

Business Principles

Triodos Bank finances companies, institutions and projects that add cultural value and benefit people and the environment, with the support of depositors and investors who want to encourage socially responsible business and a sustainable society.

Triodos Bank's mission is

- to help create a society that promotes people's quality of life and that has human dignity at its core
- to enable individuals, institutions and businesses to use money more consciously in ways that benefit people and the environment, and promote sustainable development
- to offer customers sustainable financial products and high-quality service.

Ambition

Triodos Bank wants to promote human dignity, environmental conservation and a focus on people's quality of life in general. Key to this is a genuinely responsible approach to business, transparency and using money more consciously. Triodos Bank puts sustainable banking into practice. First and foremost, this means offering products and services that directly promote sustainability. Money plays a leading role in this because using money consciously means investing in a sustainable economy. This in turn helps to create a society that enjoys a better quality of life.

Vision

Triodos Bank exists because it believes that people have the freedom to develop themselves, have equal rights and are responsible for the consequences of their economic actions on society and the planet. We only lend to and invest in organisations that contribute to a more sustainable society. Our approach takes account of people, planet and profit to deliver a positive return over the long term. This people-oriented, environmental and financial approach is expressed in the Triodos Bank name itself. Triodos – 'Tri hodos' – translated from Ancient Greek means 'three-way'.

Our corporate values

We are dedicated to making a positive impact on the world and to lead by example. Our corporate values are:

- Sustainability: We use money with conscious thought about the environmental, cultural and social impact.
- Transparency: We provide adequate insight into our

business and inform our customers about the projects and businesses that we finance and invest in with the deposits they entrust to us.

- Excellence: We strive to translate our mission into high quality products and services.
- Entrepreneurship: We work to develop innovative ways to finance leading entrepreneurs in sustainable sectors.

Our Business Principles

Triodos Bank was founded in the Netherlands in 1980 and has branches in the Netherlands, Belgium, Spain, the United Kingdom and Germany. We provide simple, competitive and high-quality sustainable banking services that include saving, lending and investing, asset management and private banking, and payments services. 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. The Triodos Bank Business Principles apply to all co-workers and are aligned to our values.

We are committed to the following Business Principles:

- Promote sustainable development: We consider the social, environmental and financial impacts of all that we do.
- Respect human rights: We respect people, society and different cultures and support the aims of the United Nation's Universal Declaration of Human Rights.
- Respect the environment: We will do all that we can to create and support positive environmental impacts.
- Be accountable: We are accountable, responsible and committed to our stakeholders for all our actions.
- Continuous improvement: We seek to continuously improve all facets of our business.
- Respect and obey the law: We are committed to complying with all legal requirements in all countries in which we operate.

Observance of our Business Principles

The Business Principles apply to all Triodos Bank businesses, specifically all Triodos Bank branches, Triodos Investment Management and Triodos Private Banking. All co-workers must be familiar and comply with the Triodos Bank Business Principles. Violations are, depending on their nature and seriousness, reported according to our Risk Event Management

policy, our Financial Crime policy or our Whistleblower policy among others. It is the responsibility of the members of the Executive Board and Senior Management to ensure that all co-workers are made aware of the principles and to ensure that they are observed. New co-workers are informed of our principles during their induction or by Human Resources in the initial days with the company.

Whistleblower policy

Triodos Bank has a whistleblower policy to promote reporting of gross Business Principles violations. The policy enables co-workers to file complaints on an anonymous basis to the Chairman of the Executive Board, without fear of retaliation, as detailed in our Whistleblower policy. Alleged irregularities concerning the functioning of members of the Executive Board can be reported to the Chairman of the Supervisory Board.

Compliance and reporting

Triodos Bank places high value on compliance with the Business Principles. Senior and Middle Management are responsible for compliance and the implementation of appropriate controls in business processes. Management of each branch is responsible for maintaining an up-to date incident database and must report to the Executive Board, in line with our Financial Crime policy. Serious incidents are reported to the Compliance Officer at group level. Our performance with respect to our Business Principles is reported in both our financial and non-financial reports.

Business Principles in practice

The Business Principles determine both our internal business conduct and our relations with the outside world. The way that the principles are reflected in our internal and external daily operations is explained by use of the following themes: business ethics & corporate governance, community, stakeholders and customers, co-workers, environment and suppliers & contractors.

