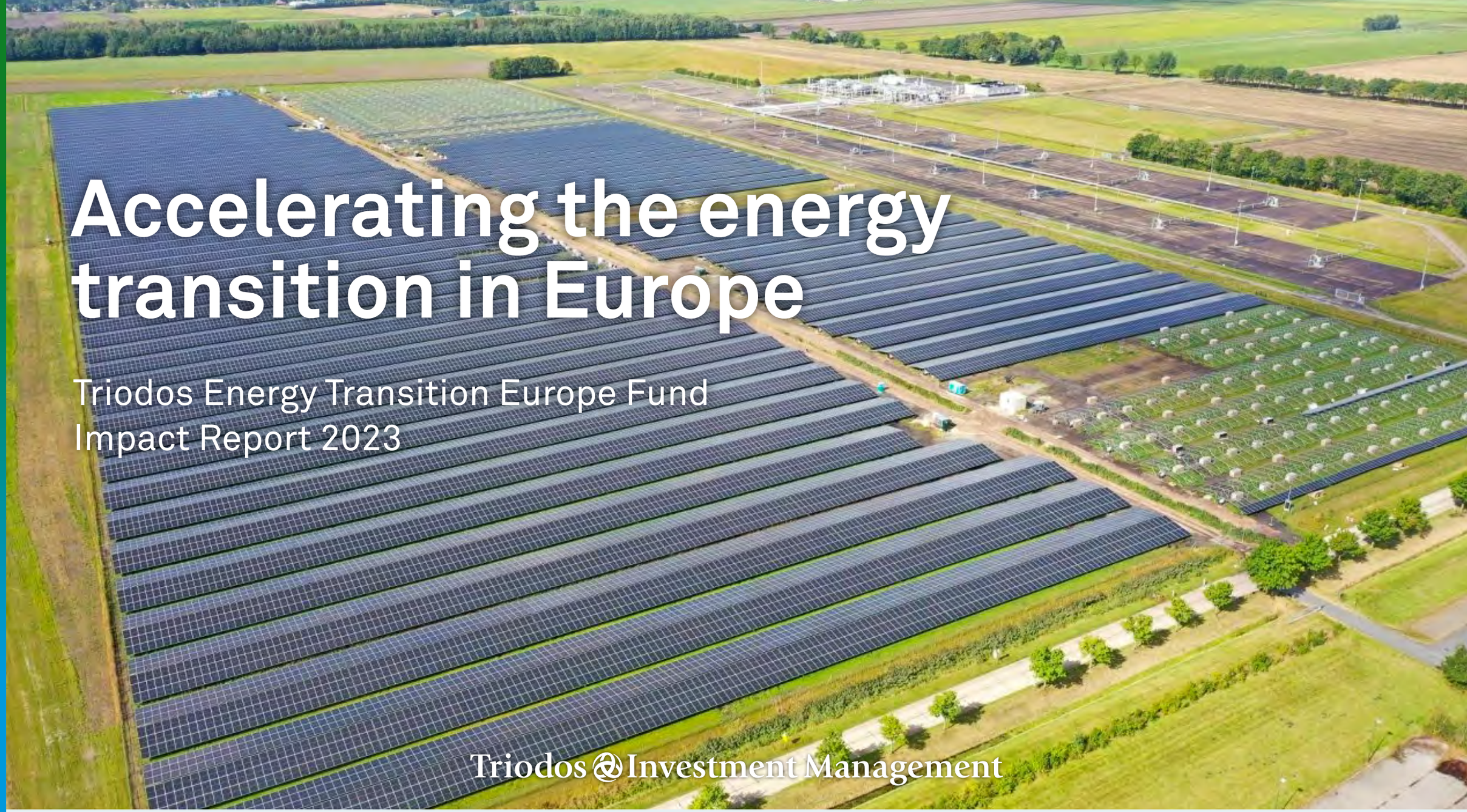


Accelerating the energy transition in Europe

Triodos Energy Transition Europe Fund Impact Report 2023

Triodos Investment Management

This is a marketing communication. Please refer to the prospectus and the KIID of Triodos Energy Transition Europe Fund before making any final investment decisions. An overview of the investor's rights can be found here. The value of your investment can fluctuate because of the investment policy. Triodos Energy Transition Europe Fund is managed by Triodos Investment Management. Triodos Investment Management holds a license as alternative investment fund manager and UCITS and is under the supervision of the Dutch Authority Financial Markets and De Nederlandsche Bank.

