




The image shows two overlapping forms from the PRI LEA (Leadership Engagement Assessment) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are used for assessing engagement with companies. LEA 02 includes a section for 'Reason for interaction' with checkboxes for 'To support investment decision-making in a company's transition to a sustainable business model', 'To encourage corporate action on climate change', 'To encourage corporate action on human rights', 'To encourage corporate action on labour rights', 'To encourage corporate action on anti-corruption', 'To encourage corporate action on other ESG issues', and 'Other specify'. LEA 03 includes a section for 'Type of engagement' with checkboxes for 'Individual/ internal staff engagements', 'Collaborative engagements', and 'Service provider engagements'. Both forms also include a section for 'Reason for interaction' with checkboxes for 'To support investment decision-making in a company's transition to a sustainable business model', 'To encourage corporate action on climate change', 'To encourage corporate action on human rights', 'To encourage corporate action on labour rights', 'To encourage corporate action on anti-corruption', 'To encourage corporate action on other ESG issues', and 'Other specify'.

# RI TRANSPARENCY REPORT

## 2013/14

Triodos Investment Management B.V.



UNEP Finance Initiative  
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⌛	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

## PRI disclaimer

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# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Public							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Public	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
LEI 02	Description of ESG incorporation	✓	Public	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Description of ESG integration	🔒	n/a	✓						
LEI 11	Review ESG issues while researching companies/sectors	🔒	n/a	✓						
LEI 12	Processes to ensure integration is based on robust analysis	🔒	n/a	✓						
LEI 13	Aspects of analysis ESG information is integrated into	🔒	n/a	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Public	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
LEA 20	Securities lending programme	✓	Public		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 24	Shareholder resolutions	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Public		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
FI 02	Breakdown of investments by credit quality	✓	Public							✓
FI 03	Description of ESG incorporation	✓	Public	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Public	✓						
FI 06	Types of screening applied	✓	Public	✓						
FI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
FI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
FI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
FI 10	Description of ESG integration	🔒	n/a	✓						
FI 11	Review of ESG issues while researching companies/sectors	🔒	n/a	✓						
FI 12	Processes to ensure integration is based on robust analysis	🔒	n/a	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	✓	Public	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Public	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	
FI 19	Engagement with corporate issuers	✓	Public		✓					
FI 20	Engagement with government issuers	✓	Public		✓					

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Public							✓
PR 02	Breakdown of assets by management	✓	Public							✓
PR 03	Largest property types	✓	Public							✓
PR 04	Description of approach to RI	✓	Public	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	✓	Public				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PR 12	ESG issues impact in selection process	✓	Public	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Public		✓					
PR 20	Proportion of assets engaged with on community issues	🔒	n/a		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Public	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	



Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments by equity and debt	✓	Public							✓
INF 02	Breakdown of assets by management	✓	Public							✓
INF 03	Largest infrastructure	✓	Public							✓
INF 04	Description of approach to RI	✓	Public	✓					✓	
INF 05	Responsible investment policy for infrastructure	✓	Public	✓					✓	
INF 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
INF 07	Formal commitments to RI	✓	Public				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Public	✓		✓				
INF 12	ESG issues impact in selection process	✓	Public	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	✓	Public				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Public		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	🔒	n/a		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Public		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Public	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
INF 23	Approach to disclosing ESG incidents	✓	Public						✓	



Direct - Inclusive Finance				Principle							General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	7	
IFD 01	Mission and investment objective	✓	Public								✓
IFD 02	Governance, management structures and processes	✓	Public								✓
IFD 03	Social targets	✓	Public								✓
IFD 04	Percentage in equity, debt and guarantees	✓	Public								✓
IFD 05	Percentage in microfinance and/or SME finance	✓	Public								✓
IFD 06	Geographical spread of microfinance investments	✓	Public								✓
IFD 07	Tracking microfinance investees portfolio	✓	Public	✓							
IFD 08	Support financial services beyond credit, compulsory savings and/or compulsory insurance	✓	Public	✓							
IFD 09	Support the introduction of services tailored to the 'poor', 'very poor' and 'low income'	✓	Public	✓							
IFD 10	Technical assistance to investees	✓	Public	✓							
IFD 11	Public endorsement of the Client Protection Principles	✓	Public		✓						
IFD 12	Provide training and assistance for investees implementing the Client Protection Principles	✓	Public		✓						
IFD 13	Include the Client Protection Principles in investment policies	✓	Public		✓						
IFD 14	Investment in local currency	✓	Public			✓					
IFD 15	Average maturity of debt investments	✓	Public			✓					
IFD 16	Average holding period of equity investments	✓	Public			✓					
IFD 17	Terms and conditions	✓	Public			✓					
IFD 18	Tools for social performance reporting	✓	Public				✓				
IFD 19	Retail institutions have independent financial/social rating and/or social audit	✓	Public				✓				
IFD 20	Due diligence on and monitoring and reporting of corporate governance among investees	✓	Public				✓				
IFD 21	Training or assistance for investees on corporate governance	✓	Public				✓				
IFD 22	Percentage of investees where board seats are held	✓	Public				✓				
IFD 23	Procedure to integrate environmental issues in investment decision processes	✓	Public				✓				
IFD 24	Anti-corruption and whistle-blowing policies	✓	Public				✓				
IFD 25	How mission and investment objectives are communicated to stakeholders	✓	Public					✓			
IFD 26	Investors and/or the public provided with information aligned with industry standards	✓	Public					✓			
IFD 27	Transparency of pricing, terms and conditions among investees	✓	Public					✓			
IFD 28	How social performance of investees affects decision making and portfolio management	✓	Public						✓		
IFD 29	Staff incentives linked to social performance measures	✓	Public						✓		
IFD 30	Collecting data regarding social outcomes of investees work	✓	Public						✓		

IFD 31	Incentivise investees to track social performance	✓	Public						✓		
IFD 32	Collaborative initiatives your organisation has supported or participated in	✓	Public							✓	
IFD 33	Encouraging investees to participate in collaborative initiatives	✓	Public							✓	
IFD 34	Encouraging your investees to participate in initiatives which contribute to the development of industry benchmarks	✓	Public							✓	

# Triodos Investment Management B.V.

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the services you offer.

☒ Fund management

% of assets under management (AUM) in ranges

☐ <10%

☐ 10-50%

☒ >50%

☐ Fund of funds, manager of managers, sub-advised products

☐ Other, specify

☐ Execution and advisory only services

OO 02	Mandatory	Peering	General
-------	-----------	---------	---------

OO 02.1 Select the location of your organisation's headquarters.

Netherlands

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

☐ 1

☒ 2-5

☐ 6-10

☐ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

100

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

☐ Yes

☒ No

OO 04	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

**OO 04.1** | Indicate the year end date for your reporting year.

31/12/2013

**OO 04.2** | Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		2	493	000	000
Currency	EUR				
Assets in USD		3	283	764	864

**OO 04.3** | Indicate the level of detail you would like to provide about your asset class mix.

- ☒ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- ☐ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General
-------	-----------	-------------	---------

**OO 06.1** | To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- ☐ Publish our asset class mix as percentage breakdown
- ☒ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income – corporate	<10%	0
Fixed income – government	<10%	0
Fixed income – other	0	0
Private debt	10-50%	0
Private equity	0	0
Property	<10%	0
Infrastructure	10-50%	0
Commodities	<10%	0
Hedge funds	0	0

Forestry	0	0
Farmland	0	0
Inclusive finance	10-50%	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 08	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 08.1	Indicate the breakdown of your organisation's AUM by market.
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Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %

OO 09	Voluntary	Descriptive	General
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**OO 09.1**

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Triodos Investment Management's mission is to make money work for positive change. More specifically its aim as an investor is to serve as a catalyst in the transition to an economy where people and planet come first, in line with the vision and mission of Triodos Bank.

Triodos Investment Management, a 100% subsidiary of Triodos Bank with responsibility for the management of the Triodos Investment Funds, is a globally recognised leader in impact investing. It manages direct investments in a variety of sectors including climate and energy, inclusive finance, sustainable trade, organic food and agriculture, arts and culture, sustainable real estate and listed companies with above average environmental, social and governance (ESG) performance.

Private and institutional investors can invest in these funds. The retail investment funds for private investors are distributed by a number of banks, including Triodos Bank branches. Triodos Investment Management maintains direct relationships with institutional investors and family offices in the funds under management.

Triodos Bank and Triodos Investment Management have more than 20 years' experience in investment products that deliver social and sustainable economic change. As a result of this work Triodos Investment Management has become globally recognised as a front-runner in impact investing, producing social, environmental and financial returns.

## Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
OO 10.1	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.  <input checked="" type="checkbox"/> We incorporate ESG issues into investment decisions on our internally managed assets <input checked="" type="checkbox"/> We engage with companies on ESG issues via our staff, collaborations or service providers <input checked="" type="checkbox"/> We cast our (proxy) votes directly or via service providers <input type="checkbox"/> None of the above		
OO 11	Mandatory	Gateway	General



**OO 11.1**

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☒ Private debt
- ☒ Property
- ☒ Infrastructure
- ☒ Commodities
- ☒ Inclusive finance
- ☐ None of the above

**OO 12****Mandatory****Gateway****General****OO 12.1**

The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

**Core modules**

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers****Direct - Listed Equity incorporation**

- ☒ Listed Equity incorporation

**Direct - Listed Equity active ownership**

- ☒ Engagements
- ☒ (Proxy) voting

**Direct - Fixed Income**

- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government

**Direct - Other asset classes with dedicated modules**

- ☒ Property
- ☒ Infrastructure
- ☒ Inclusive Finance

**Closing module**

☒ Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# Triodos Investment Management B.V.

## Reported Information

### Public version

### Overarching Approach

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

☒ Yes

☐ No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

☒ Yes

☐ No

OA 02	Mandatory	Core Assessed	PRI 6
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**OA 02.1** Indicate if your responsible investment policy is publicly available.

☒ Yes

**OA 02.2** Provide a URL to your responsible investment policy.

URL

<http://www.triodos.com/en/investment-management/who-we-are/governance/>

☐ No

**OA 02.3** Indicate if your other policies or guidance documents related to responsible investment are publicly available.

☒ Yes

☒ Yes, all

☐ Yes, some

**OA 02.4** List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Investment Strategy	<a href="http://www.triodos.com/downloads/investment-management/research/investment-strategy.pdf">http://www.triodos.com/downloads/investment-management/research/investment-strategy.pdf</a>
Minimum Standards	<a href="http://www.triodos.com/downloads/investment-management/research/minimum-standards.pdf">http://www.triodos.com/downloads/investment-management/research/minimum-standards.pdf</a>
Proxy Voting Guidelines	<a href="http://www.triodos.com/downloads/investment-management/research/proxy_voting_guidelines.pdf">http://www.triodos.com/downloads/investment-management/research/proxy_voting_guidelines.pdf</a>
Principles of Fund Governance	<a href="http://www.triodosvooradviseurs.nl/downloads/over-triodos-investment-management/principles-of-fund-governance.pdf">http://www.triodosvooradviseurs.nl/downloads/over-triodos-investment-management/principles-of-fund-governance.pdf</a>

☐ No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
---------	--

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input checked="" type="checkbox"/> Other, specify <b>Transparency Policy</b> <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.2	Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]
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Triodos Investment Management believes that investors must know how their money works for positive change. As such we publish all investments on our website.

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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☒ Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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#### Conflicts of Interest Policy

Triodos Investment Management takes measures to mitigate conflicts of interest which may occur from the different roles and responsibilities it has towards the managed funds, the funds investors and the companies in which we invest. We have clear procedures in place containing rules covering situations where (potential) conflict of interests could occur. The mentioned procedures are described in our 'Triodos Policy on Confidential Information, Chinese walls, and Conflicts of Interest'.

Furthermore Triodos Investment Management commits itself to the DUFAS Principles of Fund Governance, which principles include several provisions on Conflicts of Interest. In line with these provisions and as far as appropriate, a segmentation between investment decisions, settlement of transactions, administration of transactions and control is in place to prevent (potential) conflicts of interests. Triodos Investment Management has installed "Chinese walls" in order to manage the flow of price-sensitive information and other confidential market information. There is an organizational, physical and personnel segregation between the business units to the extent that this is reasonably necessary, relative to their activities. Appropriate information-sharing barriers are in place to prevent dissemination of sensitive market information. No price-sensitive or confidential market information is exchanged between business units other than is required to effectively carry out their work.

Triodos co-workers can be appointed to a management or supervisory position of a company which is financed by one of our funds, except in case of Triodos SICAV I. In case of an appointment, the appointed co-workers is not allowed to deliberate or participate on any decision where there is a conflict of interest.

It is possible that companies and projects which are financed by our funds also invest in a Triodos fund. Triodos co-workers are not allowed to take part on such investment decisions in order to prevent a conflict of interest. In relation to financed companies, Triodos Investment Management has provisions in place which prevent Triodos co-workers to use confidential information for any other purpose than for which it has been acquired.

☐ No

### Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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**OA 05.1** Indicate if your organisation sets objectives for its responsible investment activities.

☒ Yes

**OA 05.2** Indicate how frequently your organisation sets or revises objectives for responsible investment.

- ☒ At least once per year  
☐ Less than once per year

**OA 05.3** Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☒ Quarterly  
☐ Biannually  
☐ Annually  
☐ Every two years or less  
☐ It is not reviewed  
☐ No

OA 06	Voluntary	Descriptive	General
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**OA 06.1** List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

☒ Add responsible investment objective 1

Objective 1	Strategic Goal 1: Triodos Investment Management will, even in the midst of difficult market circumstances, grow its impact.
Key performance indicators	A volume growth of Assets under Management to EUR 2.5 bln
Describe the progress achieved	Achieved - Total AuM ultimo 2013 = EUR 2.5 bln

☒ Add responsible investment objective 2

Objective 2	Strategic Goal 2: We will continue to innovate in financial products that support our mission in society
Key performance indicators	The development of new impact investment funds
Describe the progress achieved	In 2013 two new innovations were being developed. The first Triodos Organic Growth Fund, a long-term private equity evergreen fund, was launched in January 2014.

☐ Add responsible investment objective 3



<b>OA 06.2</b>	List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.
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☒ Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	To strengthen our claim as 'innovative' investment manager we will launch two new funds and work towards a market-wide innovation in SRI.
Key performance indicators	Funds are launched, and decision is made on innovation.

☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	We will aim to maintain AuM at least at EUR 2,5 billion, and when possible grow.
Key performance indicators	AuM end of year 2014

☐ Add responsible investment objective 3 for the next reporting year

<b>OA 06.3</b>	Additional information.
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In 2014 some funds under management were transferred to other investment managers. We aim to at least compensate and when possible grow our assets in 2014.

## Governance and human resources

<b>OA 08</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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<b>OA 08.1</b>	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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	Roles present in your organisation
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- ☐ Board members or trustees
- ☐ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
- ☒ Other Chief-level staff or head of department, specify
- Managing Directors  
Directors

- ☒ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
  - ☐ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
  - ☐ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ External managers or service providers
- ☐ Other role, specify
- ☐ Other role, specify

OA 09	Voluntary	Additional Assessed	General
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OA 09.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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#### Other C-level staff or head of department

##### Managing Directors Directors

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

##### Portfolio managers

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

##### Investment analysts

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

#### Dedicated responsible investment staff

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

### Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

☒ Yes

OA 10.2

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

#### Select all that apply

- ☐ Asian Corporate Governance Association
- ☐ Association for Sustainable & Responsible Investment in Asia
- ☐ Australian Council of Superannuation Investors
- ☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

☒ CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

☒ CDP Water

Your organisation's role in the initiative during the reporting period  
(see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☒ Eumedion

Your organisation's role in the initiative during the reporting period  
(see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☒ Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period  
(see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☒ International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period  
(see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period  
(see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

Eurosif and VBDO

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic  
☒ Moderate  
☐ Advanced  
☐ Shareholder Association for Research and Education (Share)  
☒ United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic  
☐ Moderate  
☐ Advanced  
☐ United Nations Global Compact  
☒ Other collaborative organisation/initiative, specify

UN PRI PIIF

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic  
☐ Moderate  
☒ Advanced  
☐ Other collaborative organisation/initiative, specify  
☐ Other collaborative organisation/initiative, specify  
☐ Other collaborative organisation/initiative, specify  
☐ No

OA 11	Mandatory	Core Assessed	PRI 4
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**OA 11.1** Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- ☒ Yes

**OA 11.2**

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☒ Provided financial support for academic or industry research on responsible investment
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☐ Other, specify

☐ No

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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**OA 12.1**

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

☒ Yes

- ☐ Yes, individually
- ☒ Yes, in collaboration with others

**OA 12.2**

Select the methods you have used.

- ☒ Endorsed written submissions to governments, regulators or standard-setters developed by others
- ☐ Drafted your own written submissions to governments, regulators or standard-setters
- ☒ Participated in face-to-face meetings with government members or officials to discuss policy
- ☐ Other, specify

**OA 12.3**

Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

☒ Yes, publicly available

provide URL

<http://www.triodos.com/en/investment-management/who-we-are/news/press-releases/launch-principles-investor-inclusive-finance/>

provide URL

<http://www.triodos.com/downloads/investment-management/research/company-engagement-report-2013.pdf>

☐ No

☐ No

## ESG issues in asset allocation

OA 13	Voluntary	Descriptive	PRI 1
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**OA 13.1**

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

☒ Yes

**OA 13.2**

Describe how you apply ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

We differentiate three geographic markets.

