

Green Bond Allocation and Impact Report 2021

Green Bond Allocation and Impact report 2021

Triodos Bank N.V.

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1. Overview and summary

1.1 Details Triodos Bank Green subordinated Tier 2 Bond

Instrument ISIN code	Status	Bond rating	Issue date	Maturity date	Amount issued	Rate of interest
XS2401175927	Subordinated, unsecured	BB+	5 November 2021	5 February 2032	EUR 250,000,000.-	2.25%

1.2 Green Bond’s objectives to mitigate climate change

Three environmental objectives to mitigate climate change

Renewable energy



7 AFFORDABLE AND CLEAN ENERGY


13 CLIMATE ACTION


Environmentally sustainable management of living natural resources



13 CLIMATE ACTION


11 SUSTAINABLE CITIES AND COMMUNITIES


Green buildings



15 LIFE ON LAND


13 CLIMATE ACTION


1.3 Reporting scope

This Green Bond Allocation and Impact report (‘Report’) has been established by Triodos Bank NV (‘Triodos Bank’ or ‘the Bank’ hereafter), to report on the use of proceeds related to the Green subordinated Tier 2 Bond (‘Green Bond’) issued on 5 November 2021. This annual report informs investors on both the allocation of the Green Bond’s net proceeds and their environmental impact in 2021.

The Triodos Bank Green Bond Framework defines the basis for the identification, evaluation, selection, and environmental impact of green loans that can be directly or indirectly financed or refinanced by proceeds of the Green Bond issued by Triodos Bank.¹ The bond has a look-back period of maximum two years.

136 ktonnes

CO₂e emissions avoided as a result of sustainable projects financed by the proceeds of the Green Bond

¹ [Triodos Bank announces plan to launch first Green Bond | Triodos Bank](#)

1.4 Allocation and environmental impact summary

Eligible Project Category	Eligible portfolio (EURm)	Number of projects	Attributed avoided emissions (tonnes CO ₂ e)	Attributed generated emissions (tonnes CO ₂ e)	Attributed sequestered emissions (tonnes CO ₂ e)
Renewable Energy					
Generating and efficiency projects	180	69	54,952		
Projects under construction	38	8	81,196		
Green Buildings					
Commercial & Residential properties via Real Estate	19	11	416	299	
Environmentally sustainable management of living natural resources and land use					
Nature and land conservation projects	12	10			-955
Forestry projects	0.2	1			-3
Green funding	250	99	136,564	299	-958
Use of proceeds	100%				
Estimated impact per €1 million invested per related category (impact intensity)			575	16	-76

2. Our vision and approach towards sustainable finance

2.1 Introduction

On 5 November 2021 Triodos Bank issued its first bond under the Green Bond Framework.¹ With the issuance of the fixed rate green subordinated tier 2 bond in 2021, Triodos Bank has increased and diversified the overall capital base of the bank. As the bond is eligible as Tier 2 capital from a bank prudential perspective, it supports the loan growth and helps to optimize the capital structure by considering capital costs of different instruments.

Triodos Bank is a European bank with over 747,000 customers active in five countries through branches in The Netherlands, Belgium, Spain and Germany; a subsidiary in the United Kingdom and additional exposures amongst others in France and Ireland. Part of Triodos Bank NV is Investment Management B.V., an impact investor active globally, and the Triodos Regenerative Money Centre which uses catalytic investments and donations to fund transformative solutions to current challenges which cannot be provided by traditional banking and investment products.

"With the successful launch of our Green Subordinated Tier 2 Bond in 2021, we have diversified and strengthened our funding and capital base. This will allow us to stay a frontrunner in values based sustainable banking. We are happy to now publish our first Green Bond report outlining how we have allocated the funds and the impact they are generating."

Jacco Minnaar, CCO Triodos Bank

Triodos Bank is in business to help create a society that protects and promotes the quality of life of all its members, and that has human dignity at its core. Since 1980, we have enabled individuals, organisations and businesses to use their money in ways that benefit people and the environment. We promote sustainable development by offering our customers sustainable financial products and high-quality service. We believe that using money consciously can be a catalyst for sustainable and enduring change. In the last four decades Triodos Bank has moved from being a niche bank to a frontrunner in responsible finance. Our mission has been a guiding

principle throughout our history and has found a lot of resonance in society and the financial sector.