1	2	3	4	5	6	7

Lower risk — Higher risk

Typically lower rewards — Typically higher rewards

Impact highlights 2023

38,100
tonnes of CO_2 emissions avoided

28,800
households provided with clean electricity

32
generation capacity **under construction** (MW)

41
investments in

12
different **countries**

6
new **investments**

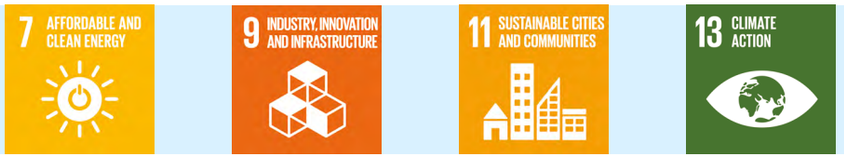
398
generation **capacity** (MW)

99,600
electricity production (MWh)

150
Generation capacity **in development** (MW)

166M
net assets (EUR)

Key Sustainable Development Goals contributed to:



The energy transition is front and centre

The war in Ukraine exposed our energy system's vulnerability to geopolitical developments beyond our control, highlighting the need to accelerate the energy transition. This trend continued in 2023, although in the context of falling energy prices. The urgency of the energy transition is widely felt and is here to stay. In the Netherlands alone, records were broken for the amount of installed renewable capacity as well as the proliferation of solar PV on residential rooftops. The energy transition is front and centre for everyone, from industry to individual consumer. This is exactly where the fund can and is making a difference, across Europe.

We started the year with the sale of two of our Spanish ground-mounted solar assets. Both have been in operation for over ten years, making a local owner more suitable to add value for their remaining lifetime. With the sale proceeds, we added new impactful projects to our portfolio. We expanded our activities in wind energy to Romania and provided capital for additional storage projects with our partners GIGA and GridBeyond. We also invested in the follow-up fund of SET Ventures in which we have an advisory board seat focusing on impact and taxonomy alignment of the fund. Furthermore, two repowered wind parks in Zeeland became fully operational. Together with our partner E-Connection, we have worked for years on the redevelopment of these locations and their existing turbines got a second life in Italy. A true impact story. These investments underpin the enabling role of the fund and how impact is at the core of our decision-making.

For 2024, we seek to continue to accelerate the energy transition together with our partners and new investees. We look forward to continuing playing our role in providing financing and structuring solutions, with a team that is well positioned to achieve our impact goals.

Sonja de Ruiter
Ad interim Fund Manager Triodos Energy Transition Europe Fund

Fund characteristics

Asset class
Infrastructure

Domicile
The Netherlands

Legal structure
Triodos Impact Strategies II NV

Inception date
July 2006

AUM per December 2023
EUR 166m

Managed by
Triodos Investment Management

Depository
BNP Paribas Securities Services

Radically transforming the energy system

Triodos Investment Management classifies Triodos Energy Transition Europe Fund as an SFDR article 9 fund. The fund's objective is to accelerate the energy transition by investing in companies and projects that contribute to reducing CO_2 emissions and making the energy system more suitable for the energy transition.

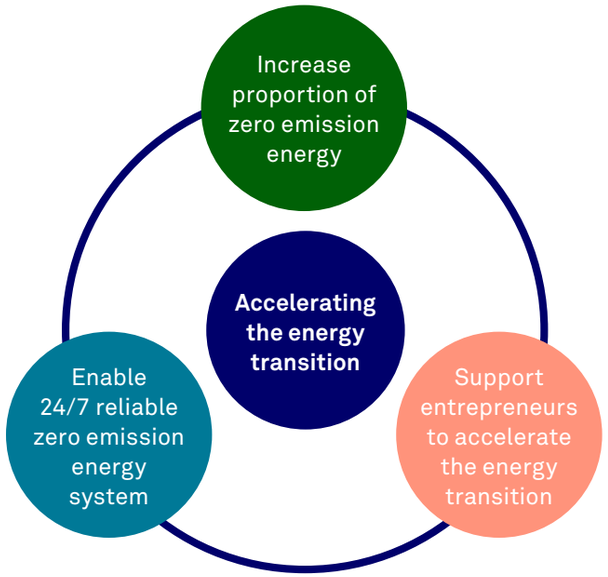
The fund invests in projects but also portfolios of wind farms, ground mounted solar, rooftop solar as well as battery storage. Integrated business models and development pipelines of renewable energy are also important pillars of the fund.

