



Technical Advisor

sustainable finance

FT SUSTAINABLE BANKING AWARDS 2009 Sustainable Bank of the Year

The **Sustainable Bank of the Year Award** recognises the bank that has shown excellence in creating environmental, social and financial value across its operations.

Who is eligible?

This award is open to all financial institutions – **in developed and/or emerging markets** -- involved in the provision of banking services, including commercial and investment banks, private banks, cooperatives and development finance institutions.

What is the entry submission process?

Please complete this form and email it as an attachment to sustainablebanking@ft.com. The initial submission process is focused solely on this entry form. No further materials should be emailed or mailed at this time. **The deadline for applications is March 6, 2009**. Applicants may be asked to provide additional information at a later date to aid the decision-making process.

What is the judging process?

The judging panel will short-list five entrants in this category in April 2009. A winner and a runner-up will be announced at the FT Sustainable Banking Awards ceremony in London in June 2009.

To fill in a table or box in this application form, please click on the grey area, which will expand as you write. The boxes however do not expand. Please be concise in your responses to the questions. At the end of the form, there is an area where you can provide additional details.

CONTACT INFORMATION

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1. SUMMARY OF STRATEGIC APPROACH

Please summarise the bank's overall sustainability approach, e.g. financing of renewables, Bottom of the Pyramid finance, environmental and social risk management -- identifying the main environmental, social and governance (ESG) benefits resulting.

Summary of approach:

Triodos Bank has been a pioneering force in ethical and sustainable banking since its establishment in 1980. Triodos is a sustainable banking specialist, set up specifically to make money work in a way that's better for people and the planet. The Bank's groundbreaking approach to finance started well before sustainability issues, and particularly sustainable finance, were on the public agenda.

Triodos Bank's ambition is 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.

Triodos Bank lends exclusively to businesses, organisations and projects with a social, environmental or cultural benefit. It does so with the support of depositors and investors who want to encourage socially responsible business and a sustainable society. Core areas of lending include renewable energy, organic agriculture and food production, biodiversity conservation, energy saving, poverty reduction, natural health, micro-credit, social integration, rural tourism, arts and culture, sustainable real estate development, and fair trade.

Because Triodos Bank lends exclusively to positive organisations, conducted using strict sustainable investment and lending criteria, the Bank has been intrinsically linked to sustainable sectors since its foundation. Many of these core areas of business have gone from marginal activities to become key sectors today. And, through its support and finance, the Bank has played an important role in the development of these sectors.

Since its establishment, Triodos Bank's growth and profitability has been a core element of its view of sustainability. The Bank has achieved average annual growth of over 20% in the past 10 years, including 25% in 2008, and now has funds under management of EUR 3.7 billion. This helps to demonstrate its position as Europe's leading sustainable and also reflects on the growing strength of the sustainable business and the movement towards a more environmentally and socially conscious society.

Summary of key sustainability benefits:

Environmental	Social	Governance
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Energy saving <input checked="" type="checkbox"/> Water use reduction <input checked="" type="checkbox"/> Waste management <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Biodiversity conservation <input checked="" type="checkbox"/> Other <p><i>please describe:</i> Triodos Bank is a leading financier of a number of environmental sectors, including renewable energy, nature conservation and organic agriculture.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Bottom of the Pyramid <input checked="" type="checkbox"/> Disadvantaged communities <input checked="" type="checkbox"/> Women <input checked="" type="checkbox"/> Poverty reduction <input checked="" type="checkbox"/> Other <p><i>please describe:</i> Triodos Bank has been a pioneer provider of capital to the Microfinance sector since 1994.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Revenue transparency <input checked="" type="checkbox"/> Management systems <input checked="" type="checkbox"/> Institution building <input checked="" type="checkbox"/> Other <p><i>please describe:</i> Triodos Bank's governance structure takes all stakeholders into account and has a genuine commitment to be as transparent as possible.</p>

2. IMPLEMENTATION: HOW DO YOU IMPLEMENT THIS STRATEGY?

Please describe in detail the following elements of your institution's approach for implementing this strategy.

BUSINESS PRINCIPLES: What overall business principles has the institution adopted?

