

Triodos  Bank

Annual Report 2020

Appendix III – UN Sustainable Development Goals

In 2015, the 17 Sustainable Development Goals (SDG) were launched by the United Nations. The SDGs, successors to the Millennium Development Goals, are a universal set of targets and indicators designed to help countries end poverty, protect the planet and ensure prosperity for all as part of a new sustainable development agenda.



The goals are principally focused on wide-ranging action by states, business and civil society. They resonate strongly with Triodos Bank and our essence as a values-based bank that has been working on this agenda since our founding in 1980.

Triodos Bank is clear about the path we want to take to use money consciously as a catalyst for sustainable change. And while we have our own path to take on a journey to a sustainable, low-carbon and inclusive future, we welcome a framework that enables us to communicate better with our fellow travellers. The SDGs do just that. They provide powerful language to communicate integrated sustainability goals that are more urgent now than ever.

The SDGs have quickly become an established framework with relevance for businesses, government and civil society alike. The goals play an increasingly important role for wider society and have the potential to be a powerful and positive agent of change in the financial industry. That's why Triodos Bank was one of 18 Dutch financial institutions to invite the Dutch Government and Central Bank to continue to make a concerted effort to help deliver the SDGs. The initiative was the first in the world to bring national pension funds, insurance companies and banks together around a shared SDG agenda, and included a report recommending priorities to maximise SDG investing.

Triodos Bank and the SDGs

The goals clearly articulate objectives that must be addressed at a global level. They reflect the importance of a joined-up, integrated approach to the multiple challenges we face – an approach that closely reflects our own. But the SDGs, like us all, are not perfect. For example, nurturing personal development, education and inspiration are a core part of Triodos Bank's mission. We lend, donate and invest in thousands of projects in the cultural sector as

a result. And we continue to believe this cultural aspect is both core to developing a more sustainable society and largely absent from the SDGs.

Triodos Bank is asked to describe its approach to the SDGs by various stakeholders. This is the fourth year that Triodos Bank will include the SDGs in its reporting. We do this in three distinct ways:

- Via the mapping exercise that follows in this appendix, including updates where we have made specific progress
- By linking relevant content throughout the report to specific SDGs with a visual besides the chapter
- By identifying and reporting against several specific targets, which underpin each of the SDGs.

This year, for the second time, we will include Sustainable Finance Platform indicators where they are relevant. These have been developed through a joint effort of representatives from Dutch financial institutions and companies, including Triodos Investment Management. The group is part of the Sustainable Finance Platform, chaired by De Nederlandsche Bank. Together they have tried to identify indicators that help to capture the positive impact of companies produced through their products and services, and not their operations. These are a starting point only and are expected to develop over time.

Where relevant we also highlight SDG targets (e.g. '1.5 resilience to external shocks' below) that underpin each of the goals. We have selected targets that are closest to our activity and aspirations, for readers with a more detailed interest in the specifics of each goal. These targets have been identified, in part, through collaborative work among businesses across sectors, with the support of the Global Reporting Initiative and United Nations Global Compact.

The table below lists the SDGs and Triodos Bank's contribution to them against three categories highlighting the depth of involvement in relation to each goal. Where our activity is less core to the SDG in question we describe the work we do in this area and our wider perspective on that goal in one column.

- Level 1 – Baseline activity to ensure we are not harming these goals
- Level 2 – Direct activity we take to positively influence them
- Level 3 – The catalysing role we can play to stimulate long-term, transformational change – where Triodos Bank is already, or can in the future, play a catalysing role helping to stimulate the lasting systemic change that the goals demand.

This last point is important because Triodos Bank aims to work with the SDGs to genuinely 'move the dial' on the goals. In creating this table, we have considered the spirit behind each goal and its supporting indicators as well as the text itself to produce a clear view of how Triodos Bank's activity maps against them. We hope it helps our stakeholders better understand how our work relates to the SDGs and we welcome your feedback.



No poverty

Relevant UN target: 1.5 ...build the resilience of the poor and those in vulnerable situations ... to ... economic, social and environmental shocks ...

Sustainable Finance Platform indicator:

Number of people provided with access to financial services via inclusive finance: 38.4 million

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our policy is to avoid predatory lending and to undertake good due diligence when making decisions about which inclusive finance institutions to invest in.

Level 2

What we do to make a meaningful difference

We invest in institutions working for inclusive finance in emerging markets, so they can serve people to build their assets gradually, develop small and medium-sized enterprises, improve their income-earning capacity, create employment and provide a financial cushion for the future. In 2020, we provided inclusive finance for 20.2 million savers and 18.2 million borrowers in emerging markets via 109 financial institutions. We have pioneered Fair Trade finance including partnering with key players such as Oxfam and Fairtrade Iberica and Fairtrade Belgium.

Triodos Bank has an active role in eradicating urban poverty in Europe, financing organisations devoted to care and social inclusion. In the United Kingdom, examples include the charity Emmaus or Nottinghamshire YMCA, who deliver frontline services and promote youth development and healthy living. We lend to a wide range of spiritual and religious groups that respect human freedom and nurture the spirit.

