

**United Nations Principles for Responsible Banking
Self-Assessment
2022**

United Nations Principles for Responsible Banking (UNPRB)

On 19 September 2019 Triodos Bank signed the UN Principles of Responsible Banking. The Principles define the global banking industry's role and responsibilities in addressing current societal problems, including the climate emergency and inequality. Triodos Bank was part of the core group of banks that developed the Principles and shaped the framework. Over 320 banks globally have signed up to the Principles.

The participating banks promise to strategically align their business with the goals of the Paris Agreement on Climate Change and the Sustainable Development Goals and scale up their contribution to the achievement of both. By signing up, banks stated they believe that “only in an inclusive society founded on human dignity, equality and the sustainable use of natural resources”, can help their clients, customers and businesses thrive.

To fulfil the commitment to the Principles for Responsible Banking, Triodos Bank is required to undertake the following three steps:

- Undertake a thorough **impact analysis**, and publicly report its findings. Through impact analysis, signatory banks come to understand the greatest positive and negative impacts as a result of their practices and policies.
- **Set milestones and define actions** to meet the targets, as well as put in place a governance framework to oversee and ensure progress.
- **Report regularly** in English on how Triodos Bank is implementing the Principles for Responsible Banking, the targets it has set, and the progress made, using the reporting and self-assessment template.

This third self-assessment reports on Triodos Bank's implementation of the principles. Previous reporting on the principles can be found in Triodos' Bank N.V. [2021](#) and [2020](#) Integrated Annual Reports.

Our work has been carried out in accordance with the requirements laid out in the Assurance Guidance to undertake limited assurance on Principles reporting, issued by UNEP FI. The assurance report can be found in the appendix of this report.

The reporting criteria used for the preparation of the Report are the UNEP FI Principles for Responsible Banking, the Principles for Responsible Banking: Guidance document (updated in November 2021) and the Principles for Responsible Banking: Reporting and Self-Assessment Template (V2 from September 2022).

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Question	Response	Links and References
<p>1.1 Business model</p> <p>Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.</p>	<p>Triodos Bank wants to promote human dignity, environmental conservation and a focus on people's quality of life. Key to this is a genuinely responsible approach to business, transparency and using money more consciously. Triodos Bank puts values-based banking into practice. We want to connect depositors and investors with socially responsible businesses to build a movement for a sustainable, socially inclusive society, built on the conscious use of money.</p> <p>Triodos Bank finances entrepreneurs and initiatives through its banking activities in five European countries and investment management in 72 countries worldwide. Triodos Bank has assets under management of more than EUR 22 billion and over 744 thousand customers. We have retail and business banking in The Netherlands, Belgium, Spain, Germany and United Kingdom. Residential mortgages are offered in the Netherlands, Belgium and Spain. Triodos Bank also has Private Banking activities in the Netherlands and Belgium. Triodos Investment Management funds have sustainable investment as their objective as set out in Article 9 of the SFDR. Triodos Investment Management funds are offered in The Netherlands, Belgium, Spain, Germany and United Kingdom.</p>	<p><u>Annual Report 2022:</u></p> <ul style="list-style-type: none">▪ Key Figures (p. 6)▪ Triodos Bank Group structure 2022 (p. 8)▪ Loans & investments by transition theme (p. 53)▪ Segment reporting (p. 225)▪ Lending by sector in 2022 (p. 244)

Principle 1: Alignment

Question	Response	Links and References
<p>1.2 Strategy alignment</p> <p>Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?</p> <p>Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Triodos Bank has been managing impact consciously since long before much of today’s terminology existed. Our structured approach to impact management is to focus on positive impact first and minimising negative impact second, directing money in a way that benefits people and the environment over the long term.</p> <p>We believe money should serve people, and not the other way round. We have a simple business model: we only lend the money entrusted to us by savers and investors to entrepreneurs we know well. We focus our work on the real economy and we don’t invest in complex financial instruments. All the loans and investments we make are designed to improve social and environmental sustainability and the quality of life for communities. We aim to deliver as much positive impact as possible by only lending to and investing in enterprises with strong sustainability criteria.</p> <p>Triodos Bank has embraced the UN Sustainable Development Goals (SDGs), a universal set of targets and indicators designed to help countries end poverty, protect the planet and ensure prosperity for all as part of a new sustainable development agenda. Our stakeholders want us to position the organisation’s impact in a global framework. The SDGs allow the bank to do just that. Triodos Bank addresses the SDGs in two main ways:</p> <ul style="list-style-type: none"> • An appendix to this annual report maps how Triodos Bank’s activity relates to each of the 17 SDGs, using a three-tiered approach: describing baseline, direct and catalytic actions taken to meet the goals. • Via links connecting Triodos Bank’s activity to the SDGs throughout the Annual Report. <p>Triodos Bank is either a signatory or endorser of the following conventions:</p> <ul style="list-style-type: none"> • UNEP Finance Initiative • UN Principles for Responsible Investment • Global Reporting Initiative (GRI) framework 	<p>Download centre (triodos.com):</p> <ul style="list-style-type: none"> ▪ Business Principles ▪ Lending Criteria ▪ Triodos Bank Minimum Standards December 2022 <p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Impact and financial results (p. 42) ▪ Our impact approach (p. 56) ▪ Climate impact of our loans and investments (p.69) ▪ Reporting on Indicators (p.388) ▪ Appendix III – UN Sustainable Development Goals (p.398) ▪ Taxonomy reporting (p.75) ▪ Appendix VII – Taxonomy table (p.425) ▪ Appendix IV – Global Alliance for Banking on Values scorecard – quantitative evidence of our impact (p.410)

Principle 1: Alignment

Question	Response	Links and References
	<p>In addition, we assess and follow:</p> <ul style="list-style-type: none">• UN Global Compact• Equator Principles• Financial Action Task Force• OECD guidelines for multinational enterprises• Wolfsberg Principles• International Finance Corporation Environmental and Social Performance Standards and Health and Safety Guidelines <p>Triodos Bank has had a fundamental commitment to respect human rights since inception. Our business principles clearly state our respect for people, society and different cultures and our support for the goals of the United Nations Universal Declaration of Human Rights. Triodos Bank has published a detailed statement on human rights (triodos.com/humanrightsstatement).</p> <p>Our Complaints Handling Policy applies to all our activities, products and services. This policy, which addresses the rights and the mechanisms for complaint for customers, employees and third parties, is publicly accessible via www.triodos.com.</p> <p>Triodos Bank supports the sustainable and inclusive transition of our economies and society in line with the Paris Agreement target of limiting the temperature increase to – at most –1.5 degrees Celsius above pre-industrial levels. Our ambition is to be net zero on greenhouse gas emissions in 2035 at the latest. In this context, in 2015, at the landmark Paris Climate Conference, Triodos Bank co-signed the Dutch Carbon Pledge to measure and disclose its greenhouse gas, or carbon emissions, and to ensure these emissions remained in line with the ambitions of the Paris Agreement. The initiative launched the Partnership for Carbon Accounting Financials (PCAF), a collaboration between Dutch financial institutions which has evolved into the Global GHG Accounting and Reporting Standard for the Financial Industry, allowing stakeholders to compare the GHG emissions of banks and other financial institutions.</p>	