Business Principle		Comment
UNEP-FI Declaration	<input checked="" type="checkbox"/>	Triodos Bank is a signatory of the UNEP- FI Declaration
Equator Principles	<input type="checkbox"/>	In the past the Equator Principles applied to all project financings with capital costs above USD 50 million. Triodos doesn't reach that limit. This threshold was lowered in 2006 to USD 10 million. Triodos is not a signatory of the Equator Principles. Triodos has developed its own social and environmental criteria that exclude Triodos from participating in projects that in any way harm the society in a negative manner. These criteria are stricter than the principles set by the Equator Initiative and relate to all Triodos Bank's activities.
Global Compact	<input type="checkbox"/>	The principles that the UN Global Compact is based on are an important part of the mission of Triodos and are already deeply imbedded in the organisation. The criteria that Triodos sets for its investments and lending are more strict than the principles of the UN Global Compact.
Carbon Disclosure Project	<input checked="" type="checkbox"/>	Triodos Bank is a signatory of the Carbon Disclosure Project
Other	<input checked="" type="checkbox"/>	Earlier this month, Triodos initiated and launched the Global Alliance for Banking on Values with 11 of the world's leading sustainable banks as its starting members. Further, Triodos Bank is a signatory of UN Principles of Responsible Investments and a organisational stakeholder of the Global Reporting Initiative. Triodos is a co-founder and member of the Social Venture Network Europe, European Social Investment Forum (Eurosif), and the International Association of Investors in the Social Economy (INAISE).

SPECIFIC POLICIES: What specific aspects below are addressed in your corporate policies and standards relating to sustainability? Please describe.

Policy		Comment
Risk Management	<input checked="" type="checkbox"/>	All activity is assessed according to Triodos Bank's sustainability criteria.
Sustainable Business Opportunities	<input checked="" type="checkbox"/>	All the Bank's activities, including loans business, venture capital and fund business meet sustainability criteria. At the bi-annual Business Banking meeting all sectors are reviewed and new opportunities are discussed.
Environmental protection	<input checked="" type="checkbox"/>	Through our stock market investments and loans Triodos encourages companies to make a positive contributions to a clean earth and the development of sustainable solutions for environmental pollution.
Human rights	<input checked="" type="checkbox"/>	Finance is excluded to all companies that seriously and frequently violate fundamental labour rights. Also companies that as a result

		of the combination of activities and countries they operate in, are likely to be involved but don't show awareness. Our parameters are the fundamental conventions of the International Labour Organisation and the OECD Guidelines. Also excluded are enterprises that directly and significantly contribute to or benefit from structural and gross human rights violations by governments or other parties.
Climate change	<input checked="" type="checkbox"/>	Four phases are taken into account and we intend to provide finance. 1 prevention and reduction of energy demand 2 the use energy from renewable and sustainable sources 3 the most efficient and clean use of fossil fuels, as long as they are still indispensable 4 compensation of unavoidable emissions from fossil fuel consumption.
Child labour	<input checked="" type="checkbox"/>	Finance is excluded to all companies that seriously and frequently violate fundamental labour rights. This includes the use of child labour.
Predatory lending/sub prime	<input checked="" type="checkbox"/>	Triodos does not provide sub prime products because it does not fit with the Bank's values and lacks transparency.
Indigenous Peoples	<input checked="" type="checkbox"/>	Triodos stimulates self-development of indigenous people through its micro-finance activities and financing of fair-trade businesses. Finance is excluded to projects and companies that violate the tenure rights of indigenous people. In its assessment Triodos looks at threats of living area, environment, access to historical resources, social structure and cultural expressions.
Defence	<input checked="" type="checkbox"/>	Finance is excluded to all companies that produce or sell weapons, specifically designed components for weapons and weapons-related services.
Water	<input checked="" type="checkbox"/>	Triodos finances projects and companies that focus on enlarging access to drinking water for local people at affordable prices, and on water purification activities. Finance is excluded if local people are prevented from using historical natural water resources, or are charged high prices for doing so.
Forestry	<input checked="" type="checkbox"/>	Finance is limited to projects and companies that have no deforestation activities in protected and sensitive areas and are not involved in illegal logging. In addition, companies' own forests must be 100% certified in the short term and the majority of purchased wood or pulp must originate from certified forests.
Cultural property	<input checked="" type="checkbox"/>	One of Triodos focus points is the conservation of cultural property and stimulation of cultural development. Apart from regular loans to the cultural sector, Triodos Culture Fund finances projects in this areas and its Real Estate Fund invests in monuments. In addition, Triodos micro-finance activities largely contribute to preservation of cultural heritage.
Other (please describe)	<input checked="" type="checkbox"/>	Triodos Bank has a set of excluding investment criteria and per sector positive criteria to encourage frontrunners in the sustainable arena.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT PROCEDURE: Please describe a typical project finance or corporate finance transaction, illustrating the roles of key team members.