Via Triodos Foundation in The Netherlands we support Eigen Schuld, a theatre performance about the social problem of poverty. The challenging play is written by young people and performed in school classes.

The Triodos Foundation, Triodos Bank's grant-giving arm, also initiated a crowdfunding to raise money to buy oranges for refugees in camp Moria on Lesbos. Because we Carry Foundation delivered oranges for five months and improved sanitation by providing soap and medical supplies. This action sparked positive change with the military staff who run refugee camp Moria: they demanded that camp catering also hand out fresh fruit and this became routine.

In Spain, we have financed so called insertion companies, such as Llanero Solidario, who help and support people at risk of social exclusion to integrate and enter the job market, including with training and psychological support.

Co-workers are also involved directly in local initiatives. In Belgium, for example, Triodos Bank supports a local organisation in Brussels, Comité de la Samaritaine, to help provide vulnerable people in the local community with access to decent food.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We integrate climate concerns and social issues, by advising financial institutions who specialise in inclusive finance on how to incorporate environmental issues in their business. This makes both the institutions and the entrepreneurs they finance and their families more resilient to outside shocks.

Where appropriate we responsibly exit from investments in institutions that build their capacity to the point where they do not need our support anymore, so we can focus on helping other institutions serving those most in need.

In social services, Triodos Bank Belgium, together with two other partners (VDK Bank and PMV), finances PARTE, a company that develops and operates the concept of MyTrustO, a form of 'Ethically Responsible Debt Collection'. MyTrustO radically reverses the current system around debts: it is the person with debts who takes the initiative, under the supervision of a bailiff, to pay off all debts over time. This gives debtors and creditors a new perspective on the future.



Zero hunger

Relevant target: 2.4 ... ensure sustainable food production ...

Sustainable Finance Platform indicator:

Number of people in Europe provided with safe, nutritious and sufficient food: 30,000

Level 1
Baseline policies and activity, to avoid doing any harm in relation to the goal

We do not finance intensive agriculture and, instead, only finance sustainable and organic agriculture.

Level 2
What we do to make a meaningful difference

We specialise in financing sustainable food production through our lending and investing activity in organic farming and sustainable trade.

Our investment activity focuses around the Triodos Food Transition Europe Fund (EUR 48 million), formerly known as Triodos Organic Growth Fund, which invests in privately owned, sustainable consumer businesses in Europe and the Triodos Green Fund (EUR 1,082 million) that invests in green projects, including sustainable food and agriculture (EUR 134 million).

We are the financial partner in Europe for social organisations delivering services for people struggling to meet their nutritional requirements.

In Belgium, we finance Ethiquable Benelux, a cooperative with a social purpose, specialising in Fair Trade and organic products. In partnership with the French company Ethiquable SCOP, the cooperative directly partners with more than 40 cooperatives of small producers from the South, working exclusively on agricultural projects that benefit people living on low incomes.

The climate, health and hunger in the world are all issues closely related to our eating habits. We finance entrepreneurs and initiatives that contribute to a cultural change by making plant-based food attractive and accessible to the general public, for example Mr. & Mrs. Watson, a plant-based food bar in The Netherlands.

The Hivos-Triodos Fund finances Sol Organica, a Nicaraguan food processing company that sources, manufactures, and exports organic certified solar dried fruit, tropical fruit purees and juices. The trade finance facility allows Sol Organica to pay more than 800 smallholder farmers fairly and immediately upon delivery of their produce.

In 2020, we launched additional initiatives related to the social emergency caused by the COVID-19 pandemic. For example, the Spanish Triodos Foundation promoted donation to the main NGO active in relieving the situation through diverse programmes delivering food assistance to the increased part of the population that needed it during the economic crisis.

Level 3
The catalysing role we can play to stimulate long-term, transformational change

At a systemic level our finance aims to inspire the financial sector, by showing that sustainable organic and Fair Trade agriculture can be successfully financed in European and emerging markets.

We also work with others (see SDG 17) to promote sustainable food production. Since 2019, we have continued to work with partners to develop 'true cost accounting' for finance, food and farming, for example.



Good health and well-being

Relevant target: 3.5 Prevent and treat substance abuse

Sustainable Finance Platform indicator:

Number of people reached with improved health care: 45,000 (this figure relates to the people benefiting from elderly care homes).

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

We only finance healthcare providers with a human-centred approach to care, ensuring health and well-being, particularly for the elderly, people with learning and physical disabilities and other disadvantaged groups such as those recovering from drugs and substance abuse.

Level 2

What we do to make a meaningful difference

We finance large numbers of healthcare organisations whose emphasis is on quality of care, including clinics specialising in addiction treatment. Approximately 9% of our loans and funds' investments are in the health sector.

In Belgium, we finance Médecins du Monde: an NGO specialising in international medical aid. It provides medical assistance to vulnerable populations all over the world, including in Belgium. The organisation cares for victims of natural disasters, epidemics and armed conflicts, refugees, minorities, abandoned children and people without access to healthcare. Medical care is Médecins du Monde's main objective, but the organisation also fights to make access to healthcare a fundamental right.

