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About the Pillar 3 report

This Pillar 3 Report contains most of the quantitative information as required in the Capital Requirement Regulation. The remainder can be found in the Annual Accounts section of Triodos Bank's annual report.

A reference overview for all requirements, quantitative and qualitative, is available in the "Appendix - Reference Overview Disclosures Related to the Capital Requirement Regulation" in the Annual report.

There are no differences between accounting and regulatory scopes of consolidation.

Triodos Bank does not omit the disclosure of any required information for proprietary or confidentiality reasons.

Materiality boundaries are used in the geographical and sector reports, where only the largest countries and sectors are reported.

Small differences are possible due to rounding.

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Key prudential regulatory metrics

amounts in thousands of EUR	2017	2016	2015
Available capital (amounts)			
Common Equity Tier 1 (CET1)	937,068	839,428	719,576
Tier 1	937,068	839,428	719,576
Total capital	937,068	839,428	720,133
Risk-weighted assets (amounts)			
Total risk-weighted assets (RWA)	4,880,465	4,368,513	3,786,148
Risk-based capital ratio's as a percentage of RWA			
Common Equity Tier 1 ratio	19.2%	19.2%	19.0%
Tier 1 ratio	19.2%	19.2%	19.0%
Total capital ratio	19.2%	19.2%	19.0%
Additional CET1 buffer requirements as a percentage op RWA			
Capital conservation buffer requirement (2,5% from 2019)	1.3%	0.6%	0.0%
Countercyclical buffer requirement	0.000072%	0.000065%	0.000000%
Total of bank CET1 specific buffer requirements	1.3%	0.6%	0.0%
CET1 available after meeting the bank's minimum capital requirements	10.0%	10.6%	11.0%
Leverage ratio			
Total leverage ratio exposure measure	10,474,216	9,552,324	8,572,727
Leverage ratio (%)	8.9%	8.8%	8.4%
Liquidity Coverage Ratio			
Total High Quality Liquid Assets	2,162,159	1,886,573	1,608,917
Total net cash outflow	962,502	589,855	357,794
Liquidity Coverage Ratio (%)	225%	320%	450%
Net Stable Funding Ratio			
Total available stable funding	8,213,283	7,501,340	7,113,587
Total required stable funding	5,736,168	5,027,274	4,507,388
Net Stable Funding Ratio (%)	143%	149%	158%

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Capital instruments main features

Triodos Bank has issued one capital instrument:

Shares

The main features are:

Shares	
Issuer	Triodos Bank NV
Unique identifier	Not applicable. The shares have not been listed on any securities exchange
Governing law(s)	Dutch law
Regulatory treatment:	
Transitional CRR rules	Common Equity Tier 1
Post-transitional CRR rules	Common Equity Tier 1
Eligible at solo/(sub-)consolidated/solo&(sub-)consolidated	Solo and Consolidated
Instrument type	Ordinary shares
Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	€ 975.5. For a specification see the "own funds" tab.
Nominal amount of instrument	The nominal amount per share is EUR 50. At reporting date 12,247,373 shares were issued and fully paid up so that the total nominal amount is EUR 612.4.
Issue price	The shares will be issued continuously. The issue price of shares will be determined daily by Triodos Bank on the basis of a fixed calculation model that calculates the actual net asset value of Triodos Bank (the NAV) divided by the number of issued shares (the NAV per share). The NAV is equal to the book value of the assets of Triodos Bank minus the book value of the liabilities of Triodos Bank. The issue price per share will be rounded to whole euros, whereby values of 0.5 euros or more are rounded up.
Redemption price	Not applicable.
Accounting classification	Shareholders equity
Original date of issuance	Triodos Bank N.V. was founded as a public limited company under Dutch law by deed of 30 June 1980. The issuance of shares started from that date.
Perpetual or dated	Perpetual
Original maturity date	No maturity
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	not applicable
Subsequent call dates, if applicable	not applicable
Coupons / dividends	
Fixed or floating dividend/coupon	Floating dividend
Coupon rate and any related index	Part of the profit as reported in the adopted profit and loss account shall be used by the Executive Board to form or to add to the reserves to the extent that is deemed desirable by the Executive Board. Any remaining profit shall be distributed to the shareholders, unless the General Meeting decides otherwise. The General Meeting may at any time and for any reason decide to cancel dividends. The intention of the Statutory Directors is to have a stable dividend distribution per share.
Existence of a dividend stopper	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
Existence of step up or other incentive to redeem	No
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible	Non-convertible
If convertible, conversion trigger(s)	Not applicable
If convertible, fully or partially	Not applicable
If convertible, conversion rate	Not applicable
If convertible, mandatory or optional conversion	Not applicable
If convertible, specify instrument type convertible into	Not applicable
If convertible, specify issuer of instrument it converts into	Not applicable
Write-down features	No
If write-down, write-down trigger(s)	Not applicable
If write-down, full or partial	Not applicable
If write-down, permanent or temporary	Not applicable
If temporary write-down, description of write-up mechanism	Not applicable
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The shares are immediate subordinated to the claims of depositors and the unsubordinated claims with respect to the repayment of borrowed money.
Non-compliant transitioned features	Not applicable
If yes, specify non-compliant features	Not applicable

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Own funds

The calculation of the Common Equity Tier 1 ratio and the total capital ratio is based on the reporting requirement under the Capital Requirement Directive (CRD) and Capital Requirement Regulation (CRR).

in thousands of EUR	2017		2016	
	Amount at disclosure date	Residual amount not deducted from capital	Amount at disclosure date	Residual amount not deducted from capital
The tier 1 capital, tier 2 capital and total capital can be specified as follows:				
Capital instruments and the related share premium accounts of which: ordinary shares	782,208		705,573	
Retained earnings ¹	–		–	
Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	193,292		168,868	
Independently reviewed interim profits net of any foreseeable charge or dividend ¹	–		–	
Common Equity Tier 1 (CET1) capital before regulatory adjustments	975,500		874,441	
Additional value adjustments	–1,887		–7,216	
Intangible assets (net of related tax liability)	–28,929		–22,932	
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in CRR Article 38 (3) are met)	–7,380	–1,845	–4,671	–3,114
Regulatory adjustments relating to unrealised gains and losses pursuant to CRR Articles 467 and 468	–237		–193	
Of which: adjustment for unrealised gains on participating interests	–237		–193	
Of which: adjustment for unrealised gains on property	0		0	
Total regulatory adjustments to Common Equity Tier 1 (CET1) Common Equity Tier 1 (CET1) capital	–38,433		–35,012	
Additional Tier 1 (AT1) capital	–		–	
Tier 1 capital (T1 = CET1 + AT1)	937,068		839,428	
Capital instruments and the related share premium accounts ²	0		0	
Tier 2 (T2) capital before regulatory adjustments	0		0	
Tier 2 (T2) capital	0		0	
Total capital (TC = T1 + T2)	937,068		839,428	
Total risk weighted assets	4,880,465		4,368,513	
Capital ratios and buffers				
Common Equity Tier 1 (as a percentage of risk exposure amount)	19.2%		19.2%	
Tier 1 (as a percentage of risk exposure amount)	19.2%		19.2%	
Total capital (as a percentage of risk exposure amount)	19.2%		19.2%	
Institution specific buffer requirement (CET1 requirement in accordance with CRR article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	1.3%		0.6%	
of which: capital conservation buffer requirement	1.3%		0.6%	
of which: countercyclical buffer requirement	0.000072%		0.000065%	
Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	10.0%		10.6%	

Amounts below the thresholds for deduction (before risk weighting)		
Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold)	3,295	3,734
Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold)	7,278	5,191
Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	1,829	1,868

1 Retained earnings are only recognised in the Tier 1 capital after the formal decision of the share holder confirming the final profit or loss of the institution for the year.

