Triodos Bank Supplier Due Diligence Brochure

Triodos Bank

Introduction

As a Bank within the European context, we have to make sure all our suppliers comply to aspects required from a Supplier Due Diligence perspective as mentioned in various Banking Regulation in Europe.

Triodos Bank, as one of the most sustainable banks in the world, and committed to responsible business practices, wants to make their Supplier Due Diligence process beneficial for our suppliers as well.

By making use of an external party to support Triodos Bank in this requirement, which is a renowned service provider in such activities in the Financial Services Industry, will also help you as supplier in becoming more compliant. As well as having to deliver your information for various Financial Institutions only once instead of providing your information for different requests. This way of requesting such kind of information can be seen as a qualification system for the financial service industry, therefore the name Financial Supplier Qualification System Northern Europe (FSQS-NE).

This system is designed to standardise and manage our requests from a Dutch context perspective. Other financial services organisations have also adopted this system, for compliance and assurance information.

As the regulatory environment becomes more complex, it is important that we can demonstrate to our stakeholders that we are working responsibly with our suppliers to minimise risks and protect our customers. The FSQS-NE platform process is also an integral part of our sourcing process.

Triodos Bank also uses this system to find pre-qualified suppliers to be considered for new business. Qualified suppliers gives potential suppliers a head start for potential new business opportunities.

Benefits for suppliers:

- ✓ A single online process to submit compliance and assurance information – reducing duplicate requests from Triodos Bank and other financial services organisations who you provide goods and services to.
- ✓ Compliance and assurance requirements which are proportionate to the products and services you provide to Triodos Bank.
- ✓ An online supplier profile which can be updated throughout the year to demonstrate your ongoing compliance with regulatory requirements and Triodos Bank policies.

How to Gain Qualification

There are two stages of qualification in the Triodos Bank Supplier Due Diligence process (also known as FSQS-NE). **Stage 1** Qualification collects basic information about your organisation and is used to determine whether **Stage 2** Qualification is necessary, based on the nature of the goods or services being supplied. For example, if a supplier deals directly with our customer data, then the supplier will be asked to demonstrate how they comply with relevant regulatory requirements and Triodos Bank policies.

Stage 1 Qualification

Suppliers will receive an email invitation to complete an online questionnaire. The invitation will come from a company called Hellios, an external service partner who has been appointed to collect and administer the information on behalf of Triodos Bank. The questionnaire should take around one (1) hour to complete. The information will allow us to determine whether your organisation only requires Stage 1 Qualification or is further required to complete Stage 2 Qualification.

Stage 2 Qualification

Stage 2 requires the completion of a more detailed online questionnaire and, in some areas, may require the provision of supporting evidence. To make the process as efficient as possible, most of the questions have selectable answer options rather than requiring lengthy written responses; and no proprietary, contractual or pricing information will be asked. This stage typically covers your policies and practice in areas such as:

- ✓ Anti-money laundering
- ✓ Anti-bribery
- ✓ Whistleblowing
- ✓ Sanctions
- ✓ Remuneration
- ✓ Products and sales
- ✓ Customer treatment
- ✓ Health and safety
- ✓ Physical security
- ✓ Information security
- ✓ Cyber security
- ✓ Data protection
- ✓ Records management
- ✓ Operational resilience
- ✓ Business continuity
- ✓ Records management
- ✓ Environmental sustainability
- ✓ Diversity and Inclusion

Following Stage 2 qualification, Triodos Bank may decide to conduct further compliance and assurance activities (which may include an on-site audit) . This will be conducted by Triodos Bank and will incur no further fees.

Timelines for Qualification

Existing suppliers of Triodos Bank are given up to eight (8) weeks to complete qualification for the first time, to allow sufficient time for familiarisation with the new questionnaires and process. However, we expect most suppliers will be capable of completing qualification in significantly less time. Suppliers bidding for new business with Triodos Bank may need to complete the qualification much more quickly in accordance with procurement timescales. Hellios will advise the deadline dates for qualification completion in the FSQS-NE email communications that will be issued.