Triodos Bank also finances many community health centres including Le Gué in Tournai, catering for up to 5,000 patients in Belgium.

In the United Kingdom, Triodos Bank supports Middlesbrough-based charity MAIN, which helps people with a range of disabilities, including autism and cerebral palsy, and Langham Court (Huntington House Limited), a specialist care home offering pioneering dementia care. Triodos Bank facilitated crowdfunding for charity Thera Trust that provides essential care, support and services for over 3,000 people with a learning disability.

In addition, Triodos Bank Netherlands finances Siza, providing support for people with disabilities, for example. In The Netherlands we also finance Ben Oude NijHuis, an affordable, small-scale home for elderly people centred around nurturing human dignity. It's also about education. That's why we finance CORPUS, a spectacular experience centre in The Netherlands around the human body. The visitor can see, feel and hear how the human body works and what role healthy eating, healthy living and lots of exercise play in this.

In numbers, 45,000 elderly people in Europe benefitted from care provided by initiatives financed by Triodos Bank and Triodos Investment Management in 2020, representing 22 days of healthcare financed for each Triodos Bank customer.

Overcoming the challenges posed by the pandemic, in Spain we have continued financing the opening of new elderly care centres by organisations as Fundación Rey Ardid, which foster its presence in rural provinces as Teruel.

The Triodos Pioneer Impact Fund (EUR 490 million) and other Triodos investment funds that invest in equities issued by listed companies also invest in medical technology pioneers in the theme of 'healthy people'.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We can contribute more powerfully by financing scalable projects and we can further contribute to the debate about how to serve elderly people's financial needs in the future.



Quality education

Relevant targets: 4.4 ... increase the number of youth and adults who have relevant skills ... for employment, decent jobs and entrepreneurship

4.7 .. ensure that all learners acquire the knowledge and skills needed to promote sustainable development ...

Sustainable Finance Platform indicator:

Number of people receiving education services: 623,000

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our approach is to only finance education initiatives – from kindergartens to adult education – that benefit individuals’ personal development and society in terms of social cohesion in general, and sustainable economic development in particular.

Level 2

What we do to make a meaningful difference

We lend to education initiatives that benefitted 623,000 individuals in 2020.

In the United Kingdom, we support green campus developments for universities like Winchester or long-term finance to specialist educational providers like Hartpury University to fund further investment in facilities and support continued growth in student numbers. Triodos also supports smaller projects like Strontian primary school set up as a community to benefit society and to serve a remote Highland community in Scotland or Ruskin Mill Educational Trust which provides education, training and care for young people with disabilities, learning or behavioural problems.

In Spain, we financed Imagine Montessori School (Zubi Real Estate SL), a new educational centre in Valencia. Sustainability is an integral part of this project through environmental education and the facilities themselves which are powered by renewable energy.

We also finance a number of music and dance schools, for example Het Nationaal Muziekwartier with a Conservatory in The Netherlands.

We give dozens of conferences about ethical banking at schools, high schools and universities every year, including participating in the ‘Bank voor de Klas’ initiative in The Netherlands.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We can contribute to the overall education ‘mix’ by focusing our finance on diversity in the education system – through progressive educational establishments and initiatives that serve the excluded.

We also provide long-term support and participate in initiatives beyond our role as a bank directly, through initiatives like HERA (Higher Education and Research Awards) in Belgium. The awards explore how Master’s students integrate sustainable development principles into their work and recognise the importance of integrating sustainability concerns in a holistic way at an important stage in their development. Co-workers at all levels are regularly invited as guest speakers during Economy and Finance lessons to present the Triodos Bank vision on Finance and the bank’s business model.

Co-workers in all countries regularly accept invitations to explain to students how sustainable finance and economics work for a better society.



Gender equality

Relevant target: 5.1 End all forms of discrimination against ... women ...

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

We treat all individuals equally, and particularly include people who are often excluded. In practice, this leads to an explicit focus on making access to finance available to women.

We value a diverse community in Triodos Bank itself, including gender. In 2020 49.6% of Triodos Bank co-workers were women and 44% of management positions were held by women.

Level 2

What we do to make a meaningful difference

We finance financial institutions in developing countries and emerging economies that demonstrate a sustainable approach toward providing financial services to those traditionally excluded. In 2020, these institutions served 18.2 million loan clients, of which 76% are female. Giving women the freedom to manage their income and to support their families empowers their position.

For over 30 years Triodos Investment Management has partnered with Women's World Banking, a global non-profit providing low-income women with access to financial tools and resources to build security and prosperity. We are a co-investment manager for the Women's World Banking equity fund (EUR 31 million).

Additionally, Triodos Bank has offered banking finance to projects such as the documentary 'Mujereando', in Spain. This film has been produced by two women who offer a therapeutic theatre workshop to women that have suffered gender violence and homelessness. Mujereando reflects their experience, creates awareness and helps them overcome their personal situation.

