

Triodos Bank.
This is
important information
about us.

Our mission

Triodos Bank's mission is to make money work for positive social, environmental and cultural change. We connect depositors, savers and investors who want to change the world for the better with entrepreneurs and sustainable organisations doing just that.

Group overview

Founded in 1980, Triodos Bank is a European bank with branches in the Netherlands, the UK, Belgium, Spain and Germany, and a presence in France. Our subsidiary, Triodos Investment Management, is a globally recognised leader in impact investing. The head office of Triodos Bank is in the Netherlands. In the UK, we are authorised by the Dutch Central Bank (DNB) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority.

Structure

Rather than conventional shares, Triodos Bank has a special ownership structure designed to protect our mission and values. All our shares are held in trust by SAAT - the Foundation for the Administration of Triodos Bank Shares. SAAT issues depository receipts to represent the financial value of the shares, and these are available to the public and institutions. Triodos Bank depository receipts are not listed on any stock exchange but are traded via an internal market operated by SAAT's board of management. This market operates on a matched bargain basis, meaning that the sale of depository receipts is arranged if and when there is a buyer for them. The SAAT board also retains the voting rights for all shares, guided by the bank's ethical goals and mission, its business interests, and the interests of the depository receipt holders.

Strong solvency

Solvency represents a bank's long-term ability to meet its financial obligations, reflected by the strength of its capital base. Triodos Bank's solvency is strong, and in 2017, we successfully raised capital from our customers of over EUR 77 million. This helped us to maintain a regulatory Common Equity Tier 1 ratio of 19.2% at the end of 2017 well above both external and our own internal requirements.

Good liquidity

Liquidity is a measure of how easily a bank can access cash in the short term. Triodos Bank is characterised by a high degree of liquidity, and its funding is strong and stable as it is based on widely-spread savings and deposits from over 681,000 customers¹. These savings and deposits finance our lending operations, with any surplus placed with central banks or credit institutions, or invested in deposits and bonds. As a result, Triodos Bank does not rely on funding from the wholesale money and capital markets. Triodos Bank's liquidity position remains very strong, and liquidity risk² is minimised.

¹2017 figure

²Liquidity risk refers to the risk that Triodos Bank is unable to fulfil its payment obligations to its customers and counterparties at a particular point in time without incurring unacceptable losses.

More information on Triodos Bank's solvency and liquidity can be found in the Financials section of our annual report at triodos.co.uk/annualreport.

Credit rating

Although Triodos Bank is growing year on year³ our funding structure means that we do not utilise the wholesale money markets which frequently require a bank to have an official credit rating to be able to access funds cost-effectively. By contrast, Triodos Bank was established to provide a closer and more transparent link for savers with projects that deliver a positive impact either on the environment or society. We therefore source funds through what is known as the retail market, from individuals and organisations who share in our values, where a credit rating is not so necessary or useful.

Since the banking crisis, an increasing emphasis has been placed on capital and liquidity requirements. In 2010 new liquidity ratios were

announced in light of Basel III requirements. These are designed to build a more resilient banking sector by strengthening the solvency of the banks and introducing strict liquidity requirements.

Triodos Bank already complies with the anticipated standards for both new capital and liquidity requirements, as recently published by the Basel Committee. The regulations are required to be fully implemented by 2019.

A full and detailed report on Triodos Bank's performance can always be found on our website. And every year we welcome depositors and borrowers to the Triodos Bank Annual Meeting where they are able to ask specific questions of our senior management.

2017 figures at a glance

Triodos Bank UK

Triodos Bank's UK lending grew by 12.5%

The loan book grew by £89m to £799m

Triodos Bank Group

Triodos Bank balance sheet: EUR 9.9 billion (9% growth)

Assets under management: EUR 14.5 billion (8% growth)
(Including Triodos Bank, investment funds and Private Banking)

Number of customers: 681,000 (4% growth)

Triodos Bank net profit: EUR 37.4 million (up 28%)

Capital ratio (or Common Equity Tier 1 ratio): 19.2%

Number of co-workers: 1,377 (8% growth)

³For further information, please see our Annual Report 2017 at triodos.co.uk/annualreport.

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

Triodos Bank NV incorporated under the laws of the Netherlands with limited liability, registered in England and Wales BR3012. Authorised by the Dutch Central Bank (DNB) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request. Registered office: Triodos Bank, Deanery Road, Bristol BS1 5AS. VAT reg no 793493383.

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All figures quoted are from Triodos Bank's Annual Report 2017



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