



Triodos  Bank
Annual Report 2009



Key figures in EUR

amounts in millions of EUR

	2009	2008	2007	2006	2005
Financial					
Equity	314	204	200	124	120
Number of depository receipt holders	14,778	11,797	12,084	9,039	9,271
Funds entrusted	2,585	2,077	1,617	1,356	1,072
Number of accounts	228,030	169,517	130,644	102,318	87,989
Loans	1,661	1,270	1,019	854	665
Number	14,438	9,381	6,181	3,977	3,682
Balance sheet total	2,987	2,363	1,885	1,539	1,222
Funds under management*	1,876	1,378	1,429	1,282	1,080
Total assets under management	4,863	3,741	3,314	2,821	2,302
Total income	88.3	73.7	59.2	45.9	36.6
Operating expenses	-70.5	-55.5	-47.7	-36.8	-29.3
Value adjustments to receivables	-5.0	-3.2	0.6	-0.3	0.5
Value adjustments to participating interests	-0.4	-1.0	—	—	—
Operating result before taxation	12.4	14.0	12.1	8.8	7.8
Taxation on operating result	-2.9	-3.9	-3.1	-2.7	-2.5
Net profit	9.5	10.1	9.0	6.1	5.3
Solvency (BIS ratio)**	16.3%	13.0%	16.8%	13.5%	14.3%
Operating expenses/total income	80%	75%	81%	80%	80%
Return on equity in %	4.2%	5.0%	5.6%	5.0%	5.0%
Per share (in EUR)					
Net asset value at year end	71	70	70	69	67
Net profit***	2.98	3.51	3.85	3.40	3.37
Dividend	1.95	1.95	1.95	1.80	1.65
Social					
Number of co-workers at year end****	576	477	397	349	301
Co-worker turnover	10%	14%	18%	20%	19%
Women as percentage of management team	27%	29%	33%	33%	36%
Training costs per fte in EUR	1,318	1,240	1,189	971	1,061
Ratio between the highest and the lowest salary	8.5	7.7	7.3	7.0	6.8
Environment					
Emission of CO ₂ (1,000 kg)*****	2,604	2,097	1,454	1,163	1,013
CO ₂ compensation	100%	100%	100%	100%	100%

* Including funds under management with affiliated parties that have not been included in the consolidation.

** With effect from 2008, the solvency is calculated in accordance with the new Basel II directives. The comparable figure for 2007 has been adjusted.

*** The figure of net profit per share is calculated on the average number of issued shares in circulation during the financial year.

**** Concerns all co-workers employed by Triodos Bank NV, excluding co-workers employed by the joint venture Triodos MeesPierson. The comparable figure for 2008 has been adjusted.

***** The CO₂ calculation method was changed in 2009 and the comparable figure for 2008 has been recalculated.

Key figures in pounds

amounts in millions of pounds#

	2009	2008	2007	2006	2005
Financial					
Equity	279	194	147	83	82
Number of depository receipt holders	14,778	11,797	12,084	9,039	9,271
Funds entrusted	2,295	1,978	1,186	911	735
Number of accounts	228,030	169,517	130,644	102,318	87,989
Loans	1,475	1,210	747	574	456
Number	14,438	9,381	6,181	3,977	3,682
Balance sheet total	2,653	2,251	1,382	1,033	837
Funds under management*	1,665	1,312	1,048	861	740
Total assets under management	<u>4,318</u>	<u>3,563</u>	<u>2,430</u>	<u>1,894</u>	<u>1,577</u>
Total income	78.4	70.2	43.4	30.8	25.1
Operating expenses	-62.6	-52.9	-35.0	-24.7	-20.1
Value adjustments to receivables	-4.4	-3.1	0.5	-0.2	0.3
Value adjustments to participating interests	<u>-0.4</u>	<u>-0.9</u>	<u>—</u>	<u>—</u>	<u>—</u>
Operating result before taxation	11.0	13.3	8.9	5.9	5.3
Taxation on operating result	<u>-2.6</u>	<u>-3.6</u>	<u>-2.3</u>	<u>-1.8</u>	<u>-1.7</u>
Net profit	<u>8.4</u>	<u>9.7</u>	<u>6.6</u>	<u>4.1</u>	<u>3.6</u>
Solvency (BIS ratio)**	16.3%	13.0%	16.8%	13.5%	14.3%
Operating expenses/total income	80%	75%	81%	80%	80%
Return on equity in %	4.2%	5.0%	5.6%	5.0%	5.0%
Per share (in GBP)					
Net asset value at year end	63	67	51	46	46
Net profit***	2.65	3.34	2.82	2.28	2.31
Dividend	1.73	1.86	1.43	1.21	1.13
Social					
Number of co-workers at year end****	576	477	397	349	301
Co-worker turnover	10%	14%	18%	20%	19%
Women as percentage of management team	27%	29%	33%	33%	36%
Training costs per fte in GBP	1,171	1,176	872	652	727
Ratio between the highest and the lowest salary	8.5	7.7	7.3	7.0	6.8
Environment					
Emission of CO ₂ (1,000 kg)*****	2,604	2,097	1,454	1,163	1,013
CO ₂ compensation	100%	100%	100%	100%	100%

Converted to pounds sterling at the mid-market exchange rate applying at each year end.

* Including funds under management with affiliated parties that have not been included in the consolidation.

** With effect from 2008, the solvency is calculated in accordance with the new Basel II directives. The comparable figure for 2007 has been adjusted.

*** The figure of net profit per share is calculated on the average number of issued shares in circulation during the financial year.

**** Concerns all co-workers employed by Triodos Bank NV, excluding co-workers employed by the joint venture Triodos MeesPierson. The comparable figure for 2008 has been adjusted.

***** The CO₂ calculation method was changed in 2009 and the comparable figure for 2008 has been recalculated.

Key figures in US-dollars

amounts in millions of US-dollars[#]

	2009	2008	2007	2006	2005
Financial					
Equity	453	284	295	163	142
Number of depository receipt holders	14,778	11,797	12,084	9,039	9,271
Funds entrusted	3,723	2,890	2,380	1,786	1,268
Number of accounts	228,030	169,517	130,644	102,318	87,989
Loans	2,393	1,768	1,500	1,125	787
Number	14,438	9,381	6,181	3,977	3,682
Balance sheet total	4,304	3,289	2,775	2,026	1,445
Funds under management*	2,701	1,918	2,104	1,689	1,278
Total assets under management	<u>7,005</u>	<u>5,207</u>	<u>4,879</u>	<u>3,715</u>	<u>2,723</u>
Total income	127.3	102.6	87.2	60.5	43.3
Operating expenses	-101.5	-77.3	-70.3	-48.4	-34.7
Value adjustments to receivables	-7.2	-4.4	0.9	-0.4	0.6
Value adjustments to participating interests	-0.7	-1.4	—	—	—
Operating result before taxation	17.9	19.5	17.8	11.7	9.2
Taxation on operating result	-4.2	-5.4	-4.6	-3.6	-2.9
Net profit	<u>13.7</u>	<u>14.1</u>	<u>13.2</u>	<u>8.1</u>	<u>6.3</u>
Solvency (BIS ratio)**	16.3%	13.0%	16.8%	13.5%	14.3%
Operating expenses/total income	80%	75%	81%	80%	80%
Return on equity in %	4.2%	5.0%	5.6%	5.0%	5.0%
Per share (in USD)					
Net asset value at year end	102	97	103	91	79
Net profit***	4.29	4.88	5.67	4.48	3.99
Dividend	2.81	2.71	2.87	2.37	1.95
Social					
Number of co-workers at year end****	576	477	397	349	301
Co-worker turnover	10%	14%	18%	20%	19%
Women as percentage of management team	27%	29%	33%	33%	36%
Training costs per fte in USD	1,899	1,719	1,750	1,279	1,255
Ratio between the highest and the lowest salary	8.5	7.7	7.3	7.0	6.8
Environment					
Emission of CO ₂ (1,000 kg)*****	2,604	2,097	1,454	1,163	1,013
CO ₂ compensation	100%	100%	100%	100%	100%

[#] Converted to US-dollars at the mid-market exchange rate applying at each year end.

^{*} Including funds under management with affiliated parties that have not been included in the consolidation.

^{**} With effect from 2008, the solvency is calculated in accordance with the new Basel II directives. The comparable figure for 2007 has been adjusted.

^{***} The figure of net profit per share is calculated on the average number of issued shares in circulation during the financial year.

^{****} Concerns all co-workers employed by Triodos Bank NV, excluding co-workers employed by the joint venture Triodos MeesPierson. The comparable figure for 2008 has been adjusted.

^{*****} The CO₂ calculation method was changed in 2009 and the comparable figure for 2008 has been recalculated.

Triodos Bank NV

ANNUAL REPORT 2009

IMPORTANT DATA FOR TRIODOS BANK'S SHAREHOLDER AND DEPOSITORY RECEIPT HOLDERS

Annual General Meeting of Shareholders	21 May 2010
Ex-dividend date	25 May 2010
Dividend payment date	26 May 2010



The cover image is taken from 'Earth like water', a painting by Mikel Eguskiza for the German Branch of Triodos Bank. Mikel actively promoted the Proyecto Trust, the company that became Triodos Bank Spain. 'For several years, my work has focused on the four elements of water, earth, wind and fire. I look for connections between colour and shapes; in that sense, the idea of movement is very important to me because it guides me throughout the artistic process. These images are painted directly with my hands as the most versatile 'tool' I have. This artistic experience has awoken me to the unceasing activity of elements, as active qualities throughout life.' Mikel Eguskiza.

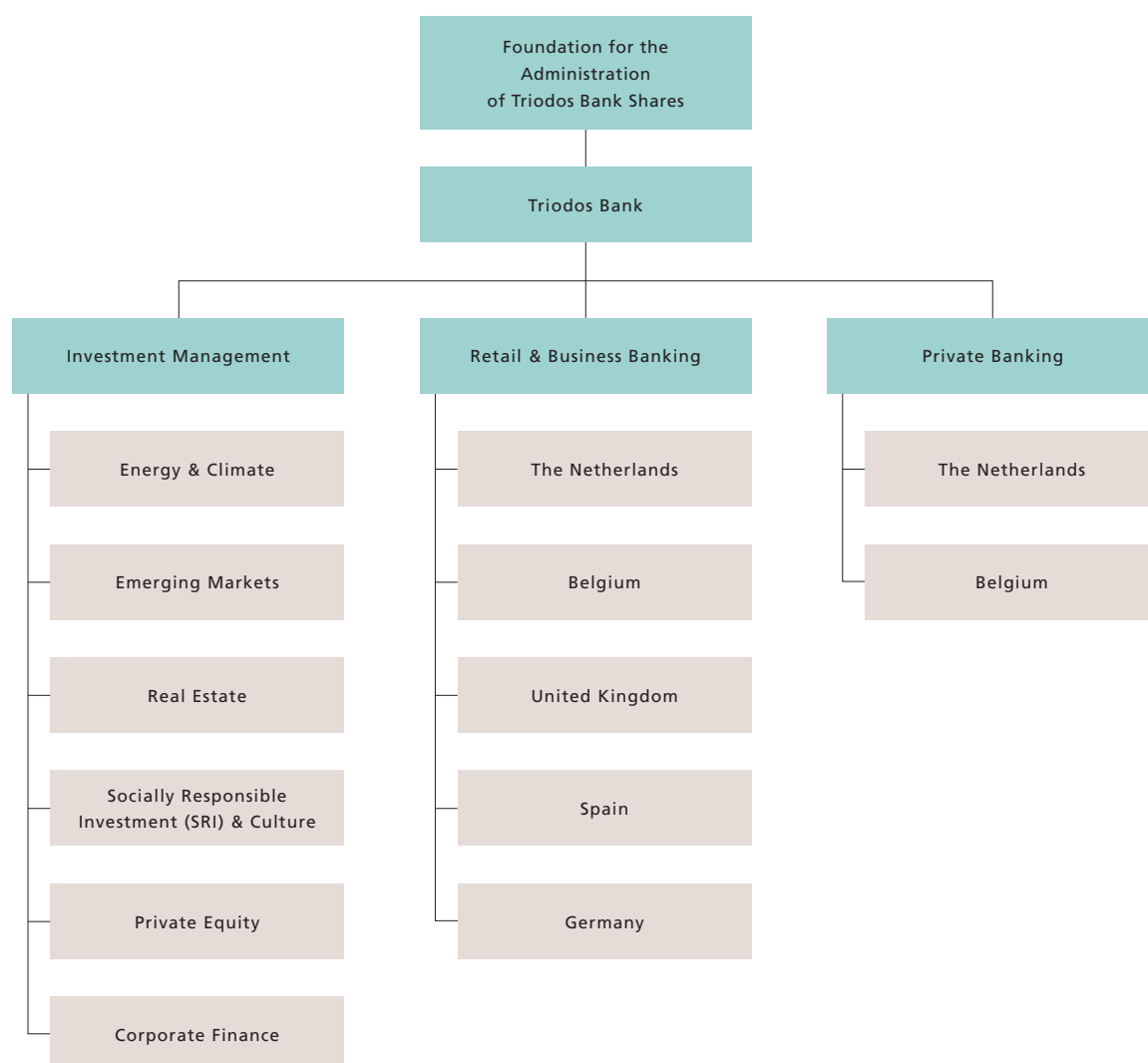


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Triodos Group Structure at 1 January 2010



Sustainable banking

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

Our mission is

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

OUR AMBITION

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

OUR MARKET AND CORE ACTIVITIES

Triodos Bank aims to achieve its mission as a sustainable bank in three ways.

AS A SUSTAINABLE SERVICE PROVIDER

Bank customers not only want sustainable products and services, but also competitive prices and a professional service. Triodos Bank believes that these key customer values cannot be seen in isolation. So the Bank tries to offer a collective package of banking services to promote sustainable development. The Bank's aim is to create a broad customer base – a combination of private and corporate customers who have made a conscious decision to bank with Triodos. Exactly how this happens differs in each country; our services have developed in different ways in each of the

countries where we work, depending in part on the stage of development of the branches and offices in question.

AS A PRODUCT INNOVATOR

A second strategic objective is to develop innovative products and sell them through Triodos Bank and third parties. These products directly reflect the mission and values at the core of the Bank's work. Product development is most advanced in The Netherlands, where Triodos Meerwaardefondsen, Triodos Groenfonds, Triodos Fair Share Fund, Triodos Vastgoedfondsen and Triodos Cultuurfondsen are all distributed to the general public through other banks. The launch of Luxembourg-based funds has also laid the foundation for European-wide distribution. More than 50% of the growth in these funds now comes from distribution via third parties, bringing Triodos Bank products to a broader audience.

AS AN OPINION LEADER

Triodos Bank wants to stimulate public debate on issues such as quality of life, corporate social responsibility and sustainable banking. It also wants to use 30 years' experience to encourage society to promote more sustainable development. The implications of this public debate extend well beyond the activities of the Bank itself. Triodos' vision and approach have given the Bank international recognition. Triodos' participation in the public debate means people can see what the Bank stands for and hear its opinions about important social trends. Triodos Bank's identity is crucial in this respect, strengthening the Triodos Bank brand and reputation.



Supervisory Board Annual Report

TO THE SHAREHOLDERS AND DEPOSITORY RECEIPT HOLDERS

The Supervisory Board's primary responsibility is the supervision and review of the development of Triodos Bank's operations, on the basis of the Executive Board's written quarterly reports. As in previous years, the Board was involved in the Bank's strategic decision-making. The global economic crisis was an important subject of discussion in all the Board's meetings during 2009. The Board is delighted that Triodos Bank is able to continue to grow and develop during such an unsettled period. It was particularly pleased to see the Bank win the Financial Times Sustainable Bank of the Year Award 2009. We congratulate the management and wider co-worker group for this achievement. It provides welcome encouragement for the business to continue to perform.

The Supervisory Board meets its obligations to the independence criteria in the Banking Code. It is composed so that its members are able to act independently, both from one another and the Executive Board. The Supervisory Board is also organised so that members are independent of any other particular or partial interest that relates to the bank.

The Board includes an Audit Committee and a Nomination and Compensation Committee. The Audit Committee met on two occasions in 2009 with the Chief Financial Officer as the representative of Triodos Bank's Executive Board, and with the Head Internal Auditor. In addition, one meeting was held with the external auditor, without the Executive Board being present. The Audit Committee reviewed, among other things, the Bank's overall control framework, the quarterly results, the findings of the Internal Auditor, important accounting decisions and treasury management. During the year the decision was taken to extend the activities of the Audit Committee to include

risk issues from 2010, and it has revised its name to the Audit & Risk committee to reflect this change. The Audit & Risk committee has been designated to perform the tasks attributed to risk committees by the Banking Code.

The Nomination and Compensation Committee supervises the remuneration packages of the Executive Board and monitors the remuneration of senior positions in the bank. The Committee's activities in this area are limited because Triodos Bank continues not to offer bonus or share option schemes to either its Board members or co-workers. The committee was asked, however, to create a permanent education and training programme for the Executive and Supervisory Board, not least to help adapt to a rapidly changing world. This permanent education programme serves as implementation of the requirement of creating a lifelong learning programme pursuant to the Banking Code. A first training session is planned for early 2010.

In 2009 the Supervisory Board, the Board of SAAT (Foundation for the Administration of Triodos Bank Shares), and the Bank's senior management, attended a strategy meeting. During this meeting, thoughts were exchanged about the Bank's long-term prospects, particularly in the light of the financial and economic crisis. The Supervisory Board met once, without the Executive Board, to discuss the effectiveness of both Boards and the relationship between the two. In general, the Supervisory Board judged its own effectiveness to have improved and is determined to continue this progress.

Special attention was given to the relationship with SAAT. A meeting was convened to strengthen this relationship and to better understand the differences in position and responsibilities of both bodies in the context of the financial crisis and its aftermath.

- ◀ Zaytoun is a fair trade, not-for-profit organisation established to support farming communities in Palestine. The company helps to build a market for Palestinian products such as olive oil and herbs in the UK. As the business develops, a Triodos Bank loan is helping to support growth so that even more Palestinians can benefit from their work.

We propose that the Executive Board and the Supervisory Board of Triodos Bank be discharged in respect of the fulfilment of their duties during the past financial year.

Ms Scheltema is at the end of her term of appointment and is eligible for reappointment. The Board supports the reappointment of Ms Scheltema. Mr Lamers is at the end of his term of appointment and is also eligible for reappointment. The Board supports the reappointment of Mr Lamers.

The departure of Ms Van Boeschoten (to SAAT) and Ms Bahlmann (to Board of ING) and the joining of Mr Carrington left the Board with one vacancy. We expect to propose a new board member for appointment at the end of April.

Zeist, 24 February 2010

Hans Voortman, *Chair*

Executive Board Annual Report

The year 2009 could mark a watershed. As some economies started to emerge from the worst impact of the financial crisis, many remained firmly in its grip. In the same year a much-anticipated United Nations Climate Change Conference in Copenhagen promised to prevent massive environmental problems spiralling out of control, while much of the world continued to live in extreme poverty despite decades of aid. These are the same people who have contributed least, but are likely to suffer most, from the environmental problems that the Copenhagen summit was created to address. All three issues - a flawed financial system, environmental change and deep-seated global poverty - are inextricably linked. Deal with a financial system that has so singularly failed to provide for the majority of people it serves and we could build the basis for a lasting solution to our most pressing environmental and social problems.

People increasingly want to be part of a solution to problems that are clearer today than ever before, and which cannot be ignored any longer. As a result a growing number of people have decided to take responsibility and act - as citizens, consumers, entrepreneurs or businesses. This bottom-up movement has its own momentum, and continues despite a lack of political consensus. Triodos Bank is part of these developments, enabling depositors and investors to make conscious decisions about how they use their money and connecting them with entrepreneurs and institutions delivering sustainable solutions.

Because of this, and despite well-publicised problems in the financial system, sustainable banks like Triodos Bank continue to be successful. Attracting over EUR 100 million in a capital raising issue to support further growth, just as many high-street banks were using tax payer's money to fill holes in their capital base simply to survive, was proof of that. And we grew our customer numbers rapidly across an expanding European network. Overall they grew from 191,000 to 242,000, up 27% on 2008. While entrepreneurs continued to find borrowing hard to come by through the high-street banks Triodos Bank enjoyed a year of record lending, increasing by 31% on 2008. At the same time

our reach in Europe grew, launching a branch of Triodos Bank in Germany towards the end of the year. Germany is Europe's biggest economy with a strong tradition of sustainability, leading developments in renewable energy and recycling in particular. Having opened a representative office in 2005, we have already built a German lending portfolio of EUR 64 million and look forward to making an increasing impact in the coming years. And our work was recognised with a major international award, as Triodos Bank was named the 2009 Sustainable Bank of the Year by the Financial Times and IFC.

All of this activity gives us a genuinely unique perspective on a world coping simultaneously with financial, social and environmental crises. As they converge, the critical questions for us are what role banking can play in finding lasting answers to questions that have become impossible to ignore or defer? And what needs to change in finance so banks can finance change? Underlying these challenges there is an important opportunity to recognise that banks are more than just businesses with money as their product. We want to help remake the financial system so that banks do what they are supposed to do; financing a healthy physical or 'real' economy that makes the things and provides the services we need (rather than the 'unreal' financial economy whose volatility has become so familiar). The challenge is clear. How we meet it is less straightforward.

THE CRISIS HIGHLIGHTS THE NEED FOR CHANGE. BUT WHAT KIND?

Unsurprisingly perhaps, the financial crisis has led to a period of introspection for the banking industry, under the critical scrutiny of politicians, the media, and much of the public who have suffered in the wake of the economic downturn. Having apparently got things so wrong, there has been an effort to find out what can be put right. The focus of this debate has centred squarely on the banks. Triodos Bank, and other institutions like it, has an important voice in this debate. While we are limited in size, the success of our approach - which uses profit as a means to an end, not an end in itself - is significant. For a long time sustainable banking was dismissed as a luxury

that few could afford. In recent years that has changed. And in 2009 our longer-term view and straightforward approach appealed to a wider audience than ever before.

Where we may have been admired at best, or ignored at worst in the past, for some at least we are now regarded as a model that others can learn from. Our business model sounds, and is, simple. And that perhaps is the point. Triodos Bank takes the money entrusted to it, and only lends it to enterprises making, distributing or selling tangible products or services. With Triodos Bank, customers also know that we will only use their money to finance sustainable organisations - of the kind highlighted in this



Peter Blom: 'We want to influence the development of the banking industry. Not simply by talking about a sustainable financial future, but by actively delivering it.'

Annual Report. As well as paying them a return we then tell our customers where their money goes. For example, in 2009 we developed an online tool that allows visitors to our website to go on a 'virtual' trip to see the customers we finance. Launched in the summer of 2009 in The Netherlands followed by the UK later in the year, *Mijn Geld Gaat Goed* (My Money Goes Well - www.mijngeldgaatgoed.nl) is a simple, but powerful transparency tool which will eventually allow anyone with internet access to 'visit' all the projects we lend to across the Triodos Group.

But just financing sustainable projects, and being transparent about it, is not enough. We cannot have a more sustainable lifestyle without a more sustainable financial system. Speculation about what happens after the recession fails to recognise that lasting change depends on a new system approach that can underpin a new, more sustainable economy. Much of the recent debate around the crisis focuses on 'rebuilding trust', which sounds ominously like business as usual. Rather we need to change finance much

more fundamentally so that we can build a better economy and deal with the really big problems that face us, like the climate and poverty crises.

INFLUENCING THROUGH ACTION

We hope that by doing what we do, we can influence others to make the case for this kind of far-reaching, systemic change. During 2009 we were delighted to win the Financial Times Sustainable Bank of the Year Award, beating 165 institutions from 42 countries to do it - including some of banking's biggest names. This recognition is helpful because it demonstrates that sustainable banking has emerged from the margins. It highlights that while it remains relatively small, it is already part of the mainstream. The award's timing was particularly significant. As the award's judges said, 'What Triodos has tried is something radically different, and it appears to be working. If this isn't the year when it's been demonstrated that we need a new model, when is?' The award is testament to the energy and commitment of Triodos Bank co-workers across our European network. The impact we make is down to their dedication and expertise.

Public recognition for our work, during a time of financial upheaval, is also an implicit challenge for others to do things differently. It shows that relationship, rather than transactional, banking is not only preferable for a more sustainable future; it also makes compelling commercial sense. Sustainability has become a buzz word that means different things to different people, and arguably often very little at all. It's clear however that the market for sustainable products and services is growing, and growing fast. As it expands, so has Triodos Bank. To support our continuing positive development we raised more capital in 2009, closing a depository receipt issue early because of excessive demand, and raising over EUR 100 million. Thousands of people responded to the issue, in all five of the countries where we work. These investors are interested in returns that come from lending money to people and organisations in the real economy who we know well; not abstract profits created through complex and often much riskier financial instruments.

To have more impact we want to act globally as well as across Europe, working together with

other inspiring values-driven banks. So, in 2009 we co-founded The Global Alliance for Banking on Values (GABV). The GABV is an independent network of the world's leading sustainable banks, with combined assets of over USD 14 billion, representing over seven million customers. Co-founded by BRAC Bank in Bangladesh, ShoreBank in the us and Triodos Bank, the network delivers sustainable development for unserved people, communities and the environment. Together this influential group will promote sustainable and environmental change through a small number of high impact activities and committed advocacy work, as well as learning from each other to improve its individual member's impact. These banks have a green or poverty focus at the core of their work, using profit to deliver change. We believe there is much to learn from them, both for Triodos Bank and the wider banking industry.

DELIVERING LASTING CHANGE

Making lasting change happen is not easy. It's particularly hard when that change means the mainstream swapping a culture of short-term financial profit in favour of a longer-term investment for financial, social and environmental returns. And it is unrealistic to expect one part of business or society to have this kind of influence alone.

We are all involved in making the kind of profound change we need to happen because almost everybody deals with money. Our customers recognise that money can make a difference. Whether it's investing in Triodos Fair Share Fund in The Netherlands so that microfinance banks can offer the basic financial services most of us take for granted, or opening a savings account so Triodos Bank can finance green technologies that create energy from food waste, these individual steps make a vital contribution to lasting change.

Money is channelled through the financial sector and, within the sector, banking plays a crucial role. So changing our banks, as well as individual behaviour, is key. And yet, the debate about the specifics of how banks should remake themselves in a post-crisis world often focuses solely on accessing more capital. This thinking suggests that more capital means banks will be better able to deal with shocks. It also argues

that risk management should be improved, so they avoid contributing to those shocks in the first place. The sub-text seems to be that all we need to do is move back to a slightly modified form of business as usual - often including the banking bonuses that are so controversial for a public coping with deep-seated recession. But we firmly believe business as usual is no longer a credible, long-term option.

Triodos Bank wants to influence the debate about how the banking industry changes; not through vague ideas, but through the impact of what we actually do. We finance entrepreneurs that provide meaningful products and services; from housing for elderly people to developers of renewable energy projects. To do this more effectively we need to continue to be a robust, efficient bank, working within a healthier financial system.

BUILDING A DIFFERENT FINANCIAL FUTURE

Important questions about how to build a better financial future are much higher on the agenda now than before, such as should banks be private or public, global or local, big or small? Can, indeed, a bank be both at the same time, creating a kind of hybrid? Triodos Bank challenges the notion that the banking debate is only about how big banks deal with a world dominated by huge multinational corporations. There is no evidence to suggest that small and medium-sized banks couldn't perform similar tasks. They are well placed to serve the small and medium-sized companies that are the backbone of the economy. A modern network of smaller specialist banks can respond quickly to finance new technologies and are flexible enough to service the changing needs of organisations of all sizes.

It is also often easier for smaller banks to build close relationships over time in markets they know well; and we believe banking is about long-term relationships. We want to grow together with our customers. We have financed small fair trade initiatives, for instance, in their very earliest pioneering stages, until they have grown to a scale where they have needed to raise money through share issues as well-known national brands, such as Cafédirect in the uk.

This relationship model extends beyond our immediate customers. We practise a lively

stakeholder model, inviting a genuine dialogue with all the individuals and organisations with a direct or sometimes indirect interest in our work. Triodos Bank's mission is to improve quality of life, putting our stakeholder's interests above all. And our stakeholder's are not only driven by profit. They are individuals, institutions and groups, who want to see people, planet and profit in a powerful, sustainable balance. This approach is the basis on which we discuss interest rates, profit and remuneration. Only by being transparent about these things can we find the right balance.

TAKING RESPONSIBILITY

Triodos Bank is different to, but very much part of, the financial sector. The fact that we contributed around 21% of our profit (before tax) to the Dutch deposit guarantee scheme because of the failure of another bank is proof of that. In the current crisis, the financial industry is struggling to recognise its role in society. It is not a business like any other, and that's precisely why it has the potential to do so much good.

If it is to recover and fulfil its real potential the banking sector has to start by recognising what its role and positive potential is, deal with the mistakes it has made and take responsibility for a better future. The industry should ask itself whether investment banking activity which brings different risks with it, should be separated from retail banking, as has been proposed in the United States. Levels of risk and leverage should be reduced substantially across the board and meaningful transparency demanded as a normal part of everyday banking. At the same time financial products should be simplified and the size of banks scrutinized as part of a comprehensive debate.

Last but not least, we are all part of an economic system that has, to date, had only one dominant principle; to make as much money as possible as quickly as possible. If nothing else this idea of profit maximisation has finally been discredited through the pain of the financial crisis. That doesn't mean that behaviour will necessarily change. There are deep-seated cultures to overcome. But we know from doing what we do, and the growing interest in it, that banking has the potential to be a central part of a new economy that takes real account of people and the environment. Our stakeholders know it too.

Not in a vague theoretical sense, but in practise; because they experience and are a central part of it.

Triodos Bank delivers through a wide range of banking activities across a number of countries in Europe and around the world. A robust financial performance is essential to maintain this sustainable impact, underpinning and enabling it to happen. Our results are therefore, important, and they follow here:

RESULTS

Triodos Bank is committed to sustainable development, with a focus on people's quality of life. Quality of life includes but extends beyond the well-being of individuals, to social relationships and how we treat the environment. It does not contradict entrepreneurship and financial return, but puts them in a broader context. Indeed, this is the added value that Triodos Bank contributes. Social and economic developments underline the interest in Triodos Bank's focus on quality, people and nature. The Bank is responding to this by broadening and deepening its activities.

The following are the main results achieved in 2009:

TRIODOS GROUP

- The total amount of assets under management including the Bank and the investment funds grew by EUR 1.1 billion, or 30%, to EUR 4.9 billion.
- By the end of 2009, Triodos Group and its climate and energy investment funds were financing over 275 projects across Europe. Together they have a generating capacity of 950 MW of energy. This includes 175 wind farms, 85 solar plant and various biomass (15) and small hydro (19) projects, producing approximately 2.25 billion kWh per annum, or the equivalent of the electricity consumption of around 630,000 European households. This green power avoids CO₂ emissions of over 800,000 tonnes per year.
- The number of co-workers increased by 21% to 576 in 2009. Sick leave was 2.6% (2008: 2.4%), which is just above the stated maximum of 2.5%.

Statement of funds entrusted per branch

Amounts in millions of EUR

	31.12.2009		31.12.2008	
	amount	%	amount	%
The Netherlands	1,220.3	47	970.2	47
Belgium	708.7	28	572.2	28
United Kingdom	386.5	15	359.0	17
Spain	268.7	10	175.3	8
Germany	0.4	0	—	—
Total	2,584.6	100	2,076.7	100

Statement of funds entrusted per category

Amounts in millions of EUR

	31.12.2009		31.12.2008	
	amount	%	amount	%
Saving accounts	1,544.9	60	1,039.4	50
Deposits and time accounts	417.2	16	595.4	29
Other funds entrusted	622.5	24	441.9	21
Total	2,584.6	100	2,076.7	100

- The most important points of attention in the 2009 environmental programme were reducing paper usage per fte and making the environmental management system more efficient. Over 2009 the paper usage per fte decreased by 9%. New roles and functions were taken up within the environmental management system to increase efficiency.

TRIODOS BANK

- Triodos Bank's balance sheet total grew by 26% to EUR 3.0 billion thanks to a steady growth of the funds entrusted and a successful share issue. Growth of between 15 to 20% was expected.
- Triodos Bank increased its share capital by more than EUR 100 million, or 51%, thanks to a depository receipt issue, that was so successful it had to be closed early. Triodos Bank attracted a large number of new depository receipt holders

reflecting the interest in the Bank's development among individual and institutional investors.

- The funds entrusted increased by EUR 508 million, or 24%, against expected growth of EUR 400 million. Savers continued to respond to the financial crisis and wider discontent about the way banks have handled their responsibilities and rewarded their employees by turning to Triodos Bank as a positive alternative. This resulted in higher growth than expected, particularly in The Netherlands and Belgium. This was due to a growing profile, full banking services, and account opening processes that are more efficient and tailored for local audiences.
- Growth of the loan portfolio amounted to EUR 391 million, or 31%. This is more than the expected growth of EUR 300 million.
- The Bank's total number of customers increased by 27%. Expected growth was between 15% and 20%. By the end of 2009, the Bank had a total of 242,000 customers.
- The net profit for 2009 is EUR 9.5 million, 6% lower than for 2008, below expectations. Without a substantial contribution to the Dutch deposit guarantee scheme, following the collapse of a Dutch bank, the net profit would have increased.
- Triodos Bank in The Netherlands enjoyed unprecedented growth in 2009, attracting both business and private customers. It also launched an innovative online transparency tool allowing users to enjoy virtual 'visits' to borrowing customers. The loan portfolio also grew, although increases were limited by the transfer of some loans to Triodos Groenfonds and Triodos Cultuurfonds.
- Triodos Bank in the United Kingdom grew its loan portfolio significantly, including some high-profile environmental projects. In difficult market conditions, and against a backdrop of aggressive competition for interest rates, deposit growth was only marginal.
- Triodos Bank in Belgium combined growth of savings, loans and profit with increasing awareness across the country. The branch competed successfully in a market where many larger players are keen to tap into the sustainability market.

- Triodos Bank in Spain also delivered growth in all areas, opening three new regional offices, in the Madrid, Castile-Leon and Valencian Community regions. The branch successfully managed an increase in customer numbers of over 50%.



Pierre Aeby: 'Despite a difficult year, sustainable businesses performed well in the face of the economic crisis.'

- Triodos Bank in Germany was opened in December 2009 in Frankfurt, at a special event attended by 400 people, and marking an important milestone in the Group's development. The Bank has been represented by Triodos Finanz GmbH in Germany since 2005 building a loan portfolio of EUR 64 million.

TRIODOS INVESTMENT MANAGEMENT

- There was a marked increase in the growth of Triodos investment funds. At the start of 2009, growth ambitions were high but market uncertainty made it difficult to make a clear forecast following stagnating growth since mid 2007. Total growth of the investment funds was EUR 373 million, up 31%.

TRIODOS PRIVATE BANKING

- Triodos Private Banking expanded its activities into Belgium, in addition to its existing unit in The Netherlands. In 2009, private asset management increased strongly in both countries, recording an increase of the assets under management of EUR 124 million to EUR 280 million. Many private banking clients also participated in the issue of depository receipts.

TRANSPARENCY AND REPORTING

Triodos Bank has used the guidelines of the Global Reporting Initiative (GRI) since 2001. GRI was established in 1997 by the United Nations and the Coalition for Environmentally Responsible Economics (CERES). GRI wants to organise reporting on sustainability in a consistent manner and, in this way, make performance objective and make comparison easier. Triodos Bank is an organisational stakeholder of GRI. This Annual Report uses the

G3 (version 3) guidelines and the new financial sector supplements developed in 2008.

