

Triodos  Bank

Financial Report 2021

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Key points for 2021 at a glance

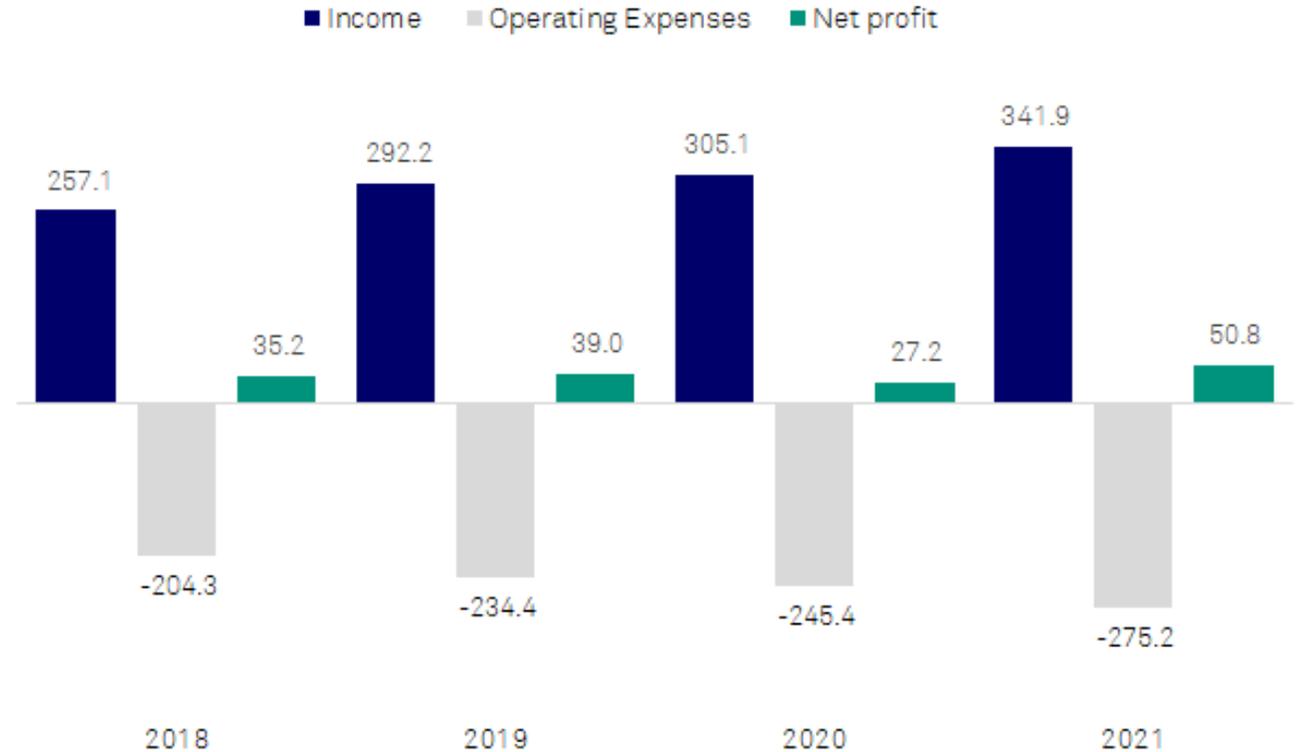
- Strong focus on **accelerated climate measures** supported by Triodos to finance the investments needed for the transition to a low-carbon economy
- In a Covid-19 affected year, Triodos Bank reports a **net profit of € 50.8 mln after tax for 2021**, which is € 23.6 mln higher than same period last year
- Our sound performance in 2021 was supported by € 36.8 mln higher total income, despite the ongoing margin pressure on funds entrusted, and € 24.4 mln lower ECL impairments, partially offset by € 29.8 mln higher expenses
- Overall loan business remains resilient, **benefitting from high credit quality** and a **geographically well-diversified loan portfolio** across Europe
- Triodos Bank's total Assets under Management increased by **€ 3.9 bln** in 2021 to € 24.2 bln per end of December 2021 (December 2020: € 20.3 bln)
- Triodos Bank **reports Return on Equity of 4.1%** (FY 2020: 2.3%) and **Cost-Income-Ratio of 80%** per end of December 2021 (FY 2020: 80%)
- In line with bank's dividend policy Triodos will **propose a dividend amount of € 1.80 per depository receipt** at the Annual General Meeting in May 2022
- Triodos Bank's capital ratios remain resilient with **CET-1 ratio of 17.5%** and **TCR of 21.3%** in 2021, which improved due to additional Tier-2 capital of € 250 mln from our first Green Bond issue in November 2021