Why do we invest in the energy transition?

Climate change is the overarching challenge the world faces today. The energy sector is one of the largest polluting sectors, responsible for over 70% of all global greenhouse gas emissions. Therefore, energy is key in reducing greenhouse gas emissions to a level in line with the 1.5°C scenario, as agreed by the Paris Climate Agreement.

Triodos Energy Transition Europe Fund invests in environmentally sound companies and projects that accelerate the energy transition with the prospect of an attractive financial return combined with a pro-active, measurable and lasting contribution to reduce CO_2 emissions.
The resulting reduction in CO_2 emissions is achieved by using an integrated approach:

- Increase the proportion of zero emission energy
- Enable a 24/7 reliable zero emission energy system
- Support entrepreneurs to accelerate the energy transition



Sustainable Development Goals

Accelerating the energy transition contributes to multiple UN Sustainable Development Goals (SDGs).

Aligning the fund's impact objectives with the SDGs allows us to communicate about the positive impact we make with our investments. Triodos Energy Transition Fund primarily contributes to the following SDGs:

Renewable energy generation, technology and energy efficiency projects contribute to increasing the share of energy in the global energy mix.

Integrating clean energy into commercial and industrial processes and industry and infrastructure innovation contributes to resilient infrastructure and sustainable industrialisation and innovation.

Renewable energy generation projects and energy demand and energy intensity reduction solutions in cities contribute to sustainable cities and communities.

A transition to more renewable and efficient energy systems represents an opportunity to contribute to delivering on climate action.

Theory of Change

The Theory of Change underpins how Triodos Energy Transition Europe Fund acts, invests and evaluates its activities.

If we:

Invest in and engage with projects and companies and partner with innovative developers that fit within our vision and transitions needed in society and that:

Assuming:	• Develop clean tech assets • Enable the electricity, heat and mobility transition	• Contribute to a clean, reliable and stable energy distribution system • Enable energy efficiency improvements • Resolve mismatches between demand and supply	• Offer promising solutions in the energy transition but are facing financial bottlenecks to growth
	• Markets favour clean energy • Clean energy is reliable and affordable	• Transforming energy distribution systems to support the energy transition remains a high priority	• Our innovative financial solutions address impediments for growth and reinforce business development
Then we expect:	• Clean energy to become available everywhere at any time in sufficient quantity • Fossil fuel solutions to be phased out	• The proportion of renewable energy solutions in the grid increases • Reliability challenges in energy systems are resolved	• Entrepreneurs can focus more on business development • Barriers for customers to adopt energy transition solutions are reduced
Which will contribute to:	**An increased proportion of zero-emission energy**	**A 24/7 reliable zero emission energy system**	**Support for entrepreneurs to accelerate the energy transition**

Impact data overview

Increased proportion of zero-emission energy

SDGs contributed to:

Key impact indicators*

	2023**	2022	Change
Number of projects in renewable energy generation	**27**	26	4%
Tonnes of CO_2 emissions avoided	**38,100**	40,100	-5%
Number of households provided with clean electricity	**28,800**	28,500	1%
Generation capacity (MW)	**398**	349	12%
Green electricity production (MWh)	**99,600**	94,100	6%

* These impact indicators are based on data for 27 projects in 2023 and 26 projects in 2022.
** The 2023 production data was not yet available; the calculation is based on production data from the period Q4 2022-Q3 2023.

Explanation

The sale of two operational assets resulted in a slightly lower contribution to energy generation compared to last year (2022). Actual attributed electricity production increased compared to last year (2022) because more energy generation is enabled by the fund's investments. Most of the fund's assets produced are in line with expectations, only solar in the United Kingdom underperformed due to lower-than-expected average sunlight hours.

New investments were largely projects in development or under construction and therefore do not yet contribute to the actual production enabled by the fund. The fund can create more added value in the early stages of a project given the its size and its catalysing role.

24/7 reliable zero-emission energy system

SDGs contributed to:

Key impact indicators*

	2023	2022	Change
Number of production locations (measured through grid connections)	136	157	-15%
MW storage capacity in operation	44	37	16%
MW storage capacity under construction	11	0	100%
MW storage capacity in development	6	18	-193%
Number of projects in storage capacity	5	5	0%

* These impact indicators are based on respectively data for five projects in 2023 and 2022.

