

Annual Report 2022

Triodos  Bank

Consolidated balance sheet as at 31 December 2022

Before appropriation of profit			
Amounts in thousands of EUR	Note ¹	2022	2021
ASSETS			
Cash and cash equivalents	1	2,581,140	4,277,589
Loans and advances to banks	2	332,493	265,796
Loans and advances to customers	3	10,619,676	10,167,798
Debt securities at amortised cost	4	1,689,780	1,483,378
Investment securities	5	45,718	39,976
Intangible assets	6	51,225	48,304
Property and equipment	7	88,691	94,664
Investment property	8	6,739	7,905
Right-of-use assets	9	13,327	16,734
Non-trading derivatives	10	295,696	19,650
Deferred Tax Assets	30	13,185	13,617
Current tax receivable	30	1,475	1,730
Other assets	11	55,753	54,365
Non-current Assets Held for Sale	12	5,582	12,679
Total assets		15,800,480	16,504,185
LIABILITIES			
Deposits from banks	13	337,087	1,608,306
Deposits from customers	14	13,816,340	13,285,072
Lease liabilities	9	13,924	17,425
Non-trading derivatives	10	1,249	6,947
Deferred Tax Liabilities	30	10,843	6,318
Current tax liabilities	30	12,213	12,872
Other liabilities	15	81,700	55,724
Provisions	16	7,845	5,784
Subordinated debt	17	259,884	255,615
Total liabilities		14,541,085	15,254,063

Before appropriation of profit			
Amounts in thousands of EUR	Note¹	2022	2021
EQUITY			
Share Capital	18	723,353	723,353
Share premium reserve	18	200,811	200,811
Translation reserve	18	-4,426	-4,482
Cost of hedging reserve	18	369	117
Fair value reserve	18	4,032	82
Other reserve	18	49,568	46,431
Retained earnings	18	240,724	233,051
<i>Result for the period</i>	18	<i>49,940</i>	<i>50,759</i>
<i>Interim dividends</i>	18	<i>-4,976</i>	-
Unappropriated result for the period	18	44,964	50,759
Total equity		1,259,395	1,250,122
Total equity and liabilities		15,800,480	16,504,185
Contingent liabilities	19	49,072	72,044
Irrevocable facilities	20	1,853,167	2,113,124
		1,902,239	2,185,168

¹ These are the references to the notes to the consolidated financial statements. These notes form an integral part of the consolidated financial statements.

Consolidated profit or loss account for 2022

Amounts in thousands of EUR	Note ¹	2022	2021
INCOME			
Interest income	21	287,879	246,320
Interest expense	22	-34,789	-24,850
Net interest income		253,090	221,470
Investment income	23	616	310
Fee and Commission income	24	134,289	127,112
Fee and Commission expense	24	-13,386	-11,064
Net fee and commission income		120,903	116,048
Net result from other financial instruments at FVTPL	25	-100	2,037
Other income	26	796	2,066
Other income		696	4,103
Total income		375,305	341,931
EXPENSES			
Personnel expenses	27	166,836	149,930
Other administrative expenses	27	107,777	98,794
Amortisation and value adjustments of intangible assets	28	13,908	12,020
Depreciation and value adjustments of property and equipment	28	11,573	14,458
Operating expenses		300,094	275,202
Impairment result on financial instruments	29	8,127	-420
Total expenses		308,221	274,782
Operating result before taxation		67,084	67,149
Taxation on operating result	30	-17,144	-16,390
Net profit		49,940	50,759

Amounts in thousands of EUR	Note ¹	2022	2021
Profit attributable to:			
Owners of Triodos Bank		49,940	50,759
Average number of issued shares in circulation		14,216,421	14,216,664²
Amounts in EUR			
Earnings per share for profit attributable to the equity holders of the parent entity ³		3.51	3.57 ⁴
Dividend per share		2.11 ⁵	1.80

¹ These are the references to the notes to the consolidated financial statements. These notes form an integral part of the consolidated financial statements.

² The average number of issued shares in circulation was updated compared to the annual report 2021 and is adjusted from 14,260,146 to 14,216,664.

³ The net profit per share is calculated by dividing the Net Profit by the average number of issued shares in circulation during the financial year.

⁴ The earnings per share in 2021 has been adjusted from € 3.56 to € 3.57 as a result of the update of the average number of issued shares in circulation compared to the annual report 2021.

⁵ For the year result of 2022, Triodos Bank proposes a final dividend of EUR 1.76 per depository receipt. This proposed final dividend is on top of the interim dividend of EUR 0.35 per depository receipt that has been paid out in October 2022.

Consolidated statement of comprehensive income for 2022

Amounts in thousands of EUR	Note ¹	2022	2021
Net profit		49,940	50,759
<i>Other comprehensive income that will not be reclassified to profit or loss</i>			
Revaluation gains/(losses) on equity instruments at fair value through other comprehensive income	5	5,279	2,784
Related tax		-1,329	-677
Total items that will not be reclassified to profit or loss		3,950	2,107
<i>Other comprehensive income that will be reclassified to profit or loss</i>			
Foreign operations – foreign currency translation differences		56	-97
Foreign operations – Cost of hedging		252	172
Total items that will be reclassified to profit or loss		308	75
Other comprehensive income for the year, net of tax		4,258	2,182
Total comprehensive income for the year, net of tax		54,198	52,941
Total comprehensive income attributable to:			
Owners of Triodos Bank		54,198	52,941

¹ These are the references to the notes to the consolidated financial statements. These notes form an integral part of the consolidated financial statements.