Principle 1: Alignment

Question	Response	Links and References
	<p>Additionally, Triodos Bank reports on the:</p> <ul style="list-style-type: none">• EU Taxonomy (see Annual Report page 75 for a detailed report)• Global Alliance for Banking on Values (GABV) Scorecard (see Annual Report Appendix IV) <p>Triodos Bank has also signed the Finance for Biodiversity Pledge and we are part of the Partnership for Biodiversity Accounting Financials (PBAF).</p>	
<p>Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?</p>	<ul style="list-style-type: none"><input checked="" type="checkbox"/> UN Guiding Principles on Business and Human Rights<input checked="" type="checkbox"/> ILO fundamental conventions<input checked="" type="checkbox"/> UN Global Compact<input type="checkbox"/> UN Declaration on the Rights of Indigenous Peoples<input type="checkbox"/> Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones:<input type="checkbox"/> Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones:<input type="checkbox"/> None of the above	

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Question	Response	Links and References
<p>2.1 Impact Analysis (Key Step 1)</p> <p>Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):</p> <p><i>a) Scope:</i> What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.</p>	<p>The scope of the impact analysis includes all Triodos business banking, residential mortgages and investment activities. Other consumer facilities such as private banking are not in scope. For a full overview of the scope of the impact analysis see appendix 2.</p>	<p>“We take targeted action based on radical choices” Triodos Bank</p>

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p><i>b) Portfolio composition:</i> Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope:</p> <p>i. by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or</p> <p>ii. by products & services and by types of customers for consumer and retail banking portfolios.</p> <p>If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.</p>	<p>For the impact analysis, the outstanding loans and funds' investments were divided across the five transition themes (see Triodos Bank Annual Report page 53). Triodos Bank has developed a focused vision on how it intends to continue to create positive impact with its activities (see Triodos Bank's Impact Vision). In 2022, we identified five interlinked transition themes: food, resource, energy, society and well-being. Triodos Bank wants to enable and accelerate these vital transitions, to address key societal and environmental issues - including biodiversity loss, social inequality and climate change - and improve life for all. The finance sector has a key role to play in contributing to these transitions, by financing groundbreaking initiatives as well as providing funding to shift practices to become more sustainable. These five transitions are interlinked and together drive the transformation to a new and better system.</p>	<p>Triodos Bank's Impact Vision</p> <p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Loans and funds' investments by transition theme (p. 53) ▪ Impact by transition theme (p. 64) ▪ Key figures (p. 6) ▪ Segment reporting (p. 225) ▪ Lending by Sector (p. 243)

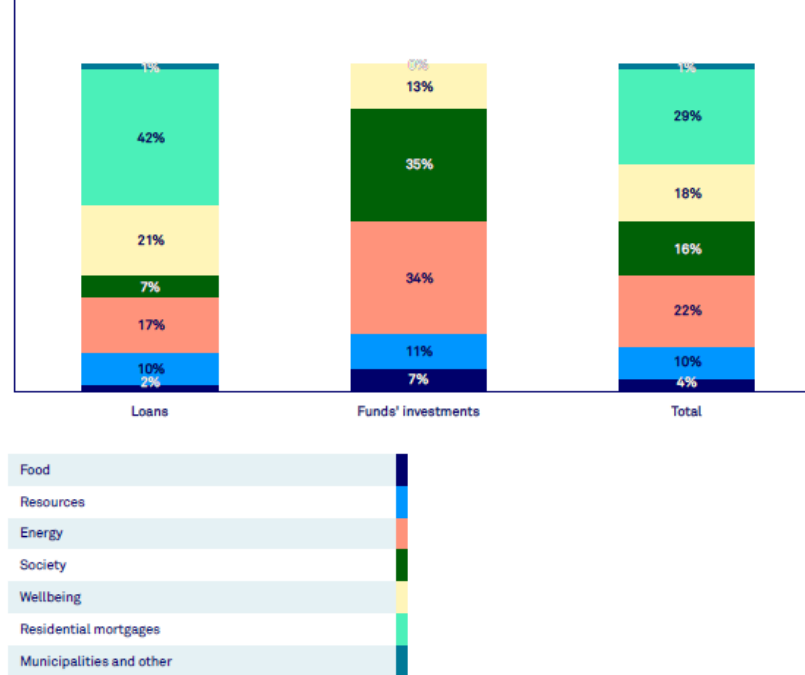
Principle 2: Impact and Target Setting

Question	Response	Links and References
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Loans and funds' investments by transition theme

The improved quality and growing size of the loan and investment portfolio are important indicators of the contribution Triodos Bank makes towards a more sustainable economy. All the themes it works in qualify as sustainable: the companies and projects it finances contribute to delivering Triodos Bank's mission.

Total outstanding loans and funds' investments by transition theme 2022



Please see the Annual Report for a detailed breakdown of the proportional composition of the banking portfolio globally and per country, by products & services, types of customers and impact themes. Refer to the individual fund reports for a breakdown per Triodos investment funds.

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p><i>c) Context:</i> What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.</p>	<p>Main Challenges</p> <p>As a society, we are facing several interrelated systemic social and environmental challenges in relation to sustainable development. Flawed economic thinking has brought us to where we are. The most critical task facing us today is to navigate a social and ecological transformation based on a new economic paradigm. The transition themes provide a framework for Triodos Bank to understand and prioritize its activities in this wider context.</p> <p>The year 2022 was characterised by a range of challenges. While the COVID-19 pandemic eased during the year, the world faced challenges on other fronts. A multitude of interconnected crises (a polycrisis), such as the war in Ukraine which sparked both an energy and food crisis, high levels of inflation and increasing inequality. All while climate change and its effects continue to occur and that the window to limit global warming is closing. These crises expose the vulnerability of our economic and social systems.</p> <p>An important reference to assess the current state of challenges we face are the 17 Sustainable Development Goals (SDGs) from the United Nations. In 2015, 193 countries pledged to ‘leave no one behind’ and ‘endeavour to reach the furthest behind first’. Seven years later, we can conclude that progress is stagnating and most of the goals won’t be reached. For all countries, there remain significant challenges to reducing inequalities. Yet, low-income countries in particular face difficulties achieving the social SDGs, such as reducing poverty and hunger. The (social) state of our world can’t be magically fixed within a 15-year time frame. Firstly, because all goals are connected and cannot be solved in isolation. Secondly, the growth in prosperity in Europe has generated negative spill over elsewhere, with serious environmental and socio-economic consequences. Reaching a goal in one part of the world can lead to goals not being reached in a different part of the world.</p>	<p>“We take targeted action based on radical choices” Triodos Bank</p> <p>Triodos Bank’s Impact Vision</p> <p>Annual Report 2022</p> <ul style="list-style-type: none">▪ 2022 – being a frontrunner in a year of polycrisis (p. 14)▪ Our stakeholders and material topics (p. 23) <p>Stakeholders of Triodos Bank</p> <p>Triodos Bank sets out concrete action for an inclusive society Triodos Bank</p>

