Annual Report
2022

Triodos Bank

Other information

Profit appropriation

The appropriation of profit as set in the articles of association is presented under note 18 Equity on page 195.

The appropriation of profit in the Articles of Association is as follows:

Part of the profit as reported in the adopted profit or 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.

Banking entities

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

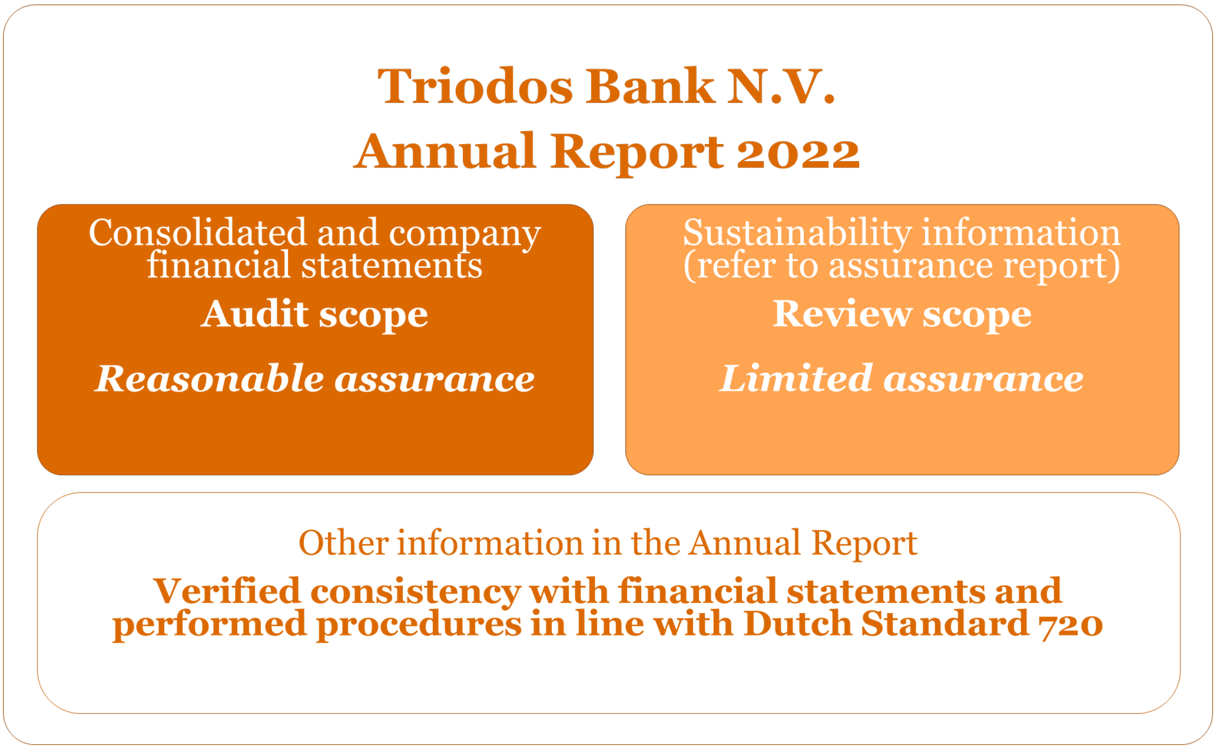
Combined independent auditor’s and assurance report

General

The purpose of Triodos Bank N.V. (‘the Bank’), as disclosed in the annual report on page 11, is to connect depositors and investors with socially responsible businesses to build a movement for a sustainable, socially inclusive society, built on the conscious use of money. This purpose makes that customers and other stakeholders are interested in more than just the financial performance of the Bank.

Our assurance procedures consisted of an audit of the annual accounts (‘the financial statements’) of Triodos Bank N.V. and limited assurance procedures (review procedures) over the sustainability information in the Bank’s annual report.

Our scope can be summarised as follows:



Independent auditor’s report

To: the general meeting and the supervisory board of Triodos Bank N.V.

Report on the financial statements 2022

Our opinion

In our opinion:

- the consolidated financial statements of Triodos Bank N.V., together with its subsidiaries (‘the Group’) give a true and fair view of the financial position of the Group as at 31 December 2022 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (‘EU-IFRS’) and with Part 9 of Book 2 of the Dutch Civil Code; and
- the parent company financial statements of Triodos Bank N.V., (‘the Bank’) give a true and fair view of the financial position of the Bank as at 31 December 2022 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited
We have audited the accompanying financial statements 2022 of Triodos Bank N.V., Driebergen-Rijsenburg. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated balance sheet as at 31 December 2022;
- the following statements for 2022: the consolidated profit and loss account, the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes to the consolidated financial statements, comprising a summary of the significant accounting policies and other explanatory information.

The parent company financial statements comprise:

- the parent company balance sheet as at 31 December 2022;
- the parent company profit or loss account for the year then ended;
- the parent company statement of changes in equity; and
- the notes to the parent company financial statements, comprising the accounting policies and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 Book 2 of the Dutch Civil Code for the parent company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

Independence
We are independent of Triodos Bank N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, like our findings and observations related to individual key audit matters, the audit approach on fraud risk and the audit approach on going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Overview and context
Triodos Bank N.V. is a bank which operates on the basis of adding cultural value and benefiting people and the environment. The Group operates in Europe and the United Kingdom and is comprised of several components (refer to the consolidation principles on page 147 of the financial statements for an overview of the companies and branches included in the consolidation), therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'. Through these components, the Bank primarily offers retail and business banking as well as investment management services.