Global markets. Our SRI funds act on a global scale, selecting those investments that meet our criteria.

Europe. The private debt funds and infrastructure funds invest almost exclusively in Europe.

Emerging Markets. All of our inclusive finance funds are active in emerging markets.

☐ No

OA 14	Voluntary	Descriptive	PRI 1
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**OA 14.1**

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

☒ Yes

**OA 14.2**

Indicate the percentage of your total AUM invested in environmental and social themed areas.

% of total AUM

73

**OA 14.3**

Please specify which thematic area(s) you invest in and provide a brief description.



Area
------

☒ Clean technology

Asset class invested
----------------------

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Private debt
- ☐ Property
- ☒ Infrastructure
- ☐ Commodities
- ☐ Inclusive finance

☒ Green buildings

Asset class invested
----------------------

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Private debt
- ☒ Property
- ☐ Infrastructure
- ☐ Commodities
- ☐ Inclusive finance

☒ Sustainable forestry

Asset class invested
----------------------

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Private debt
- ☐ Property
- ☐ Infrastructure
- ☐ Commodities
- ☐ Inclusive finance

☒ Sustainable agriculture

Asset class invested
----------------------

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Private debt
- ☐ Property
- ☐ Infrastructure
- ☐ Commodities
- ☒ Inclusive finance
- ☒ Microfinance

Asset class invested
----------------------

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☐ Private debt
- ☐ Property
- ☐ Infrastructure
- ☐ Commodities
- ☒ Inclusive finance
- ☒ SME financing

Asset class invested
----------------------

- ☒ Listed equity
- ☒ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Private debt
- ☐ Property
- ☒ Infrastructure
- ☐ Commodities
- ☒ Inclusive finance
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Other area, specify

☐ No

### Asset class implementation not reported in other modules

OA 15	Voluntary	Descriptive	General
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<b>OA 15.1</b>	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>
Private debt	all our activities must comply with our principles for fund governance, our minimum investment criteria and our minimum lending criteria.
Commodities	

## Innovation

<b>OA 18</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
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<b>OA 18.1</b>	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
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When selecting and subsequently monitoring an investment all ESG aspects are taken into consideration. TIM considers this holistic approach an important feature. In the Triodos Real Estate Fund (Triodos Vastgoed Fonds) an innovative approach is applied with regard to tenancy agreements. Energy consumed by a tenant is integrated into the monthly/quarterly instalments agreement. It creates a financial incentive for the tenant to run its business in an energy efficient manner. The idea was picked up by media and the real estate sector in the Netherlands resulting in a lot of media exposure and an award. The Triodos Culture Fund (Triodos Cultuurfonds) finances theatres and musea and related institutions like so-called 'breeding places'. Due to withdrawing government support in the Netherlands these institutions need to find other revenue resources by means of developing other products and services like catering services or by means of reducing costs like energy costs. Triodos Cultuurfonds had developed a guarantee fund that provides the necessary security for these type of investments. This fund also allows for breeding places to receive the finance. Breeding places typically have problems finding sufficient finance due to irregular income streams. The Triodos Culture Fund (Triodos Cultuurfonds) finances theatres and museums and related institutions like workshop spaces for artist. Due to withdrawing government support in the Netherlands these institutions need to find other revenue resources by means of developing other products and services like catering services or by means of reducing costs like energy costs. Triodos Cultuurfonds had developed with a partner a guarantee fund that provides the necessary security for these type of investments. This fund also allows for workshop spaces to receive the finance.

## Assurance of responses

<b>OA 19</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>General</b>
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**OA 19.1**

Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

☒ Yes

**OA 19.2**

Indicate who has reviewed, validated and/or assured your reported information.

- ☒ Reviewed by Board, CEO, CIO or Investment Committee
- ☒ Validated by internal audit or compliance function
- ☐ Assured by an external independent provider, specify name

☐ No

Triodos Investment Management B.V.

Reported Information

Public version

Direct - Listed Equity Incorporation

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

LEI 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

PRI 1

LEI 01.1

Provide a breakdown of your internally managed listed equities by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.

### Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active – fundamental and other active strategies

% of internally managed listed equities

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

LEI 01.2

Additional information. [Optional]

All companies that are considered for sustainable investing by Triodos Investment Management are screened against strict sustainable investment criteria. Companies that meet the investment criteria are included in the Triodos Sustainable Investment Universe. This universe is a starting point for the financial technical screening that is conducted by Delta LLoyd Asset Management. Delta Lloyd construct the fund portfolios.

LEI 02

Voluntary

Descriptive

PRI 1

**LEI 02.1**

Provide a brief overview of how you incorporate ESG issues in listed equity investments.

Triodos Investment Management applies a three step process for the ESG screening. This screening is conducted by the in-house Research team. Once companies have passed step 3, they are added to the sustainable universe. The actual investment decisions are made by Delta Lloyd Asset Management based on their market insights and financial expertise.

Our screening process ensures that we exclusively invest in companies that deliver superior social, environmental and financial performance.

#### Step 1: Sustainable activities

We've identified certain types of products and services that contribute to the health and wellbeing of people and planet. Any company that derives over 50% of its revenues from sustainable activities of this kind qualifies for Triodos investment, provided they also pass step 3.

#### Step 2: Best-in-class

Companies that don't meet the step 1 criterion above can still qualify for investment if their all-round sustainability performance puts them among the best in their sector. We assess this using over 70 generic and sector-specific criteria, relating to environmental, social and governance issues. And companies whose score puts them in the top 50% within their sector qualify for Triodos investment, provided they also pass step 3.

#### Step 3: Minimum standards

Our minimum standards are the bottom line: the standards we apply to ensure that we do not fund any business engaged in any activities that are harmful to individuals, society or the environment.

Companies that qualify through steps 1 or 2 must also meet these requirements before we'll consider investing in them.

## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.		

**ESG incorporation strategy (select all that apply)**



- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☐ Screening + Integration strategies
- ☐ Thematic + integration strategies
- ☒ Screening + thematic strategies

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)	<div> <div></div> <div>%</div> </div>
	100

- ☐ All three strategies combined
- ☐ No incorporation strategies applied

	Total actively managed listed equities
--	--

100%

<b>LEI 03.2</b>	Describe your primary reasons for choosing a particular ESG incorporation strategy.
-----------------	---

Triodos Investment Management does not exclude any industries beforehand. Instead we want to have an open attitude towards finding companies that clearly outperform others in the industry. These are the pioneers in their sectors, leading their peers towards higher standards of environmental, social and financial performance. As influential multinational companies, they have a global impact on environmental and social change.

The thematic approach is based on our mission to invest in companies that improve quality of life through their products and services. These are companies that contribute to a clean planet, healthy people and climate protection.

<b>LEI 03.3</b>	If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]
-----------------	---

First we identify if companies offer sustainable products and services. If this is not the case we apply a best-in-class screening. It depends on the fund in which companies it may invest. The Triodos Sustainable Pioneer Fund may only invest in companies that are selected based on step 1 (sustainable products and services). Triodos Sustainable Bond Fund, Triodos Sustainable Equity Fund and Triodos Sustainable Mixed Fund may also invest in these companies but the emphasis for these funds lies with companies selected based on step 2 (best-in-class).

<b>LEI 04</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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**Type of ESG information**

- ☒ Raw ESG company data

**Indicate who provides this information**

- ☒ ESG research provider  
☐ Sell-side  
☒ In-house – specialised ESG analyst or team  
☐ In-house – analyst or portfolio manager  
☒ Company-related analysis or ratings

**Indicate who provides this information**

- ☒ ESG research provider  
☐ Sell-side  
☒ In-house – specialised ESG analyst or team  
☐ In-house – analyst or portfolio manager  
☒ Sector-related analysis or ratings

**Indicate who provides this information**

- ☒ ESG research provider  
☐ Sell-side  
☒ In-house – specialised ESG analyst or team  
☐ In-house – analyst or portfolio manager  
☒ Country-related analysis or ratings

**Indicate who provides this information**

- ☒ ESG research provider  
☐ Sell-side  
☒ In-house – specialised ESG analyst or team  
☐ In-house – analyst or portfolio manager  
☐ Screened stock list  
☒ Issue-specific analysis or ratings

**Indicate who provides this information**

- ☒ ESG research provider  
☐ Sell-side  
☒ In-house – specialised ESG analyst or team  
☐ In-house – analyst or portfolio manager  
☐ Other, specify

<b>LEI 04.2</b>	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.
-----------------	---

Basic sustainability data is derived from Sustainalytics. Triodos Investment Management applies its own weight matrix to this raw data provided by Sustainalytics. The ratings derived from this are used for the best-in-class screening. Moreover the data from Sustainalytics are used to identify potential companies with sustainable products and services and for the minimum standard screening. Triodos Investment Management maintains its own set of investment criteria and is responsible for developing the minimum standards for Triodos Bank as a whole. For maintenance of the minimum standards and application of the minimum standards in the research process, much sector, country and issue-related research is conducted by the specialised Sustainability Research team of Triodos Investment Management.

<b>LEI 04.3</b>	Indicate if you incentivise brokers to provide ESG research.
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- ☐ Yes  
☒ No

<b>LEI 04.5</b>	Additional information.
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We do not make use of brokers for ESG research.

<b>LEI 05</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>LEI 05.1</b>	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
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- ☒ Engagement
- ☐ We have a systematic process to ensure the information is made available.
  - ☒ We occasionally make this information available.
  - ☐ We do not make this information available.
- ☒ (Proxy) voting
- ☒ We have a systematic process to ensure the information is made available.
  - ☐ We occasionally make this information available.
  - ☐ We do not make this information available.

**LEI 05.2**

Additional information. [Optional]

Quarterly meetings take place between Triodos and Delta Lloyd Asset Management. At these meetings Delta Lloyd Asset Management is informed about engagement efforts that are considered relevant for the investment decision process. Moreover, Delta Lloyd Asset Management has access to the research results and underlying details including engagement efforts upon demand.

All proxy voting activities are published on the website including our proxy voting guidelines. This information is also available for Delta Lloyd Asset Management. During the process of voting pro-active input is sought from Delta Lloyd Asset Management to discuss ballots for which we need (financial) input from Delta Lloyd. Triodos initiates this contact in case it is considered relevant.

**(A) Implementation: Screening****LEI 06****Mandatory****Descriptive****PRI 1****LEI 06.1**

Indicate and describe the type of screening you apply to your internally managed active listed equities.

**Type of screening**
☒ Negative/exclusionary screening
**Screened by**

- ☒ Product
- ☒ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
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We apply product-related exclusionary criteria like arms, nuclear power, unconventional oil and gas and tobacco. We also apply process-related exclusionary criteria like corruption, corporate governance, violation of labour rights and environmental damage. Finally we apply precautionary principles. Companies that operate in sectors with an increased sustainability risk are excluded from financing unless they proactively try to prevent controversies. Examples are businesses involved in mining or oil and gas extraction, but also the manufacture of food or household products. The precautionary principle follows the development of best practices of enterprises and focuses on policies, programmes, targets and performance data. The best practices illustrate the engagement of the businesses with the issue and allow for a continuous update of the minimum standards. The precautionary principle applies to alcohol, pornography, factory farming, animal testing, genetic engineering, violation of human and basic labour rights, corruption and environmental damage.

☒ Positive/best-in-class screening

#### Screened by

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
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Based on products, activities and sectors we search for companies that contribute to clean planet, healthy people and climate protection. For the best-in-class screening we look at over 70 indicators which cover environmental, social and corporate governance issues.

☒ Norms-based screening

#### Screened by

- ☒ UN Global Compact Principles
- ☒ Universal Declaration of Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☒ OECD Guidelines for Multinational Enterprises
- ☒ Other, specify

WHO-code, CITES, Roundtable on Sustainable Palm oil, FSC, MSC, the guidelines of the World Commission on Dams, Kimberley Process a.o.

	Description
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The principles mentioned above help us to identify if companies meet our minimum requirements. But being a signatory to these principles and conventions is not always considered enough. Our requirements often go beyond the demands of these principles and conventions. We think that it is important that companies develop their own policies (in which they may refer to the principles and conventions mentioned above) and that they explain how these policies are institutionalised within the organisation. What programs are developed to ensure that these policies are lived by both in the company and in the supply chain? Also we demand that companies report on targets and performance so that we as investor can identify if a company is successful in its efforts to incorporate its policies.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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The criteria are reviewed on an ongoing basis. They are dynamic, evolving over time with our deepening understanding of sustainability, and to reflect the latest developments in our society. In general, this means that we are continually tightening the criteria we apply, to ensure that we only invest in companies that are really setting the pace within their industry. Each researcher is responsible for maintaining a number of investment criteria.

Changes to the criteria are established based on a long process of research and interviews with experts and companies. Changes to the criteria are also discussed with the external advisory panel. This panel met twice in 2013. After a careful process of development, the proposed changes are put forward to the Investment Committee of Triodos Investment Management for approval. This Committee is steered by the Managing Director of Triodos Investment Management. If changes are required to the minimum standard document or other documentation as published on the Triodos website, approval is sought also from the Executive Board of Triodos Bank. On the website an overview is maintained of all minimum standards applied with a description of changes in the latest version of the document.

LEI 07	Mandatory	Core Assessed	PRI 1
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**LEI 07.1**

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☒ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

**LEI 07.2**

Additional information. [Optional]

Each company assessment is checked based on a four eye principle. The primary research is conducted by a researcher in charge of the study and each study result is peer reviewed by a research colleague. Moreover, all studies are then checked by a senior staff member for consistency of application of standards between studies. In case we are unable to identify if a company meets our investment criteria or when there are concerns about the performance of a company, contact is sought with the company for feedback and additional information. We inform companies about our research findings to allow them to respond as detailed as possible. All companies that are contacted during research and all companies that are selected for sustainable investment by Triodos are informed in detail about the findings and conclusions of our research.

On a bi-monthly basis changes to the Triodos Sustainable Investment Universe are put forward to the Investment Committee for approval. This committee is chaired by the Managing Director of Triodos Investment Management.

**LEI 08**

Voluntary

Additional Assessed

PRI 1

**LEI 08.1**

Indicate which processes your organisation uses to ensure that fund criteria are not breached

- ☒ Checks are performed to ensure that stocks meet the funds' screening criteria. These checks are:
  - ☒ Systematic
  - ☐ Occasional
- ☐ Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- ☒ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above

<b>LEI 08.2</b>	If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.
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Sustainability alerts on companies selected for investment are systematically checked by Triodos Investment Management to ensure that all companies in the Triodos Sustainable Investment Universe continue to meet our investment criteria. If a company is in breach of one of our investment criteria this could lead to an immediate exclusion of a company. Delta Lloyd Asset Management is informed of this breach and the new status of the company. If the company is in the portfolio of one of the funds, Delta Lloyd Asset Management has six months time to sell our position in this company. In practice Delta Lloyd Asset Management immediately sells any stake in the company.

Every month we receive the portfolios of all funds managed by Delta Lloyd Asset Management. Triodos then checks if all companies in the portfolios are selected for sustainable investment. If this is not the case Delta Lloyd Asset Management has to sell the share immediately. In 2013 we had one such incident. In January 2013 Delta Lloyd invested by accident in a German bank that was not selected for sustainable investing.

## (B) Implementation: Thematic

<b>LEI 09</b>	<b>Mandatory</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>LEI 09.1</b>	Indicate the type of sustainability thematic funds or mandates that your organisation manages.
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- ☐ Environmentally themed funds
- ☐ Socially themed funds
- ☒ Combination of themes

<b>LEI 09.2</b>	Describe your organisation's processes for sustainability thematic funds. [Optional]
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The Triodos Sustainable Pioneer Fund invests in companies that contribute to clean planet, healthy people and climate protection. Companies that are considered under these themes are for instance, renewable energy companies, companies that focus on energy efficiency and companies that develop generic medicines or medical equipment. Companies selected for sustainable investment under these themes are required to obtain at least 50% of their turnover from these activities.



<b>LEI 09.3</b>	Additional information. [Optional]
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Triodos Sustainable Pioneer Fund aims to invest in companies to contribute positively to our cultural heritage, animal welfare, ecosystems, human rights, natural resources, social structures and human health. The themes described above are derived from this.

All companies that are selected for investment based on these themes also have to meet the Triodos minimum requirements.

## Outputs and outcomes

LEI 15	Voluntary	Descriptive	PRI 1
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<b>LEI 15.1</b>	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.
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☒ Screening

	Describe any reduction in your starting investment universe or other effects.
--	---

The percentage of companies that are screened based on best-in-class and minimum standards and that are selected for sustainable investment is around 20. So only 1 out of 5 companies is selected for sustainable investment. The Triodos Sustainable Investment Universe at year-end 2013 included 178 best-in-class companies.