Profit and Loss Account

- Triodos Bank reports a net profit of € 50.8 mln after tax for 2021, which is € 23.6 mln higher than same period last year
- Total income growth recovered in 2021 and is above pre-Covid-19 levels due to sustainable lending growth and higher FuM
- Focus remains on keeping healthy interest margins and improving fee income from investment funds and payment solutions
- Risk costs remain well below the through-the-cycle average. More favourable macroeconomic forward-looking parameters resulted in net release of ECL provision by € 0.5 mln in 2021
- Moderate growth of operating expenses to € 275.2 mln in 2021 due to additional employee expenses for Compliance and Anti-Money Laundering (AML) topics, higher Deposit Guarantee Scheme (DGS) contribution and one-off expenses for capital management strategy
- RoE improved to 4.1% in 2021 due to conscious selection of higher yielding loans and lower risk cost

Sound result with growing interest and fee income

P&L in € mln

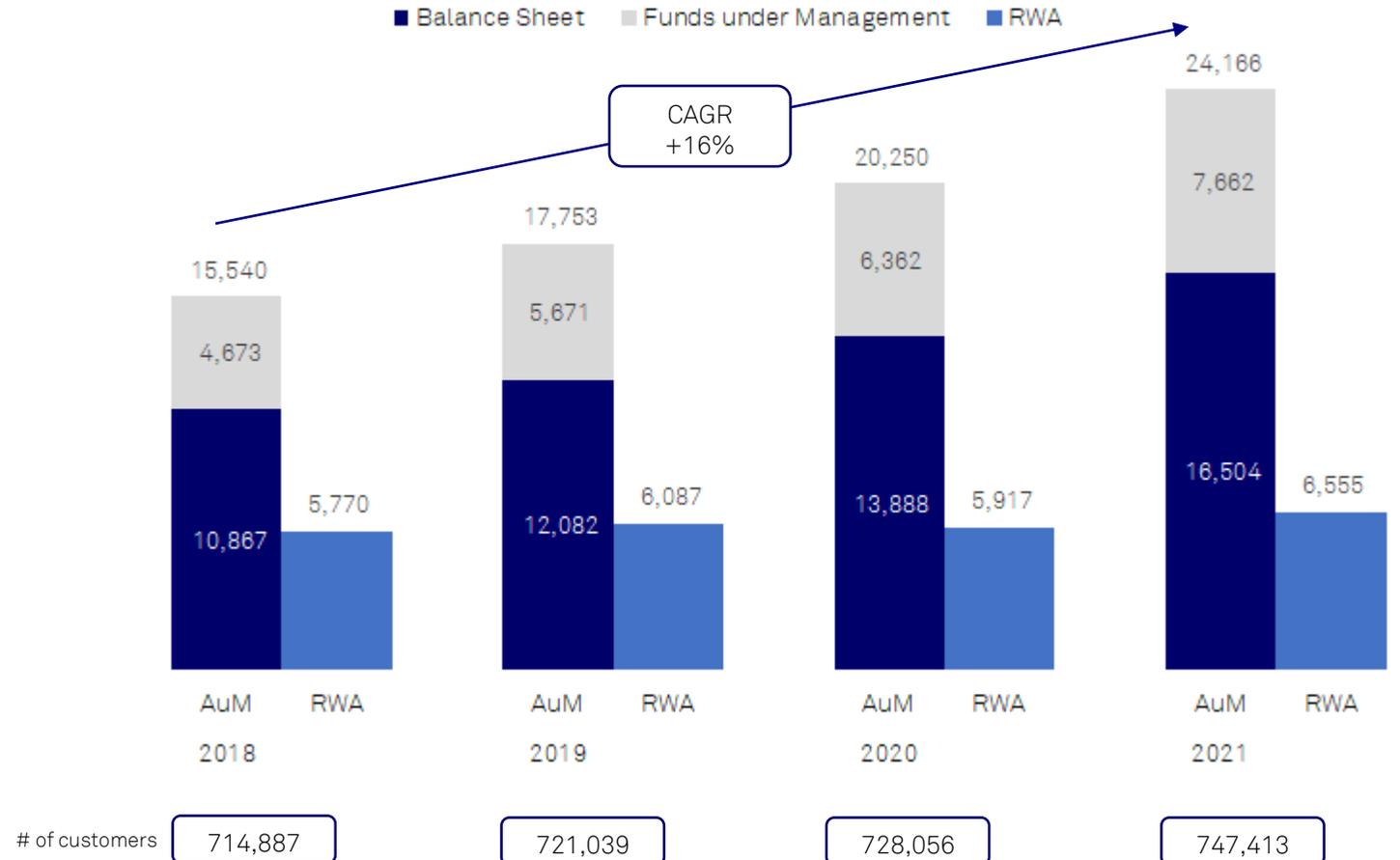


Assets under Management

- AuM growth of 16% annually (2018-2021) realized, despite (ongoing) Covid-19 pandemic impacting the global economy and society
- The underlying trend is positive and shows significant increase of our balance sheet and funds under management over the last years
- Our balance sheet has been growing annually by 15% (2018-2021) supported by a sound growth of funds entrusted (liability side) and sustainable loans (asset side)