Triodos Bank communicates openly in the market which sectors are eligible for financing according to its sustainability criteria. More specifically, we emphasise how we encourage frontrunners in the sustainable sectors.

For example:

A group of investors is considering to invest in a wind park. Given our strong position within this sector they contact us in an early stage. We bring them into contact with other relevant players within our network, in order to further improve their business case, or make the project even more sustainable. When the business case is being finalised, the loan officer writes a credit proposal, which is being assessed by a credit analyst. The proposal, including the report of the credit analyst, is discussed in a credit committee. Focus of the credit committee is not only on the financials and profit, but specifically also on people and planet related aspects of the entrepreneurs.

CAPACITY BUILDING: How has your organisation built capacity to manage sustainability issues? Please describe specialist hires and/or groups who have received sustainability training.

Sustainability is a core part of Triodos Bank's business, so it's natural that this is also incorporated in all our recruitment, induction, training and development of co-workers. Depending on the position we're recruiting for, we already require a certain knowledge, experience or education on sustainability. In the induction program much emphasis is put on our values, which are: sustainability, excellence, transparency and entrepreneurship. Triodos Academy, our in-house education program helps people to understand and experience our core values and way of working better through programs like the Banking Seminar, the Management Development and the Leadership program. In cooperation with the Institute for Social Banking we participate in events like the Summer School and the Masters for Social Banking.

Within the branches, business units, departments the co-workers are supported in developing themselves with regard to sustainability issues and working in a sustainable setting.

RESOURCES: Please describe the sustainability resources available within the bank (e.g. renewables specialists, environmental and social risk managers, micro-credit specialists, sustainability learning specialists, carbon credit expertise).

As part of its mission, Triodos only finances companies, institutions and project that benefit a sustainable society. As a result all employees are specialists in the field of sustainability, whether working as an account manager renewable energy, micro finance investor or sustainability analyst. New applicants are screened on their expertise and affinity with sustainable issues and the mission of the bank.

INCENTIVES: Are there specific incentives for sustainability performance?

In Triodos Bank there are no specific incentives for sustainability performance because all the managing directors, managers and middle managers have incorporated the Triodos value driven approach. Triodos Bank believes that all co-workers should be appropriately remunerated for their work. Therefore the Bank keeps a close eye on the ratio between the highest and lowest salary. This ratio was 1: 7.7 in 2008.

Triodos Bank does have different incentives for the sustainability performance of clients.

For example:

Triodos Bank is initiator of the Dutch Green Funds Tax Scheme. The Green Funds Tax Scheme has been set up to encourage projects that have a positive effect on the environment. The Dutch government supports these projects in several ways, for example by making the funding of such 'green projects' attractive. Since the Dutch government offers a tax advantage to 'green' savers and investors, banks can offer loans at lower interest rates, for projects such as sustainably built houses, wind farms, or organic agricultural businesses. A similar tax scheme is has been set up for financing in microfinance and culture.

Another example of a specific incentive for sustainability performance is the "conversion loan". Conventional farmers that switch to organic farming are confronted with three weak financial years before being certified as organic (due to the fact that they have to invest and only after three years they are - from a financial point of view - being rewarded). By offering the "conversion loan", the farmers don't have to repay the loan in the first three years, which makes it easier to conversion to organic farming.

STAKEHOLDER ENGAGEMENT: Please list the stakeholders with whom the bank engages in communicating and reviewing performance (e.g. raters, analysts, NGOs)

Triodos defines its stakeholders as all the people, groups and organisations that it has a business or other relationship with, and identifies three discrete groups in particular:

-Customers, depository receipt holders, co-workers and suppliers,

Dialogue with these stakeholders mainly involves exploring issues around money - as each has a financial relationship with the Bank - weighing up long - term and short term interests, and balancing self and public interest

- NGO's and government

Discussions with this group are predominantly focussed on the social context in which the Bank operates. These stakeholders do not have a financial interest, but do have an interest in the Bank's development from a social perspective. We do interact with NGO's who's core theme is 'Handle money in a different way'. They screen banks on themes like transparency, involvement in weapons industry, dictorial regimes.