	Specify the percentage reduction
--	----------------------------------

	%
--	---

80

☒ Thematic

	Describe any alteration to your investment universe or other effects.
--	---

Companies that are considered based on their products and services sometimes fail to meet the 50% threshold for turnover that is generated by these products and services or they fail to meet one of our minimum standards. At year-end 2013 the Triodos Sustainable Investment Universe included 114 companies with sustainable products and services.

LEI 16	Voluntary	Descriptive	PRI 1
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<b>LEI 16.1</b>	Indicate if you believe that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.
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	a) Impacted funds' financial performance
--	--

Screening	Thematic		
<input checked="" type="radio"/> Yes <input type="radio"/> No	<input checked="" type="radio"/> Yes <input type="radio"/> No		

	b) Reduced funds' risk or volatility
--	--------------------------------------

Screening	Thematic		
<input checked="" type="radio"/> Yes <input type="radio"/> No	<input checked="" type="radio"/> Yes <input type="radio"/> No		

	c) Improved funds' ESG performance
--	------------------------------------

Screening	Thematic		
<input checked="" type="radio"/> Yes <input type="radio"/> No	<input checked="" type="radio"/> Yes <input type="radio"/> No		

<b>LEI 16.2</b>	Describe how you are able to determine these outcomes and your actual performance.
-----------------	--

Financial performance: Delta Lloyd Asset Management is limited to investing in companies that are selected for sustainable investment by Triodos. Despite these limitations Triodos is convinced that companies that outperform on ESG will (on the long run) also outperform financially. The investment return of the funds are benchmarked against widely accepted general indices. The financial performance against the benchmark shows a performance above the benchmark.

Volatility: Due to the limitations of the investment universe and the concentrated investment portfolios the volatility of the funds is relatively high. However, research has shown that the incorporation of ESG criteria has had a positive impact on the risk profile of the funds.

ESG performance: Based on our strict selection criteria most companies fail to meet our investment standards. By maintaining our investment standards we continue to select companies that clearly outperform on ESG and this outperformance is also visible in the investment portfolios. The investment portfolios are exclusively made up of companies that are selected for sustainable investment by Triodos.

<b>LEI 17</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1</b>
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**LEI 17.1**

Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.

☒ ESG issue 1

	ESG issue and explanation
	<p>In 2013 Triodos reconsidered its position on companies operating in Myanmar (Burma) due to political developments in that country and the lifting or suspension of international sanctions. Taking into account that sanctions have only recently and temporarily been eased and that human rights organisations, trade unions and other stakeholders have many reservations, we decided to continue with our 'case-by-case' approach, at least until the next general elections in Myanmar in 2015. The 'case-by-case' approach means that we can select companies that have operations in Myanmar if they meet certain human rights and basic labour rights standards. Companies that operate in a limited number of industries remain excluded for the time being, as these industries depend on close co-operation with the country's regime.</p>
	ESG incorporation strategy applied
	<p><input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Combination of ESG incorporation strategies</p>
	Impact on investment decision or performance
	<p>Deutsche Post is now selected for sustainable investment and is included in the investment portfolio. Previously the company was excluded for its presence in Burma.</p>

☒ ESG issue 2

ESG issue and explanation
<p>Triodos revised the list of industries with a high risk of violation of basic labour rights. We identified the industries that are exposed to the risk of labour rights violations and that should therefore have precautionary policies and programmes in place. The revised list of high-risk industries is based on the prevalence of controversies per industry, as well as on the nature of these controversies. This inventory helped us identify systemic issues within the sector. [regarding the identification of ] systemic problems. Based on the risk of violation of the labour rights of their own employees, we added automobile, energy and food&amp; staples retailing companies to the list of high-risk industries, while construction materials companies were added to the list because of the potential risk of violation of labour rights of contractors' employees.</p>
ESG incorporation strategy applied
<p><input type="checkbox"/> Screening</p> <p><input type="checkbox"/> Thematic</p> <p><input checked="" type="checkbox"/> Combination of ESG incorporation strategies</p>
Impact on investment decision or performance
<p>The change has only recently been introduced. So far, it has had no impact on the investment decision.</p>

☒ ESG issue 3

ESG issue and explanation
<p>Nuclear power: In 2013 the selection status of two companies changed from selected to not selected due to involvement in tailor made nuclear power related services. These companies are Bureau Veritas and Intertek.</p>
ESG incorporation strategy applied
<p><input type="checkbox"/> Screening</p> <p><input type="checkbox"/> Thematic</p> <p><input checked="" type="checkbox"/> Combination of ESG incorporation strategies</p>
Impact on investment decision or performance
<p>Both companies were also part of the investment portfolio and as a result of the status change, both stakes were sold.</p>

☒ ESG issue 4

ESG issue and explanation
Coal plants: Due to increased involvement in coal plants AGL Energy was delisted for sustainable investment.
ESG incorporation strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Combination of ESG incorporation strategies
Impact on investment decision or performance
The investment in AGL Energy was sold in 2013 as a result of the status change.

☒ ESG issue 5

ESG issue and explanation
As a result of widening the scope of the healthy people theme, PerkinElmer was researched in 2013 and selected for sustainable investing. The company provides products and services that are used in therapeutic and disease research, prenatal screening, environmental testing and industrial monitoring. The company's human health segment provides diagnostic products and services, including newborn and prenatal screening and ViaCord umbilical cord blood banking. The products of the environmental health segment include analytical techniques to help ensure safety standards and detect environmental hazards in air, water and soil.
ESG incorporation strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Combination of ESG incorporation strategies
Impact on investment decision or performance
The company is now also part of the investment portfolio.

## Communication

LEI 18

Mandatory

Core Assessed

PRI 2,6

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

☉ We disclose it publicly

Provide URL

<http://www.triodos.com/en/investment-management/socially-responsible-investment>

**LEI 18.2**

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

☒ Yes

**LEI 18.3**

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

☐ Broad approach to ESG incorporation

☒ Detailed explanation of ESG incorporation strategy used

**LEI 18.4**

Indicate how frequently you typically report this information.

☒ Quarterly or more frequently

☐ Between quarterly and annually

☐ Less frequently than annually

☐ Other, specify

☐ No

☐ We disclose it to clients and/or beneficiaries only

☐ We do not proactively disclose it to the public and/or clients/beneficiaries

**LEI 18.5**

Additional information. [Optional]

Particularly relevant in this context is that Triodos publishes the complete investment universe on its website and also maintains a full overview of each investment portfolio on a bi-monthly basis. For each company in the investment portfolio an ESG description is provided.

Triodos Investment Management B.V.

Reported Information

Public version

Direct - Listed Equity Active Ownership

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Engagement

### Overview

LEA 01	Voluntary	Descriptive	PRI 2
LEA 01.1	Provide a brief overview of your organisation's approach to engagement.		

With the money entrusted to Triodos SRI funds comes the responsibility - and the power - to influence the way the companies in which we may invest do business. So, as a key element of our SRI strategy, we pursue a policy of active engagement and dialogue, with the aim of raising awareness of sustainability, stimulating action and creating lasting change.

The main focus of our engagement efforts lies with companies that are selected for sustainable investment or are potentially interesting for sustainable investing.

Much engagement takes place during the assessment of a company. This is typically engagement led by Triodos Investment Management. If opportunities arise we will collaborate with others.

Engagement is mostly conducted by the specialised in-house ESG team and our contact persons within companies are mostly CR and IR managers. Some dialogue takes place with a Board representative or Executive Director. Examples of the latter include Reed Elsevier, ING and Ahold.

LEA 02	Mandatory	Gateway	PRI 1,2,3
LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.		



Type of engagement	Reason for interaction
<b>Individual/Internal staff engagements</b>	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
<b>Collaborative engagements</b>	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
<b>Service provider engagements</b>	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

<b>LEA 02.2</b>	Additional information. [Optional]
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For proxy voting advice we make use of PIRC services. The actual votes cast are always based on Triodos proxy voting guidelines. Otherwise we do not make use of engagement services of service providers.

## Process

### Process for engagements run internally

<b>LEA 03</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
<b>LEA 03.1</b>	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.		

☉ Yes

**LEA  
03.2**

Describe how you identify and prioritise engagements.

Company alerts (if these companies are selected for sustainable investing) are addressed as top 1 priority. We have a target to pick up alerts within one week. This often involves company contact. We promise our clients that we only invest in companies that meet our strict investment criteria. In case one of our investment criteria is likely to be violated by a company we contact the company straight away to identify the severity of the issue and the measures a company undertakes to solve the issue.

Our second priority is engagement during the research process. Often company contact is required to determine if a company meets the investment criteria of Triodos. By asking questions we raise awareness for a topic within a company and we therefore consider this form of dialogue also as engagement.

The third priority is thematic and collaborative engagement actions. We carefully assess the relevance of a particular topic for Triodos and the potential impact on the investment universe and make an informed decision about whether or not to pursue an engagement opportunity when it arises. This form of engagement raises an opportunity to set clear engagement goals at the beginning and to measure the outcome of the engagement efforts. For 2014 we will focus our engagement activities a.o. on conflict minerals, tax transparency and animal welfare.

The last priority is our proxy voting activities. The priority of proxy voting is steered by the AGM agenda. We do not have any influence on that. So in terms of priorities the AGM agenda may interfere with other priorities but we allow this to happen because of our aim to vote at all meetings.

☐ No

**LEA 04**

**Mandatory**

**Core Assessed**

**PRI 2**

**LEA  
04.1**

Indicate if you define specific objectives for your engagement activities.

☒ Yes

- ☐ Yes, for all engagement activities
- ☒ Yes, for the majority of engagement activities
- ☐ Yes, for a minority of engagement activities

☐ No

**LEA  
04.2**

Indicate if you monitor the actions that companies take following your engagements.

☒ Yes

- ☐ Yes, in all cases
- ☒ Yes, in the majority of cases
- ☐ Yes, in the minority of cases

**LEA  
04.3**

Describe how you monitor and evaluate the progress of your engagement activities.

Despite the fact that much dialogue takes place as part of the research process, we motivate our questions in such a way that we hope to inspire the companies to address our concerns if this is not already the case. Our main objective for our engagement activities is to motivate change within a company. The reason why we do not follow up on all our engagement activities is that the companies we target for engagement are companies that are (potentially) selected for sustainable investment by Triodos. These companies belong to the "happy few". The ESG areas for improvement are therefore never strategic issues otherwise the company would not have been selected for sustainable investment. Nevertheless there are always areas for improvement and depending on the urgency and materiality of the topic for the company we will actively follow the progress made by the company.

Each engagement effort is registered and requires a specific action to be closed by the responsible researcher. Before an action is closed the researcher needs to log whether or not the engagement effort has been successful and if so, what change is made by the company. For proxy voting we monitor systematically which resolutions have received considerable opposition from shareholders and we track how such resistance has changed company behavior.

☐ No

### Process for engagements conducted via collaborations

LEA 05

Mandatory

Core Assessed

PRI 2

**LEA  
05.1**

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

☒ Yes

**LEA  
05.2**

Describe how you identify and prioritise collaborative engagements.

We focus our engagement efforts at companies that are selected for sustainable investment and topics that are relevant for companies in our Sustainable Investment Universe. When deciding about whether or not to join a collaborative engagement initiative we focus on these companies and topics.

Secondly we will identify if the engagement topic is considered by us as a priority topic.

Finally we will view this opportunity in light of the time that is most likely required from us, how likely it is that the engagement effort is succesful and other priorities that we have at that moment.

☐ No

**LEA 06**

**Mandatory**

**Core Assessed**

**PRI 2**

**LEA  
06.1**

Indicate if the collaborative engagements in which you are involved have defined objectives.

☒ Yes

☐ Yes, for all collaborative engagement activities

☒ Yes, for the majority of collaborative engagement activities

☐ Yes, for a minority of collaborative engagement activities

☐ No

**LEA  
06.2**

Indicate if you monitor the actions companies take following your collaborative engagements.

☒ Yes

☒ Yes, in all cases

☐ Yes, in the majority of cases

☐ Yes, in the minority of cases

**LEA  
06.3**

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

Collaborative engagement efforts often require close company contact. Such engagement efforts can only be successful when the company understands what it is you demand from it and why. Why is it relevant for the investor and why is it considered relevant for the company itself. These engagement efforts often take time. Companies do not change overnight. We generally stop our engagement efforts only when the company shows no responsiveness to our questions or when the company took all recommendations on board and successfully implemented them.

An example of a collaborative engagement effort that we joined is the letter sent to Amazon on arms. This initiative was initiated by Domini. The aim of this letter was to open dialogue about the company's involvement in the sales of arms accessories. Triodos Investment Management is currently also assessing the company against the Triodos minimum standards. As we apply zero tolerance for involvement in arms and arms-related services we are referring to this letter also in our contact with the company. Triodos will only select the company for sustainable investing when no arms related accessories are sold through Amazon.

Another example is the Investor Work Group on Responsible Palm Oil. The aim of the IWG is to stimulate companies to introduce a time-bound plan to only source certified sustainable palm oil. This requirement has recently added to the minimum standards of Triodos Bank. The IWG targets two companies that are also in our investment portfolio. We are therefore keeping close track of the progress made by these two companies.

☐ No

### General processes for all three groups of engagers

LEA 09	Voluntary	Additional Assessed	PRI 1,2
<b>LEA 09.1</b>	Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.		

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 09.2	Additional information.
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Our asset manager has access to the Research database in which information can be found on each company. This includes engagement efforts and outcomes. This feedback is more re-active.

In case our engagement insights have a clear exposure to the financial performance of a company, our asset manager is informed pro-actively.

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
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LEA 10.1	Indicate if you track the number of companies you engage with.
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Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

LEA  
10.2

Additional information. [Optional]

All company engagement efforts are tracked in a database. Information that is tracked includes topics for engagement, contact person, reason for engagement, whether or not the engagement is closed and whether or not it has been successful in our opinion.

## Outputs and outcomes

LEA 11

Mandatory to Report Voluntary to Disclose

Core Assessed

PRI 2

LEA  
11.1

Indicate the number of companies with which your organisation engaged during the reporting year.

	Number of companies engaged (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	58
Collaborative engagements	13

LEA  
11.2

Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input type="radio"/> > 50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA  
11.3

Indicate what percentage of your collaborative engagements you were a leading organisation during the reporting year. [Optional]

Type of engagement	% Leading role
Collaborative engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None



Although not counted in the numbers above, Triodos Investment Management often has detailed company contact during the assessment process. In 2013, we engaged with 103 companies during the selection phase. When we consider a company for investment, we assess all aspects of a company's sustainability performance. Engagement during the selection phase can be a simple request for more information, a more detailed discussion of company activities and policies, and/or an in depth meeting about the company's strategy, providing information about Triodos requirements and suggestions for solutions to meet our requirements. As with all engagement activities, Triodos uses the selection phase to push the sustainability agenda within companies. 83 companies (79% of total) responded to our questions.

Some highlights as to where we think company contact during the selection phase triggered company action:

- In response to our enquiries, Canadian organic food products company Sunopta recently amended its food safety policy to include a statement regarding the strict use of animal testing and added the issue of deforestation to its environmental principles.
- Because of our questions on potential involvement in controversial arms, Dutch insurance company Achmea decided to sell its holding in a producer of antipersonnel mines.
- Elekta from Sweden, in response to our questions, is considering writing a policy on animal testing.
- American solar power company Sunedison is considering adding general human rights principles to its Code of Conduct, based on our comments on the absence of such principles.
- In the past, Triodos has challenged Belgian food retail company Colruyt to increase its transparency on sustainability policies and practices. In 2013, we noted that, partly in response to our challenges, the company made significant progress in improving its transparency. The company has published multiple reports and policies over the past few years.

The collaborative engagement efforts include:

- a letter to 13 companies raising awareness for environmental and social concerns regarding tin sourcing in Indonesia and stimulating these companies to take part in a work group that aims to address these concerns. Five companies responded to this letter that was also signed by other institutional investors. Triodos Investment Management took initiative for this joint letter.
- preparatory dialogue and attendance at five AGM's where Triodos Investment Management raised questions also on behalf of other investors (Reed Elsevier) and where other investors raised questions on our behalf (DSM, Ahold, Philips and ING).
- collaborative dialogue with Nike as part of the UNPRI initiative on The Accord.
- collaborative dialogue with Philips and Ahold on several topics.
- dialogue with Metro and DSM on sustainable palm oil also on our behalf.
- collaborative engagement through UNPRI with Tomra around revenues from Tobacco

With many of these companies we also had individual dialogue. This is the case for Philips, Ahold, Metro, DSM, Nike and ING. These companies are only counted under collaborative engagement and not under individual engagement.