Business ethics & corporate governance

Our business ethics and corporate governance help to define the parameters within which we can achieve our mission. Therefore it is important to us that we:

- Support and commit to the aims of the United Nation's Universal Declaration of Human Rights and seek to ensure that none of our products and services abuse civil, political, social or economic rights.
- Do not discriminate on the basis of race, skin colour, sex, gender identity, language, religion, political beliefs, health status, marital status, sexual orientation, national or social origin, social status, ethnicity or indigenous status, disability, or on the basis of any other irrelevant characteristics.

- Monitor and report annually on our social, environmental and financial performance, and that our reporting is comprehensive, fair, accurate, timely and complies with applicable legislation and international guidelines and standards.

- Report according to the latest Global Reporting Initiative (GRI) Guidelines. We recognize the GRI standards, including the various sector supplements, as the world's most commonly used framework for reporting.
- Take appropriate measures – including reporting to regulators and law enforcement agencies – against anyone who misuses Triodos Bank's (brand) name, services, systems or data for committing a financial crime. Due diligence procedures will be conducted with respect to clients, beneficial owners, or other business relations and additional safeguards will be applied for politically exposed persons, in accordance with anti-corruption and anti-money laundering regulations. Measures will be aligned with international standards and guidelines such as the Financial Action Task Force and the Wolfsberg Principles.
- Maintain good corporate governance in line with relevant codes, such as the Dutch Corporate Governance Code and Dutch Banking Code, and our corporate values, or explain why we deviate.
- Regularly monitor, review and report on our corporate governance performance in our annual report.
- Pay our fair share of taxes in the countries where we operate and in accordance with the economic reality of our activities.

In line with our business ethics and corporate governance, we expect from our co-workers that they:

- Avoid personal and financial activities that conflict with the best interests of Triodos Bank and its stakeholders.
- Respect our Personal Investment policy on co-workers' personal investments in relation to sensitive information to which they have access due to their profession. The policy prohibits any connection between such investments and non-publicly available information.
- Respect our Gifts and Hospitality policy. Co-workers must refrain from - directly or indirectly - offering, promising or giving money, gifts, entertainment, benefits or other undue advantages to obtain or retain business. In addition, they must not demand or accept any such advantages that may influence their decision making in business.

Community

Triodos Bank seeks to encourage and support society and its communities to be sustainable. To this end we envision to be locally embedded and to play an active role in the communities and sectors in which we operate. 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, such as the UN Global Compact, OECD guidelines for multinational enterprises and Equator Principles.

Stakeholders

Triodos Bank defines stakeholders as all people, groups and organisations that it has a (business) relationship with, and describes three particular groups:

- Those that engage in economic transactions with the business (e.g. customers, depository receipt holders, co-workers and suppliers)
- Those that don't engage in economic transactions, but who maintain a close interest in Triodos Bank (e.g. NGOs, governments and the media) from a societal perspective.
- Those that provide new insights and knowledge (e.g. advisors and inspirers), prompting us to reflect, rethink and explore new territory.

The stakeholder dialogue provides essential input for the development of our activities and strategy, while it allows us to share knowledge and to advance development. The stakeholder dialogue enables us to:

- Stay abreast of new sustainability issues. We work with our stakeholders, in particular customers, non-governmental organisations, professional association and forums, to develop and advance our sustainability criteria.
- Address sustainability issues and encourage action. We use our influence as investor, financier or manager of investment funds to raise awareness on important issues.

In our business relations we consider international standards and guidelines of which the aims support our mission. We endorse the Equator Principles, the European SRI Transparency Code, the International Finance Corporation Performance Standards and Health and Safety Guidelines, the UN Principles for Responsible Investment, the UNEP Finance Initiative and the GRI framework.

Customers

We aim to provide our customers with products and services that meet their specific needs and contribute to sustainable development. It is therefore important to us that we:

- Support social and environmental projects and develop partnerships with businesses and organizations whose direct and indirect output contributes to a sustainable society.
- Apply the Triodos Bank Lending Criteria and Triodos Bank Minimum Standards & Exclusions for the selection of borrowers and investees.
- Make financial products available to poor communities and low-income groups in developing countries through microfinance and fair trade activities.
- Review and update our products and services.
- Ensure that our product, marketing and pricing information meets all regulatory requirements and is easy to understand for customers.

- Welcome feedback and comments of our customers and handle potential expressions of dissatisfaction fairly, consistently and promptly.
- Review our offer in order to provide quality and up-to-date products and services.
- Respect customer confidentiality.