2 These capital instruments matured on 12 July 2016.

Prior year amounts have been adjusted regarding change of the accounting standard for property for own use from actual cost to cost. For further explanation see the general accounting principles.

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Overview of Risk Weighted Assets

in thousands of EUR	Risk Weighted Assets		Minimum capital requirements
	Q4 2017	Q3 2017	Q4 2017
Credit risk (excluding Counterparty Credit Risk)	4,454,363	4,293,583	412,032
Of which the standardised approach	4,454,363	4,293,583	412,032
Counterparty Credit Risk	7,671	7,366	614
Of which CVA	7,671	7,366	614
Market risk	–	–	–
Operational risk	418,431	386,756	38,705
Of which the basic indicator approach	418,431	386,756	38,705
Amounts below the thresholds for deduction (subject to 250% risk weight)	–	–	–
Total	4,880,465	4,687,705	451,351

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Countercyclical buffer

As only a few countries had set a countercyclical buffer rate larger than zero and Triodos Bank's exposures in these countries are relatively small, the resulting countercyclical buffer is small: 0.000072% in 2017. See below an overview of the exposure distribution for all countries

Geographical distribution of credit exposure values relevant for the calculation of the countercyclical buffer:

2017 in thousands of EUR	General credit exposure values ¹	Own funds requirements	Own funds requirements weights	Countercyclical capital buffer rate
Country:				
Australia	1	0	0.0%	0.0%
Belgium	1,012,088	65,399	18.4%	0.0%
Switzerland	194	6	0.0%	0.0%
Chile	222	6	0.0%	0.0%
Germany	426,316	29,096	8.3%	0.0%
Denmark	5,714	457	0.1%	0.0%
Spain	1,213,715	68,895	19.5%	0.0%
France	461,027	32,720	9.3%	0.0%
United Kingdom	955,893	49,022	13.8%	0.0%
Greece	123	10	0.0%	0.0%
Ireland	40,123	3,018	0.9%	0.0%
Italy	1,873	150	0.0%	0.0%
Luxembourg	8,419	763	0.2%	0.0%
The Netherlands	1,819,250	105,312	29.0%	0.0%
Norway	104	8	0.0%	2.0%
New Zealand	1	0	0.0%	0.0%
Sweden	54	4	0.0%	2.0%
United States	7,620	1,483	0.4%	0.0%
Other countries	26	2	0.0%	0.0%
Total	5,952,763	356,349	100.00%	0.000072%

2016 in thousands of EUR	General credit exposure values ¹	Own funds requirements	Own funds requirements weights	Countercyclical capital buffer rate
Country:				
Australia	469	37	0.0%	0.0%
Belgium	923,706	59,683	18.8%	0.0%
Switzerland	29	1	0.0%	0.0%
Chile	229	6	0.0%	0.0%
Germany	267,803	17,994	5.7%	0.0%
Denmark	5,767	478	0.2%	0.0%
Spain	1,064,119	65,728	20.7%	0.0%
France	393,930	29,543	9.3%	0.0%
United Kingdom	865,463	43,001	13.5%	0.0%
Greece	123	10	0.0%	0.0%
Ireland	45,375	3,505	1.1%	0.0%
Italy	2,143	171	0.1%	0.0%
Luxembourg	22,117	1,882	0.6%	0.0%
The Netherlands	1,515,273	94,457	29.7%	0.0%
Norway	112	9	0.0%	1.5%
New Zealand	291	6	0.0%	0.0%
Sweden	55	4	0.0%	1.5%
United States	5,512	1,064	0.3%	0.0%
Other countries	14	1	0.0%	0.0%
Total	5,112,530	317,582	100.00%	0.000065%

¹ The general credit risk exposure value is the exposure value after credit risk mitigation and after conversion factor for off balance exposures. This value relates to all exposure classes excluding central governments and central banks, regional governments and local authorities, public sector entities, multilateral development banks and institutions.

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Amount of institution-specific countercyclical capital buffer

in thousands of EUR	2017
Total risk exposure amount	4,880,465
Triodos Bank specific countercyclical capital buffer rate	0.000072%
Triodos Bank specific countercyclical capital buffer requirement	2

in thousands of EUR	2016
Total risk exposure amount	4,368,513
Triodos Bank specific countercyclical capital buffer rate	0.000065%
Triodos Bank specific countercyclical capital buffer requirement	1

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Total And Average Net Amount Of Exposures

The tables below display the net carrying values at the end of the year per exposure class. Next to it the average net carrying value per the same exposure classes over the past 4 quarters is provided. This average net carrying value is based upon the last 4 quarter end observations in the year 2017 resp. 2016. The net carrying values correspond to the original exposure (on and off-balance) pre-credit conversion factors corrected for allowances, impairments and provisions.

2017 in thousands of EUR	Net Value Of Exposures At The End Of The Year	Average Net Exposures Over The Period
Exposure Class:		
Central Governments or Central Banks	2,033,854	1,868,607
Regional Governments or Local Authorities	1,165,445	1,127,587
Public Sector Entities	79,142	79,232
Multilateral Developments Banks	131,958	132,309
Institutions	552,338	769,617
Corporates	3,732,443	3,582,861
Of Which: SMEs	2,004,483	1,587,431
Retail Exposures	647,222	505,014
Of Which: SMEs	236,998	186,503
Secured By Mortgages On Immovable Property	2,456,787	2,219,760
Of Which: SMEs	1,209,937	965,186
Exposures In Default	148,502	157,456
Items Associated With Particularly High Risk	6,429	6,830
Equity Exposures	12,127	11,971
Other Exposures	151,804	134,340
Total (= Total Standardised Approach)	11,118,051	10,595,584

2016 in thousands of EUR	Net Value Of Exposures At The End Of The Year	Average Net Exposures Over The Period
Exposure Class:		
Central Governments or Central Banks	1,703,360	1,536,074
Regional Governments or Local Authorities	1,089,729	1,088,766
Public Sector Entities	79,323	69,257
Multilateral Developments Banks	132,660	135,351
Institutions	986,895	1,028,133
Corporates	3,433,279	3,164,432
Of Which: SMEs	1,170,378	1,248,302
Retail Exposures	362,805	389,496
Of Which: SMEs	136,008	162,967
Secured By Mortgages On Immovable Property	1,982,732	1,829,803
Of Which: SMEs	720,434	785,111
Exposures In Default	166,411	162,794
Items Associated With Particularly High Risk	7,230	5,916
Equity Exposures	11,816	11,946
Other Exposures	116,643	108,848
Total (= Total Standardised Approach)	10,072,883	9,530,816

The net value of exposures is a sum of:

- Assets excluding intangible assets, excluding discount of subordinated liabilities (included under prepayments and accrued income) and after deducting discount of bonds (included under accruals and deferred income);
- Off-balance sheet items, consisting of contingent liabilities and irrevocable facilities;
- Derivatives, valued at the credit risk equivalent, which is based on the net replacement costs plus potential future credit exposures.