Over the past year, several important decisions have been taken concerning the 'organisation in transition' and way forward but full and due execution may not be without challenges. This transition seeks to improve the efficiency of the Bank on multiple levels and boost profitability on the longer term and includes several topics. The topics relevant for our audit were the listing of the Bank's depository receipts on a Multilateral Trading Facility ('MTF'), which is now scheduled for Q2 2023, the intention for optimisation of resources under the Target Operating Model ('TOM') and the several important changes in the leadership of Triodos Bank at all levels in a relatively short period of time. As also described in the section 'Risk management' in the financial statements and 'an organisation in transition' in the annual report there has been significant, formal and informal, communication and interaction with DR holders. This has also been further explained in note 19 of the 'off-balance sheet liabilities'. These developments at the Bank have affected our risk assessment, approach and audit procedures as set out in the section 'Key audit matters' and also resulted in this year's key audit matter 'organisation in transition.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the executive board made important judgments, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In the section ‘Critical judgements and estimates’ of the financial statements, the Bank describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Of the estimates and judgements mentioned in this section, we considered the allowance for expected credit losses on loans and advances to customers, given the complexity of the models and their assessment of the (un)suitability in the current environment as key audit matter as set out in the section ‘Key audit matters’ of this report. In line with the previous year we also raised the valuation of level 2 and level 3 financial instruments as a key audit matter as set out in the section ‘Key audit matters’ of this report. The reason to include the valuation of level 2 and level 3 financial instruments as well as the topic ‘An organisation in transition’ as key audit matters is driven primarily due to the increased complexity and attention for the various topics included in this subject such as, but not limited to, (macro and micro) hedge accounting and the litigation regarding DR. The elevated economic uncertainty combined with the persisting interest rate rises, deteriorating economic forecasts and intensified inflationary pressures have heightened the estimation uncertainty for estimates and judgements made by the Bank, specifically towards predicting relationships between macroeconomic variables and key parameters applied to data inputs (due to inherent limitations of the models) on its loan portfolios. This also drives the requirement for Triodos to continuously assess the sector sensitivities and adjustments within the model to capture economic uncertainty on a more micro economic level.

As part of the Triodos Bank’s mission, environmental impact is an important topic for the Group. This is also evidenced by the Group’s ambition to be climate neutral by 2035, as further explained in the executive board report. In the section 1.6 ‘Risk and compliance’ of the executive board report and the paragraph ‘strategic risk’ in the ‘Risk management’ section of the financial statements the Group explains the possible effects of climate change in particular on its loan portfolios. We discussed the Group’s assessment and governance thereof with the executive board and evaluated the potential impact on the underlying assumptions and estimates in respect of the expected credit losses of loans and advances to customers. Considering the limited impact on the current financial position, the impact of climate change is not considered a separate key audit matter but is taken into account as part of the key audit matter on expected credit losses on loans and advances to customers. It is noteworthy that the impact of climate change is still difficult to reliably calculate and requires further developments for which Triodos should further prepare for.

Other areas of focus that were not considered as key audit matters were for example revenue recognition, management override of controls, reliability and continuity of IT systems and compliance with laws and regulation. Though these are areas of focus in our audit, they were not the matters of most significance in the audit of the financial statements of the current period.

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for the audit of a bank and investment manager. We therefore included experts and specialists in the areas of amongst others IT, taxation, as well as experts in the areas of valuation and credit modelling in our team.

The outline of our audit approach was as follows:

Materiality
- Overall materiality: EUR 4.1 million.

Audit scope
- We conducted audit work on Triodos Bank N.V.'s head office activities (hereafter: head office), four of its branches, Triodos Bank UK Ltd. and Triodos Investment Management B.V.
- Site visits were conducted to Spain and the United Kingdom
- We attended the closing meetings of head office, the four branches, Triodos Bank UK Ltd. and Triodos Investment Management B.V. via video conferencing. In addition, we remotely reviewed selected working papers of our component auditors.
- Audit coverage: 100% of consolidated total income, 100% of consolidated total assets and 99% of consolidated profit before tax.

Key audit matters
- Allowance for expected credit losses on loans and advances to customers
- Fair value measurement of level 2 and level 3 financial instruments
- Organisation in transition

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	EUR 4.1 million (2021: EUR 3.1 million).
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 0.33% of total equity (prior year: 0.25% of total equity).
Rationale for benchmark applied	We used equity as the primary benchmark, a commonly used alternative benchmark in the banking industry, based on our analysis of the common information needs of the users of the financial statements. We have applied this benchmark, as in prior year, on the basis of the increased attention of stakeholders in Triodos Bank's capital strategy. To ensure we determined an appropriate level of materiality, we assessed this benchmark against other benchmarks such as: total income, profit before tax and total assets. We used our professional judgement to determine overall materiality. We note that we will increase the rule of thumb by 0.08% to 0.33%. There are standard ranges of percentages to be used for each benchmark (as best practices). The rationale

	for such an adjustment to the rule of thumb lies in the growth in the business (to list a few: Green Bond issuance, the growth in the sustainable loan portfolio), and the cumulative audit knowledge since our first appointment. Our proposal is also benchmarked and brought more in line with generally accepted practice. Based on the threshold of 0.33% of total equity, we consider EUR 4.1 million to be the appropriate overall materiality level.
Component materiality	To each component in our audit scope, we, based on our judgement, allocated materiality that is less than our overall group materiality. The range of materiality allocated across components was between EUR 900 thousand and EUR 3.9 million.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above EUR 207 thousand (2021: EUR 155 thousand) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons. For balance sheet only reclassifications, we agreed with the Group's supervisory board to report on misstatements above EUR 7.9 million (2021: EUR 8.2 million).

