (<i>administratiekantoor</i>) for the Cooperative.
“Oikocredit International Support Foundation (ISUP)”	Provides mainly capacity building grants to our Partner organisations, by raising donated funds from the Members, investors and others. They also enable the Cooperative to make local currency investments and work with partners deemed too risky by other investors.
“Oikocredit Nederland Fonds”	An investment fund incorporated by Oikocredit Nederland, having its registered office in Utrecht, the Netherlands.

“Oikocredit Nederland”	The Cooperative’s support association in the Netherlands (<i>Oikocredit Ontwikkelingsvereniging Nederland</i>), having its registered office in Utrecht, the Netherlands.
“Partner Funding”	Partners financed by the Cooperative, referred to in the audited consolidated financial statements of the Cooperative as “outstanding development financing”.
“Partner(s)”	Organisations to which the Cooperative has provided funding and that are engaged in economic activity or engaged in enterprises which provide both a financial and social return mostly in low-income countries.
“Prospectus”	This prospectus of the Cooperative, including any Appendix and any supplements to be made publicly available via the Cooperative’s website www.oikocredit.coop .
“Regional Development Centre”	The status a regional office of the Cooperative can receive after having been accredited (through a formal accreditation process) by the Managing Board of the Cooperative.
“Regional Manager/Director (RM/RD)”	A regional manager or regional director of the Cooperative who manages one of the Cooperative’s regional office or Regional Development Centre.
“Shares”	Shares in the capital of the Cooperative, as mentioned in the Articles of Association.
“Society”	When referring to the Cooperative, as mentioned in article 2 of the Articles of Association (<i>only used in financial tables to mark the difference between the Society financials and consolidated financials</i>).
“Supervisory Board” or “SB”	The Cooperative’s supervisory board (<i>raad van toezicht</i>) as mentioned in articles 29-33 of the Articles of Association.
“Support Association” or “SA”	Support associations (legal entities independent from the Cooperative), that are established locally to raise awareness about the importance of development and socially responsible investments and to offer individuals, church congregations, parishes or other organisations an opportunity to invest indirectly in the Cooperative (in that event the SA being a Member of the Cooperative). Not all the Support Associations directly raise investment for the Cooperative, and they focus on raising general awareness of the Cooperative’s work in developing countries, as well as wider development education.
“Term Investment” or “TI”	The term investment portfolio of the Cooperative that consists of bonds and shares. The bonds have all been rated ‘investment grade’ by either Moody’s, S&P and/or Fitch. A maximum of 10% can be invested in shares.

6. Notices to investors

Section 5 of this Prospectus provides for the definitions that are used in this Prospectus, with the exception of the information incorporated by reference as mentioned in section 7.1 of this Prospectus and section 8 on the tax aspects of participation in the Cooperative.

6.1 General

Prospective investors are expressly advised that an investment in Shares entails certain risks and that they should therefore read and carefully review the content of this Prospectus. A prospective investor should not invest in the Shares unless it has the expertise (either alone or with a financial adviser) to evaluate how the Shares will perform under changing conditions, the resulting effects on the value of the Shares and the impact this investment will have on its overall investment portfolio. Prospective investors should also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of the Shares.

6.2 Responsibility statement

This Prospectus is made available by the Cooperative. The Cooperative accepts responsibility for the information contained in this Prospectus. The Cooperative declares that it has taken all reasonable care to ensure that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any information supplied by the Cooperative or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Cooperative.

Neither this Prospectus, nor any other information supplied in connection with the issue of the Shares, should be considered as a recommendation by the Cooperative that any recipient of this Prospectus should purchase any Shares. Each investor considering the purchase of any Shares should make its own independent analysis of the financial condition and affairs, and its own appraisal of the creditworthiness of the Cooperative. This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see 'information incorporated by reference' in section 7.1 of this Prospectus). This Prospectus should be read and understood on the basis that such documents are incorporated in and form an integral part of this Prospectus. The Prospectus itself and all documents incorporated by reference, the Articles of Association and the last three consolidated financial statements, can be obtained (free of charge) on the Cooperative's website (www.oikocredit.coop) and at the Cooperative's office in Amersfoort, the Netherlands. All documents in this Prospectus that are referred to as 'on display' are available (free of charge) for viewing at the Cooperative's office in Amersfoort, the Netherlands.

Neither the delivery of this Prospectus nor any sale on the basis thereof shall, under any circumstances, imply that the information contained in this Prospectus is correct as of a date subsequent to the Approval Date. Investors should review, among other things, the most recent financial statements of the Cooperative when deciding whether or not to purchase any Shares. Investors are advised to ascertain whether, as from the date of this Prospectus, supplements have been made publicly available. This Prospectus and all the supplements, which form an integral part of this Prospectus, are freely available at the Cooperative's office in Amersfoort, the Netherlands.

6.3 Selling and transfer restrictions

The distribution of this Prospectus and the offering of the Shares may, in certain jurisdictions, such as the United States of America and Canada, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer of, or an invitation to, purchase any Shares in any jurisdiction in which such offer or invitation would be unlawful. The Cooperative:

- requires persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions;
- does not accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of the Shares, of any such restrictions;
- reserves the right in its own absolute discretion to reject any offer to purchase Shares that the Cooperative believes may give rise to a breach or violation of any laws, rules or regulations.

United States of America

The Shares have not been and will not be registered under the United States Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States of America. The securities may not be offered, sold or delivered in the United States of America or to or for the account of any US person, except in accordance with all applicable securities laws of any state or territory of the United States of America and of any other jurisdiction. Each purchaser of the Shares understands this restriction and understands that these Shares may not be (re)offered, (re)sold, pledged or otherwise transferred except in accordance with all applicable securities laws of any state or territory of the United States of America and of any other jurisdiction.

Canada

The Shares may only be offered in those jurisdictions in Canada and to those persons where and to whom they may be lawfully offered for sale, and therein only by persons permitted to sell the Shares. This Prospectus is not, and under no circumstances is to be construed as, an advertisement or public offering of the Shares in Canada. No securities commission in Canada has reviewed or in any way passed upon this Prospectus or the merit of the offering and any representations to the contrary is an offense.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each a 'Relevant Member State') with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, an offer to the public of any Shares subject to this Prospectus may not be made in that Relevant Member State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State, all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of any Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive subject to obtaining prior consent from the Cooperative for such an offer;
- to fewer than 150 natural or legal entities (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining prior consent from the Cooperative for such an offer; or in any other circumstances falling within article 3(2) of this Prospectus Directive, provided that no such offer of Shares shall require the Cooperative to publish a prospectus pursuant to article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State or supplement a prospectus pursuant to article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "offer to the public" in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offering of the Shares and any Shares to be offered so as to enable an investor to decide to purchase any Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC as amended, including Directive 2010/73/EU, and includes any relevant implementing measure in each Relevant Member State.

Passported countries of the EU

Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Spain, Sweden and the UK

This Prospectus was approved by the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*) in the Netherlands on 1 June 2018 for the purposes of the Prospectus Directive.

The Cooperative has requested the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*) to provide the competent authorities in the following Relevant Member States with a certificate of approval attesting that this Prospectus has been drawn up in accordance with the Act on Financial Supervision (*Wet op het financieel toezicht*) and related regulations implementing the Prospectus Directive:

- Austria (FMA, Finanzmarktaufsicht);
- Belgium (FSMA, Financial Services and Markets Authority);
- Finland (Finanssivalvonta);
- France (AMF, Autorité des Marchés Financiers);
- Germany (BaFin, Bundesanstalt für Finanzdienstleistungsaufsicht);
- Ireland (Central Bank of Ireland);
- Italy (CONSOB, Commissione Nazionale per le Società e la Borsa);
- Luxembourg (CSSF, Commission de Surveillance du Secteur Financier);
- Spain (CNMV, Comisión Nacional del Mercado de Valores);
- Sweden (Finansinspektionen);
- United Kingdom (FCA, Financial Conduct Authority).

All qualifications of a legal nature contained in this Prospectus relate to Dutch law, unless the context requires otherwise. References to 'EUR' are to the euro, the currency of the Netherlands, references to 'USD' or 'US dollars' are to the United States dollar, the currency of the United States of America, references to 'GBP' or 'British pounds' are to the British pound sterling, the currency of the United Kingdom, references to 'SEK' or 'Swedish kronor' are to the Swedish krona, the currency of Sweden, references to 'CHF' or 'Swiss francs' are to the Swiss franc, the currency of Switzerland and references to 'CAD' or 'Canadian dollars' are to the Canadian dollar, the currency of Canada.

Dutch law is applicable to this Prospectus. This Prospectus is only available in the English language. Unless explicitly stated otherwise, all financial information in this Prospectus is unaudited.

7. Description of the Cooperative (the Issuer)

7.1 Information incorporated by reference

The following information is incorporated in and forms an integral part of the Prospectus:

- The Cooperative's Articles of Association (by deed executed on 1 August 2016) as at the publication date (in the original Dutch language version as well as in the English translation).
- The Cooperative's audited annual report 2017
- The Cooperative's audited annual report 2016
- The Cooperative's audited annual report 2015

These documents are on display (available for viewing) for the period of validity of the Prospectus and can be obtained free of charge from the office of the Cooperative in Amersfoort, the Netherlands, as stated in section 9, Addresses. In addition, the Articles of Association (available on www.oikocredit.coop/articles in English and in Dutch) and audited consolidated financial statements of the Cooperative are available at the website www.oikocredit.coop/annual-report.

A checklist of the information incorporated by reference is provided below.

Specific information	Can be found on the pages of the Cooperative audited financial statements as included in the Cooperative Annual Report		
	2017	2016	2015
Information on fixed assets	Pages 39-47	Pages 41-47	Pages 41-48
Information on financial condition	Pages 5-18 and 21-78	Pages 5-10 and 29-80	Pages 5-10 and 29-80
Reasons for changes in net sales or revenues			
Information concerning capital resources	Page 23 and pages 48-50	Page 31 and pages 49-53	Page 31 and pages 50-54
Cash flow statement (for description and explanation of cash and currency management, see Annual Reports, pages as listed table below)	Page 25	Page 33	Page 33
Explanation of sources and amounts of cash flows	Page 25	Page 33	Page 33
Borrowing requirements and funding structure	Page 21-61	Pages 29-64	Pages 29-64
Amount of remuneration paid and benefits granted	Note 27, page 55 and note 35, pages 60-61	Note 26, page 56 and note 34, pages 62-63	Note 25, page 56 and note 33, pages 63-64
Amount set aside or accrued to provide benefits	Page 21-61	Note 26, page 56	Note 25, page 56
Description of arrangements involving employees in the capital.	Note 35, pages 60-61	Note 34, pages 62-63	Note 33, pages 63-64
Historical financial information	Pages 21-81	Pages 29-82	Pages 29-82
Financial statements	Pages 21-81	Pages 29-82	Pages 29-82
Information on holdings (see Consolidated and Society balance sheet, income statement and cash flow statements)	Pages 22-25 and pages 60-61, pages 26-31, page 43, note 40 on pages 70-71	Pages 30-33 and pages 61-63, pages 34-38, page 44, note 39 on pages 72-73	Pages 30-33 and pages 66-68, pages 34-38, page 44, note 38 on pages 72-73
Related party transactions	Pages 26-27 and note 52 on pages 76-77	Pages 34-35 and note 50 on pages 78-79	Pages 34-35 and note 49 on pages 78-79
Information on audit committee	Supervisory Board report, page 20	Managing Board report, page 10 and Supervisory Board report, pages 11-12 and note 5 on page 39	Supervisory Board report, pages 11-12

Specific information	Can be found on the pages of the Cooperative Annual Report		
	2017	2016	2015
Cash and currency management	Pages 25 and 35-36	Pages 9 and 33	Pages 9 and 33

Specific information	Articles of Association
Description of conditions governing the manner in which annual meetings and extraordinary meetings of shareholders are called	Articles 15-26 of the Articles of Association
A description of the Cooperative's object and purposes	Article 3 of the Articles of Association

7.2 History and mission of the Cooperative

The Cooperative is an initiative which was inspired, founded and incorporated by the World Council of Churches (www.oikoumene.org) together with the Council of Churches in the Netherlands on 4 November 1975 under the laws of the Netherlands.

History and important events in the development of the Cooperative

The Cooperative was founded to provide churches and church-related organisations with an investment tool aimed at supporting disadvantaged people in low-income countries. It is the Cooperative's objective to make a lasting contribution to the struggle against poverty in developing countries. The aim has been to invest in justice by financing the productive enterprises of disadvantaged people. The Oikocredit International Office was established in Amersfoort, the Netherlands.

The first Support Association was established in 1976 in the Netherlands. Today, these Support Associations by far attract the largest part of the Share capital through their work. Support Associations raise people's awareness in their regions about the importance of development and socially responsible investments.

Support Associations are independent organisations mainly set up by and composed of individuals in the country of their origin and consist mainly of volunteers. Support Associations raise capital exclusively for the Cooperative. The way in which Support Associations offer the opportunity to invest in the Cooperative differs for each country and depends on, among other things, the local regulatory environment. An example is the establishment of a Support Association in the Netherlands: Oikocredit Support Association Netherlands (Oikocredit *Ontwikkelingsvereniging* Nederland) - www.oikocredit.nl.

In total, as at 31 December 2017 the Cooperative had approximately 56,000 investors (50,000 individuals and 6,000 church parishes, congregations and other organisations) indirectly via the 28 Support Associations and OISF or directly by 567 Members. Together, the Support Associations attracted around 80% of the Cooperative's total share capital as at 31 December 2017. Not all the Support Associations directly raise investment for the Cooperative, and they focus on raising general awareness of the Cooperative's work in developing countries, as well as wider development education. See section 7.7 for more information on the activities of the Cooperative.

The Support Associations are located in Europe, Asia and North America in the following countries:

- *Europe:* Austria, Belgium, France, Germany, Italy, the Netherlands, Spain and Switzerland.
- *Asia:* Japan and South Korea.
- *North America:* Canada and the USA.

The Cooperative's first loan was granted in 1978 to a Partner in Ecuador and since then the Member capital of the Cooperative has grown to around:

Year	Member Capital (€ million)
1993	€ 50
1998	€ 100
2004	€ 200
2009	€ 400
2011	€ 500
2016	€ 900
2017	€ 1,000

In 1999, the Cooperative decided to change its name from "Ecumenical Development Cooperative Society U.A. (EDCS)" to "OIKOCREDIT, Ecumenical Development Co-operative Society U.A.". It is often referred to simply as "Oikocredit" although this is also the name given to the Support Association, which are different legal entities in their own countries.

The Cooperative is in many respects a unique organisation, as it:

- provides long-term financing to low-income people who might not be able to get a loan from a commercial bank;
- has a network of regional and country offices, despite its relatively small size;
- is one of the few cooperative societies operating with a worldwide membership of investors;
- runs its operations with the predominant aim of a limited financial return as well as a social and environmental return for its investors.

The mission and vision

- **Mission** – The Cooperative challenges all to invest responsibly. It provides financial services and supports organisations to improve the quality of life of low-income people or communities in a sustainable way.
- **Vision** - A global, just society in which resources are shared sustainably and all people are empowered with the choices they need to create a life of dignity.