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Geographical Breakdown Of Exposures

The table below presents a breakdown of net carrying value of exposures and their totals by geographical areas and exposure classes under the SA approach.

2017 in thousands of EUR	Belgium	Germany	Spain	France	United Kingdom	The Netherlands	Other Countries	Total Standardised Approach
Central Governments or Central Banks	267,667	31,858	490,523	147	151,692	1,091,968	–	2,033,855
Regional Governments or Local Authorities	133,194	290,777	282,728	952	–	457,794	–	1,165,445
Public Sector Entities	–	–	–	–	–	79,142	–	79,142
Multilateral Development Banks	–	–	–	–	–	–	131,958	131,958
Institutions	73,954	116,704	119,446	3,153	67,929	171,044	108	552,338
Corporates	1,015,933	329,465	546,537	488,643	418,797	885,483	47,585	3,732,443
Retail	114,472	6,222	116,668	1,433	32,875	374,348	1,204	647,222
Secured By Mortgages On Immovable Property	239,960	114,281	534,279	62,908	547,032	956,799	1,528	2,456,787
Exposures In Default	14,440	1,770	56,953	–	17,451	54,677	3,211	148,502
Items Associated With Particularly High Risk	–	–	50	–	2,959	–	3,421	6,429
Equity Exposures	520	50	–	127	–	1,311	10,119	12,127
Other Exposures	3,305	1,901	45,157	561	18,462	82,417	–	151,803
Total (= Total Standardised Approach)	1,863,445	893,028	2,192,341	557,924	1,257,197	4,154,982	199,134	11,118,051

2016 in thousands of EUR	Belgium	Germany	Spain	France	United Kingdom	The Netherlands	Other Countries	Total Standardised Approach
Central Governments or Central Banks	288,940	9,981	537,081	186	151,038	716,135	–	1,703,361
Regional Governments or Local Authorities	136,570	140,939	150,903	–	–	661,317	–	1,089,729
Public Sector Entities	–	–	–	–	–	79,323	–	79,323
Multilateral Development Banks	–	–	–	–	–	–	132,660	132,660
Institutions	74,023	155,931	178,913	3,937	130,726	441,367	1,998	986,895
Corporates	969,978	193,317	601,155	425,447	327,835	849,928	65,618	3,433,278
Retail	63,633	4,689	17,219	46	32,000	243,748	1,472	362,807
Secured By Mortgages On Immovable Property	209,322	73,816	427,149	2,915	531,964	735,839	1,726	1,982,731
Exposures In Default	11,480	2,809	69,260	351	17,219	60,785	4,508	166,411
Items Associated With Particularly High Risk	–	–	50	–	3,025	–	4,155	7,230
Equity Exposures	–	50	–	117	–	4,152	7,497	11,816
Other Exposures	3,544	3,565	35,540	632	18,420	54,943	–	116,644
Total (= Total Standardised Approach)	1,757,490	585,097	2,017,270	433,631	1,212,227	3,847,537	219,634	10,072,885

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Concentration Of Exposures By Industry Or Counterparty Types

The table below presents a breakdown of net carrying value of exposures and their totals by industry and exposure class under the SA approach.

2017 in thousands of EUR	Banks and financial inter- mediation	Services	Healthcare and social work	Utilities	Public Admini- stration	Private individuals	Real estate	Other sectors	Total
Central Governments or Central Banks	1,363,372	–	–	–	668,165	–	–	2,318	2,033,854
Regional Governments or Local Authorities	–	8,911	–	–	807,993	–	–	348,540	1,165,445
Public Sector Entities	–	–	–	28,785	–	–	–	50,357	79,142
Multilateral Development Banks	131,958	–	–	–	–	–	–	–	131,958
Institutions	549,909	–	–	2,429	–	–	–	–	552,338
Corporates	14,186	366,345	234,451	1,583,485	–	203,444	592,174	738,358	3,732,443
Retail	–	21,394	53,537	21,194	–	359,347	22,283	169,466	647,222
Secured By Mortgages On Immovable Property	–	280,419	317,795	11,258	–	854,114	367,878	625,323	2,456,787
Exposures In Default	4,551	26,663	16,250	6,499	–	1,951	21,426	71,161	148,501
Items Associated With Particularly High Risk	3,470	–	–	2,959	–	–	–	–	6,429
Equity Exposures	11,627	–	–	–	–	–	–	500	12,127
Other Exposures	–	–	–	–	–	–	–	151,804	151,804
Total (= Total Standardised Approach)	2,079,071	703,732	622,033	1,656,610	1,476,158	1,418,857	1,003,762	2,157,827	11,118,050

2016 in thousands of EUR	Banks and financial inter- mediation	Services	Healthcare and social work	Utilities	Public Admini- stration	Private individuals	Real estate	Other sectors	Total
Central Governments or Central Banks	724,987	–	–	–	978,372	–	–	–	1,703,360
Regional Governments or Local Authorities	–	–	–	–	842,296	–	–	247,433	1,089,729
Public Sector Entities	–	–	–	28,881	–	–	–	50,442	79,323
Multilateral Development Banks	132,660	–	–	–	–	–	–	–	132,660
Institutions	986,895	–	–	0	–	–	–	–	986,895
Corporates	45,692	366,855	222,625	1,532,440	–	90,403	526,695	648,568	3,433,279
Retail	–	13,773	24,351	14,017	–	178,276	20,156	112,231	362,805
Secured By Mortgages On Immovable Property	–	196,035	288,812	3,885	–	647,740	334,300	511,961	1,982,732
Exposures In Default	4,551	29,773	39,242	9,021	–	1,397	14,733	67,694	166,411
Items Associated With Particularly High Risk	4,205	–	–	3,025	–	–	–	–	7,230
Equity Exposures	9,343	2,472	–	–	–	–	–	–	11,816
Other Exposures	–	–	–	–	–	–	–	116,643	116,643
Total (= Total Standardised Approach)	1,908,334	608,908	575,030	1,591,269	1,820,668	917,816	895,884	1,754,972	10,072,883

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Maturity Of Exposures

The following tables provide an overview of the remaining maturity of the on-balance assets per exposure class. The payable on demand and indefinite maturities include accrued interest and fees, doubtful debt provisions and balance sheet items with no, or unknown, maturity.