This page was intentionally left blank.

Consolidated statement of changes in equity for 2022

Amounts in thousands of EUR	Share capital	Share premium
Equity as at		
1 January 2021	723,353	200,811
Result for the period		
Foreign operations – foreign currency translation differences		
Cost of hedging of net investments in foreign operations		
Equity investments at FVOCI – net change in fair value		
Total comprehensive income	-	-
Increase of share capital	-	-
Stock dividend	-	-
Profit appropriation for previous financial year, addition to the other reserves		
Profit appropriation for previous financial year, dividend		
Dividend not distributed in cash		
Transfer to other reserve for development costs		
Dividend tax on withdrawn own depository receipts		
Purchasing or sale of own depository receipts		
Equity as at		
31 December 2021	723,353	200,811

Translation reserve	Cost of hedging reserve	Fair value reserve	Other reserve	Retained earnings	Unappropriated result for the period	Total equity
-4,385	-55	-2,025	43,806	219,504	27,203	1,208,212
					50,759	50,759
-97						-97
	172					172
		2,107		-		2,107
-97	172	2,107	-	-	50,759	52,941
						-
						-
				17,962	-17,962	-
					-9,241	-9,241
				-		-
			2,625	-2,625		-
			-	-890		-890
				-900		-900
-4,482	117	82	46,431	233,051	50,759	1,250,122

Amounts in thousands of EUR	Share capital	Share premium
Equity as at		
1 January 2022	723,353	200,811
Result for the period		
Foreign operations – foreign currency translation differences		
Cost of hedging of net investments in foreign operations		
Equity investments at FVOCI – net change in fair value		
Total comprehensive income	-	-
Increase of share capital		
Stock dividend		
Profit appropriation for previous financial year, addition to the other reserves		
Profit appropriation for previous financial year, dividend		
Dividend not distributed in cash		
Extraordinary dividend		
Interim dividend		
Transfer to other reserve for development costs		
Dividend tax on withdrawn own depository receipts		
Purchasing or sale of own depository receipts		
Equity as at		
31 December 2022	723,353	200,811

Translation reserve	Cost of hedging reserve	Fair value reserve	Other reserve	Retained earnings	Unappropriated result for the period	Total equity
-4,482	117	82	46,431	233,051	50,759	1,250,122
					49,940	49,940
56						56
	252					252
		3,950				3,950
56	252	3,950	-	-	49,940	54,198
						-
						-
				25,169	-25,169	-
					-25,590	-25,590
						-
				-14,359		-14,359
					-4,976	-4,976
			3,137	-3,137		-
				-		-
				-		-
-4,426	369	4,032	49,568	240,724	44,964	1,259,395

Consolidated cash flow statement for 2022

Amounts in thousands of EUR	Note	2022	2021
Operating activities			
Net profit		49,940	50,759
Net profit adjustments for:			
Depreciation	28	11,481	12,140
Amortisation	28	13,908	11,687
Amortisation premium and discount debt securities	4	9,528	10,787
Impairment losses on financial instruments	29	8,127	-420
Interest expense on lease liabilities	9	345	408
Revaluation participating debt (investment securities)	5	663	-654
Value adjustments property and equipment (incl. leases)		92	2,318
Value adjustments intangible assets		-	333
Movements in provisions	16	2,182	2,216
Taxation on operating result	30	17,144	16,390
Tax paid	30	-13,125	-19,350
Net cash flows from business operations		100,285	86,614
Changes in:			
Loans and advances to banks	2	-25,684	-96,581
Loans and advances to customers	3	-734,588	-1,031,478
Debt securities at amortised cost	4	-236,910	-166,295
Deposits from banks	13	-1,271,219	793,166
Deposits from customers	14	531,268	1,537,865
Other operating activities		42,815	2,983
Net cash flows from operational activities		-1,594,033	1,126,274

Amounts in thousands of EUR	Note	2022	2021
Investment activities			
Investment in investment securities	5	-5,866	-4,998
Divestment in investment securities	5	5,428	-
Investment in intangible assets	6	-16,902	-14,472
Investment in property and equipment	7	-2,678	-2,228
Divestment in property and equipment	7	7,176	2,136
Cash flows from investment activities		-12,842	-19,562
Financing activities			
Issuance of debt issued and other borrowed funds	17	-	247,868
Payments of lease liabilities	9	-3,398	-3,624
Increase share capital	18	-	-
Payment of cash dividend	18	-44,925	-9,241
Purchase of depository receipts of own shares	18	-	-900
Cash flows from financing activities		-48,323	234,103
Net change in cash and cash equivalents		-1,655,198	1,340,815
Cash and cash equivalents at the beginning of the year		4,422,865	3,082,405
<i>Effect of exchange rate fluctuations on cash and cash equivalents held</i>		-255	-355
Cash and cash equivalents at the end of the year		2,767,412	4,422,865
On demand deposits with central banks		2,581,140	4,277,589
On demand deposits with banks		186,272	145,276
Cash and cash equivalents at the end of the year		2,767,412	4,422,865
Additional information on operational cash flows from interest and dividends			
Interest paid		-13,237	-40,735
Interest received		274,668	244,243
Dividend received		616	310