SUSTAINABILITY POLICY

Sustainability considerations are shared at all levels of Triodos Bank and are an integral part of its management. Social and environmental aspects are taken into account in all the Bank's decisions. Therefore, unlike many other organisations, Triodos Bank does not have a separate department that continuously focuses on sustainability or corporate social responsibility.

Triodos Bank employs specific criteria to ensure the sustainability of products and services. The Bank employs both positive criteria to ensure it is actively doing good and negative criteria for exclusion, to ensure it doesn't do any harm. The negative criteria exclude loans and investments in sectors or activities that are damaging to society. The positive criteria identify leading businesses and encourage their contributions to a sustainable society. Twice a year, these criteria are tested and adjusted if necessary. Triodos Bank has also defined sustainability principles for its internal organisation. These are included in its Business Principles. All sustainability criteria referred to can be found on Triodos Bank's websites.

PRODUCTS AND SERVICES

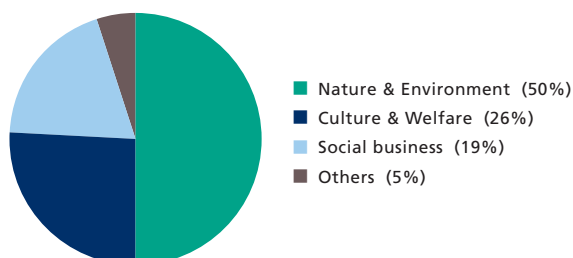
Triodos Bank's products and services offer investors and savers the opportunity to finance new and existing companies that contribute to the improvement of the environment or create social or cultural added value. Potential borrowers are first assessed on the added value they create in these areas. The commercial feasibility of a prospective loan is then assessed and a decision made about whether it is a responsible banking option. The criteria Triodos Bank uses to assess companies can be viewed on Triodos Bank's websites.

LENDING

The growth of the loan portfolio is an important indicator of the contribution Triodos Bank makes towards a more sustainable economy. All the sectors the Bank works in qualify as sustainable and the companies and projects it finances contribute to realising Triodos Bank's mission. In 2009, there was no reason to compare the

sustainability levels of the various sectors and base a core policy on the outcome of this. The Bank's main focus remains on the existing sectors in which it has already developed considerable expertise.

Outstanding loans per sector in 2009



NATURE & ENVIRONMENT (50%, 2008: 47%)

This sector consists of renewable energy projects such as wind and solar power and hydroelectric projects. It also includes organic agriculture, and projects across the entire agricultural chain, from farms, processors and wholesale companies to natural food shops. Environmental technology, such as recycling companies and nature conservation projects, is also represented.

SOCIAL BUSINESS (19%, 2008: 21%)

This sector includes loans to traditional businesses and innovative enterprises and service providers with clear social objectives, such as social housing, and loans to fair trade business.

CULTURE & WELFARE (26%, 2008: 30%)

This sector covers loans to organisations working in education, retreat centres, religious groups and artists. It also covers health care institutions including care for people with learning disabilities.

The lending sectors above describe the main sectors Triodos Bank is involved in. These sectors are financed by both Triodos Bank itself and its investment funds.

In 2009, the loan portfolio grew by 31% to EUR 1,661 million (2008: 25%). This EUR 391 million growth was higher than the expected EUR 300 million. The loan portfolio as a percentage of the total amount of funds entrusted rose to 64% (2008: 61%). Triodos Bank aims for a loan portfolio to funds entrusted ratio of 70%.

The quality of the loan book remained satisfactory notwithstanding the economic recession. However, a number of sectors related to agricultural production, and organic waste, were more affected by the economic recession due to high volatility of demand and price. The Bank has increased its addition to the loan loss provision to 0.34% of the average loan book (2008: 0.28%). Those provisions are taken as a preventive measure to protect the bank against potential defaults by borrowers.

SAVINGS AND PAYMENTS

Savings enable Triodos Bank to finance companies and organisations that benefit people, the environment and culture. An increase of the funds entrusted is an important indicator of the Bank's ability to attract sufficient funds to finance sustainable organisations. The total amount of funds entrusted, consisting of savings accounts, savings deposits or fixed term deposit accounts and credit balances on current accounts or deposit accounts, increased by EUR 508 million in 2009, a 24% increase (2008: 28%). Since the anticipated growth was EUR 400 million, and a 19% increase, the target was significantly exceeded. All branches contributed to this growth.

By offering our savers the opportunity to donate part of the interest they receive to a charity, many social organisations receive support every year. In 2009, 151 organisations (2008: 133) received total donations of EUR 1.0 million (2008: EUR 1.2 million) in this way.



Michael Jongeneel: 'Internet Banking was available 100% of the time in the second half of 2009, apart from planned maintenance, which means good quality service for our customers.'

INVESTMENTS

In addition to savings and payments, investment is an important activity at Triodos Bank. Investment takes place through investment funds or investment institutions bearing the Triodos name, and are managed by Triodos Investment

Management BV, a 100% subsidiary of Triodos Bank. These funds and investments are not on the Bank's balance sheet. The funds publish separate annual reports and each has its own Annual General Meeting of Shareholders. There were 13 investment funds in 2009, in which individuals and institutions could invest. The funds invest in different themes like micro-finance, climate and energy, sustainable real estate and culture or in listed companies with above average environmental, social and governance (ESG) performance. The total funds entrusted to Triodos Investment Management increased by 31% in 2009 to EUR 1,591 million, compared to EUR 1,218 million at year-end 2008.

FINANCIAL RESULTS

In 2009, the Bank's income grew by 20% to EUR 88 million (2008: EUR 74 million). Triodos Investment Management contribute EUR 19 million to the Bank's income (2008: EUR 15 million).

In 2009, commission income amounted to 33% (2008: 33%) of our total income in line with expectations.

In 2009, the ratio of operating expenses is 80% (2008: 75%). The ratio in 2008 was particularly low because we had to book an exceptional income from a hedging transaction that covered the currency exposure of our activities in the UK, where a loss had been incurred due to the devaluation of sterling. In 2009, the ratio was higher than expected due to the cost of a contribution to the Dutch deposit guarantee system (outlined above).

Number of statement of depository receipts per holder

amounts in millions of EUR

	Depository receipt holders		Issued capital	
	2009	2008	2009	2008
1 - 50	7,487	6,347	9.5	7.7
51 - 500	6,470	4,879	74.5	52.9
501 - 1.000	537	388	26.7	18.4
1.001 and more	284	183	203.5	125.2
Total	14,778	11,797	314.2	204.2

Net profit of EUR 9.5 million was down by 6% (2008: EUR 10.1 million). Earnings per share, calculated using the average number of outstanding shares during the financial year, were EUR 2.98 (2008: EUR 3.51), a 15% decrease. The profit is placed at the disposal of the shareholders. The profit available was reduced mainly because of contributions Triodos Bank was obliged to make to the Dutch deposit guarantee scheme following the collapse of DSB, a private Dutch bank.

The Bank proposes a dividend of EUR 1.95 per share (2008: EUR 1.95). This means that the pay-out ratio (the percentage of total profit distributed as dividends) will be 65% (2008: 56%).

The medium-term return on equity objective has been set at 7% of the Bank's equity. This target should be seen as a realistic, long term average for the type of banking activity that Triodos engages in. The mature branches (The Netherlands, Belgium and the United Kingdom) have proven that they can achieve this level of profitability. As a consequence of new investments such as a new branch in Germany, and accelerating growth in the number of customers, profit remained below 7%, as expected.

Triodos Investment Management is responsible for 23 investment funds, totalling EUR 1.6 billion. Together these funds make a substantial contribution to the bank's profit. Net profit in 2009 was EUR 3.6 million (2008: EUR 2.6 million).

The time frame within which the Bank will realise the 7% profit objective depends on the opportunities it chooses to, and can, take advantage of in a market where 'sustainable development' will be highlighted in the coming years. In the current market, the realisation of this profit objective is subject to considerable uncertainty. A worsening economic climate can result in above-average lending portfolio provisions, delaying the realisation of the profit target. Furthermore, realising growth opportunities comes with considerable initial expenses.

The number of depository receipt holders increased from 11,797 to 14,778. Equity increased by 54% from EUR 204 million to EUR 314 million. In 2009, maintaining an internal market for the buying and selling of depository receipts for shares continued to operate effectively. At the end of 2009, the net asset value for each

depository receipt was EUR 71, increasing from 70 at the end of 2008.

From the start of 2008, the BIS ratio (capital adequacy ratio), an important measure of a Bank's solvency, has been calculated according to the Basel II guidelines. At the end of 2009 the BIS ratio was 16.3% (2008: 13.0%), an increase that was due to a successful depository receipt issue during the year. This percentage is well above the statutory minimum of 8%. It's expected that banks have to meet higher capital adequacy ratios as a result of the financial crisis.

There is no share option scheme at Triodos Bank for co-workers, members of the Executive Board, the Supervisory Board or Board members of SAAT, as a matter of principle. Given its values, the Bank considers that a share option scheme is not an appropriate instrument for rewarding performance.

PROSPECTS FOR 2010

TRIODOS BANK

- Triodos Bank's balance sheet total is expected to grow by between 15 and 20%.
- All branches will broaden their customer base. The number of customers is expected to grow by between 15 and 20% across the Group.
- The loan portfolio is expected to increase by between 35 and 40% and the funds entrusted by between 15 and 20%. Triodos Bank has a healthy growth ambition but does not want to realise this at all costs. Growth in the loan portfolio is linked to opportunities we see in the market, as environmental, social and cultural issues converge and building solutions to them becomes more urgent than ever. It is also part of our efforts to strike a better balance between the proportion of our loans to our deposits.
- Excluding unforeseen circumstances, the Bank expects to achieve a positive result for 2010. At the same time we recognise that the economic downturn, that has resulted from the financial crisis, does present challenges for sustainable entrepreneurs and businesses active in the real economy. We will continue to work with them during difficult economic times.

TRIODOS INVESTMENT MANAGEMENT

- We anticipate a more favourable environment for investment funds and expect to deliver growth of between 25 and 30% in volume.

PRIVATE BANKING

- We expect interest in our private banking offering to continue to be high and anticipate growth of between 20 and 25%.

In 2010, the Bank will actively contribute to a more sustainable future, by responding to the social, environmental and cultural challenges we face. In particular we expect to grow our financing of renewable energy projects and other innovations worldwide that effectively reduce our dependence on fossil fuels. Our environmental activity is, however, only one part of our growing impact. We will communicate the results of our work more clearly and more often. We will do this by playing an active role in the public debate but also as a creative practitioner; a change agent financing meaningful projects on the ground.

Zeist, 24 February 2010

Triodos Bank Executive Board
Pierre Aeby*
Peter Blom*, *Chair*
Michael Jongeneel

* Statutory Director under the articles of association

For more information:

www.triodos.com
www.mijngeldgaatgoed.nl
www.triodos.co.uk/knowwhereyourmoneygoes
www.gabv.org
www.cop15.dk
www.ftconferences.com/sustainablebanking



Kwekerij de Hessenhof is one of very few organic plant nurseries. Owner Hans Kramer (pictured) borrowed from Triodos Bank to develop his unique enterprise. The nursery offers a large variety of perennials, ferns, ornamental grasses, herbs and shrubs. The plants thrive in a rich potting soil which includes root moulds and organic fertilizers.

Triodos Bank The Netherlands

2009 was a turbulent year for the Dutch financial industry. One bank went into insolvency and a number of other banks and insurers had to apply for government guarantees to access funding. Most banks experienced funding difficulties and competition for personal deposits prompted escalating savings interest rates.

As much of the banking industry suffered, Triodos Bank benefited from its strong reputation. People increasingly recognise the importance of the values at the heart of the organisation, leading to unprecedented growth in 2009. Thanks to investments in efficiency over the past two years we have been able to welcome record numbers of new customers. Triodos Bank was also the first to introduce a website with an interactive map where anyone can find out where and how savers' money is invested.

ACHIEVEMENT OF GOALS FOR 2009

While we expected to increase the number of private customers by some 20,000 in 2009, we actually brought in 33,000 new customers, an increase of 32%. The proportion of new business customers grew even faster, by 3,100 (45%) to almost 10,000. It is particularly interesting to see how sustainability appeals to a growing number of young entrepreneurs.

The balance sheet before the elimination of transactions between Triodos companies grew by EUR 266 million (24%) to EUR 1,362 million (2008: 29%). The loan book grew by EUR 62 million to EUR 588 million, an increase of 12% (2008: 21%). Entrusted funds growth was almost double what we expected, increasing by EUR 250 million to EUR 1,232 million (26%), against anticipated growth of EUR 150 million.

The autumn issue of depository receipts was also very successful. Dutch depository receipt holders, 1,678 of whom were new, increased their total investment by EUR 35 million.

LENDING

The loan portfolio grew by EUR 62 million (12%) to EUR 588 million, against an expected figure of EUR 100 million. The transfer of EUR 17 million of loans to Triodos Groenfond and Triodos

Cultuurfonds, as well as the transfer of existing German loans to the new German branch, reduced this growth. The Culture and Arts and Environmental Technology sectors grew most, with the Social Economy sector also performing strongly. Starting a special team to deal with smaller loan applications has been postponed to 2010. Private mortgage lending increased by EUR 15 million (66%) to EUR 37 million. Due to the effects of the economic slowdown, provisions for loan losses were higher than in previous years, at 0.45% of the average size of the loan book. However our provisions were among the lowest, compared to other banks in The Netherlands.



Matthijs Bierman: 'It's really encouraging to see how sustainability is increasingly common in the business principles of young entrepreneurs.'

SAVINGS

Thanks to many people switching banks, and existing customers increasing their deposits with Triodos Bank, total funds entrusted grew by EUR 250 million (26%) to EUR 1,232 million in 2009. Many depositors also chose to switch from fixed term deposits to instant access (internet) savings accounts. Total personal savings and fixed term deposits grew by EUR 160 million and total business savings and fixed term deposits increased by EUR 20 million.

INVESTMENTS

At the end of 2009, Triodos Bank customers in The Netherlands had invested a total of EUR 614 million in Triodos investment funds (2008: EUR 535 million), an increase of 15%. Investments picked up again, particularly in the last quarter of the year. Triodos Groenfond, Triodos Fair Share Fund and Triodos Cultuurfonds - all of which benefit from favourable tax breaks - grew very satisfactorily.

CURRENT ACCOUNTS

Approximately half of all new customers opened a current account with us. More than 44,000 customers now use Triodos Bank for their everyday banking. Thanks to a new Card Management System, introduced in the spring of 2009, the opening time for current accounts has been reduced by about a week. Total credit balances on personal current accounts grew by EUR 36 million (120%) and on business current accounts by EUR 33 million (40%).

INSURANCE

In 2009 we decided to discontinue our insurance brokerage activities, in order to fully focus on expanding our core activity of banking. The portfolio was sold to Meijers Assurantiën in Amstelveen. One co-worker was employed by Meijers, and all the others continued to work within the Dutch branch of Triodos Bank.

PROSPECTS FOR 2010

In March 2010 Triodos Bank The Netherlands expects to move to a new building close to the current office, freeing up valuable space for other parts of the bank to expand in to. The new building has been completely refurbished to provide an open working environment to help aid the exchange of ideas, and a modern and open communication area to meet with customers.

As a founding partner of *De Groene Zaak*, a new Dutch lobby group of more than 30 companies, Triodos Bank will challenge the government to create a more favourable investment climate for sustainable businesses.

In the first half of 2010 we expect to widen our current account services with the popular iDEAL payment system for internet purchases.

We expect funds entrusted to grow by EUR 125 million and the number of customers to increase to 175,000.

In the Business Banking department a number of new account managers will be hired to speed up lending, so we can increase the proportion of funds entrusted that are actually lent out. Since there are many sustainable businesses and projects asking for finance from us, we expect strong growth in the loan portfolio of EUR 118 million.

Zeist, 24 February 2010

Matthijs Bierman, *Managing Director*

For more information:

www.triodos.nl

www.mijngeldgaatgoed.nl

www.eerlijkebankwijzer.nl

Key figures The Netherlands

amounts in thousands of EUR

	2009	2008
Funds entrusted*	1,232,494	982,064
<i>Number of accounts</i>	135,350	92,748
Loans	587,791	525,495
<i>Number</i>	11,365	6,880
Balance sheet total*	1,361,575	1,095,621
Total income	28,746	22,848
Operating expenses	-20,210	-17,359
Value adjustments to receivables	-2,222	-1,562
Operating result before taxation	6,314	3,927
Taxation on operating result	-1,610	-1,001
Net profit	4,704	2,926
<i>Number of co-workers at year-end</i>	125	107

* The amounts are shown before intercompany eliminations. The comparable figure for 2008 has been adjusted.



The Terre group is an alliance of seven recycling companies. Together they collect 20 tonnes of textiles and 100 tonnes of paper in Wallonia and Brussels, every day. The main focus of the organisation is to create sustainable employment, and more than half of the 280 employees come from disadvantaged backgrounds. Triodos Bank is financing the refurbishment of their office space.

Triodos Bank Belgium

The Belgian banking market was dominated by the omnipresent financial crisis during 2009. The credit crunch that came with it meant many banks were less willing to lend, resulting in increased interest margins on loans. At the same time interest rates on savings reached a historical low as a result of the European Central Bank's monetary policy. Nevertheless Belgians poured money into saving accounts seeking security and waiting for better investment opportunities in the future. This led to an overall increase in savings volumes in the Belgian market of 30%.

While many banks struggled, Triodos Bank Belgium grew rapidly in these conditions exceeding targets in loans and savings volumes and number of new clients - and connecting more savers with more sustainable projects than ever before. The crisis created an opportunity to communicate the benefits of Triodos Bank's sustainable and transparent banking model; communication which led to a nomination for the Corporate Communication Award of the year. This helped to build the bank's profile across the country. A survey conducted at the end 2009 showed that recognition of Triodos as a sustainable bank has doubled in two years ('top of mind' awareness growing from 3% in 2007 to 8% in 2009).

More and different types of business also increasingly recognise Triodos Bank as a professional and credible financial partner. Examples include: a Belgian public authority investing in Triodos Bank's capital for the first time creating an important precedent for others to follow; a Triodos Bank-managed private share issue on behalf of a sustainable company expanding in to continental Europe, again for the first time; a collaboration with two regional financial vehicles to co-finance developments in the social economy; a real estate finance collaboration with major players in housing for the elderly; and a co-financing agreement for a wind farm in France, creating an opportunity for many more of these types of agreements in this market.

In the second half of the year high-street banks launched massive communication campaigns and targeted products such as green loans, and

socially responsible bank notes. While the authenticity of these developments is often dubious, their efforts to tap in to the sustainable banking market says a great deal about the profile this approach to banking now enjoys.

ACHIEVEMENT OF GOALS FOR 2009

The balance sheet total of the Belgian branch before the elimination of transactions between Triodos companies increased by EUR 160 million (26%) to EUR 780 million. Lending increased by EUR 99 million to EUR 358 million, well above a target of EUR 56 million. Entrusted funds grew more strongly than expected, by EUR 137 million to EUR 709 million. 6,900 new customers joined the Bank, compared to a target of 5,000. Interest margin, the main source of income for the branch, is traditionally very low in the Belgian market. Thanks to higher interest income on loans and a lower interest income on savings, the Belgian branch increased its overall average interest margin slightly compared to last year.

LENDING

The loan portfolio grew by EUR 99 million (38%) to EUR 358 million, considerably exceeding expected growth of EUR 56 million. There was a 40% increase in finance for sustainable energy projects and a 36% increase in lending to small and medium-sized businesses.

In the renewable energy sector, the growth was again most marked in wind energy (38%). The year's highlights included financing the St-Patrick 35 MW wind farm in the North of France. Triodos Bank provided half of the EUR 45 million leading debt, representing the largest ever deal financed by Triodos Bank Belgium. The branch also financed several solar projects, such as Greenfever, the biggest solar project in the Benelux.

The bank's position as a lender to small and medium-sized enterprises was also strengthened in 2009. Important contracts were signed in sustainable construction and nursing homes for the elderly. An active approach to the social economy led to increased lending and cooperative deals with Netwerk Rentevrij and Credal,

two organisations specialised in financing small loans in the sector.

SAVINGS

Funds entrusted grew by EUR 137 million (24%) to EUR 709 million, exceeding a target of EUR 117 million.

The composition of the funds entrusted changed due to low interest rates on both saving and deposit accounts. Approximately a quarter of entrusted funds came from deposit accounts in 2009 (compared to about a 50% share in 2008). Savings campaigns aimed at private savers led to increased volumes in that segment too.



Olivier Marquet : 'In 2009 an increasing number of enterprises and organisations chose Triodos Bank to finance their sustainable

projects, because of our expertise in this field.'

INVESTMENTS

At the end of 2009, our customers had invested EUR 24 million in Triodos investment funds, compared to EUR 17 million at the end of 2008. We postponed the launch of a sustainable pension savings fund due to the withdrawal of our potential partners. The managed assets within the private banking offering, managed in cooperation with Puilaetco private bank, grew by 73% to EUR 38 million (2008: EUR 22 million); the number of private banking customers doubled, and a senior private banker joined the team. In the same department a dedicated approach to wealthier customers was defined, providing individuals, associations and companies with tailor-made advice on Triodos investments products.

OTHER ACTIVITIES

The Triodos Bank depository receipt campaign was also very successful in Belgium among individual and institutional investors. Triodos Bank Belgium successfully led the private share issue of Ethical Property Europe, a real estate company which specialises in offices with social and environmental added value. This

private placement exceeded expectations raising EUR 2.65 million, predominantly from private investors.

As expected, we recruited a relatively large number of new co-workers. At the end of 2009, the branch had 70 co-workers, a 32% increase. Growth came in all departments, reinforcing the commercial and operational capacity of the branch.

PROSPECTS FOR 2010

In 2010, Triodos Bank Belgium expects to be able to maintain the pace of growth at the same level of 2009. We anticipate an upward trend in interest rates on savings from mid 2010 and stabilizing interest margins on loans. We expect to deliver net growth of EUR 153 million. We expect growth in our entrusted funds of EUR 135 million. In Private Banking we expect to increase Funds under management by EUR 28 million. We expect to increase the number of clients by 7,000.

We also intend to launch an elderly homes real estate fund, for institutional investors to invest in real estate for the elderly, and a microfinance fund in cooperation with Triodos Group's Emerging Markets team.

We will hire additional office space and further invest in process improvement and training.

Finally, we will continue to invest in the profile of the bank at the forefront of sustainable banking through corporate events and wider communication activity.

Brussels, 24 February 2010

Olivier Marquet, *Managing Director*

For more information:

www.triodos.be

www.ethicalproperty.eu

www.netwerkvlaanderen.be

www.credal.be

Key figures Belgium

amounts in thousands of EUR

	2009	2008
Funds entrusted	708,738	572,164
<i>Number of accounts</i>	36,374	30,434
Loans	357,591	259,206
<i>Number</i>	1,374	1,103
Balance sheet total*	779,963	619,897
Total income	15,017	8,914
Operating expenses	-10,723	-7,523
Value adjustments to receivables	-1,255	66
Operating result before taxation	3,039	1,457
Taxation on operating result	-491	-118
Net profit	<u>2,548</u>	<u>1,339</u>
<i>Number of co-workers at year-end</i>	70	53

* The amounts are shown before intercompany eliminations. The comparable figure for 2008 has been adjusted.



Henderson's is Edinburgh's vegetarian, vegan and organic café. Set up in 1962, it has developed a basement restaurant, acquired a bistro, built a bakery, a deli, an art gallery, and is a venue for the city's famous Festival Fringe. Co-owners Peter (left) and Oliver Henderson became Triodos Bank customers because of the business and the bank's shared values and approach.

Triodos Bank United Kingdom

The financial crisis continued to dominate everyone's attention in 2009. Its impact was felt across society with few individuals and organisations unaffected by the broad-based economic decline. A number of high profile businesses failed, the housing market remained stagnant and unemployment rates increased to their highest levels in more than a decade. Massive Government intervention was needed during the UK's deepest recession since the 1940s, including large injections of public money to support financial institutions. Efforts to stimulate the economy included cuts in the Bank of England base rate to 0.5%, the lowest level in its 315-year history, and up to GBP 200 billion of quantitative easing which increased the money supply in an attempt to reinvigorate growth.

Confidence in the financial sector remained low. Chief Executives of some of the failed banks were targeted personally, and generous bank bonuses in particular were the subject of widespread public discontent. While there were some elements of change, concerns about the scale and permanency of reforms to the UK's financial sector have grown, with many people disillusioned by an apparent return to business as usual. Against this background, Triodos Bank continued to deliver a better balance between people, planet and profit. Our sustainable approach to banking contrasted starkly with the beleaguered high-street banking sector - much of which is now, at least in part, nationalised - and led to more attention from the media, individuals and the business community than ever before. As a result we continued to grow across all the areas we work in.

However our interest margin and therefore the profitability of the UK branch, as well as our ability to attract large numbers of new savings customers, was significantly affected by the dramatic change in the UK interest rate environment. This margin compression has been felt across the whole market resulting in a large degree of consolidation amongst some of the smaller UK financial institutions who were most affected by it.

ACHIEVEMENT OF GOALS 2009

During the year, the UK branch's balance sheet before the elimination of transactions between Triodos companies achieved modest growth of GBP 15 million (4%) to GBP 401 million. Lending rose by GBP 40 million to GBP 247 million, meeting the target. This significant growth in lending of 19%, compared with marginal savings growth of 1%, and meant that new lending was funded out of existing liquidity.

LENDING

The loan portfolio grew significantly by GBP 40 million (19%) to GBP 247 million during the year, exceeding an ambitious target. Growth in social housing lending was particularly marked on the back of an increasing profile in the sector. 2009 was also a record year for lending to renewable energy and organic farming projects. Our expanded environment



Charles Middleton: 'While the banking sector suffered a crisis of confidence during 2009, our model was singled out as offering hope for a genuinely sustainable financial future.'

lending team financed a number of high profile developments, including the first of two in-vessel composting projects to be financed by the UK branch. This is important because the pioneering technology helps to address the problem of food waste disposal, which we believe will become an increasingly significant problem.

SAVINGS

Competition across the UK savings market intensified during 2009, as a direct result of the credit crunch. Financial institutions, directed to reduce their dependency on the wholesale money markets by the regulator, competed aggressively for retail deposits. At the same

time many individuals and institutions chose to use their savings to reduce borrowing where they could. Against a backdrop of such challenging market conditions, and in common with other UK financial institutions who also rely on retail deposits, it was still disappointing that our total deposits grew marginally by GBP 1 million, against a target of GBP 40 million. The increase in overall customer numbers was also severely affected by these conditions. It was, however, encouraging to see continuing growth in our online savings offerings. We also launched a new range of fixed-term accounts, the Climate Change Bonds, to coincide with the United Nations Climate Change Conference in Copenhagen. The bonds, which allow individuals to use their savings to finance environmental projects, attracted a number of new customers to the bank at the end of the year.

INVESTMENTS

During 2009, our UK customers had invested GBP 48 million in Triodos investment funds, compared to GBP 43 million at the end of 2008. Despite a challenging financial climate, investors continued to be attracted to funds making an active contribution to a more sustainable society. Hundreds of UK investors also chose to take a stake in Triodos Bank itself during an international capital raising issue.

OTHER ACTIVITIES

Throughout the year we continued to enjoy growing mainstream interest in our work. For instance Triodos was voted Sustainable Bank of the Year at the Financial Times Sustainable Banking Awards, at a special event in London in June.

To reach larger numbers of people in person, we held a number of events around the country, including road shows in Edinburgh and Leeds. We also gave prospective and existing customers the chance to visit business banking clients in London and Reading, and organised a special event for financial advisors in Bristol, to mark the second National Ethical Investment Week.

We launched *Know Where Your Money Goes*, which allows savers to visit our website and pin-point our borrowing customers across the UK and Ireland. The new tool is another engaging example of transparency in banking, and

strengthens the connection between our savers and borrowers.

As well as the fourth Women in Ethical Business Awards, run in association with The Times newspaper, we ran a successful social enterprise photography competition for the second year in succession. Social Vision captured inspiring pictures of British social enterprise and culminated in a celebratory event and exhibition, as well as a 2010 calendar.

PROSPECTS FOR 2010

We plan to increase our lending by GBP 77 million and our savings by GBP 20 million in 2010. To take advantage of strong lending opportunities in the UK, we plan to use funding from other parts of the Triodos Group for a temporary period.

As part of our efforts to grow the customer base significantly, we will continue to extend our online offering and broaden the overall proposition for personal banking customers, and develop our business banking products, by introducing a Triodos Bank debit card. At the same time we will continue to manage our costs to ensure that further growth continues even within the constraints of the current economic environment.

More than ever there is an opportunity to embrace real change in the banking industry. We will continue to combine healthy growth of the branch with proactive debate about the future of the UK financial sector and the role that banks like Triodos can play in developing a truly sustainable future.

Bristol, 24 February 2010

Charles Middleton, Managing Director

For more information:

www.triodos.co.uk

www.triodos.co.uk/knowwheremyourmoneygoes

Key figures United Kingdom

amounts in thousands of EUR

	2009	2008
Funds entrusted	386,484	359,021
<i>Number of accounts</i>	29,683	28,619
Loans	277,890	216,855
<i>Number</i>	879	733
Balance sheet total*	450,972	405,380
Total income	10,505	15,271
Operating expenses	-8,519	-9,774
Value adjustments to receivables	-626	-326
Operating result before taxation	1,360	5,171
Taxation on operating result	-386	-1,489
Net profit	974	3,682
<i>Number of co-workers at year-end**</i>	78	88

* The amounts are shown before intercompany eliminations. The comparable figure for 2008 has been adjusted.

** In 2009 11 co-workers, who work for Investment Management, are presented under Triodos Investment Management.



Berberia del Sahara y Sahel sells handicrafts, clothes, antiques, and accessories from North African, Middle Eastern and Central Asian nomads. The aim is to highlight fair trade and solidarity issues and the knowledge of nomadic cultural heritage. Co-owners Marc Pons and his wife Cristina Guillén have borrowed from Triodos Bank Spain to expand the stock for their shop.

Triodos Bank Spain

The economic crisis hit especially hard in Spain in 2009, prompting a rapid increase in unemployment and the collapse of the construction industry. While the Spanish financial system appeared to have suffered less, many regional savings banks started or completed mergers. Despite this complex economic situation, Triodos Bank in Spain enjoyed a very positive financial year, achieving high growth figures and contributing to the Bank's profit. Triodos Bank's performance in Spain was buoyant throughout the year, with the balance sheet increasing by 38%. The number of customers rose by 57%. Around 40% of new customers know about Triodos Bank through recommendations from existing clients, who are our key ambassadors. The Spanish team has kept pace with this growth, professionally and efficiently managing considerable growth.

To meet demand Triodos Bank opened three new offices during 2009 in the Madrid, Castile-Leon and Valencian Community regions. Preparations also began to open a new office in Aragon early in 2010, which was already operating at the time of making this report.

Positive media interest and active participation in trade fairs, public conferences and other sustainability events, corporate social responsibility, the alternative economy and ethical banking have reinforced Triodos Bank's profile.

In 2009, the sustainable redevelopment of the Las Rozas building in Madrid, which houses Triodos Bank Spain's central services, was completed. The project paid special attention to reduce energy consumption.

ACHIEVEMENT OF GOALS FOR 2009

Triodos Bank Spain's balance sheet total before the elimination of transactions between Triodos companies grew by 38% to EUR 408 million in 2009. Funds entrusted increased by EUR 93 million and an increase in capital added a further EUR 11 million. The expected increase of funds in 2009 was EUR 100 million. Lending increased by EUR 105 million, beyond expectations of EUR 80 million. The number of customers rose by 57% to more than 18,000, exceeding a target of 50%.

The second issue of depository receipts for shares in Triodos Bank in Spain generated unprecedented demand, increasing equity by EUR 11 million and doubling the original target.

Triodos Bank's profile in Spain has increased in the online media and on the radio in particular, due to both advertising and free publicity. Growth despite the crisis, the Financial Times Sustainable Bank of the Year Award, and the opening of new offices in Madrid, Valladolid, Valencia and Zaragoza have created a lot of extra media interest in national and local media, with considerable attention on the solidity and success of a unique form of banking in Spain.

Triodos Bank Spain has played a leading role in the debate about sustainable banking both in public conferences, media and by highlighting its expertise in the social, cultural and environmental sectors.

LENDING

In 2009, the loan portfolio grew by EUR 105 million (39%) to EUR 374 million. This net growth is well above an ambitious target of EUR 80 million. More and more companies and organisations regard Triodos Bank as their logical sustainable, financial partner, above all in organic farming, renewable energy and social sectors. During 2009, Triodos Bank signed key agreements with the Andalusian and Catalan Regional Governments to provide lending to organic farmers and Special Employment Centres, creating a number of lending opportunities in the organic and social sectors. The sectors Triodos Bank lends to are relatively unaffected by the crisis. Only sustainable tourism could have felt the crisis due to a decline in demand. The sectors we finance, such as organic farming or solar energy, are increasingly mature industries and have brought a very positive impact to the loan portfolio. As a result, our default rates have continued to be below average in Spain, even when we have invested in innovative new businesses.

SAVINGS

Funds entrusted rose by EUR 93 million (53%) to EUR 269 million in 2009. This figure is close

to a target of EUR 100 million, achieved despite intense competition from Spanish credit institutions to attract savings. The number of customers increased by 6,500 (57%), beyond ambitious expectations of 50%.

The second issue of depository receipts for shares in Triodos Bank in Spain attracted unprecedented demand, attracting EUR 11 million. This exceeded expectations, adding 500 new depository receipt holders to 300 existing Spanish investors. The international issue was fully subscribed and closed early,



Esteban Barroso: 'Despite difficult financial times, Triodos Bank in Spain combined greater impact with a positive financial

performance; successfully managing high levels of growth and welcoming thousands of new customers.'

with other investors still wanting to invest. In July 2009, the Bank launched the Cuenta Triodos Empresa, a savings account for socially responsible companies and organisations, which allows customers to donate interest to leading public interest organisations. Seven new social organisations joined the Cuenta Triodos in 2009, which now numbers 18 Non-Governmental Organisations (NGOs). They are leading campaigning organisations in ecology, human rights, fair trade or development cooperation, and share Triodos Bank's approach to the conscious use of money for positive social change. Triodos Bank also collaborates with other organisations in other savings products. Examples include the Cuenta Justa fair trade account, the Ecodepósito green savings account and the Depósito Actúa, an account focusing on human rights.

OTHER ACTIVITIES

Triodos Foundation set up the second International Conference on Organic Farming and Financing, in Madrid, in November 2009. Focused on price setting, the conference was attended by more than 300 people. They included representatives from both national and

international organisations from the organic farming sector and the regional and national Administration working in this sector. Together they debated the future of organic farming.

In 2009, Triodos Bank Spain continued to promote the development of sustainable investment together with Analistas Internacionales en Sostenibilidad (AIS). This company, part of the Triodos Group, completed its merger with Sustainalytics.

PROSPECTS FOR 2010

Forecasts for 2010 in Spain warn that the economy will continue to shrink, while rates of unemployment increase. With falling interest rates in the euro zone, banks are seeing their margins decline and lending portfolios underperform.

In 2010, we will continue to focus on growing and getting closer to our customers, improving our efficiency and set of services. To this end, we will implement a new ICT local platform and improve our online presence and accessibility with a new website and new Internet Banking services. Triodos Bank expects the loan portfolio to increase by EUR 160 million and funds entrusted to grow by EUR 170 million. We also expect to increase customer numbers by 50%. As well as vigorous publicity and marketing efforts, new work processes will be implemented to cope with this growth.

Triodos Bank Spain expects to further extend and improve its existing package of products and services for private and corporate customers in 2010, including popular products such as a new debit card. In addition, Triodos Bank in Spain wants to gradually increase the number of its regional offices, make the Triodos banking model more widely known and strengthen its ties with like-minded organisations.