2017 in thousands of EUR	On Demand	<= 1 Year	> 1 Year <= 5 Years	> 5 Years	No Stated Maturity	Total
Exposure Class:						
Central Governments or Central Banks	1,366,241	172,738	399,996	94,878	–	2,033,854
Regional Governments or Local Authorities	–	588,120	199,304	378,582	–	1,166,006
Public Sector Entities	–	20,002	20,083	39,190	–	79,275
Multilateral Developments Banks	–	25,001	106,957	–	–	131,958
Institutions	215,265	47,934	243,581	22,275	–	529,055
Corporates	66,987	140,932	413,479	2,405,272	–	3,026,670
Retail	29,960	10,589	41,856	230,331	–	312,736
Secured By Mortgages On Immovable Property	24,770	14,099	68,041	2,157,994	–	2,264,904
Exposures In Default	53,884	8,644	18,753	103,869	–	185,151
Items Associated With Particularly High Risk	–	–	–	–	4,076	4,076
Equity Exposures	–	–	1,034	500	10,593	12,127
Other Exposures	–	–	–	–	151,804	151,804
Total	1,757,107	1,028,060	1,513,084	5,432,891	166,473	9,897,616

2016 in thousands of EUR	On Demand	<= 1 Year	> 1 Year <= 5 Years	> 5 Years	No Stated Maturity	Total
Exposure Class:						
Central Governments or Central Banks	725,845	310,538	409,883	257,094	–	1,703,360
Regional Governments or Local Authorities	26,000	587,160	178,814	297,755	–	1,089,729
Public Sector Entities	–	–	20,002	59,321	–	79,323
Multilateral Developments Banks	–	–	132,660	–	–	132,660
Institutions	279,130	413,225	249,272	33,116	–	974,742
Corporates	70,108	167,281	380,008	2,103,770	–	2,721,168
Retail	11,306	4,509	21,424	174,604	–	211,842
Secured By Mortgages On Immovable Property	27,002	9,422	65,097	1,718,130	–	1,819,650
Exposures In Default	52,485	10,299	22,700	121,231	–	206,716
Items Associated With Particularly High Risk	–	–	–	–	4,544	4,544
Equity Exposures	–	–	–	–	11,816	11,816
Other Exposures	–	–	–	–	117,111	117,111
Total	1,191,875	1,502,434	1,479,859	4,765,021	133,471	9,072,661

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Credit Risk Mitigation techniques – Overview

Credit risk mitigation relates to received collaterals (guarantees and pledged funds entrusted). As a result, the credit risk shifts from the exposure class of the direct counterparty to the exposure class of the collateral provider. This results in the fully adjusted exposure value for each exposure class.

The table below presents the Triodos bank lending and debt securities. Exposures represent the outstandings and is presented as secured by collateral or a guarantee if such a cover exists on a facility type. If a loan would have both collateral and a guarantee than these are both shown in the table below in the designated column.

2017 in thousands of EUR	Exposures unsecured – carrying amount	Exposures secured – Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total loans	4,436,810	2,232,043	1,095,986	1,136,058	–
Total debt securities	1,225,919	248,586	–	248,586	–
Total exposures	5,662,727	2,480,629	1,095,986	1,384,643	–
Of which: defaulted	140,824	38,931	22,420	16,511	–

2016 in thousands of EUR	Exposures unsecured – carrying amount	Exposures secured – Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total loans	3,943,829	1,972,182	1,088,633	883,550	–
Total debt securities	1,517,752	436,612	–	436,612	–
Total exposures	5,461,581	2,408,795	1,088,633	1,320,162	–
Of which: defaulted	163,573	37,759	19,158	18,601	–

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Standardised approach – Credit risk exposure and credit risk mitigation effects

The table below shows how credit risk mitigation (CRM) is distributed over the exposure classes. Triodos' exposure value is shown before and after credit risk mitigation. There are two principal methods for reducing or mitigating Credit Risk: i) by reduction of Credit Risk through the acceptance of pledged financial assets as collateral or ii) mitigation or shifting of credit risks to a lower risk weighting group by accepting guarantees from unrelated third parties. Triodos Bank uses both methods to take CRM effects into account, based on the Credit Risk Standardised Approach.

The table below illustrates the effect of all CRM techniques applied in accordance with the Part Three, Title II, Chapter 4 of Regulation (EU) 575/2013 on the standardised approach capital requirements' calculations. Risk weights depend on the exposure class and the credit rating of the direct counterparty or the collateral provider. Risk weighted exposure amount (RWA) density provides a synthetic metric on riskiness of each portfolio.

The risk-weighted value is calculated by multiplying the fully adjusted exposure value with the risk weight and the conversion factor. The Capital Requirement Regulation (CRR) state the definition of the exposure classes, the conversion factors and the risk weights.

2017 in thousands of EUR	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	On-balance- sheet amount	Off-balance- sheet amount	On-balance- sheet amount	Off-balance- sheet amount	RWAs	RWA density
Exposure class:						
Central governments or central banks	2,033,854	–	2,465,144	445	–	0.0%
Regional governments or local authorities	1,165,445	–	1,514,624	7,249	4,516	0.3%
Public sector entities	79,142	–	65,926	–	13,185	20.0%
Multilateral development banks	131,958	–	131,958	–	–	0.0%
Institutions	529,054	–	312,829	23,289	80,051	23.8%
Corporates	3,023,770	694,458	2,571,329	325,846	2,862,919	98.8%
Retail exposures	312,264	334,958	291,638	162,834	308,422	67.9%
Secured by mortgages on immovable property	2,262,672	194,115	2,091,655	96,270	849,996	38.8%
Exposures in default	141,173	7,328	127,972	3,550	154,018	117.1%
Items associated with particularly high risk	4,076	2,353	4,076	1,177	7,879	150.0%
Equity exposures	12,127	–	12,127	–	23,044	190.0%
Other exposures	151,804	–	258,062	6,225	150,333	56.9%
Total	9,847,339	1,233,212	9,847,340	626,885	4,454,363	42.5%

2016 in thousands of EUR	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	On-balance- sheet amount	Off-balance- sheet amount	On-balance- sheet amount	Off-balance- sheet amount	RWAs	RWA density
Exposure class:						
Central governments or central banks	1,703,360	–	2,226,856	628	–	0.0%
Regional governments or local authorities	1,089,729	–	1,437,725	7,863	141	0.0%
Public sector entities	79,323	–	49,323	–	9,865	20.0%
Multilateral development banks	132,660	–	132,660	–	–	0.0%
Institutions	974,742	39	572,601	12,130	129,766	22.2%
Corporates	2,721,168	666,469	2,454,545	354,140	2,670,491	95.1%
Retail exposures	211,837	150,968	191,449	73,298	178,196	67.3%
Secured by mortgages on immovable property	1,819,650	163,082	1,676,372	79,975	676,227	38.5%
Exposures in default	148,986	17,425	139,924	8,484	167,210	112.7%
Items associated with particularly high risk	4,544	2,686	4,544	1,343	8,830	150.0%
Equity exposures	11,816	–	11,816	–	19,603	165.9%
Other exposures	116,643	–	116,643	–	109,445	93.8%
Total	9,014,458	1,000,669	9,014,458	537,861	3,969,774	41.6%

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Standardised approach

The table below presents the breakdown, post conversion factor and post risk mitigation techniques, of exposures under the Standardised approach by exposure class and risk weight (corresponding to the riskiness attributed to the exposure according to SA approach). The risk weights presented encompass all those assigned to each credit quality step in Article 113 to Article 134 in Part Three, Title II, Chapter 2 of Regulation (EU) 575/2013.

