



## **Portfolio Triodos Sustainable Bond Fund**

Through Triodos Sustainable Bond Fund, you can invest in listed companies that combine a strong financial position with solid social and environmental performance. In addition to the usual risk and return analysis, we make a thorough assessment of how sustainable these companies are.

Triodos Bank's research team is responsible for the sustainability research, which it uses to define our investment universe, based on social and environmental criteria. Delta Lloyd Asset Management, which handles the financial side of the fund's management, then selects the investment mix from this investment universe.

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Below you can see the listed companies that Triodos Sustainable Bond Fund currently invests in, as at December 2011. These are among the most sustainable listed companies in the world. The list also includes countries that the fund invests in through country bonds.

### **Abertis Infraestructuras**

Best in class - Transportation, Spain

Abertis Infraestructuras manages mobility and telecommunications infrastructures. It is especially known for its tollroads, airports and carparks. The company makes very positive efforts with respect to the environment, which is all very relevant due to the nature of the company's activities. It conducts many programmes in order to reduce its own ecological footprint, but also that of its suppliers: for instance, it uses a fair amount of solar energy for its operations. Furthermore, the company has a strong employee policy in which labour and human rights are explicitly safeguarded. Abertis is also continuously involved in community dialogues about the impact of its activities.

### **Atlantia**

Best in class- Transportation, Italy

Atlantia (formerly Autostrade) is active in toll motorway construction and management. The company also provides related transport services such as planning, road maintenance, billboard advertising and port services. The company is present in Asia and South America, but most of its activities take place in Italy. The company is part of an industry that has a major impact on climate change. The most important sustainability topics for the company are therefore related to environmental performance. Atlantia has programs and targets to reduce CO2 emissions. To achieve such it has several initiatives such as: energy saving tyres and upgrades for their fleet, green buildings, bright paints to maximum energy saving in tunnels, and the use of solar energy. Also noise reduction and customer safety on its roads are focus points for the company.

### **Austria**

Best in class - Country, Austria

Austria is a country with a well functioning democracy and a government that looks after the well-being of its citizens. The country is not subject to international sanctions and has signed and ratified important international conventions.

### **BMW**

Best in class - Automobiles and Components, Germany

BMW is a leading manufacturer and retailer of automobiles and motorcycles. Brands include BMW, MINI and Rolls Royce. The most important issues for the company are climate change and labour rights. BMW's average fleet CO2 emissions are relatively high but it has reduced its fleet emissions more than any other company and is the only automaker to actively avoid air freight whenever possible. Over the next few years, BMW will further reduce fuel consumption through electric, hydrogen and hybrid technology. With regard to labour rights, the company has strong policies and programmes in place.

### **Brisa Auto-Estradas**

Best in class - Transportation, Portugal

Brisa Auto-Estradas is the main Portuguese motorway operator. In addition, Brisa provides motoring services, roadside assistance and car inspection services. It also makes toll collection systems. The company stands out for its explicit commitment and detailed programmes to improve safety on the roads. Furthermore, the linking of executive compensation to sustainability performance is innovative. In the field of environment the company has clear policies and targets addressing CO2 reduction, biodiversity, waste management and noise pollution. It strives to have solar energy as the main source of energy for its operations.

### **Coca-Cola Hellenic**

Best in class - Food, Beverages and Tobacco, Greece

Coca-Cola Hellenic Bottling Company (CCHBC) is one of the largest bottlers of non-alcoholic beverages in Europe. The company not only bottles Coca-Cola, but also a range of beverages from other manufacturers. CCHBC uses the comprehensive Coca-Cola Quality System (TCCQS), which meets the social, hygienic and environmental standards ISO 9001, ISO 14001, HACCP and OSHAS 18001. In addition, the company has started to introduce the new ISO 22000 food safety standard. The company pays a lot of attention to the health aspects of its products and promotes its beverages in a responsible way.

### **Crédit Foncier**

Best in class - Financials, France

Real estate financier Crédit Foncier de France (CFF) is owned by by Caisses d'Épargne Participations, an affiliate of French bank Groupe BPCE. Important sustainability issues for this company are related to the nature of its investments. The company subscribes to the Groupe Caisse d'Épargne's social and environmental policy "Bénéfices Futur", which has four key programs: fighting against climate change, favouring social responsible investment, promoting responsible marketing and modernising its role as a solidarity-based bank. CFF is active in financing developments which are built to high environmental standards and encourages investment in renewable energy technologies.

### **Diageo**

Best in class - Food, Beverages and Tobacco, United Kingdom

Diageo is a major participant in the global beverage alcohol industry. Diageo produces and distributes a collection of branded premium spirits, beer and wine. These brands include

Johnnie Walker, Smirnoff, Baileys, Captain Morgan, J&B, Tanqueray and Guinness. The company is involved in many programmes to promote a responsible way of drinking. Diageo also takes social standards in the supply chain seriously and is protecting employees of contractors and suppliers. Furthermore, the company endeavours not to use GMO materials unless in those markets where no viable alternative is available. It labels products according to local requirements.

