

Press release

Triodos Investment Management in 2020

Stable results Triodos investment funds amidst times of crisis

Zeist, 18 March 2021 – In 2020, Triodos Investment Management’s assets under management increased to EUR 5.4 billion (end of 2019: EUR 4.9 billion). Compared to the year-end figures of 2019, the total volume of the assets under management increased by 10%.

Amidst times of global uncertainty due to the COVID-19 pandemic and its consequences, Triodos Investment Management was able to build on the continued confidence among its investor base, leading to an overall positive result in 2020.

Jacco Minnaar, Chair of the Management Board of Triodos Investment Management: “The year 2020 will go into history as a year of unprecedented impact from the COVID-19 global health and economic crisis. Triodos Investment Management has been able to effectively respond to the many urgent challenges resulting from the pandemic. As a result we have been able to realise solid results, whilst continuing to put finance to work on finding solutions to global challenges. In 2020, the focus was rightly so on managing the COVID-19 crisis, but global challenges such as climate change and increasing inequality should not fade into the background. These challenges are not gone or may even have become worse, and therefore continue to require global attention.”

Development Triodos investment funds in 2020

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 2020, Triodos Energy Transition Europe Fund, the fund that invests in small and medium-sized renewable energy projects, increased its assets under management by 26.9% to EUR 152.2 million. Triodos Food Transition Europe 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 14.9% to EUR 48.4 million.

The Triodos Impact Equities and Bonds Funds (Triodos SICAV I), which invest in listed companies, grew by 21.3% to EUR 2,450.4 million. The assets under management in the discretionary portfolios of Triodos Bank Private Banking Netherlands, which are managed by Triodos Investment Management, decreased by 1.2% to EUR 791.1 million.

Assets under management in the Dutch Triodos Green Fund, the fund that invests in green projects that promote sustainable development, increased by 11.6% to EUR 1,082.0 million.

Triodos Fair Share Fund and Triodos Microfinance Fund, the funds that invest in financial institutions in emerging markets, saw the assets under management decrease by 11.8% and 2.0% to EUR 352.3 million and EUR 444.8 million respectively. The reason for this decrease is a combination of two developments. On the one hand both funds have experienced a value loss on investments due to economies in emerging markets being severely hit by the COVID-19 pandemic, which in turn resulted in lower valuations of some of the equity investments. In addition, for Triodos Fair Share Fund specifically, the pandemic resulted in lower than anticipated returns for the first time since inception, leading to above average outflow by retail investors.

Triodos Multi Impact Fund, the Triodos fund-of-funds, decreased its fund size by 10.4% to EUR 32.0 million by the year end. The net asset value of the SFRE Fund, the first global open-ended investment fund created to deploy long-term and mission aligned capital to values-based banks, decreased by 2.2% to USD 39.2 million.

Returns

Based on net asset value the performance as per the last trading date of 2020 was:

Fund	1-year	3-year	5-year
Triodos Groenfond ¹	2.1%	1.9%	1.9%
Triodos Fair Share Fund ²	-5.0%	0.9%	1.4%
Triodos Microfinance Fund (I-cap share class)	-4.3%	1.1%	1.7%
Triodos Food Transition Europe Fund (Q-dis share class)	9.6%	-4.1%	0.8%
Triodos Energy Transition Europe Fund (Z-cap share class) ³	-0.7%	4.9%	2.8%
Triodos Global Equities Impact Fund (Z-dis share class) ²	6.4%	9.2%	6.7%
Triodos Impact Mixed Fund - Neutral (Z-dis share class) ²	4.8%	5.4%	4.0%
Triodos Impact Mixed Fund - Defensive (Z-dis share class) ⁴	3.8%		
Triodos Impact Mixed Fund - Offensive (Z-dis share class) ⁴	5.3%		
Triodos Pioneer Impact Fund (Z-cap share class) ²	21.9%	13.7%	8.8%
Triodos Euro Bond Impact Fund (Z-dis share class) ²	2.7%	2.1%	1.8%
Triodos Multi Impact Fund (Z-dis share class)	0.3%	0.8%	0.8%
SFRE Fund (A-USD share class)	-1.6%	1.1%	-4.9%

¹ Return including reinvestment of dividends, excluding potential fiscal benefit for investors.

² Return including reinvestment of dividends.

³ Return including reinvestment of realised gains.

⁴ This fund was launched in May 2019. The 3-year and 5-year returns are therefore not available. Return including reinvestment of dividends.

Like many private debt and equity investment funds, some of the funds of Triodos Investment Management have also felt the impact of COVID-19 on their returns. At the beginning of the crisis in the first quarter of 2020, the majority of the funds experienced negative corrections in portfolio returns due to the impact of COVID-19 and economic activities grinding to a halt. However, most funds have recovered in the second half of 2020. Overall, the majority of funds have been able to limit the negative impact brought about by the global pandemic and performed in line with comparable funds. Triodos Pioneer Impact Fund showed a clear positive outperformance.

Impact

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

In 2020 this meant:

- attributing to the avoidance of over 288 ktonne of CO₂ emissions (2019: 400 ktonne) and, with an attributed generating capacity of 500 MW clean energy, producing the equivalent of the electricity needs of 267,000 households worldwide (2019: 250,000). The decline in avoided emissions compared to last year is primarily due to the application of new emission factors, which has had a negative effect on the avoided emissions in The Netherlands mainly. To become in line with the Science Based Targets initiative (SBTi), we have changed the applied emission factors based on a different source (IFI GHG methodology).

- over 35,000 smallholder farmers (2019: 98,000) in eight emerging market countries worldwide were paid directly and fairly upon delivery of their harvest through trade-finance facilities, bringing 10 different agricultural products to international markets from 56,000 hectares of certified organic farmland (2019: 64,000) and an additional 8,000 hectares in conversion (2019: 6,000). The lower number of smallholder farmers in 2020 is related to one company that did not receive trade finance during 2020;
- that the organically managed land on the European farms which Triodos Investment Management financed could produce the equivalent of 7.3 million meals, or enough food to provide a sustainable diet for approximately 6,700 people (2019: 8,300). Together approximately 10,500 hectares of organic farmland was financed across Europe;
- providing finance to 109 emerging and well-established financial institutions working for inclusive finance in Latin America, Asia, Eastern Europe and Africa. These institutions reached approximately 18.2 million customers borrowing for a better quality of life (2019: 19.1 million). Approximately 20.2 million people living on low incomes use savings services offered by these institutions (2019: 19.2 million).

More detailed information about the impact generated through our funds is available through our online impact reports. The online impact reports highlight our role as an impact investor. The reports present our 2020 results in a context of numbers and stories, and showcase our mission to make money work for positive social and environmental change. [The 2020 impact reports](#) are available as of today, 18 March 2021.

More detailed information on the financial performance of the above-mentioned funds is available through the fund's annual reports, including the audited annual accounts, which will be published on 9 April 2021 (Impact Equities & Bonds funds and Triodos Microfinance Fund), 28 April 2021 (Triodos Groenfonds, Triodos Fair Share Fund, Triodos Energy Transition Europe Fund, Triodos Food Transition Europe Fund and Triodos Multi Impact Fund) and 30 April 2021 (SFRE fund) via 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.

We have built up in-depth knowledge throughout our 25 years of impact investing in sectors such as Energy & Climate, Inclusive Finance and Sustainable Food & Agriculture. We also invest in listed companies that materially contribute to the transition toward a sustainable society. Assets under management as per end of 2020: EUR 5.4 billion.

Triodos Investment Management is a globally active impact investor and a wholly owned subsidiary of Triodos Bank NV.

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 in the funds' annual reports.