In The Netherlands we finance Yoni. Yoni is the first eco-cotton brand in the feminine hygiene market. Menstruation is still not a normal topic of conversation. Yoni produces not only sanitary pads and tampons made from organic cotton, but also wants to break the taboo surrounding menstruation.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

The greatest contribution we can make is to both promote and extend healthy gender diversity as an important pre-condition for our work as an institution ourselves and in how we apply the money entrusted to us, both in Europe and in developing countries.

In Belgium, Triodos Bank joined the Women in Finance initiative, a unique non-profit association to improve gender equality in the financial sector.



Clean water and sanitation

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Clean water and sanitation are topics relevant around the world. While this is not a core loan or investment theme, much of our finance takes care of both, not least through entrepreneurs financed through inclusive finance and SME lending and in sectors such as organic agriculture which support water conservation and water health. We invest, via the Triodos Pioneer Impact Fund (EUR 490 million) in listed companies such as US-domiciled Xylem, a leading water technology company committed to creating innovative solutions for the world's water, wastewater and energy needs. Xylem improves water quality and reduces the environmental impact of human activities by cleaning used water for responsible discharge back into nature. The company is a global advocate for sustainable water policies.

Level 2

What we do to make a meaningful difference

Level 3

The catalysing role we can play to stimulate long-term, transformational change

In Spain we continued to work with Ongawa, an organisation primarily focused on providing clean drinking water for disadvantaged people in Africa and South America.

In Belgium we finance Shayp, a Brussels-based start-up, which has developed smart technology to detect water leaks and repair them efficiently. Shayp's software works just as well for large office buildings as for private homes in cities.



Affordable and clean energy

Relevant target: 7.2 ... increase ... renewable energy in the global energy mix

Sustainable Finance Platform indicator:

Renewable electricity produced that can be attributed to Triodos Bank's and Investment Management's finance: 2.5 million MWh. Avoided greenhouse gas emissions (in tonnes of CO₂ equivalent): 0.9 million

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our policy is not to finance fossil fuels and exclusively to finance renewable energy initiatives in the energy sector.

Whenever we can we generate or buy energy from renewable sources to power the buildings that we work from within our own network.

Level 2

What we do to make a meaningful difference

We finance sustainable energy via direct lending in all the countries where we operate (EUR 1,653 million) and via investments through Triodos Green Fund (EUR 1,082 million) and Triodos Energy Transition Europe Fund, formerly known as Triodos Renewables Europe Fund (EUR 152 million).

As well as having considerable impact in Europe, according to Clean Energy Pipeline, Triodos Bank has financed more renewable energy initiatives in Europe than any other financial institution each year for the last five years.

Triodos Bank extended its wind energy financing to offshore wind energy projects through its international Energy and Climate desk. While in Germany we financed a decentralised rooftop solar portfolio, with a loan that allows the project developer to easily structure and finance new projects in a short timeframe.

Triodos Bank's and Investment Management's renewable energy projects also extend to emerging markets, such as hydro projects in Latin America and wind projects in Kenya.

In Spain, we have continued promoting the advancement of renewal energies and, particularly, community projects as the one run by Ecooo. This initiative promotes the installation of solar panels for self-consumption on private households and housing buildings.

In Belgium, Triodos Bank co-finances, the Brusol programme (Solarbuild 8000) to accelerate the installation of solar panels in the Brussels-Capital Region. Thanks to a 'third-party investor' scheme, families have solar panels installed free of charge. The electricity that is not used is sold locally to other households. This allows them to reduce their energy bills.

Triodos Bank UK funds community energy including projects such as Morvern Community Development Company hydro-power scheme on the Barr River in Scotland and the Heart of England Community Energy largest community-owned solar farm in the United Kingdom. Triodos Bank has also financed solar panels and LED lighting at some of the key sites for the charity RSPB, supporting their aim of being energy self-sufficient.

In The Netherlands, Triodos Bank is actively financing onshore and offshore wind energy, collective large-scale solar energy projects, energy from residual flows and energy-saving projects, like Slim Opgewekt. The latter improves the sustainability of schools, both by installing LED and solar panels and by teaching children more about energy; for example, through self-developed sustainable games. Another example of an innovative clean energy project we finance in The Netherlands is Hygro (Waterstofmolen Wieringermeer). Hygro is enabling hydrogen from wind. Uniquely, this produces hydrogen directly within the wind turbine, which has far-reaching positive effects.

Triodos Bank has developed a detailed programme to reduce the environmental impact of its own activities; its operations meet the highest environmental standards and it uses 100% renewable energy in its buildings.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

As well as its direct impact as a financier, Triodos Bank acts as an opinion leader in the energy space, including engaging in debate about the urgent importance of a low-carbon economy and how to move towards it. It published a vision paper (2019) describing its long-term view of energy and climate issues.

Triodos Bank continues to build on the implementation of a groundbreaking new methodology – co-created by the financial industry for the financial industry – to measure the carbon emissions of loans and investments by launching a global programme. The Partnership for Carbon Accounting Financials (PCAF) aims to encourage all financial institutions to account for their carbon emissions as a pre-condition for aligning their impact with the Paris climate goals. Several events and communication initiatives in The Netherlands, United Kingdom, Spain and Belgium took place during the year to share this approach with the wider banking sector.