- Advisors and inspirers

People who make a range of, and sometimes unexpected, contributions to the development of the Bank's vision and mission. This group includes external advisors with innovative ideas who respond to requests or provide advice spontaneously, and inspirers with new visions and insights. Dialogue with these stakeholders is an important source of inspiration for new ideas.

Our list of stakeholders is extensive and if necessary can be provided on request.

MONITORING AND REPORTING: How do you monitor and report on performance for key stakeholders?

Environmental, Social and Financial performance is annually reported through an integrated annual report. Triodos Bank used the guidelines of the Global Reporting Initiative (GRI) since 2001. Triodos is an organisational stakeholder of the GRI and for its 2007 and 2008 report Triodos used the G3 guidelines. Triodos Bank's Environmental Management System is accredited with the ISO 14001 environmental management certificate since 2000 covering all the Bank's branches.

Since its foundation, transparency has been one of Triodos' main objectives. Triodos believes that depositors and investors should know what their bank is doing with their money. A Dutch website has recently been launched where all credit clients of the Dutch branch are displayed. This website will be implemented internationally, listing all credit clients of the Bank. In the United Kingdom all loan customers are listed in a booklet that is send to annually to all UK savers, so they can see how the bank is using their money.

The sustainable criteria for lending and investments are to be found on the website. All companies that are eligible for ethical investments, according to Triodos criteria, are also listed on the website. Further information about our loans and investments are also published through the our newsletter and our magazine, Triodosnews.

Transparency also means stakeholders can ask the Bank important questions about our policy. The Annual General Meeting and public meetings with customers and depository receipt holders are used to discuss the Bank's progress, strategy and policy and to highlight the companies the Bank invests in and finances.

Furthermore, we take part in many conferences, courses and public events on CSR and SRI ethical

banking, renewable energy or any other topic related to sustainability.

SCOPE OF APPLICATION: To what extent is the institution's sustainability approach mainstreamed across key business lines and geographies? Please appraise the current level of implementation, commenting frankly on both gaps and successes.

Percentage of 2008 business volume in sustainable businesses (including renewables, Bottom of the Pyramid finance, carbon markets, etc.)	100%
Historic growth rate of sustainable business volume	All business lines are sustainable. Average growth rate is over 20% annually.
Strategic plan for growth of sustainable business lines	Triodos will continue to have 100% of its business as sustainable, and will remain at the forefront of new initiatives in sustainable finance.
Level of application of environmental and social risk management across key business lines	100%
Level of application of environmental and social risk management across key geographies	100%

FUTURE STEPS: Are there any enhancements to the institution's approach or desired next steps that would add further value?

In the future Triodos Bank will keep trying to achieve its mission as a sustainable bank. Three strategic goals have been recognised:

- Triodos as a sustainable service provider
Offering a collective package of banking services to promote sustainable development
- Triodos as a product innovator
Developing innovative products and sell them through the Bank and third parties.
- Triodos as a opinion leader
Stimulating public debate about issues, including quality of life, corporate social responsibility and sustainable banking

3. BUSINESS RESULTS: WHAT ARE THE MAIN BUSINESS RESULTS FROM YOUR SUSTAINABILITY APPROACH?

Please describe concrete benefits your institution has achieved or aims to achieve through implementation of its sustainability strategy, e.g. "Employees: 78% of bank staff indicate that the bank's social and environmental policies are a factor supporting their choice of the bank." Please select N/A (not applicable) to denote any business lines or benefits not relevant to the bank.

BUSINESS GROWTH

New sectors: Winning market share in new sectors, e.g. renewables (if yes, please indicate volume as a percentage of total business).

YES/NO / N/A

Triodos Bank has been a pioneer of financing Renewable Energy in its home markets from the early eighties on. It financed the some of the first wind turbine manufacturers and the first wind farms. Today 15-20 % of Dutch wind power capacity is financed by Triodos, in particular the privately owned (non utility) projects. In other countries, including in emerging markets, Triodos has a similar leading and pioneering position. Over twenty percent of Triodos Bank's lending portfolio is in wind and solar projects. Triodos Greenfund, a EUR 450m fund for private individuals with an income tax advantage, is 50% invested in Wind and the other 50% in organic farming, nature and sustainable housing.

