

Triodos  Bank

Annual Report 2020

1.5 Co-worker report

Triodos Bank is not just an organisation, it is part of a growing community with a shared sense of mission. Clients, businesses, investors, and co-workers are all connected through a shared belief in a more sustainable society. The members of our co-worker community are ambassadors for that mission. Each of us made a conscious decision to work for Triodos Bank and to contribute to the change we want to see in the world. Our co-workers are the head, heart and hands that are realising our ambition.

The year 2020 has brought major shifts in the way we work and live together. The onset of COVID-19 has not just affected our health and our livelihoods, it has had profound cultural effects, altering how we engage with each other and changing our ways of working. At the same time, the Black Lives Matter movement added

urgency to the calls to address injustices that are still part of modern-day society.

These challenges have shown the strength of our co-worker community. Co-workers adapted to new ways of working and remained connected while meeting customer needs and achieving many of our strategic objectives.

In 2021, we will further embed the changes that have already started and will continue to adapt to the COVID-19 pandemic (and post-pandemic) reality.

The following table provides a summary of progress against the prospects identified in the 2019 annual report. The content in this table is explored in more depth in the text that follows.

Our key objectives for 2020	How we did	Progress at a glance
Organisational culture programme		
Organisational culture is further embedded and anchored throughout the organisation	The cultural narrative has been finalised. Workshops have been provided but were paused due to COVID-19.	● ● ○
Action plans stimulated by the co-worker survey will be monitored and implemented	The action plans set up within each business unit in 2019 have been monitored and actions included in these plans were followed up locally.	● ● ●
Leadership approach will be strengthened and translated into the leadership development curriculum	An overall approach to leadership development was defined and Group leadership development programmes reviewed to incorporate this approach.	● ○ ○
A revised and harmonised appraisal process will be introduced	The organisation will shift to a continuous feedback model. As a first step FLOW (feedback, learning, objectives and well-being) dialogue training has been piloted at all entities.	● ● ○
Learning Organisation		
Implement a learning management system to provide an overview of online and offline learning opportunities across Triodos Bank	The Learning Hub has been designed and technical integration set up. It is ready for roll-out in 2021.	● ● ○

Our key objectives for 2020	How we did	Progress at a glance
Continue to enable co-workers to connect with the essence and mission	Co-workers have been invited to participate in virtual dialogue on the Triodos Bank motto. Locally business units have taken distinct initiatives e.g. to organise more extensive (virtual) induction programmes (TBNL and TBUK), spending time in the Monday Morning Meetings on connecting with our essence (HO, TBDE, TBNL, TBUK) and continued roll-out of Reflection Days (TBBE and TBUK).	●●○
Broaden learning and development opportunities available for all co-workers.	Many existing in-person offerings were cancelled due to COVID-19. Virtual workshops and alternatives have been offered across Triodos Group to all co-workers.	●●○

●●● Met ●●○ Mostly met ●○○ Partially met ○○○ Not met

Organisational changes

The low interest rate environment and growing regulatory demands are expected to continue for a longer period. Given this context, Triodos Bank has decided not to make the large investment required to establish a banking branch in France and has closed the intermediary office in Paris.

In response to the increasing complexity and demands regarding law and regulation, teams dealing directly with these topics (Compliance, Risk, Customer Due Diligence, Customer Activity Monitoring and Fraud) have seen an increase in the number of co-workers and / or restructuring at Head Office, Belgium, The Netherlands, Investment Management.

There were important changes in senior leadership in parts of the organisation during the year. In September, Pauline Bieringa was appointed as Managing Director Triodos Bank Netherlands. She follows in the footsteps of Matthijs Bierman, who has left to start a new chapter in his life as a professional legal mediator after 24 years at Triodos Bank.

The Supervisory Board of Triodos Bank has appointed André Haag as Chief Financial Officer (CFO) and a member of the Executive Board of Triodos Bank. André started on 1 January 2020.

On 22 September we announced that our CEO, Peter Blom, has decided to step down from his role, having worked at Triodos Bank for forty years. He will leave the bank at the end of this year's AGM, on 21 May 2021. On 9 February 2021 Triodos Bank announced the decision of Jellie Banga to step down from her role as Vice-Chair of the Executive Board and Chief Operating Officer (COO), effective 1 May 2021. In reviewing the scope of Jellie's role, it has been decided to split her role into a COO role – focusing on the operating side of the bank – and a Chief Commercial Officer (CCO) role – focusing on the commercial side of the bank. This brings the total number of Executive Board members to five. The Supervisory Board has initiated the recruitment process for both the COO and the CCO roles.