We can contribute further by extending our work into new areas such as energy storage, energy-efficiency finance and electric-vehicle infrastructure via Triodos Bank's European network of energy-finance experts.

To support the development of sustainable transport we financed EV-charging infrastructure company Pod Point and Ember, the United Kingdom's first all-electric intercity coach service, and Ecomove, which specialises in the promotion of electric scooters and bikes.

As a partner bank in the Mayor of London's Energy Efficiency Fund (MEEF) Triodos Bank UK has provided finance to NHS hospital trusts to improve energy efficiency on site.

We collaborated on a white paper 'New Pathways' – arguing for concrete changes to build a more just and sustainable financial future, and actively communicated about them throughout the year. Since its publication there has been significant progress made at a European level on sustainable finance. This includes draft legislation on transparency and disclosure of environmental, social and governance (ESG) risks and impacts on all financial products. There is more open debate and exploration on levying additional capital charges for assets which could increase climate risk. And we continue to be an active participant in the debates in this field together with other organisations.

Triodos Bank was closely involved, as a lead negotiator, in developing a Dutch Climate Agreement. As part of the agreement, banks and other Dutch financials have committed themselves to substantially reduce CO₂ emissions on their balance sheets.

Triodos Bank is convinced it's time the energy transition becomes a matter for citizens themselves. In The Netherlands we are financing more and more energy initiatives from citizens as a result, including energy cooperatives such as Grunneger Power (Zonnepark Vierverlaten) and Westeinde.



Decent work and economic growth

Relevant targets: 8.3 ... encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services
8.4 Improve ... global resource efficiency in consumption and production ... decouple economic growth from environmental degradation ...
8.9 ... implement policies to promote sustainable tourism ...
8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking ... and financial services for all

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Triodos Bank considers how the mission of an organisation translates into the organisation itself before considering a loan or investment. It has over 20 years' experience financing microfinance and inclusive finance initiatives in emerging markets. As well as only financing the green economy in Europe, including developing lending in the sustainable tourism sector, all our banking products and services take the environment into consideration.

Our finance often leads to job creation and frequently, due to the sustainable focus of all our finance, to work that benefits the excluded – from people with disabilities to ex-offenders.

Level 2

What we do to make a meaningful difference

The inclusive finance activity we described in SDG 1 is delivered via Triodos Investment Management connecting thousands of investors with microfinance and SME institutions in developing countries. Of the 18.2 million borrowers reached with inclusive finance, more than 4.9 million are small and medium sized enterprises.

Inclusive finance is also relevant in The Netherlands where we work with Qredits, a Dutch initiative providing microfinance loans, mentoring and online tools to support entrepreneurs.

In Belgium, Triodos Bank is co-founder and member of the Solifin platform, a network of foundations and crowdfunding platforms specialising in impact investing. Solifin facilitates access to information and finance for entrepreneurs delivering social and environmental impact.

In Amsterdam, Triodos Bank finances WOW. Its founders have converted a former technical school in the Kolenkitbuurt, a district in the city, into a unique hostel and cultural hotspot. WOW provides a new impulse in the neighbourhood, combining tourism and art.

We are continuing to extend lending to certified green sustainable tourism projects, or those working towards it, across Europe.

Triodos Bank integrates resource efficiency and environmental concerns in products with a purpose; including sustainable mortgages, credit cards for spending on sustainable products and pensions linked to frontrunning sustainable companies.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We intentionally look to finance companies that can act as a catalyst for deep-seated change within their industries, as inspirational examples of what's possible in the circular economy. Dick Moby, producers of sustainable sunglasses are one example.

We partner with others who share this agenda, including co-founding the Sustainable Finance Lab in The Netherlands and continuing the development of the Sustainable Finance Forum (Foro de Finanzas Sostenibles) in Spain. In The Netherlands we are also a founding partner of Social Enterprises NL. As a national membership body, Social Enterprise NL represents, connects and supports the growing community of social enterprises in The Netherlands.

Triodos Bank and the European Investment Fund (EIF) have also signed a significant guarantee agreement for social entrepreneurship. The agreement allows Triodos Bank to finance more than 400 social entrepreneurs across four EU countries over the next years for a total of EUR 65 million. This means that we can help more social entrepreneurs to add value to society in their own way and can accelerate the social transition that's so urgently needed in our economy.

We also celebrate and encourage frontrunners in social and sustainable entrepreneurship, through initiatives like the Heart Head prize; an awards programme delivered in several countries where we operate.

We have backed The Thriving Places Index in the United Kingdom, an approach that undertakes analysis of how well local authorities are doing at creating the conditions for people to thrive. It is a new Index seeking to create an alternative to GDP as a measure of success.



Industry, innovation and infrastructure

Relevant targets: 9.3 Increase the access of small-scale ... enterprises ... to financial services ...

