

Policy plan 2026

Triodos Sustainable Finance Foundation

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Introduction

The urgent ecological and social challenges of our time require innovative, creative, and flexible approaches. Creating space for experimentation and development is essential to arrive at sustainable solutions. However, within the current financial system this proves to be a challenge. The performance reporting and financial return expectations of savers, investors, and shareholders often limit the possibilities to invest in experiments and long-term initiatives.

Philanthropic capital—donations—does provide the freedom to experiment and gives pioneering initiatives the time they need to develop. Nevertheless, traditional philanthropy also has its limitations: it is often a one-way street, where support for non-profit initiatives does not lead to the return of capital or the repeated use of resources. This restricts the possibilities to stimulate entrepreneurship and to increase impact in a structural way.

Triodos Sustainable Finance Foundation therefore opts for an innovative approach: by deploying philanthropic capital in an entrepreneurial and risk-bearing manner, it becomes possible to support both initiatives and companies that genuinely contribute to ecological and social innovation. With a revolving fund, we can reinvest capital repeatedly and thus create lasting impact. By developing financial instruments that truly put impact first, we make a conscious and radical choice: impact is our primary focus, while returns are important in the long term, and risks are assessed with an eye for the changing world. In this way, our Foundation contributes to a future-proof society. In this policy plan, we aim to inform you about our objectives, strategy, organisation, and financial situation.

Board and Management
Triodos Sustainable Finance Foundation

Mission, vision and strategy

Triodos Sustainable Finance Foundation has the mission of financing initiatives that accelerate sustainable development. In practice, this means that Triodos Sustainable Finance Foundation supports organisations and businesses that dare to challenge the status quo and deviate to improve society and the planet.

Strategy

Triodos Sustainable Finance Foundation acts as a philanthropic investment fund, investing its own capital and reserves on a revolving basis through guarantees, loans, investments, and various hybrid financial instruments to achieve its objectives. Triodos Sustainable Finance Foundation strives to maintain a portfolio composition that signifies a turning point for transition, moving towards a regenerative (holistic and integrated) economy. Triodos Sustainable Finance Foundation's resources, including its capital and reserves, are dedicated to reaching its objectives. Currently, Triodos Sustainable Finance Foundation does not pursue a donation strategy.

Given the higher risk profile of Triodos Sustainable Finance Foundation's portfolio, the repayment of investments cannot always be assured. Consequently, the Foundation currently operates on a partial or limited revolving basis. Nevertheless, the Foundation is committed to maintaining a revolving capital structure wherever possible, enabling ongoing reuse of its resources. In addition, it seeks to generate a consistent income stream—through interest and dividends—to cover its general operating expenses.

Focus

Triodos Sustainable Finance Foundation is dedicated to accelerating the transition towards a harmonious and resilient ecosystem, where both people and nature coexist in balance. The foundation's mission is rooted in redefining value and progress to serve humanity and the environment, always within the limits of the earth's carrying capacity. By doing so, Triodos Sustainable Finance Foundation aims to secure a better world for future generations, ensuring space for resilient nature and a healthy food system.

The foundation's investment strategy is guided by two central themes: the Transition Accelerator and the Regenerative Leader. As a Transition Accelerator, the foundation invests in initiatives with the potential to shift entire sectors through innovative business models or radically new approaches. As a Regenerative Leader, it supports businesses whose models are specifically designed to restore and rejuvenate disrupted systems. These themes provide a framework for building ecologically and socially resilient agricultural and food systems, while actively restoring and preserving nature and biodiversity.

Within this framework, Triodos Sustainable Finance Foundation focuses on three interconnected areas:

1. Nature & Biodiversity

The foundation supports projects that prioritize high-quality verification and validation in biodiversity restoration. It backs holistic initiatives that not only protect but actively restore nature, with the goal of fostering robust and resilient ecosystems. By enabling large-scale biodiversity regeneration, Triodos Sustainable Finance Foundation ensures that natural habitats can thrive for future generations.

2. Nature-positive Farming

Triodos Sustainable Finance Foundation champions the transition to sustainable farming practices that benefit biodiversity, minimize pollution, and conserve essential resources. The foundation supports farms committed to sequestering more carbon than they emit, thus contributing to a healthier planet. By encouraging regenerative agriculture, Triodos Sustainable Finance Foundation promotes food production systems that work in harmony with nature.

3. Sustainable Food

The foundation is committed to increasing transparency in food systems, exposing hidden costs and promoting true pricing along value chains. It supports the shift toward local, diverse, and seasonal diets—primarily plant-based, but with room for modest animal protein consumption. Additionally, Triodos Sustainable Finance Foundation invests in initiatives that educate consumers and foster a reconnection between people and the sources of their food.

Through these focus areas, Triodos Sustainable Finance Foundation is driving systemic change towards a more sustainable, equitable, and regenerative future for both people and the planet.

Criteria and policy

We support groundbreaking initiatives that create new opportunities and go beyond conventional boundaries to bring about meaningful change. These initiatives may not yet attract traditional commercial investments, but they find support within a network of like-minded co-investors who recognise their value and vision. We prioritise enterprises with balanced and transparent business models, ensuring fair compensation, clear structures, good governance, and valuation and pricing that reflect sustainable practices.