Values

- **Sharing** - The Cooperative provides a vehicle for meaningful sharing. An uneven distribution of resources, wealth and power can lead to a world of conflict. When the global community is prepared to share what they have, respect each other and work together, justice and peace can prevail.
- **Ecumenical spirit** - Around the world, people of faith and others are willing to share their resources. The Cooperative forms part of that worldwide coalition of solidarity.
- **Grassroots** - Development is most effective when it stems from grassroots. In the cooperative culture of the Cooperative, people's initiative and participation are central to all acts and policies.
- **People** - The Cooperative supports organisations that provide financial opportunities to disadvantaged people irrespective of their faith, culture, age or gender.
- **Integrity** - Respect between people implies honesty and truthfulness. The Cooperative is determined to listen with an open mind and communicate in full transparency on all parameters of its own policies.
- **Environment** - A balanced ecosystem is the basis for life and as such, should be preserved. The Cooperative believes that a healthy balance in nature can only be achieved in a world where resources and power are spread evenly.

Objective of the Cooperative

The purpose of the Cooperative is to promote the interest of its Members in the field of international development and to promote economic growth together with social justice and self-reliance, in low-income countries, in a manner consistent with the moral and social principles of the World Council of Churches. The development process shall be promoted through the provision of financial services made in accordance with responsible financial management and through education and guidance with regard to the social performance of Partners.

For further details about the Cooperative's objectives, please refer to article 3 of the Articles of Association.

7.3 Use of proceeds

There is no restriction for purposes of the use of capital. By continuously issuing Shares to its Members, the Cooperative mobilises the capital needed to carry out its mission of development financing through Partner Funding and invests its excess cash in its Term Investment portfolio.

7.4 The Alternative Investment Fund Managers Directive

The Alternative Investment Fund Managers Directive (AIFMD) came into effect in July 2013 in the Netherlands and aims to regulate certain collective investment undertakings, which includes a license obligation and continuous regulatory requirements for the manager of the collective investment undertaking. The Cooperative is of the opinion that it does not qualify as a collective investment undertaking in meaning of the AIFMD as implemented into the Act on Financial Supervision (*Wet op het financieel toezicht*) and, therefore, is not subject to the regulations under the Dutch implementation of the AIFMD.

7.5 Strategy of the Cooperative

In response to the challenges of a rapidly and continuously changing environment, the Cooperative has updated its 2016–2020 strategy. Having undertaken a thorough review of the context, the Board has developed a high-level strategy for 2018–2022 which started implementation in 2017. The updated strategy aims to increase focus on specific regions as well as turn the focus inward for internal professionalisation of IT systems and internal capacity building, hence the two Managing Board positions which were created early 2018. The 2016–2020 strategy focused on diversification, business development and innovation.

The strategy process has reaffirmed the ambition to serve low-income people and communities. The Cooperative will do so in markets where need and opportunity are greatest and where it can maximise social impact, while safeguarding the environment and generating fair financial returns. The Cooperative expects to build on its strengths, such as its worldwide network developed over the decades, its local presence, the strength of its partnerships and its cooperative Member base. The goal is to grow its global Member community and at the same time become the preferred social investor for its Partners. Where once the Cooperative was a pioneer, it now aims to act as a catalyst to bring together different actors and jointly achieve social change.

In the first phase of implementation, the Cooperative will sharpen its focus on specific countries within Latin America, Africa and Asia. The second phase will concentrate its efforts on core organisational priorities, reducing complexity and increasing efficiency through a review of its processes and operating model. Strengthening the capabilities of the organisation, its people and its systems will be key. The Managing Board and the Supervisory Board are confident about the plans to address the challenges mentioned above, the role of the Cooperative and the way forward. The Boards see the experience of the staff, the strong Partner network and the support of the loyal investor base, who remain passionate about the mission of the Cooperative, as among the many assets and achievements.

7.6 General structure of the Cooperative Group of companies

The Cooperative forms the head of a group, as defined in section 2:24b of the Dutch Civil Code (*Burgerlijk Wetboek*). The Group includes the Cooperative itself, including its offices abroad, and its subsidiaries and other entities in which the Cooperative exercises direct or indirect control based on a shareholding of more than 50%, control through voting rights, or whose financial and operating policies it otherwise has the power to govern.

The Cooperative operates directly in the following countries, through its offices or its subsidiaries or through other entities of the Group, whose offices may or may not have legal status according to the laws of the country concerned: Argentina, Benin, Bolivia, Brazil, Cambodia, Costa Rica, Ecuador, El Salvador, Ghana, Guatemala, India, Ivory Coast, Kenya, Mali, Mexico, Nicaragua, Nigeria, Paraguay, Peru, the Philippines, Rwanda, Senegal, Uganda, Ukraine, and Uruguay.

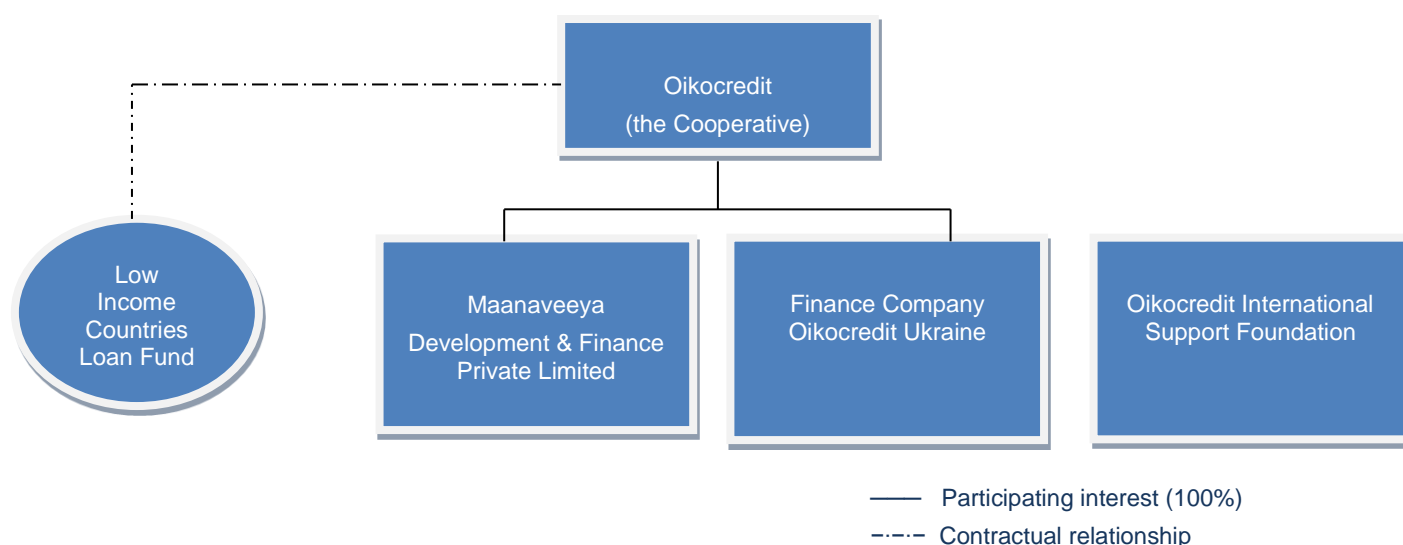
The Cooperative also has offices (called “National Support Offices”) in Austria, Canada, France, Germany and the United Kingdom. These offices raise awareness of the Cooperative, build strategic partnerships and liaise with the Support Associations (if applicable).

Material entities

The following entities within the Cooperative Group are considered to have material importance, because of certain activities these companies conduct, for example lending and/or financing:

- ***Maanaveeya Development & Finance Private Limited, India.*** A wholly owned subsidiary of the Cooperative in India which conducts its development financing activities in India.
- ***Finance Company Oikocredit Ukraine, Ukraine.*** A wholly owned subsidiary of the Cooperative in Ukraine which conducts its development financing activities in Ukraine.
- ***Oikocredit International Support Foundation, the Netherlands.*** The Oikocredit International Support Foundation (ISUP) was established on 10 March 1995, in Amersfoort, as a foundation (*stichting*) under the laws of the Netherlands. The main purpose of ISUP is to promote the provision of microfinance and other forms of development finance to support enterprise initiatives by local people in developing countries lacking an adequate banking network available to fund such initiatives, and to promote the provision of anything related to this, or which may be conducive to achieving this goal.
- ***Low Income Countries Loan Fund, the Netherlands (LIC Loan Fund).*** The Cooperative has developed the LIC Loan Fund which invests in Partners in low-income countries. This fund has been created as a restricted, closed-end, tax transparent investment fund (*‘beleggingsfonds’*). The fund is not an incorporated legal entity, but an unincorporated fund for joint account (*‘fonds voor gemene rekening’*). The fund and the participations will not be listed on any stock exchange. The Cooperative acts as fund manager of the Low Income Countries Loan Fund. In June 2017 the LIC Fund reached the end of its five-year investment period. In November 2017 the terms and conditions of the LIC Loan Fund were amended to allow for the distribution of distributable assets. Since December 2017 and until the end of the life of the LIC Loan Fund on 30 June 2022, distributable assets are distributed to the participants of the LIC Loan Fund in proportion to the capital contributions made by the participants. Participants are the persons that are holders of participations in the LIC Loan Fund admitted as such to the fund by the Cooperative, subject to the unanimous approval of the meeting of participants.

Chart showing material entities in the Cooperative Group



The Cooperative operational structure

The Cooperative operation is structured to manage the primary processes of attracting capital in order to offer Partner Funding of loans and equity investment with the maximum efficiency. The Regional Manager or Regional Director (RM/RD) who manages a regional office or Regional Development Centre of the Cooperative is responsible for identifying and reviewing Partners that are presented for funding (generally in the form of loans, equity or guarantees). The Managing Board has established a credit committee, which approves Partners that are presented for funding. Upon approval by the credit committee, the legal department, together with the RMs, the potential Partner and local lawyers draft loan agreements, establish collateral papers and take all necessary steps to obtain any government approval required, before payments can be made. In addition, equity investments are managed by the equity department and decisions are made by the Oikocredit Investment Committee (OIC). Investments above € 10,000,000 require Supervisory Board approval.

As the Cooperative is financially dependent on timely interest and loan repayments by Partners, a great deal of attention is paid to monitoring loans. Detailed procedures are in place, determining which steps are to be taken in the event that payments are delayed. The credit and legal departments of the Cooperative play a crucial role in this process. The Cooperative also has a special collections unit, taking care of Partners in arrears and difficult cases. Legal proceedings against Partners will be commenced in the event of continuing default in making loan repayments to the Cooperative. If applicable and considered necessary, the Cooperative will take steps to recover a defaulting loan through the sale of the collateral.

The following departments are based at the Cooperative's office in the Netherlands:

- Investor relations and social performance;
- Investments;
- Finance;
- Risk and Compliance
- Human Resources
- Internal Audit
- Central functions, consisting of:
 - Communication
 - Legal
 - IT & Operations

The average number of employees who were directly or indirectly employed by the Cooperative in 2017 on the basis of full-time equivalents (FTEs) amounted to 290 (for 2016 it was 269, and for 2015 it was 258).

7.7 Description of activities: loans and investments (development financing)

Development financing

The Cooperative's goal is to promote sustainable development by providing loans, equity investments and capacity building support to Partner organisations active in inclusive finance, agriculture and renewable energy projects in developing countries. Working closely with its Partners and answering their needs are at the core of the Cooperative's work. The 2017 partner satisfaction survey helped the Supervisory Board and Managing Board understand how the Cooperative adds value and where it can improve. The results highlighted how highly Partner organisations regard the Cooperative's support and were very helpful in clarifying its strengths and weaknesses.

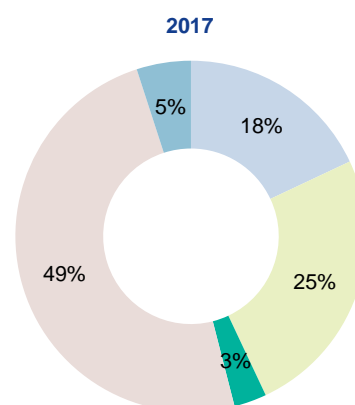
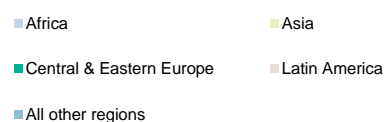
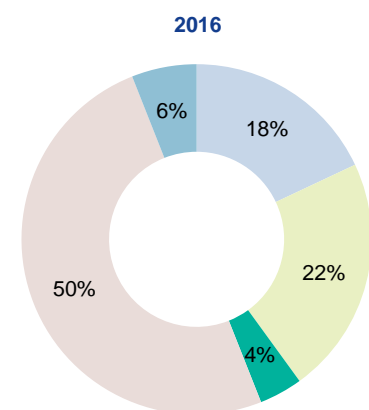
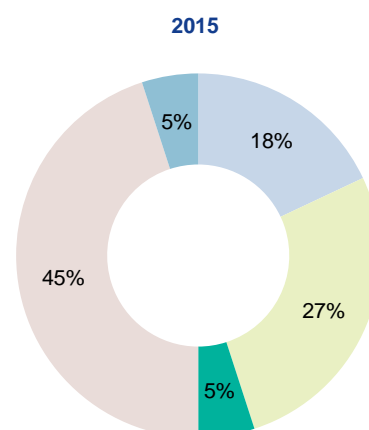
The funding of Partners by the Cooperative mainly takes the form of loans with an average loan repayment period of around four years. Equity funding accounts for the remaining funding. The goal is to grow the equity portfolio to 15% of the total development financing portfolio by 2021.

Partner Funding outstanding	31/12/2017	31/12/2016	31/12/2015
Loans	86%	89%	91%
Equity	14%	11%	9%

Partner Funding outstanding	31/12/2017	31/12/2016	31/12/2015
USD	42%	42%	41%
EUR	6%	5%	6%
Other currencies	52%	53%	53%

The active Partner portfolio of the Cooperative (consisting of approved and disbursed funding) amounted to 747 Partners in 71 countries for a total of approximately € 1.2 billion at 31 December 2017 (€ 1.3 billion at 31/12/2016 and € 1.2 billion at 31/12/2015), of which approximately € 982 million was outstanding as at 31 December 2017 (€ 1.0 billion at 31/12/2016 and € 900 million at 31/12/2015).

The outstanding development financing per region at 31/12/2017, 31/12/2016 and 31/12/2015 is shown in the following charts.



The above-mentioned graphs show the principal markets in which the Cooperative operates. The countries where the Cooperative invested the largest percentage of total Partner Funding as at 31 December 2017 were as follows:

Countries invested in (> 4% of total outstanding)	31-12-17	31-12-16	31-12-15
India	10%	9%	11%
Bolivia	7%	8%	7%
Cambodia	6%	5%	8%
Ecuador	6%	6%	6%
Paraguay	5%	6%	6%

NB: all other countries invested in were below 4%.

The loans range from a minimum of € 50,000 to a maximum of € 10 million. Supervisory Board approval is needed for exposures exceeding € 10 million. Equity investments are typically between € 2 million and € 10 million, for a 15% to 35% significant majority stake and usually an entitlement to a board seat. Smaller loans are offered to organisations that in most cases have been rejected by their local banks for being insufficiently creditworthy. One of the most common reasons for rejection is insufficient collateral.