2017 in thousands of EUR	Risk weight									Total	Of which: unrated	
	0%	20%	35%	50%	75%	100%	150%	250%	Deducted			
Exposure class:												
Central governments or central banks	2,465,590	–	–	–	–	–	–	–	–	–	2,465,590	2,465,590
Regional governments or local authorities	1,499,293	22,580	–	–	–	–	–	–	–	–	1,521,873	1,518,697
Public sector entities	–	65,926	–	–	–	–	–	–	–	–	65,926	52,741
Multilateral development banks	131,958	–	–	–	–	–	–	–	–	–	131,958	131,958
Institutions	–	293,361	–	42,757	–	–	–	–	–	–	336,118	256,512
Corporates	–	23,708	–	–	–	2,873,467	–	–	–	–	2,897,175	2,892,433
Retail exposures	–	–	–	–	454,472	–	–	–	–	–	454,472	454,472
Secured by mortgages on immovable property	–	–	1,292,916	894,320	–	689	–	–	–	–	2,187,925	2,187,925
Exposures in default	–	–	–	–	–	86,531	44,991	–	–	–	131,522	131,522
Items associated with particularly high risk	–	–	–	–	–	–	5,253	–	–	–	5,253	5,253
Equity exposures	–	–	–	–	–	4,849	–	7,278	–	–	12,127	12,127
Other exposures	116,697	–	–	–	–	145,760	–	1,829	40,222	–	264,286	304,508
Total	4,213,538	405,575	1,292,916	937,077	454,472	3,111,296	50,244	9,107	40,222	10,474,225	10,413,739	
2016 in thousands of EUR												
Exposure class:												
Central governments or central banks	2,227,484	–	–	–	–	–	–	–	–	–	2,227,484	2,227,484
Regional governments or local authorities	1,445,305	–	–	283	–	–	–	–	–	–	1,445,588	1,445,588
Public sector entities	–	49,323	–	–	–	–	–	–	–	–	49,323	39,458
Multilateral development banks	132,660	–	–	–	–	–	–	–	–	–	132,660	132,660
Institutions	–	541,999	–	42,731	–	–	–	–	–	–	584,730	456,330
Corporates	96,632	27,250	–	16,112	–	2,668,691	–	–	–	–	2,808,685	2,794,678
Retail exposures	2,418	–	–	–	262,329	–	–	–	–	–	264,747	264,747
Secured by mortgages on immovable property	1,840	–	1,049,177	704,619	–	712	–	–	–	–	1,756,348	1,756,348
Exposures in default	5,857	–	–	–	–	93,233	49,318	–	–	–	148,408	148,408
Items associated with particularly high risk	–	–	–	–	–	–	5,887	–	–	–	5,887	5,887
Equity exposures	–	–	–	–	–	6,624	–	5,191	–	–	11,815	11,815
Other exposures	10,212	–	–	–	–	104,423	–	2,009	29,830	–	116,644	146,474
Total	3,922,408	618,572	1,049,177	763,745	262,329	2,873,683	55,205	7,200	29,830	9,552,319	9,429,878	

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Credit quality of exposures by exposure class

Defaulted exposures are exposures that Triodos Bank expects will not be fully repaid, in accordance with the original loan contract, or loans overdue in excess of 90 days. Provisions for loan losses are taken for doubtful debtors based on the difference between the total amount of the debtor's outstanding liability to Triodos Bank and future expected cash flows, discounted at the original effective interest rate of the contract.

2017 in thousands of EUR	Gross carrying values of		Specific credit risk adjustment c	General credit risk adjustment d	Accumulated write-offs e	Credit risk adjustment charges of the period	Net values (a+b-c-d-e)
	Defaulted exposures a	Non- defaulted exposures b					
Exposure class:							
Central governments or central banks	–	2,033,854	–	–	–	–	2,033,854
Regional governments or local authorities	–	1,166,006	561	–	–	–	1,165,445
Public sector entities	–	79,275	133	–	–	–	79,142
Multilateral developments banks	–	131,958	–	–	–	–	131,958
Institutions	4,551	552,339	1	–	–	–	556,889
Corporates	93,625	3,735,340	35,455	–	5,041	–1,236	3,793,510
Of which: SMEs	65,764	2,006,720	22,130	–	3,541	–868	2,050,353
Retail exposures	21,017	647,694	9,264	–	–	74	659,448
Of which: SMEs	18,171	237,280	8,201	–	–	–	247,250
Secured by mortgages on immovable property	73,303	2,459,019	4,879	–	3,946	–709	2,527,443
Of which: SMEs	52,767	1,210,710	2,838	–	2,841	–510	1,260,639
Exposures in default	192,497	–	50,292	–	8,987	–1,870	142,206
Items associated with particularly high risk	–	6,429	–	–	–	–	6,429
Equity exposures	–	12,127	–	–	–	–	12,127
Other exposures	–	151,804	–	–	–	–	151,804
Total (= Total standardised approach)	192,497	10,975,844	50,292	–	8,987	–1,870	11,118,049
Of which: Loans	185,151	6,462,346	50,274	–	8,987	–1,870	6,597,223
Of which: debt securities	–	1,474,504	–	–	–	–	1,474,504
Of which: Off-balance sheet exposures	7,345	1,225,885	17	–	–	–	1,233,213

2016 in thousands of EUR	Gross carrying values of		Specific credit risk adjustment c	General credit risk adjustment d	Accumulated write-offs e	Credit risk adjustment charges of the period	Net values (a+b-c-d-e)
	Defaulted exposures a	Non- defaulted exposures b					
Exposure class:							
Central governments or central banks	–	1,703,360	–	–	–	–	1,703,360
Regional governments or local authorities	–	1,089,729	–	–	–	–	1,089,729
Public sector entities	–	79,323	–	–	–	–	79,323
Multilateral developments banks	–	132,660	–	–	–	–	132,660
Institutions	4,787	986,895	–	–	–	–	991,682
Corporates	114,419	3,433,279	42,587	–	8,354	–3,286	3,505,111
Of which: SMEs	54,776	1,170,378	21,556	–	3,999	–1,573	1,203,598
Retail exposures	17,556	362,811	8,176	–	–	14	372,191
Of which: SMEs	14,448	136,014	6,660	–	–	–	143,802
Secured by mortgages on immovable property	87,390	1,982,732	6,983	–	6,380	–2,439	2,063,139
Of which: SMEs	31,663	720,434	4,064	–	2,312	–884	748,032
Exposures in default	224,151	–	57,746	–	14,734	–5,711	166,405
Items associated with particularly high risk	–	7,230	–	–	–	–	7,230
Equity exposures	–	11,816	–	–	–	–	11,816
Other exposures	–	116,643	–	–	–	–	116,643
Total (= Total standardised approach)	224,151	9,906,477	57,746	–	14,734	–5,711	10,072,883
Of which: Loans	206,716	5,558,672	57,735	–	14,734	–5,711	5,707,653
Of which: debt securities	–	1,954,364	–	–	–	–	1,954,364
Of which: Off-balance sheet exposures	17,435	983,244	11	–	–	–	1,000,668