Explanation

The increased storage capacity in operation compared to 2022 relates to a project that became operational in 2023, whereas another project moved from the development to the construction phase. In addition, a new investment with an existing partner led to an increase in the 6 MW storage capacity in development.

Support entrepreneurs to accelerate the energy transition

SDGs contributed to:

Key impact indicators

		2023	2022	Change
	Number of partners	9	9	0%
	% of NAV invested with partners of existing portfolio*	50%	59%	-15%

* The NAV invested with partners of existing portfolio is calculated as the NAV as of 31 December of the respective year.

Explanation

To advance innovators in the energy transition and build structural partnerships with investees to promote sustainable project development, the fund invests in assets that are developed by an existing investee. If two or more assets are developed by this investee, it is considered a partner. Per 31 December 2023, 61% of the portfolio was invested with partners. This equals 50% of the net asset value (NAV). The slight decrease compared to last year mainly relates to valuation changes and not to a lower number of investments with partners.

Impact investments

Click here to access an interactive world map that shows all investments as at year-end 2023.

Solar park

Zuidbroek Energie solar park covers 39 hectares and contains more than 90,000 solar panels. Together they generate 47,000 MWh of electricity, enough to supply 15,000 households with green energy. The park also has a battery for energy storage.
› Find out more here

Battery storage UK/Ireland

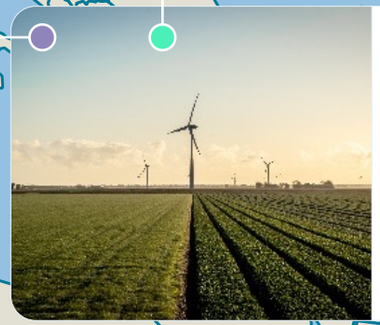
Battery storage projects across the UK and Ireland The partnership between the fund and GridBeyond is allowing for the installation of a pipeline of battery storage projects located behind the meter at GridBeyond's clients' sites across the UK and Ireland.
› Find out more here

Large utility-scale storage

GIGA Rhino and GIGA Buffalo are the largest utility scale lithium-ion energy storage systems in the Netherlands. Construction of a third battery starts in the second half of 2024. The batteries are developed by GIGA Storage BV. Storage plays a crucial role in the energy transition.
› Find out more here

Rooftop solar

Triodos Energy Transition Europe Fund co-finances the rooftop solar assets of building and infrastructure company Wavin, thus contributing to Wavin's ambition to reach net zero carbon emissions by 2050. The generated renewable electricity will be used on site by the different Wavin entities.
› Find out more here



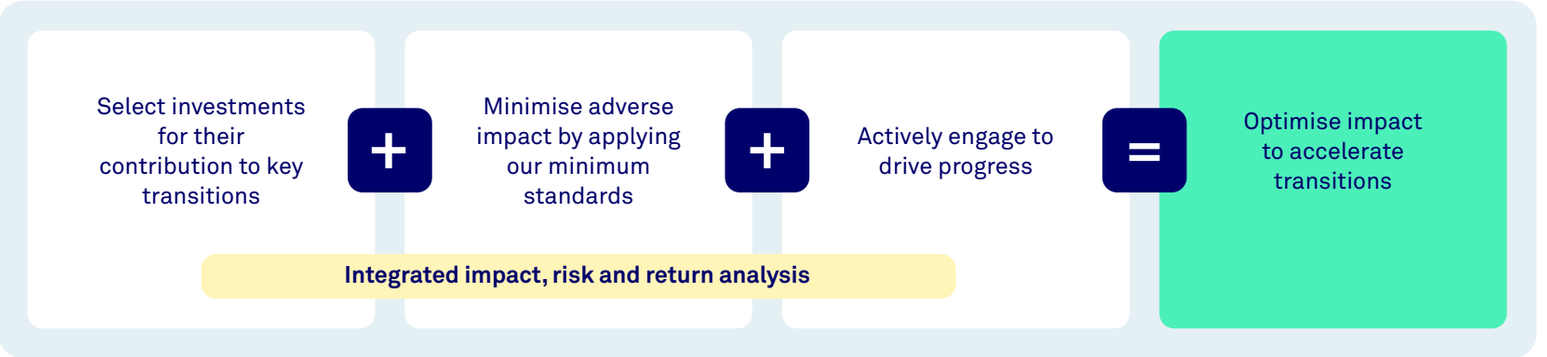
Wind power

Zircon owns and develops wind farms in Ireland and Romania. The generated clean electricity is sold to the national grids. The company's renewable energy business therefore contributes to decarbonisation and the creation of a cleaner and greener planet.
› Find out more here

Optimising impact to accelerate transitions

As a financial institution, we use money consciously, as a driving force towards a society that is humane, ecologically balanced and works for the benefit of all. We have a robust process in place to optimise impact and accelerate key transitions. We continuously develop this process following new insights and latest developments and standards.