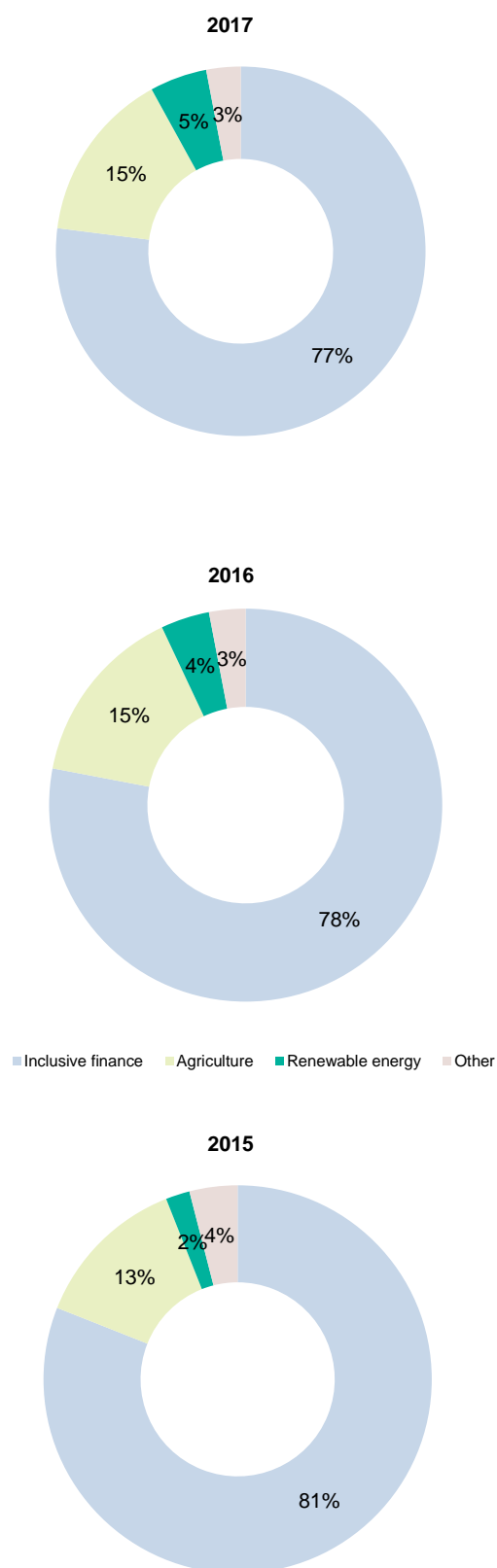
Larger loans within the above-mentioned range are generally offered to MFIs. These institutions are local financial institutions and intermediaries that use the funds to support large numbers of low-income people directly with small loans. Recently, relatively larger loans have also been offered to renewable energy projects. In specific cases, funds are also made available in the form of guarantees, or through direct or indirect capital participations. Loan agreements and guarantees are drawn up in accordance with the local law of the country where the loan or guarantee is to be made.

The Cooperative's portfolio performance in low-income countries may further be affected by existing governmental, economic and political problems which could result in non-payment due to a currency crisis, political measures taken to prevent payment to institutions situated outside their country, or a deteriorating internal economic situation.

New initiatives 2017 to 2018

The Cooperative has conducted a review of its strategy in 2017. The implementation started in November 2017. In the first phase of implementation, the Cooperative will sharpen its focus on specific countries within Latin America, Africa and Asia for investments. Focus will also be applied to countries where investor capital is raised.

The second phase will concentrate its efforts on core organisational priorities, reducing complexity and increasing efficiency through a review of its processes and operating model. Strengthening the capabilities of the organisation, its people and its systems will be key.



The Cooperative welcomed its new director of risk, Laura Pool, who previously was working for Triodos Investment Management, an international impact investor with its headquarters in the Netherlands. She took up her position in December 2017.

In the updated strategy, Human Resources, IT & Operations are a growth area for the Cooperative. Therefore a position in the MB has been created for a director IT & Operations and the vacancy is expected to be filled by Summer 2018. Global Head of HR Petra Lens joined the MB in February 2018 as the newly appointed director of Human Resources.

Credit director Hann Verheijen left the Cooperative at the end of January 2018 after the Credit and Equity departments were combined under the single directorship of the director of investments. Former equity director Bart van Eyk was appointed director of investments in February 2018.

Moreover, a new deputy director for Africa was hired, and the MB welcomed Hans Perk in January 2018 to lead the organisation's engagement with the focus region. Hans previously worked for international development network Solidaridad and Triodos Bank.

Competition

MFIs, offering financial and other services to low-income people, have historically had difficulties financing their operations. However in recent years, more organisations and funds across the world have been offering financing to MFIs, particularly to the larger MFIs. This means that these institutions have had opportunities to get access to loans and equity funding from various national and international sources. The Cooperative therefore has had more competition. However, with a focus on smaller, earlier-stage MFIs and institutions which are more difficult to reach for competitor organisations, the Cooperative adds value due to its unique blend of social mission, local expertise and profile. The Cooperative has:

- been lending to low-income people for over 40 years;
- products and conditions that differ to some extent from those offered by other institutions and organisations (for example: loans in local currencies, long-term loans and patient equity investments to remote institutions which cannot be reached by others);
- capacity building and social performance improvement opportunities to offer to Partners via grants;
- regional and country offices with local experts that have knowledge of the local markets and conditions; and
- a strong position in providing financing opportunities to all types of MFIs, not only the larger ones, but also to the relatively small and less well-known MFIs.

In offering loans and equity to non-MFIs (for example, agricultural cooperatives and other initiatives to the benefit of low-income people), the Cooperative experiences little competition. In principle, normal commercial banks and other institutions which could provide funding do not focus on financing these organisations. Other financing organisations and institutions mainly work in the field of microfinance.

Term Investments (TI)

In order to balance the total risks and for liquidity purposes, the Cooperative has invested a percentage of its financial resources in a Term Investment (TI) portfolio. Around 90% of the TI portfolio can be invested in an ethical bond portfolio and no more than 10% can be invested in shares in socially responsible investment funds.

The Term Investment (bond) portfolio performed well against targets in 2017, although bond yields remain modest. In February 2017 the Cooperative held an internal ethical investment conference in Vienna, where Members and experts were invited to discuss and further develop the term investment policy. Members' recommendations were included in the new policy, which is now in the process of being implemented, with more explicit exclusionary and positive criteria than before.

The fund manager (AXA Investment Managers Paris) managing the TI portfolio screens the investment universe by applying three filters to create a high-quality and ESG-compliant (Environmental, Social and Governance) investment portfolio. The three filters consist of a:

- systematic filter, removes the riskiest bonds from the universe;
- fundamental filter, removes names which have a negative credit review;
- responsible investment filter, removes names and sectors which do not comply with the AXA ESG risk criteria and the Cooperative's own exclusion list.

The Currency Exchange Fund N.V. (TCX)

The Cooperative holds an equity stake – for its own account as well as for third parties – in The Currency Exchange Fund N.V. (TCX). TCX is a special purpose fund that provides “Over-the-counter” (OTC) derivatives to hedge the currency and interest-rate mismatch that is created in cross-border investments between international investors and local borrowers in frontier and less liquid emerging markets. The goal is to promote long-term local currency financing, by contributing to a reduction in the market risks associated with currency mismatches.

The Cooperative was one of the first investors in TCX when TCX was incorporated in 2007. As at 31 December 2017, the Cooperative held 19 shares (nine of which are held on behalf of two other institutions) or 2.0% of the shares in TCX. This represents a value of approximately € 7.1 million. Besides acting as an investor in TCX, the Cooperative also hedges its exposure to local currency with, among others, TCX.

7.8 Risk management

Section 4 of this Prospectus describes the material risks and uncertainties that have been identified by the Cooperative and that are deemed to potentially have a material adverse effect on the Cooperative's business, results of operations or financial condition. This section 7.8 describes if and how the Cooperative manages these risks.

Three lines of defence

Within the Cooperative a "Three Lines of Defence" model is being applied. This model ensures that all staff are aware of their role in managing the risks, as follows.

- In this model the business departments and offices, as the first line of defence, are responsible for executing the daily processes and internal controls and basically manage the risks of their operations on a daily basis.
- The risk department, as the second line of defence, is responsible for the risk management framework and ensures that the relevant risks are properly identified. The department also monitors whether there are sufficient risk mitigation procedures in place within the first line of defence to manage these risks.
- Internal audit, as the third line of defence, provides independent and objective assurance on the governance processes, internal controls and risk management framework, including the effectiveness of the internal controls within the first and second line of defence.

Risk organisation

With the growth of the Cooperative, the risk and compliance functions have developed, resulting in a more independent and formal second line function. A further step was taken in December 2017 with a director of risk being appointed by the Supervisory Board and being part of the Managing Board. The CRO will help to further mould a high-achieving, well-controlled organisation that can safely reach its impact and growth targets.

The risk governance framework comprises the duties and the responsibilities within the risk management organisation, together with the risk committee structure. The Cooperative tests and assesses its internal controls. This is done by the line management (first line of defence), the departments specifically tasked with adequately controlling risks (monitoring and testing by the risk management and compliance function as the second line of defence) and the internal audit function (third line of defence).

The Managing Board has established a risk management committee (RMC). The RMC monitors and evaluates the risks, and the risk policies of the Cooperative, and ensures there are sufficient levels of risk mitigation measures in place within the risk governance framework.

In the course of 2017 the Managing Board also established an asset and liability committee (ALCO), consisting of the director of finance (chair), the director of risk, the corporate treasurer, the financial risk manager and the financial risk analyst. The purpose of this committee is to assist the Managing Board in monitoring and steering the financial risk profile of the Cooperative and ensuring that treasury and lending operations are conducted within the parameters of the treasury and financial risk policies.

In its operating environment and daily activities, the Cooperative encounters risks. Therefore, the Cooperative has an enterprise risk management system to identify the most important risks that may threaten its operations and continuity. The structure of the risk organisation covers all relevant risks for the Cooperative.

Financial risk

The following financial risks have been identified:

- credit risk;
- equity risk;
- liquidity risk;
- foreign currency risk;
- interest rate risk.

Credit risk

Credit risk is defined as the risk that a change in the credit quality of a counterparty (to which the Cooperative has granted loans) will affect the value of the Cooperative's position. Changes in credit quality can, for example, occur due to: specific counterparty risks, the risks relating to the country in which the counterparty conducts its business, and/or the sector risks. The management of credit risk is part of the Cooperative's core business.

Credit risk in development financing portfolio

To mitigate credit risk, all individual loan proposals are assessed by the local management and staff in the developing countries in which the Cooperative works, as well as by analysts in the international office in Amersfoort, the Netherlands. In assessing the financing proposals, predefined criteria should be met. Strengths, weaknesses, opportunities and threats (SWOT) analyses are made and management, financial, legal and social performance analyses take place. Risks are evaluated through an ESG risk score card: scoring the environmental, social and governance (ESG) aspects of the

potential Partner. Where appropriate, credit enhancement is available in the form of collateral and/or third-party guarantees.

The Cooperative's credit committee assesses credit proposals, and consists of: the Managing Director, director of investments, credit deputy director, credit operations deputy director, equity and business development director, investor relations and social performance director, social performance and capacity building deputy director, capacity building manager, financial risk manager and risk specialist, with input from a member of the legal team. At least three credit committee members from different departments need to be present at the meeting to constitute a valid quorum.

To mitigate the concentration risk, as part of credit risk, the Cooperative has established policies based on its risk assessment system to set limits in exposure related to the:

- Amounts outstanding per country and per region (depending on a risk assessment of the countries where the Cooperative operates).
- Amounts outstanding per Partner - amounts over € 10 million need approval from the Supervisory Board.
- Amounts outstanding to a group of companies. A group is defined as two or more counterparties that are interrelated in such a way that they can be considered a single risk.

The observance of these limits is monitored on a periodic basis. These are hard limits and cannot be overruled. However, exchange rate fluctuations can cause the limit to be exceeded (without new investments being made – the limits are designated in EUR). If this is the case, no new investments are made until the capital outstanding has decreased sufficiently to allow for new investments.

Loans overdue - portfolio at risk

As part of managing credit risk, the Cooperative closely monitors the portfolio at risk (PAR) of each individual counterparty that has been financed. The PAR 90 ratio, for loans overdue for more than 90 days, is a key indicator of the credit risk included in the development financing portfolio. As at 31 December 2017 PAR 90 was 4.6% (2016: 4.5%). Loans more than 90 days overdue or rescheduled loans are provisioned, depending on the individual partner's situation or available collateral. A provision for country risks is also established based on the external rating of the country where the Cooperative operates.

Country risk and concentration

Country risk arises from country-specific events that have an impact on the exposure in a specific country, such as those of a political or macroeconomic nature. All investments in low-income countries involve country risk. To limit the country risk, the Cooperative has developed a set of country limits depending on a risk assessment of the countries. The assessment of country risk is, among other things, based on a benchmark of external rating agencies and other internal and external information. The country risks are mitigated through diversification of the geographical distribution of the portfolio across a large number of countries.

Credit risk in Term Investments

The Term Investments in bonds have all been rated 'investment grade' by either Moody's, S&P and/or Fitch, with at least 30% in the AAA range (Aaa-A3) and up to a maximum of 65% in the BBB range. Moreover, it is defined in the investment policy that individual issuers are maximised at 5% of total portfolio for quasi and foreign governments, 2.5% of total portfolio for AAA/AA range, 1.75% of total portfolio for A range and 1.5% of total portfolio for BBB and lower range. The manager of the bond portfolio, AXA Investment Managers Paris, constantly monitors the performance of the bonds and takes appropriate action when necessary. Despite this, a debtor can face sudden downgrades and/or price corrections. Such credit risk must always be taken into account when investing. A maximum of 10% of the total amount available for Term Investments can be invested in shares.

Credit risk counterparty banks

The Cooperative has exposure to credit risk from banks. This exposure consists of the cash balances plus the mark-to-market value of derivative contracts concluded with the bank. The credit risk resulting from derivative contracts relates to contracts to cover the foreign currency risk exposure; these derivative contracts are both forward contracts as well as cross currency swap contracts. Depending on the creditworthiness, assessed with the credit rating of external rating agencies and the credit default swap (CDS) rates, which are a kind of insurance premium for a possible credit default, the Cooperative has set limits per bank. Counterparties have at least a BBB rating. These ratings and limits are monitored regularly.

Equity risk – development financing

Equity risk can be described as the financial risk involved in holding a particular equity stake. The equity risk includes the risk that a change in the credit quality of a counterparty will affect the value of the Cooperative's equity position. Equity investments have different risk characteristics compared with loans: there is a longer lock-up period of capital and no steady cash flow through instalments and interest payments. To mitigate equity risk, all individual investment proposals (equity and equity-related products) are assessed by a specialised equity team members in the developing countries in which the Cooperative works, as well as by the equity department in the international office in Amersfoort, the Netherlands. The assessment involves an extensive due diligence process. In assessing the investment proposals, predefined criteria should be met. Strengths, weaknesses, opportunities and threats (SWOT) analyses are made and management, financial, legal and social performance analyses take place.

The Cooperative's Investment committee, consisting of the Managing Director, the director of risk, the director of investments as well as an independent external advisor, decides on all equity investments. Investment proposals are first processed by the equity department and require initial approval from the equity investment committee. At least three investment committee members need to be present in the meeting to constitute a valid quorum.