Madrid, 24 February 2010

Esteban Barroso, *Managing Director*

For more information:

www.triodos.es

www.sustainalytics.com

Key figures Spain

amounts in thousands of EUR

	2009	2008
Funds entrusted	268,667	175,330
<i>Number of accounts</i>	26,563	17,716
Loans	373,838	268,565
<i>Number</i>	745	665
Balance sheet total*	407,555	295,665
Total income	10,459	7,210
Operating expenses	-9,644	-6,457
Value adjustments to receivables	-401	-123
Operating result before taxation	414	630
Taxation on operating result	-91	-233
Net profit	323	397
<i>Number of co-workers at year-end</i>	80	61

* The amounts are shown before intercompany eliminations. The comparable figure for 2008 has been adjusted.



The main focus of the non-profit making organisation Gesundheitszentrum Marbachshöhe e. V. is health and preventative care. Using finance from Triodos Bank savers, the organisation runs a development centre for children and young people, as well as an art studio.

Triodos Bank Germany

On 1 December 2009 Triodos Bank opened a branch in Frankfurt, Germany, representing an important milestone in the bank's history. While the launch marks our Frankfurt office becoming an official Triodos branch, it's not the start of our work in the country. Triodos Bank has been active in Germany as Triodos Finanz GmbH, since 2005, building a loan portfolio of EUR 64 million as a representative office.

Germany is Europe's biggest economy with a tradition of sustainability. The country plays a leading role in dealing with environmental issues, pioneering renewable energy and recycling initiatives in particular. While other sustainability banks already operate in Germany, their market share is less than 1%. With demand from a knowledgeable and engaged audience, a general disenchantment with the high-street banking industry, and a strong social and environmental tradition, we believe there is plenty of room and exciting opportunities for a German branch of Triodos Bank to succeed.

In December about 400 people attended a glittering opening event in a former church in Frankfurt to mark the occasion. They heard from some of our existing borrowing customers, and enjoyed a discussion between academic, political and economic experts about transforming capitalism to create a more sustainable future.

We have plans for the future. With the help of over 20 co-workers Triodos Bank will offer a variety of savings products for German individuals, businesses, foundations and charitable organisations. The existing loan portfolio will grow. We also plan to expand our product portfolio in 2010, to include a current account for business customers, investment funds for individuals as well as institutional investors.

Frankfurt, 24 February 2010



Georg Schuermann,
Managing Director



Alexander Schwedeler,
Managing Director

For more information:
www.triodos.de
www.95fragen.de
blog.triodos.de

Key figures Germany

amounts in thousands of EUR

	2009*	2008
Funds entrusted	394	—
Number of accounts	60	—
Loans	63,825	—
Number	75	—
Balance sheet total	66,696	—
Total income	100	—
Operating expenses	-2,634	—
Value adjustments to receivables	—	—
Operating result before taxation	-2,534	—
Taxation on operating result	800	—
Net profit	-1,734	—
Number of co-workers at year-end	22	—

* The German branch opened on 1 December 2009.

The German loans were transferred from the Dutch to the German branch after 1 January 2010. As a result there is no interest income to show here. However, the table illustrates the value and number of loans that will be managed by the German branch from 2010 onwards.



Muziekwartier Enschede, is a groundbreaking venue that's home to music and theatre. The Dutch, Enschede local council were able to develop the centre with finance from Triodos Cultuurfonds.

Triodos Bank Private Banking

Private Banking offers a broad range of financial and non-financial services to wealthier people, foundations, associations and religious and other institutions. Sustainable asset management is the core service within Triodos Private Banking, which includes both Triodos investment funds and private asset management. Triodos Research, an experienced specialist department, selects which businesses are eligible for investment.

Triodos Bank Private Banking is active in The Netherlands and Belgium. We work together with Triodos MeesPierson Investment Management to deliver Dutch private asset management services; Triodos MeesPierson is a joint venture, combining MeesPierson's broad asset management expertise with Triodos Bank's sustainable banking experience. In Belgium we have a partnership with Puilaetco Dewaay Private Bankers.

ACHIEVEMENT OF GOALS FOR 2009

The collapse of the financial markets in 2008 inevitably had a significant impact on the achievements of our goals in 2009. Despite a challenging economic situation in the first half of the year, we increased our assets under management to more than EUR 280 million. Assets under management in Belgium amounted to EUR 38 million (up by EUR 16 million in 2009), while The Netherlands contributed EUR 242 million (up by EUR 108 million). As well as these assets under management, private banking clients in The Netherlands also entrust us with individual holdings in Triodos investment funds and depository receipts (up EUR 42 million to EUR 80 million) and deposits and saving accounts (down EUR 37 million to EUR 86 million). The decline of deposits and saving accounts was due to the adverse interest rates prevalent in the market during 2009, causing clients to switch to higher yielding investment products.

Both in Belgium and The Netherlands, the growth of private banking was largely due to private individuals and religious organisations. These customers are increasingly attracted to our sustainable business model. However, with one notable exception, the growth of charities and foundations, was lower than expected. This

may have been due to a reluctance to change banks in uncertain times and very competitive pricing in the market. In The Netherlands, 'the foundation Oranje Fonds', a widely known and well regarded charity chose Triodos Bank to manage a substantial part of their investment portfolio. We consider this charity to be a pioneer, with its commitment to invest all holdings in sustainable and/or mission related assets, while maintaining a market-related financial return.

After losing 37% in 2008, our sustainable equity portfolio rallied by 34% in 2009. This meant a 7.6% excess return versus the market represented by the MSCI World index, outperforming the index for the fourth successive year. Since the start of our joint venture with MeesPierson in 2006, our equity portfolio has yielded a positive return of 7% against -15% for the MSCI.

In 2009, Triodos' fixed interest investments recovered most of their underperformance from the previous year. 2008 was a turbulent year resulting in an underperformance of our bond portfolios versus our benchmark. In 2009, when calm returned to the financial markets, our performance improved markedly. Excluding social and cultural investments, our fixed interest investments yielded a satisfactory 9.7%; including Triodos social and cultural investment funds which delivered a return of 6.9%. Our benchmark for fixed interest investments yielded only 5.0% in 2009. Since 1 January 2006, our fixed investment portfolio has returned 15.4% against our own benchmark of 16.0%.

2009 was exceptional because all three investment classes that Triodos Bank Private Banking carries (shares, bonds, alternatives) produced positive results. Our alternative investments, which so far have only been offered in The Netherlands, yielded 2.6%. This reflected a mixture of very strong performance from Triodos Fair Share Fund and Triodos Vastgoedfonds which performed well against its stock-market quoted peers but which performed negatively over the year. During the year Triodos also introduced Triodos Microfinance Fund, a fund modeled like Triodos Fair Share Fund but aimed at European (semi-) institutional markets and private investors outside The Netherlands.

TRIODOS MEESPIERSON

Triodos MeesPierson Sustainable Investment Management manages the sustainable assets of Triodos Bank clients and MeesPierson clients. The combined assets under management of Triodos and MeesPierson recovered from its decline in 2008. By the end of 2009, it managed EUR 815 million compared to EUR 671 million the year before. Again, private investors contributed most to this growth, rather than charities and foundations. Revenues in the joint venture were boosted by the introduction of the sustainable asset management advice that Triodos MeesPierson provides for ABN AMRO equity asset management services.



Albert van Zadelhoff: 'Triodos Bank Private Banking has built a reputation as a sustainable and robust provider of banking and

asset management services. Because we respond positively to the challenging times around us - rather than become a victim of them - all our stakeholders profit.'

OTHER DEVELOPMENTS

As in previous years, Triodos Bank Private Banking has introduced its expertise to potential semi-institutional clients. As well as our usual participation at the Dutch Civil Society annual conference for charitable organisations, we were an active member of the preparatory committee of the organisation for private charities (FIN) at their first sustainability workshop. Also, as the only bank, we were present on a trade fair for Christian organisations. Charitable organisations are increasingly aware that their investment policy is an integral part of their social mission. As such, Triodos Bank is a natural partner. Triodos Bank will continue to raise its profile with these organisations.

Meetings in The Netherlands and Belgium for prospective depository receipt holders were especially successful. Sustainable banking and the role of the semi-institutional clients was discussed in them, leading to high levels of

investment in Triodos Bank depository receipts by Triodos Bank Private Banking clients.

Financially, the integration of part of the asset advice services of the Dutch branch led to a temporary decrease in the net result for Private Banking in The Netherlands. In Belgium, the results of Private and Personal Banking is fully consolidated in the branch figures.

PROSPECTS FOR 2010

We will further develop our focus on wealthy private investors. This market segment is increasingly critical of their bankers' behaviour, concerned by its wider impact on society and the environment, and aware that Triodos Bank offers a positive alternative.

Although 2009 has been a very profitable year for investors, the general climate for more equity investments is still relatively subdued. At the same time saving has become progressively less attractive. We expect this to continue in 2010, resulting in continuing interest in alternative investments. Our integrated sustainable banking proposition - which offers all assets and liquidity management on a 100% sustainable basis - makes us powerfully distinct from the competition and is at the heart of our growth. On the strength of it we expect to pass EUR 500 million of assets under management during 2010. Financially, we expect to narrow our operational losses during the year in The Netherlands, and be profitable in 2011.

In Belgium, Triodos Private Banking will expand its existing private banking operations further, with a specific emphasis on private asset management. We will also conduct a study to see whether it is feasible to introduce private banking services in the UK.

Zeist, 24 February 2010

Albert van Zadelhoff, *Director*

For more information:

www.msclubbarra.com

www.verenigingvanfondsen.nl

www.civilsociety.nl

Key figures Triodos Bank Private Banking

amounts in thousands of EUR

	2009	2008
Assets under management*	280,394	156,581
Total income	1,676	1,565
Operating expenses	-1,769	-1,631
Operating result before taxation	-93	-66
Taxation on operating result	29	25
Net profit	-64	-41
<i>Number of co-workers at year-end**</i>	8	6

* Including 50% of assets managed by the joint venture Triodos MeesPierson Sustainable Investment Management, insofar as they are invested according to Triodos investment criteria.

** Excluding co-workers employed by Triodos MeesPierson Sustainable Investment Management (2009: 5, 2008: 6 co-workers).



A farmer in the Ferghana Valley in Kirghizia delivers organic cotton to the Bio Farmers Public Union. More than 800 farmers are affiliated with this export organisation, giving them access to the international cotton market. Thanks to trade finance from Triodos Sustainable Trade Fund, Bio Farmers is able to pay its members immediately on delivery.

Triodos Investment Management

Triodos Investment Management is the subsidiary of Triodos Bank that is responsible for managing the Triodos investment funds. These funds allow individuals and institutions to invest directly in a number of sustainable sectors, including microfinance, sustainable trade, sustainable real estate, renewable energy, organic farming, conservation and cultural projects. The funds also invest in listed companies worldwide that provide sustainable products or services, or achieve above average social and environmental performance, and actively contribute to sustainable development.

The retail investment funds for private investors are distributed by a number of banks, including branches of Triodos Bank. Direct contact is maintained with investors in institutional funds. Please see page 52 for the statement of balance sheet totals.

The activities of Triodos Investment Management are organised on the basis of the following themes: Climate and Energy, Private Equity, Emerging Markets, Real Estate, and Socially Responsible Investment (SRI).

At the end of June 2009, Triodos Bank legally finalised the merger of Triodos Fonds Management BV and Triodos Investment Management BV, which continues under the Triodos Investment Management name. This merger aligns the Bank's investment management activities and produces significant benefits of scale. In addition, it helps consolidate the knowledge and experience of fund management, fund distribution and investments. In practice, this merger was implemented within the organisation from 1 January 2009.

In 2009, the Triodos investment funds' total assets under management increased by EUR 372 million to EUR 1,591 million, a 31% increase (2008: 6% decrease). Growth was realised mostly in the second half of the year and in all sectors. Most striking was the significant inflow of money in the three tax benefited retail investment funds: Triodos Groenfond, Triodos Cultuurfond and Triodos Fair Share Fund (over EUR 220 million in total during 2009). In addition, the launch of the Triodos SICAV II - Triodos Microfinance Fund, and the recovery of stock markets worldwide, contributed to the

growth. With this addition to its investment offering the number of investment funds under management increased from 22 to 23. In addition several private placements were realised during the year and prepared for the future. Returns of all funds were roughly in line with their direct competitors or their benchmark, although some exceeded them significantly.



Hans Schut: 'Fighting climate change requires a concerted effort from all stakeholders, guided by governments, and with the financial sector at the helm of funding a transition towards a sustainable future.'

ENERGY AND CLIMATE

Triodos Bank's international energy and climate equity investments and its Dutch energy lending activities are the collective responsibility of a European team of experts with specific teams dedicated to each fund. Its aim is to maximise impact on climate change, with a clear focus on reducing demand for energy and expanding renewable energies. Projects which deliver exceptional efficiency gains in decentralised natural gas applications are also included in the team's focus.

Sustainability and environmental criteria, social criteria and financial criteria are equally important in the investment and lending decisions of the various funds under management. Triodos Bank often applies stricter criteria than others in the market because of its integrated approach, which considers not only the specific project for which finance is demanded, but also the related activities in the value chain. Triodos Bank also takes and encourages initiatives that add to the climate debate.

The total Triodos Bank renewable energy equity and loan portfolio in Europe consists of over 275 projects, with a total green power generation capacity of approximately 950 MW, contri-

buting to the avoidance of over 800,000 tonnes of CO₂ emissions per year. Of these projects, 164 are wind power projects, 82 solar photovoltaic, 14 biomass and 18 small hydro projects.

TRIODOS GROENFONDS (THE NETHERLANDS)
Triodos Groenfond is the largest Triodos investment fund for Dutch private investors and the first green investment fund in The Netherlands. The investors in the fund benefit from the Dutch tax scheme for green investment. The fund finances projects in renewable energy, organic farming and nature conservation. Approximately half of the portfolio relates to finance for renewables, most of which are wind power projects. The fund also invests in energy from biomass. The majority of the other half is finance for organic farming and sustainable real estate sectors.

There are 85 energy projects in the portfolio, with a green power generation capacity of approximately 400 MW, contributing to a CO₂ reduction of approximately 375,000 tonnes per year. At the end of 2009, 75% of the fund's assets were invested in green certified projects. The fund aims to increase its impact. In particular it intends to finance new projects in organic farming and innovative projects with technologies that contribute to diversification in renewable energy and to increased energy efficiency. In 2009, the fund showed a 23% increase to EUR 572 million, and delivered a return of 2.8% (excluding a tax benefit of up to 2.5% for green investment by private investors). And the Triodos Groenfond's work was recognised more widely, winning the Dutch FD Morning Star award 2009.

TRIODOS SICAV II-TRIODOS RENEWABLES EUROPE FUND (EUROPE)
Triodos Sicav II - Triodos Renewables Europe Fund, with its registered office in Luxembourg, was launched in 2006 to create an opportunity to invest in renewable energy projects throughout Europe. Private and professional investors participate in the fund which invests in unlisted small and medium-sized renewable energy power producers. It offers complementary risk capital by means of equity or subordinated loans, supporting developers to realise their plans to complete the total financing of their projects. The fund is an active investor in European privately owned wind, solar and biomass power plants, and draws on Triodos Bank's

30 years of experience in the sector. The fund is open-ended and has a long-term investment horizon. In 2009, the fund grew to EUR 32 million, invested in five countries and delivered an annualised return of 4.6%. The fund has 15 projects in its portfolio with a green power generation capacity of approximately 120 MW reducing approximately 125,000 tonnes of CO₂ per year that otherwise would contribute to climate change.

TRIODOS RENEWABLES PLC (UK)
Triodos Renewables was launched in 1994 (the company was set up in 1994 and the first share issue was launched in 1995) to offer UK private individuals and professional investors the opportunity to directly invest in renewable energy assets, mainly in the UK. In 2009, the company launched its fifth share issue and increased its capital base to GBP 26 million. The company invests primarily in wind farms but also owns shares in a tidal energy technology company and a waste heat distribution network. The company also acts as a project developer. By the end of 2009, the company had invested in six projects and delivered an annualised return of 7.2%. The projects together have a generating capacity of 33 MW, saving approximately 35,000 tonnes of CO₂ emissions every year.

AMPERE EQUITY FUND (EUROPE)
Ampere Equity Fund was launched at the end of 2007. Its shareholders are institutional investors, among which are some leading pension funds. Committed capital amounts to EUR 320 million, a substantial part of which is available for new investments. The fund mainly invests with equity in the larger wind and solar power projects in Western Europe. It works as a co-shareholder with reputable European project developers and also takes full ownership of power plants. The fund has made five investments in the Benelux, Germany and Spain, with a joint green power generating capacity of 75 MW, avoiding CO₂ emissions of approximately 90,000 tonnes per year.

TRIODOS RENEWABLE ENERGY FOR DEVELOPMENT FUND (DEVELOPING COUNTRIES)
Stichting Triodos Renewable Energy for Development Fund finances regional financial intermediaries that provide funding to businesses and projects focused on renewable energy

in developing countries. The fund did not grow because of the Dutch Government's inability to provide financial support. A similar new public private investment vehicle did not materialize for the same reason. The Copenhagen Climate Change Conference has reconfirmed that these types of investment funds for sustainable energy in developing countries are important and Triodos Bank continues to explore opportunities in this sector.

STICHTING TRIODOS CLIMATE CLEARING HOUSE (THE NETHERLANDS)

Stichting Triodos Climate Clearing House, set up in 2000 as a registration platform for CO₂ credits from sustainable forestry projects, closed by the end of 2009. The platform has served to catalyse voluntary carbon offset activities.

SUSTAINABLE ENERGY FUND (THE NETHERLANDS)

During the year Triodos Bank and BNG launched a plan for a public vehicle for investment in a sustainable energy sector. Its focus is on The Netherlands. The bank will explore the appetite of Provinces and Municipal authorities to invest in the fund, which aims to reduce CO₂ emissions and contribute to renewable energy targets for 2020 and beyond. The fund aims to deal with the limitations of the financial sector to fund the many initiatives in the clean energy and energy saving sector. Several provinces and cities have exited from their investments in their regional utilities and can reinvest in this fund as a sustainable alternative. The new fund aims to offer a variety of financial products and targets including energy saving, renewables, and a variety of local energy related initiatives.

ENERGY AND CLIMATE INVESTMENT FUNDS PROSPECTS FOR 2010

Triodos Investment Management expects that renewable and energy saving finance will remain a growth market. Triodos Groenfonds expects a substantial growth of its net assets in 2010. Triodos Renewables Europe Fund expects to grow by 40% in 2010 to EUR 45 million. Ampere Equity Fund aims to have invested over 60% of its committed capital before the end of 2010. Triodos Bank also aims to have the new Sustainable Energy Fund Netherlands up and running.

PRIVATE EQUITY

Triodos can finance commercial companies driven by a sustainability mission, through the provision of the right quality of equity finance. Because we understand the objectives of the social entrepreneurs creating positive social and environmental impact through commercial activity, we are able to offer long term solutions: either through our own funds, offering direct investment and active participation via a more patient form of venture capital, or by acting as lead advisor via a corporate finance mandate to raise the appropriate blend of capital.

TRIODOS VENTURES (EUROPE)

Triodos Ventures, a subsidiary of the independent entity Stichting Triodos Holding, has made a series of investments in affiliated banks in Europe over recent decades. In addition, Triodos Ventures invests in sustainable initiatives making breakthroughs in specific sustainable areas. The fund holds investments in a small number of well established sustainable enterprises. It also funded the real estate project development activities of Triodos Bank during the year. Triodos Ventures' portfolio at the year end 2009 includes approximately 30 projects.

TRIODOS EIS GREEN FUND (UK)

Triodos EIS Green Fund was launched for the 2008/09 UK tax year raising GBP 1.5 million. It invests in a portfolio of high growth-potential sustainable UK companies, which it believes can deliver high returns to investors in the following sectors; renewable energy generation and technology, energy efficiency, sustainable living, low carbon products and technology and waste recycling and reduction. The second Triodos EIS Green Fund (Triodos EIS Green Fund II) is open for investment until 9 April 2010.

TRIODOS SOCIAL ENTERPRISE FUND (UK)

Triodos Social Enterprise Fund (formerly the Triodos Opportunities Fund) invests in high impact and commercially sustainable social enterprises, and provides expertise to help them grow. The fund raised nearly GBP 4 million in 2009 following its launch in 2007. The fund brings together social investors who are looking for meaningful ways to put their money to work with promising social enterprises. Its mission is to deliver social and financial returns to its investors by funding the next generation of pioneering social enterprises.

TRIODOS VENTURE CAPITAL FUND (EUROPE)
Triodos Venture Capital Fund was launched in 2001 with professional and institutional shareholders for a planned period of ten years. At year-end 2009, the fund's portfolio consisted of one project and the aim is to discontinue the fund in the coming years.

PRIVATE EQUITY PROSPECTS FOR 2010
Triodos Bank envisages gradual growth in its social and green venture capital and private equity business and anticipates a 16% increase in invested capital in its impact capital activity, from EUR 20 million to 23 million.



James Vaccaro: 'Offering Corporate Finance advisory services to international businesses enables us to help a

broader range of clients in areas that do not exactly match our fund profiles, extending our impact further across the world.'

CORPORATE FINANCE

Over the course of 2009, a new corporate finance team has been established to continue some of the advisory work we have carried out for sustainable companies - primarily related to raising new capital for growth. The team, mostly based in the UK, have been retained by several clients both in the UK and internationally and intends to widen the service provision from structuring retail offers and institutional placements to advice on all corporate issues including mergers and acquisition advice and corporate restructuring.

One of our longstanding corporate finance clients, the Ethical Property Company, who we have advised since their first share issue in 1999, recently branched out into managed workspace in Brussels via a European subsidiary company. Triodos Bank Belgium successfully led the private share issue of Ethical Property Europe, a real estate company which specialises in offices with social and environmental added value. This private placement, exceeded expect-

tations raising EUR 2.7 million, predominantly from private investors.

EMERGING MARKETS

The Emerging Markets activities consist of the management of internationally operating funds that invest in emerging markets such as Latin America, Africa, Asia and Eastern Europe. The goal of these microfinance and fair trade finance funds is to contribute towards the development of a sustainable financial sector in developing countries and to encourage the trade in certified fair trade and organic products. Both microfinance and fair trade finance are effective tools for fighting poverty in developing countries.

MICROFINANCE

The financial crisis in 2009 also affected microfinance institutions (MFIs) worldwide, although its impact varies significantly per country and region. In general the growth of MFIs and therefore demand for finance in the form of both loans and share capital reduced significantly compared to 2008. Despite this decreased demand the four funds managed to achieve respectable growth. The four funds are now shareholders in 19 of the leading microfinance banks and institutions worldwide. Senior staff and managing directors of Triodos Bank have a seat on the Supervisory Boards of these institutions, bringing valuable knowledge and expertise in sustainable banking. In 2009, the four funds financed 82 microfinance institutions, in 40 countries.

Encouraging the exchange of knowledge and experience among microfinance institutions worldwide is one of the key aims of Triodos Bank's microfinance funds. To help make this happen Triodos Investment Management organised an international workshop in November 2009 with representatives from a number of microfinance banks from Africa, Latin America and Asia that it invests in. In 2009, the issues discussed at this workshop were the role that microfinance can play in providing access to basic services such as clean energy, housing, education and water and sanitation. Furthermore it focussed on the protection of microfinance clients, particularly with respect to transparent pricing and preventing overindebtedness.

TRIODOS SICAV II-TRIODOS MICROFINANCE FUND (EUROPE)

In 2009 Triodos Bank launched Triodos Microfinance Fund, a new sub-fund under its SICAV-II structure. The fund was launched in March 2009 with institutional investors from both The Netherlands and the UK in a first close of EUR 22 million. The fund is open to institutional investors and private banking clients internationally. New investors came in with net assets increasing by 79% to EUR 39 million by the end of 2009. The fund's microfinance portfolio reached EUR 22 million or 56% of the fund's total assets and was invested in 12 microfinance institutions in 10 different countries in Latin America, Asia, Africa and Eastern Europe.

TRIODOS FAIR SHARE FUND (THE NETHERLANDS)

Triodos Fair Share Fund also experienced strong growth, increasing its assets by 38% from EUR 60 million to EUR 83 million at the end of 2009. The investors in the fund benefit from the Dutch tax scheme for social-ethical investment. In 2009, the fund achieved an exceptionally good return of 12%, excluding a 2.5% tax credit for private investors.

TRIODOS-DOEN FOUNDATION (THE NETHERLANDS)

Triodos-Doen Foundation began in 1994 as a partnership between Triodos Bank and DOEN Foundation. The fund invests in microfinance institutions with a higher risk profile and is able to provide local currency funding. In 2009 the fund increased total assets with 23% to EUR 69 million.

HIVOS-TRIODOS FUND (THE NETHERLANDS) Hivos-Triodos Fund was founded in 1994 as a partnership between Triodos Bank and Hivos Foundation. The non profit structure and the cooperation with Hivos Foundation enable the fund to accept higher than average risks in order to enable innovative investments. The fund invests in microfinance institutions with a higher risk profile and provides local currency funding. In 2009 assets of the Fund remained at EUR 45 million.

SUSTAINABLE TRADE FINANCE (EUROPE) 2009 was the second year of operation for Triodos Sustainable Trade Fund. The fund finances cooperative and private exporters in developing countries, producing certified organic

and/or fair trade goods. The trade finance it provides consists of seasonal short-term loans, making sure that farmers are paid a fair price for their produce. In 2009, finance from the fund amounted to almost EUR 9 million. In total, 21 loans were made benefiting 22 cooperative and private exporters, making 13 different products in 17 countries. They include coffee, cotton, soya beans, olive oil, sesame seed and sugar. Triodos Sustainable Trade Fund receives most of its funding from a credit facility provided by Triodos Bank. Stichting Hivos and Stichting ICCO were founding guarantors that enabled the



Marilou van Golstein

Brouwers: 'The way the world

looks tomorrow will depend

on how we invest our money today. If we want a sustainable future, more investors will need to increase the impact of their investments. With Triodos Investment Management, they can.'

launch of the fund in 2008. In 2009, additional guarantees and funding was provided by the Dutch government through its Millennium Agreement programme, the Swiss government, the Felicitas Foundation and the G-Star Raw Denim Foundation. Funds also came from Unitaid/World Health Organisation, to finance the production of artemisia, an herbal plant used as a key ingredient for anti-malaria medicines. The malaria parasite is resistant to all malarial medicines, other than Artemisia based drugs. The first disbursements in this sector are expected to be made early in 2010.

EMERGING MARKETS FUNDS PROSPECTS FOR 2010

Triodos SICAV-II Triodos Microfinance Fund, Triodos Fair Share Fund, Stichting Triodos-Doen and Stichting Hivos Triodos Fonds expect to grow by at least EUR 39 million to EUR 265 million in 2010. Triodos Sustainable Trade Fund expects to grow by approximately EUR 5 million to EUR 14 million.

REAL ESTATE

Our sustainable real estate activities have been growing year by year since the launch of Triodos Vastgoedfondos five years ago. These activities now include financing, development and investing in sustainably built or maintained real estate. Despite the unfavourable market circumstances our activities have grown in all segments in 2009. We benefited from the combination of a clear and ambitious vision on sustainability in real estate and growing public awareness that we need to act now to fight



Bas Rüter: 'Today we talk about solving multiple global crises. Putting our money where our mouth is, will be a precondition for a better quality of life for generations to come.'

climate change. In that sense the real estate crisis had an upside, putting sustainability at the top of the market agenda. Our focus has been to manage these conflicting trends professionally.

TRIODOS VASTGOEDFONDOS (THE NETHERLANDS)

Triodos Vastgoedfondos could not entirely avoid the impact of the decline in the Dutch real estate market. Since access to finance for real estate transactions is increasingly restricted, property prices for offices remain under pressure. The fund has partly avoided the impact of this, thanks to its long-term rental contracts with financially sound lessees and the absence of vacant premises. Nonetheless, at year-end 2009 the premises were valued at a lower price on average. The return based on the stock exchange quotation was minus 8.2%. Despite the market sentiment, the fund increased its outstanding shares by 11%. The investment portfolio increased to EUR 82 million, partly due to an acquisition totalling EUR 5 million and a sale worth EUR 1.4 million.

REAL ESTATE DEVELOPMENT (THE NETHERLANDS)

Interest in our real estate development services remained strong during the year. Sustainable real estate remained a dominant force in a real estate market under continuous pressure. Brand awareness and business growth continued thanks to winning the award for the most sustainable project developer in The Netherlands. Risk management and the alignment between our development and investment management activities are important points of attention for the future given continuing levels of interest and the critical state of the market. At year-end 2009, Triodos Real Estate Development was involved in, or pitching for the development of, 30 sustainable projects.

REAL ESTATE PROSPECTS FOR 2010

We expect that in 2010 the real estate market will remain under pressure at least until the summer. After this it may stabilise or slightly improve in the second half of the year, but any recovery will depend on the extent to which the recession continues. We expect continued growth in our real estate activities in general. And, despite market conditions, Triodos Bank also expects the limited growth of Triodos Vastgoedfondos of 2009 to continue. Finally, we will prepare the launch of an institutional sustainable offices fund investing on the Dutch market.

SOCIALLY RESPONSIBLE INVESTMENT

Socially Responsible Investment (SRI) concerns the management of internationally distributed funds that invest in listed companies globally. The investments involve buying shares and bonds of multinational companies that distinguish themselves by their good social and environmental policies and socially responsible management. They also involve investing in rapidly growing, innovative companies whose products contribute to the fight against climate change, a clean earth, and a healthy lifestyle. The funds have two key objectives. Firstly, they aim to encourage companies to continually improve their sustainability. Secondly, they offer investors the opportunity to invest in companies whose products and management meet strict sustainability criteria, while aiming to achieve a competitive return on the stock exchange.

**TRIODOS MEERWAARDE AANDELENFONDS
(THE NETHERLANDS) AND TRIODOS VALUES
EQUITY FUND (EUROPE)**

Triodos Meerwaarde Aandelenfonds has been available in The Netherlands since 2000 and uses the same investment strategy as Triodos Values Equity Fund, which has been distributed in Belgium, Denmark and Luxembourg since 2007. Both funds invest in the shares of multinational companies worldwide.

As a consequence of the overall recovery in stock market prices after losses until early March, these two funds realised a return of 30% and 27% respectively. Following these returns and the successful merger with the Panda Fund in Belgium, the total net assets of both funds increased by 31% and 152% to EUR 134 million and EUR 22 million respectively.

**TRIODOS MEERWAARDE OBLIGATIEFONDS
(THE NETHERLANDS) AND TRIODOS VALUES
BOND FUND (EUROPE)**

Triodos Meerwaarde Obligatiefonds has also been available in The Netherlands since 2000 and uses the same investment strategy as Triodos Values Bond Fund, which has been distributed in Belgium, Denmark and Luxembourg since 2007. Both funds invest in the bonds of multinational companies globally.

After the upheaval in the financial markets and the decline in confidence in 2008, the funds benefited from the tightening risk spreads between corporate and government bonds in 2009. Triodos Meerwaarde Obligatiefonds and Triodos Values Bond Fund realised a return of 7.1% and 7.7% respectively. The net assets of both funds increased by 23% and 25% to EUR 133 million and EUR 12 million respectively.

**TRIODOS MEERWAARDE MIXFONDS
(THE NETHERLANDS)**

The Triodos Meerwaarde Mixfonds has been available in The Netherlands for more than ten years. In 2009, the fund maintained a defensive investment strategy for most of the year, investing a relatively large proportion of its money in bonds and liquidities and maintaining a relatively small position in shares. The bond fund realised a return of 16.3%. Partly due to this return, net assets increased by 10% to EUR 54 million.

TRIODOS VALUES PIONEER FUND (EUROPE)

Triodos Values Pioneer Fund, which is part of Triodos Meerwaardefonds, has been distributed in Belgium, Denmark, Luxembourg and The Netherlands since 2007. In 2009, the fund invested in companies that are pioneers in climate protection, promoting healthy lifestyles and corporate social responsibility. The return was slightly better than the reference index with 31% and the net total assets increased by EUR 12 million (54%) to EUR 35 million.

The promotion of corporate social responsibility produced very positive results. We entered into dialogue with almost 700 multinational companies, resulting in a number of significant improvements in their corporate social responsibility policies and performance. These results came in a number of sectors, including a large number of financial institutions globally. Through this, Triodos Bank has demonstrated that sustainable investment on the stock market is crucial to encourage sustainable corporate behaviour.

**SOCIALLY RESPONSIBLE INVESTMENT FUNDS
PROSPECTS FOR 2010**

Whether the real economy has felt the worst impact of the financial crisis remains unclear. Market sentiment on the stock exchanges will depend on the severity of the next stages in the economic recession, its expected recovery, and its impact on corporate turnover and profit forecasts. Triodos Bank expects that the stock market will, in time, again focus on issues of structural growth, such as resolving the energy issue and tackling climate change. The performance of investments funds (in terms of both return and net assets) investing in shares of listed companies will, on the whole, develop in line with movements on the stock exchange. Triodos Bank's funds can benefit from their preference for shares in subsectors that contribute to solutions for several of our global crises, such as climate change and the food and energy crises.

**INVESTMENT IN ARTS AND CULTURE
(THE NETHERLANDS)**

Triodos Bank offers its Dutch clients Triodos Cultuurfonds. The fund was launched in 2006 and invests in cultural projects as defined by the Dutch government because they aim to improve and preserve arts and culture. In this

way, the fund helps make the sector less dependent on grants and helps to encourage cultural entrepreneurship. In 2009, Triodos Cultuurfonds realised its biggest growth since its launch. The fund increased its net assets by EUR 65 million to EUR 139 million. It expanded its portfolio with 46 new initiatives, delivering a return of 2.6%, excluding a 2.5% tax credit for private investors, exceeding its long term return ambition.

When investing the fund will continue to focus primarily on small-scale private projects that are created by innovative cultural entrepreneurship.

Prospects for the bond funds are neutral to positive. The risk premiums for corporate bonds the funds invest in have come down only partly after record heights during the worst parts of the financial crisis. At the same time, the risk appetite for investments on the stock markets has diminished and interest rates are low.

The Dutch and the Luxembourg SRI fund families are expected to merge in 2010. When they do, we expect to be able to increase the visibility and sales of our SRI funds as a whole. In addition we intend to start to distribute our funds in up to four European countries, including France. We expect our SRI funds to grow moderately in 2010 following the outlook for the stock market as a whole, the merger and the additional distribution.

TRIODOS INVESTMENT MANAGEMENT PROSPECTS FOR 2010

Triodos Investment Management's activities are expected to produce further growth in 2010. We expect growth in all sectors, even though the market circumstances for investments are less predictable than in recent years. All the sectors we work with are currently, to varying degrees, negatively affected by the financial crisis.

The extent to which private clients invest more in our retail funds depends partly on developments on the stock markets. They could affect investor sentiment and the flow of assets in or out of the investment funds. This is equally true of the funds that invest outside the stock market, such as our tax free funds. However, we anticipate that the continually increasing popularity of investments in sustainable

products and services, supported by relatively good returns on Triodos Bank's investment funds, will have a positive impact. The expectation is that the largest growth will be achieved in the retail investment funds that invest in projects and companies that are not listed on the stock market. In addition, we expect to be able to attract more institutional investors in several of the sectors where we are active. As a result, Triodos Investment Management expects an increase of both the number of funds and the total net assets in 2010.