The scope of our group audit
Triodos Bank N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Triodos Bank N.V.

We tailored the scope of our audit to ensure that we, in aggregate, provide sufficient coverage of the financial statements for us to be able to give an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of operations of its components, the accounting processes and controls, and the markets in which the components of the Group operate. In establishing the overall group audit strategy and plan, we determined the type of work required to be performed at component level by the group engagement team and by each component auditor.

In determining the scope of the group audit, we assessed the components that are individually financially significant to the Group (i.e., significant component), specifically: head office, three branches (The Netherlands, Belgium, and Spain), Triodos Bank UK Ltd. and Triodos Investment Management B.V. We subjected these six components to audits of their complete financial information (full scope audit).

Additionally, we have discussed and agreed with the executive and supervisory board to have the branch in Germany in full scope audit in 2022. Although this branch is financially not material based on our scoping considerations, we discussed and agreed to build an element of unpredictability in our audit and have full scope procedures being performed in 2022, compared to the review procedures in the prior year.

In total, in performing these procedures, we achieved the following coverage:

Total income	100%
Total assets	100%
Profit before tax	99%

For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work for the head office and the Dutch branch. For Triodos Investment Management B.V. we used a component auditor in the Netherlands. For the other branches and Triodos Bank UK Ltd., we used component auditors who are familiar with the local laws and regulations to perform the audit work. All components in scope for group reporting are audited by PwC member firms.

Where component auditors performed the work, we determined the level of involvement we needed to have in their work to be able to conclude whether we had obtained sufficient and appropriate audit evidence as a basis for our opinion on the consolidated financial statements as a whole.

We issued instructions to the component audit teams in our audit scope. These instructions included amongst others our risk analysis, materiality and the scope of the work. We explained to the component audit teams the structure of the Group, the main developments that were relevant for the component auditors, the risks identified, the materiality levels to be applied and our global audit approach.

We had individual calls with each of the in-scope component audit teams both during the year and upon conclusion of their work. During these calls, we discussed the significant accounting and audit issues identified by the component auditors, their reports, the findings of their procedures and other matters that could be of relevance for the consolidated financial statements. In addition, we remotely reviewed a selection of working papers of our component auditors. During the virtual closing meetings with local management and the component auditors, we discussed the strategy and financial performance of the local businesses, as well as the audit plan and execution, significant risks and other relevant audit topics and findings.

Based on the lifting of travelling restrictions that were in place due to COVID, the group engagement team planned visits to the component teams and local management on a rotational basis. In the current year, the group audit team visited the Spanish branch component as well as visiting Triodos Bank UK Ltd. operating location. During these visits we held in-person meetings with representatives of local management and with our component teams. For each of the in-scope locations we physically reviewed selected working papers of the respective component auditors.

The group engagement team performed the audit work on the group consolidation, financial statements disclosures and a number of more complex items and topics at the head office as these are performed centrally. These included amongst others derivative financial instruments, hedge accounting, impairment of loans and advances to customers (stage 1 and 2), TLTRO and the target operating model (TOM) restructuring provision.

Given the importance of the judgements involved in the litigation and claims regarding the suspension of the DR trade, the component auditor of the Spanish branch and the group engagement team were in close contact throughout the year about the findings of their procedures and other matters of relevance for the consolidated financial statements.

Banks in general depend on an effective and efficient information technology (‘IT’) environment. We engaged our IT specialists to assist us in assessing, for the purpose and to the extent relevant for our audit, the information technology general controls (‘ITGCs’) within the Group. This includes the policies and procedures used by the Group to ensure IT operates as intended and provides reliable data for financial reporting purposes. Furthermore, our IT specialists supported us in our key report testing and application controls testing.

We tailored our approach towards the fact that the Group operates an in-house developed IT system as well as off-the-shelf IT systems throughout the Group.

By performing the procedures outlined above at the components, combined with additional procedures exercised at group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the internal control system. This included the executive board's risk assessment process, the executive board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to the paragraph 'fraud risk' in the risk management section of the financial statements and in section 1.6 'risk and compliance' of the executive board report on how the risk of fraud is managed and mitigated by the Bank.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We conducted interviews with members of the executive board, the supervisory board and with others within the Bank, including internal audit, operational risk management and compliance, to obtain an understanding of the Bank's fraud risk assessment and of the processes for identifying and responding to the risks of fraud and the internal controls that the executive board has established to mitigate these risks.

As described in the auditing standards, management override of controls and risk of fraud in revenue recognition are presumed risks of fraud. Inherently, management of a company is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We addressed this risk of management override of controls, including evaluating whether there was evidence of bias in management's estimates and judgements that may represent a risk of material misstatement due to fraud (we refer in this respect to the key audit matters 'allowance for expected credit losses of loans and advances to customers').

The audit procedures to respond to the assessed risks include, amongst others, evaluation of the design and the implementation of internal controls that intend to mitigate fraud risks, assessing the Group's code of conduct, whistle-blower procedures and incident registration, back-testing of prior year's estimates, and procedures on unexpected journal entries with the support of data analytics. Furthermore, we paid attention to significant transactions outside the normal course of business.