Climate Change is a central topic for Triodos Bank. Transition towards a sustainable energy economy requires a concerted effort from various stakeholders, guided by governments. It is Triodos Bank's view, that the financial sector can and should play an instrumental role in this urgently needed transition. Finance is a key condition for whatever investment decision in society. We believe that the financial sector has a unique position and the responsibility to play a catalytic role in responding to the challenges we face.

In our commercial approach as a financial institution active in the energy sector in our core geographical markets, we are in particular determined to proactively seek investments that fit into an integrated four-phase approach, designed to limit the climate impact of energy production and consumption.

The phases are incremental and sequential and we intend to provide finance for both:

- 1 prevention and reduction of energy demand
- 2 the use energies from renewable and sustainable resources
- 3 the most efficient and clean use of fossil fuels, as long as they are still indispensable
- 4 compensation of unavoidable emissions from fossil fuel consumption.

Corporate clients: Differentiating the bank for corporate clients through new products and services, e.g. carbon credits.

YES/NO / N/A

As a financial services provider, Triodos Bank has the capacity to provide both equity, mezzanine finance and project debt to renewable energy projects, from both Triodos Bank itself and from the different (project equity) investment funds it manages. All finance for renewables. Dedicated funds, such as Ampere Equity Fund, independently managed by Triodos Bank, serve to provide a steady equity funding line for large project developers.

Another example is the Triodos Climate Clearing House, an independent registration and trading platform for CO2 credits, which extended its activities in 2007 from sustainable (FSC certified) forestry projects to include renewable energy projects in developing countries. This responds to an increasing demand for a mix of forest and energy credits for voluntary compensation. When organisations and private individuals voluntarily buy CO2 credits to compensate for their carbon emissions, they provide these forestry and renewables projects with additional income. This money is used to plant and maintain bio diverse forests, or contributes towards the costs of small-scale solar energy, hydro electricity or biomass projects.

As an investor in the Klimaatneutraal Groep in The Netherlands and the Carbon Neutral Company in the United Kingdom, Triodos is also involved in the sale of climate compensation products. Private individuals and companies can make their activities climate neutral via websites, including www.klimaatneutraal.nl, www.greenseat.com and www.carbonneutral.com.

SME clients: Differentiating the bank for SME clients through new products and services, e.g. cleaner production, energy efficiency financing.

YES/NO / N/A

Our core focus has been on financing fully sustainable entrepreneurs or initiatives, meaning that the product or service the client offers is fully sustainable. In the past years we started to also focus on the front-runners in the area of CSR, mostly SME clients. Clients that offer a regular product or service, however that balance both People, Planet as well as Profit, are increasingly being serviced by Triodos Bank. We try to differentiate from other banks in speed, sector knowledge as well as flexibility. An example is the "conversion loan" for organic farming as mentioned above.

In 2008 the total amount of loans grew with 25% to EUR 1.3 billion.

Retail clients: Winning credit card and checking account clients through sustainability.

YES/NO / N/A

Triodos Bank Spain launched the Triodos Credit Card, the first ecologic card in the Spanish market. The card is produced using recyclable PVC-free plastic. For every cardholder's first purchase, a new tree is planted in the Triodos Forest in the Alcaraz Mountains (Albacete), which is under sustainable forest management. Then, if the cardholder uses the card for five or more purchases per month during a whole year, the bank compensates, as a gratuitous measure, for one tonne of CO² emissions in behalf of him/her (through the voluntary buying of CO₂ emissions credits from FSC certificated forests).

Another specific environmental product in the Ecodepósito, a saving deposit launched with the support of the 5 main environmental NGO in Spain: Friends of the Earth, Ecologistas en Acción, Greenpeace, SEO/BirdLife and WWF/Adena. For every new Ecodepósito's purchase, a new tree is planted in the Triodos Forest. If the funds are more than EUR 3,000, the bank gives an annual subscription to the customer to one of the five participating organisations.

In the Netherlands Triodos Bank has issued internet based sustainable current accounts and cards from may 2006. Over 2008 the amount of accounts for private clients has grew with 116%.