9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Level 2

What we do to make a meaningful difference

In Germany, Triodos Bank invested for the first time in rural glass-fibre infrastructure. Triodos Bank sees glass-fibre networks as an important step in promoting the digital and social inclusion of rural regions. In terms of broadband internet, rural regions in Germany have been severely underserved up to now, which, among other things, makes these locations less attractive to companies, as well as disadvantaging the digital education and networking of residents.

We finance ecodesign initiatives as Cartonlab, in Spain. This project specialises in using cardboard for stands at events, as decorative elements or even toys, so that less sustainable materials are avoided.

Enric Majoral, financed by Triodos Bank in Spain, uses 100% fair-mined certified gold. A well-established jewellery brand, it promotes fairer labour conditions in a high-impact industry.

In the United Kingdom, we finance the furniture manufacturer Vitsoe that focuses on good design. It makes products that last a long time; that can be repaired and added to; and that are thoughtfully, responsibly and intelligently made.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

While we typically do not finance large-scale infrastructure projects, Triodos Bank promotes an inclusive, sustainable economy and fosters innovation; indeed, Triodos Bank itself is an example of innovation in the banking sector. Triodos Regenerative Money Centre was established in 2019 with the aim to finance innovation and to innovate finance.

Our work for the inclusive finance sector supports efforts to increase access of small-scale enterprises to financial services, including affordable credit.



Reduced inequalities

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our collective work is designed to contribute to a fairer and more equitable economy in Europe and around the world. One way we do this is via investment funds that promote inclusive finance, targeting small and medium-sized businesses in emerging markets. We also aim to be a reference point for values-based banking, working alongside partners in networks like the Global Alliance for Banking on Values (GABV), to promote and help deliver a fairer, more equitable society.

Level 2

What we do to make a meaningful difference

We have a comprehensive approach to inequality which includes financing groups at risk of social exclusion.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

During 2020, with the input of our senior leadership we shaped our ambition to be a more diverse and inclusive organisation. A Diversity and Inclusion Officer was appointed in December 2020. In The Netherlands, we have signed the Diversity Charter (see diversiteitinbedrijf.nl). We regularly report and take soundings on diversity and inclusion at stakeholder meetings. Diversity and inclusion will remain high on our list of priorities in 2021.

This work also translates into loans to businesses and organisations that serve and employ people with disabilities or who are otherwise at risk of exclusion. We actively support refugees financially through several initiatives across Europe. For example, PAX in The Netherlands: Peace organisation PAX has found refugees from Syria willing to tell their personal story.

In Spain, we work with the Fundación Secretariado Gitano, an organisation that defends the rights and culture of the minority travelling community.

In The Netherlands we finance 'Specialisterren' enabling people with autism to excel as software testers.



Sustainable cities and communities

Relevant targets: 11.1 ... access for all to ... affordable housing ...

11.4 ... protect and safeguard the world's cultural ... heritage

11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities

Sustainable Finance Platform indicator:

Number of people with access to safe and affordable housing: 59,000.

Floor space of green real estate: 830,000m²

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

We have a proactive policy to finance social and (the transition to) sustainable housing as well as arts and culture projects.

Level 2

What we do to make a meaningful difference

We have approximately EUR 511 million in loans and investments in the social housing sector, providing affordable homes for often excluded groups across Europe. We also finance 720 community projects, for example in not-for-profit employment programmes, youth help centres, integration programmes and other community projects.

We finance EUR 501 million in arts and culture projects, ranging from individual artists to large cultural institutions such as museums and theatres.

The sustainable property sector we finance via Triodos Bank and Triodos Investment Management amounts more than EUR 946 million.

We renovate and refurbish culturally significant buildings and monuments, like Amsterdam's Stadsherstel, and support social, cultural and creative hubs, such as the Bussey Building in Peckham, London.

Another example is a project in Frankfurt, where a building is being renovated for shared housing. This integrative project offers space for students and refugees.

In the United Kingdom, we financed the North Camden Housing Co-operative to redevelop apartments to the passive house retrofit standard and helped SSASSY Springfield Meadow sustainable residential development in Oxfordshire, to Bioregional sustainable certification.

We support community facilities and active spaces serving local people, such as Caterham Barracks Community Trust in Surrey.

In Spain, we finance and collaborate with Impact Hub Madrid, which offers a broad cultural programme in order to help entrepreneurs rethink our cities and communities to achieve a more sustainable life.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We can contribute most powerfully by financing scalable, inspirational projects that change the perspective of the housing and arts and culture industries. These projects show that social, environmental and cultural objectives can and should be integrated in developing sustainable housing for the whole community.

We can also respond to urgent challenges in society. For example, refugees with the legal status to stay in The Netherlands for five years can now access a mortgage via a special product developed with the Triodos Foundation and a partner (see also SDG 17).

We can also work with partners to advise on how best to attract and apply finance for sustainable infrastructure projects in cities.



Responsible consumption and production

Relevant targets: 12.2 ... sustainable management ... of natural resources

12.5 ... reduce waste generation ...

12.6 Encourage companies ... to adopt sustainable practices ...

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our products and services (see qualitative elements in the GABV scorecard) have responsible consumption built in.