There are two ways in which Triodos Bank positively influences the world; financing change and changing finance. This is more than just a phrase. It is at the heart of our work, and it is what our stakeholders ask of us.

- At Triodos Bank's core, we finance change by lending to, and investing in, sustainable enterprises. In doing so, we help create a better, more sustainable world.
- At the same time, we aim to change finance. We use our influence to change the financial system so that it puts people's interests first while allowing us to live within our planetary limits. Because too often, our current system does neither.

¹ https://www.triodos.com/binaries/content/assets/tbho/green-bond/triodos_green_bond_framework.pdf

2.2 Impact, risk and return

We have a simple business model:

- We only lend the money entrusted to us by savers and investors to entrepreneurs we know well.
- We only work in the real economy, and we don't invest in complex financial instruments. All the loans and investments we make are designed to improve social and environmental sustainability and the quality of life for communities and are subject to our [Business Principles](#) and [Lending Criteria](#).
- We aim to deliver as much positive impact as possible by only lending to and investing in sustainable enterprises and enterprises transitioning to sustainable approaches.

As a values-based bank, Triodos Bank uses a three-tier approach to making lending and investment decisions, which starts with evaluating the content of an activity, and focuses on its sustainable impact.

The three parameters – impact, risk and return – help us to understand the overall development and place in the world and it promotes a long-term perspective. The focus on delivering sustainable social, environmental and cultural impact as well as risk and return implies a positive, holistic outlook and a horizon that is inherently longer term.

Impact

We want to deliver sustainable impact, which means delivering positive outcomes, not only at a transactional level but also at a social and ecological system level.

Risk

Because our starting point is to deliver greater impact over the long term, it is essential that we are financially resilient. We therefore focus on maintaining a consistently high-quality loan portfolio. Triodos Bank's modest risk appetite is an important building block for this resilience.

Return

We have been able to deliver stable, fair returns over a sustained period. For us, financial performance is important because being a resilient financial institution is essential for the delivery of lasting, sustainable change.

Business Principles	Lending Criteria	Minimum Standards
<p>The Business Principles are a framework for the way Triodos Bank conducts business.</p> <p>They are aligned to our values and set the standard by which Triodos Bank can be evaluated.</p>	<p>The Lending Criteria govern Triodos Bank's lending process.</p> <p>They specify how Triodos Bank's vision and mission are translated into banking practice.</p>	<p>Set out the absolute minimum requirements for Triodos Bank's investment and lending activities.</p>

2.3 Climate change mitigation

Triodos Bank supports the sustainable and inclusive transition of our economies and society in line with the Paris Agreement target of limiting the temperature increase to – at most –1.5 degrees Celsius above pre-industrial levels. At the COP26 in November 2021, we disclosed our own transition plan targeting net zero as early as possible and by 2035 at the latest (As One to Zero).

Our ambition is to significantly reduce the greenhouse gas emissions of all Triodos Bank's loans and funds' investments, using a science-based targets approach, while also considering, for instance, biodiversity and social inclusion. Any remaining emissions will be balanced or 'inset' by investing considerably in nature projects that remove greenhouse gases from the air. Triodos Bank's As One to Zero target aligns its portfolio of loans and funds' investments with a maximum global temperature rise of 1.5 degrees Celsius.

In this context, in 2015, at the landmark Paris Climate Conference, Triodos Bank co-signed the Dutch Carbon Pledge to measure and disclose its greenhouse gas, or carbon emissions, and to ensure these emissions remained in line with the ambitions of the Paris Agreement. The initiative launched the Partnership for Carbon Accounting Financials (PCAF), a collaboration between Dutch financial institutions which has evolved into the Global GHG (Greenhouse Gas) Accounting and Reporting Standard for the Financial Industry. Triodos Bank played a catalytic role in these developments. We reported on the PCAF methodology for the first time in 2018 and have disclosed the carbon accounting of 100% of our loans and funds' investments since 2019.

3. Our measurement and reporting methodology

3.1 The Green Bond Framework

The reporting criteria used for the preparation of this report are the Triodos Bank Green Bond Framework² and the impact reporting and measurements principles as used for our Annual Report (see next paragraph) following the Sustainability Reporting Standards of the Global Reporting Initiative (GRI).

The Green Bond Framework sets the basis for the identification, evaluation, selection and environmental impact of green loans that can directly or indirectly, in whole or in part be financed or refinanced by proceeds of the Green Bonds issued by Triodos Bank, and sets the basis for the management and reporting of such proceeds.

