

Compliance with the Capital Requirements Directive (CRD IV)

Article 96 of the fourth Capital Requirements Directive (CRD IV) requires institutions to set out a statement on the institution's website on how they comply with the requirements of articles 88 to 95 of the Directive. Article 134b of the Decree on prudential measures Dutch Financial Services Act ('DFSA') has implemented the requirements of article 96 CRD IV in Dutch law.

Triodos Bank N.V. (Triodos Bank) is a public limited company under Dutch law. Its registered office is in Zeist, The Netherlands. Triodos Bank has offices in The Netherlands, Belgium, the United Kingdom, Spain and Germany.

Triodos Bank does not qualify as a 'significant' bank as defined in article 6(4) of the SSM Regulation (No 1024/2013). It also does not benefit from government intervention in the meaning of article 93 CRD IV.

Triodos Bank is subject to supervision exercised by The Dutch Central Bank (De Nederlandsche Bank N.V.) and by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten), the two Dutch supervisory authorities for the financial markets. Triodos Bank's international branches in Brussels, Madrid and Frankfurt are authorized to operate by way of an EEA passport under CRD IV. These branches are also subject to local supervision in respect of their conduct of business by their host state supervisory authorities in respectively Belgium, the United Kingdom, Spain and Germany. In the UK, Triodos Bank is active through its subsidiary Triodos Bank UK Ltd., which is subject to local supervision.

This document confirms that Triodos Bank complies with the CRD IV requirements which cover the following topics: 1) Governance, and 2) Reporting.

Ad 1. Governance

Article 88 of CRD IV relates to the governance arrangements of institutions, whereas article 91 of CRD IV sets requirements for the Management Body of institutions. These requirements are implemented in Dutch law through article 134b of the Decree on prudential measures DFSA in conjunction with article 17c Decree on prudential measures DFSA and articles 3:8 (3) and (4) DFSA respectively.

General

Triodos Bank is subject to the large company regime (*structuurregime*). Under this regime, a number of traditional powers vested in the general meeting of shareholders (General Meeting) are transferred to the Supervisory Board.

Triodos Bank has a two-tier board structure consisting of the Executive Board and a Supervisory Board. The members of the Executive Board are appointed and dismissed by the Supervisory Board. The Supervisory Board shall notify the General Meeting of an intended appointment of a member of the Executive Board. Members of the Supervisory Board are appointed by the General Meeting. A member of the Supervisory Board may step down voluntarily. The General Meeting may withdraw its confidence in the Supervisory Board, resulting in the dismissal of the entire Supervisory Board.

Further details on the governance of Triodos Bank can be found in the [Corporate Governance Chapter](#) of the online annual report.

Management Bodies

The *Supervisory Board* is charged with supervising the policies of the Executive Board and the general state of affairs within the bank and the associated business. The Supervisory Board supports the members of the Executive Board with advice. In fulfilling their task, the Supervisory Board members act according to the interests of the bank and its associated business.

The composition of the *Supervisory Board* is such that the combined experience, expertise and independence of its members enable it to best carry out the variety of its responsibilities and duties to the bank and all others involved with the bank, consistent with applicable law and regulation. On the website an overview is provided of the current members of the [Supervisory Board](#) and their biographies.

Further information on the composition, responsibilities, organisation and activities of the Supervisory Board can be found in the [online annual report](#) and in the [SB Charter](#) of Triodos Bank (which can be downloaded from the corporate governance site).

The daily management of Triodos Bank lies with the *Executive Board*. The Executive Board currently consists of four members.

The Executive Board members have a shared overall responsibility for managing Triodos Bank, which means that they are responsible for achieving the bank's mission, strategy and associated risk profile, and the development of results and corporate social responsibility issues that are relevant to the bank. The Executive Board is accountable for this to the Supervisory Board and the General Meeting.

The Executive Board members collectively manage and oversee the bank, which includes the following areas of attention:

- the positioning of the bank (its business strategies, identity and market approach);
- the (governance) organisation and the performance of senior management;
- the risk profile of the bank, its profitability and capital position and its compliance with internal and external rules;
- the (integrity of the) accounting and financial reporting systems, and
- the central strategic disclosure-, and communication plan.

The composition of the Executive Board is such that the combined competences, knowledge, experience and skills of its members guarantee the proper fulfillment of Triodos Bank's management function. On the website an [overview](#) is provided of the current members of the Executive Board, including their biographies. Membership of the Executive Board of Triodos Bank is a fulltime position, by definition.

The competences, knowledge and skills required for members of both boards are a recurring theme within both the Executive Board and the Supervisory Board. The Executive Board organises meetings with external experts, keeping up to date with developments in society and the sectors that have an impact on the operations of Triodos Bank. Members of the Supervisory Board also take part in these meetings.

All members of the Executive Board and Supervisory Board have a strong affinity with the mission, roots and values of Triodos Bank and are of sufficiently good repute. They perform their tasks in a meticulous, expert and fair manner, taking into account the applicable laws, internal regulations and codes of conduct. In accordance with Dutch law, all members of the Supervisory Board and the Executive Board have taken the financial sector oath or promise (also known as 'Bankers' Oath').

Ad 2. Reporting

Country by country reporting

Article 89 of CRD IV relates to country-by-country reporting. Through the Decree implementing disclosure requirements CRD, these requirements have been implemented in Dutch law.

Triodos Bank meets its reporting obligations in accordance with these requirements. Details can be found in the [online annual report](#).

Return on assets

Article 90 of CRD IV requires disclosure in a firm's annual report and accounts of its return on assets. Through the Decree implementing disclosure requirements CRD, these requirements have been implemented in Dutch law.

Triodos Bank meets its reporting obligations in accordance with these requirements. Details of the return on average total assets can be found in the [online annual report](#).

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