

Minimum Standards

Negative Screening

October 2023

Triodos@Investment Management

Introduction

At Triodos Investment Management (Triodos IM), we believe that how we invest defines the world we want to live in, and we recognise the instrumental role and creative power of money when used consciously. We use money as a driving force towards a society that is humane, ecologically balanced and works for the benefit of all.

We invest with the explicit intention to generate positive and measurable social and environmental impact alongside a financial return. We make our investment decisions based on the principle of impact-risk-return.

To qualify for investment, each potential investee, project or bond should positively contribute to at least one of the sustainability objectives of the respective fund. Furthermore, Triodos Investment Management considers certain business practices incompatible with sustainable investment and therefore excludes these from the listed equities and bonds investment universe and from the private debt and equity portfolios. To assess such involvement, negative screening criteria are applied.

The basis for this adverse impact screening are the [Triodos Bank Minimum Standards](#) which set out the absolute minimum standards that Triodos Bank applies for all its direct investment activities and credit agreements.

This document builds on the Minimum Standards for the direct investment activities of Triodos Investment Management¹. It serves as an abstract of some of these Standards and lists additional thresholds where relevant, to enable straightforward assessment of our exclusion criteria, according to EU sustainability regulation.

¹ The credit agreements of Triodos Bank are not in scope.

Summary of Triodos Minimum Standards for direct investments.

Controversial business	Type of involvement	Exclusion
Adult entertainment	Production, distribution, services	Any involvement
Alcohol	Production and/or retail of alcohol for consumptive purposes	>5% revenue for listed equities and bonds
Animal testing	Manufacturing of non-medical products that are tested on animals; Animal testing of non-medical products without a legal obligation to do so; Animal testing for medical products but where no policy based on the principles of 3Rs is in place/promoted.	>5% revenue Any involvement Any involvement
Cannabis	Production and/or retail of cannabis for non-medical purpose	>5% revenue for listed equities and bonds
Controversial weapons	Anti-personnel mines, biological weapons, cluster munitions, nuclear weapons	Any involvement
Conventional weapons	Production, distribution, services	Any involvement
Fossil fuels	Production or retail energy from fossil fuel power plants (coal, oil and gas)	>5% revenue and maximum installed capacity of 5 gigawatt
Fur & speciality leather	Production, distribution	>5% revenue
Gambling	Production, distribution, services	>5% revenue
Genetic engineering	GMO production for non-medical purpose; GMO distribution/use for food/feed without transparency and biosafety protocol	Any involvement
Hazardous substances	Pesticides – production, distribution; POPs – production, use	>5% revenue Any involvement
Nuclear power	Produce or sell nuclear power, nuclear power stations or specific components for nuclear power production. Transport or store spent nuclear fuel.	Any involvement
Unconventional oil & gas	Exploration, production, services	Any involvement
Tobacco	Production, distribution	>5% revenue