Fees

The platform used for Supplier Due Diligence (which is called: FSQS-NE) is funded by financial services organisations (including Triodos Bank) , and by larger suppliers, that use the system. If your organisation is an autonomous small, medium or micro-sized enterprise ("SME"*), then registration on FSQS-NE is subsidised 100% (i.e., there is ***no charge***) .
For non-SME organisations, if Stage 2 Qualification is required then this incurs an annual fee of EUR 2,125.50 (exclusive of Value Added Tax), payable directly to Hellios, to help fund the operational costs of administering the system.

*SMEs are based on the meaning as defined in the European Commission Recommendation 2003/361.

Frequently Asked Questions

1. Why has Triodos introduced SDD (FSQS-NE)?

The current processes for collecting compliance and assurance information is time-consuming and complex. The introduction of an online system simplifies the process for our suppliers to submit information and prevents suppliers receiving multiple requests from Triodos Bank for qualification information.

It is also important that we (your organisation and Triodos Bank) can demonstrate to Triodos Bank stakeholders that we are working together responsibly to minimise risks across our supply chain and protect our customers. As the regulatory environment we operate in becomes more complex, it is vital that we have a robust system in place to support the collection and maintenance of supplier compliance and assurance information and respond to regulatory changes.

2. Who is Hellios?

Hellios Information B.V. is a company based in the Netherlands. Its team has extensive experience in collecting and maintaining supplier information on behalf of global companies.

3. What is the role of Hellios?

Triodos Bank has appointed Hellios to collect and administer supplier compliance and assurance information on behalf of Triodos Bank. Hellios will collect and check the information provided by suppliers, and ensure the information are maintained on the FSQS-NE.

Hellios is an approved supplier of Triodos Bank. Hellios does not assess a supplier's suitability for qualification; that decision rests with Triodos Bank.

4. How does Hellios protect the information you provide?

The FSQS-NE application, infrastructure and data storage are hosted within the European Union ("EU") in data centres that are SSAE18 SOC2 and ISO27001 certified. Encryption to the latest industry standards is employed. Hellios ensures the limited amount of personal data collected is fully compliant with the EU General Data Protection Regulation and the Data Protection Act 2018. Hellios is certified to ISO27001 and Cyber Essentials Plus, the National Cyber Security Centre standard backed by the UK Government.

5. Will you have to register each of your legal entities separately?

Yes, your organisation is required to register any legal entity that submits an invoice to Triodos Bank.

6. Will other suppliers have access to the information you provide?

No, other suppliers of Triodos Bank will not have access to the information you provide.

7. Will your compliance and assurance information be available across Triodos Bank?

Yes, one of the benefits of FSQS-NE is that suppliers' compliance and assurance information will be available to Triodos Bank and its subsidiaries. This will reduce requests for duplicate information from us.

8. Will you be asked to provide pricing information on your products and services?

No, your organisation will not be asked to provide any commercial information of this nature.

9. If you are required to apply for Stage 2 Qualification, how do you pay the fee to Hellios?

Hellios will provide full details of the payment options available. However, we recommend suppliers make an online payment to Hellios to avoid any delay while submitting your information.

10. For how long is qualification valid?

The qualification must be renewed annually, all the answers will be pre-populated to facilitate the process. Hellios will issue reminders to suppliers several weeks in advance of their qualification expiry deadline.

11. How long does it take to complete qualification?

Typically, a supplier required to complete both Stage 1 and Stage 2 Qualifications takes less than one (1) business day to enter the required information into

FSQS-NE. However, the time required to collate the information varies depending on the size of the supplier's organisation. Larger organisations often have to source the information from a number of internal departments, which is why existing suppliers are given eight (8) weeks to complete qualification.

12. What will happen if an existing supplier fails to apply for qualification within the assigned timelines?

Suppliers will be fully supported by Hellios throughout the qualification process. However, failure to complete qualification will result in a supplier being classified as non-compliant in our internal systems.

13. Who can you contact for further information?

Please contact the Hellios Supplier Support team on Mondays to Fridays, from 08:30 to 17:30 CET.

Address:	Hellios Information B.V. Unit 5.4, Transformatorweg 38-72 1014 AK Amsterdam The Netherlands
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