Co-workers

Our co-workers are essential in achieving our mission. We strive to form a living community of co-workers and to create a working environment that is mentally inspiring, physically healthy, and socially welcoming. Further to that, we seek to build a community that can work effectively in line with the mission and the values of our organization. Therefore it is important to us that we:

- Ensure that our selection and recruitment processes are fair and professional, in order to find the right person for the right place in the organisation, at the right moment.
- Encourage feedback to improve the effectiveness of our organisation and the co-workers.
- Provide training and development and opportunities for promotion and growth.
- Promote equal opportunity and support diversity.
- Do not tolerate discrimination or harassment of any kind.
- Are committed to the health and safety of our co-workers.
- Support and commit to the conventions and recommendations of the International Labour Organization.
- Support the right of co-workers to have freedom of association, freedom of expression, and the right to collectively bargain.
- Reward performance and achievement fairly.

For example we monitor gendered pay differences at different functions throughout the organisation, and if any review and discuss for awareness. We will not pay any bonuses, since our results are achieved by the contribution of all and we want to avoid that co-workers are tempted to work primarily for their personal profit instead of that of our customers and our organisation. We may reward extraordinary performances or achievements with a modest discretionary retrospective Token of Appreciation.

- Report on our performance of our social policy and our co-worker policy in our annual report.
- Enable our co-workers to file complaints on an anonymous basis without fear of retaliation, as detailed in our Whistleblower policy.

Environment

Respect for the environment is an integral aspect of all Triodos Bank's activities, including our international operations and business conduct. We want to continuously improve our environmental performance and serve as a reference point for other organizations. It is therefore important to us that we:

- Integrate environmental considerations into all our business decisions, on products, services and operations.
- Apply environmental criteria, as set out in the Triodos Bank Lending Criteria and Triodos Bank Minimum Standards & Exclusions, to assess lending and investment decisions.
- Set environmental targets and objectives and regularly monitor our performance.
- Evaluate and maintain our Environmental Management policy.
- Promote environmental conservation and share our knowledge of environmental issues and best practice with our customers, partners, suppliers and other stakeholders, while simultaneously learning from them.
- Engage and train our co-workers for minimizing our adverse environmental impact and maximizing our positive impact, and to ensure that our environmental policy is implemented effectively.
- Minimise the use of finite resources (such as water, paper and fuel) and promote products that are by design easy to repair, refurbish, repurpose and recycle.
- Operate a CO₂ neutral organization by minimizing our energy consumption, using renewable energy and compensating for the unavoidable part of our environmental impact.
- Undertake internal and external auditing of our environmental performance, set targets for the future and report on results and targets in the Annual report.
- Comply with relevant environmental legislation, regulations and standards.

Suppliers & contractors

The environmental considerations underpinning our procurement are translated into the Triodos Bank Sustainable Procurement policy. Sustainable procurement combines the social and environmental aspects with the regular focus on value for money when buying goods or services. In line with our positive impact ambitions and supply chains, we require suppliers and contractors to contribute to sustainable development with their products and services. We strive to inspire and support all our business relations to make their supply chains more sustainable. It is therefore important to us that we:

- Establish personal relationships with vendor, suppliers and contractors, for example by organizing face-to-face meetings and on-site visits.
- Strive for long-term and vested relationships that are based on shared value and mindset. We engage with our business relations to align our positive impact ambitions and together promote more sustainable products, production processes and supply chains.
- Assess our suppliers according to our Minimum Standards & Exclusions. In addition, we consider international standards and guidelines that support sustainable development, such as the latest Global Reporting Initiative guidelines. Qualitative sustainability assessments conducted by formal and independent parties may also guide our procurement.

- Apply the 'best-in-class' principle to purchase as much as possible from organizations that excel in their sustainability performance.
- Regularly review our current suppliers and contractors and possible alternatives in order to optimize the environmental and social impact of Triodos Bank's operations.

Feedback & comments

As mentioned in the section 'Our Business Principles in Practice', stakeholder dialogue is essential to us in terms of maintaining, developing and improving our activities. We encourage you to provide comments and feedback on our Business Principles and other aspects of our business. If you have any comments about this document or issues related to our business, please contact:

Thomas W.A. Steiner,
 Director Corporate Identity
 Telephone: +31 (0)30 693 6500
 E-mail: thomas.steiner@triodos.nl

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