At discretion of Triodos Bank but in accordance with the Green Bond Principles published by the International

Capital Markets Association (ICMA), we have allocated an amount equal to the net proceeds from the issue of the Green Bonds to eligible new and existing green loans (EUR 250 million).

Eligible green loans have been evaluated and selected for inclusion in the eligible pool in accordance with the use of proceeds criteria for each eligible category ('Eligibility Criteria') and are allocated with a maximum look-back period of two years. Next to compliance with the Green Bond Eligibility Criteria, eligible loans are subject to the qualification process part of the responsible lending due-diligence assessment conducted by Triodos Bank.

3.2 Impact measurement and reporting principles

Via the Impact report section in this report, Triodos Bank reports on the environmental impact of the eligible green loans.

Impact information is mostly collected through the interaction of relationship managers and their clients and projects. The environmental impact of our loans is then estimated by using the PCAF's harmonised approach on measuring the carbon footprint per asset class.

The main guidelines for our impact measurement and reporting are:

- Our estimations only measure projects with a direct relationship to our finance or investment activities unless otherwise stated.
- For the impact indicators, we use the contribution approach. This means that we include 100% of the impact when we co-finance a project unless this represents the results unfairly.
- For the estimation of our financed emissions of the loans allocated to the Green Bond, we have applied the attribution approach. This means that we estimate the emissions as they relate to the proportion of our finance in a project or on a customer's balance sheet and as they relate to the proportion of the loan that is eligible to the green bond criteria. This attribution approach is a more accurate reflection of the GHG emissions

resulting from the proceeds and is consistent with the PCAF methodology.

- If it is not possible to record 100% of the data required, we use conservative estimates.
- GHG emissions are measured in tonnes CO₂ equivalent (CO₂e) and categorised as three main types:
 - *Generated emissions*: GHG emissions arising from various economic activities. This refers to carbon that is emitted into the atmosphere.
 - *Sequestered, or absorbed, emissions*: GHG emissions stored in carbon sinks, such as trees, plants and soil. This refers to the actual removal of carbon from the atmosphere.
 - *Avoided emissions*: In the Green Bond report, two types of avoided emissions are reported: GHG emissions that are avoided from fossil-fuel power generation due to renewable energy and GHG emissions that are avoided by financing sustainable (less energy intensive) property instead of buildings with a higher energy consumption per m². These avoided emissions related to buildings are determined by comparing the generated emissions based on the actual Energy Performance Certificate (EPC) of a building, with the baseline EPC related to the type of property and country or region. While avoided emissions play a very positive role, they do not remove existing carbon from the atmosphere.

² <https://www.triodos.com/investor-relations/triodos-green-bonds>

The impact data included in the Green Bond Impact Report is in scope of the review procedures performed by the independent external auditor. Subjecting our impact performance to the audit process (limited assurance) is a logical step for an integrated business with sustainability at the core of its financial activity.

For more detailed information on the environmental impact calculation, see our Green Bond Framework. For information on impact indicators per sector, see www.triodos.com/impact-themes. Our GHG reporting methodology following the PCAF standard can be found in the download section of our Annual Report, see www.annual-report-triodos.com

4. Allocation report

4.1 Eligible categories

The proceeds of the Green Bond are used to fund lending in environmental projects to mitigate climate change. This Green Bond has three ICMA Eligible Categories serving the environmental objectives, see figure below. Financing these categories allows Triodos Bank to play a leading role in promoting and driving the transition to a low-carbon and climate-resilient economy. This chapter describes the allocation of the net proceeds to the Eligible Categories.

Renewable energy



Renewable energy generation and efficiency projects

- On- and offshore wind energy
- Solar photovoltaic and concentrated solar power
- Hydropower
- Energy saving projects such as Heat and Cold storage (ATES)

Environmentally sustainable management of living natural resources



Forest and Nature conservation projects

- Forestry projects that includes the cultivation, maintenance, and development of tree plantations in a sustainable way (certified FSC, PEFC or likewise) and includes certified organic agroforestry
- Nature development projects that includes the use, ownership or development of property for landscape or nature and wildlife preservation purposes

Green buildings



Green residential and commercial properties

- Buildings with an EPC label A and/or belonging to the top 10-15% (dependent on country and building type)
- Refurbished properties with energy efficiency improvement of at least 30%.
- Building certifications with LEED "Gold" and above, BREEAM "Excellent", HQE "Excellent", DGNB "Gold" and above, or equivalent or higher level of certification