LEA 12	Voluntary	Additional Assessed	PRI 2
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LEA 12.1	Indicate if your engagements in the reporting year covered E, S and/or G issues.
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Type of engagement	Coverage
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

LEA 12.2	Provide an estimated breakdown by E, S and/or G issues.
----------	---

	Individual / Internal staff engagements
--	---

	% Environmental only
--	----------------------

7

	% Social only
--	---------------

7

	% Corporate Governance only
--	-----------------------------

72

	% Overlapping ESG issues
--	--------------------------

14

100%

	Collaborative engagements
--	---------------------------

	% Social only
--	---------------

8

	% Overlapping ESG issues
--	--------------------------

92

**100%**

LEA 13	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 13.1	Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation's and/or your service provider's engagement activities.
----------	--

☒ Yes

LEA 13.2	Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities.
----------	--

	Number of company changes or commitments to change
Individual / Internal staff engagements	1
Collaborative engagements	2

☐ No

LEA 13.3	Additional information.
----------	-------------------------

Under individual staff engagement we had multiple contact with Telenor on their new operations in Myanmar. Considering the nature of their services we consider the company as high risk for potential violation of human rights. The company takes this concern very seriously and carried out an in depth human rights due diligence process including a multi-stakeholder dialogue according to UN guiding principles on Human Rights.

The two cases mentioned under collaborative engagement concern Philips and Ahold. With Philips we discussed our concerns about anti-trust issues, corruption and responsible sourcing of tin. The formulated recommendations were noted by the company and Philips took action with other electronics companies to investigate the problems with tin sourcing in Indonesia. With Ahold we discussed the use of genetically modified ingredients among others. Our concerns and questions triggered an internal debate within the company and as a result the company is reviewing its position.

LEA 14	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

**LEA  
14.1**

Provide examples of the engagements that your organisation carried out during the reporting year.

☒ Add Example 1

Topic or ESG issue	Hazardous substances
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	Stimulate the company (GAP) to reduce the impact of used hazardous substances on the environment.
Scope and Process	Contact with the company took place via e-mail.
Outcomes	The company informed us that it monitors the quantity of substances in its products to ensure that the impact on health, safety and the environment is negligible.

☒ Add Example 2

Topic or ESG issue	Labour rights
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	To ensure that the company (Holcim) complies with the core labour standards of the International Labor Organization.
Scope and Process	Company contact took place via e-mail.
Outcomes	One of the concerns raised was a tragic accident in India whereby serious mistakes were made by the company and five employees were killed. The company replied extensively to our questions, showing awareness of the concerns and informing us in detail about steps taken to address them. These steps include the introduction of a contractor safety and contract workers directive. The company also launched a sustainable procurement initiative and a human rights management system. The management system is based on a global risk mapping and pilot assessment that was conducted between 2010 and 2012. On health and safety Holcim has strengthened its vision of zero harm to people by launching a 'Design Safety and Construction Quality Program' and a program on road safety. In 2014 the company will be re-assessed fully by us and we will then carefully assess whether notable progress has been made by the company to address these concerns.

☒ Add Example 3

Topic or ESG issue	Labour rights
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative
Objectives	To understand the reasons why Nike had not committed to The Accord and how the company addresses health and safety concerns in Bangladesh.
Scope and Process	Contact (collaborative) took place via a conference call.
Outcomes	In the conversation with a group of investors the company explained that the larger part of their supply chain is in other countries and that is where their main efforts for improvement of working conditions are aimed at. This does not mean that Nike does nothing to improve conditions in Bangladesh: according to the company, their supplier standards cover more issues than either initiative and Nike considers signing them to be taking a step down.

☒ Add Example 4

Topic or ESG issue	Provisions made for product defaults and corporate governance.
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	From the financial reports it became clear that Sonova Holding took high provisions for product defaults. The aim of the company contact was to understand the exposure to potential future claims and the nature of these concerns. Also we discussed some corporate governance related concerns about remuneration.
Scope and Process	Several calls and e-mail contact with different staff members.
Outcomes	The company explained in detail what the status of potential future claims was and the underlying problems. In another call we discussed ways to keep long term interest of non-executives aligned with long term interest of the company. Our opinions differ. The company was surprised to see that we are not in favour of performance fees for non-executives. Options are completely abolished because of criticism received last year. The company seeks best practices in companies that publish performance criteria/targets and seeks more explanation about what the criteria for excessive remuneration entails. We provided this information by e-mail.

☒ Add Example 5

Topic or ESG issue	Anti-trust
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	Telefonica has been involved in anti-trust controversies, including a series of fines in the last decade. Our objective was to understand the measures the company took to minimize the risk for future involvement in anti-trust cases.
Scope and Process	Multiple e-mail and correspondence with the company.
Outcomes	The company informed us that they are working on a Competition Compliance Program. However, the scope, implementation trajectory and details of the program are not disclosed. Additional questions raised by us after a surprise raid at the offices of the company by the European Commission were not answered. As a result, the company is excluded for investment.

☒ Add Example 6

Topic or ESG issue	Product concerns and off-label use of products
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	Medtronic was contacted due to ongoing concerns about its Infuse product and about stimulation of off-label use of products.
Scope and Process	Contact took place via mail and phone call.
Outcomes	Regarding Infuse the company commissioned independent research by Yale which showed that the product is not inferior and provided more clarity for physicians about where best to use the product for. Regarding off-label promotion, the company informed us that sales people are trained on this aspect and no incentives are provided for selling the product.

☒ Add Example 7

Topic or ESG issue	Tax policy and transparency
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	At the beginning of each calendar year we send a letter to each investee company informing them that we hold shares in them and raising awareness for a specific topic that we will focus on during the AGM season. In 2013, 125 letters were sent with questions on tax policy and transparency. Our objective is to encourage companies to be more transparent about tax payments.
Scope and Process	Each investee company received a letter and follow-up mails to ask companies to respond to our questions.
Outcomes	In total 51 companies replied to the letter and our questions. Several companies responded that they will be more transparent in upcoming annual reports. One company responded that it plans to liquidate two holdings companies that are located in tax havens.

- ☐ Add Example 8  
☐ Add Example 9  
☐ Add Example 10

LEA 14.2	Additional information.
----------	-------------------------

More examples of company dialogue can be found in other questions of this section.

## Communication

LEA 15	Mandatory	Core Assessed	PRI 2,6
--------	-----------	---------------	---------

LEA 15.1	Indicate whether your organisation proactively discloses information on its engagements.
----------	--

- ☒ We disclose it publicly

	please provide URL
--	--------------------

<http://www.triodos.com/en/investment-management/socially-responsible-investment/active-engagement>

<b>LEA 15.2</b>	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
-----------------	---

☒ Yes

<b>LEA 15.3</b>	Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.
-----------------	--

	Engagement information disclosed
--	----------------------------------

- ☒ Details of the selections, priorities and specific goals of engagement
- ☒ Number of engagements
- ☒ Breakdown of engagements by type/topic
- ☐ Breakdown of engagements by region
- ☐ An assessment of the current status of the engagement
- ☒ Outcomes that have been achieved from the engagement
- ☐ Other information

<b>LEA 15.4</b>	Indicate how frequently you typically report engagements information.
-----------------	---

- ☒ Disclosed continuously (prior and post engagements)
- ☐ Disclosed quarterly
- ☐ Disclosed annually
- ☐ Disclosed every two years or less
- ☐ Other, specify

☐ No

☐ We disclose it to clients and/or beneficiaries only

☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

<b>LEA 15.6</b>	Additional information. [Optional]
-----------------	------------------------------------

The number of company engagements are kept up to date on the website on a monthly basis. Details about the company engagement efforts are provided ad-hoc (for instance in our quarterly e-zine) and a full overview of all engagement activities is bundled in an annual engagement report which is published on our website. See link above.

## (Proxy) voting and shareholder resolutions

### Overview

<b>LEA 16</b>	Voluntary	Descriptive	<b>PRI 2</b>
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LEA  
16.1

Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

Triodos Investment Management votes at all Annual General Meetings whenever this is technically possible. Standard proxy voting advice is obtained from Pensions Investment Research Consultants (PIRC). The SRI funds have their own voting guidelines, which are applied to the PIRC voting recommendations. The guidelines have been influenced by Triodos Bank's vision for a sustainable society and Triodos Investment Management's sustainable investment criteria. All investee companies are informed about voting decisions in order to stimulate awareness of the Triodos Bank vision and Triodos Investment Management's sustainable investment criteria, and to help the companies improve their sustainability performance.

As a final engagement instrument Triodos Investment Management may (co-)file a shareholder resolution focusing on weak aspects of sustainability performance, on behalf of the SRI funds. Where this is already taking place, for example in the US, initiatives from other investors that ask for more sustainable behaviour from the company involved will be actively supported. This instrument will only be used when dialogue with management has proven to be unsuccessful in the past. In 2013 we have not (co-)filed any resolutions.

## Process

LEA 17

Mandatory

Descriptive

PRI 2

LEA  
17.1

Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

### Approach

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☒ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

### Based primarily on

- ☐ the service provider voting policy signed off by us
- ☒ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf.

LEA 19

Voluntary

Descriptive

PRI 2

<b>LEA 19.1</b>	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
-----------------	---

- ☒ Obtain confirmation that votes have been lodged:
- ☒ for a majority of votes
  - ☐ for a minority of votes
- ☐ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☐ None of the above

<b>LEA 19.2</b>	Provide additional information on your organisation's vote confirmation efforts.
-----------------	--

PIRC provides a monthly audit report which includes information about votes cast.

<b>LEA 20</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>LEA 20.1</b>	Indicate if your organisation has a securities lending programme.
-----------------	---

- ☐ Yes
- ☒ No

<b>LEA 21</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
---------------	------------------	----------------------	--------------

<b>LEA 21.1</b>	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
-----------------	---

- ☒ Yes, in most cases
- ☐ Sometimes, in the following cases:
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

<b>LEA 21.2</b>	Additional information. [Optional]
-----------------	------------------------------------

Each company receives feedback on all votes cast by Triodos Investment Management. Whenever possible we will inform the company of our votes prior to the AGM. Yet, this is not always possible in the short time span that is available. This is why we, at the beginning of each year, inform each investee company by means of a letter that we hold shares in the company and what our main voting priorities are. In this letter we also seek attention to a specific area of concern. In 2013 this area was related to tax policy and tax transparency.

## Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 22.1

For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

☒ We do track or collect this information

Votes cast (to the nearest 1%)

%

92

Specify the basis on which this percentage is calculated

- ☐ of the total number of ballot items on which you could have issued instructions
- ☒ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted

LEA 22.2

If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]

Of the in total 120 meetings we could have voted on, we missed 10 meetings due to technical and administrative issues. We are currently evaluating why these meetings have been missed and what procedures should be put in place to ensure that in 2014 no meetings will be missed.

☐ We do not track or collect this information

LEA 23	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 23.1

Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.

☒ Yes, we track this information

LEA 23.2

Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management proposals	<div> <div></div> <div>%</div> </div> 65
Against (opposing) management proposals	<div> <div></div> <div>%</div> </div> 22
Abstentions	<div> <div></div> <div>%</div> </div> 13

100%

<b>LEA 23.3</b>	For the reporting year, describe your approach towards voting on shareholder resolutions.
-----------------	---

In 2013, Triodos Investment Management voted on 38 shareholder resolutions at 22 meetings. Triodos voted in favour of 33 of the shareholder resolutions. Most resolutions were related to political donations such as a call for more transparency on political donations and a call to prohibit political donations. Such resolutions were found at the meetings of American companies EMC, Waste Management, Dentsply, Wellpoint, Nike, Starbucks and Aetna. Another topic put forward was Chairman independence. Such resolutions were found at the meetings of American companies Walt Disney, Whole Foods Market and Aetna. Triodos Investment Management abstained on five resolutions because insufficient explanation was provided by the proponent to make a well-informed decision.

☐ No, we do not track this information

<b>LEA 24</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 24.1</b>	Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.
-----------------	---

☐ Yes

☒ No

<b>LEA 25</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
---------------	------------------	--------------------	--------------

<b>LEA 25.1</b>	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.
-----------------	---

☒ Add Example 1

Topic or ESG issue	Shareholder resolution
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	<p>At the Annual General Meeting of American Whole Foods Market, shareholders requested that the company issues a report assessing the feasibility of adopting a policy of Extended Producer Responsibility for postconsumer product packaging. Such policy could help increase rates of packaging recycling, and reduce carbon emissions and air and water pollution that result from the company's business activities. The company argued that compliance with this proposal would result in unnecessary costs and expenses. Triodos Investment Management is of the opinion that the proposed feasibility study will provide the company with a better understanding of the advantages and disadvantages of such a policy as well as reveal environmental risks associated with climate change.</p>
Scope and Process	The company was informed about our votes cast including our motivation.
Outcomes	The shareholder resolution received 7% For votes.

☒ Add Example 2

Topic or ESG issue	Shareholder resolution
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	<p>At the Annual General Meeting of American eBay, Triodos Investment Management supported two shareholder resolutions. The first resolution asked for greater transparency and accountability in the use of staff time and corporate funds for the Company's procedures and expenditures related to lobbying. The proponent argued that not all lobbying activity by the company had been disclosed. Triodos Investment Management is of the opinion that all material shareholder funds should be accounted for and may not include grassroots lobbying to directly influence legislation by mobilizing public support or opposition. We therefore supported this resolution. In the second resolution, shareholders proposed that the Board of Directors publishes a report explaining how the Board is overseeing privacy and data security risks. There are concerns regarding the Board's opposition to this proposal in view of the company's statements that it is committed to promoting free speech and consumer privacy. Triodos Investment Management voted in favour of the proposal.</p>
Scope and Process	The company was informed about our votes cast including our motivation.
Outcomes	Not yet assessed.

☒ Add Example 3

Topic or ESG issue	Remuneration
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	<p>Triodos often votes against remuneration proposals. In 2013 we voted on 155 resolutions related to pay. Triodos is highly critical towards potential excessiveness of remuneration packages, lack of information about performance targets, insufficiently challenging targets and complexity of remuneration schemes.</p>
Scope and Process	All companies are informed about our votes cast including our motivation.
Outcomes	<p>We voted "For" 19% of these resolutions. We "Abstained" on 10% of resolutions. All other resolutions we voted "Against".</p> <p>With one company we discussed our voting advice in more detail. The company wanted to know why we are not in favour of performance fees for non-executives. The company abolished options because of criticism received in 2012. The company asked us to deliver some examples of best practices about performance criteria and targets and was seeking more explanation about what the criteria for excessive remuneration entails.</p>

☒ Add Example 4

Topic or ESG issue	Meeting notification
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	To authorise Johnson Matthey to call general meetings other than annual general meetings on not less than 14 clear days' notice. Shareholder approval is sought to call general meetings on 14 clear days notice. Triodos voted against this resolution.
Scope and Process	The company was informed about our votes cast including our motivation.
Outcomes	The resolution received 8.85% Oppose votes.

- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

## Communication

LEA 26

Mandatory

Core Assessed

PRI 2,6

LEA  
26.1

Indicate if your organisation proactively discloses information on your voting activities.

- ☒ We disclose it publicly

provide URL

<http://www.triodos.com/en/investment-management/socially-responsible-investment/active-engagement/proxy-voting>

LEA  
26.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☒ Yes

LEA  
26.3

Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

Indicate how much of your voting record you disclose

- ☒ All voting decisions
- ☐ Some voting decisions
- ☐ Only abstentions and opposing vote decisions
- ☐ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
- ☐ Explain some voting decisions
- ☒ Only explain abstentions and votes against management
- ☐ No explanations provided

**LEA  
26.4**

Indicate how frequently you typically report voting information.

- ☐ Continuously (primarily before meetings)
- ☒ Continuously (soon after votes are cast)
- ☐ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries



# Triodos Investment Management B.V.

## Reported Information

### Public version

#### Direct - Fixed Income

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

FI 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

PRI 1

FI 01.1

Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.

Fixed income – corporate

### Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active - fundamental and other active strategies

Percentage of internally managed fixed income - corporate

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

Fixed income – government

### Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active - fundamental and other active strategies

Percentage of internally managed fixed income - government

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

FI 01.2

Additional information. [Optional]

All companies and countries that are considered for sustainable investing by Triodos Investment Management are screened against strict sustainable investment criteria. Companies and countries that meet the investment criteria are included in the Triodos Sustainable Investment Universe. This universe is a starting point for the financial technical screening that is conducted by Delta LLOYD Asset Management. Delta LLOYD to construct the fund portfolios.

FI 02

Mandatory to Report Voluntary to Disclose

Peering

General

**FI 02.1**

Provide a breakdown of your internally managed fixed income investments by credit quality.

Credit quality	Fixed Income - Corporate	Fixed Income - Government
<b>Investment grade</b>	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
<b>High yield</b>	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
<b>Distressed</b>	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%

**FI 02.2**

Provide a breakdown of your fixed income investments between primary and secondary market.

Market	Fixed Income - Corporate	Fixed Income - Government
<b>Primary market (new issues)</b>	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
<b>Secondary market</b>	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%

## ESG incorporation in actively managed fixed income

**FI 03**

Voluntary

Descriptive

**PRI 1****FI 03.1**

Provide a brief overview of how you incorporate ESG issues in fixed income investments.

## Fixed Income - Corporate

For corporate issuers we apply the same ESG methodology as for listed equity.

## Fixed Income - Government

For fixed income - sovereigns, the research process involves the following three steps:

- Step 1: Countries must belong to the 50 best functioning democracies within the group of 100 largest economies.
- Step 2: Countries must be free of boycotts supported by the United Nations.
- Step 3: Countries must underwrite the most important, broadly supported conventions of the United Nations.