There is a risk in equity investment stake-changes influencing the value of the portfolio (for example, due to finding a buyer and realising a responsible exit, specific business and market risks, sector risks, reputational risks and country and currency risks). The risks are reduced by the following:

- A specialised global equity department operates within the Cooperative. This department is responsible for actively managing and monitoring equity investments. While the Cooperative has been making equity investments for more than 15 years, for approximately seven years this role has been carried out by a dedicated department.
- For all equity investments, the Cooperative aims to be entitled to a board seat.

Liquidity risk

Liquidity risk refers to the risk that the Cooperative will encounter difficulty in raising funds and as such is unable to meet its commitments to its investors, partners and other counterparties. Term investments are liquid and not subject to legal or contractual restrictions on their resale. As a result, investments can be easily acquired or disposed of at prices quoted on the various exchanges. This enables the Cooperative to meet its commitments to contracts already entered into and the possible redemptions of Member capital.

Furthermore, the Cooperative is primarily funded by Member capital (87% of total long-term capital resources by the end of 2017). The Articles of Association include provisions that

Shares shall be redeemed no later than five years after a redemption request has been submitted. Redemption will be at the Nominal Value. However, if the Net Asset Value per Share is lower than the Nominal Value per share in the most recent audited (interim) balance sheet preceding the redemption by the Cooperative, the amount payable upon redemption of the share(s) shall not exceed the sum corresponding to the Net Asset Value of the Share(s) according to that balance sheet. Even though the Cooperative has the right to delay redemptions for five years, to date it has never delayed redemptions.

In relation to the foregoing, the Managing Board of the Cooperative has submitted a proposal to the General Meeting, approved by the Supervisory Board, to amend articles 13.1 and 13.2 of the Articles of Association of the Cooperative to provide the Managing Board with the authority to stop accepting redemptions. In summary, if the proposed amendments to article 13 are adopted, the 5-year redemption period is taken out of the articles. This means that, in principle, then, any redemption request might be delayed indefinitely by the Cooperative. Until such time these amendments are put in place, redemption requests can be delayed, but only for a maximum period of 5 years.

If adopted by the General Meeting of the Cooperative, the proposed changes to the Articles of Association of the Cooperative will become effective under the following conditions:

1. a Managing Board resolution to this change (which also includes the intended date of execution of the deed referred to under 3)); and
2. approval by the Supervisory Board of the resolution referred to under 1); and
3. the execution of a notarial deed recording the fulfilment of the conditions precedent referred to under 1) and 2). Article 13 will be effective as per the execution of the deed.

The Managing Board may only pass the resolution referred to under 1. if:

- i. the decision is made to prepare the Cooperative's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS); or
- ii. the Cooperative continues preparing its consolidated financial statements in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the Shares are classified as financial liability under Dutch GAAP as a result of
 - a. changed Dutch GAAP rules; or
 - b. a change in the interpretation of the Dutch GAAP rules by external auditors.

In order to amend article 13 of the Articles of Association of the Cooperative, the majority of the Members at the General Meeting must vote in favour of the said proposal. Therefore, at present, it remains uncertain as to whether the proposal will be approved by the General Meeting.

In relation to the offering and redemption of Shares, the Managing Board of the Cooperative is preparing a policy, subject to the approval of the Supervisory Board. The Managing Board is considering submitting the policy for discussion at the General Meeting. The policy outlines the circumstances in which the Managing Board could (or could not) stop or resume redemption and/or stop, resume, suspend or revoke the offering of Shares.

In addition, the Cooperative is exposed to liquidity risk on break clauses included in financial derivative contracts. These break clauses, which are not unusual, give parties the right and sometimes the obligation to terminate the contract at certain times. The Cooperative may have to pay the market value of the derivative financial instrument in the event a break clause results in termination of the contract. Break clauses only lead to a liquidity risk for the Cooperative when the market value of the financial instrument is negative upon termination date. The liquidity risk of derivatives is limited as we "rebalance" the market value with the counterparty by paying or receiving the change in market value.

Foreign currency risk

Currency risk is defined as the risk that the value of the Cooperative's currency positions will fluctuate due to changes in foreign currency exchange rates. The reporting currency of the Cooperative is the euro. However, a significant part of the Cooperative's outstanding development financing is in US dollars and in domestic currencies. The Cooperative issues US dollar, British pound, Canadian dollar, Swiss franc and Swedish krona denominated Shares which reduces this currency exposure. A result of issuing Shares and receiving loans in US dollars is a better match between assets and liabilities in the different currencies. Declining exchange rates of for example the US dollar, or domestic currencies versus the euro may negatively impact the financial results and the reserves.

It is expected that the Cooperative's US dollar and domestic currency exposure will increase as a result of further growth in the development financing portfolio. This is because most newly issued Member capital tends to be in euro. Taking into account the considerations in the above-mentioned paragraphs, it was decided that the Cooperative hedges at least 50% to 75% of its exposure in US dollars (as at December 2017: 80.9% hedged) with a view to maintaining the value of its Member capital. Derivatives are used for this purpose.

Part of the domestic currency exposures is hedged. For the remaining unhedged part of the domestic currency exposures, the Cooperative has obtained funds (local currency risk funds via the Oikocredit International Support Foundation) to absorb these losses, or part of these losses, should they occur. The Cooperative has set limits to the use of the local currency risk funds for domestic currency lending; any domestic currency lending above these limits should be hedged with external counterparties. The Cooperative also uses a "value-at-risk" based currency risk estimation model, to be able to monitor and manage its foreign currency risk developments.

Interest rate risk

Interest rate risk is defined as the risk that changes in market interest rates will cause fluctuations in the value of the Cooperative's development financing or term investment portfolio.

Interest rate risk in development financing portfolio

The Cooperative has established an interest rate model for interest rates used in loans to its Partners. These loans use base rates in the currencies in which the Cooperative works (Euribor, Libor, swap rates and similar rates) plus surcharges for risks, costs and margin. During 2017 a new interest rate model was developed, which is currently being piloted.

The interest rates on loans denominated in US dollars and euro granted to our Partners are usually fixed for the term of the loan. The loans have an average loan repayment period of around four years. Individual loans can have terms from one up to 20 years. Each year, a proportion of the loan portfolio matures and is repaid. The Cooperative replaces the loans with new loans to new or existing partners. The new loan agreements we enter into are spread over the year.

Changes in market interest rates influence the net present market value of the portfolio of the Cooperative. Fixed interest rates prevail at the moment the Cooperative enters into a new loan agreement. The interest rates on loans granted to our Partners and denominated in the domestic currencies of the countries in which the Cooperative is active are usually variable and repriced quarterly or semi-annually. Therefore, market interest rate developments influence the value of the loan portfolio of the Cooperative stated in domestic currencies in a limited way. The main focus of the Cooperative in concluding derivatives is currency hedging and not interest-rate hedging.

Interest rate risk in Term Investments

The average effective duration of the Term Investment portfolio is a measure of the sensitivity of the fair value of the fixed-interest securities to changes in market interest rates. The management of the Term Investment portfolio aims for a duration of its bond portfolio of approximately 4.5 to 5.5 years (a lower or higher duration can be accepted) and does not normally actively manage interest-rate risks related to its bond portfolios.

Non-financial risk

The following non-financial risks have been identified:

- operational risk;
- compliance risk;
- reputational risk;
- strategic risk.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, or systems or from external events. The Cooperative's objective is to minimise overall operational losses and avoid material losses, as well as to maintain its reputation vis-à-vis investors and Partners as an effective and reliable organisation. To this end, the Cooperative's utilises a cost-benefit approach to putting in place policies, procedures, and systems that are capable of mitigating the impact and/or probability of occurrence of the operational risks inherent in its activities.

During 2017 the Cooperative emphasised the streamlining of operations and optimisation of controls in the areas of development financing, treasury, investor relations, information security, and business continuity. No incidents with a material impact on the Cooperative financial condition took place in 2017.

Compliance risk

Compliance risk is the risk related to the failure to comply with laws/regulations, internal rules/policies, and good business practices. Such failures may lead to regulatory sanctions, financial losses, and reputational damage, hence the Cooperative has a very low tolerance for them. Therefore, internal policies, procedures, and staff training are in place to ensure that a culture of compliance is embedded in all business operations.

During 2017 the Cooperative placed emphasis on optimising processes and providing staff training to ensure continued compliance with know your customer obligations (including anti-money laundering, anti-terrorist financing, the Foreign Account Tax Compliance Act, and the Common Reporting Standard); capital raising regulations; and personal data protection. Organisational transparency and integrity in staff relations was further promoted through the enhancement of the policies for whistleblowing, personal grievances, and the prevention and management of conflicts of interest. In 2017 no significant incidents occurred.

Reputational risk

Reputational risk is the risk that the Cooperative's market position deteriorates due to a negative perception by investors, Partners, counterparties, regulatory authorities, or society as a whole. Typically, reputational risk arises from the failure to manage compliance or operational risk. Therefore, the Cooperative safeguards its reputation by focusing on a robust management of compliance and operational risk. Furthermore, the Cooperative exposure to reputational risk is reduced when staff act consciously in line with the organisation's mission, vision, and values, and by extension, with the expectations of investors. To this end, in its recruitment process, the Cooperative seeks to ensure staff commitment to its mission, vision, and values. Moreover, the Cooperative's investor relations department organises frequent interaction between staff, members (including Support Associations) and investors in order to promote transparency and increase understanding of expectations.

Strategic risk

Strategic risk can be defined as the risk of losses caused by a failure to respond well to changes in the business environment or implementation of strategy, and can potentially have a major impact on the Cooperative's financial situation and ability to meet its strategic objectives. In 2017 with the help of external consultants a full re-assessment of the strategy and business model (products, markets) was performed.

Strategic issues that had an impact in 2017 and are expected to have an impact on the organisation for the years to come, are the low interest rate environment globally and accordingly a need for improved operational efficiency as well as a global increase in regulations that need to be complied with.

7.9 Participation in the Cooperative

Membership of the Cooperative is open to eligible organisations, as governed by the Articles of Association. The Members and eligible organisations are:

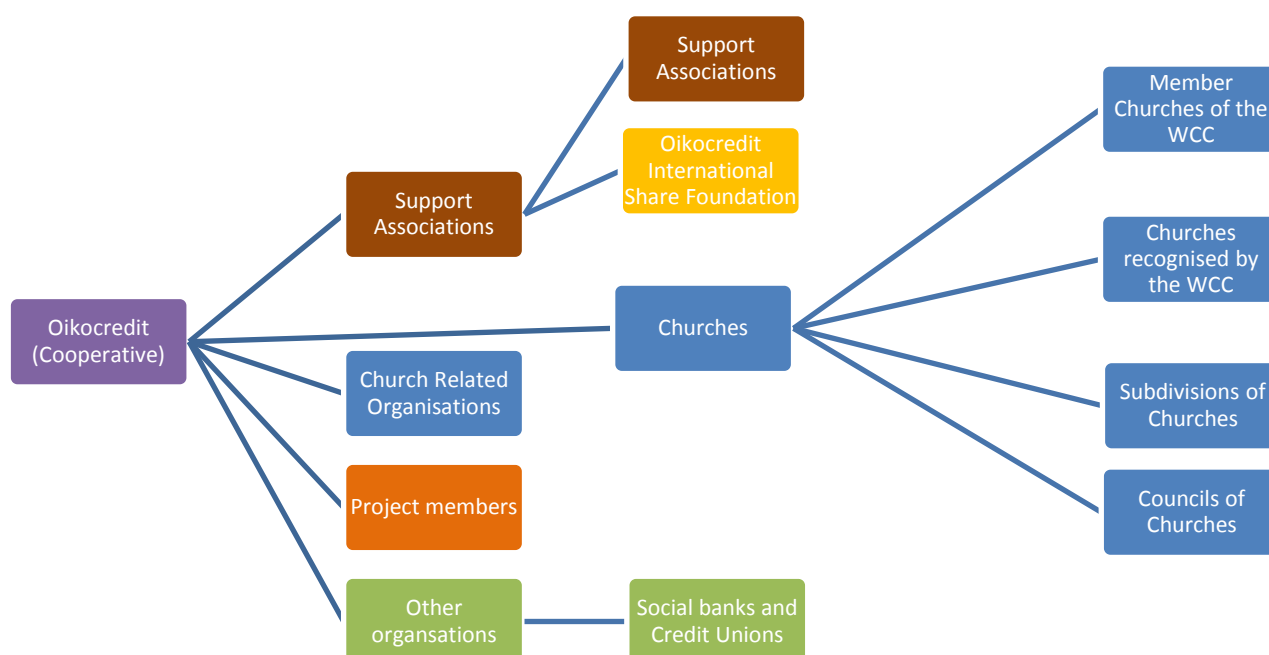
- Member churches of the World Council of Churches;
- Churches that are not members of the World Council of Churches;
- Sub-division of churches and councils of churches;
- Church-related organisations;
- Support Associations;
- Partner members who are invited by the Supervisory Board (SB);
- Other organisations invited by the SB. Additionally these organisations invited to apply must:
 - have a mission and objectives that closely align with the Cooperative's mission;
 - be democratically organised to reflect the views of their constituency or membership; and
 - invest at least € 50,000 in Shares.

Support Associations are established locally within a country or region and can offer individuals and church congregations or parishes an opportunity to invest indirectly in the Cooperative. The Oikocredit International Share Foundation (OISF) is a special type of support association working internationally.

Support Associations are established locally within a country or a region and can offer individuals and church congregations or parishes an opportunity to invest indirectly in the Cooperative.

A full list of the Members is available at: www.oikocredit.coop/invest/membership-of-the-cooperative. For further details of the categories of Membership and rights of Members, please see the Articles of Association which detail the specific categories of membership. These categories are outlined in the chart on the following page.

Chart outlining membership categories in the Cooperative



Applying for Membership

Eligible organisations who wish to become a Member of the Cooperative and would like to invest in the Cooperative can contact the Oikocredit International Office in Amersfoort, the Netherlands, telephone +31 334 224 040, or through the contact options available on the website www.oikocredit.coop and from the addresses shown in section 9.

An application for membership of the Cooperative may be submitted to the Managing Board at any time. A 'know your customer procedure' (KYC) is part of the application process for a membership. Upon approval by the Managing Board and after consultation with the Supervisory Board – provided that the KYC is completed without negative results - Shares can be acquired accordingly by sending the applicable investment amount to the bank account as mentioned on the membership and Share application form. The Managing Board informs new Members of their acceptance in writing. Each new Member is required to purchase a minimum of one share of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200 or the Nominal Value of any other currency in which the Shares are issued by the Cooperative. After receipt of the amount the Cooperative will issue the Shares and will send an account statement to the new Member.

Provided at least one share is held, fractions of Shares may also be purchased. Each Member may exercise one vote at the General Meeting, irrespective of the number of Shares held. All amounts received in excess of the Nominal Value of Shares are used for issuing new share capital to the Member. Therefore, and as fractions of Shares may be purchased, no refunds take place unless a Member requests for redemption of their Shares, or part of their Shares. The redemption of Shares is hereafter described in more detail. Shares are issued on the date the amounts for Share capital are received by the Cooperative from its Members.