In the Triodos Bank Green Bond Framework, each category has specific eligibility criteria on which the allocated projects are assessed. Specifically for the Renewable Energy category the framework contains a criterion that renewable energy projects are to operate at life cycle emissions lower than 100gCO₂e/kWh, declining to 0gCO₂e/kWh by 2050. We have assessed this criterion based on a number of general studies and specifically based on research³ performed by the CBI (Climate Bonds Initiative), where wind and solar projects in general are found to perform below the 100g CO₂e/kWh threshold⁴.

With the same reasoning, the 100g CO₂e/kWh criterion for wind and solar power is not included in the final Technical Screening Criteria of the EU Taxonomy as both wind and solar power are currently derogated from performing a PCF (Product Carbon Footprint) or GHG lifecycle assessment⁵.

Based on both the CBI research and the exclusion of the 100g CO₂e/kWh criterion in the EU Taxonomy Technical Screening Criteria, we conclude that the lifecycle emissions of all wind and solar projects within our Green Bond allocation are below the criterion as set out in the framework and therefore eligible, rather than individually testing the 100g CO₂e/kWh threshold for each project on a case by case basis.

³ <https://www.climatebonds.net/files/files/standards/Solar/Solar%20Criteria%20Background%20Paper.pdf>

⁴ https://ecostandard.org/wp-content/uploads/2021/12/EUTaxonomy_100g_7points.pdf

⁵ <https://www.oecd-ilibrary.org/sites/5e092588-en/index.html?itemId=/content/component/5e092588-en>

Green Bond allocation 2021



Renewable Energy - Generating and efficiency projects	72%	
Renewable Energy - Projects under construction	15%	
Living natural resources - Forest and nature conservation projects	5%	
Green buildings - Commercial & Residential properties	8%	

4.2 Use of proceeds for eligible green assets

Eligible green asset pool	Allocation of green funding (in period)	
	Number of clients	Amount (EURm)
Renewable Energy	33	218.2
Generating and efficiency projects	25	180.2
Projects under construction	8	38.0
Green Buildings	10	19.3
Commercial & Residential properties via real estate	10	19.3
Environmentally sustainable management of living natural resources and land use	11	12.6
Nature and land conservation projects	10	12.4
Forestry projects	1	0.2
Green funding	54	250.1
Net proceeds		250.0
Remaining balance of unallocated proceeds		0
Percentage of net proceeds of green funding allocated to eligible Green Assets		100%
New assets since 1Jan 2021		100%

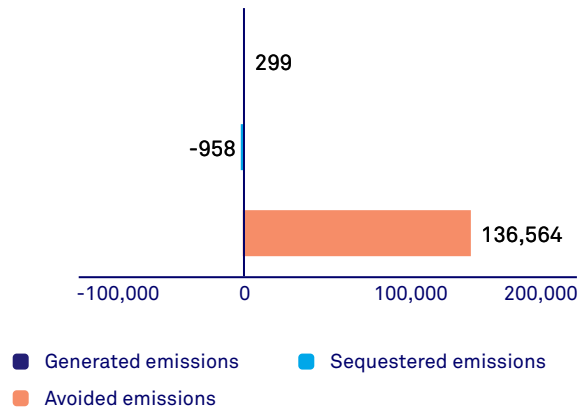
5. Impact report

The GHG emissions that can be attributed to the allocated eligible loans in 2021 are presented in the graph below.

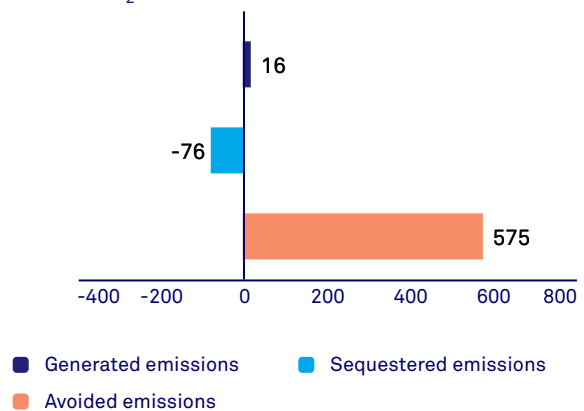
The generated emissions relate to the category Green buildings, sequestered (or removed) emissions are relating to Nature development and Forestry projects, and the avoided emissions relate to both Renewable energy projects and Green buildings.