We favour enterprises that challenge and transform the system, based on innovative foundations that are scalable and replicable for lasting impact. These companies have demonstrated over two years of revenue growth and offer proven products or services with recurring demand from loyal customers. Our clients have a distinguished track record and are led by two or more founders with complementary skills and expertise. These initiatives, established and active in Western Europe, align with our mission to promote progressive and responsible entrepreneurship in a dynamic environment.

Working method

Triodos Sustainable Finance Foundation focuses on providing loans and equity participations. Applications come in from attending network events / conferences, through our portal or via the network of investment managers. We first assess whether the applications align with our substantive criteria and focus areas. In addition to these themes, we also evaluate aspects such as management and organisation, product/market fit, and financial structure to determine whether the initiative is economically sustainable. We also assess whether the requested financing aligns with the provisions for ANBI investments.

Following a positive initial assessment, we conduct due diligence, negotiate where necessary, and prepare the transaction documentation in collaboration with like-minded co-investors. Once the investment is made, the team at Triodos Regenerative Money Centre is responsible for the relationship and monitoring of the initiative. In the case of equity investments, this team also manages all activities related to any divestments.

Finances and budget

Triodos Sustainable Finance Foundation is an impact fund that aims to deploy all its capital in loans and equity participations aligned with the foundation's objectives and focus.

Assets and portfolio distribution

Due to divestments in previous years, Triodos Sustainable Finance Foundation has adequate liquidity to continue its investment strategy, focusing on loans and equity participations. Based on market developments, we expect that the current liquidity will be nearly fully invested in new initiatives that align with the objectives of Triodos Sustainable Finance Foundation within three to five years.

Expected income and expenditure

The income of Triodos Sustainable Finance Foundation consists of interest and repayments. Triodos Sustainable Finance Foundation does not budget for income/dividend from equity participations, as the initiatives in which we invest typically require their capital for growth and therefore do not distribute dividends. Proceeds from divestments are only recognised once they have occurred. Triodos Sustainable Finance Foundation does not primarily aim to be financially profitable; instead, the fund strives to be cost covering. This means that the fund complies with the provisions for impact investments by ANBI regulated funds.

For the services rendered to the foundation by Triodos Regenerative Money Centre, Triodos Sustainable Finance Foundation pays a management fee to Triodos Bank. Additionally, fund-specific costs and costs related to individual investments are charged directly to the fund.

Once 80-90% of all the foundation's assets have been fully invested, we aim to generate sufficient income to fully cover costs and expenses to break even

Board, management and staff

Triodos Sustainable Finance Foundation has a board consisting of three members, who are nominated and appointed by Triodos Holding based on their capabilities. Decisions are made by consensus, with none of the members holding decisive authority. In the event of a vote, the majority determines the outcome. This is outlined in the statutes. The board has appointed Triodos Regenerative Money Centre as the management team responsible for the day-to-day operations.

Triodos Sustainable Finance Foundation does not employ its own staff and pays a market-conform management fee to Triodos Bank NV for the services provided by Triodos Regenerative Money Centre.

Administrative organisation

Triodos Investment Management B.V. manages the portfolio administration and financial administration. Together with the team at Triodos Regenerative Money Centre, they provide periodic internal reporting. Triodos Investment Management prepares the financial statements of Triodos Sustainable Finance Foundation, which are externally audited by an independent accountant based on a "Review Statement." The annual report is publicly available and published on the website of Triodos Regenerative Money Centre.

Outlook for 2026

In 2026, Triodos Sustainable Finance Foundation will continue to focus on financing companies that are active in the food transition or in the fields of nature and biodiversity in Western Europe. By working closely with other funds within the Triodos Regenerative Money Centre and Triodos Bank, the foundation can make a greater contribution to the systemic change that these times demand.

In line with its investment strategy and based on experience over the past year, Triodos Sustainable Finance Foundation expects to make approximately three to five new investments per year, ranging from €0.5 million to €1,5 per investment in the form of equity or loans. This will be made possible by collaborating with like-minded financiers and (semi-)governmental institutions, in order to share risks and increase impact.

In 2026, we will continue the restructuring that has already been initiated. We will further adapt our governance to ensure it aligns with the current and future ambitions of Triodos Sustainable Finance Foundation. In addition, we are working on the consolidation of the other two investment funds managed by Triodos Regenerative Money Centre with Triodos Sustainable Finance Foundation. This integration will take place in accordance with the agreements we have made with the tax authorities. Where necessary, we will sharpen and recalibrate our investment strategy to ensure it remains optimally aligned with our mission and the changing market conditions.

By taking these steps, we are further preparing the fund for the future. We are strengthening our position as an impact-driven investor and increasing our ability to create environmental and social value. In this way, we continue to anticipate developments in the field and can continue to contribute to sustainable growth and innovation. Together, we are taking the next step in the development of Triodos Sustainable Finance Foundation and building an organization ready for the challenges and opportunities of tomorrow.