Flexible working

We had almost completed implementing Workplace 2020, which involved providing laptops to all co-workers to enable flexible working across our Group, when the first COVID-19 measures were announced. Since then, we have taken significant steps to move to full remote working. This included ensuring our customer support centres had the resources to work effectively from home. We all learned how to make effective use of online meeting applications and developed new ways of working together.

Group-wide policies have been established and adapted locally to support remote working and

initiatives have been set up to ensure home offices meet health and safety requirements.

Overall, our digital experience last year has strengthened the case for flexible working in future. In our response to COVID-19 we have discovered how we are capable of working fully digitally. The pandemic enforced limitations on our operations, but this has also helped to fast-track digitalisation. And we have been able to learn from the different ways our various entities have managed the specific restrictions imposed by each country.

From the co-worker survey and dialogues we held on remote working we learned that the shift to remote working has come with both challenges and opportunities and is experienced differently according to individual circumstances. Many of us miss the social interaction of working in person at the office. Some find there is less space for creativity or struggle with managing work-life balance. Many of us also experienced the upside of working digitally. Most notably, we are building stronger international links with colleagues as distance is no longer a barrier to collaboration. The reduction in commuting and travel time and the lower associated emissions are also widely welcomed.

Co-worker experience

There are practical implications when co-workers work remotely, but how we work and connect with others also has an impact on mental health. Maintaining active communication channels between co-workers was a priority last year.

Structural communications have been set up to support co-workers remotely, including the launch of internal Engage (intranet) spaces with tips and tricks and the conversion of our Monday Morning Meetings to virtual sessions (with more colleagues able to engage than in a physical meeting). Co-workers have been creative in connecting with each other in virtual meetings and socially, at digital coffee breaks, in pub quizzes and by allocating timeslots for exercising together.

Our COVID-19 engagement survey conducted across the Group confirmed that these initiatives are positively received by co-workers. In the same survey co-workers also scored the support they experienced highly on performance enablement and business continuity.

Working efficiently

Triodos Bank aims to be adaptive, work efficiently and be ready to face any future challenges. For the past two years we have been working in multidisciplinary domain teams around specific themes. These teams handle all changes for a certain business area, including product portfolio, customer journey, processes and IT. They are focused on delivering business value for customer demands in an agile way. Domain teams are a collaboration between relevant disciplines and business units. They can consist of multiple change teams that combine all competencies from the different disciplines needed to handle the challenge at hand. Domain teams are stable for at least two years, but not permanent.

Domain teams now work according to the One Bank principle: developing standardised (Group) processes and solutions, taking account of local differences in market, product range and legislation. The first initiatives focused primarily on IT developments, but we are now seeing a shift to a broader change story. Intensive cooperation within domains has led to more collaboration and exchange, especially internationally.

The lending, retail and customer integrity processes developed further this year. This resulted in better experience and more efficiency for both co-workers and customers.

The multidisciplinary nature of the collaboration, both within and between business units, has been a positive feature of this new way of working. Working on standardised solutions that meet business needs, is combining our human capabilities more effectively. Domain-based working makes better use of individual talents and strengths within these teams.

Learning organisation

Learning and development have always been important to Triodos Bank. We emphasise this is not just to increase our formal knowledge and skills, but to underpin our strategic ambitions. Exchanging ideas, envisioning our shared future and developing our craftsmanship can all help in truly unlocking the purpose of our organisation.

As human interaction plays an important role in all our learning initiatives, many of these were initially cancelled when COVID-19 measures were announced. Once it became clear the COVID-19 measures would be in place for a longer period, we made the shift to digital initiatives. Virtual workshops were held for and by colleagues on a variety of subjects allowing co-workers from all countries to participate. Both the Summer School of the ISB and the GABV Leadership Academy were held digitally.

With most individual enrolments in training courses put on hold, some co-workers opted for digital alternatives. However, overall, we saw a decline in training spend, both in financial terms and in terms of time invested. At a local level, all co-workers receive regular performance and career development reviews.