The next paragraphs in this chapter describe per Eligible Category, the environmental impact of the loans allocated to the Green Bond.

Climate impact of the allocated eligible loans 2021
in tonne CO₂e



Climate impact in emission intensity of the allocated eligible loans 2021
in tonne CO₂e/million EUR financed



5.1 Renewable energy (87% use of proceeds)

A fundamental transition is needed to decarbonise our economy. By lending and investing in solar, wind and hydro energy, Triodos Bank stimulates this transition. We also finance and co-finance projects that increase the use of renewable resources, reduce the demand for energy and promote energy efficiency.

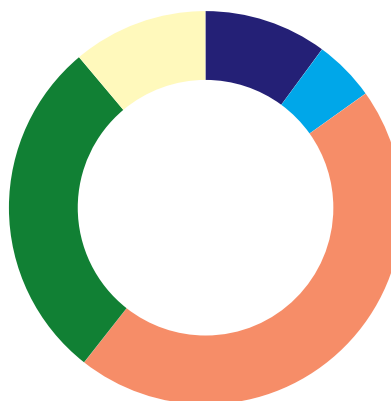
Using the proceeds of the Green Bond, 77 projects were funded in the energy sector in 2021. These included:

- 69 sustainable power-generating projects related to wind (14) and solar (55)
- 8 sustainable power projects in a construction phase

The total capacity of the power-generating projects was 478 MW and the (future) total capacity of the projects under construction is 164 MW, together good for producing the equivalent of annual electricity needs of approximately 122,600 European households based on an attribution approach.

The renewable energy projects that are funded by the Green Bond (can) avoid over 136 ktonne of CO₂e emissions on an annual basis, as compared to fossil-fuel power generation.

Allocated renewable energy loans per country



Belgium	10%
France	5%
Spain	45%
Netherlands	28%
UK	11%

Eligible Project Category	Specifics: Energy sector	Allocated eligible portfolio (EURm)	Share of Total Financing	Number of projects	Total installed capacity in MW	Annual electricity generated / expected in MWh	Attributed avoided emissions (tonnes CO ₂ e)
Renewable Energy							
Generating and efficiency projects	Wind	40	18%	14	255	785,304	30,363
	Solar	140	64%	55	223	264,053	24,589
		180	83%	69	478	1,049,357	54,952
Projects under construction	Wind	31	14%	6	133	368,558	79,537
	Solar	7	3%	2	31	28,641	1,659
		38	17%	8	164	397,199	81,196
Green funding		218	100%	77	642	1,446,555	136,148
Estimated impact per €1 million invested							624

77

renewable energy projects financed

122,600

households (to be) reached with green electricity

Case study: Adamant Solar Project by Groendus

Financing of two roof top PV projects in The Netherlands Project 1 (Bloemendaal)

A 2.0 MW Photovoltaic project on a carport above the public parking lots P1 and P2 in Bloemendaal, The Netherlands.

The solar carport, above the parking lots at the beach, can accommodate 800 cars. The carport consists of 5,000 solar panels that together generate electricity for 600 households. There are 30 charging points for electric cars. As a result, both visitors and cars charge with the sun. The carport blends into the area and provides local clean energy for the inhabitants. A good example of multiple use of space.

Project 2 (Jenniskens)

A 1.7 MW Photovoltaic project on the roofs at a turkey farm in Ysselsteyn, The Netherlands, that is owned by the Jenniskens family. In order to extend sustainability across a larger line, the family decided to extract energy from sustainable sources wherever possible. With the rooftop solar installed it can generate enough electricity to cover the families' own consumption and the remainder can be consumed via the public grid by the surrounding residents and companies.



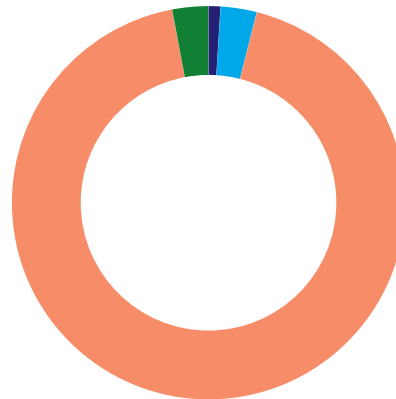
Bloemendaal project

5.2 Environmentally sustainable management of living natural resources (5% use of proceeds)

Our relationship with the soil and the earth requires a systemic perspective. A world view that sees agricultural land as the starting point for a limitless process of extraction is unsustainable. Instead, agriculture needs to be seen within the context of a natural system. This system includes nutrients, water, biodiversity, animal welfare and social conditions.