### **DnB Nor**

Best in class - Banks, Norway

DnB Nor is Norway's largest financial services group. The company offers a wide variety of financial services to private and commercial customers, including the shipping industry and the international energy industry. Important sustainability issues for this company are related to the nature of its investments. DnB Nor takes sustainability into account in the assessment of loans. It has a statement on access to economic opportunity and is involved in microfinance activities. In its own operations, DnB is aiming for increased energy efficiency and almost half of the energy it uses is from renewable sources.

### **DSM**

Best in class - Materials, Netherlands

DSM has changed in recent decades from being a mining company and producer of base materials to a producer of fine chemicals, pharmaceutical products, food specialties, engineering plastics and industrial chemicals. DSM sets far-reaching environmental targets and performs well against them. Furthermore, the company has exceptionally strong and detailed social supply chain standards and has established a comprehensive monitoring system. DSM has a clear position on animal testing, which is only applied when legally required, and on genetic modification, which is restrictively applied on micro-organisms under contained circumstances.

### **Enagás**

Best in class - Utilities, Spain

Enagás is a gas utilities company which owns and operates the Spanish national gas grid. The company earns more than 90% of its revenues from transportation, storage and regasification of natural gas. Enagás has integrated sustainability into its management systems via its Sustainability Committee. The company has a sound environmental management system and discloses key performance indicators and targets to reduce GHG emissions, air emissions, hazardous waste generation and water use. The company's average carbon emissions intensity is 10% of the industry average. Also noteworthy is that the company's sustainability performance plays a part in determining executive compensation.

### **European Investment Bank**

Best in class - Financials, Luxembourg

The European Investment Bank (EIB) is the long-term lending bank of the European Union. Within the EU, the EIB's lending activities focus on six priorities including Economic and Social Cohesion and Convergence; Support for SMEs; and Protection and Improvement of the Environment. It has comprehensive environmental and social guidelines for its financing activities, which aim to improve the social and environmental status of society.

### **Gasunie**

Best in class - Utilities, Netherlands

Gasunie is a gas infrastructure and transportation company, mainly active in the Netherlands, but also in northern Germany. The company has strong environmental reporting and sets clear targets on carbon emissions reductions. Another important issue is health and safety, and the company clearly shows commitment to reducing the number of workforce incidents. In addition, the company ties sustainability issues to directors' pay.

## **Germany**

Best in class - Country, Germany

Germany is a country with a well functioning democracy and a government that looks after the well-being of its citizens. The country is not subject to international sanctions and has signed and ratified important international conventions.

## **Henkel**

Best in class - Household & Personal Products, Germany

Henkel makes products in the categories laundry, cosmetics, home care, toiletries as well as adhesives and surface care preparation products. Well-known brands include Persil, Schwarzkopf, Diadermine, Fa, La Toja and Pritt. Over the last 20 years Henkel has built up a comprehensive sustainable framework and is determined to remain in the vanguard of sustainability. Henkel shows great policy transparency on many corporate governance themes. The company is open about the use of animal testing and genetic engineering practices. Within the household products industry Henkel is a leading company with ambitious environmental targets limiting its carbon footprint and decreasing its water and energy consumption.

## **Holcim**

Best in class - Materials, Switzerland

Holcim is the world's second largest cement maker after Lafarge. The company has activities in more than 70 countries and is focused on the production of cement, clinker, aggregates, admixtures and lime. Holcim recycles some by-products of other industrial processes in order to modify the properties of its cement. The company also has some activities in the fields of engineering, trading and consulting. Holcim has comprehensive policies and programmes addressing its CO2 emissions, as well as quarry impact assessments and rehabilitation plans for the vast majority of its operations. It is a founding member of the World Business Council for Sustainable Development Cement Sustainability Initiative (WBCSD CSI).

## **Hypotheekbank in Essen**

Best in class - Financials, Germany

The focus of Hypotheekbank in Essen is on lending to national and international public-sector debtors. In addition, the bank provides long-term mortgage loans to finance both commercial property and private housing. The company merged with Eurohypo in the beginning of 2008. For more details, see Eurohypo.

## **ING**

Best in class - Diversified Financials, Netherlands

ING Group is one of the world's largest financial services companies, offering banking, insurance and asset management. For this company, it is particularly relevant to look at the sustainability of its products and services. ING has a statement on access to economic opportunity and supports the development of microfinance. The company offers a range of sustainable investment opportunities and considers environmental and social criteria in its

credit business. ING is one of few companies in the sector to address sustainability with its contractors, and the company intends to become carbon neutral.