Principle 2: Impact and Target Setting

Question	Response	Links and References
	<p>Priorities</p> <p>The polycrisis, along with SDGs, demonstrate that an integrated and coordinated approach is needed to build a more resilient and sustainable society. Profound changes in human systems and institutions need to take place for people to live prosperous lives on a thriving planet. Triodos Bank wants to contribute to building this society and has developed a focused vision on how it intends to continue to create positive impact. In the impact vision we identified five interlinked transition themes: food, resource, energy, society and well-being. Triodos Bank wants to enable and accelerate these vital transitions, to address key societal and environmental issues - including biodiversity loss, social inequality and climate change - and improve life for all.</p> <p>Stakeholder engagement</p> <p>In addition to numerous interactions throughout the year at all levels of Triodos Bank, we follow a formal process to analyse which issues are most important both to our stakeholders and our organisation (a materiality analysis), in order to integrate these into our management goals. This was done through a stakeholder survey and annual stakeholder meeting. Stakeholders fall into three categories: those that have economic relationships with the business, those without an economic relationship but with a close interest in Triodos Bank from a societal perspective and those that provide new insights and knowledge.</p>	

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p>2.1 Impact Analysis (Key Step 1)</p> <p>Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)? Please disclose.</p> <p>To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.</p>	<p>Based on the 3 elements of the impact analysis mentioned above, Triodos Bank has identified the following positive impact areas:</p> <p>People, planet and prosperity</p> <p>Through our loan and investment processes, Triodos Bank is focused on creating positive social, environmental and economic benefits for people, planet and prosperity (the triple bottom line). Within this, Triodos Bank focuses on positive impact in the following areas in particular:</p> <ul style="list-style-type: none"> • Food transition including organic agriculture and projects across the entire agricultural value chain in Europe and emerging markets. • Resources transition including the sustainable property sector, nature development and forestry sectors and sectors that contribute to reduced resource waste or promote circular production and consumption. • Energy transition consisting of renewable energy projects and environmental technology projects. • Society transition including loans and funds' investments to businesses and (non-profit) organisations with clear social objectives. • Well-being transition covering loans and funds' investments to organisations working in education, child and elderly care, cultural centres and organisations, and artists. <p>We have aligned the transition themes with the SDGs, with each theme contributing to at least one of the SDGs (see Annual Report page 64).</p>	<p><u>Annual Report 2022</u></p> <ul style="list-style-type: none"> ▪ Loans and funds' investments ▪ by transition theme (p. 53-55) ▪ Our impact approach (p. 56) ▪ 2022 – being a frontrunner in a year of polycrisis (p. 14) ▪ Our financed emissions (p. 71) ▪ Impact equities and bonds (p. 67) ▪ Environmental report (p. 93)

Principle 2: Impact and Target Setting

Question	Response	Links and References
	<p>Resource use and GHG emission footprints</p> <p>Due to the positive selection approach and application of minimum standards, Triodos Bank hopes to avoid negative impacts. However, it does not mean that we have no negative impact. The carbon footprint of all loans and investments are calculated and reported.</p> <p>We also measure the carbon footprint related to Triodos Bank’s own operations. This includes energy consumption, travel, paper use and waste.</p> <p>Triodos Bank has the ambition to reduce the greenhouse gas emission intensity of all own and financed activities, using a science-based targets approach. The remaining emissions will be balanced or ‘inset’ by investing considerably in nature projects that remove greenhouse gases from the air.</p> <p>For our listed impact equities and bonds portfolios we also measure and benchmark the footprint of water use and landfill waste productions.</p> <p>We have prioritised this impact area for target setting.</p>	

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p><i>d) For these (min. two prioritized impact areas): Performance measurement. Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.</i></p> <p>In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.</p>	<p>People, Planet, Prosperity</p> <p>In our Annual Report we report on the positive impact Triodos Bank achieves, related to each of the five transition themes (page 64). Our vision on measuring impact reflects a focus on delivering our mission; we aim to find qualitative evidence of impact and back that up with numbers when relevant. Our more qualitative impact can be found in the case studies available on the Annual Report Website (see Case study overview - Integrated Annual Report 2022). For each transition theme we have also used relevant metrics to quantify positive impact, for example for the Energy Transition Theme we reported the total capacity of the sustainable power generating projects finance by Triodos Bank (page 65). Almost uniquely among banks, this impact data is verified by an independent auditor to a limited assurance level.</p> <p>Resource use and GHG emission footprints</p> <p>In our Annual Report we reported the climate impact of our loans and investments (page 69) as well as Triodos Bank's own generated emissions (page 93). The majority of our negative climate impact is caused by our loans and investments portfolio. By reporting these emissions per impact theme and also by reporting the emission intensity, the hotspots in our portfolio can be determined. In addition, for most of our portfolios emission calculations are available on a client level, which enables us to identify on which customers in our portfolio we should focus and help in their transition to decarbonise.</p> <p>Where targets have been set, Triodos Bank has not analysed and disclosed whether there are potential significant negative impacts that the bank's targets might have on other UN Sustainable Development Goals.</p>	<p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Impact by transition theme (p.64) ▪ Climate impact of our loans and investments (p 69) ▪ Impact measurement and reporting (p. 390) <p>Case study overview - Integrated Annual Report 2022 (annual-report-triodos.com)</p>

Principle 2: Impact and Target Setting

Self-assessment summary

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

Scope:

Yes In progress No

Portfolio composition:

Yes In progress No

Context:

Yes In progress No

Performance measurement:

Yes In progress No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation, climate change adaptation and biodiversity.