- During the Covid-19 pandemic, Triodos Bank's commitment to values-based banking is more relevant than ever for people and society
- Sound demand for banking products with a real sustainability focus. As a result, our loyal customer base has grown to 747,413 customers per end of 2021

Higher impact in balance with substantial growth

Total AuM in € mln



Balance Sheet

- Total assets and liabilities grew by 19% to € 16.5 bln per end of December 2021, which is an increase of € 2.6 bln over the last 12 months
- Balance sheet growth was realised on the liability side by an increase of funds entrusted by € 1.5 bln to € 13.3 bln in 2021, increase of TLTRO by € 0.8 bln to € 1.6 bln and issuance of eligible Tier 2 capital (Green Bond) of € 250 mln
- Our equity position was slightly increasing by 3% to € 1.25 bln in 2021, but overall stable compared with the remaining liability side
- On the asset side we focussed on growing our sustainable loan portfolio, which increased by € 1.0 bln to € 10.2 bln in 2021
- The remaining funding was partly invested in highly liquid debt securities or to increase our cash position
- Our balance sheet growth is only focussing on assets with a clear social, cultural and / or environmental impact driving our net zero ambition for our core asset portfolio

Frontrunner in sustainable lending in Europe

Balance Sheet in € mln

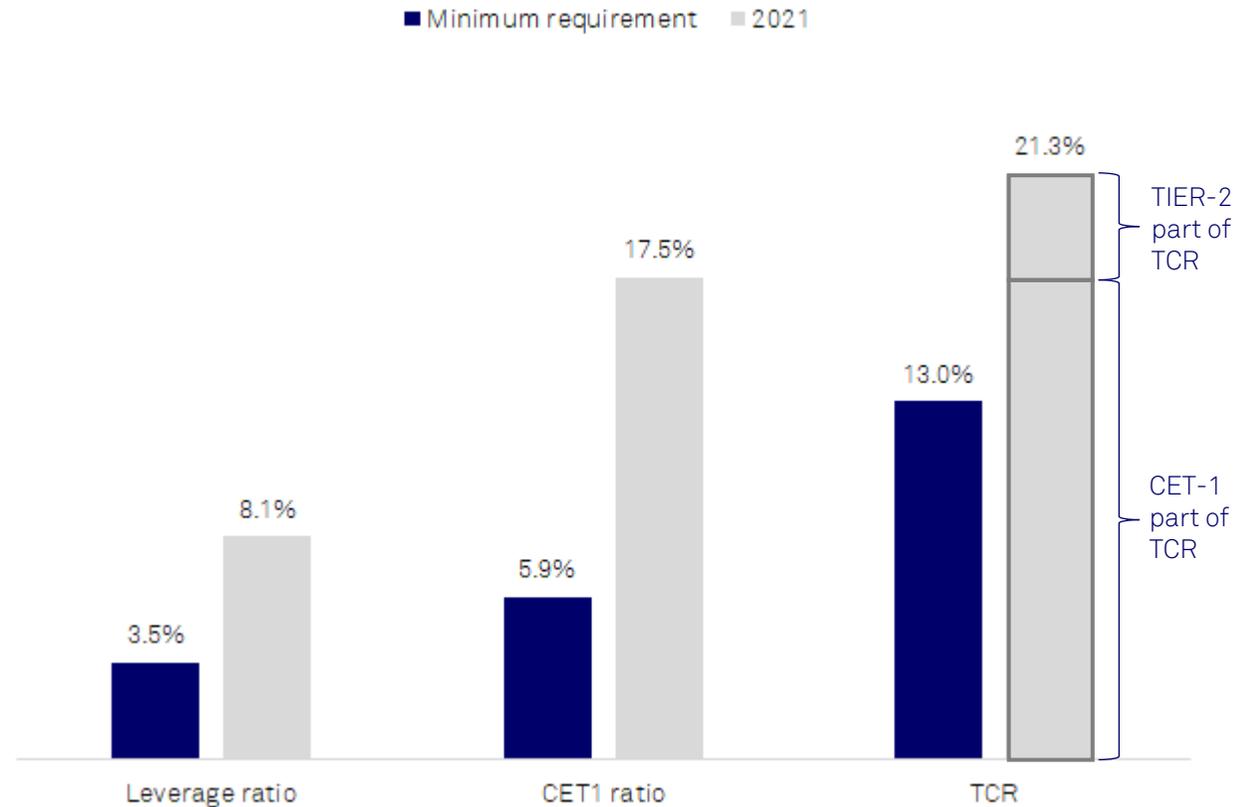


Prudential ratios (CET-1, TCR, LR)

