

Triodos Bank UK.

Modern Slavery and Human Trafficking Statement 2023.

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015. Triodos Bank UK Limited (Company Number: 11379025) is guided by the Human Rights statement of our parent group Triodos Bank N.V. This is Triodos Bank UK's fourth modern slavery statement and applies for the financial year ending 31 December 2023.

Human rights at the heart of our operations

Since its foundation Triodos Bank has had a strong commitment to respect human rights - as a financier, employer and purchaser. This commitment is at the heart of our operations. Our mission states: we want to help create a society that promotes people's quality of life and has human dignity at its core.

In our [Articles of Association](#) it reads: 'Through the exercising of its banking business the company aims to contribute to social renewal based on the principle that every human being can develop themselves in freedom, that they each have equal rights, and all bear responsibility for the consequences of their actions on other people and the earth.'

We respect people, support society and embrace different cultures and we fully endorse the aims of the [United Nations Universal Declaration of Human Rights](#). Our Business Principles provide a framework for the way we conduct our business and support our day-to-day decision making. They are aligned with international standards and guidelines regarding human rights, including the [OECD Guidelines for multinational enterprises](#). Triodos Bank is committed to reporting in line with [United Nations Guiding Principles Reporting Framework](#).

Triodos Bank at a glance

Founded in 1980, Triodos Bank has become a front runner in sustainable banking globally. Triodos Bank is a listed independent bank that promotes responsible and transparent banking, with banking activities in the Netherlands, Belgium, the UK, Spain and Germany as well as Investment Management activities based in the Netherlands but active globally.

Triodos only finances and invests in companies, institutions and projects that add cultural value and aim to benefit people and the environment.

Triodos Bank uses impact, risk and return to understand overall development and its place in the world around it. This necessarily means we have a positive, long-term perspective. Because if one is focused on delivering sustainable social, environmental and cultural impact as well as risk and return - as Triodos Bank is - the horizon is inherently longer-term and has a positive, holistic outlook. Triodos Bank does this with the support of a community of depositors and investors who want to encourage socially responsible business and a sustainable society.

Triodos Bank UK Ltd exists as a wholly owned subsidiary of Triodos Bank and is headquartered in Bristol, with small offices also in London and Edinburgh. The bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 817008. Triodos Bank UK has 89,444 customers and 317 co-workers (2023).

More information on our organisational structure, corporate governance and accounts can be found in the Triodos Bank [Integrated Annual Report 2023](#).

Our approach to modern slavery

Triodos Bank is absolutely committed to preventing slavery and human trafficking in its corporate activities as a lender, financier, as an employer and as a contractor. The following policies, processes and activities illustrate our commitment and approach to ensure that our business activity is free from slavery and human trafficking.

Our Policies

Triodos Bank has two important policies that describe the way we incorporate human rights in our activities: our [Business Principles](#) and [Minimum Standards](#). These policies are applied across all activities of Triodos Bank and Triodos Investment Management. They apply to new customers, existing customers, our third-party external suppliers, our own operations and our own co-workers.

1. Our **Business Principles** provide a framework for the way we conduct our business and support our day-to-day decision-making. They govern our conduct and set the standard by which internal and external stakeholders can evaluate us. We explicitly state our commitment to the [United Nations Universal Declaration of Human Rights](#) and that we seek to ensure that none of our products and services or those we externally procure abuse civil, political, social or economic rights.
2. In our **Minimum Standards** we state that companies have a clear responsibility regarding human rights and that our business relations are expected to respect human rights, especially the rights of women, and those of children and other vulnerable groups. The Minimum Standards set out the absolute minimum requirements for all our investments and credit agreements. Our Minimum Standards identify industries that we always exclude and set out the absolute minimum requirements. These include companies that operate in industries identified as high-risk for the violation of human rights, such as mining, fast fashion or tobacco production.