### **Metro**

Best in class - Food and Staples Retailing, Germany

Metro is Germany's largest retailer. It owns and operates wholesale stores, supermarkets, hypermarkets, department stores and Media Markt and Saturn consumer electronics shops. For its own brand products, important issues for the company are deforestation, biodiversity, factory farming, genetic engineering and basic labour rights. Metro's reporting on ESG issues is considered strong and the company is relatively transparent. It has adopted strong and detailed social and environmental supply chain standards, and has also implemented various measures to improve its own environmental performance. Metro offers a range of fair trade and organic products and does not commission animal testing of its own label products.

### **MPS**

Best in class - Financials, Italy

Italien Banca Monte dei Paschi di Siena S.p.A. (MPS) provides various banking and financial services primarily in Italy. The bank provides consumer, business and other banking services. Its products include various deposits, retail loans, corporate loans, and private loans. Relatively to peers the company performs well above average on Governance, Social and Environmental issues. The company has detailed policies in place on important topics like energy & climate, health & safety and sustainability in the supply chain. The bank also undertakes several activities to provide banking services for the less wealthy and vulnerable groups including microfinance activities.

### **Nationwide Building Society**

Best in class - Financials, United Kingdom

Nationwide provides mortgages and other financial services for retail and commercial customers in the UK. The company's CSR programmes focus on creating a strong synergy between its business as a responsible mortgage lender and its social and charitable activities, which are mainly related to affordable housing, financial inclusion and financial education. Nationwide gives over 1% of Profit Before Tax to charitable causes. The company monitors its GHG emissions and supports sustainability in architecture through its Sustainable Housing Awards. Nationwide's internal print and distribution service, EMS, has achieved ISO14001 certification. The company is committed to helping customers in financial difficulty and supports government initiatives to help make it possible for people on low incomes to buy a home.

### **NWB**

Best in class - Financials, Netherlands

Nederlandse Waterschapsbank N.V. from The Netherlands provides financial services to the public sector. Its clients primarily include water control boards, as well as municipal and provincial authorities. The company serves as a house banker to the water control boards, providing services such as funds transfers, electronic banking, and consultancy. The bank also finances long-term loans to government related entities, such as public housing, healthcare, and education institutions, as well as public water supply and environmental organizations. The company has set up a foundation which finances non-profit water management projects. The company has set a variety of detailed social and environmental criteria for its credit and loan business, excluding certain high risk sectors and setting forth detailed business processes related restrictions.

## **Netherlands**

Best in class - Country, Netherlands

The Netherlands has a well-functioning democracy and a government that looks after the well-being of its citizens. The country is not subject to international sanctions and has signed and ratified important international conventions.

## **Nokia**

Best in class - Technology Hardware and Equipment, Finland

Nokia is the world's number one producer of mobile phones. Key issues for the company are its environmental footprint, labour rights in the supply chain and human rights, due to the potential for collaboration with repressive regimes and the use of coltan in products. The company's waste and carbon intensity are well below sector average and it stands out for its comprehensive supplier terms, which address all relevant labour conditions. Additionally, Nokia has a clear and comprehensive human rights policy and takes various social and environmental aspects into consideration prior to entering into agreements with governments. Nokia also enforces a policy on the responsible sourcing of coltan.

## **Pinault Printemps Redoute**

Best in class - Retailing, France

French company Pinault Printemps Redoute (PPR) is known for its retail and luxury goods business. In retail, the company focuses on electronic goods and household appliances, fashion accessories and beauty care, furniture and cultural products. Supply chain issues are very relevant for this company. The company has a Suppliers' Charter which addresses environmental principles and social concerns, such as health and safety, freedom of association, non-discrimination, child labour and forced labour. The company also has strong policies in place for its own employees. The majority of PPR's cosmetics and fragrances are not tested on animals and animal tests are only undertaken when legally required. Some designers within the subsidiary Gucci Group use fur and specialty leather, but another group of designers have made a commitment not to use such materials. Overall, the use of fur accounts for a negligible part of the revenue.

## **PostNL - formerly TNT**

Best in class - Transportation, Netherlands

PostNL is the Dutch mail delivery company that has emerged from former company TNT in May 2011 after its express business had been split off in TNT Express. PostNL is the primary mail delivery service in the Netherlands. For a transportation company, the environmental impact of its operations and the safety of employees are key. The company commits itself to high environmental standards and ambitious environmental goals and has extensive road safety training programmes in place. The company focuses its philanthropic efforts on fighting world hunger, and has entered into a partnership with the United Nations World Food Programme (WFP).

