

## Press release

### Triodos Investment Management in 2018

#### Strong growth following transition SRI-activities

**Zeist, 21 March 2019 – In 2018, the assets under management of Triodos Investment Management grew to EUR 4.2 billion (end of 2017: EUR 3.5 billion). Compared to the year-end figures of 2017, the total volume of the assets under management increased by 21%. Although the large majority of the Triodos investment funds have grown in 2018, the strong growth of the asset under management mainly results from taking on the financial asset management of the discretionary portfolios of Triodos Bank Private Banking Netherlands (18%).**

In 2018, Triodos Investment Management finalised the process of bringing the financial asset management activities in-house for the four Triodos SRI funds and the discretionary portfolios of Triodos Bank Private Banking Netherlands. This transition allows Triodos Investment Management to more holistically integrate the sustainability and financial analysis of public equities and bonds, and by doing so, to be able to realise more positive impact through investing in stock listed companies.

Jacco Minnaar, Chair of the Management Board of Triodos Investment Management: “With a persistently growing market for SRI investing, it is encouraging to see that the investment industry is moving in the right direction. But we need to quicken our pace. It is not enough to invest in best-in-class companies which, within their sector, perhaps belong to the least polluting. By bringing the financial asset management activities in-house, we have integrated the financial and sustainable analysis of listed equities and bonds, allowing us to invest in those companies that are part of a long-term trend and actively contribute to a healthy planet and sustainable societies.”

Also, in 2018, Triodos Investment Management dissolved Triodos Culture Fund, after receiving approval of the shareholders in the fund. The fund's portfolio was transferred to Triodos Bank Netherlands and the shareholders received the full intrinsic value of their investments in the fund. Triodos Culture Fund represented EUR 86 million in assets under management at the time it was dissolved. Dissolving the fund has led to a decrease of 3% in the overall assets under management by Triodos Investment Management.

#### Developments Triodos investment funds in 2018

Triodos investment funds offer investors the opportunity to directly invest in sustainable sectors. These sectors range from inclusive finance, sustainable energy, organic food and agriculture, to listed companies that materially contribute to the transition toward a sustainable society.

In 2018, both Triodos Organic Growth Fund and Triodos Renewables Europe Fund realised significant growth. Triodos Renewables Europe Fund, the fund that invests in small and medium-sized renewable energy projects, grew by 18.5% to EUR 83.0 million. Triodos Organic Growth Fund, the fund that offers investors the opportunity to participate in the growth of the organic consumer and sustainable lifestyle sector in Europe, grew by 12.3% to EUR 55.3 million.

The Triodos SICAV I funds, the funds that invest in listed equities and bonds that actively contribute to the sustainable transition, experienced a combined growth of the assets under management by 5.5% to EUR 1,480.6 million.

Triodos Fair Share Fund and Triodos Microfinance Fund, the funds that invest in financial institutions in emerging markets, realised a growth of respectively 3.5% to EUR 365.6 million and 3.6% to EUR 381.6 million.

Triodos Groenfonds, the fund that invests in green projects that promote sustainable development, grew its assets under management by 4.1% to EUR 884.9 million.

Triodos Multi Impact Fund, the Triodos fund-of-funds, was the only fund that experienced net outflow in 2018. The assets under management decreased by 17.4% to EUR 37.8 million.

The SFRE Fund invested all uninvested capital in 2018. As per the end of 2018 the fund's net asset value was EUR 34.9 million. As per the first of January 2018, Triodos Investment Management has taken on the fund management of this fund. The SFRE Fund was launched in March 2015 by the Global Alliance for Banking on Values (GABV). It is the first global open-ended investment fund created to deploy long-term and mission aligned capital to values-based banks.

## Returns

Based on net asset value the performance as per the last trading date of 2018 was:

Fund	1-year	3-year	5-year
Triodos Groenfonds*	0,3%	1,3%	1,7%
Triodos Fair Share Fund**	4,1%	2,8%	3,2%
Triodos Microfinance Fund (I-cap share class)	4,4%	3,2%	3,8%
Triodos Organic Growth Fund (Q-dis share class)	-6,7%	3,2%	2,4%
Triodos Renewables Europe Fund (Z-cap share class)****	9,5%	2,9%	3,5%
Triodos Sustainable Equity Fund (Z-dis share class)**	-2,0%	1,4%	7,3%
Triodos Sustainable Mixed Fund (Z-dis share class)**	-0,9%	1,0%	4,3%
Triodos Sustainable Pioneer Fund (Z-cap share class)**	-11,3%	-2,8%	5,4%
Triodos Sustainable Bond Fund (Z-dis share class)**	-0,0%	0,9%	2,1%
Triodos Multi Impact Fund (Z-dis share class) ***	-0,8%	0,2%	
SFRE Fund***** (A-USD share class)	-2,7%	-9,9%	

\* Return including reinvestment of dividends, excluding potential fiscal benefit for investors.