The Shares are continuously offered to Members. There is no maximum amount of Shares that can be issued and also no annual maximum. There is no realistic estimation of the proceeds of the share issue and how many Shares will be issued. New Shares issued can be derived from the annual audited consolidated financial statements of the Cooperative, and in general are not publicly announced separately. When Shares are issued to new Members, the shareholdings of the other Members immediately dilute as a result. The amount and percentage of the immediate dilution cannot be calculated as Shares are issued on a continuous basis and the number of Shares that can be offered is unlimited. Shares are registered Shares with a Nominal Value of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200 or the Nominal Value of any other currency in which the Shares are issued by the Cooperative.

Shares are governed by, and shall be construed in accordance with, the laws of the Netherlands. The Managing Board has the discretion to revoke or suspend the offer or to reduce subscriptions. For example, if demand for new development financing is not sufficient or in the event that this development financing does not meet the criteria of the Cooperative within the foreseeable future (in the next three years).

Subscriptions will be refunded via the payment method used for the payment of the subscriptions. No interest will be paid on subscriptions returned. Shares are issued pursuant to a resolution of the Managing Board, after consultation with the Supervisory Board. Consequently, the budget, which takes into account, among other things, the Cooperative's financing plans, is approved by the Managing Board, and Supervisory Board on a yearly basis. As at 31 May 2018, all 5,305,525 Shares have been issued and have been paid in full. The Cooperative has not issued Shares that have not been paid in full.

The Cooperative calculates the Net Asset Value per Share as:

$$\text{Net Asset Value per Share} = \frac{\text{Total Net Asset Value}}{\text{Number of Shares issued}}$$

At the date of this Prospectus the total net asset value of the Cooperative was calculated according to the audited consolidated financial statements of the Cooperative as at 31 December 2017 (as mentioned on page 65 of these statements) and amounts to € 1.1 billion divided by the number of Shares issued. As at 31 December 2017, the Net Asset Value per Share amounts to € 217.91. Changes in the offering price (if any) will be disclosed in an amendment to this Prospectus.

Share Register

Dividend and other shareholders' rights date from the moment the Shares are issued. The Shares are in book entry form, meaning that the Cooperative holds a register stating the number of Shares registered in the name of each Member. Upon the issuance of Shares, the name and details of the shareholder are entered into the share register. Each Member may at any time apply for a certified extract from the register stating the number of Shares registered in its name. No mandatory takeover bid, squeeze-out or sell-out rules apply in relation to the Shares. A public takeover bid with respect to the Cooperative's equity has never occurred. The Cooperative has no intention to have the Shares admitted to trading or distributed on a regulated market.

All Shares entitle the holder to a dividend proportional to the Nominal Value of the Shares. Participants in the General Meeting, having considered the recommendations by the Managing Board, decide how the net profits are allocated. Dividend is paid either by allotting additional fractions of Shares or in cash.

As the Articles of Association (articles 5 and 9) determine that only Members may hold Shares, Members may freely transfer their Shares to other Members upon written notice to the Cooperative, but the Managing Board will obstruct the transfer of Shares by Members to non-Members.

Redemption of Shares

Shares will be redeemed by the Cooperative taking into account the conditions mentioned in article 13 of the current Articles of Association which are as follows:

- Shares shall be redeemed, if a Member has ceased to be a Member of the Cooperative, no later than five years after cessation of membership;
- Shares shall be redeemed no later than five years after the redemption request, without prejudice to what has been provided in article 10 of the Articles of Association, without the Member ceasing its membership of the Cooperative;
- the redemption shall be at Nominal Value. However, if the Net Asset Value per Share is lower than the Nominal Value per share in the most recently audited (interim) balance sheet preceding the redemption by the Cooperative, the amount payable upon redemption of Share(s) shall not exceed the sum corresponding to the Net Asset Value of the Share(s) according to that balance sheet.

Possible amendment to Article 13 regarding the redemption of Shares

In relation to the foregoing, the Managing Board of the Cooperative has submitted a proposal to the General Meeting, approved by the Supervisory Board, to amend articles 13.1 and 13.2 of the Articles of Association of the Cooperative to provide the Managing Board with the authority to stop accepting redemptions. In summary, if the proposed amendments to article 13 are adopted, the 5-year redemption period is taken out of the articles. This means that, in principle, then, any redemption request might be delayed indefinitely by the Cooperative. Until such time these amendments are put in place, redemption requests can be delayed, but only for a maximum period of 5 years.

If adopted by the General Meeting of the Cooperative, the proposed changes to the Articles of Association of the Cooperative will become effective under the following conditions:

1. a Managing Board resolution to this change (which also includes the intended date of execution of the deed referred to under 3)); and
2. approval by the Supervisory Board of the resolution referred to under 1); and
3. the execution of a notarial deed recording the fulfilment of the conditions precedent referred to under 1) and 2). Article 13 will be effective as per the execution of the deed.

The Managing Board may only pass the resolution referred to under 1. if:

- i. the decision is made to prepare the Cooperative's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS); or
- ii. the Cooperative continues preparing its consolidated financial statements in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the Shares are classified as financial liability under Dutch GAAP as a result of
 - a. changed Dutch GAAP rules; or
 - b. a change in the interpretation of the Dutch GAAP rules by external auditors.

In order to amend article 13 of the Articles of Association of the Cooperative, the majority of the Members at the General Meeting must vote in favour of the said proposal. Therefore, at present, it remains uncertain as to whether the proposal will be approved by the General Meeting.

In relation to the offering and redemption of Shares, the Managing Board of the Cooperative is preparing a policy, subject to the approval of the Supervisory Board. The Managing Board is considering submitting the policy for discussion at the General Meeting. The policy outlines the circumstances in which the Managing Board could (or could not) stop or resume redemption and/or stop, resume, suspend or revoke the offering of Shares.

There is no obligation under Dutch Law or under the Articles of Association that Members need to disclose their interest in the Cooperative. As stated elsewhere in this Prospectus, Members have one vote per member at a General Meeting irrespective of the size of the shareholding.

7.10 Legal structure

The Cooperative is a cooperative society with excluded liability ("*coöperatie met uitsluiting van aansprakelijkheid*") incorporated and operating under Dutch law. The Cooperative has its statutory office in Amersfoort, the Netherlands and its head office at Berkenweg 7, 3818 LA in Amersfoort, the Netherlands, and is registered at the *Gooi- Eem- and Flevoland* Chamber of Commerce in Amersfoort, the Netherlands, under number 31020744. The Dutch Corporate Governance Code is not applicable to the Cooperative as its Shares are not listed on a government recognised stock exchange. Nevertheless, to the extent relevant, the Cooperative has integrated best practices from the Dutch Corporate Governance Code into its Articles of Association and rules for both its Supervisory Board and Managing Board. The NCR, the Dutch Council for Cooperatives, Governance Code is applied voluntarily by Dutch cooperatives, see website www.cooperatie.nl/english-summary.

For a formal description of the objectives of the Cooperative, please refer to article 3 of the Articles of Association. The Articles of Association may be modified at the General Meeting as stipulated in article 15 of the Articles of Association; however alteration of the Articles of Association may at no time result in increased liability of the Members (article 12). Election and cessation of membership to the Cooperative is conducted at the General Meeting. Members shall be liable only for the obligations imposed upon them by the Articles of Association. Liability of the Members for debts to the Cooperative is expressly excluded.

7.11 Financial position

The Cooperative's overall results were substantially lower than in the previous year. Income after taxation was negative, with a loss of € 20.0 million (following a profit of € 42.1 million in 2016). This was mainly a result of the euro's strengthening and associated exchange rate differences, with the local currency result € 48.7 million negative. In line with the purpose of the local currency risk fund, this was used to counteract part of the negative result. The addition from the fund to the Cooperative's income was € 38.6 million.

Income after releases from funds was positive at € 18.4 million (€ 29.0 million in 2016) as a result of the drawdown from the local currency risk fund, while total operating income fell from € 104.9 million to € 27.9 million. Hedging costs increased from € 5.5 million to € 11.5 million. In contrast to the previous year, there were no large gains from the sale of equity investments.

The following financial information (the complete section 7.11) is, unless stated otherwise, extracted from the audited annual accounts of the Cooperative over 2017, 2016 and 2015. The financial information must be read together with the presented annual accounts. The audited annual accounts over 2017, 2016 and 2015, including the relevant auditor's opinion, are incorporated by reference in this Prospectus (please refer to the table in section 7.1 of this Prospectus for a reference to the information in the audited annual accounts). The audited consolidated financial statements of the Cooperative comply with the Generally Accepted Accounting Principles (Dutch GAAP) in the Netherlands.

CONSOLIDATED BALANCE SHEET	31-12-17	31-12-16	31-12-15
(before appropriation of net income)	EUR ,000	EUR ,000	EUR ,000
NON-CURRENT ASSETS			
Intangible fixed assets	1,132	1,024	1,182
Tangible assets	2,247	1,328	623
Financial assets			
Development financing:			
Outstanding partner financing	981,664	1,047,226	900,153
Less: - loss provision	(69,329)	(77,513)	(64,478)
	912,335	969,713	835,675

Term investments	149,851	112,807	120,188
Other financial fixed assets	3,220	998	1,024
	1,065,406	1,083,518	956,887
Total non-current assets	1,068,785	1,085,870	958,692
CURRENT ASSETS			
Receivables and other current assets	31,936	27,958	25,442
Cash and banks	119,324	95,447	42,214
Total	151,260	123,405	67,656
TOTAL	1,220,045	1,209,275	1,026,348
GROUP EQUITY AND FUNDS			
Member capital ¹	1,012,421	912,968	806,277
General and other reserves and funds	91,680	122,208	108,674
Undistributed net income for the year	18,439	29,003	15,371
	1,122,540	1,064,179	930,322
Third-party interests	2,703	4,959	4,680
Total group equity and funds	1,125,243	1,069,138	935,002
PROVISIONS	1,582	-	-
LIABILITIES			
Non-current liabilities	56,934	39,877	34,090
Current liabilities	36,286	100,260	57,256
	93,220	140,137	91,346
TOTAL	1,220,045	1,209,275	1,026,348

¹ As per the 2015 financial year the Managing Board opted to make use of the exemption in Dutch Generally Accepted Accounting Principles (GAAP) to classify Member capital (shares in euro and foreign currencies) as equity (RJ 290.808) in the consolidated financial statements. Given the identical subordination and features in the event of dissolution of the Society, the Managing Board believes that the presentation of all Member capital as equity reflects the nature of these instruments.

CONSOLIDATED INCOME STATEMENT	2017	2016	2015
	EUR ,000	EUR ,000	EUR ,000
INCOME			
Interest and similar income			
Interest on development financing portfolio	80,726	77,216	68,572
Interest on term investments	2,548	3,466	3,377
Revaluation of term investments	(858)	(1,088)	(3,094)
Total interest and similar income	82,416	79,594	68,855
Interest and similar expenses			
Interest expenses	(2,068)	(1,544)	(1,381)
Total interest and similar expenses	(2,068)	(1,544)	(1,381)
Income from equity investments			

Result from sale of equity investments	4,395	19,245	442
Dividends	2,465	1,946	2,836
Total income from equity investments	6,860	21,191	3,278
Grant income	894	796	3,436
Other income and expenses			
Exchange rate differences	(48,699)	10,227	(4,672)
Hedge premiums	(11,489)	(5,456)	(5,565)
Other	19	54	47
Total other income and expenses	(60,169)	4,825	(10,190)
TOTAL OPERATING INCOME	27,933	104,862	63,998
GENERAL AND ADMINISTRATIVE EXPENSES			
Personnel	(23,083)	(20,380)	(17,391)
Travel	(1,116)	(1,286)	(1,180)
General and other expenses	(13,359)	(12,299)	(12,793)
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	(37,558)	(33,965)	(31,364)
ADDITIONS TO LOSS PROVISIONS AND IMPAIRMENTS			
Additions to loss provisions	(7,354)	(18,250)	(15,273)
Impairments on equity investments	237	(8,697)	(1,711)
TOTAL ADDITIONS TO LOSS PROVISIONS AND IMPAIRMENTS	(7,117)	(26,947)	(16,984)
INCOME BEFORE TAXATION	(16,742)	43,950	15,650
Taxes	(3,238)	(1,865)	(1,779)
INCOME AFTER TAXATION	(19,980)	42,085	13,871
Third-party interests	(136)	(279)	(28)
Additions to and releases from funds	38,555	(12,803)	1,528
INCOME FOR THE YEAR AFTER ADDITION TO FUNDS	18,439	29,003	15,371

CONSOLIDATED CASH FLOW STATEMENTS	2017	2016	2015
	EUR ,000	EUR ,000	EUR ,000
Income before taxation	(16,742)	43,950	15,650
Adjusted for non-cash items			
Value adjustments loans, equity and receivables	(2,191)	24,159	13,737
Unrealised revaluation term investments	727	1,088	3,094
Depreciation tangible fixed assets	1,091	581	271
Taxes	(3,249)	(1,774)	(1,809)
Exchange adjustments	61,656	(30,125)	(12,219)

Changes in:			
Development financing (disbursements and repayments)	(41,453)	(128,788)	(145,419)
Other financial assets	287	(8)	169
Receivables and other current assets	3,589	(2,816)	(5,525)
Provisions	1,582	0	0
Current liabilities	(48,177)	38,289	18,891
Cash flow from operating activities	(42,875)	(55,444)	(113,160)
Term investments	(37,826)	6,187	31,789
Intangible fixed assets	(325)	(91)	(465)
Tangible fixed assets	(1,349)	(1,037)	(365)
Cash flow from investing activities	(39,500)	5,059	30,959
Member capital (issue and redemptions)	99,453	106,691	95,165
Dividend paid on Member capital	(16,706)	(15,005)	(13,383)
Loans and notes	21,113	11,932	(10,258)
Third-party interests	2,392	0	1,642
Cash flow from financing activities	106,252	103,618	73,166
CHANGES IN CASH AND BANKS	23,877	53,233	(9,035)

	2017	2016	2015
Movements in members' equity and reserves Society	EUR ,000	EUR ,000	EUR ,000
Balance as at 31 December previous year	1,008,545	887,491	787,566
New members' capital issued (net)	99,453	106,691	95,165
Exchange rate differences	(4,275)	365	2,589
Dividends to members	(17,145)	(15,005)	(13,200)
Adjustments prior years	444	-	-
Undistributed net income for the year	18,439	29,003	15,371
Balance as at 31 December	1,105,461	1,008,545	887,491

	2017	2016	2015
Reconciliation between members' equity and reserves Society and consolidated equity and funds	EUR ,000	EUR ,000	EUR ,000
Members' equity and reserves according to Society Financial Statements	1,105,461	1,008,545	887,491
Reclassification of members' capital to non-current liabilities	-	-	-
Reserves and funds Oikocredit International Support Foundation	17,079	55,634	42,831
Reserves Oikocredit International Share Foundation	-	-	-
Revaluation result hedges share capital	-	-	-
Third-party interests	2,703	4,959	4,680
Group equity and funds according to consolidated financial statements	1,125,243	1,069,138	935,002

The most important long-term capital resource of the Cooperative is its Members' capital (87% of total long-term capital resources by the end of 2017). The remaining funding is obtained from long-term loans as well as the reserves of the Cooperative (not including undistributed net income). For the near future, the Cooperative expects that it will be able to obtain its funding mainly in line with the previous years. The Cooperative does not foresee significant changes in the amounts and sources of funding compared to previous years.