Approximately 1,275 hectares of nature and conservation land and forestry in Europe were funded by the proceeds of the Green Bond in 2021. This land is important for the sequestration or absorption of greenhouse gases from the atmosphere. This resulted in the sequestration of approximately 958 tonnes of CO₂e.

Allocated nature and forestry loans per country



Belgium	1%
Spain	3%
Netherlands	94%
UK	3%

Eligible Project Category	Allocated eligible portfolio (EURm)	Share of Total Financing	Number of projects	Total hectares of financed land	Attributed sequestered emissions (tonnes CO ₂ e)
Environmentally sustainable management of living natural resources and land use					
Nature development	12.4	98%	10	1,274	-955
Forestry	0.2	2%	1	2	-3
Green funding	12.6	100%	11	1,275	-958
Estimated impact per €1 million invested					-76

958 tonnes
of removed CO₂e emissions

1,275 hectares
of nature and conservation land financed

Case study: North West Mull Community Woodland Company

Financing of a community-run nature development project in Scotland, UK

North West Mull Community Woodland Company (NWMCWC) owns and manages land and assets on behalf of the local community, empowering them to shape the future of where they live.

The company was set up to buy land and businesses, putting them to work generating benefit for the surrounding community. As its name suggests, the first purchase was woodland near Dervaig in North Mull and this is one of its biggest projects. The woodland brings income through timber sales and has created many other opportunities for local people. The company has created nine crofts and set up a forest school in the woodland to offer outdoor education. Environmental regeneration is a community priority and felled trees are being replanted with native broad-leafed species.

In 2018 NWMCWC supported the community in a bid to purchase the Isle of Ulva, a small island off the west coast of Mull, from a private owner. Currently, it is working to repair homes and improve the pier infrastructure, but the intention is to rejuvenate life on the island, reintroducing families and creating a heritage programme that tells the story of Ulva's people and history.

NWMCWC is a community-run company, meaning that anyone in the geographical area can join and have a say in the projects and priorities. No community in Scotland is like another and this company exists to meet local needs, supporting people to flourish.



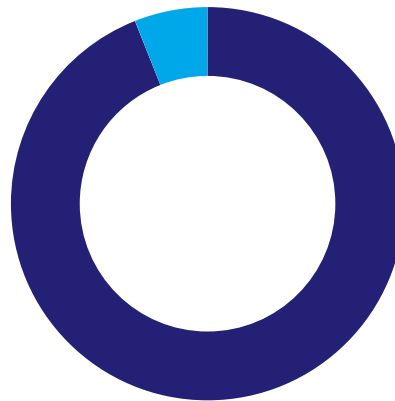
5.3 Green buildings (8% use of proceeds)

As well as offering green mortgages that incentivise households to reduce their carbon footprint, Triodos Bank and Triodos Investment Management finance new building developments and renovation projects for properties to reach high sustainability standards.

By using the proceeds of the Green Bond, Triodos Bank financed in 2021 one sustainable commercial property comprising approximately 9,727 m² for office and other commercial space and 421 residential buildings financed via Real estate.

Approximately 299 tonnes CO₂e emissions were generated by these loans and 416 tonnes CO₂e emissions were avoided as compared to baseline emissions per type of property and country or region.

Allocated green building loans per country



Spain	94%
Netherlands	6%

Eligible Project Category	Energy label based on the Dutch EPC standards	Allocated eligible portfolio (EURm)	Share of Total Financing	Number of projects	Number of residential buildings	m ² of residential buildings	m ² of commercial properties	Attributed avoided emissions (tonnes CO ₂ e)	Attributed generated emissions (tonnes CO ₂ e)
Green buildings									
Commercial & Residential properties	A++++	2	11%	2	41	4,964	-	15	8
	A+++	17	89%	9	380	32,073	9,727	401	291
Green funding		19	100%	11	421	37,037	9,727	416	299
Estimated impact per €1 million invested								22	16