A robust process to optimise impact



Contribution to transitions
We invest to realise our vision of a prosperous life for people on a thriving planet. Each fund has a Theory of Change, which describes how the fund can enable, contribute and accelerate sustainable transitions. This ambition is translated into a set of objectives, indicators and internal targets per fund.

Each potential investment must significantly contribute to at least one of fund's sustainability objectives to qualify for investment (see pages 4 and 5).

Minimise adverse impact
We select for positive impact but also determine the level of potential adverse impact. This includes screening based on the Triodos minimum standards, potential controversies, the EU SFDR Principal Adverse Impacts (PAIs) and relevant sector-specific standards to ensure our investments do not cause any significant harm.

We also mitigate and manage any material sustainability risk. Read more on the next page and in Our approach to impact.

Engage to drive progress
We aim to accelerate transitions and promote sustainable long-term value creation for all our stakeholders. To this end, we frequently engage on environmental and social topics that are relevant to each investee's business model, as well as on general corporate governance issues.

We engage to obtain information both in response to (potential) controversies and proactively on strategic topics. Furthermore, we believe that by active ownership - exercising voting rights for listed investments and board seats for private equity investments - we can exert a positive influence on a company's long-term strategy. Read more on page 12.

Minimise adverse impact

Minimise adverse impact by applying our minimum standards

To make sure that its investments do not cause any significant harm, Triodos Energy Transition Europe Fund continuously monitors alignment with the strict Triodos minimum standards. The material social risks for renewable energy investments in Europe are mainly related to human rights (including labour rights) in the value chain, raw materials sourcing and equipment manufacturing. Material environmental risks include water and waste management in the supply chain, environmental and biodiversity impact in project development, and product end-of-life management.

The Triodos minimum standards provide that investee companies must respect human rights, including fair and equal labour standards, both within their operations and across their spheres of influence, including their suppliers and further up their supply chain, where possible. For every investment, we ensure that the required permits are in place. To obtain a permit for the development of a project in the EU, the developer needs to conduct an environmental impact assessment, which includes a detailed assessment of a wide range of environmental risk factors and mitigants, including environmental risks to population and human health, biodiversity, water and waste management and climate.

In addition, a circularity policy is in place to reduce our dependency on scarce minerals and to reduce waste after the lifetime of the assets (decommissioning) by implementing circularity practices is in place.

Sustainability regulation

SFDR
Triodos Investment Management has classified its funds as Article 9 funds under the EU Sustainable Finance Disclosure Regulation (SFDR). Article 9 refers to the most sustainable product category and has the strictest requirements on sustainability disclosures.

This includes information on the adherence to the sustainable objectives of the fund, how we mitigate adverse impact on people and planet, how sustainability risks are assessed and managed and how we ensure good business conduct of all investments.

EU Taxonomy
As from 1 January 2023 Triodos IM is obliged to report what percentage of a fund's portfolio is aligned with the EU Taxonomy Regulation. The EU taxonomy is a classification system that defines criteria based on which economic activities can be considered as environmentally sustainable.

Find out more: EU SFDR and Taxonomy requirements and the disclosures of Triodos Energy Transition Europe Fund.

Engagement agenda

As an active investor, we use our influence to promote sustainable, long-term value creation by the companies we invest in. From the start, with the initial analysis and due diligence, we engage in regular dialogue with our investment companies to drive more sustainable business practices. In the case of our equity investments, we use our board seat and position to influence the activities and behaviour of the investee companies to reduce the negative and increase the positive impact of their business activities.

Climate change

In 2022, we developed a circularity policy to reduce our dependency on scarce minerals and to reduce waste after the lifetime of the assets (decommissioning) by implementing circularity practices. We actively engage with our clients to ensure circularity principles are incorporated in the development, operational and near-decommissioning phase of the assets.

During the development and their lifetime we monitor the biodiversity impacts of the projects we finance and encourage our clients to take appropriate measures when required.

Local communities

We ensure our clients have the appropriate grievance and complaint handling mechanisms in place at all stages of a project.