## Fixed Income - Corporate

### Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
FI 04.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.		

#### ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☐ Screening + Integration strategies
- ☐ Thematic + integration strategies
- ☒ Screening + thematic strategies

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	<div> <div></div> <div>%</div> </div>
	100

- ☐ All three strategies combined
- ☐ No incorporation strategies applied

	Total actively managed fixed income - corporate
--	---

100%

<b>FI 04.2</b>	Describe your primary reasons for choosing a particular incorporation strategy.
----------------	---

See listed equity.

<b>FI 04.3</b>	If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]
----------------	---

See listed equity.

<b>FI 05</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
--------------	------------------	----------------------------	--------------

<b>FI 05.1</b>	Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.
----------------	---

#### Type of ESG information

☒ Raw ESG company data

	Describe who provides this information.
--	---

ESG research provider and in-house - specialised ESG team

☐ Issuer-related analysis or ratings

☒ Sector-related analysis or ratings

	Describe who provides this information.
--	---

ESG research provider and in-house - specialised ESG team

☒ Country-related analysis or ratings

	Describe who provides this information.
--	---

ESG research provider and in-house - specialised ESG team

- ☐ Screened bond list
- ☒ Issue-specific analysis or ratings

	Describe who provides this information.
--	---

ESG research provider and in-house - specialised ESG team

- ☐ Other, specify

<b>FI 05.2</b>	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.
----------------	---

See listed equity.

## (A) Implementation: Screening

FI 06	Mandatory	Descriptive	PRI 1
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<b>FI 06.1</b>	Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.
----------------	---

### Type of screening

- ☒ Negative/exclusionary screening

#### Screened by

- ☒ Product
- ☒ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
--	-------------

See listed equity.

☒ Positive/best-in-class screening

**Screened by**

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
--	-------------

See listed equity.

☒ Norms-based screening

**Screened by**

- ☒ UN Global Compact Principles
- ☒ Universal Declaration of Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☒ OECD Guidelines for Multinational Enterprises
- ☒ Other, specify

WHO-code, CITES, Roundtable on Sustainable Palm oil, FSC, MSC, the guidelines of the World Commission on Dams, Kimberley Process a.o.

	Description
--	-------------

See listed equity

<b>FI 06.2</b>	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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See listed equity.

<b>FI 07</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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<b>FI 07.1</b>	Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.
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- ☒ Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- ☒ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- ☒ A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

<b>FI 07.2</b>	Additional information. [Optional]
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See listed equity.

<b>FI 08</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>FI 08.1</b>	Indicate which processes your organisation uses to ensure that fund criteria are not breached in corporate fixed income investments.
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- ☒ Checks are performed to ensure that issuers meet the funds' screening criteria. These checks are:
  - ☒ Systematic
  - ☐ Occasional
- ☐ Automated IT systems prevent investment managers from investing in excluded bonds or those that do not meet positive screening criteria
- ☒ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above



<b>FI 08.2</b>	If breaches of fund screening criteria are identified, describe the process followed to correct those breaches.
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See listed equity.

## (B) Implementation: Sustainability themed investing

<b>FI 09</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>FI 09.1</b>	Indicate the type of sustainability themed funds or mandates your organisation manages.
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- ☐ Environmentally themed funds
- ☐ Socially themed funds
- ☒ Combination of themes

<b>FI 09.2</b>	Describe your organisation's processes for sustainability themed funds.
----------------	---

See listed equity.

## Fixed income - Government

<b>FI 13</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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<b>FI 13.1</b>	Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.
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☒ Yes

<b>FI 13.2</b>	Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.
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- ☐ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☒ >90%

<b>FI 13.3</b>	Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.
----------------	--

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

The best-in-class selection of governments is focusing on Governance issues. Based on a number of criteria, a rating is assigned to each country. In addition to this rating, a performance trend is provided. This trend shows the long-term performance of a country. The overall rating combines an assessment of the current performance and the trend. Governments that distinguish themselves as belonging to the 50% best-in-class within the 100 largest countries worldwide based on Gross Domestic Product qualify for possible inclusion in the Triodos Investment Universe.

The best-in-class assessment focusses on the effectiveness of a country's democratic process and the level of safety provided to the citizens are examined. The criteria are:

- Voice and accountability: the right to participate in the political process, freedom of expression and free media. (Political Rights and Press Freedom)
- Political stability and Absence of violence: intensity and severity of conflicts in relation to use of violent methods, frequency and severity of violent behaviour and implications for population. (Conflict involvement)
- Government effectiveness: quality of public and civil services and the degree of independence from political pressures, the quality of policy formulation and implementation and the credibility of the government's commitment to such policies.
- Regulatory quality: the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.
- Rule of law: the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.
- Control of corruption: the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests. (Corruption perception index)

Countries, eligible for investment on the basis of the best-in-class selection, are also assessed against a set of minimum standards specifically designed for governments. None of the governments of countries selected for inclusion in the Triodos investment universe may materially prevent the long-term development of a sustainable society. As an indicator, countries need to be free of international (EU and UN) sanctions. Moreover, countries need to ratify the most widely accepted United Nations backed conventions including the most important ones focusing on human rights and the environment. Conventions that need to be signed and ratified by governments are:

- International Convention on Civil and Political Rights (1966)
- International Covenant on Economic, Social and Cultural Rights (1966)
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984)
- Convention on the Rights of the Child (1989)
- Convention on the Elimination of All Forms of Discrimination Against Women (1979)
- International Convention on the Elimination of All Forms of Racial Discrimination (1965)
- Core Labour Right Conventions (freedom of associations, right to organize and collective bargaining, no forced labour, no child labour, no discrimination)
- international arms conventions (Non-Proliferation of Nuclear Weapons Treaty,

Comprehensive Nuclear Test Ban Treaty, Chemical Weapons Convention, Biological Weapons Convention, Ottawa Convention (Ban on Anti-Personnel Mines) and Oslo Convention on Cluster Munition)

- Framework Convention on Climate Change
- Montreal Protocol (Ozone Layer), including 7th amendment (Beijing 1999)
- Convention on Biological Diversity, including Cartagena Protocol on Biosafety
- Kyoto Protocol
- Convention on International Trade of Endangered Species of Wild Fauna and Flora

☐ No

## Outputs and outcomes

FI 15	Voluntary	Descriptive	PRI 1
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<b>FI 15.1</b>	Indicate how your ESG incorporation strategies have influenced the composition of your fixed income portfolio(s) or investment universe.
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### Fixed Income - Corporate

- ☒ Narrow down or prioritise the investment universe
- ☒ Buy / sell / weight decisions
- ☐ Other, specify

### Fixed Income - Government

- ☒ Narrow down or prioritise the investment universe
- ☒ Buy / sell / weight decisions
- ☐ Other, specify

<b>FI 15.2</b>	Additional information.
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At year-end 2013 the investment universe included 27 countries for sustainable investing. These countries are then screened against the financial requirements as specified in the prospectus. Countries have to issue Euro denominated Sovereign Bonds. These bonds must be rated at least AA- or equivalent by two of the following rating agencies: Standard& Poor's, Moody's or Fitch. Additionally, governments must have a minimum of EUR 150 billion public debt outstanding.

For corporate issuers see listed equity.

FI 16	Voluntary	Descriptive	PRI 1
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<b>FI 16.1</b>	Indicate if you believe (by applicable strategy) that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.
----------------	---

## Fixed Income - Corporate

a) Impacted funds' financial performance

Screening	Thematic		
<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes		
<input type="radio"/> No	<input type="radio"/> No		

b) Reduced funds' risk or volatility

Screening	Thematic		
<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes		
<input type="radio"/> No	<input type="radio"/> No		

c) Improved funds' ESG performance

Screening	Thematic		
<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes		
<input type="radio"/> No	<input type="radio"/> No		

## Fixed Income - Government

a) Impacted funds' financial performance

ESG incorporation (for actively managed funds)	
<input checked="" type="radio"/> Yes	
<input type="radio"/> No	

b) Reduced funds' risk or volatility

ESG incorporation (for actively managed funds)	
<input checked="" type="radio"/> Yes	
<input type="radio"/> No	

c) Improved funds' ESG performance

<b>ESG incorporation (for actively managed funds)</b>	
<input checked="" type="radio"/> Yes <input type="radio"/> No	

<b>FI 16.2</b>	Describe how you are able to determine these outcomes and your actual performance.
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See listed equity.

<b>FI 17</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>FI 17.1</b>	Provide examples of ESG issues that affected your fixed income investment view and/or performance during the reporting year.
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☒ ESG issue 1

	<b>Fixed Income - Corporate and/or Government</b>
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government	
	<b>ESG issue and explanation</b>
Rabobank has been put under review due to corporate governance concerns.	
	<b>ESG incorporation strategy applied</b>
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	<b>Impact on investment view or performance</b>
Under review means that Triodos Investment Management has concerns about the company meeting our investment criteria. The asset manager is advised not to expand its investments in the company until further notice.	

☒ ESG issue 2

	Fixed Income - Corporate and/or Government
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government	
	ESG issue and explanation
<p>European Investment Bank was newly selected for sustainable investing in 2013. The company was added to the investment universe after extensive dialogue with the company about mainly nuclear power related finance activities and coal plant finance activities.</p>	
	ESG incorporation strategy applied
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
<p>The company is now also included in the investment portfolio.</p>	

☒ ESG issue 3

	Fixed Income - Corporate and/or Government
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government	
	ESG issue and explanation
Achmea was newly selected for sustainable investing after a full assessment of the company. As a result of our engagement efforts the company expanded its black list of companies involved in controversial arms.	
	ESG incorporation strategy applied
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
The company is now also included in the investment portfolio.	

☐ ESG issue 4

☐ ESG issue 5

## Communication

FI 18

Mandatory

Core Assessed

PRI 2,6

FI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.

☒ We disclose it publicly

Provide URL

<http://www.triodos.com/en/investment-management/socially-responsible-investment/sustainable-investment-universe/recent-results>

FI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

☒ Yes



**FI 18.3**

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
- ☒ Detailed explanation of ESG incorporation strategy used

**FI 18.4**

Indicate how frequently you typically report this information.

- ☒ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

**FI 18.5**

Additional information. [Optional]

See listed equity.

## Engagement in fixed income investments

### Fixed Income - Corporate

**FI 19**

Voluntary

Descriptive

**PRI 2****FI 19.1**

Indicate if you engage with corporate issuers.

- ☒ Yes

**FI 19.2**

Describe your organisation's approach to engagement in corporate fixed income.

Apart from voting we apply the same strategy as for listed equity.

- ☐ No

<b>FI 19.3</b>	Additional information.
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See listed equity.

## Fixed Income - Government

<b>FI 20</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>FI 20.1</b>	Indicate if you engage with government issuers such as government departments (national or local), agencies and other entities in order to influence their approach to ESG issues that may affect creditworthiness.
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☐ Yes

☒ No

<b>FI 20.3</b>	Additional information.
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Triodos Investment Management considers it neither feasible nor desirable to engage with governments as an investor, despite the goal to influence sustainable behaviour. Governments should be supervised and influenced only by its citizens through democratic processes.

# Triodos Investment Management B.V.

## Reported Information

### Public version

#### Direct - Property

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

PR 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

PR 01.1

Provide a breakdown of your organisation's internally managed property investments by equity and debt.

### Property investments instruments

☒ Equity investments

Property investment instruments	Percentage of your internally managed property investments (in terms of AUM)
Equity investments	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10%

PR 01.2

Indicate the level of ownership you typically hold in your property investments.

- ☒ a majority stake (>50%)
- ☐ a 50% stake
- ☐ a significant minority stake (between 10-50%)
- ☐ a limited minority stake (<10%)
- ☐ a mix of ownership stakes

☐ Debt investments

### Total 100%

☐ N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity or debt in property on their behalf

PR 01.3

Additional information. [Optional]

The fund invests 100% of its AuM directly in sustainable property and is made up of 50% equity investments and 50% debt.

PR 02

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

PR 02.1

Provide a breakdown of your organisation's property assets based on who manages the assets.

Property assets managed by	Breakdown of your property assets (by number)
Managed directly by your organisation	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed via third-party property managers appointed by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed by other investors or their property managers	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
<b>Total</b>	<b>100%</b>

PR 03	Voluntary	Descriptive	General
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PR 03.1	Indicate up to three of your largest property types by AUM.
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Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify

PR 03.2	Additional information.
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The AuM invested in property, is invested in offices solely.

PR 04	Voluntary	Descriptive	PRI 1-6
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**PR 04.1**

Provide a brief overview of your organisation's approach to responsible investment in property where you have equity stakes.

TIM only invests in real estate that meet the sustainability criteria it has set itself. As such, it invests in sustainably built property, monuments or existing real estate which TIM subsequently brings up to compliance with these criteria. Its focus is on office buildings. To be able to judge whether a building is currently up to our standards or can be brought up to standards, a model has been devised; the Triodos Test for Sustainable Real Estate. This model differs from others by not only taking into account the sustainability of the real estate it seeks to invest in, but by also looking at the impact on the (local) environment, the user and the owner. These elements translate into four categories; People, Planet, Profit and Project. To be eligible for investment any property must score at least 5,5 on a scale of 1 to 10 on all these categories and at least a 7,5 on at least one category.

We believe a building to be sustainable when its users have a pleasant and healthy work environment (People), the environment isn't unduly burdened by it (Planet), it offers reasonable returns (Profit) and complies with both structural and spatial standards (Project). In practice, this means that buildings are found to be sustainable when all four criteria are met. By applying this model, TIM clearly sets itself apart from other models of measuring sustainability. For example, a building that uses relatively little energy and isn't detrimental to the environment, but offers poor prospects in returns, shall not be acquired. This shows that we believe that sound financial returns cannot be detached from environmental. Only buildings that combine both forms of return can ever prove to be attractive investments. This shows that if the P for Profit is weak, it undermines all other sustainability criteria. Within sustainability, all P's are inseparably intertwined.

The model we have devised is very much aimed at the practice and can also be applied to the management of buildings. By formulating annual objectives together with the asset manager, we can also use this model as a management tool.

**PR 05****Mandatory****Core Assessed****PRI 1-6****PR 05.1**

Indicate if your organisation has a Responsible Property Investment (RPI) policy.

☒ Yes

**PR 05.2**

Provide a URL if your RPI policy is publicly available. [Optional]

<http://verslag.triodos.nl/nl/tim/2013/tvf/visie-duurzaam-vastgoed.html?cat=m>

☐ No

**PR 05.3**

Additional information. [Optional]

The PRI policy is in Dutch.

## Fundraising of property funds

**PR 06****Mandatory****Core Assessed****PRI**

**PR 06.1**

Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

**PR 06.2**

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
  - ☒ Always
  - ☐ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
  - ☒ Always
  - ☐ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases

**PR 06.3**

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

In every document we refer to the Triodos Test for Sustainable Real Estate. In all our investment proposals we explain why a certain investments fits in this sustainability framework. We also screen sustainability items when we de-invest.

☐ No

**PR 07****Voluntary****Additional Assessed****PRI 4****PR 07.1**

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients.

- ☒ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in property



PR 07.2	Additional information.
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We include sustainability issues in Asset and Property Management contracts and in lease contracts with tenants.

## Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
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PR 08.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
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☒ Yes

PR 08.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]
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The fund analyzes every building with the Triodos Test for Sustainable Real Estate.

☐ No

PR 09	Voluntary	Descriptive	PRI 1,4
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PR 09.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the property investment selection process.
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☒ Internal staff

☒ Specify role

Sustainability analysis with Triodos Test

☐ Specify role

☐ Specify role

☒ External resources

☒ Environmental advisors

☐ Social advisors

☐ Corporate governance advisors

☐ Regulatory and/or legal advisors

☐ Other, specify type of advisors/roles

☐ No use of internal or external advice on ESG issues

PR 09.2	Additional information.
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The fund itself does an initial sustainability screening by applying the Triodos Test for Sustainable Real Estate. External Environmental advisors do a formal third party screening with a third party / arms' length advice.

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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#### ESG issues

☒ Environmental

List up to three typical examples of environmental issues
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Energy efficiency  
Water efficiency  
Cradle-to-cradle materialization

☒ Social

List up to three typical examples of social issues
--

Buildings facilitate social interaction and positive experience of the building  
Building are located in lively centres to stimulate interaction between office workers and environment  
Offices should provide healthy working climate for office workers

☒ Governance

List up to three typical examples of governance issues
--

The fund screens possible sellers of buildings to avoid governance issues  
The fund screens possible buyers to avoid governance issues  
None of the managers or any member of board has any shares in the fund

PR 11	Voluntary	Additional Assessed	PRI 1,3
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<b>PR 11.1</b>	Indicate what type of ESG information your organisation typically considers during your property investment selection process.
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- ☒ Raw data from the target property asset/company
- ☒ Appraisals/audits
- ☒ Benchmarks/ratings against similar property asset
- ☐ Country level data/benchmarks
- ☒ Data aligned with established property reporting standards, industry codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Data from engagements with stakeholders (e.g. tenants and local community surveys)
- ☒ Information from external advisers
- ☐ Other, specify
- ☐ We do not track this information

<b>PR 11.2</b>	Additional information.
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The fund only invests in the Netherlands. It does a due diligence on sustainability by the Triodos Test for Sustainable Real Estate, the fund asks external valuation, including comparison with similar property, the funds measures according to international standards. Everything is backed up by external experts.