We positively look to finance companies focused on reducing waste generation and promoting reuse and recycling. We also encourage listed companies to act more sustainably and actively promote responsible consumption.

Level 2

What we do to make a meaningful difference

The efficient use of natural resources is at the heart of much of our finance. We only finance organic agriculture projects for example, and proactively look to finance businesses operating in the circular economy. The farms we finance in Europe, produced the equivalent of 33 million organic meals in 2020. As well as direct lending we have the Triodos Food Transition Europe Fund (EUR 48 million), which invests in privately owned, sustainable consumer businesses.

We proactively finance waste reduction and recycling businesses, including Le Champignon de Bruxelles (The Brussels Mushroom), an urban agriculture and circular economy project. Mushrooms are produced with the residue from brewing barley in beer manufacturing.

Through Triodos Investment Management's Impact Equities and Bonds department, we engage with large companies, encouraging them to improve their sustainable practices, including by voting as an investor through the Impact Equities and Bonds funds (EUR 2,450 million).

In Spain, we financed initiatives, such as ECOALF, a producer of sustainable fashion that uses materials such as used nets from fishermen and waste from the seas. In The Netherlands we finance MUD Jeans, which produces high-quality jeans in a sustainable and fair way. The company works according to the principles of a circular economy. New jeans are made from organic cotton and recycled 'MUD Jeans'. Customers can either buy or lease their jeans. The company believes in 'use' instead of 'ownership'. In this way, consumers can keep up with fashion trends with minimal impact on the environment.

Sustainable practices have been an integral to our business from the outset. We integrate sustainability into our reporting cycle as a logical consequence of this focus.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

Through events, articles and public affairs activity we aim to promote an integrated view that responsible consumption and production are closely connected to a better quality of life.

We published a vision paper in 2019 on food and farming describing our long-term vision for this sector.



Climate action

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

While most of the specific SDG 13 targets do not relate directly to Triodos Bank's activity, much of our direct loans and investments' finance aims to combat climate change, particularly through finance of the sustainable energy sector, which generated green electricity, equivalent to the electricity needs of 0.7 million households worldwide, avoiding 0.9 million tonnes of CO₂ emissions in 2020.

Level 2

What we do to make a meaningful difference

All our finance aims to integrate environmental concerns with social, cultural and economic considerations. We enable individuals and businesses to act to combat climate change through our products and services, including green mortgages that incentivise more sustainable homes, and personal loans for spending on sustainable products such as solar panels. We participate in public initiatives through advocacy activity and have built partnerships with others such as Climate Coalition in the United Kingdom.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

In Spain, Triodos Bank has launched together with the Foro de Finanzas Sostenibles (local equivalent of the Sustainable Finance Lab) two new academic reports: 'Sustainable finance, status quo and motivations for its development' and 'Analysis methodology to align finance portfolios and climatic action'. These initiatives aim to mobilise a deep and structural commitment in academia and the banking sector.

Triodos Bank became one of the signatories of the Belgian Alliance for Climate Action (BACA). The Belgian Alliance for Climate Action is a joint initiative from The Shift – the Belgian sustainability meeting point for companies, organisations and governmental entities – and WWF Belgium. Launched in October, BACA offers a platform and community for organisations that are serious about their climate ambitions and have chosen – or are willing to choose – the path towards Science Based Targets (SBTs).

Triodos Bank supported several climate actions in The Netherlands during the year, including a major Climate March in Amsterdam in the Spring. We are also a member of 'Uitvoeringsoverleg Gebouwde Omgeving', a commission that, together with government ministries, is charged with the practical implementation of the Dutch Climate Agreement in the field of housing and building.



Life below water

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our finance in the organic sector aims to reduce marine pollution by focusing on soil quality, water conservation and health.

Level 2

What we do to make a meaningful difference

Triodos Bank's crowdfunding platform has raised finance for Fishtek Marine, an innovative company using new technology to help stop marine creatures becoming tangled in fishing nets.

Level 3

The catalysing role we can play to stimulate long-term, transformational change



Life on land

Relevant target: 15.5 ... halt the loss of biodiversity ...

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

Our policy is not to finance any projects that degrade natural habitats or diminish biodiversity.

Level 2

What we do to make a meaningful difference

Next to financing organic agriculture, we finance conservation organisations, which see agriculture as part of a natural system which encourages greater biodiversity, rather than one of extraction. Around EUR 505 million of our loans and investments were in the organic food and farming and nature development sectors during 2020. They include organisations like Riverford Organic Farmers, a leading United Kingdom organic 'veg box' distributor that has also taken the company into employee ownership.

In The Netherlands we have financed Tjermelan on the island of Terschelling who have created a dark 'sky park', an area where light pollution is eliminated so people can enjoy the darkness overnight.

We actively engage on issues that relate to sustainable investing on the stock market via our research team, on topics such as palm oil, tin mining, commodity scarcity and conflict minerals.

We partner with organisations such as WWF and Greenpeace in some of the countries where we are active and attract donations for their activities through the Triodos Foundation.

In The Netherlands, we have contributed to Radboud University's research into declining insect populations in protected natural reserves, an issue that prompted widespread international coverage.