In addition, we encourage our clients to ensure local community involvement in all stages of the project by promoting participation in renewable energy education initiatives and sponsorship of local community initiatives. Often local communities can also invest in the projects themselves, thus benefiting not only from clean energy, but also financially.

Human rights in supply chains

We ask our clients to confirm their commitment to human rights and the respect of human rights in their supply chain during the dialogue before investing, especially in the case of solar panel solutions.

Confirmation could be in the form of a written confirmation from the supplier, such as within the solar module supply chain, or a thorough analysis of the client's processes and procedures in selecting and monitoring their suppliers.

Impact reporting in 2024

Facing several interrelated social and environmental challenges, our most critical task today is to navigate a social and ecological transformation based on a new economic paradigm.

Rethinking the purpose and goals of economic activity and directing financial flows to finance those activities that have the largest impact on societal change is a key action to trigger deep changes. To this end, we have identified five interlinked areas of intervention – food, resource, energy, society and wellbeing.

Our mission as a financial player is to enable and accelerate these five vital transitions, by financing groundbreaking initiatives as well as providing funding to shift practices from less to more sustainable. We must invest in a deep, systemic transformation required to achieve our goal of a prosperous life for people on a thriving planet.

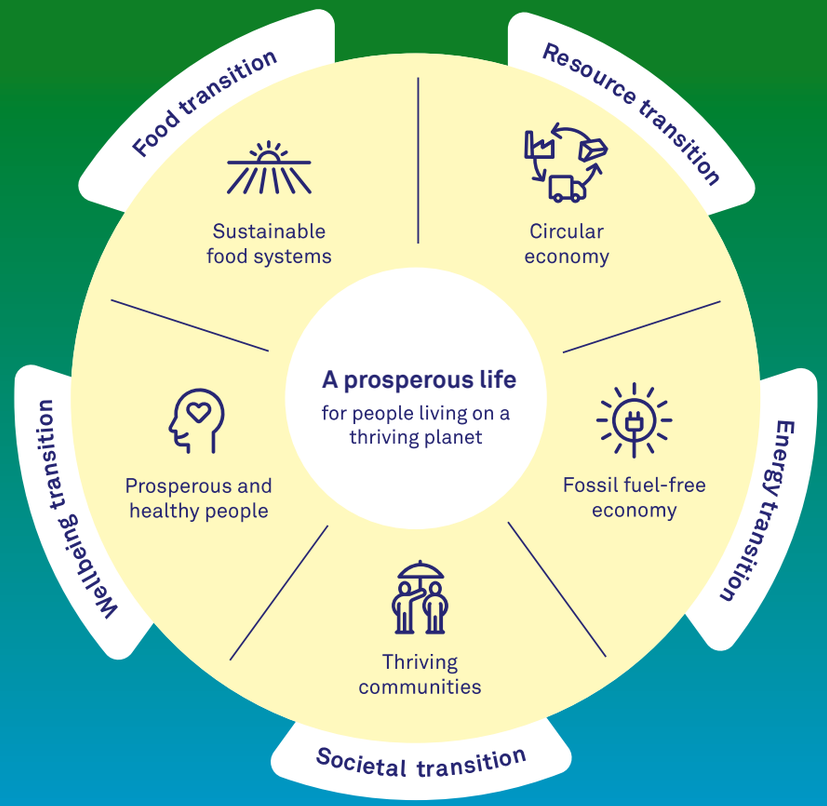
In 2023, we fully implemented the five transition themes into our impact management and measurement process. On page 14 and 15 you can see how this fund contributes to the transition themes and the SDGs.

We will continue to implement external requirements driven by increasing EU regulation on sustainability, such as the EU Sustainable Finance Disclosure Regulation (SFDR), EU Taxonomy and Corporate Sustainability Reporting Directive (CSRD).