With regards to the risk of fraud in revenue recognition, based on our risk assessment procedures, we concluded that this risk is related to revenue recognition in areas that are more complex, non systematic or manual in nature such as fee and commission income. We instructed our component auditors to perform procedures over this risk, including evaluation of the design and implementation of relevant internal controls, and procedures over revenue recognition such as test of details of fees and commissions, to ensure that the income recorded is accurate and had occurred.

We incorporated an element of unpredictability in our audit. We also reviewed a selection of lawyer's letters and correspondence with regulators. During the audit we remained alert to indications of fraud. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Our procedures did not lead to indications for fraud potentially resulting in material misstatements in the context of our financial statements audit.

Audit approach with respect to non-compliance with laws and regulations
There is an industry risk that emerging compliance areas have not been identified and/or addressed by the executive board for financial statement purposes. This includes the consideration whether there is a need for the recognition of a provision or a contingent liability disclosure on the future outcome of legal or regulatory processes.

The primary responsibility for the prevention and the detection of non-compliance with laws and regulations lies with the executive board with the oversight of the supervisory board.

The objectives of our audit with respect to non-compliance with laws and regulations are:
- to identify and assess the risk of material misstatement of the financial statements due to non compliance with laws and regulations; and
- to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error when considering the applicable legal and regulatory framework.

In line with Dutch Standard 250 we made in our audit approach a distinction between those laws and regulations that:
- have a direct effect on the determination of material amounts and disclosures in the financial statements. For this category we obtained amongst others audit evidence regarding compliance with the provision of those laws and regulations; and
- do not have a direct effect on the determination of material amounts and disclosures in the financial statements, but where compliance may be fundamental to the operating aspects of the business. Those include amongst others the Bank's ability to continue its business or to avoid material penalties (e.g. Anti-money laundering and anti-terrorist financing act (Wwft)). For this category, we inquired with members of the executive board, the supervisory board and the compliance department as to whether the Bank is compliant with such laws and regulations and inspected correspondence, if any, with relevant licensing and regulatory authorities.

Audit approach going concern
As disclosed in the paragraph 'statement of compliance' in the notes to the consolidated financial statements, the executive board performed their assessment of the Group's ability to continue as a going concern for the foreseeable future and has not identified events or conditions that may cast significant doubt on the Group's ability to continue as a going concern (hereafter: going-concern risks).

The executive board performed their assessment of the Bank's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks).

We evaluated the executive board's assessment of the Group's ability to continue as a going concern. In doing so, we amongst others:
- considered whether the executive board's going concern assessment includes all relevant information of which we are aware as a result of our audit procedures, including the suspension of the trade in depository receipts and the associated litigation and claim risk, and inquiring with the executive board regarding the executive board's most important assumptions underlying its going concern assessment, including the capital and liquidity contingency scenarios.

- read correspondence with the relevant regulators with regards to regulatory capital and liquidity requirements of the Group, as well as other correspondence such as the findings of the DNB's Supervisory Review and Evaluation Process (SREP) which determines the Group's required Regulatory ratios.
- consulted directly with the relevant regulatory body in the context of the audit, among others about the transition of the Bank. Refer also to the section 'Key audit matters' below.
- evaluated the developments in respect of funding, liquidity and solvency of the Group and, where applicable, assessed these in the context of the prudential requirements imposed by the Dutch Central Bank;
- evaluated the Bank's medium-term planning and budget process 2023-2025 (, specifically for the next twelve months);
- analysed whether the current and the required liquidity has been secured to enable the continuation of the Bank's compliance with relevant prudential requirements;
- considered the results of our (other) risk assessment procedures and related activities performed to identify events or conditions that may cast significant doubt on the Group's ability to continue as a going concern;
- gained an understanding and evaluated the Group's financial position and stress testing of liquidity and regulatory capital requirements (as outlined in the Bank's recovery plan 2022), including the severity of the stress scenarios that were applied.
- evaluated the adequacy of the disclosures in paragraph 'statement of compliance' to the financial statements in relation to going concern; and
- performed inquiries of the executive board as to its knowledge of going concern risks beyond the period of the executive board's assessment.

Our procedures did not result in conclusions contrary to the executive board's assumptions and judgements used in the application of the going concern assumption.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

We addressed the key audit matters in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide separate opinions on these matters or on specific elements of the financial statements. Any comment or observation we made on the results of our procedures should be read in this context.

We note that our key audit matter 'allowance for expected credit losses of loans and advances to customers' and 'Fair value measurement of level 2 and level 3 financial instruments' are recurring as it relates to the Group's primary business processes and objectives and is therefore expected to occur every year. The developments linked to the KAM 'An organisation in transition', regarding DR litigation, TOM project and outlooks and all the judgements and estimates involved received attention from the bank, which considerably affected our risk assessment, approach, scope and execution in 2022. These are described in more detail in the individual key audit matters below.

Key audit matter

Allowance for expected credit losses on loans and advances to customers

Refer to paragraphs 'Critical judgement and estimate related to ECL' and 'Financial instruments', of the accounting policies section, note 3 'Loans and advances to customers' and paragraph 'Credit risk' as part of 'Financial risk' in the Risk management section of the financial statements.