In total Triodos Bank's customer base grew by 25% in 2008 to 191,000 clients.

Wholesale/project finance clients: e.g. positioning the bank as lead arranger capable of handling complex transactions.

YES/NO / N/A

Because Triodos Bank was involved in financing renewable energy (equity and senior debt) from an early stage, it gained experience through all layers of the Bank on financing (project finance) renewable energy projects. This position is also acknowledged by our stakeholders, governments and other financial participants. As a result Triodos Bank is a true thought leader on renewable energy, with strong networks. This in combination with a very innovative approach, has put us in a position of lead arranger for espacially the more innovative renewable energy projects (e.g. tide energy, alga cultivation) and mid-market syndications.

Another sector within the wholesale market/project finance that exemplifies the position of Triodos as a strong party that is capable of handling complex transactions is the Real Estate sector.

In the Netherlands the Bank launched the first Sustainable Real Estate Fund, focussing on low energy and sustainably build commercial real estate through equity positions in these projects. Moreover, in order to serve demands of business clients of the Bank, Triodos established its own project development company (Triodos Real Estate Development), that helps clients to develop and realise sustainably build property. Furthermore through Triodos Green Fund and Triodos Bank we are capable to provide senior debt to real estate projects. Because Triodos is active in the entire project cycle (developing, equity, senior debt) it is seen as a serious player in this field and is capable to act as lead arranger for the development of real estate projects, for example the TNT headquarters in the Netherlands (15000 m²).

Asset management: Gaining asset management funds, or enhancing fund performance through sustainability.

YES/NO / N/A

In 1990 Triodos Bank has launched the first Green Fund in Europe: Biogroend Investment Fund, followed by the Wind Fund and the Green Investment Fund. In 1994 Triodos has launched its first microfinance fund. Since 1997 Triodos has its SRI funds and in 2004 Triodos launched the Sustainable Real Estate Fund followed by Triodos Renewable Europe Fund and Triodos Culture Fund. In 2007 the bank launched Triodos Values Pioneer Fund investing in midcap sustainable companies. In total all funds had over 1.2 billion EUR under management in 2008 (a 6% growth compared to 2007). Since the founding all funds have had a net inflow, even in the difficult financial year of 2008.

The performance is in line with the benchmark and mainstream funds. So sustainability does not negatively impact investment performance, but delivers both social and sound financial return.

The Triodos Investment Funds are sold in the Netherlands, Belgium, UK and Denmark. Major growth currently comes from third party distribution by other mainstream banks and institutional investors.

Insurance: Providing sustainability-related insurance products.

YES/NO / N/A

Microfinance: Providing access to under-banked groups.

YES/NO / N/A

Triodos Bank strongly believes that professional provision of financial services in developing countries, in particular to micro entrepreneurs, is crucial for the development of a local economy. It enables businesses to grow, to generate income and to create jobs. Professional microfinance, therefore, has significant impact on the reduction of poverty.

Through the management of four specialised microfinance investment funds Triodos Bank has been a pioneering provider of capital to the microfinance sector since 1994. The funds have financed well over 100 microfinance institutions, working in 35 countries in Asia, Latin America, Africa and Eastern Europe. They hold equity stakes in 18 prominent microfinance institutions. As at 31 December 2008 the total assets under management in microfinance amounts to EUR 156 million.

Triodos clearly distinguishes itself in the microfinance sector through: - Longstanding experience in equity investments- An active board membership on all investee companies- On the ground due diligence and regular visits- A highly professional, dedicated and experienced investment team with an excellent and reputed position.

Private banking: Attracting high net worth individuals through sustainability differentiation.

YES/NO / N/A

Triodos Bank offers private banking to high net worth individuals, charities, foundations and religious institutions. Our value proposition is to be a credible, ethical, transparent, performing private banking with authentic personal contact. Our relationship managers are senior people who are familiar with important issues connected to sustainability.

The portfolios of our clients are invested in shares and bonds of sustainable companies. Triodos Bank carries its own sustainable criteria, which are reviewed yearly. The criteria are strict and ambitious. The financial management of the resulting list of eligible companies is executed by a joint venture with a reputable private banking institution. Private Banking also manages an alternative asset class as a sustainable option for "classic" hedge funds and commodities. All three asset classes have shown an excellent performance.

Housing finance: Providing sustainability-related housing finance products.