More detailed information about the Cooperative's capital resources, cash flows and funding structure is included in the audited annual accounts. This information can be found under the section 'consolidated financial statements' on pages 21 to 61 of the audited annual account 2017 (pages 22-25 contain the balance sheet, income statement and cash flow statement, whereas pages 26-61 contain explanatory notes). A reference to this information and the audited consolidated financial statements 2016 and 2015 is available in the table in section 7.1 of this Prospectus.

In 2016 the Cooperative sold an equity stake in Hattha Kaksekar Ltd, a Cambodian based MFI for € 19.1 million. The sale of this equity stake had a material impact on the total 2016 operating income of the Cooperative.

The information on material changes in revenues is available in the Cooperative's consolidated financial statements. In the Managing Board report as included in the Cooperative's financial statements for 2017, 2016 and 2015, there are comments on the results and specifically on changes in financial income and other income. There are specific comments on pages 7-8 of the consolidated financial statements 2017 under the heading 'Income Statement 2017'. The same applies to pages 8-9 of the consolidated financial statements 2016 under the heading 'Income Statement 2016', and page 8-9 of the consolidated financial statements 2015 under the heading 'Income Statement 2015'.

Additional information on cash position

The Cooperative's cash position up to 31 May 2018 has increased with € 43.6 million to € 162.9 million when compared to 31 December 2017.

Lease of fixed assets

The Cooperative has extended its rental agreement for a duration of seven years, effective from 1 July 2017, for its head office in Amersfoort (total 2,659 m²). The total rent payments amount to € 336,950 per year and are indexed.

Working capital statement

The Cooperative Group has made an analysis of its working capital. Based on this analysis, the Cooperative Group is of the opinion that there is sufficient working capital for the Cooperative Group's requirements for the forthcoming period of 12 months.

Significant changes in the financial or trading position of the group

No significant changes in the financial or trading position of the Group have occurred since 31 December 2017.

Legal and arbitration proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Cooperative is aware), which may have, or have had in the recent past, significant effects on the Cooperative and/or Cooperative Group's financial position or profitability during the previous 12 months.

Members' capital

The issued and paid-up capital of the Cooperative as at 31 December 2017 consists of 4,639,375 Shares with a Nominal Value of EUR 200 each, 54,815 Shares with a Nominal Value of CAD 200 each, 173,568 Shares with a Nominal Value of CHF 250 each, 49,602 Shares with a Nominal Value of SEK 2,000 each and 89,930 Shares with a Nominal Value of USD 200 each.

Movement schedule of the issued share capital in EUR'000:	2017	2016	2015
Balance of 1 January 2017	912,968	806,277	711,112
New shares issued and redeemed during the year (net)	99,453	106,691	95,165
Balance as of December 31 2017	1,012,421	912,968	806,277
Of which:			
- euro Shares	927,875	837,248	737,569
- Shares in other currencies	84,546	75,720	68,708

Reconciliation of numbers of shares	EUR	USD	SEK	GBP	CAD	CHF
as per 31/12/2017						
Shares issued and paid as at 01/01/2017	4,186,242	94,703	47,827	55,195	41,189	148,338
Shares issued and redeemed during the year	453,134	(4,773)	1,775	10,490	13,626	25,230
Shares issued and paid as at 31/12/2017	4,639,375	89,930	49,602	65,685	54,815	173,568

Statement of capitalisation and indebtedness at 31 March 2018

The information provided in the capitalisation and indebtedness statements below was updated on 31 March 2018 and is unaudited and extracted from the accounting records of the Cooperative. The information below should be read together with the Society's and consolidated financial statements as at 31 December 2017, 31 December 2016 and 31 December 2015.

Capitalisation as at 31 March 2018 (all amounts in EUR ,000)	Society	Consolidated
Current debt		
Guaranteed	-	-
Secured ¹	-	10,757
Unguaranteed/unsecured	55,622	27,375
Total current debt	55,622	38,132
Non-current debt		
Guaranteed	-	-
Secured ¹	1,500	6,428
Unguaranteed/unsecured	49,655	54,476
Total non-current debt	51,155	60,904
Member capital and reserves		
Member capital	1,045,919	
Legal reserves ²	(10,569)	
Other reserves [~]	81,984	
Total equity and reserves	1,117,334	
Group equity and funds		
Member capital		1,045,919
Legal reserves		(10,569)
Other reserves		91,445
Total group equity and funds		1,126,795

¹ Loans granted in Indian Rupee by financial institutions to Oikocredits subsidiary in India (Maanaveeya Development & Finance Private Limited) amounting to Euro 10.8 mln current and Euro 8.8 mln non-current. Apart from a loan equivalent to Euro 2.4 mln, securities are in place for all loans with financial institutions. Either Oikocredit has issued corporate guarantees to these financial institutions or a cash deposit was made or Maanaveeya holds a Standby Letter of Credit.

² Changes in this reserve are a result of the exchange rate differences on investments in the Cooperative's subsidiaries in India and the Ukraine.

Indebtedness as at 31 March 2018 (all amounts in EUR ,000)	Consolidated
Liquidity	
A. Cash	151,350
B. Cash equivalent	-
C. Trading securities	-
D. Liquidity (A+B+C)	151,350

E. Current financial receivable	14,177
Current financial debt	
F. Current bank debt	-
G. Current portion of non-current debt	21,653
H. Other current financial debt	-
I. Current financial debt (F+G+H)	21,653
J. Net current financial indebtedness (I-E-D)	(143,874)
Non-current financial debt	
K. Non-current bank loans	59,214
L. Bonds issued	-
M. Other non-current financial debt	-
N. Non-current financial indebtedness (K+L+M)	59,214
O. Net financial indebtedness (J+N)	(84,660)

Other commitments not included in the balance sheet as at 31 March 2018

The rental agreement for seven years, effective from 1 July 2017, with an annual rental amount of € 336,950 per year (indexed) is not included. New loans and financing approved and committed for development financing, but not yet disbursed to Partners as at 31 March 2018 amount to € 212.9 million.

Investments

The estimated figures for 2018 (principal investments and geographical distribution of the investments) are unaudited and extracted from the budget 2018 of the Cooperative.

Principal investments (in EUR 1,000)	2018	2017	2016	2015
	Estimate			
	EUR ,000	EUR ,000	EUR ,000	EUR ,000
Invested (disbursed) development financing during the year ¹⁾ :	394,922	380,212	438,653	418,960
Term investments in bonds and shares:	10,000	37,826	(6,187)	(31,789)
Total (expected) investments	404,922	418,038	432,466	387,171
The investments were- or are expected to be-, financed as follows:				
- Cash from own operations	297,544	297,472	313,843	302,264
- By issuing shares to members	84,200	99,453	106,691	95,165
- Term loans	23,178	21,113	11,932	(10,258)
Total (expected) financing	404,922	418,038	432,466	387,171

¹ During 2018, the expected new commitments for new financing to our Partners amount to € 352 million (commitments in 2017 amounted to € 375 million; 2016 to € 383 million). During 2018, € 437 million is expected to be disbursed while € 380 million was disbursed in 2017 and € 439 million in 2016 to our Partners. As from 1 January 2018 until 01 June 2018 the principal investments amounted to € 132 million and consisted of local currency loans as well as hard currency loans and investments in equity.

The Cooperative currently has credit lines with banks that might be utilised (see for information page 48 of the 2017 financial statements). The Cooperative does not expect any material borrowings from other parties. Please refer to the table in the 'principal investments' section above, which states how the Cooperative will finance its expected investments for 2018.

For more information on the geographical distribution of Partner Funding in 2017, 2016 and 2015, please refer to section 7.7 of this Prospectus.

The expected reinvestments of matured or sold bonds in 2018 will mainly be in bonds issued in euro.

7.12 Governance structure

General Meeting of Members

The General Meeting is the highest body of the Cooperative. It has the following powers, which cannot be delegated to another corporate body:

- the alteration of the Articles of Association;
- the appointment, dismissal and suspension of (i) members of the Supervisory Board, (ii) member-representatives of the nomination committee, (iii) members of the policy committee;
- the appointment of an expert as mentioned in article 34 of the Articles of Association;
- the adoption of the annual accounts, the report of the Managing Board and the report of the Supervisory Board;
- the allocation of profits and the declaration of dividends;
- the release of the Managing Board and of the Supervisory Board;
- the decision of appeals of Members in relation to termination of membership;
- the determination of the remuneration of the members of the Supervisory Board;
- the approval of the profile of the Supervisory Board; and
- resolutions on all matters reserved to it by law.

Every Member has one vote at the General Meeting, regardless of the size of its shareholding in the Cooperative. The Cooperative is therefore not directly or indirectly owned or controlled by others. Members do not have different classes of voting rights. While exercising their voting right at the General Meeting, a Member may be represented by another person on the basis of a written power of attorney. No person may represent more than three Members.

The General Meeting shall be held at the time and place to be determined by the Supervisory Board in consultation with the Managing Board. Every year, at least one General Meeting shall be held within six months after the close of the financial year. An extraordinary General Meeting may be held whenever necessary, in particular in the cases provided for by law, if the Managing Board or the Supervisory Board so decides and pursuant to a resolution of the General Meeting itself.

Notice of the General Meeting shall be given by letter sent to each Member at least 60 days before it is held, not counting the day on which notice of such meeting is given and the day appointed for the meeting. For a complete description of the provisions with respect to the General Meeting, please refer to articles 15-28 of the Articles of Association.

Supervisory Board

Appointment, suspension and removal of members of the Supervisory Board is the competence of the General Meeting. The Supervisory Board supervises the policies pursued by the Managing Board and the general course of affairs in the Cooperative and the business enterprise connected with it. The Supervisory Board shall also assist the Managing Board by actively providing advice. In carrying out its duties, the Supervisory Board shall be guided by the interests and the values of the Cooperative and the business enterprise connected with it, and it will take into account the relevant interests of the Members and other stakeholders. The Supervisory Board will also have due regard for corporate social responsibility issues that are relevant to the business activities. The supervision of the Managing Board by the Supervisory Board will include:

- the realisation of the objectives of the Cooperative;
- strategy and the risks inherent in the business activities;
- the design and effectiveness of the internal risk management and control systems;
- the financial reporting process;
- compliance with regulations and legislation;
- the relationship with Members; and
- corporate social responsibility issues that are relevant to the Cooperative's business.

The Supervisory Board shall consist of 7 to 13 members. The current Supervisory Board consists of 11 members. Members of the Supervisory Board are appointed for a period of three years and may be re-elected for a further three years. The composition of the Supervisory Board shall be such that the members of the Supervisory Board offer a broad diversity of perspectives and are able to act critically and independently of one another, the Managing Board and any particular interest. The composition of the Supervisory Board should reflect the Cooperative's mission and core business in addition to be aligned with its ecumenical character.

From among its members, the Supervisory Board shall elect a chairperson and a vice-chairperson. The Supervisory Board shall meet as often as one or more of its members deem necessary. For a description of the provisions with respect to the Supervisory Board, please refer to articles 29-34 of the Articles of Association.

Audit Committee

The Supervisory Board shall appoint from among its members an Audit Committee, which shall have at least two (2) members. The Supervisory Board shall determine the length of service on the Audit Committee. The Audit Committee members shall be eligible for reappointment.

The Audit Committee shall make and deliver a written report of its deliberations and findings to the Supervisory Board and the General Meeting. In its work, the Audit Committee shall be assisted by the expert referred to in article 34 of the Articles of Association, being an expert (as referred to in article 2:393 of the Dutch Civil Code) appointed by the General Meeting.

The following persons were members of the Audit Committee as at the date of approval of this Prospectus:

- Mr Vincent De Waele (chair, Belgium)
- Mr Vincenz Gora (independent Audit Committee member, Germany)
- Mr Eduardo Jimenez (Philippines)

The Audit Committee will meet at least twice a year, once to discuss the financial accounts for the previous year and once to discuss the budget. The chair of the Audit Committee on request of one of the committee members, or external auditors may request additional meetings if deemed necessary. Special sessions will be held between the Audit Committee and the external auditors only.

Nomination Committee

The Cooperative has a Nomination Committee consisting of five people, three of whom are elected by the General Meeting, one of whom is a member of the Supervisory Board, and one is the Managing Director. The two latter members have an advisory role only.

Members of the Nomination Committee, other than the member of the Supervisory Board and the Managing Director, shall be appointed for a period of three years and shall be eligible for reappointment for one additional term of three years. If for any reason one or more positions on the nomination committee become vacant, the remaining members shall constitute a valid Nomination Committee.

Policy committee

According to article 27 of the Articles of Association, the General Meeting has the right to appoint a Policy Committee to evaluate the implementation of the policy of the Cooperative in a broad sense. There is currently no Policy Committee.

Members' Council

A Members' Council has been established as a discussion and advisory body of the Members and elected by the General Meeting. Such a Members' Council may be terminated by a proposal to, and approval of the General Meeting by a simple majority. The Members' Council consists of at least three (3) people elected by the General Meeting. The General Meeting also determines the maximum number of Members of the Members' Council and the profile for its composition. The Cooperative currently has a Members' Council consisting of seven representatives of the Members. Full details are available at www.oikocredit.coop/about-us/organization/members-council.

Appointment of the members of the Supervisory Board, and the Nomination Committee

According to article 24 of the Articles of Association, the provisional agenda, as described in article 19 of the Articles of Association, shall contain the definitive list of proposed candidate(s) for membership on the Supervisory Board, and the Nomination Committee. The definitive list shall contain particulars with respect to the name and profession of each candidate, as well as the candidate's present and past functions insofar as these are of interest in connection with the performance of the duties for the vacancy.

At the General Meeting, no persons shall be appointed other than the candidate(s) mentioned in the aforementioned definitive list. Votes against a candidate and abstentions shall be permitted.

At a General Meeting where voting takes place to elect members of the Supervisory Board, member-representatives of the nomination committee, the candidates will be appointed if he or she gets more positive than negative votes. In a case where multiple candidates receive more positive than negative votes, the candidate(s) who received the highest number of positive votes, will be appointed. In the event candidates receive an equal number of positive votes, there shall be a run-off election between those candidates.

Selection criteria of Supervisory Board members

The most important criterion for the selection of Supervisory Board members is professional qualification. In respect of its duties, the following competencies should be represented in the Supervisory Board: financial and sector expertise, senior management or governance expertise, expertise in socioeconomic and sustainable development, investor relations/communications/capital formation/fundraising expertise, investment expertise, strategic human resources and organisational development expertise, expertise in cooperative societies and ecumenical experience. At least one member should be a financial expert with relevant knowledge and experience of financial administration and accounting developed in a financial institution.

The Supervisory Board profile, approved by the General Meeting, takes into consideration the nature, roots, size and complexity of the Cooperative as well as its duties, the desired expertise, experience and independence of its members. The Supervisory Board profile also takes into account relevant aspects such as gender, geography and background.

Remuneration of the Supervisory Board

The General Meeting approved a remuneration policy for members of the Supervisory Board on 20 June 2014. There are no service contracts providing for benefits upon termination of employment of the members of the Supervisory Board. Remuneration of Supervisory Board members is described in note 35 of the Cooperative's financial statements 2017 (page 60).