As at 31 December 2022, the gross loans and advances to customers amount to EUR 10.671 million (2021: EUR 10.217 million) and the total allowance for expected credit losses ('ECL') amounts to EUR 51.22 million (2021: EUR 48,.8 million).

In accordance with the requirements of IFRS 9 'Financial instruments', the Bank applies a three-stage expected credit loss impairment model:

- stage 1: for assets that have not had a significant increase in credit risk ('SICR') since initial recognition, 12-month ECLs are recognised;
- stage 2: for assets that have experienced a SICR since initial recognition, but that do not have objective evidence of impairment, lifetime ECLs are recognised; and
- stage 3: for assets that have objective evidence of impairment at the reporting date, lifetime ECLs are recognised.

The Bank has two different models. One for business loans and one for mortgage loans, based on the differences in characteristics. For business loans, the lifetime ECL in stage 3 is determined on a loan-by-loan basis. As at 31 December 2022, the business loans represented a gross carrying amount of EUR 6.5 billion (2021: EUR 6.5 billion) (allowance for ECL of EUR 49.8 million (2021: EUR 47.9 million)), the mortgage loans represented a gross carrying amount of EUR 4.5 billion (2021: EUR 3.6 billion) (allowance for ECL of EUR 1.4 million (2021: EUR 1.1 million))

Our audit work and observations

Control environment

Our audit procedures over the allowance for expected credit losses for loans and advances to customers started with gaining an understanding of the Group's internal controls over the credit risk management and impairment processes.

We evaluated the governance framework over the development, periodic validation and calibration of the ECL models.

We evaluated the design and tested the operating effectiveness of the Group's key controls in the following areas:

- the loan origination and administration process both for mortgages and business lending;
- the internal credit rating system;
- the methodology in measuring and determining SICR; and
- the review and approval process that management has in place for timely, accurate and complete determination of stage 3 loan-by-loan ECL allowances.

We determined that we could rely on these controls for the purpose of our audit.

Assessment of model-based ECL (stage 1 and 2)

With support of our internal credit modelling experts, we performed the following procedures on the model-based ECL as at 31 December 2022:

- evaluation of the reasonableness of the applied model methodology (including the assumptions regarding PD, LGD and EAD, applied criteria for SICR, assumptions for the measurement of ECL, and the number and relative weightings of forward-looking scenarios) in line with EU-IFRS and market practice;
- evaluation of the applied definition of default and assessing the conceptual soundness of the approach;
- evaluation of the macroeconomic scenarios and macroeconomic variables applied by challenging these with observable market data;
- testing the input data and data lineage in respect of the critical data elements and a reconciliation of a sample of input data to the source systems;

Key audit matter

As the executive board considers the impact of climate risk to be limited on the Group's loan portfolio, the current models do not specifically measure or quantify the impact of risk resulting from transitional or physical climate change impact into the credit risk provisions.

Model methodology and inputs (stage 1 and 2)

In the models the Bank utilises amongst others the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). For the definition of these variables, refer to note 'Impairment of financial assets' on page 151 of the financial statements. The critical data elements as input for these models are retrieved from the core banking source systems. Next to these elements, three global macroeconomic scenarios (base, upside and downside) are incorporated into the models and the probability of the scenarios is weighted in order to determine the expected credit losses.

When data limitations or other inherent model limitations are identified, expert judgement is applied to the model inputs.

Stage 3 ECL allowance

For each individually credit-impaired business loan the Group determines an impairment allowance based on management's most likely scenarios considering assumptions and data like timely identification of impairment triggers, expected future cash flows, discount rates and the value and recoverability of the corresponding collateral. The recorded ECL is the probability weighted average of the different identified scenarios.

Judgements and estimation uncertainty

The judgements and estimation uncertainty in the allowance for expected credit losses for loans and advances to customers are primarily linked to the following aspects:
- determining criteria for SICR;
- establishing the number and relative weightings of (forward-looking) scenarios;

Our audit work and observations

- challenging management on the reasonableness of their provided explanations and evidence supporting the key model parameters by benchmarking them to other market participants; and
- partial re-performance of the model assessment procedures performed by the model developers focusing on the more significant tests such as back-testing procedures on PD and EAD.

We challenged management on the implications of the geopolitical tensions and the persisting interest rates rises on the ECL models by performing the following:
- enquiries with group and local management, central and local credit risk managers, asset & liability management and modelling department, and group and local finance and control departments;
- we verified whether changes were needed and whether appropriate changes were made to models, underlying assumptions and/or staging policy following the implications of the macroeconomic environment as a whole; and
- we assessed the sensitivity analysis performed by management related to, amongst others, the applied macroeconomic forecasts.

We paid attention to the potential impact of physical and transition climate-related risks on the allowance for expected credit losses. In this context, we assessed stress tests and self-assessments performed by management including the evaluation of the risk and any risk mitigating measures present within the Group. Given the strategy of the Group and composition of the loan portfolio as at 31 December 2022 the impact of physical and transition climate-related risks currently have no material impact on the measurement of the loans and advances to customers.

