



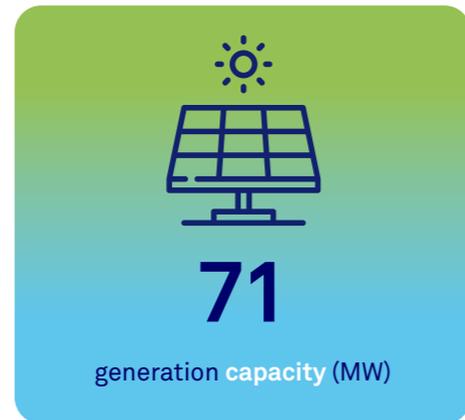
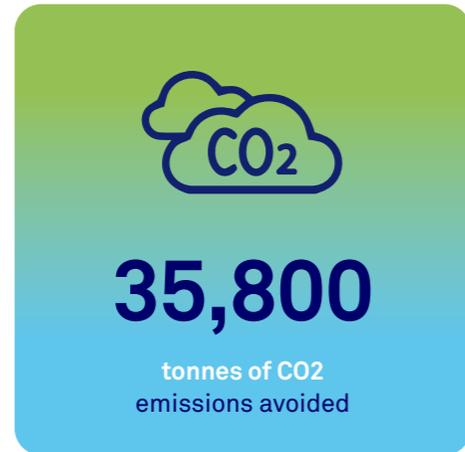
# Accelerating the energy transition in Europe

Triodos Energy Transition Europe Fund  
Impact Report 2021

Triodos  Investment Management

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# Impact highlights 2021



Key Sustainable Development  
Goals contributed to:



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# Progress in a challenging year

## Foreword by Fund Manager Vincent van Haarlem



Despite a challenging year dominated by COVID-19, good progress was made in developing the investment portfolio further. By adding several new projects to the portfolio, the fund contributed to increasing positive impact in the energy sector. Several milestones were achieved in the construction of projects in the Netherlands, resulting in wind and solar projects coming into operation during the year. Meanwhile projects under development progressed well and new projects were financed in 2021 including wind, solar and storage projects. We initiated several new partnerships in 2021, which we expect to contribute to the growth and impact of the fund in the coming years.

In 2021, our activities in storage increased significantly. These projects are under construction and are an important component of the energy transition by providing the required balancing power to ensure the stability and reliability of the grid. CO2 emissions attributed dropped as projects under construction required removal of operational turbines, wind speeds were lower and we moved to a stricter interpretation of the attribution methodology. Most new investments are still under construction and did not positively contribute to impact yet.

The impact indicators in this report illustrate the fund's sustainable investment objectives. We are proud of the performance and impact delivered by our investees in 2021 and look forward to supporting the energy transition in Europe further in 2022.

### **Vincent van Haarlem**

Fund Manager Triodos Energy Transition Europe Fund

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# Radically transforming the energy system

The objective of Triodos Energy Transition Europe Fund is to accelerate the energy transition by investing in companies that contribute to the reduction of CO2 emissions and make the energy system more suitable for the energy transition.

The fund invests in wind farms, solar photovoltaic and solar thermal installations across Europe. Typically, these installations are privately owned or operated by a special-purpose vehicle.