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Ageing of past-due exposures

The table below gives an insight in the aging of the Business and Consumer exposures and includes both the performing and nonperforming portfolio. The table is broken down into type of instruments (Loans and Debt Securities). The values displayed are the on balance sheet gross carrying values before impairment, provisions and before write offs, as write offs take place after the provisioning process.

2017 in thousands of EUR	=< 30 days	> 30 days =< 60 days	> 60 days =< 90 days	> 90 days =< 180 days	> 180 days =< 1 year	> 1 year
Loans	21,216	3,993	780	1,963	4,246	3,644
Debt securities	–	–	–	–	–	–
Total exposures	21,216	3,993	780	1,963	4,246	3,644

2016 in thousands of EUR	=< 30 days	> 30 days =< 60 days	> 60 days =< 90 days	> 90 days =< 180 days	> 180 days =< 1 year	> 1 year
Loans	16,689	5,711	1,592	3,842	1,380	11,038
Debt securities	–	–	–	–	–	–
Total exposures	16,689	5,711	1,592	3,842	1,380	11,038

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Non-performing and forborne exposures

A forborne exposure is an exposure where a concession is given towards a debtor facing or about to face difficulties in meeting its financial commitments, that would not have been granted had the debtor not been in financial difficulties.

2017 in thousands of EUR	Gross carrying amount						Accumulated impairment and provisions and negative fair value adjustments due to credit risk					Collaterals and financial guarantees received		
	Total performing and non-performing exposures	Of which: performing but past due > 30 days and <= 90 days	Of which: performing forborne	Of which: non-performing			On performing exposures		On non-performing exposures			On non-performing exposures	Of which: forborne exposures	
				Total non-performing	Of which: defaulted	Of which: impaired	Of which: forborne	On performing exposures	Of which: forborne	On non-performing exposures	Of which: forborne			
Debt securities	1,474,504	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	6,647,497	4,535	38,697	179,755	179,755	112,403	81,006	6,296	17	43,300	10,475	8,650	2,889	
Off-balance-sheet exposures	1,233,230	0	0	7,346	6,649	0	0	0	0	17	0	49	0	

2016 in thousands of EUR	Gross carrying amount						Accumulated impairment and provisions and negative fair value adjustments due to credit risk					Collaterals and financial guarantees received		
	Total performing and non-performing exposures	Of which: performing but past due > 30 days and <= 90 days	Of which: performing forborne	Of which: non-performing			On performing exposures		On non-performing exposures			On non-performing exposures	Of which: forborne exposures	
				Total non-performing	Of which: defaulted	Of which: impaired	Of which: forborne	On performing exposures	Of which: forborne	On non-performing exposures	Of which: forborne			
Debt securities	1,954,364	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	5,765,388	4,532	7,256	201,324	201,324	140,595	92,431	5,816	407	51,235	25,496	10,337	1,478	
Off-balance-sheet exposures	1,000,679	0	0	17,438	16,611	0	0	0	0	11	0	481	0	

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Changes in the stock of general and specific credit risk adjustments

2017 in thousands of EUR	Accumulated specific credit risk adjustment
Opening balance	57,050
Increases due to amounts set aside for estimated loan losses during the period	10,957
Decreases due to amounts reversed for estimated loan losses during the period	–9,267
Decreases due to amounts taken against accumulated credit risk adjustments	–8,987
Impact of exchange rate differences	–157
Business combinations, including acquisitions and disposals of subsidiaries	0
Other adjustments	0
Closing balance	49,596
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	0
Specific credit risk adjustments recorded directly to the statement of profit or loss	0

2016 in thousands of EUR	Accumulated specific credit risk adjustment
Opening balance	68,051
Increases due to amounts set aside for estimated loan losses during the period	10,725
Decreases due to amounts reversed for estimated loan losses during the period	–6,298
Decreases due to amounts taken against accumulated credit risk adjustments	–14,735
Impact of exchange rate differences	–693
Business combinations, including acquisitions and disposals of subsidiaries	0
Other adjustments	0
Closing balance	57,050
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	0
Specific credit risk adjustments recorded directly to the statement of profit or loss	0

Changes in the stock of defaulted and impaired loans and debt securities

Defaulted and impaired loans are loans that Triodos Bank expects will not be fully repaid, in accordance with the original loan contract, and that are impaired. Provisions for loan losses are taken for these loans based on the difference between the total amount of the debtor's outstanding liability to Triodos Bank and future expected cash flows, discounted at the original effective interest rate of the contract.

2017 in thousands of EUR	Gross carrying value defaulted exposures
Opening balance	150,625
Loans and debt securities that have defaulted or impaired since last reporting period	20,835
Returned to non-defaulted status	-30,465
Amounts written off	-8,987
Other changes	364
Closing balance	132,372

2016 in thousands of EUR	Gross carrying value defaulted exposures
Opening balance	186,249
Loans and debt securities that have defaulted or impaired since last reporting period	19,888
Returned to non-defaulted status	-32,233
Amounts written off	-14,734
Other changes	-8,544
Closing balance	150,625

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Credit quality of exposures by geography

The table below represents the geographical breakdown of credit risk outstandings for loans and positions.

2017 in thousands of EUR	Gross carrying values of		Specific credit risk adjustment c	General credit risk adjustment d	Accumulated write-offs e	Credit risk adjustment charges of the period	Net values (a+b-c-d-e)
	Defaulted exposures a	Non-defaulted exposures b					
Belgium	20,882	1,853,148	6,758	–	–	378	1,867,272
Germany	7,043	891,648	5,663	–	–	251	893,028
Ireland	3,188	38,538	121	–	–	–99	41,604
The Netherlands	71,912	4,102,970	20,759	–	7,284	2,144	4,154,123
Spain	68,756	2,140,556	13,404	–	984	3,019	2,195,908
United Kingdom	19,502	1,247,176	2,390	–	720	18	1,264,288
Other countries	1,214	701,807	1,195	–	–	–	701,825
Total	192,497	10,975,843	50,292	–	8,987	5,711	11,118,049

2016 in thousands of EUR	Gross carrying values of		Specific credit risk adjustment c	General credit risk adjustment d	Accumulated write-offs e	Credit risk adjustment charges of the period	Net values (a+b-c-d-e)
	Defaulted exposures a	Non-defaulted exposures b					
Belgium	18,133	1,745,484	4,282	–	319	–58	1,759,335
Germany	8,025	581,838	5,216	–	122	192	584,647
Ireland	4,686	43,327	633	–	–	1,427	47,379
The Netherlands	91,709	3,787,872	34,161	–	12,783	–8	3,845,420
Spain	79,727	1,950,123	10,957	–	694	2,104	2,018,892
United Kingdom	20,037	1,194,963	2,497	–	817	–60	1,212,503
Other countries	1,836	602,871	–	–	–	–	604,707
Total	224,152	9,906,477	57,746	–	14,734	3,597	10,072,883

Credit quality of exposures by industry or counterparty type

The table below represents the economic sector breakdown of credit risk outstandings for loans and positions that have been classified as non-performing loans.