To strengthen our learning capability, we prepared for the roll-out of a new learning management system (Learning Hub). The Learning Hub will further reinforce our learning culture by offering an overview of all learning opportunities across our Group, enabling online, blended and in-person learning initiatives.

Responsible employer

Diversity and inclusion

There were urgent calls for more diversity and inclusion in society in 2020. The Black Lives Matter movement and protests against discrimination highlighted an unjust system and the need to deconstruct and rebuild. The movement also stimulated conversations within our organisation about diversity, inclusion and equality. Additionally, it raised questions about our culture and biases.

To create a society that promotes people's quality of life and has human dignity at its core, we must be aware of our own (unconscious) prejudices and how they are expressed in our culture and behaviour. The growing sense of urgency in society is matched in our organisation.

Co-workers and senior management are committed to work to determine blind spots or unconscious bias. Additionally, they feel an urgency to act to increase diversity and work on a more inclusive culture.

During 2020, with the input of our senior leadership we shaped our ambition to be a more diverse and inclusive organisation. A Diversity and Inclusion Officer was appointed in December 2020. In The Netherlands, we have signed the Diversity Charter (see diversiteitinbedrijf.nl). We regularly report and take soundings on diversity and inclusion at stakeholder meetings. Diversity and inclusion will remain high on our list of priorities in 2021.

Well-being

The physical safety and mental well-being of co-workers are of prime concern. Special attention was paid to ensuring our people can work from home in a good and healthy way. As the period of obligatory remote working has lasted longer, we have paid more attention to co-workers' mental well-being.

Co-workers and managers have been supported locally with newsletters, individual support, tips and tricks, and workshops on different themes related to remote working. These included subjects such as staying connected with colleagues, coaching, resilience, team cohesion, yoga and preserving a healthy workplace.

Overall, our sickness rate has decreased since last year to 3.7% (2019: 4.3%), although there were a number of COVID-19 cases. This downward trend on illnesses is consistent with the experience of other organisations. This might be due to the fact that co-workers are less susceptible to other diseases while at home. Equally it may be because they continue to work, despite feeling slightly ill as they do not have to commute, have

no concerns about infecting others and can be more flexible in their working hours.

Prospects for 2021

2021 brings many uncertainties that directly impact each and every one of us, our business results and community. The impact of COVID-19 on the economic climate, the actions that will be taken to become a more inclusive society, the longer-term impact of social distancing on our well-being and the increasing pressure of rules and legislation will all influence how we work as an organisation.

What is certain is that agility will be expected from all of us. We will need to learn and improve continuously, retain our focus, and deliver results. Digitalisation is here to stay as is our mission and our ambition to become a frontrunner.

Even after the COVID-19 measures have lessened, Triodos Bank co-workers will continue to work partially from home. We will retain to an extent the virtual way of working we experienced in 2020, allowing for more flexibility in where and when we work, creating opportunities for more cross-border collaboration, reducing office costs and lowering CO₂ emissions. This longer-term, hybrid way of working enables us to have more focused and efficient meetings virtually, while having in-person encounters where creativity, connection and networking are key.

As a consequence, the bank will concentrate activities in The Netherlands in the new office De Reehorst in Driebergen. In Spain, we decided to rent out one of our two head office buildings in Madrid. An approach will be defined to support co-workers and manager in this new way of flexible working, taking into account the role of leadership, diversity and inclusion, behaviours and the Make Change Work themes.

Human connection and dialogue between colleagues and between co-workers and managers are reflected in FLOW-dialogues (feedback, learning, objectives and well-being). FLOW empowers co-workers in the continuous feedback cycle and will be embedded within

all teams across all levels of our organisation and by each colleague.

To better understand people's lives in the organisation, an international survey will be conducted in 2021 focusing on diversity and inclusion. A diverse group of co-workers is being brought together to act as a sounding board and validate our approach. A vision paper will be created to establish a common understanding of diversity and inclusion and the goals we want to pursue as Triodos Bank. This vision paper will be an important reference as we progress our policies and work practices.

Our learning organisation will be reinforced by the implementation of the Learning Hub (Learning Management System) across the group, to provide transparency about learning opportunities and to support the establishment of the 'licence to operate' (covering most mandatory training) and functional curricula across our organisation.