Zeist, 24 February 2010

Triodos Investment Management bv

Marilou van Golstein Brouwers*,
Managing director
Bas Rüter*, *Managing Director*
Hans Schut, *Managing Director*
James Vaccaro, *Managing Director uk*

* Indicates overall management responsibility

For more information:

www.globalimpactinvestingnetwork.org

Key figures Triodos Investment Management

amounts in thousands of EUR*

	2009	2008
Retail funds under management	1,393,125	1,065,605
Institutional funds under management	198,178	152,754
Total funds under management	1,591,303	1,218,359
Total income	19,157	14,936
Operating expenses	-14,357	-11,456
<i>Operating result before taxation</i>	<i>4,800</i>	<i>3,480</i>
Taxation on operating result	-1,219	-888
Net profit	3,581	2,592
<i>Number of co-workers at year-end**</i>	<i>84</i>	<i>56</i>

* The figures in this statement may differ from those in the annual accounts of Triodos Investment Management BV, due to the processing of elimination items during the consolidation with Triodos Bank.

** In 2009 11 co-workers, who work in the United Kingdom for Investment Management, are presented under Triodos Investment Management.

Statement of balance sheet totals

OF TRIODOS GROUP AND ASSETS UNDER MANAGEMENT BY TRIODOS BANK PRIVATE BANKING

amounts in millions of EUR

	31.12.2009	31.12.2008
Triodos Bank NV	2,987	2,363
Triodos Cultuurfonds NV	139	74
Triodos Fair Share Fund	83	60
Triodos Groenfonds NV	572	471
Triodos Meerwaardefonds NV	323	261
Triodos Renewable Energy Fund Plc	53	45
Triodos Sicav I	69	41
Triodos Sicav II	70	25
Triodos Vastgoedfonds NV	84	88
Retail investment funds	1,393	1,065
Ampere Equity Fund	50	12
Stichting Triodos-Doen	69	58
Stichting Hivos-Triodos Fonds	45	45
Stichting Triodos Renewable Energy for Development Fund	5	5
Stichting Triodos Sustainable Trade Fund	9	7
Triodos Venture Capital Fund BV	2	2
Triodos Ventures BV	11	17
Other activities	7	7
Institutional investment funds	198	153
Total investment funds	1,591	1,218
Triodos Bank Private Banking (total assets under management)	281	157
Triodos Foundations in The Netherlands, Belgium, United Kingdom and Spain	4	3
Total	4,863	3,741

This statement does not include any committed amounts. Overlaps may have occurred. Note that at the time this statement was prepared, the Annual Accounts of a number of institutions had not yet been approved.

To avoid ambiguities, balance sheet totals are included in this statement, except for Triodos Bank Private Banking, where assets are managed according to Triodos criteria.

Risk Management and Compliance

Triodos Bank uses and maintains a framework of systems, procedures, limits, reports and checks to manage the risks it faces. The structure and organisation of its business processes comply with the applicable legislation and regulations for financial institutions and Triodos Bank's sustainability aims. The three lines of defence model is the basis for managing the risks within the Group. The business units and departments are responsible for managing their own risks (first line of defence). Group Risk Management and local risk officers (second line of defence) support and advise the business units and departments in embedding these processes in the organisation. Finally, Group Audit (third line of defence) periodically assess the design and effectiveness of internal processes and controls.

Risk management is monitored on a day-to-day basis by Group Risk Management. The head of this department reports directly to the Executive Board of Triodos Bank. The Group Risk Management department's primary task is to support the business in identifying, assessing, mitigating and monitoring their risks. It also analyses risks, prepares policies and guidelines and coordinates the management of the operational, credit, market and liquidity risks facing Triodos Bank. Other major responsibilities are to make sure that all business units and departments embed a coherent risk framework, and to guarantee that professional knowledge in a number of relevant fields is properly managed. To support this role, the organisation is continuously building an enterprise risk management framework. This framework is developed by Group Risk Management under the responsibility of the CFO. In line with this framework risk co-ordinators at each of the Bank's business units are appointed to align the overall enterprise risk framework into the business.

Group risk management policies are approved by Triodos Bank's Executive Board on the advice of the responsible risk manager and consultation of the International Management Counsel (IMC). The Executive Board has assigned an advisory responsibility for balance sheet management and related risks to the Assets and Liabilities Committee that operates under the responsibility of the CFO.

Triodos Bank has performed an impact analysis of the *Dutch Banking Code* of the Dutch Bankers' Association (NKB). Recommendations of the Code are all being considered for implementation in 2010. One of the initiatives relates to the extending of the Audit Committee to an Audit & Risk Committee as a subcommittee of the Supervisory Board.

OPERATIONAL RISK

In the course of its normal business, Triodos Bank runs operational risks. These risks relate to losses the Bank could incur as a result of inadequate or failing internal processes, systems, human behaviour or external events. Triodos Bank tries to limit these risks as much as possible by making sure there are clear policies, reports and procedures in place for all business processes. Numerous control measures are embedded in IT-systems and recorded in monitoring procedures and work instructions. Training, level of experience and involvement of the co-workers all support this, because people are key in the success of a risk management process. Nevertheless, the size of the organisation involves a limited dependency on certain key individuals. The Operational Risk Framework has been updated based on the Enterprise Risk Framework. While the framework has been written, the policies that come from it will be ready by the end of 2010. The operational risk framework uses several tools and technologies to identify, measure, mitigate and monitor risks on an operational, tactical and strategic level.

Triodos Bank started the first phase of the implementation of a product approval process to assess new projects, products and (any outsourcing of) processes, which systematically maps out risks. This process takes into account our duty of care to clients, and Triodos Bank's substantial objective, such as screening for environmental criteria.

A special part of Operational Risk Management is IT Security and Business Continuity. Activities to manage risks related to these subjects are executed under the responsibility of the COO. In 2009, live tests have been performed on Business Continuity in addition to the annual

'dry runs' for all teams. There is a functional reporting line to Group Operational Risk Management to ensure the overall operational risk profile of the organisation.

For calculating operational risks in accordance with Basel II, the Basic Indicator Approach is used. The revised operational risk framework is in line with the principles mentioned in the Sound Practices for the Management and Supervision of Operational Risk. These sound practices are not a requirement of the Basic Indicator Approach, but supports more advanced methods. They give guidelines to the qualitative implementation of operational risk management and are advised by the Bank of International Settlements.

CREDIT RISK

Credit risk relates primarily to counterparty's potential inability to meet its obligations towards the Bank and the losses the Bank might incur as a result. This counterparty risk concerns both payment arrears and negative value changes due to a counter party's lower credit rating. Credit risk also includes concentration risk in the credit portfolio, which is the risk the Bank faces that a particular event may result in a company or a group of associates failing to meet their obligations towards the Bank. The risk relates to all of the Bank's assets: company loans, deposits with financial institutions and bonds.

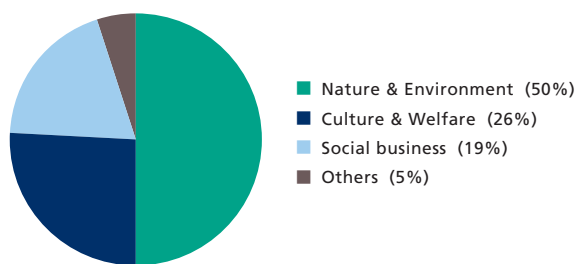
Triodos Bank manages credit (counterparty) risk and concentration risk from two perspectives:

- at the individual level per borrower focusing on the direct relation with the customer
- at portfolio level in order to manage the concentration of risks per sector, country or region;

LOANS TO CUSTOMERS

Loans are extended to businesses and projects in sectors that contribute to achieving Triodos Bank's mission. Given that this involves a small number of sectors, higher sector concentration is inherent to the loans portfolio. Concentration on the existing sector is acceptable because the Bank has considerable expertise in them and actively invests in increasing knowledge about them within the organisation. Risk is also reduced by the high quality of securities (collateral) against outstanding loans and the spread of the portfolio in the different countries.

Outstanding loans per sector in 2009



The main sectors are:

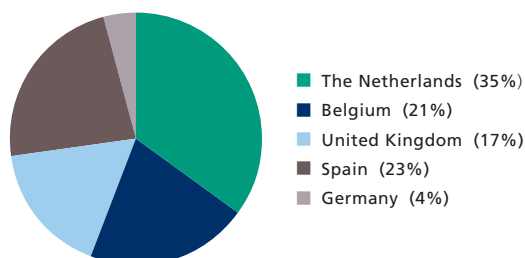
NATURE & ENVIRONMENT (50%, 2008: 47%)
This sector consists of renewable energy projects such as wind and solar power and hydroelectric projects. It also includes organic agriculture, and projects across the entire agricultural chain, from farms, processors and wholesale companies to natural food shops. Environmental technology, such as recycling companies and nature conservation projects, is also represented.

SOCIAL BUSINESS (19%, 2008: 21%)
This sector includes loans to traditional businesses and innovative enterprises and service providers with clear social objectives, such as social housing, and loans to fair trade business.

CULTURE & WELFARE (26%, 2008: 30%)
This sector covers loans to organisations working in education, retreat centres, religious groups and artists. It also covers health care institutions including care for people with learning disabilities.

Lending is primarily the responsibility of local branches, which are closest to their customers. Limits are imposed and regular reports to the group credit risk department agreed to manage the risk concentration in the sectors Triodos Bank is active in. Limits are also considered and agreed on a case-by-case basis.

Summary of outstanding loans per branch in 2009



Lending decisions are made by local credit committees in each of the Bank's branches. Each local credit committee is authorised to make its own decisions within agreed parameters. Triodos Bank's Executive Board decide on loans that exceed these parameters. Credit details are recorded in the core banking system and linked to a risk classification system. In 2009, the risk classification of individual borrowers was upgraded and aligned among the different countries.

The process for the valuation of collateral is recorded in the credit policy and translated into work procedures at the Bank's different branches. Principal collateral are mortgage registrations for business or private properties, securities from public authorities, companies or private individuals, and rights of lien on movables, such as office equipment, inventories, receivables and/or contracts for projects.

All business loans in the portfolio are individually re-assessed on a regular basis with the frequency depending on the debtor's

quality, the degree of market exposure and the market in which the debtor operates. The credit committee of the branch concerned discusses and, if necessary, takes action with respect to overdue payments from debtors.

If there is any doubt regarding the continuity of the debtor's core operations and/or a debtor fails to settle contractually agreed interest and repayment instalments for a prolonged period, this debtor falls under the category of doubtful debtors and will be monitored intensively and constantly by a specially assigned co-worker. Provisions for loan losses are taken for doubtful debtors for the difference between the expected value of the securities and the total amount of the debtor's outstanding liability to the Bank. In 2009, the additions to the provision for doubtful debts, as a percentage of the average loan portfolio, was 0.34% (2008: 0.28%). The total provisions of the outstanding credits remained at 0.6%.

Doubtful debts and overdue receivables per sector

in thousands of EUR

	Doubtful debts*		Provision for doubtful debts		Value adjustments		Overdue receivables**	
	2009	2008	2009	2008	2009	2008	2009	2008
Basic materials	1.814	233	219	170	49	155	461	1.756
Construction and infrastructure	33	91	26	84	-62	69	—	—
Consumer products (non-food)	—	87	—	22	1	-65	11	8
Retail	746	988	475	494	—	-37	105	193
Services	1.386	1.601	843	1.016	-55	28	1.423	563
Healthcare and social work	2.595	1.147	354	214	153	135	2.309	1.179
Agriculture and fishing	4.690	3.845	1.679	1.565	608	399	3.454	6.545
Media	59	1.227	33	114	19	-22	242	94
Utilities	17.580	5.657	4.159	2.134	2.958	1.757	790	460
Private Individuals	—	—	—	—	—	—	693	200
Leisure and tourism	3.401	5.188	725	201	482	32	4.701	6.712
Transport & logistics	64	77	45	55	-10	2	62	—
Real Estate	—	1	—	1	-1	1	3	11
Food and beverages	368	653	373	367	46	232	3.499	3.163
Other sectors	4.299	2.510	1.461	1.012	792	522	1.609	2.278
Total	37.035	23.305	10.392	7.449	4.980	3.208	19.362	23.162

* Doubtful debts deducted from provision for doubtful debts

** Overdue receivables unpaid after 90 days excluding doubtful debts.

Doubtful debts and overdue receivables per country

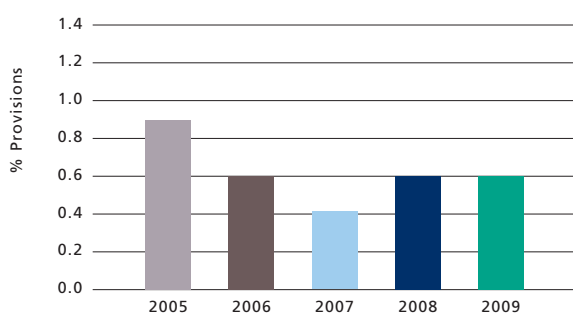
in thousands of EUR

	Doubtful debts*		Provision for doubtful debts		Value adjustments		Overdue receivables**	
	2009	2008	2009	2008	2009	2008	2009	2008
The Netherlands	16.994	11.787	5.631	4.114	2.221	1.562	3.746	4.303
Belgium	8.555	2.271	2.035	860	1.255	-66	867	1.034
United Kingdom	2.837	1.381	1.326	708	641	138	3.963	5.176
Spain	5.544	5.068	705	304	401	123	10.232	12.649
Germany	3.105	2.581	495	1.263	476	1.263	—	—
Ireland	—	217	200	200	-14	188	527	—
France	—	—	—	—	—	—	27	—
Total	37.035	23.305	10.392	7.449	4.980	3.208	19.362	23.162

* Doubtful debts deducted from provision for doubtful debts

** Overdue receivables excluding doubtful debts

Provision in % of outstanding credit



The quality of the credit portfolio is good. Triodos Bank does not use securitisation for its loan portfolio and the acquisition of loans.

GOVERNMENTS AND FINANCIAL INSTITUTIONS

Moneys that are not invested in loans to customers are invested for liquidity purposes in government bonds or placed with banks in the country where the money was raised. The bond portfolio of the bank is mainly comprised of government, and government guaranteed bonds. Triodos Bank also invests in a limited number of other types of bond issued by regional authorities, and financial institutions.

Banks are selected on the basis of their creditworthiness and screened on their sustainability performance by Triodos Research. For large banks, Triodos Bank uses a 'best in class' approach combined with Triodos' absolute

criteria. Smaller local retail banks are also screened against Triodos' absolute criteria. Exceptions to this policy can occur, if for credit risk reasons, the number of selected banks in a country is not sufficient to place Triodos Bank's liquidities. In such cases, deposit notice periods will not exceed three months. All counterparty limits for banks are granted by the Executive Board.

In accordance with Basel II guidelines, Triodos Bank uses the credit ratings of Fitch and Moody's for the assessment of the relative risk for all asset items valued by a recognised credit rating institution. For all receivables, a policy has been established that guarantees an unambiguous and coherent application of these credit ratings.

MARKET RISK

Market risk is the risk that a Bank's investment portfolio drops in value due to fluctuations in prices on the financial markets (interest rates, exchange rates, or share prices). This risk arises from trades on behalf of customers as well as own account trading. Triodos does not have a trading book.

Foreign Exchange Rate Risk is managed within the Market Risk Framework. Triodos base currency is the Euro. Foreign currency positions are covered with off-balance derivatives positions, with the exception of those arising from strategic investments. The UK Branch

balance sheet and profit and loss are denominated in GBP. Open foreign currency positions during 2009 have always been close to zero. The foreign exchange rate risk is monitored monthly in the Asset and Liability Committee. Limits are agreed by Triodos Bank's Executive Board based on a proposal made by the Risk Management Department.

The Interest Rate Risk is the risk that the value of assets and liabilities is negatively affected by interest rate changes in the financial markets. This risk is inherent to the banking business. The interest rate risk mainly arises from the fact that there are differences in fixed-rate interest periods for assets and liabilities.

Every month, Triodos Bank's interest rate risk position is monitored and assessed by the Asset and Liability Committee. The interest rate risk is managed using a system of guidelines and limits and by performing various interest rate scenarios integrated in the interest rate risk model. Limits are agreed by Triodos Bank's Executive Board based on a proposal made by the Risk Management Department. Triodos Bank uses two key indicators to measure the interest rate risk. The first is a short term indicator, the Earnings at Risk (the change of interest earnings over 12 months in case of an interest shock of 2%). The second is a long term indicator, the Economic Value of Equity at Risk. The Economic Value of Equity is the difference between the net present value of the cash flows of all assets and liabilities. The Economic Value of Equity at Risk is the change of value of the Economic Value of Equity in case of an interest rate shock of 2%. The value

of the indicators for interest Earnings at Risk and the Economic Value of Equity at Risk according to various interest rate scenarios at 31 December 2009, are presented in the table below.

These calculations include a number of assumptions with respect to current account and savings deposits that have no contractual fixed term period. The following assumptions are made in our savings model:

- Savings deposits \geq EUR 50,000 and GBP savings deposits decrease in a straight line for one year
- Savings deposits $<$ EUR 50,000 decrease in a straight line over four years
- Euro current accounts credit balances with a interest rate percentage of $<$ 0.5% decrease in a straight line over four years
- Other current account credits have an interest rate period of one month.

A mixture of long and short-term market interest rates is used for the calculation of saving deposits interest rates. Interest rates on the current account are in line with short-term market rates.

The aforementioned assumptions are initially based on qualitative grounds, a so-called expert opinion. To improve the substantiation of the assumption, a quantitative assessment of the interest sensitivity of our saving accounts was executed in most branches. The findings of this assessment will be used to optimise the savings model that is used as input for the interest rate model in 2010. Besides that, a high level risk assessment compared our savings and interest rate risk model with industry best practices.

Indicators Earnings at Risk and Economic Value of Equity at Risk at 31 December 2009, determined per currency
in millions of EUR

Indicator	Rising interest rate (+200 bp)		Decreasing interest rate (-200 bp)	
	Value	%	Value	%
EUR Earnings at Risk 1 year	5.5	(9%)	-2.5	(-4%)
GBP Earnings at Risk 1 year	2.3	(28%)	-0.5	(-6%)
All currencies Earnings at Risk 1 year	7.8	(11%)	-3.0	(-4%)
EUR Economic Value of Equity at Risk	-37.9	(-11%)	60.0	(17%)
GBP Economic Value of Equity at Risk	0.1	(2%)	2.1	(64%)
All currencies Economic Value of Equity at Risk	-37.8	(-11%)	62.1	(17%)

bp = basis points

The Bank's interest rate risk remained within the internally determined risk appetite throughout 2009.

LIQUIDITY RISK

Liquidity risk refers to the risk that the Bank may be unable to release sufficient funds to fulfil its obligations to its customers at a particular point in time. Funds entrusted are attracted for the Bank's lending operations. The surplus is invested at other financial institutions on short term deposits or government (and governmental guaranteed) bonds. Triodos Bank's policy is to have sufficient funds available so it can meet its obligations at all times. Triodos Bank is characterised by a high degree of liquidity, and is funded entirely by saving deposits from private and corporate customers and equity. As a result, the Bank does not need to rely on funding from the interbank money markets, and was not affected by the challenge these markets faced during the recent financial crisis (for its funding). The Bank nevertheless prepared a Liquidity Contingency Plan. The plan outlines the actions that can be taken to increase our liquidity positions in the case of a liquidity crisis. The Bank's liquidity risk remained within the internally agreed policy norms throughout 2009.

STRATEGIC AND REPUTATION RISK

Triodos Bank has a clearly defined mission derived from its articles of association and works according to the values that are described in its business principles. Within the organisation, there is a lot of investment in co-workers' training, awareness raising and involvement with the topics and principles that are most important to the Bank. The Bank's reputation is a strategic pillar, as confidence in Triodos Bank is vital to its provision of services. The Bank's reputation is very important, so any risks to it are managed very carefully. This includes training of co-workers, reporting all related activities as transparently as possible, and carefully choosing partners for collaboration. In times of crisis, Triodos Bank's aim is to provide timely and accurate information and to actively communicate on any issues.

BASEL II

Triodos Bank implemented the Basel II capital framework of the Basel Committee on Banking Supervision on 1 January 2008 and since this date reports according to the requirements stipulated by Basel II. Basel II has different approaches to the implementation of requirements regarding credit, market and operational risks. In view of its size and stage of development, Triodos Bank has currently opted to implement the less advanced methods under Pillar I of Basel II. The Standard Approach for assigning capital is used to calculate credit risks and market risk. The Basic Indicator Approach is used to calculate the capital requirements for operational risks. The options chosen by Triodos will not diminish its efforts to continue to improve and fine-tune its internal risk management system. The revised framework supports future developments of more advanced capital calculation methodologies. As part of Pillar II of Basel II, Triodos Bank also implemented the Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP is used for the supervisory review as part of Pillar II requirements. This capital policy was discussed with the Dutch Central Bank (DNB), which made a number of recommendations that were followed up within the organisation. Pillar III concerns the disclosure of solvency risks. The purpose is to make data on solvency and the connected risk profile of the organisation available to stakeholders. In line with regulations, this data is published where desirable or necessary.

CAPITAL MANAGEMENT

The aim of capital management is to guarantee that sufficient capital is available to meet Triodos Bank's capital needs, given its underlying business strategy. The Asset and Liability Committee manages the capital within the Bank.

The strategic objectives determine Triodos Bank's Risk Appetite, or its willingness to take risks. Risk appetite indicates the maximum risk that Triodos Bank considers acceptable to implement its business strategy in order to protect itself against events that could have an adverse effect on profitability, liability capital and the depository receipt price. Capital serves as the buffer to absorb the impact of losses that are inherent to the business. Risk is an important element of the capital framework. One of the yardsticks for expressing and quantifying

risk appetite is economic capital. This represents the internal demand for capital within the Bank. In addition, the Bank must also satisfy the capital requirements imposed by DNB.

Business strategy, risk appetite, and capital planning form the basis for the process of:

- Capital measurement: measuring the risks resulting in an estimate of the demand for capital.
- Capital allocation: allocating capital to the separate business units.
- Capital management: managing the supply of and demand for capital.

The Group's risk appetite is translated to the different business units. As a result, the performance and the risk levels for each business unit can consistently be measured and managed. The capital requirements of the first and second pillars of the Basel II Capital Framework are managed using this capital framework.

Triodos works with long-range capital planning. The internal management reports contain a monthly assessment of whether the available capital is sufficient to support current and future activities. In 2009, the available capital was always sufficient and in November 2009 we raised new capital to support our future growth.

CAPITAL MEASUREMENT

The capital measured at Triodos Bank concerns both the internal demand for capital, for example economic capital in accordance with the results of Pillar II under Basel II, and the capital requirement in accordance with the results of Pillar I under Basel II. Economic capital is a risk standard that allows us to attribute capital to cover the economic effects of risk-taking activities. Economic Capital is an important aspect of the revised enterprise risk framework and will support improved business decision-making at various levels within banking organisations. Economic capital is broadly determined by the following risks:

- Credit risk (counterparty risk and concentration risk)
- Market risk (Forex exchange risk and interest rate risk)
- Operational risk
- Strategic and reputational risk.

CAPITAL ALLOCATION

Capital allocation is governed by the capital allocation policy. On the basis of this policy,

capital is allocated to business units in proportion to the economic capital, based on their risk profile.

COMPLIANCE AND INTEGRITY

Triodos Bank has internal policies, rules and procedures to guarantee that management complies with relevant laws and regulations regarding customers and business partners. In addition, the Compliance department independently monitors the extent to which the Bank complies with its rules and procedures. External aspects of the Compliance department primarily concern accepting new customers, monitoring financial transactions and preventing money laundering. Internal aspects primarily concern checking private transactions by co-workers, preventing and, where necessary, transparently managing conflicts of interest, and safeguarding confidential information. Triodos Bank has a European compliance team led from the head office in Zeist. Compliance officers are present in every branch. The head of the Compliance department reports to the Executive Board.

There were no significant incidents in 2009 concerning compliance and integrity. Triodos Bank was not involved in any material legal proceedings or sanctions associated with non-compliance with legislation or regulations in terms of financial supervision, corruption, advertisements, competition, privacy or product liability.



Bhio Carrión is the main organic garlic producer in Las Pedroñeras, in the district of Castilla-La Mancha, Spain. The family-run business combines the more than 25 years experience in garlic cultivation with the benefits of organic farming, producing 300 tonnes of high quality garlic every year. Finance from Triodos Bank means the company can extend its storage facilities and grow the business further.

Corporate Governance

Triodos Bank is a European bank with branches in The Netherlands (Zeist), Belgium, (Brussels), the United Kingdom (Bristol), Spain (Madrid) and Germany (Frankfurt). The head office is in Zeist, The Netherlands.

FOUNDATION FOR THE ADMINISTRATION OF TRIODOS BANK SHARES (SAAT)

Triodos Bank believes it's crucial that its mission and identity is protected. As a result, all Triodos Bank's shares are held in trust by SAAT - the Foundation for the Administration of Triodos Bank Shares. SAAT then issues depository receipts for Triodos Bank shares to the public and institutions. These depository receipts embody the economic aspects of the shares of Triodos Bank NV. In addition, SAAT exercises the voting rights for the Triodos Bank NV shares. The Board of SAAT's voting decisions are guided by the Bank's ethical goals and mission, its business interests, and the interests of the depository receipt holders. Triodos Bank depository receipts are not listed on any stock exchange. Instead, it maintains an internal market.

DEPOSITORY RECEIPT HOLDERS

Depository receipt holders are entitled to vote at the Annual General Meeting of depository receipt holders. Each depository receipt holder is limited to a maximum of 1,000 votes. The Annual General Meeting of depository receipt holders appoints the members of the Board of SAAT, based on its recommendations. These recommendations must be approved by Triodos Bank's Statutory Directors. No depository receipt holder may hold 10% or more of all depository receipts that are issued.

TRIODOS BANK SUPERVISORY BOARD

Triodos Bank has a Supervisory Board, which monitors the Bank's business operations and advises and assists its Executive Board, to benefit its business interests. New members of the Supervisory Board are appointed by the Annual General Meeting, based on recommendations from the Supervisory Board.

Number of statement of depository receipts per holder

amounts in millions of EUR

	Depository receipt holders		Issued capital	
	2009	2008	2009	2008
1 - 50	7,487	6,347	9.5	7.7
51 - 500	6,470	4,879	74.5	52.9
501 - 1.000	537	388	26.7	18.4
1.001 and more	284	183	203.5	125.2
Total	14,778	11,797	314.2	204.2

Number of depository receipts per country

	Depository receipts x 1,000		Depository receipt holders	
	2009	2008	2009	2008
The Netherlands	3,322	2,247	10,073	8,071
Belgium	794	553	2,780	2,357
United Kingdom	93	75	1,096	1,040
Spain	200	47	814	329
Germany	12	—	15	—
Total	4,421	2,922	14,778	11,797

TRIODOS BANK'S EXECUTIVE BOARD AND STATUTORY DIRECTORS

The daily management of Triodos Bank lies with the Executive Board. The Executive Board consists of the Statutory Directors and one or more managers that are appointed by the Statutory Directors. The Statutory Directors are formally responsible for the management of Triodos Bank and are appointed by the Supervisory Board.

STICHTING TRIODOS HOLDING

Stichting Triodos Holding is legally separate but organisationally related to Triodos Bank NV. It is a 100% shareholder of Triodos Ventures BV, an investment fund for higher risk but strategically important new activities that reflect Triodos

Bank's mission and activities. The Board of Management of Stichting Triodos Holding and the Board of Management of Triodos Ventures are made up of the Statutory Directors of Triodos Bank. Stichting Triodos Holding has a Supervisory Board appointed on the recommendation of the Board of SAAT.

STICHTING TRIODOS FOUNDATION

Stichting Triodos Foundation is a sister institution of Triodos Bank NV that is legally separate but organisationally related to it. Currently, the Board of Management of Stichting Triodos Foundation is made up of Triodos Bank NV co-workers. It makes donations that are granted to initiatives that help Triodos Bank NV to deliver its ethical goals. Similar foundations have been set up in Belgium, the UK and Spain.

TRIODOS BUSINESS PRINCIPLES, THE DUTCH CORPORATE GOVERNANCE CODE AND THE BANKING CODE

Triodos Bank uses its business principles to help it carry out its mission. These business principles have been drawn up in consultation with the Board of SAAT and the Supervisory Board.

The Dutch Corporate Governance Code ('The Code') does not apply directly to Triodos Bank NV, as Triodos Bank's depository receipts are not listed on any regulated market. Nevertheless, Triodos Bank endorses the principles of the Dutch Corporate Governance Code. As of January 1, 2010, Triodos Bank reports on the basis of the revised Code as published on December 10, 2008. The full comply-or-explain statement as required under the Code can be accessed at Triodos Bank's website.

Triodos Bank generally complies with the principles and best practices of the Code. However, it has also made a well-considered decision to deviate from specific points. The first deviation relates to voting rights on shares. To protect Triodos Bank's mission and objectives as much as possible, depository receipt holders are not allowed to exercise voting rights on the underlying shares, which are instead exercised by SAAT, as outlined above. Also, depository receipt holders cannot make recommendations for appointments of members of the Board of SAAT. The second deviation relates to the term

of office of the Statutory Directors. This term is not limited to a period of four years, as Triodos Bank feels that this would not serve the long term development of the company. The third deviation relates to the fact that the Supervisory Board of Triodos Bank has an integrated Nomination and Compensation Committee and thus does not provide for a separate nomination committee and remuneration committee. Further, Triodos Bank deviates from the Code best practice to submit all proposals to the General Meeting of Shareholders for material amendments to the Articles of Association separate agenda items. The reason for this deviation is that Triodos Bank wishes to retain the possibility, to be exercised at the discretion of the Executive Board and the Supervisory Board, to submit a proposal for multiple amendments to the Articles of Association as a single agenda item if there is a strong degree of interrelatedness between these proposed amendments. Finally, a number of provisions of the Code regarding executive remuneration do not apply to Triodos Bank, as it does not have any share plans or option schemes. The total costs for executive remuneration, which consist of simple wages and pension elements only, is shown in the annual report.

On September 9, 2009, the Dutch Bankers' Association (NVB) published the Banking Code, which contains a number of best practices aimed specifically at banks. The Banking Code has come into force as of January 1, 2010, and will thus first be applicable regarding the financial year 2010. Triodos Bank is currently in the process of implementing the substantive best practices in its internal organisation and it has also undertaken the necessary steps to ensure compliance at the operational level. More details regarding the implementation can be found in the 'Supervisory Board Annual Report' and the 'Risk Management and Compliance' sections.

Triodos Bank's business principles can be found at www.triodos.com.

SUPERVISION

Triodos Bank is supervised by DNB (the Dutch Central Bank) and AFM (The Netherlands Authority for the Financial Markets), as well as by the regulatory authorities in Belgium, the UK, Spain and Germany in respect of local matters.

Statement of institutions with a participating interest of 5% or more

in percentage

	2009	2008
Delta Lloyd Levensverzekering NV	7.3	7.2
Stichting Grafische Bedrijfspensioenfondsen	5.4	—
Coöperatieve Centrale Raiffeisen-Boerenleenbank BA	5.3	5.3
Stichting Pensioenfonds ABP	5.1	5.1
Friesland Bank NV	5.1	5.8
NAGRON Nationaal Grondbezit BV	4.5	6.8
PGGM Pensioenfonds Z&W	3.5	5.3
Beheersmaatschappij Breesaap	3.5	5.2

The above institutions are the largest of the total of 13 (2008: 12) institutions that have a participating interest of at least 1%. Their total participating interest is 46.8% (2008: 47.9%).



When demand for the Visionary Soap Company's natural, organic and fair trade soap outgrew their small factory near Hastings in the UK, Triodos Bank was able to help. Finance enabled them to start importing from Township Trades, a South African social enterprise employing young people whose lives have been impacted by HIV/AIDS, to meet the growing demand.

Stakeholder dialogue

Triodos Bank maintains good relationships with all its stakeholders, including shareholders (holders of depository receipts), co-workers, Non Governmental Organisations (NGOs) and government. Triodos Bank works closely together with organisations working for the environment, organic farming, renewable energy, arts and culture, education, human rights and development co-operation. Triodos Bank defines its stakeholders as all the people, groups and organisations with which it has a business or other relationship. The dialogue with all these stakeholders is an important source of inspiration and new ideas.

Triodos Bank identifies three discrete groups of stakeholders in particular:

CUSTOMERS, DEPOSITORY RECEIPT HOLDERS, CO-WORKERS AND SUPPLIERS

Dialogue with this group of stakeholders mainly involves weighing up economic interests. Each stakeholder - whether saver, investor, borrower, supplier or co-worker - has something to gain or lose in their relationship with the Bank. The balance between long and short-term interests, and self and public interest, forms the basis for dialogue with these stakeholders.

NGOS AND GOVERNMENT

Discussions with this group focus predominantly on the social, environmental and cultural context in which Triodos Bank operates. These stakeholders do not have a financial interest, but do have a clear interest in the Bank's development.

ADVISORS AND INSPIRERS

This diverse group of people contribute to the further development of Triodos Bank's vision and mission. It includes external advisors with innovative ideas who respond to requests or provide advice spontaneously, and individuals who inspire new possibilities and insights. These people are vitally important, particularly where the development of sustainability strategies is concerned.

Since its foundation, transparency has been one of Triodos Bank's major objectives. It believes it is essential that depositors and investors know what happens to their investments and

capital. Meetings take place throughout the year with Triodos Bank's customers and depository receipt holders as part of this commitment to transparency. These meetings offer room for discussions about Triodos Bank's strategy and policy. In September, for example, Triodos Bank brought 100 co-workers from across the organisation, to meet with 35 Belgian clients. This resulted in a rich exchange about what Triodos can mean to its clients and how the bank can contribute better to a more sustainable world. In addition to an annual customer day, in 2009 we continued to host meetings

Triodos Bank's stakeholders are at the heart of everything it does; helping to provide encouragement and casting a helpful, critical eye over its long-term future.

specifically for Belgian and British holders of depository receipts. In 2009, the UK branch took part in the second National Ethical Investment Week. Two trips were arranged so Triodos Bank savers could meet the loan customers that their savings have helped to finance, in person.

In its written and online publications, Triodos Bank provides clear information about the sectors it works in. The quarterly Triodosnews magazine, the annual report, the interim report and the websites inform stakeholders about specific projects and companies Triodos Bank finances. The magazine is a key tool demonstrating the Bank's commitment to transparency, and it is valued highly by customers. Plans to revamp the magazine began in 2009 and will be implemented in 2010. Triodos Bank's existing websites offer visitors three types of information: product information, details about the projects and companies it finances, and general Triodos Bank information, including its mission, history, key figures and organisational structure. The websites are an increasingly important means of communications for the Bank and the number of visitors they attract is increasing every month. In 2010, the improvements to the

website will include various ways that stakeholders can engage more closely, and more often, with Triodos Bank.

Internal communication at Triodos Bank mainly takes place during weekly co-worker meetings, which are organised at all its branches. Co-workers are encouraged to contribute to the policy-making process and to feel involved in all the Bank's activities.

Through the charitable foundations operating within the Triodos Bank Group, we support innovative initiatives in the field of organic farming, renewable energy and economic development in developing countries. In 2009 the foundations made donations totalling EUR 1.0 million (2008: EUR 1.2 million).

During the year, a study group was also formed to review the organisation and content of the annual report. Triodos Bank particularly wishes to examine how the impact that the Bank has through its loans and investments can be communicated better and more clearly, and this work will be taken forward in 2010.

In 2009, Triodos Bank, along with more than 200 international institutional investors, once again signed the Carbon Disclosure Project Four (cdp 4) appeal, which calls on the 500 largest listed companies in the world to publicly disclose their CO₂ emissions. The aim of this appeal is to encourage companies to reduce their emissions.