YES/NO / N/A

Triodos provides sustainability-related housing finance products.

For example:

In Spain, Triodos offers the Ecomortgage. The product is the first mortgage in the Spanish market which incorporates environmental issues and it is focused on the purchase of the main home:

- The bank offsets, on behalf of the client and completely free for him/her, the CO₂ emissions equivalent of the average consume in Spanish home during a period of 5 years, by planting 61 trees in the Triodos Forest, a sustainable managed plantation in Albacete, Spain, managed by a the green organisation Maderas Nobles de la Sierra de Segura.
- The bank offers, totally free for the client, an environmental impact study of his/her home, so the owners can take more energy efficiency decisions.

RETURN FROM STAKEHOLDER ENGAGEMENT

NGOs: Maintaining the bank's trust and reputation with local and international NGOs.

YES/NO / N/A

Triodos Bank has a structural cooperation and stakeholder dialogue with national and international NGO's. When changing the sustainability criteria Triodos always engages with and consult NGOs specialized in the subject. For example when we changed our criteria on transport and mobility we engaged with Friends of the Earth. Similar engagement was done with 'Netwerk Vlaanderen' (a Belgian NGO focussing on the financial sector), Amnesty International, Greenpeace and other NGOs related to the specific subject.

Further we have several partnerships and products together with local and international NGOs like savings products with Amnesty International, the Red Cross, development aid organizations, the Soil Association, AIDS foundation etc.

Government regulators: Enhancing relations with regulators.

YES/NO / N/A

Triodos Bank developed in close cooperation with the Dutch Government a Green Fund Tax Scheme which stimulates private investors to invest in green projects. Triodos helped them to develop other tax schemes for cultural and microfinance projects.

Triodos CEO Peter Blom was one of the members of a Dutch national commission, initiated by the Ministry of Economic Affairs, to develop a corporate governance code on sustainability.

International financial institutions (e.g. IFC, EBRD, EIB): Gaining access to long-term capital or investment.

YES/NO / N/A

Next to financing activities in renewable energy in its home markets, the Bank is also an active catalyst of finance for renewable energy in developing countries. Over the past many years, several initiatives were taken to develop funds that finance activities focussing on 'access to clean energy' for underprivileged people in developing countries, in particular in rural areas. Some of these vehicles received funding from organisations like IFC, Worldbank, large charitable foundations and Governments. Current fund: Triodos Renewable Energy for Development Fund.

Analysts/raters: Gaining positive ratings/evaluations from raters based on criteria such as asset quality, earnings growth potential, etc.

YES/NO / N/A

Triodos and its products are constantly rated or analyst by different organisations, for example recently by a cooperation of Amnesty International, Friends of the Earth, Oxfam who rated Triodos to be the most sustainable/ethical bank in the Netherlands.

The Triodos stockmarket noted funds are high rated by Morningstar between two and five stars. In March 2009 Triodos Bank received a Morningstar Award for its Triodos Green Fund. The award was received because of the outstanding performance of the fund over 2008.

In 2007 Triodos Bank was rated as most sustainable in a comparative analysis done by consumer companies from Belgium, Spain and Italy.

Institutional investors: Attaining a corporate governance premium in shareholder valuation.

YES/NO / N/A

All shareholders are treated equally.

Socially responsible investors: Attracting investment from socially responsible or mainstream investors.

YES/NO / N/A

Since more than four years there is a shift from inflow from traditional SRI investors to more mainstream or new SRI investors in the Triodos funds. Large pension funds are investing in the Bank itself and asked Triodos Bank to set up and manage products.

Media: Enhancing the brand value of the franchise.

YES/NO / N/A

Especially since the credit crunch of 2008, Triodos Bank enjoys a high response in the media, focussing on the Bank's successful business model and sustainability criteria. The Bank is used as an example of both financial and sustainable sound performance. In 2008 the volume and quality of press coverage and the presence on television and radio programmes was higher than ever before.

Employees: Attracting and retaining quality employees.

YES/NO / N/A

In the recruitment process of new co-workers Triodos takes affinity with its mission into account. The Bank developed an introduction programme for new co-workers that focuses on the values and mission of the Bank. Co-workers often chose to work for Triodos because of an affinity with the Bank's values and because they want to make a difference, so retaining quality employees

Facilities management: Increasing efficiency and reducing operating costs including initiatives such as carbon neutrality.