We strive for an open dialogue with all our stakeholders, including our co-workers. If any of our co-workers feel their rights have been impacted, they can file a complaint as part of our grievance mechanism. Grievances are concerns, problems or complaints regarding working conditions or relationships with colleagues. Our Grievance Policy is in place so that all co-workers can be confident that any grievances relating to their employment will be dealt with fairly and without unreasonable delay. Co-workers can also follow our [Whistleblowing Policy](#) that exists to reduce the risk of and address any conduct which may represent a breach of regulation or legal obligation. All other stakeholders can raise a complaint using the Banks complaints process.

As a bank committed to the highest level of ethical standards, we also set high standards of impartiality, integrity and objectivity. Our Anti-bribery and Corruption Policy covers a commitment to the prevention and detection of fraud, money laundering, bribery and corruption, and responding to any reported incidents.

Our approach to due diligence and risk assessment as a lender and financier

Triodos Bank business customers are mostly small and medium sized companies that operate in the UK. As a leading ethical bank in the UK, we exist to only finance and invest in companies, institutions and projects that support positive social, cultural or environmental change. We believe banks should be open – that's why we publish details of every organisation we lend to on our website (www.knowwhereyourmoneygoes.co.uk) to offer complete transparency.

We assess our lending, finance and investment decisions according to our own social criteria and according to those detailed in relevant international standards and guidelines (where applicable). These include the UN Global Compact, OECD Guidelines for multinational enterprises and the Equator Principles. We apply these proportionally, based on the type of customer, their size and activities.

As part of our due diligence, we have identified the human rights most at risk in our role as a lender and financier, as an employer and as a contractor. Triodos Bank has held internal consultations with relevant stakeholders in our banking business, human resources and procurement departments to identify any salient issues.

Despite the exclusions put in place by our Minimum Standards, we recognise that there is still the risk of potential human rights issues in our lending business, for example in the supply chains of our customers. We've identified areas where the risk is most prevalent, including agriculture, particularly in relation to the labour market when relying on outsourced workers and visa sponsored workers where malpractice is a risk; renewable energy, particularly solar panel manufacturing; also in the consumer sector. These are scrutinised as part of the due diligence and selection process we undertake on our banking customers. For example, in relation to solar panels Triodos has asked all customers to confirm that no human rights are being violated in their supply chain, specifically regarding forced labour by Uyghurs in China's Xinjiang region.

Our team of relationship managers determine the positive and negative social, environmental and cultural impact of each (potential) customer. They engage intensively – often face to face – with customers and require relevant information to determine impact (if relevant, also relating to human rights). To assess credit and investment proposals, our relationship managers and fund managers refer to our Business Principles in the first instance. Then, the Lending Criteria which specify how Triodos Bank's vision and mission are translated into banking practice are applied.

Every year we review all our lending customers in business banking to determine if they still match our mission and values, in line with our Business Principles and Minimum Standards. In the case of relevant developments, we engage with our customers. Of course, our relationship managers are

in regular contact with customers during the year. If issues arise before or after the formal review, they will address them with their customer.

We are committed to tackling modern slavery in relation to financial crime and the misuse of our products, services or systems by criminals. In line with our regulatory obligations, we have a financial crime team made up of subject matter experts, which will investigate any suspicious activity or risks, and strict anti-money laundering measures are in place. We will always collaborate with the government, NGOs and law enforcement to help identify and mitigate against modern slavery or other criminal activity. We end relationships with customers if there are indicators or concerns and report it to the authorities (National Crime Agency).

All co-workers are trained and have a duty to flag financial crime related issues if they see them and our financial crime investigation team have additional skills including customer due diligence, complying with sanctions and fighting fraud. Enhanced support for Vulnerable Customers, in line with FCA guidance, is achieved through ongoing delivery of specific training, and appointed customer vulnerability specialists within the customer contact team. All co-workers undertake mandatory training on economic crime, conduct risk and anti-money laundering, as well as how to be inclusive in relation to vulnerable customers.

As an employer

The Bank's mission has human dignity and quality of life central to all that we do, and this is integral to how we support our co-workers to achieve success. Our people strategy is designed to support our mission, enabling our co-workers to create positive social, cultural and environmental impact by creating an adaptive and inclusive culture with a highly engaged co-worker community.