<b>PR 12</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>PR 12.1</b>	Indicate if ESG issues impacted your property investment selection process during the reporting year.
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- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

### Selection, appointment and monitoring third-party property managers

<b>PR 13</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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<b>PR 13.1</b>	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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☒ Yes

**PR 13.2**

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- ☐ Selection process of property managers incorporated ESG issues
- ☒ Contractual requirements when appointing property managers includes ESG issues
  - ☒ For all third party property managers
  - ☐ For a majority of property managers
  - ☐ For a minority of property managers
- ☒ Monitoring of property managers covers ESG responsibilities and implementation
  - ☒ For all third party property managers
  - ☐ For a majority of property managers
  - ☐ For a minority of property managers

**PR 13.3**

Provide a brief description of your organisation's selection, appointment and monitoring of third party property managers. [Optional]

The funds includes sustainability targets in Asset and Property Management contracts. Sustainability issues are monitored quarterly. There is a bonus for the Asset and Property Manager if they realize the sustainability targets which are re-defined yearly.

**PR 13.4**

Describe how your third party property managers contribute to the management of ESG issues for your property investments. [Optional]

The funds includes sustainability targets in Asset and Property Management contracts. Sustainability issues are monitored quarterly. There is a bonus for the Asset and Property Manager if they realize the sustainability targets which are re-defined yearly.

☐ No

## Post-investment (monitoring and active ownership)

### Overview

**PR 14**

**Mandatory**

**Gateway**

**PRI 2**

**PR 14.1**

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

**PR 14.2**

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☐ We consider ESG issues in community engagements related to our properties
- ☒ We consider ESG issues in other post-investment activities, specify

We introduce "green lease" to tenants where we use saving realized to finance sustainable refurbishments of the buildings.

**PR 14.3**

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

The funds includes sustainability targets in Asset and Property Management contracts. Sustainability issues are monitored quarterly. There is a bonus for the Asset and Property Manager if they realize the sustainability targets which are re-defined yearly.

☐ No

## Property monitoring and management

**PR 15****Mandatory****Core Assessed****PRI 2,3****PR 15.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

**PR 15.2**

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

**ESG issues**

- ☒ Environmental

List up to three example targets per issue

Decrease energy consumption of buildings

Increase energy production (heat/cold storage and solar panels) of the buildings

Decrease water consumption and waste production of the buildings (and office workers)

☐ Social

☐ Governance

☐ We do not set and/or monitor against targets

PR 16	Voluntary	Additional Assessed	PRI 2
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<b>PR 16.1</b>	List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.
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☒ Add certification scheme, rating and benchmark 1

Specify	Triodos Test Sustainable Real Estate
Proportion of property assets these apply to	<input checked="" type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets  (in terms of number of property assets)

☒ Add certification scheme, rating and benchmark 2

Specify	GRESB
Proportion of property assets these apply to	<input checked="" type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets  (in terms of number of property assets)

☒ Add certification scheme, rating and benchmark 3

Specify	MSCI / IPD
Proportion of property assets these apply to	<input checked="" type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets  (in terms of number of property assets)

## Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
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**PR 17.1** Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.

- ☒ >90% of active developments and refurbishments
- ☐ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

**PR 17.2** Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- ☒ Minimum environmental site selection requirements
- ☐ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☐ Other, specify

## Occupier engagement

PR 18	Mandatory	Core Assessed	PRI 2
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**PR 18.1** Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- ☒ >90% of occupiers
- ☐ 51-90% of occupiers
- ☐ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

<b>PR 18.2</b>	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
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- ☒ Distribute a sustainability guide to occupiers
- ☐ Organise occupier events focused on increasing sustainability awareness
- ☒ Deliver training on energy and water efficiency
- ☐ Deliver training on waste minimisation
- ☒ Provide feedback on energy and water consumption and/or waste generation
- ☒ Provide feedback on waste generation
- ☐ Carry out occupier satisfaction surveys
- ☐ Other, specify

<b>PR 19</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>PR 19.1</b>	Indicate the proportion of all leases signed during the reporting year that used green leases or the proportion of Memoranda of Understandings (MoUs) with reference to ESG issues.
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- ☐ >90% of leases or MoUs
- ☒ 51-90% of leases or MoUs
- ☐ 10-50% of leases or MoUs
- ☐ <10% of leases or MoUs
- ☐ 0% of leases or MoUs
- ☐ N/A, no leases or MoUs were signed during the reporting year

(in terms of number of leases or MoUs)

<b>PR 19.2</b>	Additional information.
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We standard suggest green lease rental contract or green lease articles in standard contracts. However, not all tenants accept these contracts or articles.

## Outputs and outcomes

<b>PR 21</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1,2</b>
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<b>PR 21.1</b>	Indicate whether your organisation measures how your approach to ESG issues in property investments has affected financial and/or ESG performance.
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	Financial performance
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- ☐ We measure how ESG issues affect financial performance
- ☒ We do not measure how ESG issues affect financial performance



	ESG performance
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☒ We measure changes in ESG performance

<b>PR 21.3</b>	Describe the measures your organisation uses to assess the impact of your activities on your property investments' ESG performance.
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Quarterly assessment of the improvement of sustainability qualities of the buildings.

☐ We do not measure changes in ESG performance

<b>PR 21.4</b>	Additional information.
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Regarding 21.1; we do not know any common accepted system that expresses in a quantitative way the relation between ESG issues and financial performance. However, we believe there is a positive relation between the two. If possible we attract so called green loans to decrease finance costs. Green loans are granted on the basis of the ESG characteristics of the buildings.

<b>PR 22</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1,3</b>
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<b>PR 22.1</b>	Provide examples of ESG issues that affected your property investments during the reporting year.
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☒ Add Example 1

ESG issue	Planning Solar panels on roofs
Types of properties affected	6 offices
Impact (or potential impact) on investment	increase green energy production / decrease CHC emissions
Activities undertaken to influence the investment and the outcomes	Decision made; subsidies asked for alle buildings and granted for 6 buildings. Solar panels are currently installed.

☒ Add Example 2

ESG issue	Replacing light by LED bulbs
Types of properties affected	Offceis
Impact (or potential impact) on investment	Decrese energy and CHC
Activities undertaken to influence the investment and the outcomes	Involve tennants in our plans and financing of the replacements by green lease clauses.

☒ Add Example 3

ESG issue	Contracting mentally disabled for gardenwork
Types of properties affected	One of the investments in more rural area with large park
Impact (or potential impact) on investment	Improvement of the park and stimulate interaction between office workers and mentakky disabled persons.
Activities undertaken to influence the investment and the outcomes	Decided that this is an important thing to offer to mentally disabled persons, the office workers and the park.

☒ Add Example 4

ESG issue	Decrease CHC emission cars
Types of properties affected	6 offices
Impact (or potential impact) on investment	Offer charging facilities for electric cars at 6 of our buidlings
Activities undertaken to influence the investment and the outcomes	Decided to do so.

☒ Add Example 5

ESG issue	Involve tenants in realization sustainability
Types of properties affected	All tenants
Impact (or potential impact) on investment	Increase awareness on sustainability for tenants
Activities undertaken to influence the investment and the outcomes	Decided to distribute a quarterly news letter on sustainability issues in portfolio to tenants

## Communication

PR 23

Mandatory

Core Assessed

PRI 6

PR 23.1

Indicate if your organisation proactively discloses ESG information on your property investments.

☒ Disclose publicly

provide URL

<http://verslag.triodos.nl/nl/tim/2013/tvf/impact.html?cat=m>

provide URL

<http://verslag.triodos.nl/nl/tim/2013/tvf/visie-duurzaam-vastgoed.html?cat=m>

PR 23.2

Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)

☒ Other property reporting standards, specify

Gresb

☐ No property specific reporting standards are used

PR 23.3

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

☒ Yes

**PR  
23.4**

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ☒ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☒ Information on your property investments' ESG performance
- ☐ Other, specify

**PR  
23.5**

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☒ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc, specify

**PR  
23.6**

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

See: <http://verslag.triodos.nl/nl/tim/2013/tvf/portefeuille.html?cat=m>

- ☐ No
- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries

Triodos Investment Management B.V.

Reported Information

Public version

Direct - Infrastructure

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

INF 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

INF 01.1

Provide a breakdown of your organisation's internally managed infrastructure investments by equity and debt.

Infrastructure investment instruments	Percentage of your internally managed infrastructure investments (in terms of AUM)
Equity investments	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Debt investments	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<b>Total</b>	<b>100%</b>

INF 01.2

Indicate the level of ownership you typically hold in your infrastructure investments.

- ☐ a majority stake (>50%)
- ☐ a 50% stake
- ☐ a significant minority stake (between 10-50%)
- ☐ a minority stake (<10%)
- ☒ a mix of ownership stakes
- ☐ N/A, we hold 100% debt investments

INF 02

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

INF 02.1

Provide a breakdown of your organisation's infrastructure assets based on who manages the assets.

Infrastructure assets managed by	Breakdown of your infrastructure assets (by number)
Managed directly by your organisation/companies owned by you	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Managed via third-party operators appointed by your organisation/companies owned by you	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Managed by other investors/their third-party operators	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<b>Total</b>	<b>100%</b>

INF 03	Voluntary	Descriptive	General
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INF 03.1	Indicate up to three of your largest infrastructure sectors by AUM.
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Sector	Main infrastructure sectors (by AUM)
Largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input checked="" type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Second largest infrastructure sector	<input type="radio"/> Transportation <input checked="" type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Third largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input checked="" type="radio"/> Other, specify Energy Efficiency / Professional Services (energy)

INF 04	Voluntary	Descriptive	PRI 1-6
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**INF 04.1**

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.

The equity funds invests in unlisted proven renewable energy technology in Europe. The Investment team is based in the Netherlands, United Kingdom and Spain. Investments are based on pro-active relationship management.

Triodos Investment Management applies positive ESG factors for all renewable energy projects. A deliberate choice is made on infrastructure projects fitting the overall values of Triodos Bank. Additionally all investments need to meet the investment universe Triodos Research applies.

The investment manager analyses the project on its contribution on environmental, social and governance issues. All investment managers are experts in their area and base their judgment on their knowledge of the sector, added with information from external (technical/ESG) advisors, Triodos Research and external reports on the relevant sectors.

**INF 04.2**

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you hold debt.

Finances projects of proven renewable energy technology, organic farming, sustainable real estate in the Netherlands. Operates predominantly in the Dutch market and allocates a limited amount of its portfolio NAV to emerging markets. The fund profits from a favourable fiscal regime for green certificated projects. Project financing takes place on pro-active relationship management.

Triodos Investment Management applies positive ESG factors for all renewable energy projects. A deliberate choice is made on infrastructure projects fitting the overall values of Triodos Bank. Additionally all investments need to meet the investment universe Triodos Research applies.

The investment manager analyses the project on its contribution on environmental, social and governance issues. All investment managers are experts in their area and base their judgment on their knowledge of the sector, added with information from external (technical/ESG) advisors, Triodos Research and external reports on the relevant sectors.

**INF 05****Mandatory****Core Assessed****PRI 1-6****INF 05.1**

Indicate if your organisation has a responsible investment policy for infrastructure.

☐ Yes

☒ No

<b>INF 05.3</b>	Additional information. [Optional]
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Triodos Investment Management applies positive ESG factors for all renewable energy projects. A deliberate choice is made on infrastructure projects fitting the overall values of Triodos Bank.

The investment manager analyses the project on its contribution on environmental, social and governance issues. All investment managers are experts in their area and base their judgment on their knowledge of the sector, added with information from external (technical/ESG) advisors, Triodos Research and external reports on the relevant sectors.

## Fundraising of infrastructure funds

INF 06	Mandatory	Core Assessed	PRI 1,4,6
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<b>INF 06.1</b>	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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☒ Yes

<b>INF 06.2</b>	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:
-----------------	--

- ☒ Policy and commitment to responsible investment
  - ☒ Always
  - ☐ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
  - ☒ Always
  - ☐ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes
  - ☒ Always
  - ☐ In a majority of cases
  - ☐ In a minority of cases

**INF 06.3**

Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar).  
[Optional]

Marketing material for existing and new funds refers to our commitment to responsible investments (policy and philosophy).

The investment and financing process inhibit the ESG criteria. Account managers and investment managers are probed on ESG criteria during the preparation phase and execution phase of the project financing/investment. The Credit and Investment Committee (ICKC) reserves time and dedication to the ESG criteria on which the final investment decision will be made.

☐ No

**INF 07****Voluntary****Additional Assessed****PRI 4****INF 07.1**

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in infrastructure when requested by clients.

- ☐ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☒ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in infrastructure

## Pre-investment (selection)

**INF 08****Mandatory****Gateway****PRI 1****INF 08.1**

Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.

☒ Yes

**INF 08.2**

Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]

Triodos Investment Management applies positive ESG factors for all renewable energy projects. A deliberate choice is made on infrastructure projects fitting the overall values of Triodos Bank. Additionally all investments need to meet the investment universe Triodos Research applies.

The investment and financing process inhibit the ESG criteria. Account managers and investment managers are probed on ESG criteria during the preparation phase and execution phase of the project financing/investment. The Credit and Investment Committee (ICKC) reserves time and dedication to the ESG criteria on which the final investment decision will be made.

☐ No

**INF 09****Voluntary****Descriptive****PRI 1,4****INF 09.1**

Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process.

☒ Internal staff

☒ Specify role

Investment Committee of the fund

☒ Specify role

Investment Managers of the fund

☒ Specify role

Triodos Research

☒ External resources

☒ Environmental advisors

☐ Social advisors

☐ Corporate governance advisors

☒ Regulatory and/or legal advisors

☐ Other, specify type of advisors/roles

☐ No use of internal or external advice on ESG issues

**INF 10****Mandatory****Core Assessed****PRI 1,3****INF 10.1**

Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.

**ESG issues**

☒ Environmental

List up to three typical examples of environmental issues

Trias Energetica: Prioritize Energy conservation and renewable energy production  
Production of Wind Turbines / Solar Panels (systemts) and the use of rare metals

Sustainability of technology (residual waste, biomass)

☒ Social

List up to three typical examples of social issues

Assess social rights; labor rights etc.

Local inhabitants rights

Labour conditions of suppliers/business partners

☒ Governance

List up to three typical examples of governance issues

Assess business partners

Long term relationships with known parties

INF 11	Voluntary	Additional Assessed	PRI 1,3
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**INF 11.1** Indicate what type of ESG information your organisation typically considers during your infrastructure investment selection process.

- ☒ Raw data from the target infrastructure asset/company
- ☒ Benchmarks/ratings against similar infrastructure asset
- ☒ Sector level data/benchmarks
- ☒ Country level data/benchmarks
- ☒ Reporting standards, infrastructure sector codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Engagements with stakeholders (e.g. contractors and suppliers)
- ☒ Advice from external sources
- ☒ Other, specify

ESG report initiated by internal staff on applying ESG to infrastructure

☐ We do not track this information

INF 12	Voluntary	Additional Assessed	PRI 1
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**INF 12.1** Indicate if ESG issues impacted your infrastructure investment selection processes during the reporting year.

- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☐ ESG issues impacted the investment in terms of price offered and/or paid
- ☐ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☒ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

## Selection, appointment and monitoring of third-party operators

INF 13	Mandatory	Core Assessed	PRI 4
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**INF 13.1**

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.

☒ Yes

**INF 13.2**

Indicate your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.

- ☒ Selection process of third-party operators incorporates ESG issues
  - ☒ For all third-party operators
  - ☐ For a majority of third-party operators
  - ☐ For a minority of third-party operators
- ☒ Contractual requirements when appointing third-party operators includes ESG issues
  - ☐ For all third-party operators
  - ☒ For a majority of third-party operators
  - ☐ For a minority of third-party operators
- ☒ Monitoring of third-party operators covers ESG responsibilities and implementation
  - ☐ For all third-party operators
  - ☐ For a majority of third-party operators
  - ☒ For a minority of third-party operators

**INF 13.3**

Provide a brief description of your organisation's selection, appointment and monitoring of third-party operators. [Optional]

Assuming the operator is the lending party then the majority of contracts include ESG (general conditions to lending products of Triodos Bank)

**INF 13.4**

Describe how your third-party operators contribute to the management of ESG issues for your infrastructure investments. [Optional]

Operators are reviewed on a regular basis when credits or equity stakes are reviewed (following a review calendar).