- Triodos continues to further improve and diversify the capital structure and is improving capital cost going forward
- The bank's prudential ratios are in line with the bank's risk appetite and comfortably above regulatory minimum requirements
- Triodos Bank's mid-term strategy aims for a CET-1 ratio of at least 15.5% in the current regulatory context
- Leverage Ratio decreased to 8.1% due to additional asset growth and issuance of eligible Tier 2 capital whilst core capital was stable
- Triodos Bank's CET-1 ratio result in 17.5% in 2021 due to further asset growth and retained earnings after the AGM profit resolution in May 2021
- The bank's TCR improved to 21.3% due to the issuance of € 250 mln eligible Tier 2 capital in November 2021

Improved capital structure with onboarding of TIER-2

Ratios, minimum vs. actuals in %

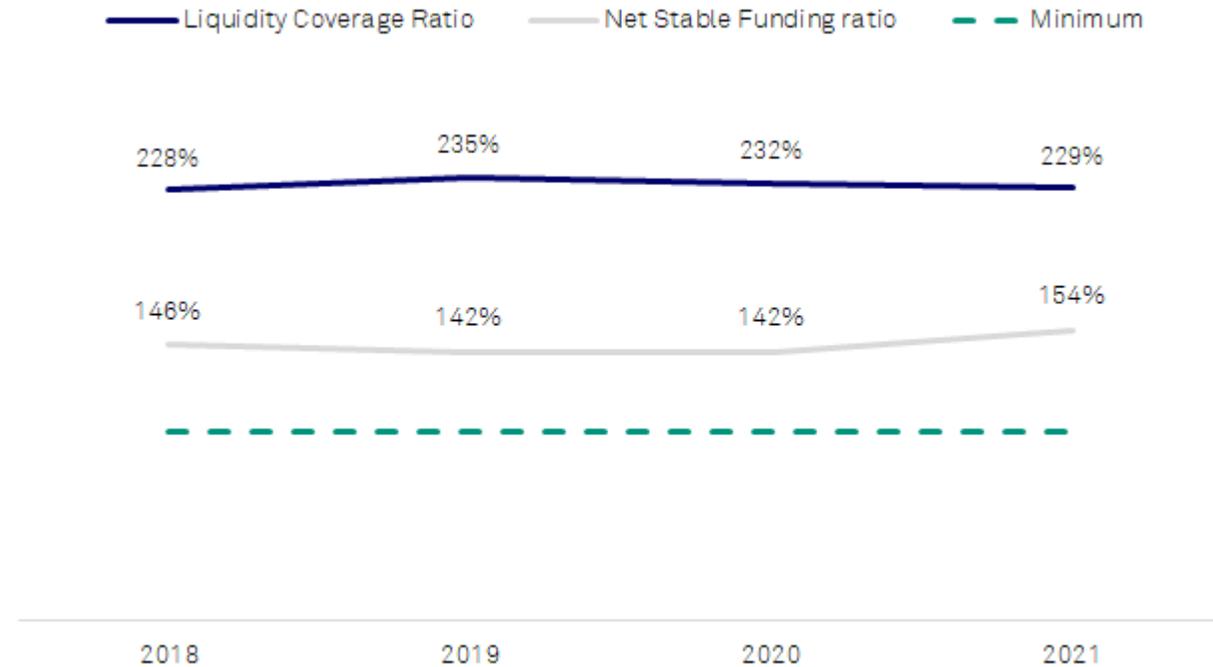


Prudential ratios (LCR, NSFR)

- The bank's overall liquidity position remains robust with an Liquidity Coverage Ratio of 229% per end of December 2021
- The Net Stable Funding Ratio ended up with 154% per end of December 2021. The increase in 2021 was driven by the onboarded TLTRO III.7 of € 0.8 bln which positively impacted the amount of stable funding in Q1 2021
- Both ratios are well above the regulatory minimum requirement

Stable and robust development over the last years

Ratios in %



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Thank you.