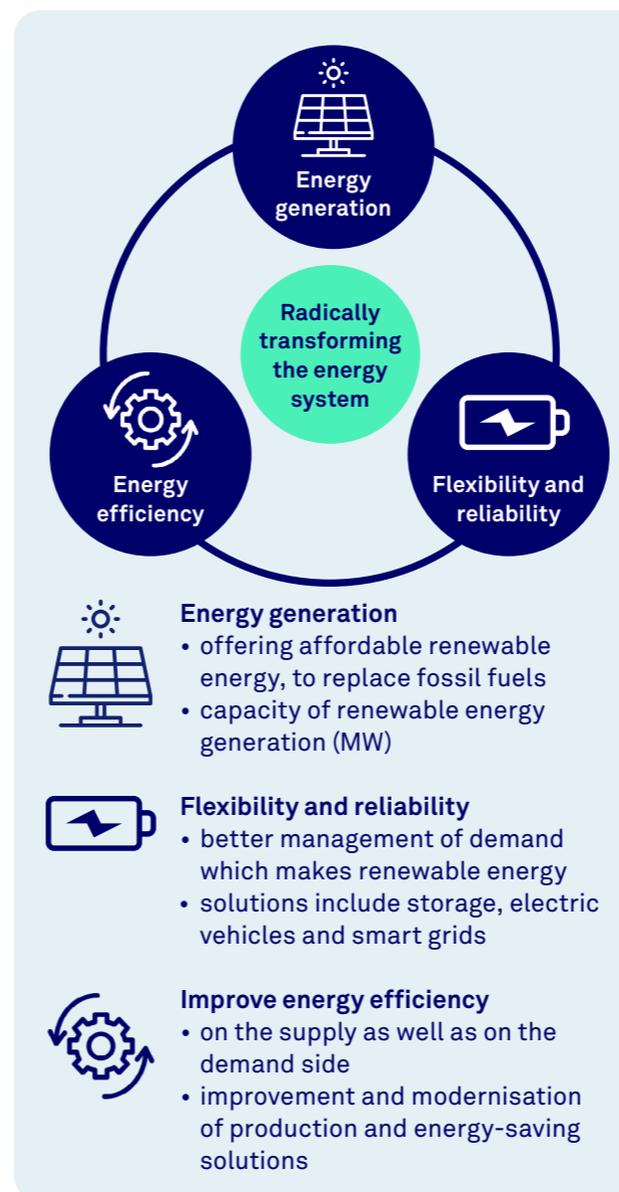
## Why do we invest in the energy transition?

Climate change in many ways is the overarching challenge the world faces today. Globally the energy sector is one of the largest polluting sectors, with over 70% of all global greenhouse gas emissions. Therefore, energy is an important key to reduce the level of greenhouse gas emissions in line with a 1.5°C scenario.

Triodos Energy Transition Europe Fund aims to mitigate the effects of climate change by increasing the share of clean energy in the total energy mix and by reducing CO2 emissions.

The resulting reduction in CO2 emissions is achieved using an integrated approach:

- generating renewable energy,
- improving energy efficiency, and/or
- offering flexibility to the energy system.