☐ No

## Post-investment (monitoring and active ownership)

### Overview

**INF 14**

**Mandatory**

**Gateway**

**PRI 2**

<b>INF 14.1</b>	Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.
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☒ Yes

<b>INF 14.2</b>	Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.
-----------------	--

- ☒ We consider ESG issues in the monitoring and operation of infrastructure
- ☐ We consider ESG issues in infrastructure maintenance
- ☒ We consider ESG issues in stakeholder engagements related to our infrastructure
- ☒ We consider ESG issues in other post-investment activities, specify  
during review processes the projects evaluated (following review calendar)

☐ No

## Infrastructure monitoring and operations

<b>INF 15</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>INF 15.1</b>	Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.
-----------------	--

- ☒ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

<b>INF 15.2</b>	Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
-----------------	--

- ☐ Environmental
- ☐ Social
- ☐ Governance
- ☒ We do not set and/or monitor against targets

<b>INF 15.3</b>	Additional information. [Optional]
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Environmental: Triodos monitors the environmental impact of the infrastructure projects by reporting on CO2 tonnes saved, clean energy produced and compared to equivalent of households provided with clean energy.

Social: the investments are judged on direct impact on the society. Triodos mainly looks for opportunities that generate clean power whilst being in harmony with the society.

Governance: Triodos aims for a LT relationship with experienced partners to build up long term portfolios in renewable energy.

<b>INF 16</b>	<b>Mandatory</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>INF 16.1</b>	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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☐ Yes

☒ No

<b>INF 17</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2,3</b>
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<b>INF 17.1</b>	Indicate the type and frequency of reports you request and/or receive from infrastructure investees covering ESG issues.
-----------------	--

	Type of reporting
--	-------------------

☐ Overarching portfolio asset/company reports or similar where management disclosure, financial and ESG data are integrated

☒ Standalone reports highlighting targets and/or KPIs covering ESG issues

	Typical reporting frequency
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☐ Quarterly or more frequent

☐ Semi annually

☒ Annually

☐ Every two years or less

☐ Ad-hoc, specify

☒ Other, specify

please see INF 15



	Typical reporting frequency
--	-----------------------------

- ☐ Quarterly or more frequent  
☐ Semi annually  
☒ Annually  
☐ Every two years or less  
☐ Ad-hoc, specify

☐ No reporting on ESG issues requested and/or provided by infrastructure investees

## Stakeholder engagement

INF 19	Voluntary	Additional Assessed	PRI 2
--------	-----------	---------------------	-------

INF 19.1

Indicate which stakeholders your organisation, and/or operators, engaged with on ESG issues in relation to your infrastructure assets during the reporting year and what proportion of your investments they apply to.

Stakeholders engaged

- ☐ Regulators  
☐ Communities  
☒ Other stakeholder, specify

Owner, developers, technology provider

Percentage of infrastructure assets these apply to

- ☐ >90% of infrastructure assets  
☐ 51-90% of infrastructure assets  
☒ 10-50% of infrastructure assets  
☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

☐ Other stakeholder, specify

## Outputs and outcomes

INF 20	Voluntary	Additional Assessed	PRI 1,2
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INF 20.1

Indicate whether your organisation measures how your approach to ESG issues in infrastructure investments has affected financial and/or ESG performance.

Financial performance

☒ We measure how ESG issues affect financial performance

**INF  
20.2**

Describe the measures your organisation uses to assess the impact of your approach to ESG issues on your infrastructure investments' financial performance.

Triodos measures along the lines of the following impact measures. These are not financial measures, but can be translated into e.g. saved fossil fuels which can in turn be translated in financial impact. Triodos is convinced that ESG in the long term affects the financial returns and performance of stakeholders and positively impacts society.

Environmental: Triodos monitors the environmental impact of the infrastructure projects by reporting on CO2 tonnes saved, clean energy produced and compared to equivalent of households provided with clean energy.

Social: the investments are judged on direct impact on the society. Triodos mainly looks for opportunities that generate clean power whilst being in harmony with the society.

Governance: Triodos aims for a LT relationship with experienced partners to build up long term portfolios in renewable energy.

☐ We do not measure how ESG issues affect financial performance

**ESG performance**

☒ We measure changes in ESG performance

**INF  
20.3**

Describe the measures your organisation uses to assess the impact of your activities on your infrastructure investments' ESG performance.

We follow consciously our impact on the items stated above (INF 20.2)

☐ We do not measure changes in ESG performance

**INF 21**

**Voluntary**

**Descriptive**

**PRI 1,3**

**INF 21.1**

Provide examples of ESG issues that affected your infrastructure investments during the reporting year.

☒ Add Example 1

ESG issue	Dual use of land
Types of infrastructure affected	solar pv: preference for rooftop infrastructure projects or combination of agriculture and power generation
Impact (or potential impact) on investment	Investments are more challenging since more stakeholders are part of the investment proposal and more requirements come at the table to discuss: e.g. contaminated land and solar pv, multiple small rooftop projects and direct use of electricity generated
Activities undertaken to influence the investment and the outcomes	Criteria mentioned above are part of selection criteria in the prospect period.

- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5

## Communication

INF 22

Mandatory

Core Assessed

PRI 6

INF 22.1

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

- ☒ Disclose publicly

please provide URL

<http://www.triodos.com/en/about-triodos-bank/what-we-do/our-expertise-overview/energy-climate/>

please provide URL

<http://www.triodos.com/en/about-triodos-bank/know-where-your-money-goes/>

INF 22.2

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- ☐ Yes
- ☒ No

INF 22.3

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

Public	Clients/beneficiaries
<input type="checkbox"/> ESG information on how you select infrastructure investments	<input checked="" type="checkbox"/> ESG information on how you select infrastructure investments
<input type="checkbox"/> ESG information on how you monitor and manage infrastructure investments	<input type="checkbox"/> ESG information on how you monitor and manage infrastructure investments
<input checked="" type="checkbox"/> Information on your infrastructure investments' ESG performance	<input type="checkbox"/> Information on your infrastructure investments' ESG performance
<input type="checkbox"/> Other; specify	<input type="checkbox"/> Other; specify

**INF 22.4** Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

Public	Clients/Beneficiaries
<input type="radio"/> Quarterly or more frequently	<input type="radio"/> Quarterly or more frequently
<input checked="" type="radio"/> Semi annually	<input checked="" type="radio"/> Semi annually
<input type="radio"/> Annually	<input type="radio"/> Annually
<input type="radio"/> Every two years or less frequently	<input type="radio"/> Every two years or less frequently
<input type="radio"/> Ad-hoc; specify	<input type="radio"/> Ad-hoc; specify

**INF 22.5** Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

via newsletters, website and (semi) Annual Report

- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries

<b>INF 23</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 6</b>
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<b>INF 23.1</b>	Describe your organisation's approach to disclosing ESG incidents in infrastructure investments to your investor clients.
-----------------	---

not applicable

Triodos Investment Management B.V.

Reported Information

Public version

Direct - Inclusive Finance

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Context

IFD 01	Voluntary	Descriptive	PIIF General
--------	-----------	-------------	--------------

**IFD 01.1**

Indicate if you have a distinct mission and investment objective for your investment in inclusive finance.

☒ Yes

**IFD 01.2**

Describe your inclusive finance mission and investment objective.

We want to contribute to the sustainable development of an all-inclusive financial sector that provides access to a wide range of financial services for the majority of people. We do this by building long-term relationships, based on transparency and fairness, and a shared commitment to providing access for all and caring for the planet.

The goal of the microfinance and sustainable trade funds is to contribute towards the development of inclusive financial sectors in developing countries that improve lives by providing financial services in a transparent and responsible way, to encourage trade in certified fair trade and organic products, and to stimulate sustainable agriculture.

☐ No

IFD 02	Voluntary	Descriptive	PIIF General
--------	-----------	-------------	--------------

**IFD 02.1**

Provide a brief description of the governance and management structures and processes you have in place for your responsible investment activities and implementation of the PIIF.

See Overarching Approach module.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

IFD 03	Voluntary	Descriptive	PIIF General
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**IFD 03.1**

Indicate if you set social targets for your organisation, specific to inclusive finance.

☒ Yes

☐ No

<b>IFD 03.2</b>	Additional information.
-----------------	-------------------------

As an impact investor, 100% of our investments are in line with our mission of investing with a positive social and environmental impact. We track various social indicators (number of credit clients, average loan amount, number of savings clients, average savings amount, number of women, number of clients reached in rural/semi-rural/remote/difficult to reach areas, activities in sustainable agriculture, renewable energy, energy saving initiatives). These indicators help us assess whether an investment is in line with our social and environmental mission.

<b>IFD 04</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Gateway</b>	<b>PIIF General</b>
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<b>IFD 04.1</b>	Of your total assets invested directly in inclusive finance, indicate what percentage is invested in the following:
-----------------	---

Equity	<input type="radio"/> 0% <input type="radio"/> <20% <input checked="" type="radio"/> 20-40% <input type="radio"/> 41-60% <input type="radio"/> 61-80% <input type="radio"/> >80%
Debt	<input type="radio"/> 0% <input type="radio"/> <20% <input type="radio"/> 20-40% <input type="radio"/> 41-60% <input checked="" type="radio"/> 61-80% <div style="background-color: #0070C0; color: white; padding: 2px; margin-top: 5px;">Of which, subordinated debt</div> <input type="checkbox"/> 0% <input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80% <input type="radio"/> >80%
Guarantees	<input checked="" type="radio"/> 0% <input type="radio"/> <20% <input type="radio"/> 20-40% <input type="radio"/> 41-60% <input type="radio"/> 61-80% <input type="radio"/> >80%
	<input checked="" type="radio"/> 0% <input type="radio"/> <20% <input type="radio"/> 20-40% <input type="radio"/> 41-60% <input type="radio"/> 61-80% <input type="radio"/> >80%
<b>Total</b>	<b>100%</b>

IFD 05	Mandatory to Report	Voluntary to Disclose	Gateway	PIIF General
--------	---------------------	-----------------------	---------	--------------

<b>IFD 05.1</b>	Of your total assets invested directly in inclusive finance, indicate what percentage is invested in the following:
-----------------	---



<b>Microfinance</b>		<input type="checkbox"/> 0% <input type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input checked="" type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%
<div>SME finance (provide your definition of SME)</div> <p>Context specific / depends on country/local regulation/financial institution. We use same definition as the financial institution.</p>		<input type="checkbox"/> 0% <input type="checkbox"/> <20% <input checked="" type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%
<div>Other, specify</div> <p>Consumer finance (salary based lending)</p>		<input type="checkbox"/> 0% <input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%
<b>Total</b>		<b>100%</b>

IFD 06	Mandatory to Report	Voluntary to Disclose	Descriptive	PIIF General
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<b>IFD 06.1</b>	Indicate if you track the geographical spread of your total assets invested directly in microfinance.
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☒ Yes

<b>IFD 06.2</b>	Of your total assets invested directly in microfinance, indicate the geographic spread as a percentage of your portfolio.
-----------------	---

- ☐ Western Europe  
☒ Eastern Europe & Central Asia

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	1.962 <input type="checkbox"/> We do not track this information

☐ North America

☒ Latin America (includes Central and South America) & Caribbean

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input type="checkbox"/> <20% <input checked="" type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	2.098 <input type="checkbox"/> We do not track this information

☒ East Asia & Pacific

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input type="checkbox"/> <20% <input checked="" type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	1.483 <input type="checkbox"/> We do not track this information

☒ South Asia

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	1.904 <input type="checkbox"/> We do not track this information

☒ Middle East & North Africa

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	259 <input type="checkbox"/> We do not track this information

☒ Sub-Saharan Africa

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	635 <input type="checkbox"/> We do not track this information

☐ No

## PIIF Principle 1: Range of services

IFD 07	Mandatory	Core Assessed	PIIF 1
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### Possible action:

*Develop and extend the range of financial services available to low-income populations. Extensions could include savings, loans, insurance, payment services, remittance facilities and pension plans.*

IFD 07.1	Indicate if you track the percentage of your microfinance investees' portfolio that is in microenterprise loans.
----------	--

☒ Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in microenterprise loans. [Optional]
--

- ☐ <20%  
☐ 20-40%  
☐ 41-60%  
☒ 61-80%  
☐ >80%

☐ No, we do not track

☐ Not applicable (there are no microenterprise loans in the portfolio)

**IFD 07.2**

Indicate if you track the percentage of your microfinance investees' portfolio that is in loans for immediate household needs (i.e. consumer loans).

☒ Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in loans for immediate household needs. [Optional]:

- ☒ <20%  
☐ 20-40%  
☐ 41-60%  
☐ 61-80%  
☐ >80%

☐ No, we do not track

☐ Not applicable (there are no loans for immediate household needs in the portfolio)

**IFD 07.3**

Indicate if you track the percentage of your investees' portfolio in housing loans.

☐ Yes, we track

☒ No, we do not track

☐ Not applicable (there are no loans for housing in the portfolio)

**IFD 08****Mandatory****Core Assessed****PIIF 1****IFD 08.1**

In your microfinance portfolio, indicate if you support the provision of financial services beyond credit, compulsory savings and/or compulsory insurance.

☒ Yes

**IFD 08.2**

Indicate which of the following services you support:

- ☒ Voluntary savings products

Provide examples of how and what you support.

Whenever legally possible, we support the transformation of financial institutions into regulated entities - enabling them to offer a wide range of financial services (savings, insurance, payment services).

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☒ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

☒ Voluntary insurance products

Provide examples of how and what you support.

We support organisations like Leapfrog Financial Inclusion, a fund that invests in insurance companies that actively reach out to low income people who currently do not have access to insurance products.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☒ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

☒ Other financial services, specify

Money transfer services

Provide examples of how and what you support.

See IFD 08.3 below

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☒ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

☒ Non-financial services, specify

financial literacy, business training, health

Provide examples of how and what you support.

See IFD 08.3 below

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

☒ Yes

If you aggregate this information at an organisational level, indicate the percentage of microfinance providers in the MIV or organisational direct portfolio offering such products.

- ☐ <20%
- ☐ 20-40%
- ☒ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

☐ No

IFD 08.3	Additional information. [Optional]
----------	------------------------------------

Triodos Investment Management regularly organizes an international workshop that brings together senior management and board members of our equity investees to facilitate the exchange of knowledge and expertise and support the building of solid and sustainable financial institutions. In 2013 the workshop was focused on the following 2 topics: (1) how to raise capital whilst protecting the long-term strategy of the (microfinance) bank and (2) successful outreach through alternative distribution channels.

IFD 09	Voluntary	Additional Assessed	PIIF 1
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**Possible action:**

*Encourage providers to introduce innovative products tailored to needs of low-income clients.*

*Encourage providers to expand their service offering to more remote areas and more vulnerable populations.*

IFD 09.1	Indicate if you support the introduction of services tailored to the following client groups.
----------	---

Client groups	Yes/No
The very poor	<input type="radio"/> Yes <input checked="" type="radio"/> No
The poor	<input type="radio"/> Yes <input checked="" type="radio"/> No
Low income clients	<input checked="" type="radio"/> Yes <div>Describe how you support the introduction of such services.</div> <p>Through our investments in financial institutions.</p> <div>Indicate what percentage of assets you know to be supporting these clients.</div> <input type="checkbox"/> 0% <input type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80% <input type="radio"/> We track at the investee level but do not aggregate this information <input checked="" type="radio"/> We do not track at the investee level <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No

<b>IFD 09.2</b>	Indicate if you collect data regarding the percentage or number of total active clients that are:
-----------------	---

	Rural
--	-------

☒ Yes

	Indicate what percentage of your direct portfolio this represents
--	---

- ☐ <20%  
☐ 20-40%  
☒ 41-60%  
☐ 61-80%  
☐ >80%

☐ No



	Urban
--	-------

☒ Yes

	Indicate what percentage of your direct portfolio this represents
--	---

- ☐ <20%
- ☒ 20-40%
- ☐ 41-60%
- ☐ 61-80%
- ☐ >80%

☐ No

	Female
--	--------

☒ Yes

	Indicate what percentage of your direct portfolio this represents
--	---

- ☐ <20%
- ☐ 20-40%
- ☐ 41-60%
- ☒ 61-80%
- ☐ >80%

☐ No

IFD 10	Voluntary	Descriptive	PIIF 1
--------	-----------	-------------	--------

**Possible action:**

*Supporting retail providers.*

IFD 10.1	Indicate if you provide technical assistance to your investees.
----------	---

☒ Yes

☐ No

IFD 10.2	Additional information.
----------	-------------------------

In 2013, Hivos and Triodos Investment Management launched the Hivos Triodos Partner Sustainable Agricultural Finance Expansion Programme. The programme supports microfinance institutions (MFIs) to enable them to expand and strengthen their capacity - by means of technical assistance - in order to provide financial services to small agricultural producers, producer organisations and small and medium-sized agricultural enterprises. Hivos provides the EUR 800,000 budget for the programme, while Triodos Investment Management introduces the programme to prospects and Enclude is responsible for programme management and execution.

## PIIF Principle 2: Client protection

IFD 11	Mandatory	Core Assessed	PIIF 2
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### Possible action:

Publicly endorse the Client Protection Principles (CPP).