Triodos Bank co-founded the Global Alliance for Banking on Values early in 2009, bringing eleven of the world's leading sustainable banks together, to help build a more sustainable economy. Launched at Triodos Bank's head office in The Netherlands, the network went on to make a significant commitment at the Clinton Global Initiative in the Autumn, to work together to raise USD 250 million in capital over the next three years. Triodos Bank is also the co-founder and a member of Social Venture Network Europe, European Social Investment Forum (Eurosif) and the International Association of Investors in the Social Economy (INAISE). In addition, it is a member of the Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and the United Nations Environmental Programme Finance Initiative (UNEP FI).

In 2009, confidence in the financial sector continued to decline in the face of the financial crisis and a deep-seated economic downturn. While Triodos Bank is not directly affected by the credit crunch and has continued to maintain positive and sustained growth, it is indirectly impacted as are many of its customers in the real economy. Through letters and emails to its customers, and advertisements in national daily newspapers in some countries, Triodos Bank shared its view of the crisis with all its stakeholders. The Bank received many positive responses to this pro-active communication. In the media, Triodos Bank was regularly featured as an example of how responsible banking is possible and is operating successfully in a number of countries. During 2009, Triodos Bank was awarded the Financial Times Sustainable Bank of the Year Award. The award's judges were careful to point out that Triodos Bank's sustainable banking model is particularly relevant at a time when the shortcomings of the dominant banking model have become so apparent.

In 2010, Triodos Bank expects to continue to actively contribute to the debate on the future social, environmental and cultural role to be played by banks, on an increasingly international stage. This will mean backing words with action, and sharing the Bank's knowledge of, and experience with, sustainable banking.

For more information:

www.gabv.org

www.neiw.org

www.cdproject.net

www.ftconferences.com/sustainablebanking



Co-worker report

This report provides details of Triodos Bank's social policy in general, and our co-worker policy in particular. The Bank's social policy is based on our belief that an organisation can only develop in a positive sense if its co-workers have the room and opportunity for professional and personal development. Key aspects of this vision are authenticity, cooperation, entrepreneurship and a professional, commercial attitude.

Human Resources policy differs across the countries where Triodos Bank is active. This is due to differences in the individual offices' stage of development, size, culture and local legislation. This report covers social policy applying to the whole Bank.

The co-worker report concerns all those employed by Triodos Bank. Co-workers of the joint venture, Triodos MeesPierson, and a separate entity, Triodos Facet, are not included in the figures. During the year Sustanalytics, and its seven co-workers, separated from Triodos Bank and from then on it is no longer consolidated in the figures.

The figures in the co-worker report are divided by Business Unit, rather than by country. As a

result head office, the Dutch branch and the Investment Management department - which includes eleven UK-based co-workers - are reported on independently.

ORGANISATION AND POLICY

Co-workers' connection with the Bank's mission and the way in which the Bank's values are apparent in their daily work is vitally important. This manifests itself in weekly Monday morning meetings and during the induction process for new co-workers. This also plays a very important role in the development of Human Resources (HR) policy.

To help support Triodos Bank's organisational growth we arrange an annual extended International Management Council meeting. In 2009, 35 managers developed prototypes directly linked to our three year strategy. In addition, about 100 co-workers participated in the annual Co-worker Conference, in Belgium. The meeting's theme was Co-workers Co-creating. Approximately 40 Belgian clients were invited for an open discussion and informal meeting during the conference, with benefits for co-workers and clients alike.

Distribution of co-workers across business units

	No of co-workers		fte's	
	2009	2008*	2009	2008*
The Netherlands	133	114	113	97
Belgium	70	53	65	48
United Kingdom**	78	88	74	83
Spain	80	61	79	60
Germany	22	10	21	9
Triodos Investment Management	84	60	74	52
Head office	109	91	98	80
Total	576	477	524	429

* The comparable figure for 2008 has been adjusted.

** 10 co-workers are not reported under Triodos Investment Management.

- ◀ Dorothy Day House houses female immigrants and their children in Valencia. While many other banks wouldn't, Triodos Bank Spain has provided vital finance for this institute. Photo: D. Duart.

Young co-workers in particular were invited to the Co-worker Conference to contribute their vision and energy. The young generation of co-workers are very important for Triodos Bank, providing a fresh look at the organisation and a closer connection with broader social trends. A *Young Triodos group* organise a variety of activities during the year and are actively involved in finding solutions to some of the issues facing the Bank.

Attrition rates

	% left compared to start of the year	
	2009	2008*
The Netherlands	10%	13%
Belgium	6%	18%
United Kingdom	14%	18%
Spain	7%	14%
Germany**	10%	14%
Triodos Investment Management	15%	15%
Head office	7%	8%
Total	10%	14%

* The comparable figure for 2008 has been adjusted.

** Only one co-worker left in each year

CO-WORKERS

The total number of co-workers rose by 21% from 477 to 576 in 2009. The male/female ratio remained virtually unchanged. In 2009, Triodos Bank employed 293 women (51%) and 283 men (49%). The share of women in management positions fell slightly to 27% (2008 29%). Triodos Bank strives to appoint more women in management positions, but has yet to see really meaningful changes. In 2009 four female managers joined Triodos Bank, and six left.

The number of temporary co-workers was down by 21%. Within the ICT department, the proportion of temporary external coworkers reduced from 40% to 31%.

Triodos Bank is an increasingly popular place to work as positive interest in sustainability increases, and the reputation of the high-street banks declines. Applications for vacancies have steadily increased, but many candidates do not

have the right mix of professional experience and a connection to our mission. This led to intensive and sometimes lengthy procedures during 2009 to match vacancies with the right candidates. Opportunities also arose to progress between, as well as within, countries resulting in two international transfers.

Number of temporary (external) co-workers in fte's based on 1,550 working hours per fte, per year

	2009	2008
The Netherlands	11.5	18.6
Belgium	0.5	2.0
United Kingdom	0.3	1.0
Spain	—	—
Germany	0.6	0.6
Triodos Investment Management	2.0	1.1
Head office	19.0	19.4
Total	33.9	42.7

Triodos Bank's age ranges

Age	2009		2008	
	number	%	number	%
15 - 25 year	28	5	33	7
25 - 35 year	189	33	159	34
35 - 45 year	217	37	167	35
45 - 55 year	104	18	88	18
55+	38	7	30	6
Total	576	100	477	100

The German Branch became a full branch at the end of 2009. Its number of co-workers increased from 10 to 22. At the same time the Belgian and Spanish branches grew by more than 30%. In Spain this was due to the opening of three regional offices in Madrid, Valladolid, Valencia and recruitment for the Zaragoza's office team. In Belgium targets for growth were very ambitious and a new organisation was designed to manage this effectively. In both Business Units

attrition rates decreased significantly to approximately 6%.

In the Investment Management department the attrition rate remained high at around 15%. The impact of a reorganisation programme was largely responsible for this figure. In the UK the attrition rate went down from 18% to 14%. The rate of 14% is consistent with the wider financial services market in the UK. A further reduction is expected in 2010.

Despite the strong growth, the average number of years service remained the same at 3.9 years. Turnover fell from 14% to 10%. This is the second year in a row that the turnover has decreased, through a combination of internal efforts and external market circumstances. The average length of employment for co-workers leaving Triodos Bank has decreased slightly from 2.5 to 2.3 years. The number of co-workers leaving the Bank in their first year increased from 17 to 19 co-workers.

DEVELOPMENT, TRAINING AND EDUCATION

Various training modules and courses are organised with both an international and local focus within the Triodos Academy. In 2009 a great deal of effort was given to the development of a visionary leadership programme and reinvigoration of the management development programme. As well as a range of training opportunities organised in branches, an annual banking seminar, for relatively new and young co-workers, was organised in March. A number of training modules are also provided by the Institute for Social Banking, including round table discussions covering specific disciplines and a Masters in Social Banking. Training costs increased by 6%.

Training expenses per co-worker

amounts in EUR

	2009	2008
The Netherlands	1,558	1,996
Belgium	1,429	332
United Kingdom	589	895
Spain	535	601
Germany	690	138
Triodos Investment Management	1,921	1,697
Head office	1,775	1,362
Average	1,318	1,240

ABSENCE

The rate of absence due to sickness rose to 2.6% in 2009 (2008: 2.4%). This increase is mainly due to an increase in long term illnesses from 12 cases in 2008 to 21 cases in 2009. Long term illness accounts for 1.2% of overall absence (2008: 0.6%). Only a few cases are work related. Triodos Bank continues to monitor the rate of absence closely and is constantly looking to make improvements in this area. For example, in The Netherlands managers have followed a 'get to grips on absence' training programme, as well as preventive sessions for all co-workers related to their wider working conditions.

EMPLOYMENT TERMS AND CONDITIONS

Triodos Bank believes good and appropriate remuneration for all its coworkers is very important. Differences in remuneration between co-workers, locally and internationally, are carefully monitored. As a result of Triodos Bank's strong growth and success, differences have increased slightly, but are still very low compared to other banks. The ratio between the highest and lowest salary in The Netherlands in 2009 is 8.5 (2008: 7.7). This ratio is lower in other countries because of the smaller size of the offices and due to the fact that the Triodos Bank Executive Board is based at the head office in The Netherlands.

Benchmarking remuneration in Belgium, the United Kingdom and The Netherlands showed that on average Triodos Bank pays mid-market

salaries. No bonuses were distributed in 2009. At more senior levels remuneration is slightly below the market rate. This reflects a policy designed to create both fair rewards, and a relatively flat structure across the bank.

WORKS COUNCIL

Co-worker councils already exist in The Netherlands and Spain. A Works Council is not required in the Belgium and United Kingdom offices currently. In The Netherlands, the council has five members, two of whom were appointed in May 2009 after two others withdrew from the Council. The Dutch Works Council was consulted on a number of policy proposals and issues regarding working conditions and mobility, the proposed separation of Sustainability and the change of offices for the Dutch branch including more flexible workplace. The Council is delighted with Triodos Bank's growth, which has continued in 2009. This growth demands a great deal from the organisation and its co-workers, particularly on departments facing additional pressure because of it.

PROSPECTS FOR 2010

In 2010 growth in new co-workers will continue but at a slightly lower level of about 15%. We aim to keep the attrition rate at 10% and the illness rate at the current level, with particular attention on long absences.

We will focus more closely on co-workers' development and training, under the umbrella of the Triodos Academy. We aim to help co-workers to continuously develop, so that the organisation can look to a team of excellent, committed co-workers at all levels in the future. The Triodos Academy will start a Visionary Leadership programme with eleven participants, and the Management Development programme will begin with thirteen participants at the beginning of 2010. Both programmes will continue in 2011. Due to the increase in co-workers the Values Seminar (previously called the Banking Seminar) will be held twice during the year, in February and October.

In the German Branch the focus will be supporting the initiation of our banking activities, and a move from project oriented work to a client oriented focus. In the Spanish Branch the commercial development of the

regional offices are key, together with an emphasis on efficiency improvements. The Belgian branch will continue to grow and improve its recruitment process. The Dutch Branch will move to a new office and implement a new way of working with a very conscious link to our values. Investment Management will expand its activities further in the different countries and this will have an impact on its governance. New local teams will be formed as part of its operations, sometimes starting with only one co-worker based within a branch. As the head office matures, new departments will be created to provide high quality, professional support to the business units. In the UK the headcount will remain stable. Attention will be paid to flexible working place, including the use of remote managers.

Succession planning will become more important in the coming years across the whole Group.

Growth may lead to changes in the organisation and the way it works. The HR department's contribution will be to supervise these changes and ensure they remain in line with the Bank's values.

Social key figures*

	2009	2008	2007	2006	2005
Number of co-workers at year-end	576	477	397	349	301
Average number of ftes** during the year	482	402	346	298	258
Number of ftes** at year-end	524	429	363	316	272
Absenteeism	2.6%	2.4%	1.9%	2.4%	3.1%

* The co-worker report concerns everyone employed by Triodos Bank.

Co-workers of the joint venture Triodos MeesPierson and of Triodos Facet are not included. The comparable figure for 2008 has been adjusted

** Fte stands for full-time equivalents and is the number of co-workers calculated on a full-time basis per week. (For The Netherlands this is 40 hours, Belgium 37 hours, United Kingdom 37.5 hours, Spain 37 hours and for Germany 40 hours).



Environmental report

This report explains Triodos Bank's internal environmental policy, environmental management strategy and environmental performance during 2009. Environmental considerations are a key aspect of Triodos Bank's activities. The Bank uses an Environmental Management System (EMS) to monitor and reduce the adverse environmental impact of all of its activities.

The effective application of the procedures of the EMS is audited by the internal audit department each year. A central environmental co-ordinator and local environmental co-ordinators in each branch have been appointed to embed the EMS within Triodos Bank and maintain awareness about internal environmental issues. The local environmental co-ordinators inform and update all co-workers about their branch's environmental performance and progress at least twice a year.

We decided in 2009 not to renew our ISO 14001 certification. Having worked with this certification for many years, we came to the conclusion that the added value to our environmental performance was limited. The EMS is strongly focused on the institution's own environmental impact, which is relatively small compared to the impact of its loans and investments. This is particularly relevant for Triodos Bank which aims to maximise the positive environmental impact of its lending and investment activities.

We will continue to use our EMS to improve our environmental performance, but without ISO 14001 certification. Instead we will focus on the issues that have a more material impact on the environment. Our CO₂ emissions will continue to be 100% compensated. In future years, we will investigate new ways to measure and manage the impact of our loans and investments. This approach aims to provide a more comprehensive picture of Triodos Bank's impact on the environment.

ACHIEVEMENT OF GOALS FOR 2009

In order to reduce our paper usage and improve the efficiency of printing materials a pilot project started in the Investment Management department to investigate printing our letter-head instead of using pre-printed stationery. Part of the goal of this project is to reduce paper use significantly. When it is concluded successfully it will be rolled out.

The evaluation of the EMS during 2009 led to a reorganisation of how we approach this work. During the year the financial administration department took over the responsibility for environmental data collection and it will continue to streamline the data collection process in 2010. The role of Central Environmental Manager has been assigned to the Head of Facilities management to better share best practice of sustainable procurement and management of sustainable buildings.

In 2009 it was decided to stop using the Eco-Office system as it was outdated and updates for it are no longer published. It has not been replaced as we believe we have a comprehensive system in place.

The Dutch branch bought a video conferencing system for use in its new office in 2010 to decrease CO₂ emissions relating to travel to meetings. Its experience will be useful for the other branches who continued to use external video conferencing facilities on an adhoc basis, as well increasing use of internal phone conferencing facilities.

In 2009 Climate Neutral Group, who are already responsible for the compensation of our CO₂ emissions, also took over the calculation of the CO₂ emissions in order to make the calculation process more efficient.

ENERGY CONSUMPTION

In 2009, gas consumption per co-worker increased by 4% and decreased per office cubic metre (m³) by 9%, compared to 2008. This

- ◀ In 2009 Triodos Bank financed the new Burgervlotbrug wind turbine park in the North West of The Netherlands. Nine turbines supply electricity to 7,200 households, producing 14,400 tonnes less CO₂, on an annual basis.

difference is due to the growth rate of office space which was twice as high in 2009 as the growth rate of fte's. Electricity consumption decreased by 7% per co-worker. Electricity consumption per square metre (m²) also decreased, by 13%. Electricity use relates more closely to individual consumption, through using computers for instance, whereas gas usage relates more to the energy consumption of a whole building.

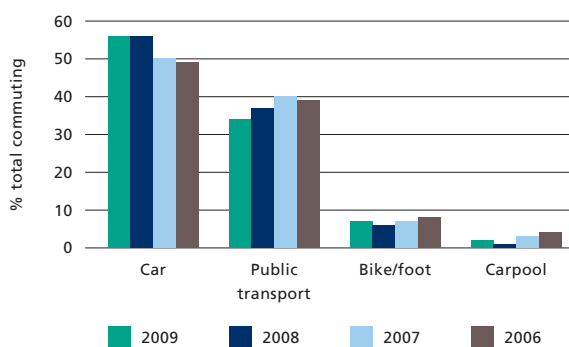
The offices in The Netherlands, UK, Belgium and Germany buy electricity from 'green' energy suppliers. In 2009, green electricity consumption was 1,439,445 kWh, or 78% of Triodos Bank's total electricity consumption. Green electricity is not yet an option in Spain, because at present there are no providers. The total consumption of electricity produced from conventional sources is 318,000 kWh or around 22% of the total.

TRAVEL

BUSINESS TRAVEL

The number of air kilometres per fte increased by 5% in 2009. A new company car policy was implemented internationally in 2009. The new policy fixes an absolute maximum to CO₂ emissions per car. These absolute criteria will be carefully monitored in the light of new developments in the motor industry market. The branches use public transport for travel whenever possible, but when travel by car is essential Triodos Bank buys company cars with high environmental performance. In 2009 the Dutch Branch started to investigate the purchase of two electric cars.

Commuting per means of transportation



COMMUTING

The total commuting distance travelled for each co-worker increased by 13% in 2009. Travel by car also increased, by 13%. The Bank's policy is to encourage co-workers to travel to and from work using the most environmentally-friendly option. The Belgium office was very active encouraging more co-workers to cycle to work.

CLIMATE NEUTRAL OPERATIONS

Triodos Bank offsets 100% of its CO₂ emissions. Its environmental policy is designed to reduce greenhouse gas emissions in three distinct steps. Firstly, the Bank aims to take as many energy-saving measures as possible. Secondly, any essential energy consumption is sourced from renewable suppliers, where possible. Finally, the remaining CO₂ emissions are compensated by buying CO₂ credits from the Climate Neutral Group. CO₂ emissions were compensated by sustainable forestry projects (50%) and emission reduction projects (50%) certified by The Gold Standard, in 2009. As far as possible, Triodos Bank avoids the use of volatile organic materials and other materials that could damage the ozone layer.

PAPER USAGE

Where possible, Triodos Bank uses recycled paper and environmentally sound printing processes, such as waterless offsetting and vegetable inks. In 2009, almost 9% less paper was consumed per co-worker than in 2008. Triodos Bank encourages its customers to communicate with it in an environmentally-friendly way (by telephone, e-mail or the internet) whenever possible. The expansion of its online product offering, and improving the efficiency of opening accounts online, are just two examples.

BIODIVERSITY

Triodos Bank does not lend to or invest in land in regions with high biodiversity, because it recognises that, through the indirect impact of its investments and loans, it could unintentionally damage the world's biodiversity. For this reason, the Bank has established new lending criteria; companies operating in sectors with a high risk of negative effects on biodiversity are expected to have a policy to identify these risks and act on them.

WASTE

As a result of the EMS evaluation Triodos Bank will no longer report on the collection of waste because the waste percentage is so small that its impact is irrelevant with respect to CO₂ emissions. This decision will help improve the efficiency of the system itself, so the bank can focus its efforts in critical areas; in particular, the impact of its loans and investments. This does not mean reducing and monitoring its waste is not important. While it will stop reporting in the same way, Triodos Bank will continue to monitor the waste collection process very carefully. Triodos Bank collects glass, paper, food and garden waste separately. In 2009 the Bank also started to collect plastics separately.

WATER

The EMS evaluation has also prompted a decision to stop collecting data on water consumption in the same way as waste. In Triodos Bank offices the only use of water is sanitary. Triodos Bank will continue to monitor the process very closely so it uses water as sparingly as possible. The head office in The Netherlands uses groundwater to heat and cool the building, and rainwater is used to flush its toilets.

BUILDINGS INFRASTRUCTURE

Triodos Bank believes it is important that its buildings provide a pleasant, stimulating space for its co-workers to work, and that they have a minimal environmental footprint. This applies to all of the Bank's branches. The materials and products used in all its offices must pass strict environmental tests. The total floor area occupied by the Bank increased by 26% in 2009. This is mostly because of opening new offices in Spain and Germany.

OUTSOURCING OR PROCUREMENT

External suppliers are assessed according to social and environmental criteria, including Triodos Bank's own sustainability criteria and best environmental practice. All the Bank's suppliers, from caterers to building maintenance services, are asked to provide information on their sustainability policy and practice. They are asked to provide details of labour conditions for their employees, the necessary permits, and whether they use environmentally friendly resources and production processes. If possible,

the Bank employs suppliers that are located close its offices. If appropriate, the Bank asks for a tailor-made approach to sustainability, including using sustainable raw materials and sourcing products, in turn, from local suppliers. The energy-efficiency of office equipment and environmental impact of other products is used to inform decisions before buying them. Through its procurement, Triodos Bank encourages its suppliers to address social and environmental issues in a more conscious and sustainable way.

COMPLIANCE

In 2009, there were no environmental incidents or violations of environmental legislation or regulations to report.

ENVIRONMENTAL PRODUCTS AND SERVICES

As part of the lending process, potential borrowers are assessed according to their environmental, social, and/or cultural impact, to make sure they reflect the values at the heart of Triodos Bank. In the case of investment funds, the Bank conducts its own sustainability analyses. These form one of the criteria for inclusion in the investment portfolio. Criteria for exclusion include threats to biodiversity, violations of environmental legislation and nuclear energy.

ENVIRONMENTAL PROGRAMME FOR 2010

The most important goals for the environmental management programme for 2010 are:

- Maintain the focus on reducing paper usage
- Maintaining efforts to further increase the effectiveness of the Environmental Management System. This includes a new and structured way of communicating our environmental impact internally as well as externally.
- Define a project to measure and monitor the impact of our loans
- An innovative pilot project to reduce the energy consumption of our ICT operations and data room.



In 2009, Triodos Vastgoedfonds bought the Trompenburg villa in Rotterdam, reflecting the fund's interest in historic buildings. The photograph shows an annex which was built in 2007, providing a contemporary and functional addition to the villa and helping to secure its future.

BASIS OF NOTES AND ENVIRONMENTAL KEY FIGURES

The environmental key figures show the total figure for the five branches expressed per fte.

The Bank's temporary co-workers are included in the calculation of the environmental figures. This provides a more realistic picture of the organisation's actual environmental impact. The co-workers engaged by Triodos MeesPier-son are not included in this calculation because they do not use Triodos Bank's buildings. The co-workers engaged by Triodos Real Estate Development use Triodos Bank's facilities and are therefore included.

The energy figures show the electricity and gas consumption per fte. The figures are derived from invoices and meter readings. The head office in Zeist and the branch in Spain do not use gas.

Business travel data shows the number of kilometres per fte travelled by co-workers by public transport, plane, and car - whether in a private car or taxi based on distance declarations or in a company car using mileage readings.

Travel by plane and public transport is calculated on the basis of ticket data. Commuting distances are shown per fte and are based on the distance between home and work, as well as on data from interviews or co-worker questionnaires detailing the means of transport used. A car-pooler is defined as a co-worker who shares a car with another co-worker for commuting purposes.

Paper usage is calculated using procurement invoices and by calculating the weight of the different types of paper used in each office.

The Bank purchased a new office at the end of 2009. This office has not been taken up in the figures because it is not officially in use.

The m² of the offices in The Netherlands have been corrected because figures from an official measurement in June 2008 are taken into account this year.

In 2009 the CO₂ emissions were calculated by the Climate Neutral Group for the first time. We now follow the United Nations Environmental Programme methodology to calculate

emissions rather than the Greenhouse Gas Protocol that we used in the past. The two methodologies have a lot of similarities, although the UNEP methodology of calculating CO₂ emissions is more relevant to an office environment. The UNEP methodology uses a more accurate way of calculating CO₂ emissions of paper, making a distinction between office use of paper and printed paper that has a higher emission rate. The difference in CO₂ emissions between the two calculation methods will be compensated in 2009.

Emission of CO₂ (equivalents)

in thousands of kg

	2009*	2008*
Electricity	138	83
Gas consumption (heating)	130	57
Paper	600	581
Public Transport	80	66
Car	832	634
Flights	824	676
Total	2,604	2,097
Minus: Compensation for CO ₂ credits	(2,604)	(2,097)
CO ₂ balance (neutral)	0	0
CO ₂ compensation costs per tonne (EUR)	12.50**	12.50

* These 2008 figures are calculated using the UNEP methodology of calculating CO₂ emissions

** According to The Gold Standard, 50% of the CO₂ emissions was compensated by emission reduction projects, representing a value of EUR 15 per tonne of CO₂. The other 50% is accounted for by sustainable forestry projects representing a value of EUR 10 per tonne of CO₂.

TRIODOS BANK'S STATEMENT OF ENVIRONMENTAL POLICY

Environmental considerations are an integral part of all Triodos Bank's activities, and, wherever possible, Triodos actively supports sustainable development. Final responsibility for the environmental policy rests with the Executive Board. Its implementation is the responsibility of every co-worker.

The key elements of Triodos Bank's environmental policy are:

- 1 in respect of its (bank) financing policy, to focus on activities that aim to deliver sustainable development.
- 2 to reduce and/or eliminate the environmental impact of its own activities by adopting environmental considerations as an integral part of its operations
- 3 to comply with all relevant statutory provisions and with all associated rules and agreements
- 4 to fully inform and train co-workers when necessary, to ensure that Triodos Bank's environmental policy can be implemented effectively
- 5 to endeavour to have an open dialogue with all Triodos Bank's stakeholders, and to report the environmental policy results in the Annual Report, together with targets for future years
- 6 to strive for continuous improvement and development of the Environmental Management System
- 7 regular assessment of the implementation of the environmental policy.

Triodos Bank's statement of environmental policy was revised most recently in 2009 by the Executive Board.

Environmental key figures

absolute quantities/ftes*

	2009	2008	2007	2006	2005
Energy consumption					
Electricity in kWh/fte	2,884	3,075	2,961	2,965	2,305
Gas in m ³ /fte	105	101	83	113	124
Business travel					
By aircraft in km/fte	6,621	6,329	5,651	5,984	5,556
By car in km/fte	2,596	2,416	2,597	2,130	1,926
By public transport in km/fte	809	808	824	607	530
Commuting					
By car in km/fte	6,229	5,458	5,201	5,708	6,006
By carpool in km/fte	238	131	203	431	442
By public transport in km/fte	3,820	3,642	3,796	4,529	3,450
By bike or on foot in km/fte	808	619	612	901	815
Paper usage					
In kg/fte	305	334	313	344	413
Co-workers					
Ftes	477	393	346	294	258
External, temporary co-workers	33	43	40	—	—
Buildings (absolute figures)					
Surface area in m ²	18,933	15,040	12,546	10,125	7,124
Volume in m ³	72,651	55,596	35,836	29,058	20,654

* Ftes: average number of full time co-workers during the year.



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◀ Phlong Yom is one of the loan clients of ACLEDA Bank in Cambodia. Triodos Fair Share Fund is a shareholder in this microfinance bank.

Consolidated balance sheet as at 31 December 2009

before appropriation of profit
in thousands of EUR

		31.12.2009	31.12.2008
ASSETS			
Cash	1	49,073	40,074
Banks	2	663,079	687,399
Loans	3	1,660,935	1,270,121
Interest-bearing securities	4	511,018	269,214
Shares	5	3	3
Participating interests	6	2,532	3,020
Intangible fixed assets	7	13,974	13,160
Property and equipment	8	29,500	27,467
Other assets	9	6,077	5,109
Prepayments and accrued income	10	51,293	47,473
Total assets		2,987,484	2,363,040
LIABILITIES			
Banks	11	9,560	10,469
Funds entrusted	12	2,584,617	2,076,679
Other liabilities	13	9,471	8,804
Accruals and deferred income	14	39,943	33,893
Provisions	15	6,855	6,244
Subordinated liabilities	16	22,800	22,800
Equity	17	314,238	204,151
Total liabilities		2,987,484	2,363,040
Contingent liabilities	18	37,119	47,627
Irrevocable facilities	19	338,257	259,297
		375,376	306,924

References relate to the notes starting on page 89. These form an integral part of the consolidated annual accounts.

Consolidated profit and loss account for 2009

in thousands of EUR

		2009	2008
INCOME			
Interest income	20	98,425	101,373
Interest expense	21	<u>-45,708</u>	<u>-57,269</u>
<i>Interest</i>		<u>52,717</u>	<u>44,104</u>
Commission income	22	30,071	24,696
Commission expense	23	<u>-694</u>	<u>-535</u>
<i>Commission</i>		<u>29,377</u>	<u>24,161</u>
Result on financial transactions	24	1,772	4,138
Other income	25	<u>4,470</u>	<u>1,334</u>
<i>Other income</i>		<u>6,242</u>	<u>5,472</u>
Total income		<u>88,336</u>	<u>73,737</u>
EXPENSES			
Co-worker and other administrative expenses	26	65,327	51,472
Depreciation, amortisation and value adjustments of tangible and intangible fixed assets	27	<u>5,163</u>	<u>4,084</u>
Operating expenses		70,490	55,556
Value adjustments to receivables	28	4,980	3,208
Value adjustments to participating interests		<u>468</u>	<u>977</u>
Total expenses		<u>75,938</u>	<u>59,741</u>
Operating result before taxation		12,398	13,996
Taxation on operating result	29	<u>-2,896</u>	<u>-3,856</u>
Net profit		<u>9,502</u>	<u>10,140</u>

Consolidated statement of changes in the equity for 2009

in thousands of EUR

	Share Capital	Share premium	Revaluation reserve
Equity as at 1 January 2008	143,580	27,566	268
Stock dividend	2,495	-2,495	
Revaluation of property, equipment and participation interest after taxation			-240
Exchange rate results from business operations abroad after taxation			
Profit appropriation for previous financial year, addition to the other reserves			
Profit appropriation for previous financial year, dividend			
Dividend not distributed in cash			
Transfer to statutory reserve for development costs			
Purchasing or sale of own depository receipts			
Result for financial year			
Equity as at 31 December 2008	<u>146,075</u>	<u>25,071</u>	<u>28</u>
Increase of share capital	72,366	29,024	
Stock dividend	2,588	-2,588	
Revaluation of property, equipment and participation interest after taxation			15
Exchange rate results from business operations abroad after taxation			
Profit appropriation for previous financial year, addition to the other reserves			
Profit appropriation for previous financial year, dividend			
Dividend not distributed in cash			
Transfer to statutory reserve for development costs			
Purchasing or sale of own depository receipts			
Result for financial year			
Equity as at 31 December 2009	<u><u>221,029</u></u>	<u><u>51,507</u></u>	<u><u>43</u></u>

Statutory reserve	Other reserve	Unappropriated reserve	Total equity
7,285	12,575	8,955	200,229
			—
	-3		-243
-2,813			-2,813
	3,385	-3,385	—
		-5,570	-5,570
	3,406		3,406
1,434	-1,434		—
	-998		-998
		10,140	10,140
<u>5,906</u>	<u>16,931</u>	<u>10,140</u>	<u>204,151</u>
			101,390
			—
			15
-35			-35
	4,470	-4,470	—
		-5,670	-5,670
	3,634		3,634
891	-891		—
	1,251		1,251
		9,502	9,502
<u>6,762</u>	<u>25,395</u>	<u>9,502</u>	<u>314,238</u>

Consolidated cashflow statement for 2009

in thousands of EUR

	2009	2008
Cashflow from operating activities		
Net profit	9,502	10,140
Adjustments for:		
• depreciation, adjusted for depreciation charged on to related parties	5,163	3,618
• value adjustments to receivables	4,980	3,208
• value adjustments to participating interests	468	977
• exchange rate differences on property and equipment	-10	437
• movements in provisions	611	227
• other movements in accrued and deferred items	2,230	2,525
Cashflow from business operations	22,944	21,132
Movement in banks, deposits not on demand	223,567	-125,551
Movement in loans	-395,794	-254,683
Movement in banks, liabilities not on demand	-909	2,882
Movement in funds entrusted	507,938	459,857
Other movements from operating activities	-301	-1,734
<i>Cashflow from operating activities</i>	<u>357,445</u>	<u>101,903</u>
Cashflow from investment activities		
Net investments in:		
• interest-bearing securities	-241,804	22,529
• participating interests	—	-2,901
• intangible fixed assets	-3,785	-2,893
• property and equipment	-4,215	-9,075
<i>Cashflow from investment activities</i>	<u>-249,804</u>	<u>7,660</u>
Cashflow from financing activities		
Increase in equity	101,390	—
Payment of cash dividend	-2,036	-2,163
Purchases of depository receipts for own shares	1,251	-998
<i>Cashflow from financing activities</i>	<u>100,605</u>	<u>-3,161</u>
Net cashflow	<u>208,246</u>	<u>106,402</u>
Cash and cash equivalents at beginning of the year	150,003	43,601
Cash and cash equivalents at the end of the year	<u>358,249</u>	<u>150,003</u>
On demand deposits with central banks	49,073	40,074
On demand deposits with banks	309,176	109,929
Cash and cash equivalents at the end of the year	<u>358,249</u>	<u>150,003</u>

Notes to the consolidated financial statements

in thousands of EUR

GENERAL

The Annual Accounts were prepared in accordance with the legal requirements for the Annual Accounts of banks contained in Section 14 Title 9 Book 2 of The Netherlands Civil Code. The Annual Accounts relate to the twenty-ninth financial year of Triodos Bank NV.

CONSOLIDATION PRINCIPLES

The financial data for Triodos Bank NV and group companies have been fully consolidated. The financial data for joint ventures have been consolidated pro rata to the participating interest held, if consolidation is necessary in order to provide a transparent overview of the assets and result of Triodos Bank NV.

In accordance with Section 2:402 of The Netherlands Civil Code, the company profit and loss account just contains a breakdown of the net result into the Result on participating interests and the Other result.

Statement of equity participations in accordance with Sections 2:379 and 2:414 of The Netherlands Civil Code:

- Kantoor Buitenzorg BV in Zeist, participating interest 100%, group company, fully consolidated;
- Kantoor Nieuweroord BV in Zeist, participating interest 100%, group company, fully consolidated;
- Stichting Triodos Beleggersgiro in Zeist, participating interest 100%, group company, fully consolidated;
- Triodos Assurantiën BV in Zeist, participating interest 100%, group company, fully consolidated;
- Triodos Cultuurbank BV in Zeist, participating interest 100%, group company, fully consolidated;
- Triodos Custody BV in Zeist, participating interest 100%, group company, fully consolidated;
- Triodos Finanz GmbH in Frankfurt am Main, participating interest 100%, group company, fully consolidated;
- Triodos Investment Management BV in Zeist, participating interest 100%, group company, fully consolidated;
- Triodos MeesPierson Sustainable Investment Management BV in Zeist, participating interest 50%, joint venture with joint control, consolidated pro rata to the participating interest held.

ACCOUNTING PRINCIPLES

GENERAL

Unless stated otherwise, assets are stated at cost, whereby in the case of receivables a provision for doubtful debt is recognised.

TRANSACTIONS IN FOREIGN CURRENCIES

Assets and liabilities related to transactions denominated in foreign currencies are converted at the spot rate on the balance sheet date. Transactions and the resulting income and charges in foreign currencies are converted at the rate applicable on the transaction date. The resulting exchange rate differences are accounted for in the profit and loss account under 'Result on financial transactions'.

BUSINESS OPERATIONS ABROAD

Assets and liabilities relating to activities in business units abroad located outside the Eurozone are converted at the spot rate as at balance sheet date. Income and expenses for activities in foreign business units outside the Eurozone will be converted at the exchange rate as at transaction date. Any exchange rate differences arising from this will be charged or credited directly to the equity.

BANKS AND LOANS

Receivables on banks and the loans are valued at amortised cost, after deduction of a provision for doubtful debts. The value adjustment for doubtful debts is determined per item, with the value of the collateral provided being taken into account.

GOVERNMENT PAPER AND INTEREST-BEARING SECURITIES

All government paper and interest-bearing securities are held in the investment portfolio. They are stated at redemption value after deduction of provisions for doubtful debts. Differences between the acquisition price and the redemption value are amortised over the remaining life of the securities. Realised changes in the value are recognised in the profit and loss account.