In Spain, we have financed projects as Cantero de Letur, a pioneer in the production of organic dairy products that has just passed its 30th anniversary. This initiative avoids using pesticides, promoting biodiversity as well as the possibility of living and working in a rural area in the province of Albacete.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We can contribute to systemic change by demonstrating that enterprises that are focused on greater biodiversity offer a financially viable alternative to the dominant extractive system.

We can also develop new, innovative approaches – such as crowdfunding initiatives increasing education about sustainable agriculture in schools – that punch above their weight, as powerful examples of what's possible.

In 2020, Triodos Bank signed the Finance for Biodiversity Pledge. The signatories commit themselves to collaborating, engaging, assessing their own biodiversity impact, setting targets and reporting on biodiversity matters by 2024 at the latest. We are also a member of the Partnership Biodiversity Accounting Financials, which works to develop a common accounting methodology for the sector's impact on biodiversity.

In the United Kingdom, we have invested resources and expertise in setting up viable financial projects to encourage sustainable private-sector investment in the natural environment to protect and restore biodiversity. This initial collaboration to support environmental projects aims to create sustainable funding models for nature-based investing.



Peace, justice and strong institutions

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

We believe peaceful and inclusive societies require fair and inclusive economies focused on improving quality of life for all. Our finance is firmly focused on this goal.

We finance faith organisations of all kinds that commit to non-coercive expressions of religious belief, from Buddhist centres to Presbyterian churches.

Level 2

What we do to make a meaningful difference

Level 3

The catalysing role we can play to stimulate long-term, transformational change



Partnerships for the goals

Relevant target: 17.3 Mobilise additional financial resources for developing countries ...

Level 1

Baseline policies and activity, to avoid doing any harm in relation to the goal

We have an open culture that encourages partnerships to help strengthen sustainable financial institutions and mobilise financial resources in developing countries.

Level 2

What we do to make a meaningful difference

Our aim is to enter sustainable markets early and demonstrate that they are financially viable – as we did with the renewable energy industry, lending to some of Europe's first wind farms following the Chernobyl disaster in 1986.

Our work in developing countries is delivered principally through Triodos Investment Management, as described above.

We also run affiliate programmes in product partnership. In the United Kingdom, that includes organisations and charities aligned with our values, such as the Soil Association, Friends of the Earth and RSPB.

In Spain, we have worked together with the New Economy and Social Innovation Forum (NESI) and more than 300 social organisations in the creation of the 'B Plan'. This plan, which promotes a greener economy and has been presented to the Spanish Parliament, is in line with the 'Reset the Economy' Vision Paper from Triodos Bank and the Green Deal from the European Commission.

Level 3

The catalysing role we can play to stimulate long-term, transformational change

We can help promote systemic change by partnering with others. Triodos Bank hopes to co-create new collaborations that better meet the needs of a sustainable economy. We are already aligned with many of the global frameworks through our local activities across our operations. They include the following global initiatives:

- The Global Alliance for Banking on Values (GABV): the GABV uses a scorecard as a structured approach to capture the vision, strategy and results of any bank relative to values-based banking. The scorecard is based on the GABV's Principles of Values-based Banking. It allows a bank to self-assess, monitor, and communicate its progress on delivering values-based banking.
- UN Principles for Responsible Banking: The principles define the global banking industry's role and responsibilities in addressing current societal problems, including social inclusion and the climate emergency. Triodos Bank played a leading role in developing this global framework, as part of the core group of banks who developed the principles and shaped the framework.
- Paris Climate Agreement: Our energy generation portfolio consists of 100% renewable energies – such as wind and solar. This is a sector where we have been leaders and pioneers for four decades.
- We are a founding member of PCAF (the Partnership for Carbon Accounting Financials) and we report the climate contribution of our entire portfolio. PCAF is now a global initiative with over 100 financial institutions collaborating across the world to account for their portfolio climate impact as a first step towards setting targets.
- We have signed the Finance for Biodiversity Pledge that is launched during the Nature for Life Hub in the margins of the 75th UN General Assembly in New York. In the pledge, which was signed by 26 financial institutions from around the globe, the signatories call upon world leaders to reverse nature loss this decade and commit to collaborating, engaging, assessing their own biodiversity impact, setting targets and reporting on biodiversity matters by 2024 at the latest.
- Triodos Bank is also part of the Partnership for Biodiversity Accounting Financials (PBAF), which is working on a harmonised biodiversity accounting approach.

Beyond these collaborations, we are also committed to the following global initiatives: the Global Impact Investing network (GIIN); UN Principles for Responsible Investment (UN PRI); the Diversity Charter; Club of Rome Finance Impact Hub; the Sustainable Finance Lab; Business Principles on Human Rights.

We continue collaborating with networks of financial institutions and others on technical standards, and have good working relationships with many NGOs and civil society groups working on the transformation towards a sustainable financial system, including Finance Watch, Share Action and WWF.

We can, and do, partner selectively with individual thought-leaders and academic organisations to promote a growth-agnostic, sustainable economy that's fit for the 21st century.