IFD 11.1	Indicate if you have publicly endorsed the Client Protection Principles.
----------	--

☒ Yes

☐ No

IFD 12	Voluntary	Additional Assessed	PIIF 2
--------	-----------	---------------------	--------

IFD 12.1	Indicate if you provide training or assistance for your investees in implementing the Client Protection Principles and/or other client protection measures.
----------	---

☐ Yes

☒ No

IFD 12.2	Additional information.
----------	-------------------------

The Client Protection Principles are explicitly included in our due diligence process and are an essential part of our investment process. As part of our relationship management, we have a continuous dialogue with all our investment partners and monitor the implementation of client protection measures in their daily operations during follow up and review visits.

If we believe there is need for improvement in this area, we include this in our relationship management and monitor progress over time.

With our equity investees, we make sure to include these discussions in board and shareholder meetings.

IFD 13	Mandatory	Core Assessed	PIIF 2
--------	-----------	---------------	--------

IFD 13.1	Indicate if you include the Client Protection Principles and/or other client protection measures in your investment policies.
----------	---

☒ Yes

IFD 13.2	Indicate if this is systematically applied.
----------	---

	During due diligence
--	----------------------

☒ Yes

☐ No

	In covenants in loan agreements and/or in financing or shareholder agreements
--	---

- ☒ Yes
- ☐ No

<b>IFD 13.3</b>	Indicate if you encourage investees to apply for Client Protection Certification. [Optional]
-----------------	--

- ☐ Yes
- ☒ No
- ☐ No

### PIIF Principle 3: Fair treatment

IFD 14	Mandatory	Core Assessed	PIIF 3
--------	-----------	---------------	--------

**Possible action:**

*Provide financing in an appropriate currency and tenor.*

<b>IFD 14.1</b>	In relation to your direct portfolio in debt, indicate if you provide investment in local currency.
-----------------	---

- ☒ Yes

<b>IFD 14.2</b>	Indicate what percentage of your direct portfolio in debt is invested in the investee's local currency.
-----------------	---

- ☐ <20%
- ☒ 20-40%
- ☐ 41-60%
- ☐ 61-80%
- ☐ >80%
- ☐ No

IFD 15	Mandatory	Descriptive	PIIF 3
--------	-----------	-------------	--------

**Possible action:**

*Provide financing in an appropriate currency and tenor.*

*Actively support the building of a diversified funding base.*

**IFD 15.1**

In relation to your direct portfolio in debt, indicate what percentage have a maturity (from the point of investment) of the specified duration:

- ☐ 12 months or fewer
- ☐ 13 to 24 months
- ☐ 25 to 60 months
- ☒ Over 60 months

Indicate percentage
<input checked="" type="checkbox"/> <20
<input type="checkbox"/> 20-40%
<input type="checkbox"/> 41-60%
<input type="checkbox"/> 61-80%
<input type="checkbox"/> >80%

**IFD 15.2**

Indicate if you have a set limit regarding the maximum fixed income investment exposure of the investees in which you invest. [Optional]

- ☒ Yes
- ☐ No

**IFD 16****Mandatory****Core Assessed****PIIF 3****Possible action:**

*Provide financing in an appropriate currency and tenor.*

*Actively support the building of a diversified funding base.*

**IFD 16.1**

In relation to your direct portfolio in equity (as reported in IFD 04), indicate the average holding period of an equity investment.

- ☐ 12 months or fewer
- ☐ 13 to 24 months
- ☐ 25 to 60 months
- ☒ Over 60 months

**IFD 16.2**

Indicate if you have specific policies or procedures in relation to responsible approaches to exit.

- ☐ Yes
- ☒ No

**IFD 16.4**

Indicate if you have specific policies or procedures on Return on Equity (ROE) targets or caps in relation to your equity investments.

- ☒ Yes
- ☐ No

**IFD 16.6**

Indicate your Return on Equity (ROE) targets, specifying different targets for different funds if applicable. [Optional]

15-20%

**IFD 16.7**

Indicate if you have a set limit regarding the maximum equity investment exposure of the investees in which you invest.

☒ Yes

☐ No

**IFD 17****Mandatory****Core Assessed****PIIF 3**

**Possible action:**

*Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.*

**IFD 17.1**

Indicate if you adopt the following practices:

☐ For fixed income investments: Use the Lenders' Guidelines for Setting Covenants in Support of Responsible Microfinance as an example or reference document.

☒ Ensure that the investee understands the terms, covenants and their implications prior to signing loan / shareholder documentation.

Describe your process.

Focus on building long-term relationships, based on transparency and fairness, and a shared commitment to providing access for all and caring for the planet.

Indicate if these practices are formalised in written policies and procedures.

☐ Yes

☒ No

☒ Foster trust and proactive dialogue with investees through straightforward discussions on issues such as a covenant breach.

Describe your process.

Focus on building long-term relationships, based on transparency and fairness, and a shared commitment to providing access for all and caring for the planet.

Indicate if these practices are formalised in written policies and procedures.

☐ Yes

☒ No

☒ In the case of material covenant breach, create/participate in a voluntary workout group where applicable, with the goal to help the investee remain a going concern whenever possible.

Indicate if these practices are formalised in written policies and procedures.

☐ Yes

☒ No

☐ For fixed income investments: Train your staff on effective monitoring and covenant waiver negotiations to manage deteriorating conditions, and transition a non-performing loan from loan origination staff to specialised workout staff.

☒ Encourage investee skills-building on financial projections, scenario planning and stress-testing for management, and on financial expertise and governance for Directors.

Indicate if these practices are formalised in written policies and procedures.

☐ Yes

☒ No

☐ Other (explain)

☐ None of the above

## PIIF Principle 4: Responsible investment

IFD 18

Mandatory

Gateway

PIIF 4

### Possible action:

*Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.*

IFD 18.1

Indicate if you use the following tools for social performance reporting:

### Externally developed tools

During due diligence.

☐ Yes

☒ No

☐ We don't track social performance

For monitoring and reporting purposes.

☐ Yes

☒ No

☐ We don't track social performance

### In-house tools based on externally developed tools

	During due diligence.
--	-----------------------

- ☒ Yes
- ☐ No
- ☐ We don't track social performance

	For monitoring and reporting purposes.
--	--

- ☒ Yes
- ☐ No
- ☐ We don't track social performance

#### Tools developed solely in-house

	During due diligence.
--	-----------------------

- ☐ Yes
- ☒ No
- ☐ We don't track social performance

	For monitoring and reporting purposes.
--	--

- ☐ Yes
- ☒ No
- ☐ We don't track social performance

IFD 19	Mandatory	Descriptive	PIIF 4
--------	-----------	-------------	--------

IFD 19.1	Indicate if you require the retail institutions in which you invest to have an independent financial rating.
----------	--

- ☐ Always
- ☐ In a majority of cases
- ☐ In a minority of cases
- ☒ No

IFD 19.2	Indicate if you require the retail institutions in which you invest to have an independent social rating.
----------	---

- ☐ Always
- ☐ In a majority of cases
- ☐ In a minority of cases
- ☒ No

**IFD 19.3**

Indicate if you require the retail institutions in which you invest to have an independent social audit.

☐ Yes☒ No**IFD 20****Mandatory****Core Assessed****PIIF 4****Possible action:***Assist in developing appropriate references for corporate governance issues.***IFD 20.1**

In relation to your due diligence on and monitoring and reporting of corporate governance among investees, indicate if you assess:

**Compensation of the Board of Directors and Executive Directors (i.e. its transparency, the use of benchmarking)****Pre-investment**☒ Yes☐ No☐ Not for all of our investments in inclusive finance**Post-investment**☒ Yes☐ No☐ Not for all of our investments in inclusive finance**Composition of the Board (i.e. breadth and depth of experience, effective client representation, diversity)****Pre-investment**☒ Yes☐ No☐ Not for all of our investments in inclusive finance**Post-investment**☒ Yes☐ No☐ Not for all of our investments in inclusive finance



Whether the Board receives social performance management-related information from the management team that is analysed and contributes to Board decision making.

	Pre-investment
--	----------------

- ☒ Yes
- ☐ No
- ☐ Not for all of our investments in inclusive finance

	Post-investment
--	-----------------

- ☒ Yes
- ☐ No
- ☐ Not for all of our investments in inclusive finance

IFD 21	Voluntary	Descriptive	PIIF 4
--------	-----------	-------------	--------

**Possible action:**

*Assist in developing appropriate references for corporate governance issues.*

IFD 21.1	Indicate if you provide training or assistance for your investees on corporate governance.
----------	--

- ☐ Yes
- ☒ No

IFD 22	Voluntary	Additional Assessed	PIIF 4
--------	-----------	---------------------	--------

**Possible action:**

*Assist in developing appropriate references for corporate governance issues.*

IFD 22.1	In relation to your direct portfolio in equity (as reported in IFD 04), indicate what percentage of investees you have board seats with:
----------	--

- ☐ 0%
- ☐ <=20%
- ☐ 21-40%
- ☐ 41-60%
- ☐ 61-80%
- ☒ >80

**IFD 22.2**

Indicate how frequently you participate in meetings.

- ☐ Monthly or more
- ☒ Quarterly
- ☐ Semi-annually
- ☐ Annually
- ☐ Every two years or less
- ☐ Ad-hoc
- ☐ We do not track this information
- ☐ We do not track this information

**IFD 23****Mandatory****Descriptive****PIIF 4****Possible action:***Assist in developing appropriate references for environmental issues.***IFD 23.1**

Indicate if you have a procedure to integrate the consideration of environmental issues in your investment decision processes.

- ☒ Yes
  - ☒ For all inclusive finance investments
  - ☐ For a majority of inclusive finance investments
  - ☐ For a minority of inclusive finance investments
- ☐ No

**IFD 23.4**

Indicate if you request your investees to comply with an environmental exclusion list.

- ☐ Yes, for all investees
- ☐ Yes, for a majority of investees
- ☐ Yes, for a minority of investees
- ☒ No

**IFD 24****Voluntary****Additional Assessed****PIIF 4****Possible action:***Promote implementation of anti-corruption practices.***IFD 24.1**

Indicate if you have anti-corruption policies.

- ☒ Yes, published
- ☐ Yes, but not published
- ☐ No

IFD 24.2	Indicate if you have internal whistle-blowing policies.
----------	---

- ☒ Yes, published  
☐ Yes, but not published  
☐ No

IFD 24.3	Indicate if you review whether your investees have anti-corruption policies as part of your due diligence process.
----------	--

- ☐ Yes  
☒ No

IFD 24.4	Indicate if you review whether your investees have internal whistle-blowing policies as part of your due diligence process.
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- ☐ Yes  
☒ No

## PIIF Principle 5: Transparency

IFD 25	Voluntary	Additional Assessed	PIIF 5
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### Possible action:

*Fully disclose policies, criteria and related conditions of products and services to investees and other relevant stakeholders.*

IFD 25.1	Indicate how your mission and investment objectives communicated to stakeholders (e.g. investees, investors).
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- ☒ Publicly

	Provide a URL
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<http://www.triodos.com/en/investment-management/who-we-are/mission/>

- ☐ Selected stakeholders only  
☐ On request only

IFD 26	Mandatory	Core Assessed	PIIF 5
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### Possible action:

*Fully disclose policies, criteria and related conditions of products and services to investees and other relevant stakeholders.*

IFD 26.1	Other than the PRI/PIIF, indicate if you provide your investors and/or the public with information aligned with industry standards.
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- ☒ Yes

**IFD 26.2**

Do you provide information aligned with:

- ☒ The MIV Disclosure Guidelines
- Yes, to our investors only
- ☒ Yes, to the public
- ☒ The Impact Reporting & Investment Standards (IRIS)
- Yes, to our investors only
- ☒ Yes, to the public
- ☐ Other, specify
- No

**IFD 27****Mandatory****Core Assessed****PIIF 5****Possible action:**

*Ensure that investees adequately disclose the pricing, terms and conditions of financial products and services offered, and that the pricing, terms and conditions are understood by clients.*

**IFD 27.1**

Indicate if you encourage the retail institutions in which you invest to ensure that the following are transparent and fully explained to their clients (i.e. those seeking financial services from them) in a form they can understand.

**Pricing**

☒ Yes

**IFD 27.2**

Indicate how you ensure this for pricing and provide examples.

We check whether the institution has signed the Client Protection Principles, we encourage the use of declining balance interest rates, we calculate the APR of the institution's most commonly used loan product and the highest priced loan product and compare it to benchmarks and our own internal thresholds.

○ No

**Other terms and conditions**

☒ Yes

IFD  
27.3

Indicate how you ensure this for other terms/conditions and provide examples.

We check whether the institution has signed the Client Protection Principles, we evaluate how the institution communicates terms and conditions to its clients and what information is included in their loan documents.

☐ No

## PIIF Principle 6: Balanced returns

IFD 28

Mandatory

Core Assessed

PIIF 6

### **Possible action:**

*Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.*

IFD 28.1

Indicate if the social performance of investees affects your:

Investment decision making

☒ Yes

IFD 28.2

Explain how social performance of investees affects investment decision making.

The funds managed by Triodos Investment Management provide finance exclusively to those financial institutions that seek to balance people, planet and profit. This vision of sustainability forms the basis for our investment policy and is an integral part of our analysis and decision-making process.

As part of our desk top review, we first check an institution's commitment to social and environmental goals. During the following site visit and due diligence process we further analyze the institution's performance on social and environmental issues, using our in house developed Sustainable Banking Assessment tool. This tool helps us assess how the institution has embedded its mission and social aims in the organization, and the extent to which the institution targets sustainable and responsible financing. Areas of attention include appropriate and innovative product design, transparency, respectful treatment of clients, prevention of over-indebtedness, and care for the environment.

The result of this analysis is included in each investment proposal, taken into account when making investment decisions, and included in our ongoing monitoring and annual review process.

☐ No

	Portfolio management
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☒ Yes

IFD 28.3	Explain how social performance of investees affects portfolio management.
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See IFD 28.2

☐ No

IFD 29	Voluntary	Additional Assessed	PIIF 6
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**Possible action:**

*Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.*

IFD 29.1	Indicate if your staff have monetary (or other – specify) incentives linked to social performance measures.
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☐ Yes

☒ No

IFD 29.2	Additional information.
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Staff has no incentives, only fixed base salary.

IFD 30	Voluntary	Additional Assessed	PIIF 6
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**Possible action:**

*Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.*

IFD 30.1	Indicate if you collect data regarding the social outcomes of your investees' work.
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☐ Yes

☒ No

IFD 31	Voluntary	Additional Assessed	PIIF 6
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**Possible action:**

*Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.*

**IFD 31.1**

Indicate if you incentivise investees to track social performance.

☒ Yes**IFD 31.2**

Explain how you incentivise investees to track social performance.

As part of our relationship management, we have a continuous dialogue with all our investment partners and monitor the implementation of social performance management in their daily operations during follow up and review visits.

If we believe there is need for improvement in this area, we include this in our relationship management and monitor progress over time.

With our equity investees, we make sure to include these discussions in board and shareholder meetings.

☐ No**PIIF Principle 7: Standards****IFD 32****Mandatory****Core Assessed****PIIF 7****Possible action:**

*Participate in networks to share tools, information and resources.*

**IFD 32.1**

Select which of the following collaborative initiatives your organisation has supported or participated in, and the role you played.

The Principles for Investors in Inclusive Finance

☒ Yes☐ Basic☐ Moderate☒ Advanced☐ No

The Smart Campaign

☒ Yes☒ Basic☐ Moderate☐ Advanced☐ No

	Social Performance Task Force
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- ☒ Yes
- ☐ Basic
- ☒ Moderate
- ☐ Advanced
- ☐ No

	Council for Microfinance Equity Funds (CMEF)
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- ☒ Yes
- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☐ No

	European Microfinance Platform (eMFP)
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- ☒ Yes
- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ No

	Global Impact Investors Network (GIIN)
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- ☒ Yes
- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☐ No

	Other network, association memberships and/or specific collaboration related to the promotion of inclusive finance, specify
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- ☐ Yes
- ☒ No

IFD 33	Voluntary	Additional Assessed	PIIF 7
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**Possible action:**

*Participate in networks to share tools, information and resources.*

IFD 33.1	Indicate if you encourage your investees to be a member of/endorse the following:
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	Social Performance Task Force
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- ☐ Yes  
☒ No

	The Smart Campaign
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- ☒ Yes

	Indicate what percentage of investees, as a percentage of your direct inclusive finance portfolio, is a member of/has endorsed this.
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- ☐ <20%  
☐ 20-40%  
☐ 41-60%  
☐ 61-80%  
☒ >80%  
☐ We do not track this information  
☐ No

	Other network and association memberships and/or specific collaboration related to the promotion of inclusive finance. (specify)
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- ☐ Yes  
☒ No

IFD 34	Voluntary	Additional Assessed	PIIF 7
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**Possible action:**

*Contribute to advancing benchmarking, as an incentive for improvement.*

IFD 34.1	Indicate if you encourage your investees to participate in initiatives which contribute to the development of industry benchmarks.
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	MIX Market
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- ☐ Yes  
☒ No

	MFTransparency
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- ☒ Yes  
☐ No

	Universal Standards for Social Performance Management
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- ☐ Yes  
☒ No

	Other, specify
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☐ Yes

☒ No