## Sustainable Development Goals

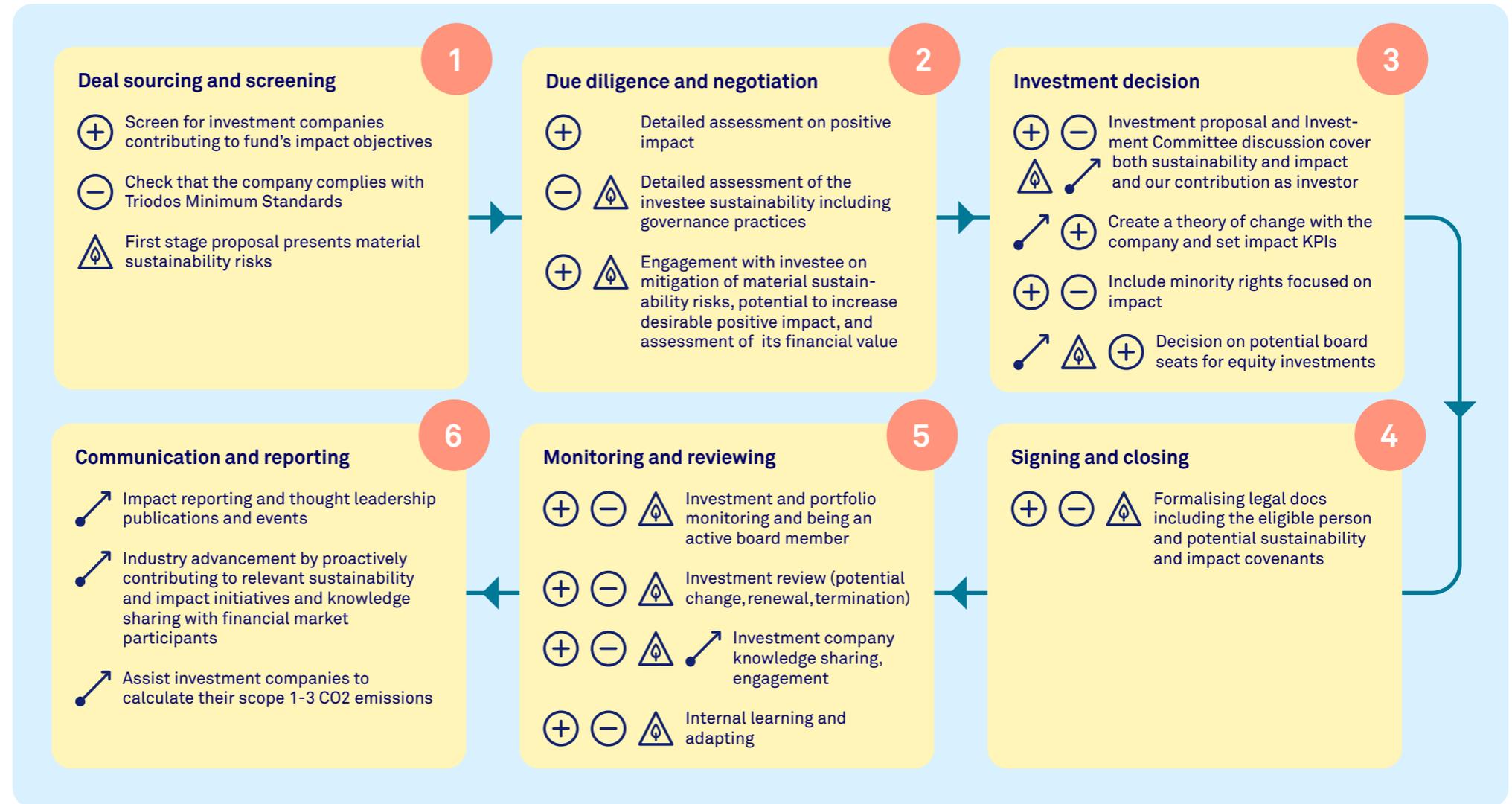
Access to clean, affordable and reliable energy plays a key role in addressing multiple UN Sustainable Development Goals (SDGs). Adopted in 2015 by all member states of the United Nations, the SDGs are a blueprint to achieving a better and more sustainable future.

Aligning the fund's impact objectives with the UN Sustainable Development Goals allows us to efficiently communicate about the impact we make with our investments. Triodos Energy Transition Fund contributes to the following SDGs:



# A values-driven investment process

## How we manage impact



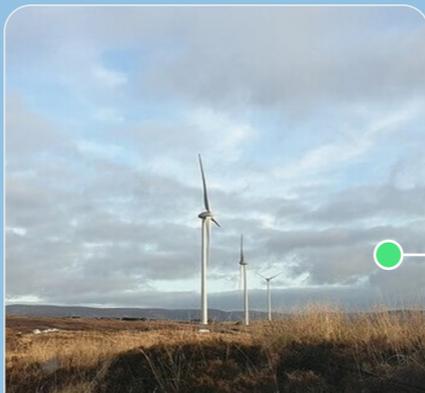
⊕ Positive impact   ⊖ Do no significant harm   ⚠ Manage sustainability risk   ↗ Investor contribution

Over the course of 2021 and 2022 we implement changes to the investment process based on our impact ambitions and sustainability regulations (e.g. EU SFDR, EU Taxonomy, MiFID II).

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# Impact investments

Click [here](#) to access an interactive world map that shows all investments as at year-end 2021.