Composition of the Supervisory Board

The following were members of the Supervisory Board as at the date of approval of this Prospectus:

Ms Nereyda Angelica Jacinta Hamann De Vivero (chair since June 2014)

- **SB member since:** 20 June 2012; to retire June 2018
- **Business address:** Av. Velasco Astete 1484, Int. 402 Urb. Chacarilla, Santiago de Surco, Lima, Peru
- **Principal activities outside the Cooperative:**
 - Leader of the project office for Pro Ecclesia Sancta (PES), Peru
 - Consultant in risk management issues, microfinance, project evaluation, analysis of financial systems, financial regulation specialising in microfinance and financial management
- **Positions held in the last five years:**
 - General Manager of Ad Maximam Trinitatis Gloriam (NGO), Peru
 - Manager of Project Office for Pro Ecclesia Sancta (PES), Peru
 - International Consultant in risk management issues, microfinance, project evaluation, analysis of financial systems, financial regulation specialising in microfinance and financial management
- **Experience:** risk management, financial management, credit management, investment fund management and design of enterprise for development programmes in financial, fund management and administration trusts
- **Qualifications:** degree in economics and a diploma in philosophy from the Pontificia Universidad Católica del Peru

Ms Annette Christine Austin

- **SB member since:** 20 June 2014; re-elected in 2017 up to 2020
- **Principal activities outside the Cooperative:**
 - Board member of Oikocredit International Share Foundation, the Netherlands
- **Positions held in the last five years:**
 - Board member of Oikocredit International Share Foundation, the Netherlands
 - Governor Swanlea Business & Enterprise School (resigned June 2017)
 - Director of ACA Assignments Limited, UK
 - Head of conduct risk management, RBS Markets & International Banking, UK
 - Global chief operating officer Markets, RBS Markets & International Banking, UK
 - Global chief operating officer Equities, RBS Global Banking and Markets, UK
- **Experience:** financial, strategic and operational risk management, programme management, leadership, culture and behavioural development in medium and large organisations focused on the banking and financial services sector
- **Qualifications:** Secretariat Course, St George Technical College, Sydney, Australia

Ms Daira Corina Gómez Mora

- **SB member since:** 20 June 2014; re-elected in 2016 up to 2019
- **Principal activities outside the Cooperative:**
 - Executive Director of CEGESTI, Costa Rica
 - Member of the ISO 26000 International Committee on Corporate Social Responsibility
 - Member of the Costa Rican Commission on Gender Equality
 - Member of Global Compact-National Network
- **Positions held in the last five years:**
 - Executive Director of CEGESTI, Costa Rica, since October 2000.
 - Member of the ISO 26000 International Committee on Corporate Social Responsibility.
 - Member of the Costa Rican Commission on Gender Equality
 - Member of Global Compact-National Network

Ms Daira Corina Gómez Mora (continued from page 49)

- **Experience:** management, economic development projects. International expert on sustainable development and social responsibility
- **Qualifications:** Master's in industrial management from the Catholic University of Leuven, Belgium

Mr Karsten Löffler (vice-chair since June 2016)

- **SB member since:** 14 June 2013; re-elected in 2016 up to 2019
- **Principal activities outside the Cooperative:**
 - Co-Head of Frankfurt School – UNEP Collaborating Centre for Climate & Sustainable Energy Finance, Frankfurt School of Finance & Management, Frankfurt, Germany
 - Managing Director Green Finance Cluster Frankfurt e.V.
 - Board member of Oikocredit International Share Foundation, the Netherlands
- **Positions held in the last five years:**
 - Co-Head of Frankfurt School – UNEP Collaborating Centre for Climate & Sustainable Energy Finance, Frankfurt School of Finance & Management, Frankfurt, Germany
 - Managing Director Green Finance Cluster Frankfurt e.V.
 - Board member of Oikocredit International Share Foundation, the Netherlands.
 - Managing director of Allianz Climate Solutions GmbH, Munich (until March 2017)
 - Board member of 2° Investing Initiative Deutschland e.V. (until March 2018)
- **Experience:** management and finance
- **Qualifications:**
 - Diploma in Business Administration from the University of Göttingen (1996)
 - Certified International Investment Analyst (2005)

Ms Åsa Silfverberg

- **SB member since:** 20 June 2014; re-elected in 2017 up to 2020.
- **Principal activities outside the Cooperative**
 - Areas of activities include working globally with business and cultural transformation - designing and facilitating development programmes for NGOs, Fortune 500 companies, start-ups and human rights activists alike. Focusing on people's full potential, building an innovative culture. Quite often in the context of transformative technology.
- **Positions held in the last five years:**
 - Founder of The Collaboration Lab
 - Global Head of Design/Facilitation at Hyper Island
 - Global Manager at The Zone
- **Experience:** Entrepreneurial background, Agency Director at a digital design service agency. Building a global educational business for 10 years, management board membership for 15 years in three different organisations, leadership and organisational development, HRM, business development and capacity building. Designing and facilitating human rights activist programmes for the Swedish Foreign Ministry in the MENA region and in South Asia since 2008.
- **Qualifications:**
 - Educational Psychology and Ethnology at the University of Lund
 - Digital Media Management, Hyper Island
 - Certified Facilitator by the Swedish National Defense University

Ms Carolina Wilhelmina Veldhuijzen van Zanten,

- **SB member since:** 14 June 2013; re-elected in 2016 up to 2019
- **Principal activities outside the Cooperative:**
 - Senior advisor Sustainable Livelihoods for Fairtrade International
- **Positions held in the last five years :**
 - Regional Manager for the Andean region for Fairtrade International
- **Experience:** fair trade, socioeconomic development, sustainable production. Holds a Master's in industrial design engineering from the Technical University of Delft, the Netherlands
- **Qualifications:** Master's in industrial design engineering from the Technical University of Delft

Ms Ruth Wambui Waweru,

- **SB member since:** 12 June 2015; eligible for re-election in 2018 up to 2021
- **Principal activities outside the Cooperative:**
 - Managing Liaison Consulting firm
 - Advisory services to the management team and board of Brookhurst International school
 - Providing governance oversight to various organisations as a board member/director
 - Executive director of Liaison Consulting Limited
 - Vice-chairman and director of Family Bank
 - Director of Kenya Orients Life Assurance Company Limited
 - Finance and personnel committee member of All Africa Conference of Churches
 - Board member of Partners Worldwide a global office and Kenya office
 - Director of Brookhurst International school in Kenya
- **Positions held in the last five years:**
 - Chair audit committee of Oikocredit, Ecumenical Development Co-operative Society U.A., the Netherlands to June 2016
- **Experience:** financial management, strategy formulation and execution, risk management, staff and board capacity building, organisational assessments/restructuring, audits and research
- **Qualifications:** Bachelor's degree in Education from Kenyatta University, Master's degree in Business Administration from Nairobi University and Doctor of Business Administration from Nelson Mandela University, South Africa. Holds various certificates in corporate governance, management and entrepreneurship areas

Mr Vincent Alain Suzanne De Waele

- **SB member since:** 9 June 2016; eligible for re-election in 2019 up to 2022
- **Principal activities outside the Cooperative:**
 - Freelance consultant Changing World
 - Chairman of Oikocredit Belgium
- **Positions held in the last five years:**
 - Freelance consultant Changing World
 - Chairman of Oikocredit Belgium
- **Experience:** Change management and organisational development. Logistics in retail. Finance management
- **Qualifications:** Master of Business Administration from the Université Catholique de Louvain

Mr Eduardo Cabral Jimenez

- **SB member since:** 9 June 2016; eligible for re-election in 2019 up to 2022
- **Principal activities outside the Cooperative :**
 - Microfinance Advisor of the Bangko Sentral ng Pilipinas
 - President/Trustee of Kabalikat para sa Maunlad na Buhay (KMBI), Inc.
 - Board member of World Vision International
- **Positions held in the last five years:**
 - Regional Coordinator for Asia of the Bangkok based, Alliance for Financial Inclusion (AFI)
 - Board member Vision Fund Philippines
- **Experience:** Microfinance and change management. Holds a Bachelor of Science in Economics from the Polytechnic University of the Philippines and his graduate studies focused on public administration and policy at the University of the Philippines Diliman, Philippines, and at Carleton University, Canada
- **Qualifications:** Bachelor of Science in Economics from the Polytechnic University of the Philippines; his graduate studies focused on public administration and policy at the University of the Philippines Diliman, Philippines, and at Carleton University, Canada

Mr Joseph L. Patterson

- **SB member since:** 15 June 2017; eligible for re-election in 2020 up to 2023
- **Principal activities outside the Cooperative :**
 - Social entrepreneur & financial management consultant in Canada, Jamaica and the UK
 - Founder-President of PCG International Inc.
 - Financial Controller for the World Association for Christian Communication (WACC)
 - Co-Chair of the Banking & Finance Committee for the 2018 Parliament of the World's Religions (Toronto, Canada)
- **Positions held in the last five years:**
 - Founder-President of the United Independents' Congress of Jamaica
 - Founder-President of the Youth Enterprise Society of Jamaica.
- **Experience:** business, finance and leadership
- **Qualifications:** Chartered Professional Accountant (CPA) with a bachelor of Accounting Science degree

Mr Vincenz Gora

- **Independent Audit Committee member since:** June 2016, to retire June 2019
- **Principal activities outside the Cooperative:**
 - Freelance consultant in Controlling, Finance and Project management & controlling
- **Positions held in the last five years:**
 - Principal Consultant at Scitus GmbH Frankfurt
 - Chairman of the board Oikocredit Support Association Hessen-Pfalz
- **Experience:** Management, Finance and Consultancy
- **Qualifications:** Diploma in Business Administration, PhD in Forest Entomology, University of Göttingen

Potential conflicts of interest for Supervisory Board members

Members of the Supervisory Board may hold a limited number of shares, participations and depository receipts in one of the Support Associations, Oikocredit Nederland Fonds or the Oikocredit International Share Foundation, which invests in the Shares in the Cooperative. However, all holdings are non-material to Supervisory Board members and in all cases are far below 0.1% of the assets of the cooperative. Supervisory Board members' acquisition and disposal of shares, participations or depository receipts are subject to a personal trading policy.

Potential conflicts of interest are presented by the facts that:

- Ms Austin is chair and member of the board of the Oikocredit International Share Foundation (an Oikocredit EDCS U.A. member);
- Mr Löffler is a board member of the Oikocredit International Share Foundation (an Oikocredit EDCS U.A. member);
- Mr De Waele is chair and member of the board of directors of Oikocredit support association Belgium (an Oikocredit EDCS U.A. member);
- Mr Jimenez is a board member of World Vision International (which owns Vision Fund International, an Oikocredit project partner);
- Ms Waweru is a board member of Family Bank Kenya (an Oikocredit project partner).

In order to mitigate the risks inherent to the facts above, the following measures are in place:

- A board member of an Oikocredit support association will not vote on supervisory board resolutions relating to the dividend or other matters affecting the respective Oikocredit support association. Furthermore, a board member of an Oikocredit support association will not participate in discussions or decision-making of the supervisory board on other matters posing an actual conflict of interest. Whether a matter presents an actual conflict of interest is decided by the chair of the supervisory board on a case-by-case basis.
- A board member of OISF will not participate in discussions or decision-making of the supervisory board involving OISF, if this poses an actual conflict of interest. Whether there is an actual conflict of interest is decided by the chair of the supervisory board on a case-by-case basis.
- A board member of an Oikocredit project partner, or entity related to this partner, will, in the unlikely event that matters relating to this partner or related entity are brought to the supervisory board for discussion or decision, not participate in the discussion or decision-making on these matters.

None of the members of the Supervisory Board have been convicted in relation to fraudulent offences for the previous five years. None of the members of the Supervisory Board have been associated, as members of the administrative, management or supervisory bodies or as senior manager, with bankruptcies, receiverships or liquidations for the previous

five years. None of the members of the Supervisory Board have been involved in official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) for the previous five years. None of the members of the Supervisory Board have been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for the previous five years.

There are no family relationships between any of the members of the Supervisory Board, and the members of the Managing Board.

Managing Board (MB)

The Supervisory Board appoints the members of the Managing Board (MB). According to article 36 of the Articles of Association, the MB shall consist of a minimum of four and a maximum of seven members. The MB shall consist of a Managing Director and other MB members. All MB members are based at the Oikocredit International Office, Berkenweg 7, 3818 LA, Amersfoort.

According to article 41 of the Articles of Association, the MB shall have the widest powers with regard to the management of the Cooperative. It shall have the authority to decide on all matters which are not specifically attributed and reserved to the General Meeting or the Supervisory Board. The MB has the power to delegate its powers to the proxy holders; such delegation can be made subject to conditions and limitations. The MB is responsible for the day-to-day management of the Cooperative.

The Cooperative is represented by the MB and moreover by two members of the MB, or by a member of the MB together with one other proxy holder, or by two proxy holders within the limitations of their powers. Reference is made to article 43 of the Articles of Association.

Composition of the Managing Board

The following are members of the Managing Board as at the date of approval of this Prospectus:

Mr Theodorus Henny Lambertus Johannes Maria Gieskes

- **MB member since:** 1 April 2017
- **Position(s) at the Cooperative:** Managing Director since 1 April 2017
- **Experience:** international business and leadership experience in the financial sector, particularly in rural lending and financing agribusinesses.
- **Qualifications:** Master's degree in development economics and bachelor's degree in macroeconomics from the Vrije Universiteit (VU) Amsterdam. He also worked in Nicaragua as a consultant in development finance, on behalf of the VU.
- **Principal activities prior to joining the Cooperative:** For most of his career, Mr Gieskes worked for Rabobank. In his most recent position, Mr Gieskes worked for six and a half years as the CEO of Rabobank Australia and Managing Director for the Rabobank Australia & New Zealand Group. Prior to this, he was the CEO of Rabobank in Chile for seven years.

Mr Marinus Anthonius van Eyk

- **MB member since:** 1 August 2015
- **Position(s) at the Cooperative:** director of investments since 1 February 2018 and equity and business development director since 1 August 2015
- **Experience:** international banking and leadership, microfinance, business innovation and structured finance in emerging markets
- **Qualifications:** MBA from Nijmegen University
- **Principal activities prior to joining the Cooperative:** prior to joining the Cooperative, Mr van Eyk was founder and CEO of Musoni, the world's first 100% cashless MFI in Kenya

Ms Maria Lourdes Hilado Ledesma

- **MB member since:** 1 April 2012
- **Position(s) at the Cooperative:** director of investor relations and social performance since 1 August 2015 (from 1 June 2016 to 1 April 2017 also acted as interim Managing Director), formerly social performance & credit analysis director of the former Managing Board (at that time a different corporate body than the board) from 2012. From January 1999 to 31 March 2012, Ms Ledesma held the following positions within the Cooperative: manager social performance, manager monitoring, Regional Manager Oikocredit Philippines and Cambodia.
- **Experience:** 23 years' experience in development work
- **Qualifications:** degree in business administration, majoring in finance and management from the University of the Philippines

Ms Maria Lourdes Hilado Ledesma (continued from page 53)

- **Principal activities prior to joining the Cooperative:** Prior to joining the Cooperative, she was consultant program development, management and valuation, projects officer Asia Partnership for Human Development based in Hong Kong and projects evaluator National Secretariat for Social Action, Justice and Peace (NASSA).