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p>2.2 Target Setting (Key Step 2)</p> <p>Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.</p> <p>The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:</p> <p>a) <i>Alignment</i>: which international, regional or national policy frameworks to align your bank’s portfolio with have you identified as relevant?</p> <p>Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.</p>	<p>People, Planet Prosperity</p> <p>Triodos Bank is in the process of developing a strategy on how the impact can be maximized within each transition theme. Currently there is alignment with the PRB requirements, and Triodos Bank will work towards developing ways to measure and steer on the impact made within the transitions. If possible, this will include SMART targets and a subsequent baseline. Since this process is on-going, there are no defined targets at this moment in time. Subsequently, portfolio measurement and performance measurement are also not yet implemented. Given the aforementioned, our external auditor has not been able to, nor engaged in to, provide limited assurance regarding People, Planet Prosperity in accordance with the Guidance for Assurance Providers, Principles for Responsible Banking dated November 2022.</p>	<p>Triodos Bank sets target to reach net zero by 2035 Triodos Bank</p> <p>Triodos Bank discloses intermediate targets Triodos Bank</p> <p>Triodos Bank publishes climate action plan Triodos Bank</p> <p>Emission reduction targets science-based Triodos Bank</p> <p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Appendix IV – Global Alliance for Banking on Values scorecard – quantitative evidence of our impact ▪ Our impact vision, transition themes and strategic themes (p. 60)

Principle 2: Impact and Target Setting

Question	Response	Links and References
	<p>Net-zero by 2035 at the latest</p> <p>In 2021, Triodos Bank set the target to be net-zero as soon as possible, at the latest in 2035. Our ambition is that the greenhouse gas emissions of all Triodos Bank's loans and funds' investments will be greatly reduced, using a science-based targets approach. For Triodos Bank's own operations, we have opted for the most ambitious target to bring all emissions in line with the scenario limiting global warming to 1.5°C by no later than 2030. For emissions related to our loans and investments the target year is 2035.</p> <p>The Science Based Targets initiative (SBTi) validated Triodos Bank's near-term emission reduction targets in March 2023. The emission reduction targets apply to a large part of Triodos Bank's portfolio of loans and investments and Triodos Bank's own operations. Our commitment focuses on reducing emission intensity of our financed activities and investing in nature-based solutions. We want to reduce emissions, respecting the planetary boundaries and social inclusion of all people. Our financed emissions are measured through PCAF and reported in the 'Climate impact of our loans and investments' section of our Annual Report (page 69). Our direct emissions are reported in the Environmental report in our Annual Report (page 69).</p> <p>Alignment with Sustainable Development Goals (SDGs)</p> <ul style="list-style-type: none">• 7 Affordable and clean energy• 11 Sustainable cities and communities• 12 Responsible consumption and production• 13 Climate action	

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p>b) <u>Baseline</u>: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.</p> <p>You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.</p> <p>A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.</p> <p>If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes.</p>	<p>People, Planet Prosperity</p> <p>Triodos Bank is in the process of developing a strategy on how the impact can be maximized within each transition theme. Currently there is alignment with the PRB requirements, and Triodos Bank will work towards developing ways to measure and steer on the impact made within the transitions. If possible, this will include SMART targets and a subsequent baseline. Since this process is on-going, there are no defined targets at this moment in time. Subsequently, portfolio measurement and performance measurement are also not yet implemented. Given the aforementioned, our external auditor has not been able to, nor engaged in to, provide limited assurance regarding People, Planet Prosperity in accordance with the Guidance for Assurance Providers, Principles for Responsible Banking dated November 2022.</p>	<p>Emission reduction targets science-based Triodos Bank</p> <p>Scorecard - GABV - Global Alliance for Banking on Values</p> <p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Climate impact of our loans and investments (p. 69) ▪ Products with a purpose (p. 28) ▪ Impact of our green bond (p. 17) ▪ AsOneToZero (p. 61) ▪ Taxonomy reporting (p.75) <p>Annual Report 2020</p> <ul style="list-style-type: none"> ▪ Climate impact of our loans and funds' investments (p. 53) <p>Companies taking action - Science Based Targets</p>

Principle 2: Impact and Target Setting

Question	Response	Links and References
	<p>Net-zero by 2035 at the latest</p> <p>The baseline for our emission reduction targets is 2020.</p> <p>Official target language validated by SBTi:</p> <p>Scope 1 and 2: Triodos Bank commits to reduce absolute scope 1 and 2 GHG emissions 63% by 2035 from a 2020 base year.</p> <p>Triodos Bank commits to increase annual sourcing of renewable electricity from 98.6% in 2020 to 100% by 2030.</p> <p>Scope 3 category 1-14: Triodos Bank commits to reduce absolute scope 3 categories 1-14 GHG emissions 63% by 2035 from a 2020 base year.</p> <p>Scope 3 Portfolio Targets</p> <p>Headline target: Triodos Bank portfolio targets cover 43% of its total investment and lending by total assets under management as of 2020.¹ As of 2020, required activities made up 38% of Triodos' total investment and lending while optional activities made up 31% and out of scope activities made up 31%.</p> <p>¹ These targets and coverage % do not include third-party asset management activities. Third-party asset management activities made up 4% of total investment, lending, and asset management activities by total assets under management.</p>	

Principle 2: Impact and Target Setting

Question	Response			Links and References
	Asset class	Method	Target language	
	Electricity generation project finance	Sector Decarbonisation Approach (SDA)	Triodos Bank commits to continue only financing renewable electricity projects through 2030.	
	Commercial real estate	SDA	Triodos Bank commits to reduce its scope 3 GHG emissions from commercial real estate within its private debt and equity portfolio 70% per square meter by 2035 from a 2020 base year.	
	Corporate loan	Portfolio Coverage	Triodos Bank commits to 27% of all other corporate lending by gross carrying amount, setting SBTi validated targets by 2025, and 82% by 2035.	
	Listed equity, private equity, corporate bonds	SDA, Portfolio Coverage	<p>Triodos Bank commits to reduce its scope 3 GHG emissions from the pulp & paper sector within its listed equity and corporate bond portfolio 45% per ton paper and board produced by 2035 from a 2020 base year.</p> <p>Triodos Bank commits to reduce its scope 3 GHG emissions from the transport - vehicle manufacturing (PLDV) sector within its listed equity and corporate bond portfolio 44% per vehicle km by 2035 from a 2020 base year.</p> <p>For all other sectors, Triodos Bank commits to 51% of its listed equity, private equity and corporate bond portfolio by net asset value, setting SBTi validated targets by 2025, and 82% by 2035.</p>	

Principle 2: Impact and Target Setting

Indicators recommended by UNEP FI PRB:

Impact area	Type of indicator	Indicator code	Indicator	Response
Climate change mitigation	Action	A1.1	Climate strategy: Does your bank have a climate strategy in place?	Yes. In 2021, Triodos Bank has set the target to be net-zero as soon as possible, at the latest in 2035. Our ambition is that the greenhouse gas emissions of all Triodos Bank's loans and funds' investments will be greatly reduced, using a science-based targets approach.
		A1.2	Paris alignment target: Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	Yes. Triodos Bank has opted for the most ambitious target to bring all emissions related to its own operations in line with the scenario limiting global warming to 1.5°C by no later than 2030. For emissions related to Triodos Bank's loans and investments the target year is 2035.
		A1.3	Policy and process for client relationships: has your bank put in place rules and processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	<p>Yes, Triodos Bank aims for a significant reduction in emissions from its business lending, primarily property-based emissions. Triodos Bank will do this via engagement with its customers, possibly using incentives, while providing tools and our network. In addition, it promotes the use of bio-based materials in new construction and renovation.</p> <p>The engagement activities related to listed equities, corporate bonds and business loans are tracked in our systems, are targeted and monitored. Related to residential mortgages the energy performance level is reported and linked to the interest rate incentivising customers to make environmental improvements to their homes.</p>
		A1.4	Portfolio analysis: Has your bank analysed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?	Yes. Triodos Bank implemented and reported using the PCAF methodology for the first time in 2018 and has disclosed the carbon accounting of 100% of our customer loans and direct funds' investments since 2019. In 2022 we also included the financed emissions of other loans and investments, for example those related to our Treasury activities.
		A1.5	Business opportunities and financial products: Has your bank developed financial products tailored to support clients' and customers' reduction in GHG emissions (such as energy efficient mortgages, green loans, green bonds, green securitisations etc.)?	<p>Yes, some examples:</p> <ul style="list-style-type: none"> • In 2021, we successfully launched our Green Subordinated Tier 2 Bond. Our first Green Bond Allocation and Impact Report, was published in October 2022. • Triodos Bank Netherlands, Spain and Belgium offer private mortgages which incentivise clients to improve energy efficiency by offering a discount on their mortgage rate as the environmental performance of their home improves. • In 2022, a bio-based mortgage was launched. This encourages more sustainable housing stock by linking the interest rate to the choice of (sustainable) materials used to build a house. Triodos Bank is the first Dutch lender to launch this type of mortgage.

Principle 2: Impact and Target Setting

Impact area	Type of indicator	Indicator code	Indicator	Response
Climate change mitigation cont.	Output	A2.1	Client engagement process: Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (for business clients), or towards low(er)-carbon practices (for retail clients)?	Yes, the engagement activities related to listed equities, corporate bonds and business loans are tracked in our systems, are targeted and monitored. Related to residential mortgages the energy performance level is reported and linked to the interest rate incentivising customers to make environmental improvements to their homes.
		A2.2	Absolute financed emissions: What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or investment portfolio?	<p>Triodos Bank's absolute financed emissions in 2022:</p> <ul style="list-style-type: none"> 314 ktonnes of net CO₂e emissions. These are our generating emissions minus our sequestering emissions 1,048 ktonnes of avoided CO₂e emissions. <p>These emissions are calculated based on an attribution approach (see Annual Report page 70).</p>
		A2.3	Sector-specific emission intensity (per clients' physical outputs or per financial performance): What is the emission intensity within the relevant sector?	<ul style="list-style-type: none"> The emission intensity in billion EUR financed per impact sector can be found in our Annual Report (page 73). The overall net emissions intensity of our loans and investment portfolio is 21 ktonnes of CO₂e emissions per billion EUR.
		A2.4	Proportion of financed emissions covered by a decarbonisation target: What proportion of your bank's financed emissions is covered by a decarbonization target, i.e. stem from clients with a transition plan in place?	<p>100% of our portfolio is covered by our decarbonisation target 'As One To Zero'.</p> <p>Triodos Bank portfolio targets validated by SBTi cover 43% of its total investment and lending by total assets under management as of 2020. As of 2020, required activities made up 38% of Triodos' total investment and lending while optional activities made up 31% and out of scope activities made up 31%.</p>

Principle 2: Impact and Target Setting

Impact area	Type of indicator	Indicator code	Indicator	Response
Climate change mitigation cont.	Outcome	A3.1	Financial volume of green assets/low-carbon technologies: How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies?	<p>By the end of 2022, Triodos has lent /invested:</p> <ul style="list-style-type: none"> • EUR 2,429 million in the Renewable energy sector • EUR 45 million in Nature development and Forestry • EUR 1,084 million in Sustainable property • EUR 3,017 million in Mortgages with an energy label A or higher <p>Based on the EU taxonomy, 39.6% of Triodos Bank’s covered assets can be considered Taxonomy-eligible in 2022 (according to mandatory disclosure).</p> <p>This eligibility percentage seems low when considering our mission. This mainly results from:</p> <ul style="list-style-type: none"> • Triodos Bank has significant exposures in sectors such as healthcare, education and arts and culture, which are currently out of scope for determining Taxonomy-eligibility within the two objectives (Climate Change Mitigation and Adaptation) • Triodos Bank has a high exposure to SMEs within its banking activities, but also in the alternative investment funds which mainly consist of unlisted SMEs. These are significant exposures not covered under the current Taxonomy mandatory reporting • UK exposures are out of scope of the EU Taxonomy.
		A3.2	Financial volume lent to / invested in carbon intensive sectors and activities and transition finance: How much does your bank lend to / invest in carbon-intensive sectors and activities ? How much does your bank invest in transition finance?	<p>Triodos Bank does not invest in fossil fuels and refrains from financing and investing in highly polluting sectors and activities.</p>

Principle 2: Impact and Target Setting

Impact area	Type of indicator	Indicator code	Indicator	Response
Climate change mitigation cont.	Impact	A4.1	Reduction of GHG emissions: how much have the GHG emissions financed been reduced?	<p>Our reported emissions of 2020, 2021 and 2022 are difficult to compare because the portfolio has grown and emission factors has changed. We will rebalance our baseline (2020) the latest in 2025. The emission intensity reported is:</p> <ul style="list-style-type: none"> Year 2020: 33 ktonnes CO2e / billion EUR Year 2021: 29 ktonnes CO2e / billion EUR Year 2022: 21 ktonnes CO2e / billion EUR
		A4.2	Portfolio alignment: How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2	<p>Triodos Bank portfolio targets cover 43% of its total investment and lending by total assets under management as of 2020. As of 2020, required activities made up 38% of Triodos' total investment and lending while optional activities made up 31% and out of scope activities made up 31%. For a specification per asset class, see the link in our press release: Emission reduction targets science-based Triodos Bank</p>

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p><i>c) SMART targets</i> (incl. key performance indicators (KPIs)): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.</p>	<p>People, Planet Prosperity</p> <p>Triodos Bank is in the process of developing a strategy on how the impact can be maximized within each transition theme. Currently there is alignment with the PRB requirements, and Triodos Bank will work towards developing ways to measure and steer on the impact made within the transitions. If possible, this will include SMART targets and a subsequent baseline. Since this process is on-going, there are no defined targets at this moment in time. Subsequently, portfolio measurement and performance measurement are also not yet implemented. Given the aforementioned, our external auditor has not been able to, nor engaged in to, provide limited assurance regarding People, Planet Prosperity in accordance with the Guidance for Assurance Providers, Principles for Responsible Banking dated November 2022.</p>	<p>Emission reduction targets science-based Triodos Bank</p> <p>Companies taking action - Science Based Targets</p>