2017 in thousands of EUR	Gross carrying values of		Specific credit risk adjustment c	General credit risk adjustment d	Accumulated write-offs e	Credit risk adjustment charges of the period	Net values (a+b-c-d-e)
	Defaulted exposures a	Non-defaulted exposures b					
Banks and financial intermediation	4,551	2,074,518	0	0	–	0	2,079,069
Basic materials	1,847	26,243	1,443	0	30	–417	26,648
Building materials	3,537	17,223	1,849	0	–	0	18,912
Consumer products (non-food)	548	2,241	109	0	–	–2	2,680
Retail	1,135	31,705	599	0	122	–338	32,241
Services	28,193	677,561	2,021	0	608	600	703,732
Healthcare and social work	23,085	606,326	7,378	0	254	–1,325	622,033
Agriculture and fishing	24,306	125,793	3,358	0	135	–205	146,740
Media	9,000	88,875	520	0	64	–135	97,354
Utilities	11,847	1,667,329	6,614	0	12,042	176	1,672,562
Public Administration	0	1,476,718	0	0	–	0	1,476,718
Private individuals	2,301	1,421,194	1,939	0	–	–182	1,421,556
Leisure and tourism	30,924	152,685	9,981	0	1,079	–1,344	173,627
Transport and logistics	970	38,754	83	0	–	–38	39,640
Real estate	23,153	982,825	2,216	0	–	–2	1,003,762
Food and beverages	13,547	99,029	7,767	0	191	–112	104,810
Other sectors	13,552	1,486,826	4,413	0	–5,538	1,454	1,495,965
Total	192,497	10,975,844	50,292	0	8,987	–1,870	11,118,049

2016 in thousands of EUR	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values (a+b-c-d-e)
	Defaulted exposures	Non-defaulted exposures					
	a	b	c	d	e		
Banks and financial intermediation	4,551	1,899,865	–	–	–	0	1,904,416
Basic materials	1,849	30,137	1,470	–	30	–417	30,515
Building materials	4,293	12,325	1,871	–	–	0	14,748
Consumer products (non-food)	580	2,052	139	–	–	–2	2,493
Retail	1,637	18,790	795	–	122	–338	19,632
Services	32,845	579,135	3,072	–	608	600	608,908
Healthcare and social work	48,879	535,788	9,637	–	254	–1,325	575,030
Agriculture and fishing	30,466	120,616	9,331	–	135	–205	141,751
Media	9,593	60,062	384	–	64	–135	69,272
Utilities	15,426	1,585,011	6,404	–	12,042	176	1,594,033
Public Administration	–	1,820,668	–	–	–	0	1,820,668
Private individuals	1,707	916,419	311	–	–	–182	917,816
Leisure and tourism	31,548	142,236	11,708	–	1,079	–1,344	162,076
Transport and logistics	1,037	39,900	37	–	–	–38	40,900
Real estate	15,523	881,152	790	–	–	–2	895,884
Food and beverages	12,129	84,988	6,854	–	191	–112	90,263
Other sectors	12,089	1,177,332	4,943	–	209	–2,387	1,184,478
Total	224,151	9,906,477	57,746	–	14,734	–5,711	10,072,883

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Analysis of counterparty credit risk exposure by approach

2017 in thousands of EUR	Replacement cost/current market value	Potential future credit exposure	EAD post CRM	RWAs
Market to market	18,193	19,306	37,498	19,821
Of which derivatives and long settlement transactions			37,498	19,821
Total	18,193	19,306	37,498	19,821

2016 in thousands of EUR	Replacement cost/current market value	Potential future credit exposure	EAD post CRM	RWAs
Market to market	36,112	21,644	57,756	48,226
Of which derivatives and long settlement transactions			57,756	48,226
Total	36,112	21,644	57,756	48,226

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Credit valuation adjustment (CVA) capital charge

2017 in thousands of EUR	Exposure value	RWAs
All portfolios subject to the standardised method	37,498	7,671
Total subject to the CVA capital charge	37,498	7,671

2016 in thousands of EUR	Exposure value	RWAs
All portfolios subject to the standardised method	57,756	11,983
Total subject to the CVA capital charge	57,756	11,983

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Impact of netting and collateral held on exposure values

2017 in thousands of EUR	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
Derivatives	37,498	–	37,498	–	37,498
Total exposures	37,498	–	37,498	–	37,498

2016 in thousands of EUR	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
Derivatives	57,756	–	57,756	–	57,756
Total exposures	57,756	–	57,756	–	57,756

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Standardised approach - Counterparty credit risk exposures by regulatory portfolio and risk

2017 in thousands of EUR	Risk weight							Total	Of which unrated
	0%	20%	50%	75%	100%	150%	Others		
Central governments or central banks	–	–	–	–	–	–	–	–	–
Regional government or local authorities	–	–	–	–	–	–	–	–	–
Public sector entities	–	–	–	–	–	–	–	–	–
Multilateral development banks	–	–	–	–	–	–	–	–	–
International organisations	–	–	–	–	–	–	–	–	–
Institutions	–	20,117	3,167	–	–	–	–	23,284	–
Corporates	–	–	–	–	14,215	–	–	14,215	14,215
Retail	–	–	–	–	–	–	–	–	–
Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–	–	–	–
Other items	–	–	–	–	–	–	–	–	–
Total	–	20,117	3,167	–	14,215	–	–	37,499	14,215

2016 in thousands of EUR	Risk weight							Total	Of which unrated
	0%	20%	50%	75%	100%	150%	Others		
Central governments or central banks	–	–	–	–	–	–	–	–	–
Regional government or local authorities	–	–	–	–	–	–	–	–	–
Public sector entities	–	–	–	–	–	–	–	–	–
Multilateral development banks	–	–	–	–	–	–	–	–	–
International organisations	–	–	–	–	–	–	–	–	–
Institutions	–	11,577	538	–	–	–	–	12,115	–
Corporates	–	–	–	–	45,641	–	–	45,641	45,641
Retail	–	–	–	–	–	–	–	–	–
Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–	–	–	–
Other items	–	–	–	–	–	–	–	–	–
Total	–	11,577	538	–	45,641	–	–	57,756	45,641

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Encumbered and unencumbered assets

Assets can be differentiated between assets which are used to support funding or collateral needs (encumbered assets) and assets which are available for potential funding needs (unencumbered assets).