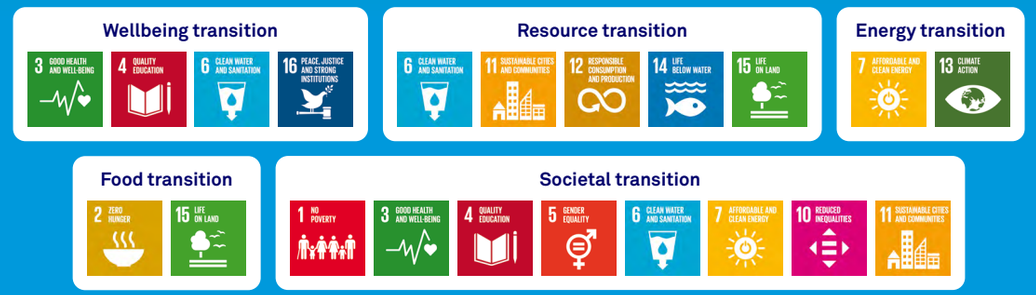
Furthermore, we will continue strengthening and evolving our impact management and measurement practices and processes, and intensify our collaboration with other asset managers and institutions to increase harmonisation.

Our 2024 strategic engagement topics focus on climate change following our AsOneToZero ambition. Other prioritised engagement topics include, plastic and excessive remuneration for our Impact Equities and Bond funds and progress on impact and sustainability objectives and measurement for our Impact Private Debt and Equity funds.

Focus on five interlinked transitions



Anchored in the UN Sustainable Development Goals

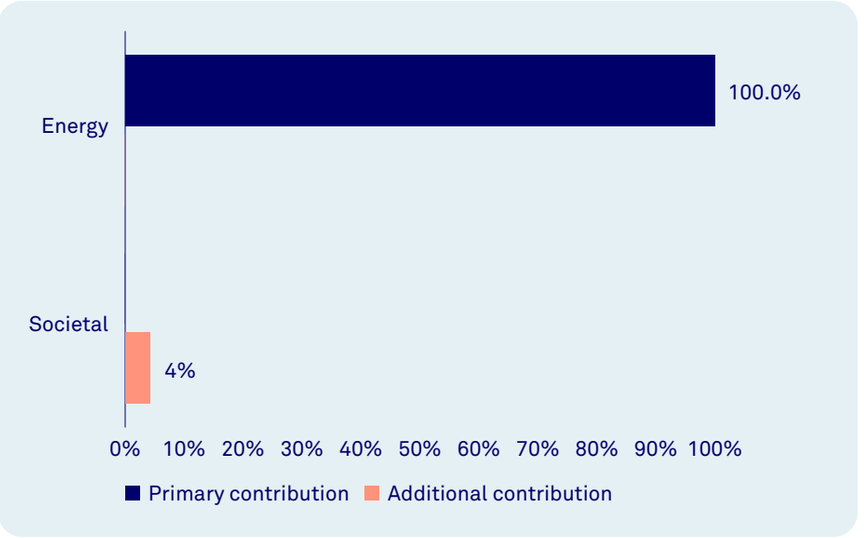


Contribution to the transitions

All investments of Triodos Energy Transition Europe Fund contribute to one or more of the five transitions. Their primary contribution is to the Energy Transition, because the fund's strategic focus is on increasing renewable energy generation in the energy mix, meeting energy demand and reducing energy intensity and improving reliability to make the energy system more stable and robust.

A breakdown of the fund's contribution to the transition themes by percent of the portfolio value is provided below:

Contribution to transitions



100% of the fund's investments contribute to the Energy Transition.

The fund also contributes to the Societal Transition through one of its fund investments that invests in renewable energy emerging markets, which prioritises local community work and job creation in its investments.

Triodos Energy Transition Europe Fund contributes to the following UN Sustainable Development Goals

	SDG	Rationale	Key Impact Indicators	Example Investees
	• Universal access to affordable, reliable and modern energy services (Target 7.1) • Increasing renewable energy in the global energy mix (7.2) • Improving energy efficiency (7.3)	Renewable energy generation, technology, and energy efficiency projects contribute to increasing the share of energy in the global energy mix, thereby reducing GHG emissions, improving air quality and reducing the risks of climate-driven disasters.	• Number of projects in renewable energy generation: **27** • Renewable energy geneation capacity: **99,600 MW** • Green electricity production: **390 MWh**	SolarAccess
	• Upgrading infrastructure and retrofitting industries to make them sustainable (Target 9.4)	Integrating clean energy into commercial and industrial processes and similar industry and infrastructure innovation, contributes to building resilient infrastructure, and sustainable industrialisation and innovation	• Number of projects in storage capacity: **5** • Storage capacity in development: **6 MW** • Storage capacity under construction: **10.6 MW** • Storage capacity in operation: **44 MW**	GIGA Rhino and GIGA Buffalo
	• Ensuring access to adequate, safe and affordable basic services (Target 11.1) • Reducing the adverse per capita environmental impact of cities (11.6)	Renewable energy generation projects and energy demand and energy intensity reduction solutions in cities contribute to sustainable cities and communities. This includes urban infrastructure, buildings, public transport, district heating and cooling, or waste-to-energy plants.	• Number of households provided with clean electricity: **28,790**	Muniled
	• Integrating climate change measures into national policies, strategies and planning (Target 13.2)	A transition to more renewable and efficient energy systems represents an opportunity to contribute to delivering on climate action.	• Total number of projects: **41** • Tonnes of CO_2 emissions avoided: **38,100**	Zircon