SHARES

Shares are not held in the trading portfolio and are valued at cost.

PARTICIPATING INTERESTS

Participating interests where significant influence can be exercised will be valued at net asset value.

Participating interests where no significant influence can be exercised will be carried at current value. In the case of a participating interest that is listed on an active stock exchange, the current value will be deemed to be equal to the most recently published stock exchange price. In the case of a participating interest not listed on an active stock exchange or where there is no regular price quotation, the current value will be determined to the best of one's ability using all available data, including an annual report audited by an external auditor, interim financial information from the institution and any other relevant data provided to Triodos Bank. Unrealised changes in the value of participating interests where no significant influence can be exercised are recognised in equity via the revaluation reserve, with the exception of changes in value below the acquisition price, which will be recognised directly in the profit and loss account.

Realised changes in the value will be recognised in the profit and loss account.

Exchange rate differences resulting from the conversion of foreign currencies will be charged or credited directly to the equity.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are stated at acquisition price or cost of manufacture minus amortisation. The amortisation will be determined in line with the estimated useful life.

Goodwill paid by Triodos Bank for the establishment of the branch in Spain will be amortised over a period of ten years. The remaining amortisation period is five years. Goodwill paid by Triodos Fonds Management for the acquisition of management and research activities will be amortised over ten years. The remaining amortisation period is five years. No impairment for goodwill was recognised.

The development costs for the banking system will be written off over the estimated useful life from the moment the system is used. After a technical assessment of the banking system by an external company in 2009 the current end-of-life date of December 2013 is extended to December 2016.

Management contracts paid by Triodos Bank when acquiring the participating interest in Triodos Investment Management BV will be written off over a period of 20 years. The remaining depreciation period is seventeen years. No impairment was recognised.

Computer software that has been purchased will be written off over its useful life. This period will not exceed five years.

PROPERTY AND EQUIPMENT

Property under development is valued at the lower of the expenditure and the expected replacement cost upon completion. The expenditure consists of payments made to third parties.

Property for own use is stated at the current cost, which is derived from the replacement cost. A valuation is carried out at least every five years by an external appraiser. The buildings for own use are depreciated according to the straight-line method on the basis of an estimated useful economic life of 40 years. Land for own use is not depreciated.

Equipment is stated at acquisition price less straight-line depreciation on the basis of estimated useful economic life. The depreciation periods vary from three to ten years.

PROVISIONS

The provisions mainly consist of a pension provision for defined pension schemes. The valuation is carried out in accordance with the accounting principles for pensions.

PURCHASES OF DEPOSITORY RECEIPTS FOR OWN SHARES

The purchasing and reissuing of depository receipts for own shares is charged or credited respectively to the Other reserves. Any balance remaining after the re-issuing of all own depository receipts purchased shall be placed at the disposal of the Annual General Meeting.

Own depository receipts for shares may be purchased up to 2% of the issued and paid-up share capital. A decision to purchase own depository receipts may be made if the supply of existing depository receipts exceeds the demand for new depository receipts. For this, authority has been given to management by the Annual General Meeting.

DERIVATIVES

Triodos Bank arranges risk cover for clients by means of derivatives. Valuation and determination of results for derivative financial instruments used to cover risks, i.e. hedging, is carried out using the same principles used for the underlying securities. Income and expenses arising from the financial instruments are charged or credited to the profit and loss account during the term of the contract.

INCOME AND EXPENSES

Income and expenses are attributed to the period to which they relate or to the period in which the service was provided.

Interest income and commissions from lending are not accounted for in the profit and loss account if the collection of the interest and commission is doubtful.

PENSIONS

For defined benefit pension schemes, the difference is calculated between the present value of the future pension rights and the fair value of the invested pension contributions as at the balance sheet date. A favourable difference is accounted for under the provisions. An unfavourable difference is accounted for under prepayments and accrued income, in so far as there is a right to reclaim the difference.

The value of the future pension rights is based on contractual agreements, economic assumptions (including wage and price inflation) and demographic assumptions (including likelihood of disability and dismissal, and career opportunities). The value of the invested contributions is based on realised investment results and expected future returns.

Actual results arising from changes in the above assumptions and expectations are accounted for in the profit and loss account over the expected average remaining period of service for the active participants in the pension scheme, in so far as these results exceed the larger amount that is 10% of the present value of the future pension rights or 10% of the fair value of the invested pension contributions as at balance sheet date.

The pension expenses of defined benefit pension schemes are calculated actuarially based on the movement in the present value of the future pension rights, the fair value of the invested pension contributions and the actuarial results.

The pension expenses of defined contribution schemes consist of the contributions owed for the financial year.

TAXATION ON OPERATING RESULT

Taxes are calculated on the pre-tax result on the basis of the applicable profit tax rates. Exempted profit items, deductible items, additions and differences between the balance sheet value and the fiscal value of particular assets and liabilities are taken into account.

Deferred tax items arising from differences between the balance sheet value and the fiscal value are valued at nominal value.

CASH FLOW STATEMENT

The cashflow statement sets out the movement in Triodos Bank's funds, broken down into operating activities, investment activities and financing activities. The funds consist of cash and the on demand deposits with banks. The cashflow statement is produced using the indirect method.

THE USE OF ESTIMATES AND ASSUMPTIONS IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The preparation of the consolidated financial statements requires Triodos Bank to make estimates and assumptions that affect the reported amounts of assets and liabilities and the contingent assets and liabilities at the balance sheet date, and the reported income and expenses for the financial year. It mainly concerns the methods for determining the provisions for doubtful debts, determining the fair value of assets and liabilities and determining impairments. This involves assessing the situations on the basis of available financial data and information. Although these estimates with respect to current events and actions are made to the best of management's knowledge, actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised or in the period of revision and future periods if the revision impacts both the reporting period and future periods.

For further details about these accounting principles, please refer to the corresponding notes to the financial statements.

ASSETS

1. CASH

This item consists of the on demand deposits with central banks.

2. BANKS

	2009	2008
On demand deposits with banks	309,176	109,929
Deposits with banks	353,903	577,470
	<u>663,079</u>	<u>687,399</u>

The on demand deposits can be freely disposed of.

Banks classified by remaining life:

	2009	2008
Payable on demand	309,176	109,929
1 to 3 months	245,632	280,970
3 months to 1 year	107,271	295,500
1 to 5 years	—	—
Longer than 5 years	1,000	1,000
	<u>663,079</u>	<u>687,399</u>

The balance sheet value of the banks as at 31 December can be broken down as follows:

	2009	2008
ABN AMRO	125,134	—
Banesto	7,835	5,493
Bank of Ireland	213	48,360
Barclays	56,525	34,921
Co-operative Bank	22,520	18,709
Dexia Bank	7,383	47,903
Friesland Bank	30,000	—
ING Bank	62,748	144,305
KBC Bank	16,491	120,480
Van Lanschot Bank	20,826	24,474
Lloyds TSB Bank	33,217	7,489
Nationwide Bank	5,630	5,803
Rabobank	251,979	178,143
Royal Bank of Scotland	13,148	44,140
Other	9,430	7,179
	<u>663,079</u>	<u>687,399</u>

3. LOANS

	2009	2008
Loans	1,671,327	1,277,570
Provision for doubtful debts	-10,392	-7,449
	<u>1,660,935</u>	<u>1,270,121</u>

This relates to loans to the private sector, excluding those to banks and those securitised in bonds.

Loans classified by remaining life:

	2009	2008
Payable on demand	72,737	71,318
1 to 3 months	57,523	47,193
3 months to 1 year	119,098	73,019
1 to 5 years	425,603	281,276
Longer than 5 years	996,366	804,764
	<u>1,671,327</u>	<u>1,277,570</u>

The movement of the provision for doubtful debts is as follows:

	2009	2008
Balance sheet value as at 1 January	7,449	4,056
Addition	6,215	5,603
Write-off	-2,685	-149
Release	-661	-1,898
Exchange rate differences	74	-163
Balance sheet value as at 31 December	10,392	7,449

The provision does not relate to contingent liabilities and irrevocable facilities not reported on the balance sheet. EUR 0.6 million of the addition to the provision relates to interest that has been invoiced for but that has not been received (2008: EUR 0.5 million).

4. INTEREST-BEARING SECURITIES

	2009	2008
Dutch Government bonds	144,246	150,776
Belgian Government bonds	187,924	110,590
Spanish Government bonds	6,348	6,348
Other bonds	172,500	1,500
	511,018	269,214

The balance sheet value of the other bonds as at 31 December can be broken down as follows:

	2009	2008
Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden (FMO), The Netherlands	60,000	—
SNS Bank (government guaranteed), The Netherlands	29,000	—
Brussels Region, Belgium	15,000	—
De Société Publique de Gestion de l'Eau (SPGE), Belgium	15,000	—
Dexia Bank (government guaranteed), Belgium	13,000	—
Vlaamse gemeenschap, Belgium	13,000	—
Rabobank, The Netherlands	10,000	—
NIBC Bank (government guaranteed), The Netherlands	10,000	—
Nederlandse Waterschapsbank, The Netherlands	6,000	—
Cultuurinvest, Belgium	1,000	1,000
Ethias Vie, Belgium	500	500
	172,500	1,500

Part of the value of securities is used as collateral for a possible debit balance, amounting to EUR 5.0 million at the Dutch Central Bank (2008: EUR 5.0 million) and EUR 11.6 million (2008: EUR 11.6 million) at a bank in Belgian. The security for drawn loans amounts to EUR 6.3 million (2008: EUR 6.3 million) at a bank in Spain. The government bonds reported in this item are stock exchange listed. The other bonds are unlisted.

In connection with differences between the acquisition prices and redemption values, as at 31 December 2009 an amount of EUR 9.3 million (2008: EUR 6.6 million) has been included under Prepayments and accrued income and an amount of EUR 0.7 million (2008: EUR 0.9 million) has been included under Accruals and deferred income.

The movement in interest-bearing securities is as follows:

	2009	2008
Balance sheet value as at 1 January	269,214	291,743
Purchase	314,354	46,490
Repayments	-20,220	-40,559
Sale	-52,330	-28,460
Balance sheet value as at 31 December	<u>511,018</u>	<u>269,214</u>

5. SHARES

	2009	2008
S.W.I.F.T. SCRL	3	3
Ampere Equity Fund BV	0	0
	<u>3</u>	<u>3</u>

The shares in S.W.I.F.T. SCRL are held in the framework of the Bank's participation in S.W.I.F.T. payment transactions. The shares in Ampere Equity Fund BV are held in the framework of the Triodos Investment Management activities.

The movement in shares is as follows:

	2009	2008
Balance sheet value as at 1 January	3	3
Purchase	—	—
Sales	—	—
Balance sheet value as at 31 December	<u>3</u>	<u>3</u>

6. PARTICIPATING INTERESTS

	2009	2008
Other participating interests	2,532	3,020

This relates to a participating interest in New Resource Bank, San Francisco and Merkur Bank, Copenhagen, where no significant influence can be exercised.

The movement in this item is as follows:

	2009	2008
Balance sheet value as at 1 January	3,020	841
Acquisitions	—	2,900
Revaluation	-453	-949
Exchange rate results on foreign currencies	-35	228
Balance sheet value as at 31 December	2,532	3,020

7. INTANGIBLE FIXED ASSETS

	2009	2008
Goodwill paid	505	371
Development costs for information systems	9,967	9,213
Management contracts	3,375	3,576
Computer software	127	—
	13,974	13,160

The goodwill paid relates to:

- goodwill that Triodos Fonds Management paid to Triodos Investment Management in 2004 to acquire research activities;
- goodwill that Triodos Bank paid to Triodos Investments España in 2004 , 2005 and an addition in 2009 to buy off the rights to the future profit made by the branch in Spain.

The movement in goodwill paid is as follows:

	2009	2008
Purchase value as at 1 January	701	701
Cumulative amortisation as at 1 January	-330	-265
Balance sheet value as at 1 January	371	436
Purchase	199	—
Amortisation	-65	-65
Balance sheet value as at 31 December	505	371

The development costs for information systems

The development costs for information systems contains costs for the development of the Bank's ICT system. After a technical assessment of the banking system by an external company in 2009 the current end-of-life date of December 2013 is extended to December 2016. The lower costs caused by the extension of the estimated life, in the amount of EUR 0.8 million per year, is recognised prospectively in the profit and loss account, for the first time in 2009. This positive effect is also expected for the coming four years. The investment in the banking system has been impaired in 2009 as a result of the decision to outsource ICT in Spain. The impairment loss is recognised in the profit and loss account for an amount of EUR 1.3 million.

The movement in the development costs for the information systems item is as follows:

	2009	2008
Purchase value as at 1 January	13,611	10,717
Cumulative amortisation as at 1 January	-4,398	-2,927
Balance sheet value as at 1 January	9,213	7,790
Capitalised expenses	3,445	2,893
Amortisation	-1,353	-1,470
Impairments	-1,338	—
Balance sheet value as at 31 December	9,967	9,213

Management contracts

The management contracts relate to contracts for the management of funds by Triodos Investment Management. When it acquired its participating interest in Triodos Investment Management, Triodos Bank paid a sum for this to Triodos Holding.

The movement in management contracts is as follows:

	2009	2008
Purchase value as at 1 January	4,030	4,030
Cumulative amortisation as at 1 January	<u>-454</u>	<u>-252</u>
Balance sheet value as at 1 January	3,576	3,778
Amortisation	<u>-201</u>	<u>-202</u>
Balance sheet value as at 31 December	<u><u>3,375</u></u>	<u><u>3,576</u></u>

8. PROPERTY AND EQUIPMENT

	2009	2008
Property for own use	22,406	21,066
Equipment	<u>7,094</u>	<u>6,401</u>
	<u><u>29,500</u></u>	<u><u>27,467</u></u>

The movement in the property for own use is as follows:

	2009	2008
Purchase value as at 1 January	22,838	15,826
Cumulative revaluation as at 1 January	-435	231
Cumulative depreciation as at 1 January	<u>-1,337</u>	<u>-1,036</u>
Balance sheet value as at 1 January	21,066	15,021
Purchase	1,676	7,012
Depreciation	-336	-301
Revaluation	—	<u>-666</u>
Balance sheet value as at 31 December	<u><u>22,406</u></u>	<u><u>21,066</u></u>

The movement in equipment is as follows:

	2009	2008
Purchase value as at 1 January	12,517	11,722
Cumulative depreciation as at 1 January	-6,116	-5,763
Balance sheet value as at 1 January	6,401	5,959
Purchase	2,569	2,319
Sale	-30	-256
Depreciation	-1,856	-1,580
Exchange rate differences	10	-41
Balance sheet value as at 31 December	7,094	6,401

9. OTHER ASSETS

This item consists of various receivable items.

10. PREPAYMENTS AND ACCRUED INCOME

This item includes sums still outstanding and not yet invoiced, advanced payments and various accrued and deferred items, including a deferred tax item amounting to EUR 4.4 million (2008: EUR 3.6 million). The deferred tax item mainly relates to the pension provision and to losses incurred by the German and Spanish branch still to be off-set.

LIABILITIES

11. BANKS

	2009	2008
Deposits from banks	9,560	10,469

This item concerns credits held by Kreditanstalt für Wiederaufbau, Germany and Instituto de Crédito Oficial, Spain, for interest-subsidised loans in the renewable energy sector.

Deposits with banks classified by remaining life:

	2009	2008
Payable on demand	—	—
1 to 3 months	262	212
3 months to 1 year	580	508
1 to 5 years	3,326	3,325
Longer than 5 years	5,392	6,424
	9,560	10,469

12. FUNDS ENTRUSTED

	2009	2008
Savings accounts	1,962,088	1,634,782
Other funds entrusted	622,529	441,897
	<u>2,584,617</u>	<u>2,076,679</u>

Funds entrusted classified by remaining life:

	2009	2008
Payable on demand	2,097,124	1,307,720
1 to 3 months	134,489	272,128
3 months to 1 year	167,035	378,241
1 to 5 years	172,010	100,942
Longer than 5 years	13,959	17,648
	<u>2,584,617</u>	<u>2,076,679</u>

13. OTHER LIABILITIES

This item consists of various amounts payable, including Dutch and foreign taxation and social security contributions totalling EUR 2.4 million (2008: EUR 2.4 million).

14. ACCRUALS AND DEFERRED INCOME

This item includes any receivables still to be invoiced, advance payments already received and various accruals and deferrals and deferred tax liability items in the amount of EUR 3.6 million (2008: EUR 2.3 million). The deferred tax item mainly relates to future profits of the German and Spanish branch that will be taxed in The Netherlands.

15. PROVISIONS

	2009	2008
Pension provision	6,472	6,047
Major building maintenance	250	190
Other provisions	133	7
	<u>6,855</u>	<u>6,244</u>

The movement of the provisions is as follows:

	2009	2008
Balance sheet value as at 1 January	6,244	6,017
Reclassification related to disposal of business	-48	—
Allocation	2,298	1,503
Withdrawal	-1,632	-1,211
Release	-7	-65
Balance sheet value as at 31 December	<u>6,855</u>	<u>6,244</u>

Pension provision

The movement of the pension provision is as follows:

	2009	2008
Balance sheet value as at 1 January	6,047	5,828
Reclassification related to disposal of business	-48	—
	<u>5,999</u>	<u>5,828</u>
Increase in present value of pension rights granted	1,309	1,169
Interest expense	836	622
Expected revenues from fund investments	-225	-373
Employers contribution	-1,558	-1,181
Other expenses	80	61
Actuarial results	31	-79
Balance sheet value as at 31 December	<u>6,472</u>	<u>6,047</u>

The balance sheet value of the pension provision as at 31 December can be broken down as follows:

	2009	2008
Present value of pension rights	18,268	14,351
Fair value of invested contributions	-10,130	-8,923
Shortfall	<u>8,138</u>	<u>5,428</u>
Actuarial results not yet attributed	-1,666	619
Balance sheet value as at 31 December	<u>6,472</u>	<u>6,047</u>

The most important actuarial assumptions for the defined benefit pension schemes are:

	2009	2008
Actuarial interest rate	5.60%	5.90%
Price inflation (index-linking of franchise)	2.25%	2.25%
Wage inflation (also index-linking of active items)	2.75%	2.75%
Index-linking of inactive items	2.25%	2.25%
Return on investments	5.60%	5.90%

Pension scheme per country

Triodos Bank's pension scheme in The Netherlands is a combination of a defined benefit pension scheme and a defined contribution scheme. For the part of the gross annual salary up to EUR 46,205, a defined pension scheme applies; the obligation vis-à-vis the participating co-workers consists of the granting of the accrued pension. For the part of the gross annual salary above EUR 46,205, a defined contribution schemes applies; the commitment to the participating co-workers consists of the paying the outstanding contribution.

In The Netherlands, co-workers of related parties participate in the pension scheme, too. The total pension commitment and the resulting expenses are reported with Notes in the consolidated Annual Accounts of Triodos Bank NV. Part of the expenses are charged on to related parties, based on their share of the total salaries of the participating co-workers.

The Triodos Bank pension schemes in Belgium, the United Kingdom, Spain and Germany are defined contribution schemes that have been placed with life insurance companies in those countries. The commitment to the participating co-workers consists of paying the outstanding contribution. Participation in the pension scheme is obligatory for co-workers in Belgium and Spain. In Belgium, the co-workers' contribution is 2% of the salary and the employer's contribution is 6%. In Spain, the pension contribution is 1.5% of the salary, paid in full by the employer.

In the United Kingdom and Germany, participation in the pension scheme is voluntary. In the United Kingdom, the co-workers' contribution varies between 0% and 10% of the salary. The employer's contribution amounts to 3% or 10% of the salary. 86% of the co-workers in the United Kingdom participate in the pension scheme. In Germany, the co-workers' contribution is 3.33% of the salary and the employer's contribution is 6.67%. 100% of the co-workers in Germany participate in the pension scheme.

16. SUBORDINATED LIABILITIES

This relates to a 10-year bond loan as at 12 July 2006. The nominal interest rate is 5.625% and the issue price is 99.314%. The bonds are subordinated to all other liabilities. During the life of the bond loan, the Bank can purchase and cancel bonds, subject to the consent of the Dutch Central Bank.

The movement in subordinated liabilities is as follows:

	2009	2008
Balance sheet value as at 1 January	22,800	22,800
Withdrawal	—	—
Balance sheet value as at 31 December	22,800	22,800

17. EQUITY

The equity stated on the consolidated balance sheet is equal to that stated on the parent company balance sheet. For a breakdown, please see the Notes to the company Annual Accounts.

Fair values

The following table sets out the fair value of the financial instruments held as at 31 December 2009. The fair value of interest-bearing securities is the market value. The fair value of banks, loans, funds entrusted with a fixed interest term and the subordinated loan has been determined by calculating the net present value of interest and redemption, taken into account market interest rates as at the end of the year. The fair value of the other items is assumed to be equal to the balance sheet value.

The fair value of the remaining assets also includes the deferred tax item for the difference between the balance sheet value and fair value. The premium and discount not yet written off for the interest-bearing securities has been included on the balance sheet value of the interest-bearing securities.

	2009 Balance sheet value	2009 Fair value	2008 Balance sheet value	2008 Fair value
Assets				
Cash	49,073	49,073	40,074	40,074
Banks	663,079	663,458	687,399	690,280
Loans	1,660,935	1,684,869	1,270,121	1,285,776
Interest-bearing securities including premiums/discounts	519,584	532,382	274,934	282,295
Shares	3	3	3	3
Participating interests	2,532	2,532	3,020	3,020
Other	91,550	84,730*	86,571	81,461*
	<u>2,986,756</u>	<u>3,017,047</u>	<u>2,362,122</u>	<u>2,382,909</u>
Liabilities				
Banks	9,560	9,560	10,469	10,469
Funds entrusted	2,584,617	2,593,196	2,076,679	2,082,536
Other	78,341	80,131	70,823	70,823
Equity	314,238	314,238	204,151	204,151
Revaluation	—	19,922	—	14,930
	<u>2,986,756</u>	<u>3,017,047</u>	<u>2,362,122</u>	<u>2,382,909</u>

* The fair value is negatively impacted by the tax effect of all fair value adjustments which has been posted as other.

	2009 Contract value	2009 Fair value	2008 Contract value	2008 Fair value
Derivatives				
Currency forward contracts (sale of foreign currencies)	141,447	141,592	89,361	91,608
Currency forward contracts (purchase of foreign currencies)	137,408	138,065	88,120	90,535
	<u>278,855</u>	<u>279,657</u>	<u>177,481</u>	<u>182,143</u>

The estimated fair values provided by financial institutions are not comparable on an individual basis, due to the major differences in valuation methods and the many estimated values. The lack of an objective method of valuation means that estimated fair values are highly subjective in respect of the assumed lives and interest rates used. This is why readers should be wary of using the information in this part of the Notes to compare the fair values of different financial institutions with one another.

OFF-BALANCE SHEET LIABILITIES

18. CONTINGENT LIABILITIES

This item relates to credit-substitute guarantees and non-credit-substitute guarantees that are partly secured by blocked accounts for the same amount.

19. IRREVOCABLE FACILITIES

These relate to the total liabilities in respect of irrevocable undertakings, which may lead to a further loan.

OTHER OFF-BALANCE SHEET LIABILITIES

In addition to the contingent liabilities and irrevocable facilities reported on the balance sheet, the deposit guarantee scheme and the investor compensation scheme is applicable as stated in Article 3:259 of the Act on Financial Supervision.

Rental commitments

in thousands of EUR

Location	Amount per annum	Residual term
Bunnik, The Netherlands	169	17 months
Zeist, The Netherlands	531	56 months
Zeist, The Netherlands	168	36 months
Brussels, Belgium	343	82 months
Bristol, United Kingdom	124	48 months
Bristol, United Kingdom	31	48 months
Barcelona, Spain	51	12 months
Madrid, Spain	17	9 months
Sevilla, Spain	67	9 months
Valencia, Spain	63	33 months
Valladolid, Spain	111	33 months
Zaragoza, Spain	23	10 months
Frankfurt, Germany	24	58 months

Lease commitments

in thousands of EUR

Lease commitments have been entered between 42 and 48 months with an annual charge of EUR 331, for a remaining period of 29 months with an annual charge of EUR 5 and for a remaining period of 1 month with an annual charge of EUR 16.

Commitments for software use

in thousands of EUR

The following commitments have been entered for software use:

- for a period of 36 months with an annual charge of EUR 114 and a reimbursement which varies according to the extent of registered volumes;
- for a period of 48 months with a one-off payment of EUR 780 in 2010 and a fixed annual payment of EUR 16.

Other Commitments

Commitments totalling EUR 900 have been entered regarding the renovation of the new office building in The Netherlands including new furniture.

INCOME

20. INTEREST INCOME

	2009	2008
Loans	64,342	63,457
Banks	16,578	27,093
Interest-bearing securities	17,454	10,790
Other investments	51	33
	<u>98,425</u>	<u>101,373</u>

The interest income includes revenues derived from financial loans and related transactions, as well as related commissions, which by their nature are similar to interest payments. The interest-bearing securities item includes transaction results in the amount of EUR 2.0 million (2008: nil).

21. INTEREST EXPENSE

	2009	2008
Funds entrusted	44,060	55,400
Subordinated liabilities	1,269	1,464
Banks	23	71
Other	356	334
	<u>45,708</u>	<u>57,269</u>

22. COMMISSION INCOME

	2009	2008
Guarantee commission	409	248
Share register	2,710	2,594
Administrative expenses charged on	3,847	2,265
Payment transactions	1,367	684
Lending	1,582	1,057
Insurance brokerage	266	502
Asset Management	1,881	1,642
Management fees	17,634	15,620
Research fees	9	38
Capital issues for third parties	347	7
Other commission income	19	39
	<u>30,071</u>	<u>24,696</u>

23. COMMISSION EXPENSE

	2009	2008
Commission to agents	427	282
Asset Management	172	169
Other commission expense	95	84
	<u>694</u>	<u>535</u>

24. RESULT ON FINANCIAL TRANSACTIONS

	2009	2008
Exchange results for foreign currency transactions	115	4,080
Transaction results on currency forward contracts	75	58
Result on unwinding interest rate contract	1,582	—
	<u>1,772</u>	<u>4,138</u>

25. OTHER INCOME

This relates to fees for other services performed and book profits from the sale of assets including the profit from the sale of Triodos Assurantiën in the amount of EUR 1.3 million and a non-recurring income from a lawsuit in the amount of EUR 0.8 million.

EXPENSES

26. CO-WORKER AND OTHER ADMINISTRATIVE EXPENSES

	2009	2008
Co-worker costs:		
• salary expenses	26,512	21,752
• pension expenses	3,614	2,574
• social security expenses	3,988	2,750
• temporary co-workers	4,148	4,354
• other staff costs	2,765	2,511
• capitalised co-worker costs	-2,481	-2,326
	<u>38,546</u>	<u>31,615</u>
Other administrative expenses:		
• office costs	3,033	2,633
• IT costs	2,733	2,167
• external administration costs	1,907	1,467
• travel and lodging expenses	1,886	1,550
• fees for advice and auditor	2,778	1,867
• advertising charges	6,195	5,014
• accommodation expenses	3,236	2,544
• other costs	5,013	2,615
	<u>26,781</u>	<u>19,857</u>
	<u>65,327</u>	<u>51,472</u>
Average number of co-workers on a full-time basis	<u>478.9</u>	<u>392.7</u>

PENSION EXPENSES

	2009	2008
Pension expenses, defined contribution schemes	1,682	1,268
Pension expenses, defined benefit pension schemes	1,932	1,306
	<u>3,614</u>	<u>2,574</u>

The pension expenses for defined contribution schemes are based on the contributions owed for the financial year. The pension expenses for defined benefit pension schemes are based on the change in the pension rights granted.

Breakdown of the pension expenses for defined benefit pension schemes:

	2009	2008
Increase in present value of pension rights granted	1,309	1,169
Interest expense	836	622
Expected revenues from fund investments	-225	-373
Other expenses	80	61
Actuarial results allocated to the financial year	31	-79
	<u>2,031</u>	<u>1,400</u>
Charged on to related parties	-99	-94
	<u>1,932</u>	<u>1,306</u>

Other expenses

The other expenses include expenses regarding the deposit guarantee scheme in the amount of EUR 2.6 million (2008: EUR 0.5 million).

Remuneration policy

The salary system employed by Triodos Bank is based on the principle that the income is generated by the joint efforts of all co-workers. Salaries are set based on:

- a system of job evaluation that is itself based on the tasks and difficulty of the position concerned;
- restrictions on the difference between the lowest and highest final salaries at Triodos Bank.

The salaries paid to the members of the Executive Board are set by the Supervisory Board's Nomination and Compensation Committee. The basic principles of the Triodos Bank salary system are taken into account, whereby such a salary is offered that sufficient members of qualified management personnel can be attracted and retained.

The remuneration paid to Supervisory Board members and members of the Foundation for the Administration of Triodos Bank Shares (SAAT) Board of Trustees is set at the Annual General Meeting of Depository Receipt Holders.

No loans, advances or guarantees have been granted to members of the Executive Board, Supervisory Board members or members of SAAT's Board of Trustees. For reasons of principle, no share option scheme is offered to members of the Executive Board, Supervisory Board members or members of SAAT's Board of Trustees.

REMUNERATION PAID TO THE EXECUTIVE BOARD

As from 2009 the information about the remuneration of all the members of the Executive Board are published. The comparable figures for 2008 have been adjusted.

The remuneration paid to the members of the Executive Board is as follows:

	2009	2008
Salary expenses and reimbursement of expenses	634	568
Pension expenses	153	126
Social expenses	26	27
	<u>813</u>	<u>721</u>

The salary expenses and reimbursement of expenses of the Executive Board may be broken down as follows:

	2009	2008
Pierre Aeby*	201	182
Peter Blom*	252	228
Michael Jongeneel	181	158
	<u>634</u>	<u>568</u>

* Statutory director

REMUNERATION PAID TO THE SUPERVISORY BOARD

The remuneration paid to the Supervisory Board is as follows:

amounts in EUR

	2009 Remunera- tion	2009 Fees for Committees	2009 Compensa- tion for travel time	2009 Total	2008 Total
Tineke Bahlmann (until 15th May 2009)	3,000	750	—	3,750	10,000
Marjatta van Boeschoten (until 15th May 2009)	3,000	—	2,625	5,625	13,250
David Carrington (from 15th May 2009)	6,250	—	2,000	8,250	—
Marcos Eguiguren	9,250	—	7,000	16,250	9,500
Marius Frank	9,250	1,813	—	11,063	9,500
Mathieu van den Hoogenband	9,250	—	1,437	10,687	10,375
Jan Lamers	9,250	2,625	3,250	15,125	11,250
Margot Scheltema	9,250	3,000	—	12,250	11,000
Hans Voortman (Chair)	13,875	1,813	—	15,688	13,500
	<u>72,375</u>	<u>10,001</u>	<u>16,312</u>	<u>98,688</u>	<u>88,375</u>

The fees paid to Supervisory Board members were changed in the Annual General Meeting held on 15 May 2009.

The following fees apply:

- EUR 10,000 per annum for an ordinary member;
- EUR 15,000 per annum for the Chair;
- EUR 3,000 per annum for a member of the Audit & Risk Committee;
- EUR 2,000 per annum for members of the Nomination and Compensation Committee;
- EUR 500 per meeting (to a maximum of EUR 10,000 per annum) as compensation for travelling time for those Supervisory Board members who live abroad.

Mr. Carrington has been a member of the Supervisory Board since 15 May 2009, and Mr. Eguiguren has been a member of the Supervisory Board since 16 May 2008. Ms. Bahlmann and Ms. van Boeschoten retired from their positions as members of the Supervisory Board as at 15 May 2009.

Mr. Lamers and Ms. Scheltema are the members of the Audit & Risk Committee. Mr. Frank and Mr. Voortman are the members of the Nomination and Compensation Committee.

REMUNERATION OF THE BOARD OF TRUSTEES OF SAAT

The remuneration for the members of the Board of Trustees of the Foundation for the Administration of Triodos Bank Shares, is as follows (amounts in EUR):

	2009 Remunera- tion	2009 Compensa- tion for travel time	2009 Total	2008 Total
Jan van Apeldoorn	2,813	—	2,813	2,500
Marjatta van Boeschoten (from 15th May 2009)	1,875	2,000	3,875	—
Luis Espiga	2,813	2,500	5,313	4,500
Philip Martyn (until 15th May 2009)	—	—	—	—
Chris Maryns-van Autreve	2,813	2,500	5,313	4,500
Jan Nijenhof (chair)	4,625	—	4,625	4,000
Max Rutgers van Rozenburg	2,813	—	2,813	2,500
	<u>17,752</u>	<u>7,000</u>	<u>24,752</u>	<u>18,000</u>

The fees paid to members of the SAAT Board of Trustee were changed in the Annual General Meeting held on 15 May 2009.

The following fees apply:

- EUR 3.000 per annum for an ordinary member;
- EUR 5.000 per annum for the chairperson;
- EUR 500 per meeting (with a maximum of 10 meetings per annum) as compensation for travelling time for those Board members who live abroad.

Mr. Martyn has waived his fee for the years 2008 and 2009.

Ms. van Boeschoten has been a member of the SAAT Board of Trustee since 15 May 2009. Mr. Martyn retired from his position as member of the SAAT Board of Trustee as at 15 May 2009.

27. DEPRECIATION, AMORTISATION AND VALUE ADJUSTMENTS OF INTANGIBLE AND TANGIBLE FIXED ASSETS

	2009	2008
Amortisation of intangible fixed assets	1,633	1,737
Impairment of intangible fixed assets	1,338	—
Depreciation of property and equipment	2,192	1,924
Changes in the value of property	—	423
	<u>5,163</u>	<u>4,084</u>

Depreciation has been reduced by the part that is charged on to related parties.

28. VALUE ADJUSTMENTS TO RECEIVABLES

This item consists of expenses associated with write-downs on loans and other receivables. In 2009, there is an expense item of EUR 5.0 million (2008: expense of EUR 3.2 million).

29. TAXATION ON OPERATING RESULT

	2009	2008
Taxation to be paid	2,458	3,345
Deferred taxation	438	511
	<u>2,896</u>	<u>3,856</u>

The connection between the statutory and the effective taxation rate is as follows:

	2009	2008
Result before taxation	12,398	13,996
Statutory tax rate	25.5%	25.5%
Statutory tax amount	3,161	3,569
Difference arising from other tax rates abroad, exemptions and non-deductible items	-212	222
Restatement of deferred taxation items as the result of amended tax rates	-53	65
Effective tax amount	<u>2,896</u>	<u>3,856</u>
Effective tax rate	<u>23.4%</u>	<u>27.5%</u>

FISCAL ENTITY

Triodos Bank, as a parent company, forms a tax entity for turnover tax and corporate income tax purposes with Triodos Assurantiën, Triodos Cultuurbank, Triodos Investment Management, Kantoor Buitenzorg and Kantoor Nieuweroord as subsidiaries. The method chosen for the setting-off of taxation between Triodos Bank and the subsidiaries is that of proceeding as if the legal entities were independently liable to pay tax. In fact, the legal entities are jointly and severally liable for the tax liabilities of the companies belonging to the tax entity.