Principle 2: Impact and Target Setting

Question	Response	Links and References
	<p>Triodos Bank’s validated science-based targets</p> <p>Triodos Bank’s own emissions:</p> <ul style="list-style-type: none">• Triodos Bank commits to reduce absolute scope 1 and 2 GHG emissions 63% by 2035 from a 2020 base year.• Triodos Bank commits to increase annual sourcing of renewable electricity from 98.6% in 2020 to 100% by 2030.• Triodos Bank commits to reduce absolute scope 3 categories 1-14 GHG emissions 63% by 2035 from a 2020 base year. <p>Financed emissions: (see table below)</p> <p>For more detail regarding our indirect scope 3 targets, see our press release on the subject.</p> <p>¹ These targets and coverage % do not include third-party asset management activities. Third-party asset management activities made up 4% of total investment, lending, and asset management activities by total assets under management.</p>	

Principle 2: Impact and Target Setting

Question	Response			Links and References
	Asset class	Method	Target language	
	Electricity generation project finance	Sector Decarbonisation Approach (SDA)	Triodos Bank commits to continue only financing renewable electricity projects through 2030.	
	Commercial real estate	SDA	Triodos Bank commits to reduce its scope 3 GHG emissions from commercial real estate within its private debt and equity portfolio 70% per square meter by 2035 from a 2020 base year.	
	Corporate loan	Portfolio Coverage	Triodos Bank commits to 27% of all other corporate lending by gross carrying amount, setting SBTi validated targets by 2025, and 82% by 2035.	
	Listed equity, private equity, corporate bonds	SDA, Portfolio Coverage	<p>Triodos Bank commits to reduce its scope 3 GHG emissions from the pulp & paper sector within its listed equity and corporate bond portfolio 45% per ton paper and board produced by 2035 from a 2020 base year.</p> <p>Triodos Bank commits to reduce its scope 3 GHG emissions from the transport - vehicle manufacturing (PLDV) sector within its listed equity and corporate bond portfolio 44% per vehicle km by 2035 from a 2020 base year.</p> <p>For all other sectors, Triodos Bank commits to 51% of its listed equity, private equity and corporate bond portfolio by net asset value, setting SBTi validated targets by 2025, and 82% by 2035.</p>	

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p><i>d) Action plan:</i> which actions including milestones have you defined to meet the set targets? Please describe.</p> <p>Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.</p>	<p>People, Planet Prosperity</p> <p>Triodos Bank is in the process of developing a strategy on how the impact can be maximized within each transition theme. Currently there is alignment with the PRB requirements, and Triodos Bank will work towards developing ways to measure and steer on the impact made within the transitions. If possible, this will include SMART targets and a subsequent baseline. Since this process is on-going, there are no defined targets at this moment in time. Subsequently, portfolio measurement and performance measurement are also not yet implemented. Given the aforementioned, our external auditor has not been able to, nor engaged in to, provide limited assurance regarding People, Planet Prosperity in accordance with the Guidance for Assurance Providers, Principles for Responsible Banking dated November 2022.</p> <p>Net-zero by 2035 at the latest</p> <p>In 2022, we developed an action plan to progress our net-zero ambition. We have set an intermediate target to reduce net emissions by 32% to 232 ktonnes CO2e in 2030 across our entire loans and funds' investments portfolios. In the context of portfolio growth, Triodos Bank expects net absolute emissions to be relatively stable until 2025 and to start declining from then onwards, as result of reduction efforts diminishing the carbon intensity of portfolios and sequestration investments to neutralise remaining emissions. Our progress towards our reduction targets will be monitored via a monthly report with our financed emissions. This enables us to focus on the hotspots in our portfolio and determine which portfolios need additional guiding or measures.</p>	<p>Annual Report 2022</p> <ul style="list-style-type: none">▪ AsOneToZero (p.61)

Principle 2: Impact and Target Setting

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your impact area..

	People, planet and prosperity	Resource use and GHG emission footprints
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

Principle 2: Impact and Target Setting

Question	Response	Links and References
<p>2.3 Target Setting (Key Step 2)</p> <p>For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.</p> <p>Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.</p>	<p>This is Triodos Bank's first year of reporting on the targets it has set. Next year this will be included in the UN PRB Self-Assessment.</p> <p>Triodos Bank has set out an action plan on how it aims to achieve the net-zero in 2035 goal, please refer there for more specific details.</p>	<p>Triodos Bank publishes climate action plan Triodos Bank</p>

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Question	Response	Links and References
<p>3.1 Client engagement</p> <p>Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?</p> <p>Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?</p> <p>Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No</p> <p>Triodos Bank's service is built on deepening and developing long-term relationships with its customers. Relationships are nurtured through various on- and offline channels, to encourage our clients to pursue sustainable practices and enable economic activities that create shared prosperity for our current and future generations. It is implemented through our business as this is key for reaching positive impact.</p> <p>Implementation</p> <p>Triodos Bank has always engaged with clients to encourage sustainable practices and shared prosperity. Some examples from 2022:</p> <ul style="list-style-type: none"> • Triodos Bank specialises in sustainable mortgages. The more energy-efficient a house, the lower the mortgage interest rate. As the next step in sustainability Triodos Bank launched the Bio-based Mortgage in June 2022. This is a mortgage in which the interest rate is linked to the choice of materials for the home: those who use the money to buy or build a bio-based home receive an extra low interest rate. With this Bio-based Mortgage, a first in the Netherlands, the bank is taking a new step in making the housing market more sustainable by reducing the carbon footprint. 	<p>Download centre (triodos.com):</p> <ul style="list-style-type: none"> • Business Principles, Lending Criteria and Minimum Standards <p>Annual Report 2022</p> <ul style="list-style-type: none"> • Our purpose: the conscious use of money (p. 11) • Triodos Bank divisions and results (p. 47) • Engaging with clients and partners: impact monitoring, steering and reporting (p.60) <p>Our approach to impact management (triodos-im.com)</p>

Principle 3: Clients and Customers

Question	Response	Links and References
	<ul style="list-style-type: none"> • Within Business Banking, the Triodos Impact Prism, is an engagement tool used by relationship managers with clients. This is done to have clients understand where more positive impact is possible and take action. In our Impact Metric reporting system Triodos Bank keeps track of the engagement activities related to energy transition. • The mobile banking app shows the impact our investing and saving clients create with every euro they have invest or save in one of the bank's investment funds or savings accounts. It provides all Triodos Bank customers inspiring stories and tips on impact. 	
<p>3.2 Business opportunities</p> <p>Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period.</p> <p>Provide information on existing products and services , information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).</p>	<p>Triodos Bank wants to promote human dignity, environmental conservation and a focus on people’s quality of life. Key to this is a genuinely responsible approach to business, transparency and using money more consciously. Triodos Bank puts values-based banking into practice. Three examples of strategic business opportunities in relation to the increase of positive and reduction of negative impacts:</p> <ul style="list-style-type: none"> • In 2022, we launched the bio-based mortgage which links the interest rate to the choice of (sustainable) materials used to build a house. This is in addition to our mortgages which offer discounted interest rates for more energy efficient houses and incentives to make environmental improvements to their home. • In 2021, we successfully launched our Green Subordinated Tier 2 Bond. In our first Green Bond Allocation and Impact report, published in October 2022, we outlined how we have allocated the funds and the impact they are generating. • Triodos Bank has a partnership with the InvestEU programme and the European Investment Fund (EIF) to financially support enterprises with a positive social impact that normally have more difficulty in getting access to normal bank financing. 	<p>Triodos Bank has first bio-based mortgage Triodos Bank</p> <p>Triodos green bond holders Triodos Bank</p> <p>Triodos Bank increases support to social enterprises with EU backing</p>