Annex: Impact metrics explained

The figures in this Impact Report are attributed to the share of the fund in the asset. The attribution is calculated based on the market value of the fund's equity and debt divided by the balance sheet total of the asset which is used as proxy.

Number of projects in renewable energy generation
The number of renewable energy generation projects the fund is developing, constructing or operating.

Tonnes of CO_2 emissions avoided
Tonnes of CO_2 emissions avoided by generating renewable energy compared to generating electricity by conventional means. The emissions avoided by operational assets are calculated based on the actual production figure and an 'emission factor'. The emission factor is based on the grey energy facilities that are first priced out of the market and replaced by renewables in a certain country.

Green electricity production (MWh)
Megawatt hours generated by the funds' operational, energy producing assets.

Number of households provided with clean electricity
The total number of households equivalent for which the annual electricity demand can be serviced by the megawatt hours produced. The number of households is calculated based on the actual production figure divided by the annual electricity usage per household in a certain country.

Renewable energy generation capacity in development (MW)
The megawatt generating capacity that is currently under development. The development phase is defined as the phase before the financial close of the investment by the fund.

Renewable energy generation capacity under construction (MW)
The megawatt generating capacity that is currently under construction. The construction phase is defined as the period between the date of the financial close of the investment by the fund and the commercial operations date (COD).

Renewable energy generation capacity in operation (MW)
The megawatt generating capacity that is currently operational. The operational phase is defined as the period between the COD date and decommissioning of the project.

Number of production locations
The number of locations on which the fund is developing, constructing or operating renewable energy assets. Each grid connection counts as one production location.

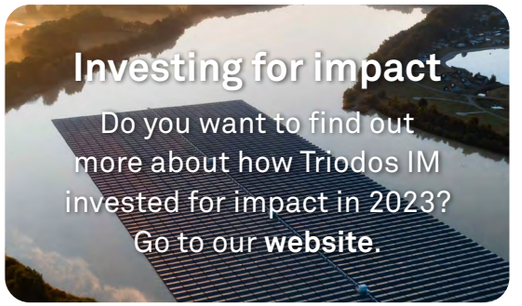
Number of projects in storage capacity
The number of storage capacity projects the fund is developing, constructing or operating.

Storage capacity in development (MW)
The megawatt storage capacity that is currently under development. The development phase is defined as the phase before the financial close.

Storage capacity under construction (MW)
The megawatt storage capacity that is currently under development. The construction phase is defined as the period between the date of financial close and the COD date.

Storage capacity in operation (MW)
The megawatt storage capacity that is currently under development. The operational phase is defined as the period between the COD date and decommissioning of the project.

Percentage of portfolio invested with partners
The percentage of the portfolio that is invested in cooperation with a partner. A partner is classified as a counterparty connected to more than one investment.



Climate-related financial risk disclosures

This disclosure shows how climate-related risks and opportunities are organised in processes and procedures to consider both physical risks (that arise as physical consequences from climate change) and transition risks (relating to the transition to a climate-neutral economy).
For a full understanding of Triodos IM's approach to climate change, this disclosure should be considered together with Triodos Bank's Integrated Annual Report and As One To Zero progress reports.

About Triodos Investment Management

Triodos Investment Management (Triodos IM) is a globally active impact investor. We see impact investing as a driving force in the transition to a green, inclusive and resilient economy.

We have built up in-depth knowledge throughout our 25+ years of impact investing in sectors such as Energy and Climate, Financial Inclusion and Sustainable Food and Agriculture. Triodos IM also invests in listed companies that support sustainable solutions for the future.

Assets under management as per end of December 2023: EUR 5.7 billion.

Triodos IM is a wholly owned subsidiary of Triodos Bank, a leading expert in sustainable banking.

Investing in positive change

For more information about our impact investment strategies and solutions, please contact our Investor Relations team at:

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Triodos Investment Management