2017 in thousands of EUR (Median values)	Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
Assets	87,851		9,495,380	
Loans	17,173		1,268,425	
Equity instruments	–	–	16,056	16,056
Debt securities	63,104	67,049	1,663,934	1,697,677
Of which: covered bonds	–	–	–	–
Of which: asset-backed securities	–	–	–	–
Of which: issued by general governments	63,104	67,049	1,044,997	1,074,194
Of which: issued by financial corporations	–	–	559,555	563,660
Of which: issued by non-financial corporations	–	–	59,296	60,295
Loans and advances other than loans on demand	7,083		6,384,381	
Other assets	–		203,640	

2016 in thousands of EUR (Median values)	Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
Assets	77,625		8,601,529	
Loans	7,325		983,588	
Equity instruments	–	–	17,164	17,164
Debt securities	71,143	75,066	1,861,026	1,910,514
Of which: covered bonds	–	–	0	–
Of which: asset-backed securities	–	–	0	–
Of which: issued by general governments	71,143	75,066	1,176,539	1,217,145
Of which: issued by financial corporations	–	–	640,463	647,341
Of which: issued by non-financial corporations	–	–	64,481	64,982
Loans and advances other than loans on demand	–		5,470,345	
Other assets	–		174,403	

Equity instruments relate to balance sheet items shares and participating interests.

Debt securities relate to balance sheet items government paper and interest-bearing securities.

Carrying amounts are balance sheet amounts including premium on investments, discount on investments and accrued interest.

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Collateral received

2017 in thousands of EUR	Fair value of encumbered collateral received or own debt securities issued	Fair value of collateral received or own debt securities issued available for encumbrance
Collateral received by the reporting institution	1,000	0
Loans on demand	1,000	0
Equity instruments		
Debt securities	0	0
Loans and advances other than loans on demand		
Other collateral received	0	0
Own debt securities issued other than own covered bonds or asset-backed securities	0	0
Own covered bonds and asset-backed securities issued and not yet pledged	0	0
Total assets, collateral received and own debt securities issued	1,000	0

In 2016 Triodos Bank did not hold any collateral received

Sources of encumbrance

2017 in thousands of EUR	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
Carrying amount of selected financial liabilities	81,196	77,998

2016 in thousands of EUR	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
Carrying amount of selected financial liabilities	103,119	105,307

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Liquidity coverage ratio, quantitative information

2017 in thousands of EUR	31.03.2017	Total adjusted value		
		30.06.2017	30.09.2017	31.12.2017
Liquidity buffer	1,988,356	1,941,938	1,827,503	2,162,159
Total net cash outflows	656,350	756,320	913,062	962,502
Liquidity coverage ratio (%)	303%	257%	200%	225%

2016 in thousands of EUR	31.03.2016	Total adjusted value		
		30.06.2016	30.09.2016	31.12.2016
Liquidity buffer	1,597,982	1,850,715	2,139,074	1,886,573
Total net cash outflows	229,371	347,369	606,030	589,855
Liquidity coverage ratio (%)	697%	533%	353%	320%

Net stable funding ratio, quantitative information

2017 in thousands of EUR	Unweighted value by residual maturity			Weighted value
	< 6 months	6 months to < 1 year	>= 1 year	
Available stable funding	7,983,173	323,447	1,529,969	8,213,283
Required stable funding	4,008,224	527,191	6,585,512	5,736,168
Net stable funding ratio				143%

2016 in thousands of EUR	Unweighted value by residual maturity			Weighted value
	< 6 months	6 months to < 1 year	>= 1 year	
Available stable funding	7,179,250	375,610	1,447,960	7,501,340
Required stable funding	3,463,894	557,542	6,024,863	5,027,274
Net stable funding ratio				149%

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Leverage ratio

The Leverage ratio is a CRR/CRD IV measure indicating the level of the Tier 1 Capital compared to the total exposure. Its aim is to assess the risk of excessive leverage of the institution. The Leverage ratio has been calculated according to the Leverage ratio Delegated Act, The fully loaded leverage ratio of Triodos Bank based on the Delegated Act, and with notional cash pooling grossed is 8.9% at 31 December 2017.

Summary reconciliation of accounting assets and leverage ratio exposures

in thousands of EUR	2017	2016
Total assets as per published financial statements	9,902,320	9,081,004
Adjustment for derivative financial instruments	23,020	22,009
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	589,395	480,112
Other adjustments	-40,519	-30,801
Leverage ratio total exposure measure	10,474,216	9,552,324

Leverage ratio common disclosure

in thousands of EUR	2017	2016
On Balance sheet items (excluding derivatives and securities financing transactions)		
On Balance sheet items (excluding derivatives and securities financing transactions, but including collateral)	9,887,546	9,044,287
Asset amounts deducted in determining Tier 1 capital	-40,223	-29,831
Total on balance sheet exposure (excluding derivatives and securities financing transactions) (d)	9,847,323	9,014,456
Derivatives exposures		
Replacement cost (mark to market-method)	18,192	36,113
Add-on amount for potential future exposure (mark to market-method)	19,306	21,643
Total derivatives exposure (e)	37,498	57,756
Off balance sheet exposures		
Off balance sheet exposures at gross notional amount	1,233,230	1,000,683
Adjustment for conversion to credit equivalent amounts	-643,835	-520,571
Total off balance sheet exposure (f)	589,395	480,112
Tier 1 capital (c)	937,068	839,428
Leverage ratio total exposure measure (g) (d+e+f)	10,474,216	9,552,324
Leverage ratio ultimo year (c/g)	8.9%	8.8%

The leverage ratio is calculated using the transitional definition of the Tier 1 capital.
The leverage ratio is 8.9% (2016: 8.8%) using the fully phased-in definition of the tier 1 capital.

Split-up of on-balance sheet exposures (excluding derivatives and securities financing transactions)

in thousands of EUR	2017	2016
Total on balance sheet exposures (excluding derivatives and securities financing transactions), of which:	9,887,546	9,044,287
Trading book exposures	0	0
Banking book exposures, of which:	9,887,546	9,044,287
Covered bonds	0	0
Exposures treated as sovereigns	4,111,727	3,797,240
Exposures to regional governments, MDB, International organisations and PSE not treated as sovereigns	65,926	49,323
Institutions	312,829	572,601
Secured by mortgages of immovable properties	2,091,655	1,676,372
Retail exposures	291,638	191,449
Corporate	2,571,329	2,454,545
Exposures in default	127,972	139,924
Other exposures (eg equity, securisations and other non-credit obligation assets)	314,470	162,832

Management of excessive leverage

The risk of excessive leverage is managed inclusively in our capital management. We aim for a strong capital base, reducing this risk.

At the end of 2017 the leverage ratio is 8.9% (2016: 8.8%). The leverage ratio was mainly affected by growth of the on-balance positions and growth of equity.