RELATED PARTIES

Triodos Bank has links with the following legal entities:

- Triodos Bank provides services to Sustainalytics, Analistas Internacionales and Sostenibilidad (AIS), Triodos Real Estate Development and Triodos Fair Share Fund at competitive rates. The services relate to the secondment of co-workers, management services, administration, accommodation, ICT and advertising. Sustainalytics took over personnel of Triodos Bank while the services provided ended.
- Triodos Bank holds funds of and provides banking services to related parties at competitive rates.
- Triodos Bank provides credit facilities and bank guarantees to investment funds and international funds at competitive rates.
- Triodos Bank lets office accommodation to Triodos Facet at a competitive lease.
- Triodos Bank has acted as a guarantor for Triodos Groenfonds at a competitive guarantee commission.
- Triodos Bank and Triodos Investment Management carry out management activities for investment funds and receive a competitive management fee for these activities.
- Triodos Custody performs custodial services for Triodos Fair Share Fund at a competitive fee.
- Triodos Bank distributes and registers securities, issued by investment funds and placed with customers of Triodos Bank, at competitive rates.
- Triodos Bank performs currency transactions for investment funds and international funds at competitive rates.
- Triodos Investment Management provided services to Sicav II regarding the launch of new investment funds at a competitive fee.
- Triodos Bank receives compensation from Triodos Groenfonds for lower interest rates on loans that were acquired from Triodos Groenfonds.
- Triodos Investment Management obtains information for research into sustainability from Analistas Internacionales and Sostenibilidad (AIS) and Sustainalytics at competitive rates.
- Triodos Bank rents an office building owned by Triodos Vastgoedfonds at a competitive lease.
- Triodos Bank receives advice in the area of appraisal from Triodos Real Estate Development at competitive rates.
- Triodos Mees Pierson passes on a share of the received administration fee to Sustainalytics as remuneration for their share in the performed administration activities.
- Triodos Mees Pierson manages an investment portfolio of Triodos Groenfonds at a competitive management fee.

Segment reporting

KEY FIGURES 2009 BY BRANCH AND BUSINESS UNIT

in thousands of EUR

	The Netherlands	Belgium	United Kingdom	Spain
Funds entrusted	1,232,494	708,738	386,484	268,667
<i>Number of accounts</i>	<i>135,350</i>	<i>36,374</i>	<i>29,683</i>	<i>26,563</i>
Loans	587,791	357,591	277,890	373,838
<i>Number</i>	<i>11,365</i>	<i>1,374</i>	<i>879</i>	<i>745</i>
Balance sheet total	1,361,575	779,963	450,972	407,555
Funds under management	0	0	0	0
Total assets under management	<u>1,361,575</u>	<u>779,963</u>	<u>450,972</u>	<u>407,555</u>
Total income	28,746	15,017	10,505	10,459
Operating expenses	-20,210	-10,723	-8,519	-9,644
Value adjustments to receivables	-2,222	-1,255	-626	-401
Value adjustments to participations				
Operating result	6,314	3,039	1,360	414
Taxation on operating result	-1,610	-491	-386	-91
Net profit	<u>4,704</u>	<u>2,548</u>	<u>974</u>	<u>323</u>
<i>Average number of co-workers on a full-time basis</i>	<i>96.8</i>	<i>57.4</i>	<i>74.3</i>	<i>67.8</i>
<i>Operating expenses/total income</i>	<i>70%</i>	<i>71%</i>	<i>81%</i>	<i>92%</i>

In this overview the eliminations are shown separately. The comparable figures for 2008 have been adjusted.

Germany	Total banking-activities	Investment Management	Private Banking	Other	Eliminations	Total
394	2.596,777	0	0	0	-12,160	2,584,617
60	228,030	0	0	0		228,030
63,825	1,660,935	0	0	0		1,660,935
75	14,438	0	0	0		14,438
66,696	3,066,761	0	0	454,598	-533,875	2,987,484
0	0	1,591,303	280,394	3,894	0	1,875,591
<u>66,696</u>	<u>3,066,761</u>	<u>1,591,303</u>	<u>280,394</u>	<u>458,492</u>	<u>-533,875</u>	<u>4,863,075</u>
100	64,827	19,157	1,676	5,099	-2,423	88,336
-2,634	-51,730	-14,357	-1,769	-5,057	2,423	-70,490
0	-4,504	0	0	-476		-4,980
	0			-468		-468
<u>-2,534</u>	<u>8,593</u>	<u>4,800</u>	<u>-93</u>	<u>-902</u>		<u>12,398</u>
800	-1,778	-1,219	29	72		-2,896
<u>-1,734</u>	<u>6,815</u>	<u>3,581</u>	<u>-64</u>	<u>-830</u>		<u>9,502</u>
15.4	311.7	73.8	9.9	83.5		478.9
2,634%	80%	75%	106%			80%

KEY FIGURES 2008 BY BRANCH AND BUSINESS UNIT

in thousands of EUR

	The Netherlands	Belgium	United Kingdom	Spain
Funds entrusted	982,064	572,164	359,021	175,330
<i>Number of accounts</i>	<i>92,748</i>	<i>30,434</i>	<i>28,619</i>	<i>17,716</i>
Loans	525,495	259,206	216,855	268,565
<i>Number</i>	<i>6,880</i>	<i>1,103</i>	<i>733</i>	<i>665</i>
Balance sheet total	1,095,621	619,897	405,380	295,665
Funds under management	0	0	0	0
Total assets under management	1,095,621	619,897	405,380	295,665
Total income	22,848	8,914	15,271	7,210
Operating expenses	-17,359	-7,523	-9,774	-6,457
Value adjustments to receivables	-1,562	66	-326	-123
Value adjustments to participations	0	0	0	0
Operating result	3,927	1,457	5,171	630
Taxation on operating result	-1,001	-118	-1,489	-233
Net profit	2,926	1,339	3,682	397
<i>Average number of co-workers on a full-time basis</i>	<i>86.0</i>	<i>44.7</i>	<i>76.1</i>	<i>53.1</i>
Operating expenses/total income	76%	84%	64%	90%

In this overview the eliminations are shown separately.

Total banking activities	Investment Management	Private Banking	Other	Eliminations	Total
2,088,579	0	0	0	-11,900	2,076,679
169,517	0	0	0		169,517
1,270,121	0	0	0		1,270,121
9,381	0	0	0		9,381
2,416,563	0	0	357,936	-411,459	2,363,040
0	1,218,359	156,581	3,171	0	1,378,111
<u>2,416,563</u>	<u>1,218,359</u>	<u>156,581</u>	<u>361,107</u>	<u>-411,459</u>	<u>3,741,151</u>
54,243	14,936	1,565	4,148	-1,155	73,737
-41,113	-11,456	-1,631	-2,511	1,155	-55,556
-1,945	0	0	-1,263		-3,208
0	0	0	-977		-977
11,185	3,480	-66	-603		13,996
-2,841	-888	25	-152		-3,856
<u>8,344</u>	<u>2,592</u>	<u>-41</u>	<u>-755</u>		<u>10,140</u>
259.9	49.9	7.9	75.0		392.7
76%	77%	104%			75%

LENDING BY SECTOR IN 2009

in thousands of EUR

	Total			The Netherlands			Belgium
	amount	%	number	amount	%	number	amount
Nature & Environment							
Organic farming	80,733	4.9%	659	30,179	5.1%	311	2,390
Organic food	63,399	3.8%	541	27,229	4.6%	358	10,049
Renewable energy	572,899	34.4%	641	67,891	11.6%	148	192,900
Ecological development	81,255	4.9%	392	44,516	7.6%	187	25,462
Environmental technology	24,596	1.5%	101	6,286	1.1%	30	11,960
	<u>822,882</u>	<u>49.5%</u>	<u>2,334</u>	<u>176,101</u>	<u>30.0%</u>	<u>1,034</u>	<u>242,761</u>
Social business							
Retail trade - non-food	17,230	1.0%	121	4,972	0.8%	79	1,978
Production	9,402	0.6%	102	6,039	1.0%	69	1,072
Professional services	49,158	3.0%	251	15,023	2.6%	141	3,842
Leisure	53,435	3.2%	120	30,034	5.1%	77	2,097
Housing associations	99,381	6.0%	326	76,390	13.0%	246	2,557
Social projects	53,691	3.2%	222	985	0.2%	17	10,877
Fair trade	8,543	0.5%	50	4,678	0.8%	17	1,615
Development cooperation	29,857	1.8%	43	22,951	3.9%	18	1,151
	<u>320,697</u>	<u>19.3%</u>	<u>1,235</u>	<u>161,072</u>	<u>27.4%</u>	<u>664</u>	<u>25,189</u>
Culture & Welfare							
Education	61,710	3.7%	266	23,522	4.0%	92	8,780
Day nursery	24,155	1.5%	138	22,412	3.8%	124	1,037
Healthcare	238,563	14.4%	774	98,736	16.8%	486	42,775
Arts and culture	68,641	4.1%	713	38,432	6.5%	513	17,105
Philosophy of life	45,615	2.7%	194	9,376	1.6%	44	1,028
	<u>438,684</u>	<u>26.4%</u>	<u>2,085</u>	<u>192,478</u>	<u>32.7%</u>	<u>1,259</u>	<u>70,725</u>
Other							
Private	56,130	3.4%	6,933	37,473	6.4%	6,611	18,657
Other	22,542	1.4%	1,851	20,667	3.5%	1,797	259
	<u>78,672</u>	<u>4.8%</u>	<u>8,784</u>	<u>58,140</u>	<u>9.9%</u>	<u>8,408</u>	<u>18,916</u>
Total	<u>1,660,935</u>	<u>100.0%</u>	<u>14,438</u>	<u>587,791</u>	<u>100.0%</u>	<u>11,365</u>	<u>357,591</u>

Belgium		United Kingdom			Spain			Germany		
%	number	amount	%	number	amount	%	number	amount	%	number
0.7%	46	36,153	13.0%	247	11,666	3.1%	54	345	0.5%	1
2.8%	56	10,315	3.7%	62	15,806	4.2%	65	—	0.0%	—
53.8%	156	78,965	28.4%	51	216,405	57.9%	271	16,738	26.2%	15
7.1%	140	5,864	2.1%	17	5,413	1.4%	48	—	0.0%	—
3.3%	49	4,625	1.7%	16	1,725	0.5%	6	—	0.0%	—
<u>67.7%</u>	<u>447</u>	<u>135,922</u>	<u>48.9%</u>	<u>393</u>	<u>251,015</u>	<u>67.1%</u>	<u>444</u>	<u>17,083</u>	<u>26.7%</u>	<u>16</u>
0.6%	22	10,204	3.7%	19	76	0.0%	1	—	0.0%	—
0.3%	12	960	0.3%	12	1,331	0.4%	9	—	0.0%	—
1.1%	43	27,400	9.9%	41	2,893	0.8%	26	—	0.0%	—
0.6%	15	3,742	1.3%	12	17,562	4.7%	16	—	0.0%	—
0.7%	23	11,923	4.3%	48	—	0.0%	—	8,511	13.3%	9
3.0%	82	12,379	4.5%	63	29,450	7.9%	60	—	0.0%	—
0.5%	8	1,336	0.5%	17	914	0.2%	8	—	0.0%	—
0.3%	17	—	0.0%	—	5,755	1.5%	8	—	0.0%	—
<u>7.1%</u>	<u>222</u>	<u>67,944</u>	<u>24.5%</u>	<u>212</u>	<u>57,981</u>	<u>15.5%</u>	<u>128</u>	<u>8,511</u>	<u>13.3%</u>	<u>9</u>
2.5%	93	10,021	3.6%	43	8,976	2.4%	25	10,411	16.3%	13
0.3%	10	490	0.2%	3	216	0.1%	1	—	0.0%	—
12.0%	132	25,889	9.3%	65	44,432	11.9%	61	26,731	42.0%	30
4.8%	132	8,260	3.0%	40	4,696	1.3%	26	148	0.2%	2
0.3%	12	28,202	10.1%	120	6,068	1.6%	13	941	1.5%	5
<u>19.9%</u>	<u>379</u>	<u>72,862</u>	<u>26.2%</u>	<u>271</u>	<u>64,388</u>	<u>17.3%</u>	<u>126</u>	<u>38,231</u>	<u>60.0%</u>	<u>50</u>
5.2%	322	—	0.0%	—	—	0.0%	—	—	0.0%	—
0.1%	4	1,162	0.4%	3	454	0.1%	47	—	0.0%	—
<u>5.3%</u>	<u>326</u>	<u>1,162</u>	<u>0.4%</u>	<u>3</u>	<u>454</u>	<u>0.1%</u>	<u>47</u>	<u>—</u>	<u>0.0%</u>	<u>—</u>
<u>100.0%</u>	<u>1,374</u>	<u>277,890</u>	<u>100.0%</u>	<u>879</u>	<u>373,838</u>	<u>100.0%</u>	<u>745</u>	<u>63,825</u>	<u>100.0%</u>	<u>75</u>

LENDING BY SECTOR IN 2008

in thousands of EUR

	Total			The Netherlands		
	amount	%	number	amount	%	number
Nature & Environment						
Organic farming	62,187	4.9%	583	26,200	5.0%	304
Organic food	53,527	4.2%	500	24,184	4.6%	348
Renewable energy	390,435	30.7%	658	66,930	12.7%	163
Ecological development	65,839	5.2%	350	42,950	8.2%	199
Environmental technology	20,435	1.6%	114	5,016	1.0%	29
	<u>592,423</u>	<u>46.6%</u>	<u>2,205</u>	<u>165,280</u>	<u>31.5%</u>	<u>1,043</u>
Social Business						
Retail trade - non-food	16,472	1.3%	122	5,127	1.0%	78
Production	8,370	0.7%	104	5,174	1.0%	73
Professional services	43,944	3.5%	240	14,249	2.7%	157
Leisure	56,787	4.4%	131	32,638	6.2%	88
Housing associations	49,389	3.9%	314	38,047	7.2%	252
Social projects	45,890	3.6%	185	1,018	0.2%	18
Fair trade	10,149	0.8%	52	6,244	1.2%	18
Development cooperation	34,451	2.7%	38	28,383	5.4%	16
	<u>265,452</u>	<u>20.9%</u>	<u>1,186</u>	<u>130,880</u>	<u>24.9%</u>	<u>700</u>
Culture & Welfare						
Education	63,050	5.0%	255	35,908	6.8%	104
Day nursery	22,479	1.8%	131	20,074	3.8%	116
Healthcare	198,374	15.6%	693	109,108	20.8%	479
Arts and culture	60,738	4.8%	713	36,513	6.9%	545
Philosophy of life	34,296	2.7%	154	5,092	1.0%	37
	<u>378,937</u>	<u>29.9%</u>	<u>1,946</u>	<u>206,695</u>	<u>39.3%</u>	<u>1,281</u>
Other (including private)	<u>33,309</u>	<u>2.6%</u>	<u>4,044</u>	<u>22,640</u>	<u>4.3%</u>	<u>3,856</u>
Total	<u>1,270,121</u>	<u>100.0%</u>	<u>9,381</u>	<u>525,495</u>	<u>100.0%</u>	<u>6,880</u>

Belgium			United Kingdom			Spain		
amount	%	number	amount	%	number	amount	%	number
2,601	1.0%	55	26,073	12.0%	194	7,313	2.7%	30
7,788	3.0%	49	7,961	3.7%	54	13,594	5.1%	49
134,478	51.9%	137	58,270	26.9%	36	130,757	48.7%	322
14,905	5.8%	104	3,878	1.8%	16	4,106	1.5%	31
11,762	4.5%	67	1,866	0.9%	14	1,791	0.7%	4
<u>171,534</u>	<u>66.2%</u>	<u>412</u>	<u>98,048</u>	<u>45.3%</u>	<u>314</u>	<u>157,561</u>	<u>58.7%</u>	<u>436</u>
1,625	0.6%	21	9,657	4.5%	22	63	0.0%	1
1,156	0.4%	11	673	0.3%	11	1,367	0.5%	9
3,831	1.5%	34	22,806	10.5%	31	3,058	1.1%	18
1,293	0.5%	15	3,140	1.4%	11	19,716	7.3%	17
2,858	1.1%	26	8,484	3.9%	36	—	0.0%	—
7,113	2.8%	82	9,722	4.5%	53	28,037	10.5%	32
1,774	0.7%	10	1,170	0.5%	18	961	0.4%	6
859	0.3%	16	—	0.0%	—	5,209	1.9%	6
<u>20,509</u>	<u>7.9%</u>	<u>215</u>	<u>55,652</u>	<u>25.6%</u>	<u>182</u>	<u>58,411</u>	<u>21.7%</u>	<u>89</u>
8,908	3.4%	92	9,704	4.5%	43	8,530	3.2%	16
1,712	0.7%	11	476	0.2%	3	217	0.1%	1
33,709	13.0%	112	23,066	10.6%	60	32,491	12.1%	42
11,944	4.6%	112	7,478	3.4%	37	4,803	1.8%	19
1,337	0.5%	12	21,591	10.0%	92	6,276	2.3%	13
<u>57,610</u>	<u>22.2%</u>	<u>339</u>	<u>62,315</u>	<u>28.7%</u>	<u>235</u>	<u>52,317</u>	<u>19.5%</u>	<u>91</u>
9,553	3.7%	137	840	0.4%	2	276	0.1%	49
<u>259,206</u>	<u>100.0%</u>	<u>1,103</u>	<u>216,855</u>	<u>100.0%</u>	<u>733</u>	<u>268,565</u>	<u>100.0%</u>	<u>665</u>

Solvency

in thousands of EUR

The solvency is calculated according to the Basel II guidelines.

	2009	2008
Own funds (a)	314,336	208,007
Capital requirements (b)	154,676	127,835
Surplus (a-b)	159,660	80,172
BIS ratio (a/b * 8%)	16.3%	13.0%

The own funds can be specified as follows:

	2009	2008
Equity	314,238	204,151
Minus: proposed dividend	-8,608	-5,650
Minus: intangible fixed assets	-13,974	-13,160
Plus: subordinated liabilities after deduction of discount	22,680	22,666
	314,336	208,007

The capital requirements can be specified as follows:

	2009	2008
Capital requirement for credit risk	143,612	118,889
Capital requirement for market risk	—	—
Capital requirement for operational risk	11,064	8,946
	154,676	127,835

The capital requirement for credit risk is 8% of the risk-weighted value of assets, off-balance sheet items and derivatives.

	2009	2008
Risk-weighted assets	1,609,278	1,341,752
Risk-weighted off-balance sheet items	175,934	135,880
Risk-weighted derivatives	9,934	8,490
	<u>1,795,146</u>	<u>1,486,122</u>
Capital requirement percentage	8%	8%
Capital requirement amount for credit risk	143,612	118,889

The capital requirement for market risk exclusively concerns exchange rate risk in the case of Triodos Bank. The capital requirement is 8% of the net open foreign currency position if the net open foreign currency position is more than 2% of the actual own funds. The capital requirement is zero if the net open foreign currency position is less than 2% of the actual own funds.

	2009	2008
Bottom line of 2% of the actual own funds	6,287	4,160
Net open foreign currency position	1,593	2,915
Capital requirement percentage	0%	0%
Capital requirement amount for market risk	—	—

The capital requirement for operational risk is 15% of the average income of the previous three years.

	2009	2008
Total income 2006	n/a	45,964
Total income 2007	59,213	59,213
Total income 2008	73,737	73,737
Total income 2009	88,336	n/a
Average income previous three years	73,762	59,638
Capital requirement percentage	15%	15%
Capital requirement amount for operational risk	11,064	8,946

Risk management

in thousands of EUR

All risk information is based on Basel II guidelines as applicable since the beginning of 2008.

Triodos Bank measures the following main types of risks that are associated with its business activities:

- Credit risk
- Liquidity risk
- Foreign exchange currency risk
- Interest rate risk

CREDIT RISK

The granting of facilities and lending creates the risk that the counterparty will not fulfil its obligations, leading to a financial loss for the Bank. The Bank's policy is geared towards limiting the credit risk by:

- lending to debtors who are active in sectors that the Bank is familiar with;
- establishing sufficient collateral to cover the outstanding loans;
- periodically evaluating the creditworthiness of the debtors and the market value of the collateral;
- investing surplus of liquidity in deposits or interest-bearing securities of banks, governments and other counterparties with undisputed creditworthiness.

Risk-weighted value of assets, off-balance sheet items and derivatives

The following table provides an overview of the risk-weighted value of assets, off-balance sheet items and derivatives. The risk-weighted value forms the basis for the determination of the credit risk.

	2009 Net exposure value	2009 Credit risk mitigation	2009 Fully adjusted exposure value	2009 Risk- weighted value
Exposure class:				
Central governments and central banks	409,749	179,976	589,725	—
Regional governments and local authorities	56,386	3,568	59,954	81
Banks	805,803	-64,024	741,779	168,453
Corporates	1,304,353	-105,704	1,198,649	1,035,406
Retail exposures	64,776	-7,609	57,167	34,777
Secured by property	651,064	-4,067	646,997	477,518
Past due items	24,671	-1,794	22,877	31,107
Other items	48,150	-346	47,804	47,804
	<u>3,364,952</u>	<u>—</u>	<u>3,364,952</u>	<u>1,795,146</u>
Whereof:				
Assets	2,972,662	—	2,972,662	1,609,278
Off-balance sheet items	375,376	—	375,376	175,934
Derivatives	16,914	—	16,914	9,934
	<u>3,364,952</u>	<u>—</u>	<u>3,364,952</u>	<u>1,795,146</u>

	2008 Net exposure value	2008 Credit risk mitigation	2008 Fully adjusted exposure value	2008 Risk- weighted value
Exposure class				
Central governments and central banks	329,773	15,637	345,410	—
Regional governments and local authorities	—	2,480	2,480	723
Public sector entities	—	188	188	186
Banks	708,496	53,650	762,146	198,288
Corporates	931,762	-60,650	871,112	732,710
Retail exposures	120,394	-7,670	112,724	85,429
Secured by property	507,411	-2,044	505,367	387,991
Past due items	27,875	-1,591	26,284	36,867
Other items	43,928	—	43,928	43,928
	<u>2,669,639</u>	<u>—</u>	<u>2,669,639</u>	<u>1,486,122</u>
Whereof:				
Assets	2,348,961	—	2,348,961	1,341,752
Off-balance sheet items	306,924	—	306,924	135,880
Derivatives	13,754	—	13,754	8,490
	<u>2,669,639</u>	<u>—</u>	<u>2,669,639</u>	<u>1,486,122</u>

Notes:

The figures of 2008 have been changed based on renewed insights which led to reclassifications from corporates to secured by property.

The net exposure value 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 additional costs or the lost revenues of a substitute transaction in the event that the counterparty does not fulfil its obligations.

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 risk-weighted value is calculated by multiplying the fully adjusted exposure value with the risk weight and the conversion factor. Basel II guidelines state the risk weights and conversion factors.

Risk weights depend on the exposure class and the credit rating of the direct counterparty or the collateral provider. The risk weights per exposure class used by Triodos Bank are:

- Central governments and central banks: 0%;
- Regional governments and local authorities: 0% for Dutch governments, 20% for foreign governments; the percentage depends on national legislation;
- Public sector entities: 100%;
- Banks: 0% for exposures secured by pledged funds entrusted of Triodos Bank; 20% or 50% for exposures of or guaranteed by other banks, depending on the original term to maturity of the exposure;

- Corporates: 100%;
- Retail exposures: 75% or 100%;
- Secured by property: 35% for exposures secured by residential property, 50% or 100% for exposures secured by non residential property;
- Past due items: 50% or 100% for exposures secured by residential property; 100% or 150% for other exposures; the percentage depends on the amount of doubtful debt provisions that have been formed;
- Other items: 100%.

Conversion factors only apply to off-balance sheet items. The conversion factors used by Triodos Bank are:

- Contingent liabilities: 0.5 or 1.0, depending on the nature of the issued guarantee;
- Irrevocable facilities: 0.2 or 0.5, depending on the original term to maturity of the credit facility.

Exposure classes are defined in the Basel II guidelines. Other items include participating interests, property and equipment and other assets without counterparties.

Maturity of assets per exposure class

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

	2009 Payable on demand	2009 > 2 days & ≤ 3 months	2009 ≥ 3 months & ≤ 1 year	2009 1-5 years	2009 > 5 years	2009 Total assets
Central governments and central banks	63,110	9,967	51,548	164,830	120,220	409,675
Regional governments and local authorities	405	—	20,000	27,981	8,000	56,386
Banks	314,637	245,632	107,271	128,539	1,000	797,079
Corporates	52,256	25,447	78,935	335,934	492,723	985,295
Retail exposures	6,388	791	2,561	7,290	21,918	38,948
Secured by property	28,237	6,224	17,086	96,284	464,627	612,458
Past due items	10,916	411	516	2,229	10,599	24,671
Other items	48,150	—	—	—	—	48,150
Total	524,099	288,472	277,917	763,087	1,119,087	2,972,662

	2008 Payable on demand	2008 > 2 days & ≤ 3 months	2008 ≥ 3 months & ≤ 1 year	2008 1-5 years	2008 > 5 years	2008 Total assets
Central governments and central banks	52,188	298	20,077	211,710	45,110	329,383
Banks	119,444	280,971	295,500	—	1,000	696,915
Corporates	36,948	27,054	39,683	148,902	403,551	656,138
Retail exposures	6,049	2,625	4,889	20,016	61,083	94,662
Secured by property	24,943	16,966	26,874	107,252	324,157	500,192
Past due items	6,804	244	1,410	4,286	14,999	27,743
Other items	43,928	—	—	—	—	43,928
Total	290,304	328,158	388,433	492,166	849,900	2,348,961

Risk-weighted value per sector

The following table provides an overview of the credit risk per sector (including off-balance sheet items and derivatives).

Sector	2009		2008	
	Risk-weighted value	%	Risk-weighted value	%
Banks and financial intermediation	192,257	11	237,319	16
Basic materials	6,125	—	6,791	1
Construction and infrastructure	675	—	616	—
Consumer products (non-food)	4,876	—	4,474	—
Retail	21,779	1	21,341	1
Services	206,232	12	159,108	11
Healthcare and social work	178,514	10	150,535	10
Agriculture and fishing	82,740	5	64,741	4
Media	6,659	—	5,838	—
Utilities	603,448	34	414,877	28
Private individuals	40,632	2	22,634	2
Leisure and tourism	59,196	3	65,343	4
Transport and logistics	7,185	—	6,547	1
Real estate	105,053	6	75,161	5
Insurance and pension funds	501	—	501	—
Food and beverages	49,830	3	45,290	3
Other sectors	229,444	13	205,006	14
	1,795,146	100	1,486,122	100

Note:

The figures of 2008 have been changed based on renewed insights.

The sectors are defined in the Basel II guidelines. Risk-weighted value is attributed to the sector of the direct counterparty.

Risk-weighted value per country

The following table provides an overview of the credit risk per country (including off-balance sheet items and derivatives).

Country	2009 Risk-weighted value	%	2008 Risk-weighted value	%
Belgium	351,470	20	306,914	21
Denmark	8,394	—	7,258	1
France	41,836	2	27,580	2
Germany	46,131	3	41,428	3
Ireland	8,866	—	7,195	—
Italy	3,494	—	3,624	—
Luxembourg	85	—	89	—
The Netherlands	627,521	35	574,290	39
Spain	387,677	22	273,567	18
United Kingdom	318,183	18	241,974	16
United States	1,489	—	2,203	—
	<u>1,795,146</u>	<u>100</u>	<u>1,486,122</u>	<u>100</u>

Note:

The figures of 2008 have been changed based on renewed insights.

Risk-weighted value is attributed to the country of the direct counterparty.

LIQUIDITY RISK

The objective of the Bank's liquidity management activities is to ensure the availability of sufficient funds to meet all financial commitments. Funds entrusted are attracted for the Bank's lending operations. The surplus is invested at other financial institutions on short term deposits or government (and governmental guaranteed) bonds. The Bank's policy in this respect is to have sufficient 'on demand' deposits with other banks and marketable bonds to be able to settle its liabilities at all times.

The following table sets out the actual and required liquidity of the financial instruments held as at 31 December.

	2009 Receivable or payable on demand	2009 <= 3 months
Actual liquidity and amounts receivable in the maturity calendar (weighted amounts)		
Cash	49,073	—
Banks	309,176	222,069
Loans	—	23,009
Interest-bearing securities	421,897	—
Derivatives	—	38,690
	<u>780,146</u>	<u>283,768</u>
Required liquidity and amounts payable in the maturity calendar (weighted amounts)		
Banks	—	236
Funds entrusted	264,931	31,593
Other liabilities	1,894	—
Subordinated liabilities	—	—
Contingent liabilities	2,018	—
Irrevocable facilities	33,825	—
Derivatives	—	38,626
	<u>302,668</u>	<u>70,455</u>
	2008 Receivable or payable on demand	2008 <= 3 months
Actual liquidity and amounts receivable in the maturity calendar (weighted amounts)		
Cash	40,074	—
Banks	109,929	252,873
Loans	—	18,877
Interest-bearing securities	266,755	—
Derivatives	—	8,352
	<u>416,758</u>	<u>280,102</u>
Required liquidity and amounts payable in the maturity calendar (weighted amounts)		
Banks	—	190
Funds entrusted	157,629	76,662
Other liabilities	1,763	—
Subordinated liabilities	—	—
Contingent liabilities	2,604	—
Irrevocable facilities	25,930	—
Derivatives	—	8,348
	<u>187,926</u>	<u>85,200</u>

2009 ≤ 1 year	2009 ≤ 5 years	2009 > 5 years	2009 Total
—	—	—	49,073
95,544	—	900	627,689
47,639	170,241	398,547	639,436
—	60,000	1,500	483,397
52,570	149,818	5,418	246,496
<u>195,753</u>	<u>380,059</u>	<u>406,365</u>	<u>2,046,091</u>

522	2,993	4,853	8,604
37,964	39,153	2,857	376,498
—	—	—	1,894
—	—	22,800	22,800
—	—	—	2,018
—	—	—	33,825
52,331	149,632	5,406	245,995
<u>90,817</u>	<u>191,778</u>	<u>35,916</u>	<u>691,634</u>

2009 ≤ 1 year	2008 ≤ 5 years	2008 > 5 years	2008 Total
—	—	—	40,074
265,950	—	900	629,652
29,208	112,510	321,906	482,501
—	—	1,500	268,255
17,392	116,953	6,545	149,242
<u>312,550</u>	<u>229,463</u>	<u>330,851</u>	<u>1,569,724</u>

457	2,993	5,782	9,422
84,511	22,457	5,208	346,467
—	—	—	1,763
—	—	22,800	22,800
—	—	—	2,604
—	—	—	25,930
17,378	116,830	6,531	149,087
<u>102,346</u>	<u>142,280</u>	<u>40,321</u>	<u>558,073</u>

Notes:

Interest bearing securities that are recognized as collateral by the European Central Bank (ECB eligible), are valued at fair value and reported as receivable on demand. Other interest-bearing securities are valued at redemption value and reported in the maturity calendar. Interest-bearing securities that are used as collateral for debit balances are not reported in this table.

Derivatives are the amounts receivable or payable for currency forward contracts. Amounts in foreign currency are converted at the spot rate on the balance sheet date.

Amounts for actual liquidity are weighted by percentages for liquidity value as used by the Dutch Central Bank. The percentages used by Triodos Bank are:

Cash: 100%;

Banks: 100% for demand deposits; 90% for fixed term deposits;

Loans: 0% for demand deposits; 40% for redemptions receivable;

Interest bearing securities: 95% for ECB eligible bonds issued or guaranteed by governments; 90% for ECB eligible bonds issued by banks or other institutions; 100% for other bonds;

Derivatives: 100%.

Amounts for required liquidity are weighted by percentages for withdrawal risk as used by the Dutch Central Bank. The percentages used by Triodos Bank are:

Banks: 100% for demand deposits; 90% for fixed term deposits;

Funds entrusted: 10% for savings accounts without fixed term; 20% for fixed term savings accounts; 20% for other funds entrusted without fixed term; 40% for other funds entrusted with fixed term;

Other liabilities: 20%;

Subordinated liabilities: 100%;

Contingent liabilities: 5% or 10%, depending on the nature of the issued guarantee;

Irrevocable facilities: 10%;

Derivatives: 100%.

FOREIGN EXCHANGE RISK

It is the Bank's policy to avoid taking positions in foreign currencies.

The following table shows the Bank's foreign currency position in thousands of EUR as at 31 December.

	2009 Cash position Debit	2009 Cash position Credit	2009 Term position Debit	2009 Term position Credit	2009 Net position Debit	2009 Net position Credit
GBP	390,053	390,621	5,484	5,484	—	568
USD	5,193	73	123,486	127,013	1,593	—
MXN	—	—	1,550	1,550	—	—
PEN	—	—	11,570	11,570	—	—
PHP	—	—	754	754	—	—
ZAR	—	—	706	706	—	—
	<u>395,246</u>	<u>390,694</u>	<u>143,550</u>	<u>147,077</u>	<u>1,593</u>	<u>568</u>
Net open foreign currency position (maximum of total net position debit or credit):						<u>1,593</u>

	2008 Cash position Debit	2008 Cash position Credit	2008 Term position Debit	2008 Term position Credit	2008 Net position Debit	2008 Net position Credit
GBP	359,488	358,612	—	—	876	—
USD	3,364	252	80,066	81,139	2,039	—
MXN	—	—	440	440	—	—
KES	—	—	535	535	—	—
PEN	—	—	7,506	7,506	—	—
ZAR	—	—	749	749	—	—
	<u>362,852</u>	<u>358,864</u>	<u>89,296</u>	<u>90,369</u>	<u>2,915</u>	<u>—</u>
Net open foreign currency position (maximum of total net position debit or credit):						<u>2,915</u>



Solutions for Biotectura is an innovative engineering and architecture business that tackles energy efficiency and sustainable construction projects. OKO is their first bioclimatic building, and was developed with finance from Triodos Bank Spain. Its sustainable offices include a Formation Centre for Sustainability, and a Centre for Innovation and Development.

INTEREST RATE RISK

Interest rate risk is part of the banking business. The Bank's policy is to keep this risk within the limits set internally and with the regulatory body.

The following table sets out the remaining interest-rate term of the financial instruments held as at 31 December.

	2009 Floating- rate	2009 <= 3 months	2009 <= 1 year	2009 <= 5 years	2009 > 5 years	2009 Total
Interest-bearing assets						
Cash	49,073	—	—	—	—	49,073
Banks	322,676	232,132	107,271	1,000	—	663,079
Loans	469,396	162,423	219,300	430,020	379,796	1,660,935
Interest-bearing securities	—	14,966	71,548	311,350	121,720	519,584
	<u>841,145</u>	<u>409,521</u>	<u>398,119</u>	<u>742,370</u>	<u>501,516</u>	<u>2,892,671</u>
Interest-bearing liabilities						
Banks	—	1,152	507	2,764	5,137	9,560
Funds entrusted	814	495,188	1,148,486	910,496	14,011	2,568,995
Subordinated liabilities	—	—	—	—	22,680	22,680
	<u>814</u>	<u>496,340</u>	<u>1,148,993</u>	<u>913,260</u>	<u>41,828</u>	<u>2,601,235</u>
	2008 Floating- rate	2008 <= 3 months	2008 <= 1 year	2008 <= 5 years	2008 > 5 years	2008 Total
Interest-bearing assets						
Cash	40,074	—	—	—	—	40,074
Banks	118,229	272,670	296,500	—	—	687,399
Loans	417,594	85,332	186,407	302,697	278,091	1,270,121
Interest-bearing securities	—	220	19,915	210,889	43,910	274,934
	<u>575,897</u>	<u>358,222</u>	<u>502,822</u>	<u>513,586</u>	<u>322,001</u>	<u>2,272,528</u>
Interest-bearing liabilities						
Banks	119	1,074	737	2,764	5,775	10,469
Funds entrusted	1,767	510,878	949,486	579,050	17,648	2,058,829
Subordinated liabilities	—	22,666	—	—	—	22,666
	<u>1,886</u>	<u>534,618</u>	<u>950,223</u>	<u>581,814</u>	<u>23,423</u>	<u>2,091,964</u>

Notes: Only interest-bearing assets and liabilities are reported in this table, which results in differences with balance sheet figures.