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

Question	Response	Links and References
<p>4.1 Stakeholder identification and consultation</p> <p>Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?</p> <p>Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.</p>	<p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No </p> <p>Triodos Bank continuously seeks to connect with the world around us, and over many years we have engaged with different stakeholder groups. We invite NGOs, citizens and business clients to participate in debates, we conduct surveys and organise meetings for Depository Receipt holders and other stakeholders. Our co-workers regularly engage in these and other activities as well.</p> <p>In addition to numerous interactions throughout the year at all levels of our organisation, we follow a formal process to analyse which issues are most important both to our stakeholders and our organisation (a materiality analysis). This includes an annual stakeholder survey and an annual stakeholder meeting where members of our Executive Board meet with stakeholders. We integrate these issues into our management objectives.</p> <p>Triodos Bank identifies three general stakeholder categories:</p> <ul style="list-style-type: none"> • Those that have economic relationships with the business. • Those without an economic relationship but with a close interest in Triodos Bank from a societal perspective. • Those that provide new insights and knowledge. <p>For each category we have identified specific stakeholder groups, including the influence they exert on Triodos Bank and the expectations they have of us.</p>	<p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Our stakeholders and material topics (p. 23) <p>Stakeholders of Triodos Bank</p>

Principle 5: Governance and Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

Question	Response	Links and References
<p>5.1 Governance Structure for Implementation of the Principles</p> <p>Does your bank have a governance system in place that incorporates the PRB?</p> <p>Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles.</p> <p>This includes information about</p> <ul style="list-style-type: none"> • which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to), • details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as • remuneration practices linked to sustainability targets. 	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No</p> <p>Governance on impact-related matters has been evolving in recent years, with the creation of the Triodos Group Impact Committee in 2020 and of the Impact Management and Measurement domain at Triodos Investment Management in 2021. In Spring 2022, this experience was extended to Triodos Group, by setting up a Group-wide Impact Hub and replacing the Triodos Group Impact Committee with the Group Impact Board, which oversees the work of the Impact Hub and informs and advises the Executive Board on strategic impact-related topics. These strategic issues are among others the minimum standards, impact strategy, vision and targets. The primary goal of the Impact Board is to understand, align, monitor and equip the business to steer our impact activities and develop strategic ambitions from a Group-wide perspective in line with our mission and our corporate identity.</p> <p>Triodos Bank does not offer bonuses, including in relation to sustainability and ESG related topics.</p>	<p>Governance (triodos.com)</p> <p>Annual Report 2022</p> <ul style="list-style-type: none"> ▪ Impact governance (p. 59) ▪ Remuneration report (p. 117-118)

Principle 5: Governance and Culture

Question	Response	Links and References
<p>5.2 Promoting a culture of responsible banking:</p> <p>Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).</p>	<p>For our more than 1,800 co-workers, it is generally not the job or the salary, but the values that Triodos Bank upholds that are most appealing. Having sustainable development as our first and foremost concern casts a different light on our relationship with customers, suppliers, other co-workers, and on their own development as well.</p> <p>Related to fostering a culture of responsible banking among employees, more structural talent management has been integrated into the organization. An e-learning on Impact Management was offered to all employees. In 2022, gender targets were reset for the Supervisory Board, and set for the Executive Board and senior management.</p> <p>In addition to above-mentioned actions, which took place during 2022, Triodos Bank continues with the weekly Triodos Community Meetings where topics related to the organization, including those related to responsible banking, are shared with the whole company. A Values Ambassador Training is available to all Triodos co-workers which teaches co-workers how to improve their understanding of Triodos Bank's values and how they can individually contribute to them.</p> <p>In our view, remuneration enables co-workers to earn a decent living enabling them to contribute to the organisation and society at large. Triodos Bank believes in the intrinsic motivation of its co-workers to contribute to our mission and to work according to our corporate values. The richness of the contribution of each co-worker cannot be translated into a linear, financial incentive.</p> <p>Triodos Bank operates in the financial sector. Therefore, its remuneration practice needs to be within the bandwidth of what is expected in the financial sector to allow for a healthy inflow and outflow of co-workers. At the same time, Triodos Bank maintains a relatively low ratio between the lower and higher level of salaries paid. Variable components are exceptional, modest and discretionary and are not an incentive to favour co-workers' or the bank's own interest to the detriment of Triodos Bank's customers. This all contributes to a strong sense of being jointly responsible for realising the mission of Triodos Bank.</p>	<p>Annual Report 2022</p> <ul style="list-style-type: none">▪ Co-worker report (p. 81)▪ Remuneration report (p. 117)

Principle 5: Governance and Culture

Question	Response	Links and References
<p>5.3 Policies and due diligence processes</p> <p>Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.</p> <p>Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio.</p> <p>This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.</p>	<p>Triodos Bank employs strict criteria to ensure the sustainability of products and services. It employs both positive criteria, to ensure it is actively doing good, and negative criteria for exclusion, to ensure it does not do any harm. The negative criteria exclude loans and investments in sectors or activities that are damaging to society and environment. The positive criteria identify leading businesses and encourage their contributions to a sustainable society.</p> <p>On an annual basis, Triodos Bank carries out climate-risk stress tests, to assess the potential impact of extreme weather events such as storms, floods and droughts to its asset portfolio. Within the financial planning period a material impact of physical climate risk is considered to be unlikely.</p> <p>The Executive Board, under the supervision of the Supervisory Board, is accountable for the management of environmental and climate-related risks as well as for setting and overseeing Triodos Bank’s strategy in this respect. At board level the Chief Risk Officer is primarily responsible for the oversight of environmental and climate-related risks. The Enterprise Risk Management department is responsible for the framework that governs environmental and climate-related risks and ensures alignment with relevant risk policies within the larger risk policy framework.</p>	<p>Annual Report 2022</p> <ul style="list-style-type: none">▪ Management of ESG risks (p. 263)

Principle 5: Governance and Culture

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

Yes

No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes

No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes

In progress

No

Principle 6: Transparency and Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