86%
energy savings per m²

416 tonnes
of CO₂e avoided by investing in sustainable buildings

Case study: Residential Rambla240

Financing of a sustainable construction project in Almería, Spain

- A residential complex with 102 homes
- The project, by Zertum Rental Homes, is developed under BREEAM certification and as a frontrunner in Almería for its high standards of sustainability and energy efficiency
- Operation amounting to E10.7 million

Residencial Rambla240 is located at the centre of the city of Almería in Spain. Zertum Rental Homes, which has developed the concept, is a company promoted by Grupo Alvores and is dedicated to the design, development, and management of sustainable residential spaces

The project will be built to the standards of the BREEAM Certificate, an international seal of reference in sustainable construction that validates compliance with up to ten categories (materials, waste, ecological use of land or pollution, among others). The building, located at 240

Avenue Federico García Lorca, is expected to be in service in the first quarter of 2023.

The construction will consist of three blocks with independent entrances and apartments with 1, 2 and 3 bedrooms. In addition, it will have two commercial premises, a swimming pool, common areas, 53 storage rooms and more than 100 parking spaces.

Tamara Lemos, responsible for Sustainable Construction at Triodos Bank explains that “to make the transition to a sustainable and inclusive economy, we need to approach the construction and maintenance of buildings from a comprehensive perspective, incorporating not only energy efficiency, but also the impact of the building on people’s health and well-being, in addition to homes adapted to the environment in which they are built”.



6. Other information

6.1 Assurance report of the independent auditor

To: the management board of Triodos Bank N.V.

Assurance report on the allocation and impact related to the Green Tier 2 Bond instrument ('Green Bond') issued in November 2021 by Triodos Bank N.V.

Our conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Green Bond Allocation and Impact report related to the Green Tier 2 Bond instrument ('Green Bond') issued in November 2021 by Triodos Bank N.V. is not prepared in all material respects, in accordance with the Triodos Bank Green Bond Framework.

What we have examined

The object of our assurance engagement contains the allocation and impact related to the Green Tier 2 Bond instrument ('Green Bond') issued in November 2021 by Triodos Bank N.V. (hereafter: the Green Bond Allocation and Impact report). We have examined the accompanying Green Bond Allocation and Impact report by Triodos Bank N.V., stamped for identification purposes, of Triodos Bank N.V., Driebergen-Rijsenburg over 2021.

The basis for our conclusion

We conducted our examination in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements). This engagement is aimed to provide limited assurance. Our responsibilities under this standard are further described in the section 'Our responsibilities for the examination' of our report.

We believe that the assurance information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence and quality control

We are independent of Triodos Bank N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for quality systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other applicable legal and regulatory requirements.

Emphasis of matter

We draw attention to section 4.1 in the Green Bond Allocation and Impact report, which provides further disclosure on the eligibility criteria regarding the lifecycle emissions of renewable energy projects and the assessment made by the management to conclude that the allocated projects within Green Bond are eligible and meet this eligibility criteria in total, rather than on a project-by-project basis. Our conclusion is not modified in respect of this matter.

Restriction on use

This assurance report is addressed to and intended for the exclusive use by the management board of Triodos Bank N.V. in connection with the limited assurance over the Green Bond Allocation and Impact report and may not be used for any other purpose. The assurance engagement has been performed for purposes of the management board of Triodos Bank N.V. and is solely intended to inform them on the results of the assurance engagement. The report is not intended to provide third parties with support in making (financial) decisions. We do not accept or assume and deny any liability, duty of care or responsibility to any parties other than Triodos Bank N.V.

Responsibilities for the Green Bond Allocation and Impact report and the examination thereof

Responsibilities of the management board

The management board of Triodos Bank N.V. is responsible for the preparation of the Green Bond Allocation and Impact report in accordance with the Triodos Bank Green Bond Framework, including the identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the Green Bond Allocation and Impact report that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the examination

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our conclusion.

Our conclusion aims to provide limited assurance. The procedures performed in this context consisted primarily of making inquiries with officers of the entity and determining the plausibility of the information included in the Green Bond Allocation and Impact report. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Green Bond Allocation and Impact report. Materiality affects the nature, timing and extent of our assurance procedures and the evaluation of the effect of identified misstatements on our conclusion.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our examination consisted, among other things of the following:

- Identifying areas of the Green Bond Allocation and Impact report with a higher risk of a material misstatement, whether due to fraud or error, designing and performing assurance procedures responsive to those risks, and obtaining evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the company's internal control.