Key audit matter	*Our audit work and observations*
• establishing the number and relative weightings of (forward-looking) recovery scenarios for individually assessed credit-impaired loans; • predicting relationships between macroeconomic variables and credit risk and credit losses for each sector; • the determination of the future cash flows based on the appropriate use of key parameters (such as forward-looking information) and the valuation of the recoverable collateral; and • the determination of sector specific exposures as vulnerable to macro-economic events and assumed the implications of this in the ECL models (macroeconomic scenarios and predictions, model performance, etc.). The complexity of the models, the assessment of the (un)suitability of the models in the current high inflationary environment and persisting interest rates rises, the significance of the assumptions applied and judgements made by management and the assumed SICR for specific sectors exposures in the form of sector sensitivities applied (due to inherent limitations and experts' judgement), increase the risks of material misstatement. Therefore, we consider this a key audit matter in our audit.	*Assessment of individually assessed loans ECL allowance (stage 3)* We examined the methodology applied by the Group in determining loan by loan ECL allowances. Based on a risk assessment, we tested a sample of loans included in the specific loan loss provision to verify the judgemental elements such as: • the reason for classification in stage 3 (impairment trigger); • the nature and accuracy of the expected future cash flows based on the source from which the cash flows arise; • the accuracy of the applied discount rate given the applicable latest interest rate and expected timing of the future cash flows; and • the valuation of the corresponding collateral based on external appraisal reports and other external information, with an independent valuation performed by our valuation experts, for a sample of collateral objects; and • evaluating management's analysis of the probability allocation of the recovery scenarios for a sample of individually assessed credit-impaired loans, corroborate with the actual facts and circumstances. • furthermore, we assessed the watch list, past due listings and loans with low credit ratings and compared these to the loans actually provided for in the specific loan loss provision to determine whether the loans were adequately classified as performing or non-performing. • In the selection of our risk-based sample and procedures over completeness of the stage 3 ECL allowance we specifically considered the implications of the high inflationary environment for certain sectors deemed to be at higher-risk. Furthermore, we assessed the adequacy of the disclosures, including disclosures on estimation uncertainty and judgements, and observed that the disclosures comply with the disclosure requirements included in EU-IFRS. Based on the above we assessed the methodology and inputs in determining the ECL loans and advances to customers allowance to be in line with market and industry practice.

Key audit matter

Fair value measurement of level 2 and level 3 financial instruments

Refer to paragraphs 'Financial Instruments', 'Derivatives' and 'Investment securities' of the accounting policies section, note 3 'Loans and advances to customers' (fair value hedge accounting), note 5 'Investment securities', note 10 'Non-trading derivatives, and paragraphs 'Fair value of financial instruments' and 'Non-trading derivatives and hedge accounting' as part of 'Financial Risk' in the Risk management section of the annual report.

As at 31 December 2022, the items carried at fair value in the financial statements concern:
- investment securities amounting to EUR 36.1 million (2021: EUR 35.6 million);
- derivatives amounting to EUR 295.7 million (2021: EUR 196.5 million) on the asset side and EUR 1.2 million (2021: EUR 6.9 million) on the liability side of the balance sheet; and
- fair value hedge accounting adjustment recorded under loans and advances to customers amounting to -EUR -289.7 million (2021: EUR -14.7 million).

Loans and advances to customers and debt securities at amortised cost are valued at amortised cost.

Of the investment securities, an amount of EUR 14.1 million (2021: EUR 19.2 million) resides within level 2 and EUR 5.1 million (2021: EUR 4.7 million) within level 3 of the fair value hierarchy. The Group's derivatives fall within level 2 of the fair value hierarchy. Of the debt securities, an amount of EUR 108.4 million (2021: EUR 85.2 million) falls within level 2 of the fair value hierarchy.

The fair value of the loans and advances to customers, disclosed in the risk management section on page 312 of the financial statements, amounts to EUR 9.9 billion respectively.

In the determination of the fair value of financial instruments, the fair value hierarchy is applied:
- level 1: valuations based on quoted prices (unadjusted) in active markets for identical instruments;

Our audit work and observations

Our audit procedures included an assessment of the overall governance of the treasury and investment process of the Group and the testing of design and operational effectiveness of the key controls with respect to financial instrument deal capturing and source data management. We determined that we could rely on these controls for the purpose of our audit.

For a sample of the investment securities we performed the following substantive procedures:
- testing the mathematical accuracy of the valuation performed by management;
- reconciling the applied share price at year-end to supporting documentation and assessed the appropriateness of the share price applied; and
- assessing the classification as participating interest based on the level of influence.

Based on the above we assessed the estimates in line with industry practice.

For our substantive audit procedures with respect to derivatives we performed the following:
- evaluating the appropriateness of the valuation models used considering market practices;
- comparing on a sample basis the observable input data against externally available market data and evaluating the reasonableness of the unobservable inputs applied; and
- ondependently re-performing management's valuation using our own valuation tools for the full portfolio of derivatives and debt securities.

We identified no material differences in the re-performance of the valuation of the financial instruments nor in the testing of the input data.

Based on our independent valuation procedures performed, we consider the estimates made by management to be within an acceptable range in the context of the estimation uncertainty in the fair valuation of these financial instruments.

Furthermore, we assessed the adequacy of the disclosures, including disclosures on estimation uncertainty and judgements, and observed that the disclosures comply with the disclosure requirements included in EU-IFRS.

Key audit matter	*Our audit work and observations*
• level 2: valuations based on other than quoted market prices within level 1 that are observable either directly or indirectly; • level 3: valuations based on unobservable inputs for the asset. The areas that involved significant audit effort and judgement relate to the level 2 and level 3 investments, since these are valued using model valuations instead of quoted prices in an active market. No level 3 debt securities are held as at 31 December 2022. The fair value of level 2 and level 3 financial instruments is determined using valuation techniques (such as discounted cash flow models) and the use of assumptions and estimates. The judgement applied by management mainly relates to: • the price used for the level 2 and level 3 investment securities and debt securities; • the discount rates used in the valuation of the (embedded) derivatives; and • prepayment rate and spread applied in the valuation of loans and advances to customers. Given the level of judgement and the related estimation uncertainty around fair valuation with respect to level 2 and level 3 valuations in combination with the size of the portfolios, we consider the fair value valuation of level 2 and level 3 financial instruments as a key audit matter.	