YES/NO / N/A

Triodos Bank is fully carbon neutral. It aims to reduce CO2 emissions by using electricity from renewable energy sources and by reducing energy consumption as far as possible. Its remaining CO2 emissions from gas consumption, paper consumption, business travel and commuting are compensated, by buying CO2 credits from KlimaatNeutraal Groep. As a result, Triodos Bank's activities are carbon neutral. In the Netherlands Triodos Bank uses green energy, which originates from windmill parks financed by the bank itself. Its green house gas emissions are calculated using the Greenhouse Gas Protocol, and initiative of the World Business Council for Sustainable Development and the World Resources Institute. In addition, Triodos Bank has comprehensive reporting on its direct CO2 emissions and its annual report.

In addition to being carbon neutral itself for many years, Triodos Bank also proactively invested through its Venture Capital Funds as launching shareholder in companies that promote and supply carbon neutral services. One of the investments is in Carbon Neutral Company Inc.

Before any decision is made about outsourcing services or procuring materials, external suppliers are assessed according to social and environmental criteria. This assessment is made according to the Bank's sustainability criteria. All the Bank's suppliers, from caterers to building maintenance services, are expected to possess the necessary permits, use environmentally friendly resources and dispose of any waste materials responsibly. Energy-efficient criteria are used to inform decisions about buying products such as computers and printers. Consumer goods and paper products are audited for sustainable production and minimum environmental impact. For example all Triodos Bank stationery, brochures, letters, folders, publications, and other corporate documents are printed using environmental considerations, such as Bio-top ecological paper and inks.

Consideration for people and the environment has also been incorporated into the design, energy concept and use of materials for both Triodos Bank buildings in The Netherlands. The materials and products used for construction were subject to stringent environmental testing. The buildings were produced in exclusively durable materials, and are at the same time extremely energy-efficient. This has resulted in one of the lowest energy-consuming buildings in the Netherlands.

Other (optional): Please provide additional details as appropriate.

YES/NO / N/A

(OPTIONAL) WHY SHOULD YOUR INSTITUTION WIN THIS AWARD?

Please provide up to three reasons why your institution should win the Sustainable Bank of the Year Award for 2009. (4 pages maximum)

Triodos Bank is the world's leading sustainable bank. For us, sustainability isn't part of what we do, but the core value underpinning our work. Sustainability isn't just an add on, it's part of our DNA. The Bank is a working example of sustainable banking in practice, demonstrating that it is possible for a bank to make a positive social and environmental contribution while remaining a stable, profitable and commercial bank.

Triodos Bank has a very different approach to finance, putting people and the planet alongside profit. We look at whether an organisation meets sustainability criteria in terms of its impact on society and the environment. We also consider the ideals and motivation of the people behind the organisation. Only once these wider benefits and beliefs have been established do we consider whether the organisation is sustainable financially and commercially as well.

This greater level of engagement with the organisations we lend to has wider benefits to the bank and helps protect the funds entrusted with us. Because we are so deeply involved with our customers and their sectors and have developed genuine sector expertise – we have pioneered finance in sectors including renewable energy and micro finance - we have been able to understand our asset base and risks well which enhances our risk management. Many in the banking sector have become distant from their asset bases which we have seen can lead to many problems.

Our commitment to lend exclusively to organisations with a social or environmental benefit means that our customers operate in the Real Economy. We don't invest in sub-prime markets, or in abstract vehicles such as derivatives. All our borrowing customers are all engaged in products and services that are of clear value to people and the world.

Triodos has a genuine commitment to transparency. It shows that it is possible to be open about your investments and still prosper; encourages others to become more transparent; it promotes mutual trust between stakeholders and it empowers individuals to make well informed, conscious decisions.

The recent turmoil that's hit the financial markets has demonstrated some of the inherently unsustainable elements at the heart of the financial markets, and created a wave of public interest in alternatives. In these uncertain times it's more important than ever for these Awards to reward institutions that are making a genuine contribution to a more sustainable society, who are pioneering almost 30 years a new approach to banking that have a real commitment to sustainability at its core. Triodos Bank provides a clear example of thought leadership in sustainable banking, and as a thriving example of sustainable banking in practice, demonstrates just what is possible if a clear commitment is made to a more sustainable world.