## **Rabobank**

Best in class - Financials, Netherlands

Rabobank's roots lie in agriculture. Today, Rabobank is owned by almost 300 local banks, which provide financial services and products to the Dutch retail and business markets, and also to clients in other countries. Important sustainability issues for this company are related to the nature of its investments and the role of the company in society. Both topics are well addressed. Rabobank applies social and environmental criteria to its loans and investments and has developed many detailed policies to secure these criteria. It also offers green saving

and loan products and socially responsible investment products. Moreover, the company is active in micro-finance initiatives. Rabobank is well known for its strong presence in local society, addressing the issue of financial exclusion.

### **Renault**

Best in class - Automobiles and Components, France

Renault manufactures automobiles, including commercial, light commercial and passenger vehicles, tractors, farm machinery and construction equipment, as well as spare parts and accessories. It also provides financial services. Renault discloses detailed performance data on air emissions, energy consumption, water use and waste, for the group and its production sites. The company is categorised as a Carbon Disclosure Leader. Ongoing development of electric and alternative fuel vehicles are central to Renault's strategy. The company has recently been involved in controversies regarding working conditions and its Technocentre engineering facility, but has taken credible measures to improve the situation.

### **Svenska Handelsbanken**

Best in class - Banks, Sweden

Svenska Handelsbanken provides universal banking, life insurance, retail services, company services and mortgages. Through its products and services, the company has a major impact on the environment and society. The company applies environmental criteria to its financial products and offers sustainable investment alternatives. It strives to continuously improve the quality of its services and customer satisfaction, aiming for transparency in its dealings with customers. The company's reporting on environmental performance is quite comprehensive.

### **Telefónica**

Best in class - Telecommunication Services, Spain

Telefónica Group is one of the leading fixed and mobile telecommunications companies, also providing internet services, data access and pay TV. One of its main brands is O2. Because of the countries in which the company operates, it is vulnerable to participating in the affairs of undemocratic regimes. This risk is addressed by sound human rights policies. The company also shows strong performance in business ethics and community involvement. Telefónica has programmes for engagement with local communities and has a position statement on providing access to economic opportunities. "Adult" TV is not advertised and there are controls to prevent children accessing such channels.

### **TeliaSonera**

Best in class - Telecommunication Services, Sweden

TeliaSonera offers fixed line and mobile phone services, internet and data services. It also provides wholesale international carrier services. The company operates in a number of countries that are considered high risk for co-operation with non-democratic regimes. The company shows awareness of these risks and addresses them through sound human rights policies. The company also discloses a clear position statement on customer satisfaction and responsible marketing practices. The company has room to improve its transparency on environmental performance.

### **UBI Banca**

Best in class - Financials, Italy

Unione di Banche Italiane Scpa (UBI Banca) is an Italian bank created in 2007 from the merger between Banche Popolari Unite and Banca Lombarda e Piemontese. UBI Banca is a cooperative Group serving individuals and businesses through nine subsidiary banks with

some 2,000 branches. The company performs relatively well on social issues due to its attention to financial inclusion of specific groups of people for instance people affected by the financial crisis. Moreover the company has four corporate foundations. The company is a member of UN Global Compact.

### **Vivendi**

Best in class - Media, France

Vivendi is a world leader in communication and entertainment. It aims to strengthen its position in creation and distribution of content, mobile, fixed telephony and Internet access. Vivendi has a Sustainable Development Department that is well integrated within the organisation. It coordinates operations within the Group and cooperates with several Board committees. Moreover sustainable development goals are discussed with the Management Board. Director's remuneration and executive compensation is linked to sustainability targets. The Group's Fundamental Rights Charter addresses labour issues and its Data & Protection Charter commits to strict compliance with consumer protection legislation.

### **Vodafone**

Best in class - Telecommunication Services, United Kingdom

Vodafone is the world's leading mobile telecommunications company. Key issues for the company are its environmental footprint and human rights, because of the use of coltan in products and the potential for collaboration with repressive regimes. The company performs strongly on environmental issues and has in place a statement and active approach regarding coltan. Vodafone's Code of Ethical Purchasing is based on international standards, including the Universal Declaration of Human Rights and the ILO Conventions on Labour Standards. In addition, Vodafone has a public position statement on access to economic opportunity, recognising the issue of the "digital divide".

### **Volkswagen**

Best in class - Automobiles and Components, Germany

Volkswagen makes engines, passenger cars, commercial vehicles, trucks and buses under the Volkswagen, Audi, Bentley, Bugatti, Lamborghini, SEAT, Skoda and Volkswagen Commercial Vehicles brand names. Volkswagen's environmental policy commits to ensuring that the environmental compatibility of its vehicles is improved efficiently, systematically and continuously - covering the entire life-cycle of the product. Suppliers, service providers, retailers and recycling companies must comply with this policy. New models must have a double-digit CO2 reduction in emissions and remuneration bonuses are linked to these reductions. Volkswagen focuses on reducing fuel consumption through its BlueMotion models, which have efficient engines, low-resistance tyres and longer gear transmission.