Key audit matter	*Our audit work and observations*
An organisation in transition *Refer to paragraphs 'An organisation in transition' in the Executive Board report, 'Critical judgements and estimates' of the accounting policies section, note 19 'Off-balance sheet liabilities', note 16 'Provisions', paragraphs 'Stress testing' as part of 'Enterprise risk' and 'Liquidity risk' in the Risk management section of the financial statements and the "An organisation in transition" section of the Executive Board report.* In the context of macroeconomic uncertainty, the DR freeze and a competitive landscape, the Bank launched two projects, MTF and TOM, with the aim to better facilitate DR trading and to make changes to its organisation. We understand these projects are necessary in order to become future proof and delivering on non-financial impact coupled with a sustainable financial return. The aforementioned projects also had an impact on the Group's financial position and performance in 2022 and beyond, more specifically in the following areas: • litigation activity in certain locations relating to the suspended DR trading and planned MTF launch leading to 13.9 EUR million expenses in 2022. • recognition of TOM restructuring provision as at 31 December 2022 amounting to EUR 5 million (2021: EUR nil). Forward looking assessments and scenario analysis are considered in our regular process to assess the going concern assumption. *Judgements and estimation uncertainty* The recognition and measurement of provisions and the disclosure of (contingent) liabilities require considerable management judgement regarding: • the future outcome of existing and potential court cases and DRs holders' care and relationships; and • the increased estimation uncertainty in estimating reliably and the appropriateness of assumptions of the TOM restructuring provision.	We performed the following procedures on the accounting and disclosure for the relevant DR related litigation as at 31 December 2022: • evaluated the design and implementation of controls by the Bank to identify, monitor and disclose for liabilities and DR claims, and to assess the completeness and accuracy of data used to estimate DR claims. • for claims in respect to the DR trading closure cases brought to court, requested the external lawyer of Triodos to provide us with their perspective in order to scrutinize the legal uncertainties and assumptions used. • examined the relevant internal reports as well as regulatory and legal correspondence throughout the year to evaluate developments. • held meetings with local management and the bank's internal and external legal counsel to get further legal context, insights into the probability weighting of scenarios and on the consideration whether a liability and provision is needed at 31 December 2022 • we challenged the Bank's assessment on DR legal cases and resulting conclusion of a not more than likely outflow of funds that is currently not reliably estimable which would otherwise warrant the recognition of a balance sheet provision at 31 December 2022. • inquired with the risk, compliance, internal audit, executive and supervisory boards and legal departments of the Bank to evaluate the existing and potentially new obligations and litigation matters. • we assessed the disclosures that were made in highlighting the uncertainties and exposures of contingent liabilities due to litigation and claims. • assessed whether the disclosures provided on the different DR litigation and claim activities throughout the year in notes of the financial statements and schedules are in compliance with the EU-IFRS requirements. We performed the following procedures on the TOM provision as at 31 December 2022: • evaluated the design and implementation of controls by the Bank to identify, monitor and disclose liabilities and relevant accounting standards and principles, and to assess the completeness and accuracy of data used to estimate provisions.

Key audit matter	*Our audit work and observations*
Given the inherent uncertainty and the judgemental nature, we determined the provisions and disclosures on contingent liabilities due to litigation and claims to be of particular importance to our audit, including to what extent there is evidence of management bias. Therefore, we determined this to be a key audit matter in our audit.	• challenged the TOM provisioning methodology and testing the underlying data and assumptions used. • assessed whether the disclosures provided on the TOM provision in notes of the financial statements are in compliance with the EU-IFRS requirements. We found that the financial impact in light of this key audit matter, is appropriately considered in the preparation of the financial statements.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon. The annual report contains other information that consists of:
- key figures;
- Triodos Bank group structure 2022;
- governance structure;
- our purpose: the conscious use of money;
- executive board report;
- supervisory board report;
- corporate governance;
- remuneration report 2022
- the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code;
- report by the Foundation for the Administration of Triodos Bank Shares (SAAT);
- about this report;
- appendices; and
- addresses.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The executive board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Our appointment

We were appointed as auditors of Triodos Bank N.V. on 22 May 2015 by the supervisory board for a total period of four years. This followed the passing of a resolution by the shareholders at the annual general meeting held on 22 May 2015. We were re-appointed as auditors for another period of four years on 20 March 2019 by the supervisory board following the passing of a resolution by the shareholders at the annual meeting held on 17 May 2019. Currently, we are at a total period of uninterrupted engagement appointment of 7 years.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Bank or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 'Independent auditor's fees' to the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the executive board and the supervisory board for the financial statements

The executive board is responsible for:
- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the executive board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the executive board is responsible for assessing the Bank's ability to continue as a going-concern. Based on the financial reporting frameworks mentioned, the executive board should prepare the financial statements using the going-concern basis of accounting unless the executive board either intends to liquidate the Bank or to cease operations or has no realistic alternative but to do so. The executive board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Bank's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Bank's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Appendix to our auditor's report on the financial statements 2022 of Triodos Bank N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:
- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit 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 Bank's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluding on the appropriateness of the executive board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Limited assurance report of the independent auditor

To: the general meeting and supervisory board of Triodos Bank N.V.

