

Sustainability-related disclosure

Triodos Future Generations Fund

March 2022

Sustainable investment objective

Triodos SICAV I - Triodos Future Generations Fund ('TFGF' or 'Fund') has sustainable investments as its objective as described in article 9 of the SFDR. The objective of the Fund is to generate positive impact and healthy financial returns by investing in listed small and midcap companies that support an ecosystem of equal opportunity, health and well-being, education and safety for children.

The Fund will invest in companies that contribute to the welfare of children across the world, and, through engagement, put children's rights higher on the agenda of investee companies. Specifically, the Fund will invest in companies that contribute to at least one of the following five focus areas:

- Child health and survival;
- Access to education;
- Protection from violence and exploitation;
- Environment and climate;
- Equality and inclusion.

To do so, the Fund intends to invest its assets in:

- Shares of listed companies and/or
- Units or shares of UCITS and/or UCIs

which (i) are expected to deliver attractive returns, (ii) do not harm society and/or the environment and (iii) comply with the investment strategy as described in the prospectus.

Methodologies, screening criteria and relevant sustainability indicators

TFGF invests exclusively in companies that have been selected for the Triodos investment universe: shares of listed companies (or UCITS or UCIs) that meet Triodos Investment Management's (Triodos IM) criteria. To be included in the universe, companies are screened in a specific sustainability assessment process which entails the following.

Triodos IM has identified seven transition themes that are instrumental in the transition toward a sustainable economy. These seven transition themes, as a lens to select investments, are defined as follows: Sustainable Food & Agriculture, Sustainable Mobility & Infrastructure, Renewable Resources, Circular Economy, Prosperous & Healthy People, Innovation for Sustainability and Social Inclusion & Empowerment.

Triodos IM explores and assesses how these themes provide opportunities for positive change.

A company that materially contributes to one or more of the seven transition themes through its products, services or processes, and specifically to one or more of the five focus areas of the Fund (which are closely linked to the transition themes), is eligible for investment if it also meets Triodos Bank's [minimum standards](#). The minimum standards ensure that the investments do not significantly harm the sustainable investment objective of the Fund. The sustainability assessment is conducted in-house by Triodos IM. For idea generation and (initial) sustainability assessment, both internal research and research from external parties is used alongside company engagement for information.

The Fund measures its exposure to the transition themes (positive impact) and quantifies its relative exposure towards SDGs. It also reports on its CO₂, water and waste footprint. In addition, the Fund will also use the sustainability indicator 'Operations and suppliers at significant risk of incidents of child labour' to measure the attainment of its sustainable objective. The performance of the indicators is an outcome of the investment process and not an objective.

Every company in the Triodos investment universe is continuously monitored. If Triodos IM finds that a company no longer meets the sustainable investment criteria, or is in danger of no longer meeting the criteria, it can deploy various dialogue methods to call that company to account. If the dialogue does not produce the desired change in behaviour and a company is found in violation of the minimum standards, the company will be removed from the Triodos investment universe and the stock of the company will be divested from all portfolios within a period of three months after removal from the Triodos investment universe.

For further information on the investment process of the Fund, please refer to the Fund's prospectus.

How the objective is to be attained

The strategy for selecting companies and UCITS or UCIs eligible for investment is essentially determined by the integrated analysis of the factors "People", "Planet" and "Profit" taking strict minimum criteria into account for the factors "People" and "Planet". The final decision relating to selection of companies for investment is based on the integrated analysis of the factors "People", "Planet" and "Profit", in combination with the top-down investment outlook and portfolio construction.

Although the Fund primarily has a social objective, it also contributes to the following environmental objectives as set out in article 9 of the Taxonomy:

- climate change mitigation, through the investments that contribute to the transition themes Sustainable Mobility & Infrastructure, Renewable Resources and Innovation for Sustainability;

- climate change adaptation through the investments that contribute to the transition themes Sustainable Mobility & Infrastructure, Renewable Resources and Innovation for Sustainability;
- the sustainable use and protection of water and marine resources through the investments that contribute to the transition theme Sustainable Food & Agriculture;
- the transition to a circular economy through the investments that contribute to the transition theme Circular Economy;
- pollution prevention and control through the investments that contribute to the transition theme Sustainable Mobility & Infrastructure; and
- the protection and restoration of biodiversity and ecosystems through the investments that contribute to the transition theme Sustainable Food & Agriculture.
- More information on how the Fund implements its investment strategy can be found in the previous section.

For Triodos Investment Management SFDR disclosures, please visit our [sustainability-related disclosures page](#).