\*\* Return including reinvestment of dividends.

\*\*\* This fund was launched on 1 December 2015. The 5-year return is therefore not available.

\*\*\*\* Return including reinvestment of realised gains.

\*\*\*\*\* This fund was launched in March 2015. The 5-year return is therefore not available.

Triodos Renewables Europe Fund realised a return of 9.5% during 2018. This good performance was partly the result of operational improvements made for several assets in the portfolio and the higher than anticipated proceeds from the sale of two projects.

In the fourth quarter of 2018, the SICAV I funds were confronted with falling equity prices, as was the entire industry. As a result of a defensive positioning while facing volatile markets, the four SRI funds were able to deliver relatively good performances compared to the market.

Triodos Organic Growth Fund's negative return of -6.7% is mostly the result of challenging performances of the two Danish companies in the portfolio. The negative performance of -0.8% of Triodos Multi Impact Fund, the Triodos fund-of-funds, is mostly explained by the previously mentioned negative returns of some funds and the low-interest environment. The negative return

of SFRE Fund of -2.7% is for a large part the result of FX fluctuations, predominantly due to a depreciation of the British pound resulting from Brexit.

The returns of the other funds were in line with expectations.

### **Impact Triodos investment funds**

Triodos Investment Management's mission is to make money work for positive social, environmental and cultural change. Through our investments we create positive social, economic and cultural impact in order to contribute to accelerating the transition towards a more sustainable society.

In 2018 this meant:

- contributing to the avoidance of over 2.0 million tonnes of CO2 emissions (2017: 1.5 million) of which 0.4 million tonnes can be attributed to Triodos' financing in the renewable energy projects and, with a total generating capacity of 1,885 MW clean energy, producing the equivalent of the electricity needs of 1,687,000 households worldwide (2017: 733,000);
- over 104,000 smallholder farmers (2017: 146,000) in 13 emerging market countries worldwide were paid directly and fairly upon delivery of their harvest through trade-finance facilities, bringing 12 different agricultural products to international markets from 56,000 hectares of certified organic farmland (2017: 60,000) and an additional 24,000 hectares in conversion (2017: 17,000);
- that the organically managed land on the European farms which Triodos Investment Management financed could produce the equivalent of 8.8 million meals, or enough food to provide a sustainable diet for approximately 8,100 people (2017: 7,300). Together approximately 10,400 hectares of organic farmland was financed across Europe;
- increasing the quality and sustainability of the built environment through the management of a portfolio of sustainable buildings amounting to more than 136,960m<sup>2</sup> for office and other commercial space (2017: 77,000m<sup>2</sup>), that emit almost 33% less CO<sub>2</sub> than the average for buildings;
- providing finance to 103 emerging and well-established financial institutions working for inclusive finance in Latin America, Asia and Africa. These institutions reached approximately 19.2 million customers borrowing for a better quality of life (2017: 20.3 million). Approximately 11.1 million people living on low incomes use savings services offered by these institutions (2017: 15.1 million).

More detailed information on the financial performance of the above-mentioned funds is available through the fund's semi-annual reports, including the audited annual accounts, which will be published on 23 April 2019 via [www.triodos-im.com](http://www.triodos-im.com).

### **About Triodos Investment Management**

Triodos Investment Management connects a broad range of investors who want to make their money work for lasting, positive change with innovative entrepreneurs and sustainable businesses doing just that. In doing so, we serve as a catalyst in sectors that are key in the transition to a world that is fairer, more sustainable and humane.

With our highly professional investment teams, we have built up in-depth knowledge throughout our 25 years of impact investing in sectors such as Energy & Climate, Inclusive Finance, Sustainable Food & Agriculture and Sustainable Real Estate. We also invest in listed companies that materially contribute to the transition toward a sustainable society. Assets under management as per end 2018: EUR 4.2 billion.

Triodos Investment Management is a globally active impact investor and consists of Triodos Investment Management BV and Triodos Investment & Advisory Services BV, both wholly-owned subsidiaries of Triodos Bank NV.

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*Note for the editor:*

*Please note that at the time of issuing this press release, the full audit of the separate Annual Accounts of the funds under management had not yet been finalised. The audited Annual Accounts will be published on 23 April 2019 in the fund's annual reports.*

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