Assurance report on the sustainability information 2022

Our conclusion

Based on our review, nothing has come to our attention that causes us to believe that the sustainability information included in the annual report 2022 of Triodos Bank N.V. (hereafter: the company) does not present, in all material respects, a reliable and adequate view of:
- the policy and business operations with regard to corporate social sustainability; and
- the thereto related events and achievements for the year ended 31 December 2022,

in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and the applied supplemental reporting criteria and the applied reporting criteria developed by the company as included in the section 'Reporting criteria' of our report.

What we have reviewed
We have reviewed the sustainability information included in the following sections of the annual report for 2022 (hereafter: the sustainability information):
- Key figures
- Our purpose: the conscious use of money
- Executive board report sections:
  - Our stakeholders and material topics
  - Strategic objectives
  - Impact and financial result
  - Understanding impact
  - Co-worker report
  - Environmental report
- About this report
- Appendix: Triodos Bank business model
- Appendix IV - Global Alliance for Banking on Values Scorecard – Quantitative evidence of our impact
- Appendix VI - Co-worker and environmental statistics
- Appendix VII - Taxonomy table

A review is aimed at obtaining a limited level of assurance.

The basis for our conclusion

We conducted our review in accordance with Dutch law, including Dutch Standard 3810N 'Assuranceopdrachten inzake maatschappelijke verslagen' (assurance engagements relating to sustainability reports), which is a specific Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 'Assurance engagements other than audits or reviews of historical financial information'. Our responsibilities under this standard are further described in the section 'Our responsibilities for the review of the sustainability information' of our report.

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

Independence and quality control
We are independent of Triodos Bank N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO – Code of ethics for professional accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA – Code of ethics for professional accountants, a regulation with respect to rules of professional conduct).

PwC applies the 'Nadere voorschriften kwaliteitssystemen' (NVKS – Regulations for quality systems) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Reporting criteria
The reporting criteria used for the preparation of the sustainability information are the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and the applied supplemental reporting criteria, as disclosed in chapter 'About this report' of the annual report 2022.

The absence of an established practice on which to draw, to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Consequently, the sustainability information needs to be read and understood together with the reporting criteria used.

Limitations to the scope of our review

The sustainability information includes prospective information such as expectations on ambitions, strategy, plans and estimates. Inherent to this prospective information, the actual future results are uncertain, and are likely to differ from these expectations. These differences may be material. We do not provide any assurance on the assumptions and achievability of prospective information.

In the sustainability information references are made to external sources or websites. The information on these external sources or websites is not part of the sustainability information reviewed by us. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect to these matters.

Responsibilities for the sustainability information and the review thereon

Responsibilities of the executive board and the supervisory board for the sustainability information
The executive board of Triodos Bank N.V. is responsible for the preparation of reliable and adequate sustainability information in accordance with the reporting criteria as included in the section 'Reporting criteria', including selecting the reporting criteria, the identification of stakeholders, and determining the material matters. The executive board is also responsible for selecting and applying the reporting

criteria and for determining that these reporting criteria are suitable for the legitimate information needs of stakeholders, taking into account applicable law and regulations related to reporting. The choices made by the executive board regarding the scope of the sustainability information and the reporting policy are summarised in 'About this report' of the annual report 2022.

Furthermore, the executive board is responsible for such internal control as the executive board determines is necessary to enable the preparation of the sustainability information that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's reporting process on the sustainability information.

Our responsibilities for the review of the sustainability information
Our responsibility is to plan and perform the review engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence to provide a basis for our conclusion.

Our objectives are to obtain a limited level of assurance to determine the plausibility of the sustainability information. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Procedures performed
We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 3810N, ethical requirements and independence requirements. Our procedures included, amongst other things, the following:
- Performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues and the characteristics of the company.
- Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures in the sustainability information. This includes the evaluation of the results of the stakeholders' dialogue and the reasonableness of estimates made by the executive board.
- Through inquiries, obtaining a general understanding of the control environment, processes and information relevant to the preparation of the sustainability information, but not for the purpose of obtaining assurance evidence about their implementation or testing their operating effectiveness.
- Identifying areas of the sustainability information with a higher risk of misleading or unbalanced information or material misstatement, whether due to fraud or error. Designing and performing further assurance procedures aimed at determining the plausibility of the sustainability information responsive to this risk analysis. Those other procedures consisted amongst others of:

- Interviewing management (and/or relevant staff) at corporate (and business/division/cluster/local) level responsible for the sustainability strategy, policy and results.
- Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the sustainability information.
- Obtaining assurance evidence that the sustainability information reconciles to underlying records of the company.
- Reviewing, on a limited test basis, relevant internal and external documentation.
- Performing an analytical review of the data and trends.

- Reconciling the relevant financial information to the financial statements.
- Evaluating the consistency of the sustainability information with the information in the annual report, which is not included in the scope of our review.

- Evaluating the overall presentation, structure and content of the sustainability information.
- Considering whether the sustainability information as a whole, including the disclosures, reflects the purpose of the reporting criteria used.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the review and significant findings that we identify during our review.

Amsterdam, 15 March 2023

PricewaterhouseCoopers Accountants N.V.

M.D. Jansen RA