- Evaluating the eligible project allocation against the criteria as per the Green Bond Framework of Triodos Bank N.V., by performing limited substantive testing (on a sample basis) of the allocation of the proceeds to the eligible projects meeting the criteria, including verifying that they have been appropriately measured, recorded and reported.
- Evaluating the impact reporting section of the Green Bond Report by performing limited substantive testing (on a sample basis) of the environmental impact of the eligible green loans.

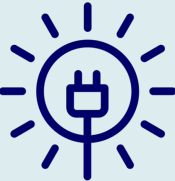








Amsterdam, 28 September 2022

PricewaterhouseCoopers Accountants N.V.

D.J.P. van Veen RA

Appendix

Appendix I - Green Bond's SDG objectives

<p>Renewable energy</p> 	<p>SDG 7: Affordable and Clean Energy 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>SDG 13: Climate Action SDG 13 consists in taking urgent action to combat climate change and its impacts. Financing renewable energy projects, can contribute to this goal as it contributes to the avoidance of GHG emissions compared to energy production based on fossil fuels</p>	 
<p>Environmentally sustainable management of living natural resources</p> 	<p>SDG 15: Life on Land 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements</p> <p>By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally</p> <p>15.a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems</p> <p>SDG 13: Climate Action SDG 13 consists in taking urgent action to combat climate change and its impacts. Financing nature development and forestry projects can contribute to this goal, as it continues the absorption of GHG emissions from the atmosphere</p>	 
<p>Green buildings</p> 	<p>SDG 11: Sustainable cities and societies 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</p> <p>SDG 13: Climate Action SDG 13 consists in taking urgent action to combat climate change and its impacts. Financing green buildings, sustainable properties and energy efficiency projects at properties can contribute to this goal, as it contributes to the achievement of energy savings and to the reduction of GHG emissions</p>	 

Appendix II - Our climate story so far

1980

A new bank is born

1986

Sustainable energy investment funds

The largest nuclear disaster ever takes place in the Ukrainian city of Chernobyl. For Triodos Bank this was the reason to start with investment funds for sustainable energy. We were the first bank in the Netherlands to finance wind turbines.

1990

First green fund in Europe

Triodos Bank launches the first green fund in Europe called Biogroend Beleggingsfonds. The Wind Fund will follow later. In 1998 these funds come together in Triodos Green Fund. This fund invests in more than 300 projects in the field of organic agriculture and renewable energy.

1993 – 2006

Triodos grows across Europe

From roots in the Netherlands the bank expands to offer sustainable banking and green finance in Belgium, United Kingdom, Spain and Germany.

2012

First green mortgage

Triodos Bank starts providing residential mortgages in the Netherlands. In 2012, we were the first bank to link the energy label of the home to the interest you pay. In 2020 we took a new step towards accelerating the energy transition. When you buy a house with an energy label C or lower and do not intend to make it more sustainable, you can borrow less.

2016

Measure to manage

Triodos Bank is one of the founding members of the Partnership for Carbon Accounting Financials, (PCAF) a collaboration between Dutch financial institutions that develops open source methodologies for assessing the carbon footprint of the loan and investment portfolios. PCAF has evolved into the Global GHG Accounting and Reporting Standard for the Financial Industry.

2018

Paris and the financial sector

Start of negotiations on a Dutch Climate Agreement. Triodos Bank negotiates at the tables for electricity and the built environment.

2019

Financial commitments to climate goals

Triodos Bank takes the initiative for a commitment by the Dutch financial sector to the Paris Agreement climate goals. The commitment is signed by banks, asset managers, pension funds and insurers. The Dutch commitment serves as an example for climate commitments in Spain (2019) and Germany (2020). These were initiated with the help of Triodos Bank.

2020

Triodos continues to top the charts for renewable energy

Triodos Bank tops the Clean Energy Pipeline Global League Table for number of clean energy deals, financing 73 deals worth a total \$630 million (USD) across Europe. The deals incorporate onshore wind, offshore wind, solar, hydro and energy efficiency projects. This is the fifth year running that Triodos has topped the league table.

2021

First green bond

Triodos Bank has successfully issued a EUR 250 million Green subordinated Tier 2 Bond. The proceeds will be used to fund lending in renewable energy, environmentally sustainable management of living natural resources & land use and green buildings.