We believe everyone has the right to work in a safe and supportive environment. We aim to foster an open and transparent workplace where each individual acts in line with our values and feels comfortable to raise concerns when they think something is wrong. We actively encourage a culture of respectful challenge and speaking up but where issues cannot be resolved informally or co-workers would prefer a more formal approach, they can follow our Grievance Policy or our Whistleblowing Policy and use our anonymous whistleblowing hotline, Speak Up.

Training and development are provided to co-workers on many topics including technical skills, compliance matters, customer interactions, behaviours and other personal development. For more information, read our [Co-worker report in our Annual Report](#).

All co-workers, temporary workers and contractors undergo rigorous pre-employment screening before joining Triodos and this includes adequate checks that they have the right to work in the UK. The hiring of temporary workers is done through a trusted and reputable recruitment agency.

We are committed to creating a welcoming and inclusive work environment and to identifying potential barriers to entry to the organisation. We understand that not everyone's achievements look the same on paper and we want to recruit the best people, from every background, recognising that we still have more to do to support social inclusion. We are also entering the fourth year of our internship scheme, hosting a diverse range of students who are predominantly from the University of the West of England. We have seen a number of our interns take roles with us post-graduation.

Equity, Diversity and Inclusion (EDI) continues to be an important focus in which creating a co-worker population representative of our customers and communities remains a priority. Triodos Bank UK benchmarks itself against local and national data, aiming to attract and recruit individuals from underrepresented sectors of the communities in which we operate. EDI training for all Triodos Bank UK co-workers became a mandatory requirement in 2021 and our Inclusion Forum established in the same year continues to thrive. Further details on our work in this area can be found in our [diversity and inclusion statement](#).

Triodos Bank has been an accredited Real Living Wage employer since 2014 and all our co-workers are paid at least the Real Living Wage. We also require all those employed via suppliers and contractors operating on site (e.g. cleaning staff) to be paid the Real Living Wage. We undertake an annual payroll audit to ensure this is adhered to.

Our approach to third party supplier management

Triodos Bank strives for long-term collaborative relationships with our suppliers. Our policies outline our ambition to work in partnership with suppliers to align our positive impact ambitions and promote the use and adoption of more sustainable products, production processes, and supply chains. All suppliers we work with therefore go through a rigorous onboarding process and are then re-assessed at regular intervals. Modern Slavery is considered across our suite of vendor management processes, governance, and inhouse procurement training.

Triodos Bank aims to get all of our suppliers to sign our company guidelines, including our Business Principles, which apply to our own organisation and to those doing business with us. Triodos also regularly re-assesses the suppliers fit to Triodos. Through our procurement policy, which is applicable to all our suppliers, they are expected to comply with the same principles regarding human rights we have adopted for our own activities.

We assess our strategic suppliers through dialogue according to our Minimum Standards and strive to implement this way of working for all our suppliers. In addition, we consider international standards and guidelines that support sustainable development, such as the latest Global Reporting Initiative guidelines. Where appropriate we provide feedback to suppliers about their own environmental and social performance.

We believe that the risk of modern slavery in our supply chain is low because the majority of services are supplied from our Group Parent company or are suppliers providing professional services or goods delivered from within the United Kingdom. We believe suppliers should be open – that's why we strive for transparency from our suppliers. We recognise that there is still the risk of a modern slavery issue in our supply chain. These risks are scrutinised as part of the due diligence and selection processes.

In summary

Given our size and close relationship with our customers and their natural focus on ethical values, we believe that the risk of modern slavery in our operations and our supply chain are low. However, we will not be complacent, and we know there is more that we can do.

We take a zero-tolerance policy to modern slavery and human trafficking and are committed to continuing to strengthen our processes and raising the focus on this issue, by ensuring we understand the signs to look out for and how to offer support when needed.

This statement was approved by the Board of Triodos Bank UK Ltd on 4 July 2024.



Gary Page
Chair, Triodos Bank UK Limited



Dr Bevis Watts
Chief Executive Officer, Triodos Bank UK Limited

Telephone: 0330 355 0355
www.triodos.co.uk

Calls to and from Triodos Bank may be recorded for training and monitoring purposes.

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