Interest-bearing securities and subordinated liabilities are valued at balance sheet value including bond premium and after deduction of discount.

Funds entrusted without a fixed interest-rate term are broken down proportionally in the maturity calendar in 1 month, 1 year or 4 years, depending on the nature, currency and balance of the accounts.

All other assets and liabilities are reported as floating-rate or are broken down in the maturity calendar by their remaining interest-rate term.

Company balance sheet as at 31 December 2009

before appropriation of profit
in thousands of EUR

		31.12.2009	31.12.2008
ASSETS			
Cash		49,073	40,074
Banks	30	659,891	682,662
Loans		1,652,935	1,270,121
Interest-bearing securities		511,018	269,214
Shares	31	3	3
Participating interests	32	27,018	26,275
Intangible fixed assets	33	10,552	9,520
Property and equipment	34	13,709	11,595
Other assets		19,838	20,010
Prepayments and accrued income		45,657	44,186
Total assets		<u>2,989,694</u>	<u>2,373,660</u>
LIABILITIES			
Banks		9,560	10,469
Funds entrusted	35	2,587,879	2,088,578
Other liabilities		9,344	8,438
Accruals and deferred income		39,032	32,040
Provisions	36	6,841	7,184
		<u>2,652,656</u>	<u>2,146,709</u>
Subordinated liabilities		22,800	22,800
Capital	37	221,029	146,075
Share premium reserve	38	51,507	25,071
Revaluation reserve	39	43	28
Statutory reserve	40	6,762	5,906
Other reserves	41	25,395	16,931
Unappropriated profit		9,502	10,140
Equity		<u>314,238</u>	<u>204,151</u>
Total liabilities		<u>2,989,694</u>	<u>2,373,660</u>
Contingent liabilities		37,119	47,627
Irrevocable facilities		338,257	259,297
		<u>375,376</u>	<u>306,924</u>

Company profit and loss account for 2009

in thousands of EUR

	2009	2008
Result on participating interests after taxation	4,668	1,953
Other result after taxation	4,834	8,187
Net profit	<u>9,502</u>	<u>10,140</u>

Company statement of changes in the equity for 2009

in thousands of EUR

	Share Capital	Share premium	Revaluation reserve
Equity as at 1 January 2008	143,580	27,566	268
Stock dividend	2,495	-2,495	
Revaluation of property, equipment and participation interest after taxation			-240
Exchange rate results from business operations abroad after taxation			
Profit appropriation for previous financial year, addition to the other reserves			
Profit appropriation for previous financial year, dividend			
Dividend not distributed in cash			
Transfer to statutory reserve for development costs			
Purchasing or sale of own depository receipts			
Result for financial year			
Equity as at 31 December 2008	146,075	25,071	28
Increase of share capital	72,366	29,024	
Stock dividend	2,588	-2,588	
Revaluation of property, equipment and participation interest after taxation			15
Exchange rate results from business operations abroad after taxation			
Profit appropriation for previous financial year, addition to the other reserves			
Profit appropriation for previous financial year, dividend			
Dividend not distributed in cash			
Transfer to statutory reserve for development costs			
Purchasing or sale of own depository receipts			
Result for financial year			
Equity as at 31 December 2009	221,029	51,507	43

Statutory reserve	Other reserve	Unappropriated reserve	Total equity
7,285	12,575	8,955	200,229
			—
	-3		-243
-2,813			-2,813
	3,385	-3,385	—
		-5,570	-5,570
	3,406		3,406
1,434	-1,434		—
	-998		-998
		10,140	10,140
<u>5,906</u>	<u>16,931</u>	<u>10,140</u>	<u>204,151</u>
			101,390
			—
			15
-35			-35
	4,470	-4,470	—
		-5,670	-5,670
	3,634		3,634
891	-891		—
	1,251		1,251
		9,502	9,502
<u>6,762</u>	<u>25,395</u>	<u>9,502</u>	<u>314,238</u>

Notes to the company's financial statements

in thousands of EUR

GENERAL

The accounting principles for valuation and determination of results are the same as those for the consolidated Annual Accounts.

In accordance with Section 2:402 of The Netherlands Civil Code, the company profit and loss account only contains a breakdown of the net result into the result on participating interests and the Other result.

For those items not included in these Notes, please see the Notes to the consolidated Annual Accounts.

ASSETS

30. BANKS

	2009	2008
On demand deposits with banks	305,988	109,192
Deposits with banks	353,903	573,470
	<u>659,891</u>	<u>682,662</u>

The on demand deposits can be freely disposed of.

31. SHARES

	2009	2008
S.W.I.F.T. SCRL	3	3
	<u>3</u>	<u>3</u>

The movement in shares is as follows:

	2009	2008
Balance sheet value as at 1 January	3	3
Purchase	—	—
Sales	—	—
Balance sheet value as at 31 December	<u>3</u>	<u>3</u>

32. PARTICIPATING INTERESTS

	2009	2008
Participating interests in group companies	24,040	22,879
Other participating interests	2,978	3,396
	<u>27,018</u>	<u>26,275</u>

This relates to equity participations that are held long-term for business operation purposes. The statement of equity participations in accordance with Section 2:379 of The Netherlands Civil Code is included under the accounting principles for consolidation in the Notes to the consolidated Annual Accounts.

The movement in this item is as follows:

	2009	2008
Balance sheet value as at 1 January	26,275	17,058
Acquisitions	—	1,000
Incorporations	—	125
Capital increases	—	7,775
Result on participating interests	4,668	1,953
Transfer from or to provision for negative equity of participating interests	-907	315
Dividend paid	-2,530	-1,230
Revaluation	-453	-949
Exchange rate result on foreign currency	-35	228
Balance sheet value as at 31 December	<u>27,018</u>	<u>26,275</u>

33. INTANGIBLE FIXED ASSETS

	2009	2008
Goodwill paid	479	338
Development costs for information systems	9,946	9,182
Computer software	127	—
	<u>10,552</u>	<u>9,520</u>

Goodwill paid

Goodwill paid relates to the goodwill that Triodos Bank paid to Triodos Investments España in 2004, 2005 and 2009 to buy off the rights to the future profit made by the Spanish branch.

The movement in goodwill paid is as follows:

	2009	2008
Purchase value as at 1 January	588	588
Cumulative depreciation as at 1 January	-250	-191
Balance sheet value as at 1 January	338	397
Purchase	200	—
Depreciation	-59	-59
Balance sheet value as at 31 December	479	338

Development costs for information systems

The development costs for information systems relate to the development costs for the banking system.

The movement in the development costs for the information systems item is as follows:

	2009	2008
Purchase value as at 1 January	13,559	10,666
Cumulative depreciation as at 1 January	-4,377	-2,917
Balance sheet value as at 1 January	9,182	7,749
Capitalised expenses	3,445	2,893
Depreciation	-1,343	-1,460
Impairments	-1,338	—
Balance sheet value as at 31 December	9,946	9,182

34. PROPERTY AND EQUIPMENT

	2009	2008
Property for own use	8,760	7,462
Equipment	4,949	4,133
	13,709	11,595

The movement in the property for own use is as follows:

	2009	2008
Balance sheet value as at 1 January	7,462	—
Purchase	1,345	7,480
Depreciation	-47	-18
Balance sheet value as at 31 December	<u>8,760</u>	<u>7,462</u>

The movement in equipment is as follows:

	2009	2008
Purchase value as at 1 January	8,424	7,603
Cumulative depreciation as at 1 January	-4,291	-4,326
Balance sheet value as at 1 January	4,133	3,277
Purchase	2,344	2,345
Sale	-78	-256
Depreciation	-1,460	-1,192
Exchange rate differences	10	-41
Balance sheet value as at 31 December	<u>4,949</u>	<u>4,133</u>

LIABILITIES

35. FUNDS ENTRUSTED

	2009	2008
Savings accounts	1,953,190	1,634,782
Other funds entrusted	634,689	453,796
	<u>2,587,879</u>	<u>2,088,578</u>

The Other funds entrusted item includes an amount of EUR 12.9 million (2008: EUR 11.9 million) for deposits from consolidated participating interests.

36. PROVISIONS

	2009	2008
Pension provision	6,472	6,047
Provision for negative equity of participating interests	230	1,137
Other provisions	139	—
	<u>6,841</u>	<u>7,184</u>

For a breakdown of the balance sheet value of the Pension provision as at 31 December, please refer to Note 15.

The movement of the provisions is as follows:

	2009	2008
Balance sheet value as at 1 January	7,184	6,650
Reclassification related to disposal of business	-48	—
Allocation	2,170	1,715
Withdrawal	-2,465	-1,181
Balance sheet value as at 31 December	<u>6,841</u>	<u>7,184</u>

37. CAPITAL

The authorised capital totals EUR 375 million and is divided into 7.5 million shares, each with a nominal value of EUR 50. At year-end, there were 4,420,588 shares (2008: 2,921,508 shares), each of EUR 50, issued to and fully paid up by Stichting Administratiekantoor Aandelen Triodos Bank. As at the same date, Stichting Administratiekantoor Aandelen Triodos Bank had also issued 4,420,588 depository receipts (2008: 2,921,508 depository receipts), each of EUR 50.

The movement in the number of shares is as follows:

	2009	2008
Number of shares as at 1 January	2,921,508	2,871,596
Increase of share capital	1,447,329	—
Stock dividend	51,751	49,912
Number of shares as at 31 December	<u>4,420,588</u>	<u>2,921,508</u>

38. SHARE PREMIUM RESERVE

This item includes the share premium reserve, which is composed of deposits that exceed the nominal capital, after deduction of capital transfer tax. The full balance of the share premium reserve has been recognised as such for tax purposes.

39. REVALUATION RESERVE

The revaluation reserve relates to the unrealised value adjustments in respect of the acquisition price for participating interests and property for own use. After the transfer of land and buildings to the subsidiaries Kantoor Buitenzorg and Kantoor Nieuweroord, these value adjustments are included under the balance sheet item Participating interests.

40. STATUTORY RESERVE

	2009	2008
Development costs	10,073	9,182
Conversion differences	-3,311	-3,276
	<u>6,762</u>	<u>5,906</u>

Development costs

The movement in the statutory reserve for development costs is as follows:

	2009	2008
Balance sheet value as at 1 January	9,182	7,748
Transfer of other reserve	891	1,434
Balance sheet value as at 31 December	<u>10,073</u>	<u>9,182</u>

Conversion differences

The movement in the statutory reserve for conversion differences is as follows:

	2009	2008
Balance sheet value as at 1 January	-3,276	-463
Exchange results on business operations abroad	—	-4,074
Exchange results on participating interests	-35	228
Corporate income tax on exchange results	—	1,033
Balance sheet value as at 31 December	<u>-3,311</u>	<u>-3,276</u>

41. OTHER RESERVES

The movement in other reserves includes purchasing of own depository receipts. At year-end 2009, Triodos Bank had purchased 6,197 own depository receipts (2008: 23,676).

Auditor's fees

The table below specifies the fees of the KPMG audit firm that were charged in the financial year.

The column Other KPMG network specifies the fees that were invoiced by KPMG units with the exception of KPMG Accountants NV.

2009	KPMG Accountants NV	Other KPMG network	Total KPMG network
Audit of the financial statements	365	—	365
Other audit-related engagements	10	89	99
Tax-related advisory services	12	72	84
Other non-audit services	15	134	149
Total	402	295	697

2008	KPMG Accountants NV	Other KPMG network	Total KPMG network
Audit of the financial statements	333	—	333
Other audit-related engagements	12	—	12
Tax-related advisory services	—	28	28
Other non-audit services	41	97	138
Total	386	125	511

Zeist, 24 February 2010

Supervisory Board

David Carrington
Marcos Eguiguren
Marius Frank
Mathieu van den Hoogenband
Jan Lamers
Margot Scheltema
Hans Voortman, *Chair*

Executive Board

Pierre Aeby*
Peter Blom*, *Chair*
Michael Jongeneel

* *Statutory director*

Other information

PROFIT APPROPRIATION

As set out in the Articles of Association, the appropriation of profit is as follows:

'Part of the profit as reported in the adopted profit and loss account shall be used by the Executive Board to form or add to the reserves to the extent that this is deemed desirable. The remaining profit shall be distributed to the shareholders, unless the General Meeting decides otherwise.'

All depository receipts issued up to and including 21 May 2010 are entitled to the final dividend for the financial year 2009. The results of Triodos Bank NV are taken into consideration in the issue price.

The proposed appropriation of profit is based on the number of depository receipts issued as at 31 December 2009, minus the number of depository receipts purchased by Triodos Bank. The final proposal will be submitted at the Annual General Meeting of Depository Receipt Holders.

The proposed appropriation of profit (in thousands of EUR) is as follows:

Net profit	9,502
Addition to the other reserves	-894
	<hr/>
Dividend (EUR 1.95 per depository receipt)	8,608
	<hr/> <hr/>

BRANCHES

In addition to its head office in The Netherlands, Triodos Bank has branches in Belgium, the United Kingdom, Spain and Germany.

Auditor's report

REPORT ON THE FINANCIAL STATEMENTS

We have audited the 2009 financial statements of Triodos Bank NV, Zeist, which are included on pages 83 to 146 of this report, which comprise the consolidated and company balance sheet as at 31 December 2009, the consolidated and company profit and loss account for 2009 and the notes.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of The Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of Triodos Bank NV as at 31 December 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of The Netherlands Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Pursuant to the legal requirement under 2:393 sub 5 part f of The Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of The Netherlands Civil Code.

Amstelveen, 24 February 2010

KPMG ACCOUNTANTS NV
P.A.M. de Wit RA

Foundation for the Administration of Triodos Bank Shares (SAAT)

Statement of the shares taken in trust and the issued depository receipts of Triodos Bank NV as at 31 December 2009.

in thousands of EUR

	31.12.2009	31.12.2008
Triodos Bank NV shares taken in trust, having a nominal value of EUR 50 each	221,029	146,075
Issued depository receipts of Triodos Bank NV, having a nominal value of EUR 50 each	221,029	146,075

Zeist, 24 February 2010

Board of Trustees

Jan van Apeldoorn

Marjatta van Boeschoten

Luis Espiga

Chris Maryns-van Autreve

Jan Nijenhof, *Chair*

Max Rutgers van Rozenburg

AUDITOR'S REPORT

INTRODUCTION

We have audited the above statement that shows the position as at 31 December 2009 in respect of the shares placed in trust and the depository receipts of Triodos Bank NV shares issued by the Stichting Administratiekantoor Aandelen Triodos Bank, Zeist. This statement is the responsibility of the Foundation's management. Our responsibility is to express an opinion on this statement, based on our audit.

SCOPE

We conducted our audit in accordance with auditing standards generally accepted in The Netherlands and we believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion, this statement provides a true and fair view of the Triodos Bank NV shares placed in trust and the issued depository receipts of Triodos Bank NV shares as at 31 December 2009.

Amstelveen, 24 February 2010

KPMG ACCOUNTANTS NV

P.A.M. de Wit RA



Two years ago, Vincent Remy received finance from Triodos Bank to take over and convert his parent's farm to become organic. Since then, the bank has financed a new shed and livestock, expanding the business significantly. Today, the farm in the Bastogne region of the Belgian Ardennes has 150 cattle, covering an area of 45 hectares.

Report by the Board of SAAT

**THE STICHTING ADMINISTRATIEKANTOOR AANDELEN TRIODOS BANK
(FOUNDATION FOR THE ADMINISTRATION OF TRIODOS BANK SHARES)**

The Foundation for the Administration of Triodos Bank Shares (SAAT) has all Triodos Bank NV's shares under its management. It issues depository receipts to private individuals and institutions who want to participate in the Bank's equity. The depository receipts for shares are registered and non-exchangeable.

This structure was chosen to protect Triodos Bank's identity and mission. Recent events in financial markets internationally have shown again how important this protective structure is. The credit crisis has demonstrated the value and prudence of Triodos' sustainable approach to banking – lending only to ethical organisations working in the real economy. It presents an extra opportunity to strengthen awareness about Triodos Bank's mission and objectives.

Voting rights are exercised by the Board of SAAT at the Triodos Bank Annual General Meeting. The Board is guided by the ethical objectives of the Bank as contained in the Articles of Association and formulated in the mission statement. The Board is independent, but plays an important role in maintaining the integrity of the bank. To avoid conflicts of interest members of Triodos Bank's Executive Board and Supervisory Board are not allowed to serve on the Board of SAAT. The directors are appointed by, and report to, the Annual General Meeting of Depository Receipt Holders.

The Board met three times during 2009, and also took part in meetings with members of the Supervisory Board and Triodos senior management to discuss the Bank's social role. During the meetings of the Board, the general state of affairs within Triodos Bank was discussed from the perspective of how the Bank implements its ethical mandate: encouraging real awareness of money matters as a means to achieve social renewal. Sustainable shareholdership and the effect of the credit crisis on Triodos Bank, among other issues, were also discussed in the meetings.

To gain insight into how the Bank handles such issues in practice, and to maintain and

strengthen the connection to its mission, the Board of SAAT meets with Triodos Bank's Executive Board and attends customer days and other public meetings. This was particularly important in a year when the bank undertook a significant, and very successful, depository receipt issue. During visits to the branches in Belgium and the UK members of the Board spoke with co-workers and clients to update their view of how Triodos Bank works in those countries. At least four other occasions offered opportunities to exchange views with Triodos Bank's closest stakeholders, including clients, depository receipt holders, external relations and co-workers. The Board of SAAT also enjoyed numerous other informal opportunities to meet people involved in Triodos Bank; among them a depository receipt issue kick-off event in The Netherlands.

2009 has once again highlighted the importance of the constant support of depository receipt holders for the Bank and its further development. This will only be possible if depository receipt holders continue to feel involved in, and connected to, the Bank and its mission. The dialogue between Triodos Bank, its Supervisory Board, the Board of SAAT and the depository receipt holders continued during the year, enjoying considerable success and gathering momentum. As well as this direct interaction, media coverage and public discussions featuring Triodos Bank and its co-workers act as an important source of information for the Board. Members of the Board from Belgium, the UK and Spain are specifically asked to maintain close contact with the local branches and their clients and share their informed perspectives in the meetings of the full Board.

The Board concludes that Triodos Bank succeeded in effectively carrying out its mission in 2009. Special thanks go to Triodos Bank's co-workers in all departments, and at all levels. Further growth of the Bank in general, and growth of the issued capital in particular, will need an active dialogue between depository receipt holders and the bank. The Board will play an important role in these conversations,

helping to make sure that we combine both growth and increased impact, with a strong mission.

The Board wants to ensure its composition matches the Bank's needs as it develops. Experience is a valuable asset for its work. Jan van Apeldoorn has announced his retirement this year after nine years of serving on the Board of SAAT. He has been the Board's legal specialist and strongly involved in the development of the bank's governance. We are extremely grateful for his contributions. We have started a process of identifying a potential successor, preferably with a legal background. We also hope to improve the gender balance of the Board through this and other appointments.

Max Rutgers van Rozenburg has served on the Board for 12 years, bringing a strong connection with the origin and background of the bank as well as a wealth of professional experience. To maintain this experience while we recruit others, the Board supports his reappointment for a further year.

Chris Maryns-van Autreve will also retire from the Board. She has been the Belgian Board member for more than the maximum period of 12 years. Ms Autreve founded Mercurius, a predecessor to Triodos Bank in Belgium. We thank her for her commitment and contribution to the development of the bank. Ms Autreve will be able to retire with the addition of strong Belgian representation on the Board.

We propose that Frans de Clerck is appointed as Ms Autreve's successor. Mr de Clerck has retired after a long career with the bank. His experience and deep connection with the mission of the bank will be of great value to the Board of SAAT. He has not only experience as a founder and managing director of the Belgian branch but was also active in the Head Office in The Netherlands as a statutory director. During the last five years he was senior advisor to the Executive Board.

Zeist, 24 February 2010

On behalf of the Board,
Jan Nijenhof, *Chair*

Triodos Bank Executive Board



MR. P. AEBY (1956)

Pierre Aeby (CFO) has been Statutory Director of Triodos Bank NV since 2000 and is a Member of the Executive Board. He is also a Member of the Board of Stichting Triodos Holding, Statutory Director of Triodos Ventures BV, Member of the Supervisory Board Triodos Meerwaardefonds NV, Member of the Board of Stichting Hivos Triodos Fonds, Member of the Board of Stichting Triodos Doen, Member of the Supervisory Board of Triodos Fair Share Fund, Member of the Supervisory Board of Stichting Triodos Fair Trade Fund, Director of Triodos Fonds Vzw, Member of the Management Board of Triodos SICAV I and Member of the Management Board of Triodos SICAV II. He is of Belgian nationality and owns 21 Triodos Bank depository receipts.



MR. M. JONGENEEL (1973)

Michael Jongeneel (COO) is a Member of the Executive Board of Triodos Bank NV. He is also a Member of the Board of Stichting Triodos Beleggersgiro. Michael Jongeneel joined Triodos Bank in 2007. He is of Dutch nationality and owns one Triodos Bank depository receipt.



MR. P. BLOM (1956)

Peter Blom (CEO) has been Statutory Director of Triodos Bank NV since 1989 and is Chairman of the Executive Board. He is also a Member of the board of Stichting Triodos Holding, Statutory Director of Triodos Ventures BV, Member of the Supervisory Board of Triodos Venture Capital Fonds BV, Member of the Supervisory Board of Triodos Groenfonds NV, Member of the Supervisory Board of Triodos Vastgoedfond NV, Member of the Supervisory Board of Triodos Cultuurfonds NV, Member of the Board of Stichting Hivos Triodos Fonds, Member of the Board of Stichting Triodos Doen, Member of the Supervisory Board of Triodos MeesPierson BV, Chairman of the Board of Stichting Triodos Foundation, Member of the Board of Stichting Face, Member of the Board Stichting Natuur College and Member of the Board of the Dutch Banking Association. He is of Dutch nationality and owns one Triodos Bank depository receipt.

Board of SAAT



MR. J.C. VAN APELDOORN (1946)

Jan van Apeldoorn is a lawyer based in Amsterdam and is also Deputy Justice of the Court of Appeal in The Hague. He is also a Member of the Board of Toezicht Stichting Triodos Holding. Jan van Apeldoorn was first appointed in 2001 and his present term of appointment expires in 2010. He is of Dutch nationality and owns no Triodos Bank depository receipts.



MR. L.A. ESPIGA (1950)

Luis Espiga is the Director of Triform & Associates and a Consultant in Organisations, Development and Human Resources in Spain. He is also Member of the Board of the Rudolf Steiner Foundation Spain. Luis Espiga was first appointed in 2007 and his present term of appointment expires in 2010. He is of Spanish nationality and owns 44 Triodos Bank depository receipts.



MS. C. MARYNS-VAN AUTREVE (1948)

Chris Maryns is General Manager of VZW Mercurius, Weleda NV in Belgium and BD-tuinbouwbedrijf CV De Wassende Maan in Belgium. She is also a Member of the Supervisory Board of Weleda NV in The Netherlands and a Member of the Board of Iona (Curative Education and Social Therapy Council, since May 2009). Chris Maryns was first appointed in 1995 and her present term of appointment expires in 2012. She is of Belgian nationality and owns 100 Triodos Bank depository receipts.



MR. J.T.M. NIJENHOF (1945), CHAIR

Jan Nijenhof is Coordinating Vice President of the District Court of Haarlem until 1st April 2010. As from 1st April 2010 he is a substitute judge in the same court. He is also a Member of the Appeals Tribunal for Higher Education, lecturer for vocational training at The Netherlands Bar and Member of the Board of Stichting Triodos Holding. Jan Nijenhof was first appointed in 2005 and his present term of appointment expires in 2011. He is of Dutch nationality and owns no Triodos Bank depository receipts.



MR. L.M. RUTGERS VAN ROZENBURG (1947)

Max Rutgers van Rozenburg is Managing Director of Human Engineering BV; a firm for interim management. He is also Chairman of the Board of the Stichting PassieProjecten, Member of the Board of the Antroposophical Society in The Netherlands, Chairman of the Board of the Treatment Centre for Integrative Medicine (since 2008) and Member of the Board of Stichting Triodos Holding. Max Rutgers van Rozenburg was first appointed in 1998 and his present term of appointment expires in 2010. He is of Dutch nationality and owns 166 Triodos Bank depository receipts.



MS M.E. VAN BOESCHOTEN (1946)

Marjatta van Boeschoten is the Principal of Phoenix Consultancy and a solicitor of the Supreme Court. Marjatta van Boeschoten was first appointed in 2009 and her present term of appointment expires in 2012. She was also on the Triodos Bank Supervisory Board from 2001 to 2009. Her nationality is British and she owns one Triodos Bank depository receipt.

Triodos Bank Supervisory Board



MR. D.J. CARRINGTON (1946)

David Carrington has been an independent consultant since 2001, specialising in philanthropy and social finance and on the governance of charities and social enterprises. He draws on 25 years' experience of senior management positions in charities – the last 13 as Chief Executive – and as a Board member with a wide range of organisations, including a University, the Alliance Publishing Trust and the National Foundation for Youth Music. David is also a member of the Social Investment Task Force and of the Commission on Unclaimed Assets. He is Chair of the editorial group of the Philanthropy UK e-newsletter and a member of the Advisory Board of the Centre for Effective Philanthropy in the US. David Carrington was first appointed in 2009 and his present term expires in 2013. He is of British nationality and owns no depository receipts.



MR. M.J.M. VAN DEN HOOGENBAND (1944)

Mathieu van den Hoogenband is the former President of the Executive Board of the Weleda Group AG in Arlesheim, Switzerland. He is a Member of the Shareholders Council of RheaHolding BV (Eosta BV), chairman of the Supervisory Board of the Triodos Culture Bank BV, Chairman of the Supervisory Board of Stichting Widar 1st line Health Organisation, Chairman of the Supervisory Board of Darjeeling Organic Tea Estate Pltd Ambootia West Bengalen, India and Member of the Kuratorium Stiftung Waldorfschule Uhlandshöhe. He teaches Leadership and Ethics at the SRH Business School Berlin and the Alanus Hochschule in Bonn-Alfter. Mathieu van den Hoogenband was first appointed in 2007 and his present term of appointment expires in 2011. He is of Dutch nationality and owns 815 Triodos Bank depository receipts.



MR. M.M. FRANK (1947)

Marius Frank is an independent board advisor and executive coach. He is Member of the Supervisory Board of Centrum Maliebaan (Stichting Verslavingszorg Utrecht) and Chairman Supervisory Board Seyster Veste, Zeist (since March 2009). Marius Frank is also member of 'Stichting Administratiekantoor Hofpoort Holding', Utrecht (holding company of a.o. Van der Wal Transport, since December 2009), and is a member of the Supervisory Board of Triodos Culture Bank BV. Marius Frank was first appointed in 2005 and his present term of appointment expires in 2013. He is Chairman of the Triodos Bank Nomination and Compensation Committee. He is of Dutch nationality and owns no Triodos Bank depository receipts.



MR. M. EGUIGUREN HUERTA, PH.D. (1959)

Marcos Eguiguren is General Manager of Grupo Inmark, a Spanish professional services Group with subsidiaries in Portugal and several countries in Latin America and with large experience in advising financial entities. He has also held executive roles in Barclays Bank and BBVA. He is also Associate Professor on business administration at the Politechnical University of Catalonia. Marcos Eguiguren was first appointed in 2008 and his present term of appointment expires in 2012. He is a member of Triodos Bank's Audit and Risk Committee. He is of Spanish nationality and owns 194 Triodos Bank depository receipts.



MR. J. LAMERS (1948)

Jan Lamers is a former CEO of Uitgeversbedrijf Tijd. He is also Chairman of CultuurNet Vlaanderen, CEO of Wereldmediahuis Vzw, CEO of Huize Sterrewijzer vzw and director of I-Propellor NV. He is a Member of Triodos Bank's Audit and Risk Committee. Jan Lamers was first appointed in 2002 and his present term of appointment expires in 2010. He is of Belgian nationality and owns no Triodos Bank depository receipts.



MS. M.A. SCHELTEMA (1954), VICE-CHAIR

Margot Scheltema was Financial Director of Shell Nederland BV until the end of 2008. She is a Member of the Supervisory Board of ASR NV and member of the Audit Committee. She is also a member of the Supervisory Board and Financial Committee of the Rijksmuseum and a Member of the Supervisory Board of ECN. Chairwoman of the Board of Governors of the Postgraduate Controller Programme at the VU University Amsterdam, Member of the Advisory Board of Plan Nederland, Member of the AFM External Reporting Committee. She is a member of the Supervisory Board of Triodos Culture Bank BV. She is Vice-Chair of Triodos Bank's Supervisory Board and Chair of Triodos Bank's Audit and Risk Committee. Margot Scheltema was first appointed in 2006 and her present term of appointment expires in 2010. She is of Dutch nationality and owns no Triodos Bank depository receipts.



MR. H. VOORTMAN (1944), CHAIR

Hans Voortman is the former Managing Director of World Wide Fund for Nature (WWF) Netherlands and the former Company Director of MeesPierson. He is also the Chairman of the Supervisory Board of Ark Natuurontwikkeling, Member of the Boards of Pan Parks and Blijdorp Thandiza Fonds. He is Chair of the bank's Supervisory Board and a Member of the Nomination and Compensation Committee. Hans Voortman was first appointed in 2001 and his present term of appointment expires in 2013. He is of Dutch nationality and owns no Triodos Bank depository receipts.

Verifiers' declaration

Triodos Bank NV asked sgs Nederland bv, Systems & Services Certification, to verify the environmental and social data used in the Annual Report 2009 on Triodos Bank's activities in Barcelona, Bristol, Brussels, Edinburgh, Frankfurt, London, Madrid and Zeist. Figures have been verified regarding consumption of, water and energy, business transport, commuting, calculation of CO₂ balance, the number of employees, the number of women in management positions and absenteeism.

VERIFICATION

sgs Nederland bv, Systems & Services Certification, examined Triodos Bank's environmental and co-workers records. By means of random checks and interviews with the environmental managers and administrators sgs Nederland bv, Systems & Services Certification, reviewed how the offices in The Netherlands, Belgium, United Kingdom, Spain and Germany obtained the data in question (including method of registration and calculation) and the accuracy of the figures themselves.

OPINION

The verification confirms that the data in the Annual Report 2009 match the data in the environmental management system. Furthermore, the verification showed no indications suggestive of inaccuracies in the Annual Report with respect to the information provided on consumption of paper, business transport and commuting, calculation of CO₂ balance, number of employees, number of women in management positions, and absenteeism.

Spijkenisse, 24 February 2010

sgs Nederland bv,
Systems & Services Certification



Alara in Camden, London, makes cereals offering the best of both worlds to the conscious consumer, being certified both organic and fair trade. It produces a range of mueslis, including gluten free ones certified by the Coeliac Society.

About this report

The 2009 Annual Report is an integrated sustainability report covering the activities of Triodos Bank NV in The Netherlands, Belgium, the UK, Spain, and Germany. The report covers the period from 1 January to 31 December 2009.

Triodos Bank's previous sustainability report was published in April 2009 and covered the 2008 calendar year. The reporting in the 2009 financial year is based on the same principles as the 2008 report. Any changes in the methods of calculation used are explained in the text. When preparing the Triodos Bank Annual Report, a study group examines how the most recent sustainability reporting guidelines can be used to improve the report in the future.

External experts verify the data included in this report. KPMG Accountants NV verifies the financial data in accordance with the legal requirements. There is no legal framework for the verification of the environmental and social data included in the report, although the key indicators used to measure social and environmental performance are verified by SGS International Certification Services EESV.

GLOBAL REPORTING INITIATIVE

Triodos Bank used the Global Reporting Initiative's third generation (GRI 3) guidelines (as published in October 2006) for the second time in the preparation of the 2009 Annual Report. This year we will use the GRI Financial Sector Supplements that have been updated in 2008. Triodos Bank uses these guidelines to try and ensure a high degree of comparability between its report and those of other companies that use the GRI guidelines. For more information about GRI, please refer to www.globalreporting.org.

GRI CONTENT INDEX

The overview on the following pages lists the GRI indicators, together with references to the place in the report where this information can be found. Reference is made either to a page or a section in the report or to the Triodos Bank website. Some places are marked with 'na', indicating that Triodos Bank regards this item as not applicable for 2009. The relevance of each item is reviewed annually.

GRI Content Index

Triodos Bank prepared this annual report according to GRI G3 guidelines. The Bank's ambition is to do this at A+ level. This has been checked and confirmed by the GRI.



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 - EC5 Standard entry-level wage NA
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 - EC6 Locally-based suppliers 77-79
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EN13 Habitats protected or restored <i>Triodos Bank's branches are exclusively located in urban environments</i>	NA
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EN24 Hazardous waste <i>Triodos Bank's activities don't involve the use of hazardous waste</i>	NA
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	<i>All our assets are subject to our sustainability criteria</i>

FS12 Proxy voting policy	www.triodos.com/gri
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FSSS Society Performance indicators

FS13 Access points in disadvantaged areas	NA
	<i>Triodos Bank has offices in Europe and a limited branch network in Spain. Customers primarily bank online</i>
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FSSS Product Responsibility Performance Disclosures

FS15 Fair design of products and services	TBP
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FSSS Product Responsibility Performance Indicators

FS16 Financial literacy	www.triodos.com/gri
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Key

NA	Not Applicable
TBP	Triodos Business Principles (www.triodos.com/gri)
Criteria	Triodos Lending and Investment criteria (www.triodos.com/gri)

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Addresses are provided on page 163.

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An overview of our history

1968 A study group, consisting of Adriaan Deking Dura (an economist), Dieter Brüll (a professor in tax law), Lex Bos (a management consultant) and Rudolf Mees (a banker) form a study group to see how money can be managed sustainably.

1971 Triodos Foundation is established to use gifts and loans to support innovative projects and companies.

1980 Triodos Bank NV is established with EUR 540,000 in start-up share capital and a full banking licence from the Dutch Central Bank. It starts operating in The Netherlands.

1990 Triodos Bank launches the first green fund in Europe, Biogroend Beleggingsfonds. The Wind Fund and Green Investment Fund follow later.

1993 Triodos Bank opens a branch in Belgium.

1994 Triodos Bank launches two foundations: Stichting Triodos-Doen opens for business in cooperation with Stichting DOEN, and Stichting Hivos-Triodos Fonds begins in cooperation with Hivos. Both funds invest in developing countries and are among the first in the world to invest in microfinance.

1995 Triodos Bank opens a branch in the United Kingdom.



1997 The Triodos Added Value Fund is launched, with Delta Lloyd Asset Management, and listed on the Amsterdam stock exchange.

1998 Triodos Bank merges its three green funds to form Triodos Groenfond. This listed fund drives the success of the Groenregeling, a Dutch tax scheme for green projects.

2000 In The Netherlands, Triodos Added Value Fund allows investors to choose between Equity, Bond and Mixed Funds.

2002 Triodos Fair Share Fund is established in The Netherlands offering private individuals and institutions the chance to invest in microfinance institutions in developing countries.

2004 Triodos Bank opens a branch in Spain. Triodos launches Triodos Vastgoedfonds, the first real estate fund to invest exclusively in sustainable buildings.

2006 Triodos Bank opens its international head office in The Netherlands.



Triodos launches its first Luxembourg based investment fund, Triodos Renewables Europe Fund, to invest in European renewable energy projects. In The Netherlands, Triodos Cultuurfonds starts operating.

2007 Triodos Bank launches Triodos Values Pioneer Fund. This fund is part of a second Luxembourg fund and incorporates Triodos Values Equity Fund and Triodos Values Bond Fund.

2008 Triodos Bank launches Triodos Sustainable Trade Fund. This fund provides trade finance to certified organic and fair trade producers in developing countries and emerging markets.

2009 Triodos Bank opens a branch in Germany.