Ms Petra Jacqueline Lens

- **MB member since:** 1 February 2018
- **Position(s) at the Cooperative:** director of human resources since 1 February 2018. Ms Lens joined the Cooperative as global head of HR in August 2016.
- **Experience:** HR in international philanthropy and financial services
- **Qualifications:** Bachelor's degree in human resource management from the University of Applied Sciences in Rotterdam. She also attended an executive education programme in human resources strategy at the London Business School.
- **Principal activities prior to joining the Cooperative:** prior to joining Oikocredit, Ms Lens spent over three years as global human resources director for Porticus, an international family-owned philanthropic organisation. This followed the position of human resources manager for family office Anthos (2009 to 2012) and other roles for a domestic insurance cooperative as well as the Dutch cooperative bank Rabobank.

Ms Irene Christa Corine van Oostwaard

- **MB member since:** 1 November 2013
- **Position(s) at the Cooperative:** director of finance and member of the Management Board since 20 June 2014, board member of Maanaveeya. Ms van Oostwaard joined the Cooperative in 2010 as an internal auditor and became deputy director Finance in April 2013.
- **Experience:** accountancy, finance
- **Qualifications:** Ms van Oostwaard is a member of the Netherlands Institute of Chartered Accountants and holds graduate and post-graduate degrees in accountancy from the Vrije Universiteit Amsterdam.
- **Principal activities prior to joining the Cooperative:** Prior to joining the Cooperative, Ms van Oostwaard spent 11 years at PricewaterhouseCoopers accountants in the Netherlands.

Ms Laura Louise Pool

- **MB member since:** 18 December 2017
- **Position(s) at the Cooperative:** director of risk since 18 December 2017.
- **Experience:** risk management and finance in financial industry
- **Qualifications:** Master's degree in tax law from the University of Leiden and a master's in financial economics from TIAS business school.
- **Principal activities prior to joining the Cooperative:** prior to joining the Cooperative, Ms Pool was managing director of risk and finance and a management board member at impact investor Triodos Investment Management. This followed positions as chief financial officer and director of risk at insurance company Nationale Borg and several roles within the ING Group.

Remuneration of management

The remuneration policies, as well as the remuneration of the Managing Director, are determined by the Supervisory Board, by way of its personnel committee. The personnel committee consists of the chair, the vice-chair and another member of the Supervisory Board. All Managing Board members have an employment contract for an indefinite period of time. Remuneration of Managing Board members is described in note 35 of the Cooperative's financial statements 2017 (page 61).

The Managing Director and all personnel at the Amersfoort office and the regional offices reporting to the Managing Director, receive a full salary and related benefits (pension and social security contributions, cost allowances, etc.). There are no service contracts providing for benefits upon termination of employment of members of the Managing Board and the Managing Director.

Composition of the Supervisory Board personnel committee

The following were members of the personnel committee as at the date of approval of this Prospectus:

- Ms Jacinta Hamann de Vivero (Peru) - chair
- Mr Karsten Löffler (Germany)
- Ms Åsa Silfverberg (Sweden)

Potential conflicts of interest of Managing Board members

Members of the Managing Board may hold a limited number of shares, participations and depository receipts in one of the Support Associations, Oikocredit Nederland Fonds or the Oikocredit International Share Foundation, which invests in the Shares in the Cooperative. However, all holdings are non-material to MB members and in all cases are far below 0.1% of the assets of the cooperative. MB members' acquisition and disposal of shares, participations or depository receipts are subject to a personal trading policy.

Potential conflicts of interest are presented by the facts that:

- Ms Ledesma is member of the board of the Oikocredit International Share Foundation (an Oikocredit EDCS U.A. member);
- Mr van Eyk owns shares in a holding company of a company in which the Cooperative invests; the investment reflects less than 1% of the Cooperative's total investments.

In order to mitigate the risks inherent to the facts above, the following general measures are in place:

- A board member of OISF will not participate in discussions or decision-making in meetings of the Managing Board involving OISF, if this poses an actual conflict of interest. Whether there is an actual conflict of interest is decided by the chair of the Managing Board on a case-by-case basis.
- A shareholder of an Oikocredit portfolio company will not be privy to the information about the company; and further not participate and not be present in discussions or decision-making of the Managing Board or other Oikocredit bodies involving this entity.

The members of the Managing Board have not been convicted in relation to fraudulent offences for the previous five years. The members of the Managing Board have not been associated, as members of the administrative, management or supervisory bodies or as senior manager, with bankruptcies, receiverships or liquidations for the previous five years. The members of the Managing Board have not been involved in official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) for the previous five years. The members of the Managing Board have not been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for the previous five years.

7.13 Costs related to continuing issue of Shares

Shares are continuously offered to Members. There is no upfront realistic estimation of the proceeds of the Share issuance and of the number of Shares that will be issued. The reason is that Shares are issued on a continuous basis and the Cooperative cannot assess upfront how many subscriptions will be placed for the continuous offer each year. In the last three years, new Shares issued amounted to:

- 2017: € 99.5 million
- 2016: € 106.7 million
- 2015: € 95.2 million

The issuance of Shares incurs annual costs consisting of the acquisition costs of Share capital such as capital mobilisation, Members' relations, promotions and so on, amounting to approximately € 7.8 million for 2017, including Share administration costs within the Oikocredit International Office. The one-off costs associated with producing the present Prospectus are budgeted at € 75,000. These costs are and will be reflected in the profit and loss account under operating costs. The direct costs of issuing Shares are not separately charged to Members. The annual costs of capital mobilisation and one-off costs associated with producing the present Prospectus are estimated at € 7.3 million for 2018.

7.14 Net income and dividends

The annual net income is calculated by subtracting all operating costs, loan losses and depreciation from the gross income of the Cooperative, in accordance with generally accepted accounting practices in the Netherlands.

Net income available for distribution is calculated by correcting the annual net income with any extraordinary costs or income not arising from normal operations and an addition to the general reserves. The remaining net income available for distribution is paid out as dividend. The distribution of dividends is calculated as follows:

- A dividend of 1/12th of the dividend percentage as approved by the General Meeting for every full calendar month that the Shares were registered.
- Dividends may be payable in the form of one or more fractions of Shares and/or in cash upon the Member's choice.
- Dividends made available in cash which are not claimed within five years shall be forfeited for the benefit of the Cooperative.
- Dividends in amounts below EUR 50, CAD 50, CHF 50, GBP 50, SEK 500, or USD 50, will not be paid out but automatically reinvested.

This dividend calculation method has been applicable since 2012. The General Meeting, after consideration of the Managing Board's proposal, decides on the allocation of annual net income in June for the year following the financial year, upon which the dividend payable is made available as Shares or fractions of Shares issued to the Members or in cash (see also articles 45 and 46 of the Articles of Association).

Dividend proposal 2017

The total proposed dividend for 2017 amounts to € 9.6 million. The proposed dividend per share for 2017 amounts to 1/12th of 1% for every full calendar month of 2017 that the EUR, USD, CAD, CHF, SEK and GBP shares were registered.

Please refer also to the dividend proposal in “Other information” on page 78 in the Cooperative’s consolidated financial statements 2017 as incorporated by reference.

Dividend 2016

The total dividend for 2016 amounted to € 17.1 million. The dividend per share for 2016 amounts to 1/12th of 2% for every full calendar month of 2016 that the EUR, CAD, CHF, GBP, SEK and USD Shares were registered.

Please refer also to the dividend proposal in “Other information” on page 78 in the Cooperative’s consolidated financial statements 2016 as incorporated by reference.

Dividend 2015

The total dividend for 2015 amounted to € 15 million. The dividend per share for 2015 amounted to: 1/12th of 2% for every full calendar month of 2015 that the EUR, CAD, CHF, GBP, SEK and USD Shares were registered

Please refer also to the dividend proposal in “Other information” on page 78 in the Cooperative’s consolidated financial statements 2015 as incorporated by reference.

7.15 Reporting

The Cooperative is legally required to have its consolidated financial statements prepared, audited by its external auditors and reviewed by the audit committee no later than six months after the end of the financial year, but aims to do this within three months after year end. The financial year is equal to the calendar year. The annual accounts, including the audit report, is presented to the General Meeting by 30 June of the year following the financial year concerned, and shall be made available in print to the Members immediately afterwards. Assets and liabilities are valued in the annual accounts of the Cooperative in accordance with Generally Accepted Accounting Practices (GAAP) in the Netherlands.

Every Member annually receives:

- A Members’ email newsletter in January detailing the resolutions of the Supervisory Board during the November Supervisory Board meeting of the previous year and the latest information on the Cooperative;
- A provisional agenda with a proxy form attached in anticipation of the General Meeting;
- Request for Supervisory Board and Members’ council nominations;
- The final agenda of the General Meeting;
- A dividend announcement, which is a letter detailing the dividend payable per Share;
- A Members’ email newsletter in September including the minutes of the last General Meeting and a circular detailing the most important resolutions made by the Supervisory Board during the June meeting.

The annual report and audited consolidated financial statements of the Cooperative are available on the website at: www.oikocredit.coop/publications/annual-reports.

8. Tax aspects of participation in the Cooperative

This section provides a brief summary of the most relevant Dutch tax implications of being a holder of Shares issued by the Cooperative. The summary of the Dutch tax implications is based on current Dutch tax law, case law and policy rules, all as in effect on the date of publication of this Prospectus. Future changes to the Dutch tax regime, with or without retroactive effect, could affect the tax implications as described in this section.

The information below is not to be regarded as specific tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser of Shares. Prospective investors are strongly advised to inform themselves as to the overall tax consequences of purchasing, holding and/or selling Shares.

8.1 Tax position of the Cooperative

Corporate income tax

The Cooperative is liable to Dutch corporate income tax (CIT) at a rate of 25%, with a step up rate of 20% on the first € 200,000 of taxable income (2018 rate).

Dividend withholding tax

No Dutch dividend withholding tax is due on dividends distributed by the Cooperative to its holders of Shares, either resident in the Netherlands or outside the Netherlands.

Gift and inheritance tax

Donations and inheritances received by the Cooperative are subject to gift or inheritance tax if the donor or deceased is a (deemed) resident of the Netherlands for Dutch gift and inheritance tax purposes.

The applicable tax rates vary from 30% to 40% (percentages applicable in 2018). A gift or inheritance up to an amount of € 2,147 (in 2018) per donor or deceased is exempt from Dutch gift and inheritance tax. Donations and inheritances received by the Cooperative are not subject to Dutch gift and inheritance tax, if the donor or deceased is not a (deemed) resident of the Netherlands for gift and inheritance tax purposes.

Value-added tax

The activities of the Cooperative are generally exempt from Dutch value-added tax (VAT, the general consumption tax). No VAT will be due in the Netherlands in respect of payments made in consideration for the issue, transfer or redemption of Shares.

8.2 Tax position of holders of Shares

Holders of Shares that are tax resident in the Netherlands

As the (prospective) holders of Shares are mainly churches and church-related organisations, they will not be subject to Dutch corporate income tax on dividends from and capital gains on the Shares, provided that they:

- are not subject to corporate income tax as a consequence of their legal form; and
- do not carry on a trade or business to which the Shares are attributable.

If a holder of Shares is subject to Dutch corporate income tax, profits from the Shares should not be taxable because of the participation exemption.

In view of article 5 of the Articles of Association, individuals are excluded from becoming or being a Member and thus a holder of Shares. Therefore there is no need to describe the Dutch personal income tax aspects of owning Shares.

Holders of Shares that are not tax resident in the Netherlands

Prospective holders of Shares who are tax resident outside the Netherlands should consult their own professional advisors as to the implications of their subscribing for, purchasing, holding, and/or selling Shares under the tax laws of their jurisdiction.

In general, Dutch corporate income taxation will only arise in case the holder of Shares owns a substantial interest in the Cooperative with the main purpose to evade personal income tax at the level of another person and which is put into place without valid commercial reasons that reflect economic reality. A substantial interest will generally be present if a holder of Shares owns an interest of at least 5% in the annual profit or the liquidation proceeds of the Cooperative. The tax due may be mitigated if a tax treaty is in place between the Netherlands and the resident country of the holder of Shares.

Furthermore, Dutch corporate income taxation will arise in case the holder of Shares carries on a business, or is deemed to carry on a business or part thereof, for example pursuant to a co-entitlement to the net value of an enterprise (medegerechtigde) through a permanent establishment or a permanent representative in the Netherlands to which the Shares are attributable, unless the participation exemption applies to the profits from the Shares.

8.3 Exchange of information

Foreign Account Tax Compliance Act and the Common Reporting Standard

On 1 July 2014 the Foreign Account Tax Compliance Act (FATCA) came into effect. The Netherlands has implemented FATCA in its domestic legislation, as a result of which it exchanges certain information with the United States on financial accounts that U.S. persons maintain with Dutch financial institutions (including the Cooperative).

Furthermore, the Organization of Economic Co-operation and Development (OECD) released the Common Reporting Standard (CRS) and its Commentary on 21 July 2014. Over 60 countries, including the Netherlands, have publicly committed to implement the CRS. On 9 December 2014 Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (DAC2) which provides for mandatory automatic exchange of financial information as foreseen in the OECD global standard. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU (DAC1). Since the CRS and DAC2 were implemented into Dutch legislation as from 1 January 2016, Dutch financial institutions (including the Cooperative) have to identify the account holder's country of residence and in turn exchange specified account information to the home country's tax administration.

9. Address of the Issuer, tax adviser, auditor and legal adviser

Issuer:

OIKOCREDIT, Ecumenical Development
Co-operative Society U.A.
Berkenweg 7
3818 LA Amersfoort
The Netherlands

Tax adviser:

PricewaterhouseCoopers Belastingadviseurs N.V.
Thomas R. Malthusstraat 5
1066 JR Amsterdam
The Netherlands

Auditor: financial years 2015, 2016 and 2017

KPMG Accountants N.V.
Member of the Nederlandse Beroepsorganisatie van
Accountants (NBA)
Laan van Langerhuize 1
1186 DS Amstelveen
The Netherlands

Legal adviser:

Van Benthem & Keulen B.V.
Archimedeslaan 61
3584BA Utrecht
The Netherlands

10. Appendix to this Prospectus

The attached appendix forms an integral part of this Prospectus and must be read with this Prospectus, it concerns:

- Appendix 1: Partner Funding criteria

10.1 Appendix 1: Partner Funding criteria

- The enterprise supported must benefit lower-income people and communities.
- Benefits must be widely spread and not result in the enrichment of a few organisers or investors.
- The enterprise must contribute to the social and economic advancement of the larger community in which it is located.
- Special attention is paid to the ecological impact and the protection of animals and species.
- The cooperative structure is favoured where applicable, because lower-income people can participate directly in the operation and management of the business.
- Preference is given to enterprises in which women are direct beneficiaries and in which they participate in decision-making, in structures and procedures related to the concept, organisation, implementation, control and evaluation.
- The enterprise must be economically viable, with appropriate management and technical leadership, and become self-sustaining within a reasonable period of time, thus allowing the Cooperative's capital participation, loan or guarantee to be phased out.
- There must be a clear need for foreign investment which can be provided within terms that can secure the necessary government approvals and that are beneficial to the Partners.