## Onshore wind in Ireland

Developed by SRM, wind parks Enros, Three Trees, and Bonniconlon are located in the northern part of the Republic of Ireland. Enros and Three Trees Wind parks are operational projects with a total capacity of around 6.5 MW. Bonniconlon Windpark is currently in the late-stage development phase.  
> [Find out more here](#)



## Adding solar capacity

Energiepark Duurkenakker (64MWp) is located in the Tussenklappenpolder near Muntendam. It is a huge site of approximately 44 hectares (the equivalent of 88 football fields), and it consists of more than 160,000 solar panels.  
> [Find out more here](#)



## Grid scale battery storage

The Iwell energy storage system has a power capacity of around 7 MW and an energy output of around 14,000 kWh. The construction phase of this project will start around the middle of the year and is expected to be operational after the summer of 2022.  
> [Find out more here](#)



## Large utility-scale storage

Giga Buffalo, the largest utility scale lithium-ion energy storage system in the Netherlands. Giga Buffalo is developed by Giga Storage BV. This is the fund's second investment in an electricity storage system from this developer.  
> [Find out more here](#)

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# Impact data overview

## Goal: Radically transforming the energy system

Key SDGs contributed to:



Key impact indicators	year-end 2021	year-end 2020	Change
 Number of tonnes of CO2 emissions avoided	35,800	62,700	-43%
 Number of households provided with clean electricity	25,000	42,000	-40%
 Generation capacity (MW)	71	104	-32%
 Electricity production (MWh)	86,000	139,000	-38%

## Impact data explained

The fund's 2021 impact data has resulted in lower numbers in comparison to last year's data, despite an increase of total loans and equity positions. Sustainability indicators which are prominently considered in this screening are GWh produced, CO2 emissions avoided and household equivalents according to the PCAF (Partnership for Carbon Accounting Financials) methodology.

Most new investments done by the fund are not included in the observed impact methodology as the assets are still under development and/or construction. In this phase no impact is attributed as the PCAF methodology focuses on the operational phase only. Secondly, two wind farms in which the fund is currently invested in had to remove wind turbines to create space for construction of larger turbines. Therefore the impact for these turbines was significantly lower. Thirdly, we have applied the PCAF method more strictly taking into account the book value of equity, which in some cases led to no attribution despite the project producing electricity. Lastly wind production in 2021 was lower than anticipated due to lower wind speeds.

For 2022 the impact measurement methodology will be evaluated and expanded to more comprehensively capture the activities of the fund.

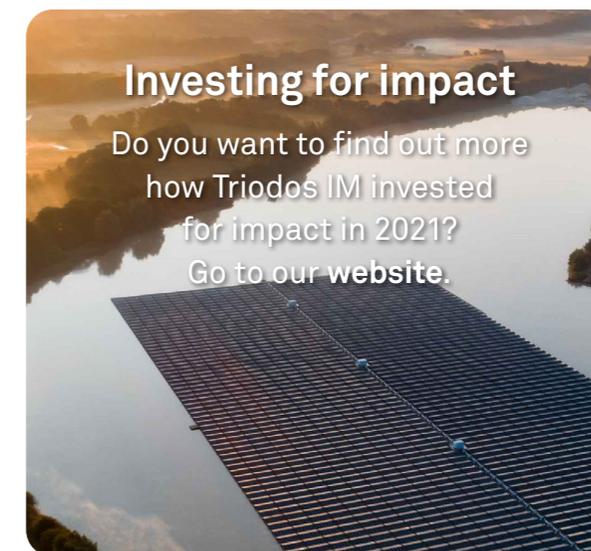


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# Impact measurement

The data for this impact report is based on our PCAF methodology.

For the attainment of its sustainable investment objective, Triodos Energy Transition Europe Fund reports on impact indicators such as GWH produced, CO2 avoided and household equivalents according to the PCAF (Partnership for Carbon Accounting Financials) methodology. The performance of such indicators is a consequence of the investment strategy and not a result of targeting specific indicator results.



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## 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 2021: EUR 6.4 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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### Published

April 2022

### Text

Triodos Investment Management

### Cover photo

Courtesy E-Connection

### Design and layout

Via Bertha, Utrecht