Question	Response	Links and References
<p>6.1 Assurance Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?</p> <p>If applicable, please include the link or description of the assurance statement.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> Partially <input type="checkbox"/> No</p>	
<p>6.2 Reporting on other frameworks Does your bank disclose sustainability information in any of the listed below standards and frameworks?</p>	<p><input checked="" type="checkbox"/> GRI <input type="checkbox"/> SASB <input type="checkbox"/> CDP <input type="checkbox"/> IFRS Sustainability Disclosure Standards (to be published) <input type="checkbox"/> TCFD <input checked="" type="checkbox"/> Other:</p> <ul style="list-style-type: none"> • EU Taxonomy Regulation • EU Sustainable Finance Disclosure Regulation (SFDR) • PCAF Global GHG Accounting and Reporting Standard 	<p><u>Annual Report 2022</u></p> <ul style="list-style-type: none"> • Climate impact of our loans and investments (p.69) • Taxonomy reporting (p.75) • Appendix VII – Taxonomy table (p.425)

Principle 6: Transparency and Accountability

Question	Response	Links and References
<p>6.3 Outlook</p> <p>What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis , target setting and governance structure for implementing the PRB)? Please describe briefly.</p>	<p>Over the next 12 months, Triodos Bank will continue to work in relation to the principles on multiple fronts. Throughout 2023, Triodos Bank will aim to be more explicit in our strategy as a financial institution to serve individuals' needs and society's goals. This to provide ourselves with a clear vision/ route on which we hope to measure progress. But also to empower our wider community of clients and like-minded groups. We will develop a group-wide approach in the next step in the impact management cycle (impact strategy).</p> <p>Related to our 'As One to Zero' strategy, Triodos Bank will update the internal 2035 outlook, define more detailed targets per subsector or client groups, improve data collection and quality.</p>	

Principle 6: Transparency and Accountability

Question	Response	Links and References
<p>6.4 Challenges</p> <p>Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.</p> <p>What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).</p> <p>If desired, you can elaborate on challenges and how you are tackling these.</p>	<ul style="list-style-type: none"><input type="checkbox"/> Embedding PRB oversight into governance<input type="checkbox"/> Customer engagement<input type="checkbox"/> Gaining or maintaining momentum in the bank<input type="checkbox"/> Stakeholder engagement<input type="checkbox"/> Getting started: where to start and what to focus on in the beginning<input checked="" type="checkbox"/> Data availability<input checked="" type="checkbox"/> Data quality<input type="checkbox"/> Conducting an impact analysis<input checked="" type="checkbox"/> Access to resources<input type="checkbox"/> Assessing negative environmental and social impacts<input type="checkbox"/> Reporting<input type="checkbox"/> Choosing the right performance measurement methodology/ies<input type="checkbox"/> Assurance<input checked="" type="checkbox"/> Setting targets<input type="checkbox"/> Prioritizing actions internally<input type="checkbox"/> Other: ...	

Appendix 1: Assurance report of the independent auditor

Limited assurance report of the independent auditor

To: the management board of Triodos Bank N.V.

Limited Assurance report on the identified sustainability report in the Triodos Bank United Nations Principles for Responsible Banking Self-Assessment 2022

Our conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the identified sustainability information in the Triodos Bank United Nations Principles for Responsible Banking Self-Assessment 2022 (hereafter: the Report) of Triodos Bank N.V. (hereafter: the Company) over 2022 is not prepared in all material respects, in accordance with the applicable criteria.

What we have examined

The object of our assurance engagement concerns the identified sustainability information in the Report which is included in the sections:

- 2.1 Impact Analysis.
- 2.2 Target Setting.
- 2.3 Target Implementation and Monitoring.
- 5.1 Governance Structure for Implementation of the Principles.

We have examined the identified sustainability information in the accompanying Report, stamped for identification purposes, of Triodos Bank N.V., Zeist over 2022.

The basis for our conclusion

We conducted our examination in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements) and the UNEP FI Guidance for assurance providers Providing Limited Assurance for Reporting on Principles for Responsible Banking published in November 2022 by the United Nations Environment Programme Finance Initiative (UNEP FI). This engagement is aimed to provide limited assurance. Our responsibilities under this standard are further described in the section 'Our responsibilities for the examination' of our report.

We believe that the assurance information we have obtained is sufficient and appropriate to provide a basis for our qualified conclusion.

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Independence and quality control

We are independent of the Company in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

PwC applies the 'Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for quality systems) and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other applicable legal and regulatory requirements.

Applicable criteria

The reporting criteria used for the preparation of the Report are the UNEP FI Principles for Responsible Banking, the Principles for Responsible Banking: Guidance document (updated in November 2021) and the Principles for Responsible Banking: Reporting and Self-Assessment Template (V2 from September 2022), as disclosed in the "United Nations Principles for Responsible Banking (UNPRB)" section.

The absence of an established practice on which to draw, to evaluate and measure the Report information allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Consequently, the Report information needs to be read and understood together with the reporting criteria used.

Restriction on use

Our assurance report is addressed to and intended for the use of the Company to assist them in their reporting regarding the United Nations Principles for Responsible Banking Framework and may not be used for any other purpose. Consequently, we do not accept or assume and deny any liability, duty of care or responsibility to any parties other than the Company.

Responsibilities for the Report and the examination thereof Responsibilities of the management board

The management board of the Company is responsible for the preparation of the Report in accordance with the UN Principles for Responsible Banking, including the identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the examination

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our conclusion.

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Our conclusion aims to provide limited assurance. The procedures performed in this context consisted primarily of making inquiries with officers of the Company and determining the plausibility of the information included in the Report. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our examination consisted, among other things of the following:

- Identifying areas of the Report with a higher risk of a material misstatement, whether due to fraud or error, designing and performing assurance procedures responsive to those risks, and obtaining evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the Company's internal control.
- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the Company's internal control.
- The procedures described in the Assurance checklist (intended for assurance providers) included in the UNEP FI Guidance for assurance providers Providing Limited Assurance for Reporting on Principles for Responsible Banking issued by the United Nations Environment Programme Finance Initiative (UNEP FI) published in November 2022.

Amsterdam, 29 June 2023
PricewaterhouseCoopers Accountants N.V.

Originally signed by D.J.P. van Veen RA

Appendix 2: Scope of the impact analysis

Assets	
Cash and cash equivalents	Out of scope
Loans and advances to banks	In scope
Of which: On demand deposits	Out of scope
Loans and advances to customers	In scope
Debt securities at amortised cost:	In scope
Of which: Interest receivable	Out of scope
Of which: Fair value hedge accounting	Out of scope
Investment securities	In scope
Of which: Intercompany investments	Out of scope
Intangible assets	Out of scope
Property and equipment	Out of scope
Investment property	Out of scope
Right-of-use assets	Out of scope
Non-trading derivatives	Out of scope
Deferred Tax Assets	Out of scope
Current tax receivable	Out of scope
Other assets	Out of scope
Non-current Assets Held for Sale	Out of scope
Funds under Management	
Funds under management	In scope
Of which: Private Banking	Out of scope