

An aerial photograph of a modern building with a green roof. The building has a central courtyard with a blue pool. The roof is covered in green grass and plants. The building is surrounded by a paved area and some trees. The text "Triodos Bank" is overlaid on the top right of the image.

Triodos  Bank

Extraordinary General  
Meeting of  
Triodos Bank N.V.  
28 September 2021

# Welcome

# 1. Opening and announcements

# Agenda

- 9.30 CEST
- 1. Opening and announcements**
  - 2. Composition Supervisory Board**
  - 3. Notification of intended appointment of Mr. Jacco Minnaar as member of the Executive Board**
  - 4. Notification of intended appointment of Mr. Nico Kronemeijer as member of the Executive Board**
  - 5. Strategic considerations on access to capital and suspension of trade in Depository Receipts**
  - 6. Any other business**
- 11.30  
(approx.)
- 7. Close**

## 2. Composition of the Supervisory Board

## **2a. Appointment of Danielle Melis as member of the Supervisory Board \***

\* Item requiring voting

## **2b. Appointment of Susanne Hannestad as member of the Supervisory Board \***

\* Item requiring voting

### 3. Notification of the intended appointment of Jacco Minnaar as member of the Executive Board

# 4. Notification of the intended appointment of Nico Kronemeijer as member of the Executive Board

# 5. Strategic considerations on access to capital and suspension of trade in Depository Receipts

# Our mission is undisputed

Impact is in our DNA - embedded in our Articles of Association



Through the exercising of its banking business the company aims to contribute to social renewal based on the principle that every human being can develop themselves in freedom, that they each have equal rights, and all bear responsibility for the consequences of their actions on other people and the earth.

# Essential elements of who we are

## Positive Change

Our DR Holders, our clients and our co-workers want to be part of a bank that is a movement with the purpose to create positive change

## Financial participation

Our DR Holders enable the overall shared ambition with their financial participation in Triodos Bank.

## Long term perspective

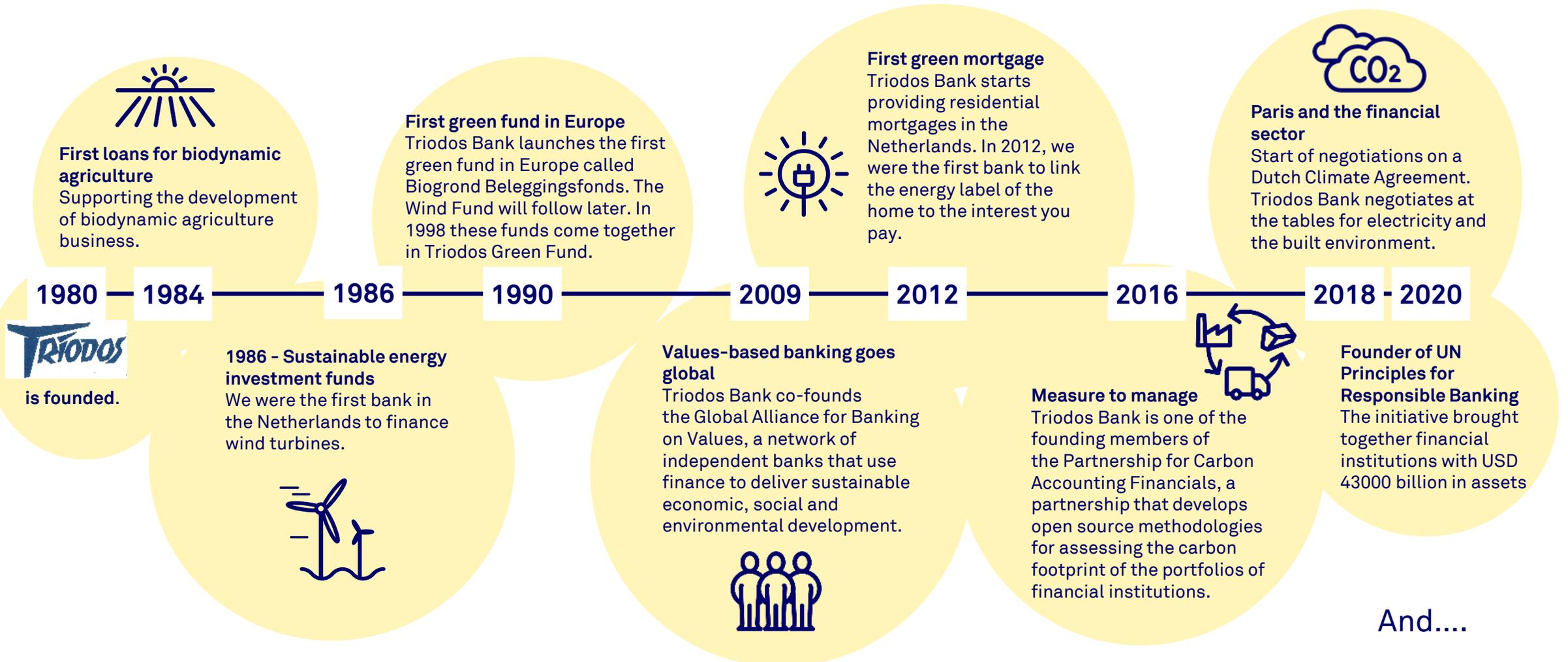
We focus on impact-risk-return. Our horizon is long-term with a holistic outlook on creating system value rather than a traditional financial risk-return business model, which often ignores externalities

And....

# We are a frontrunner by nature

Triodos Bank history, landmark achievements and contributions

Triodos Bank



## Essential elements of who we are

### **Strict principles Sector expertise**

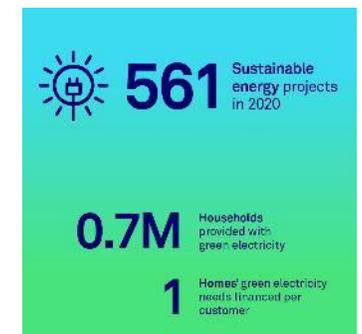
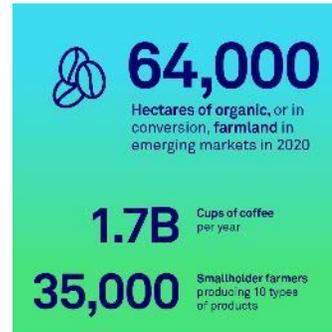
We have established strict business principles, lending criteria and minimum standards to safeguard our mission, which are applied by teams that have deep sector expertise

### **Lending & investing to create impact**

Our co-workers are intrinsically motivated. We are financing the right things in a responsible way. As a financially stable and operationally resilient bank - that lends to and invests in sustainable, entrepreneurial and progressive enterprises that have a positive impact on people and the planet.

# Measurable impact addressing the challenges of today

- Finance change, change finance
- From organic farming, education and culture to healthcare, housing and renewable energy - meaningful impact is created.
- Triodos takes part in initiatives and projects bringing about positive change.



# We are the bank for positive change

We strive for change on different levels

## Being an inspirer

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As a frontrunner, Triodos will continue to inspire and engage. Our mission - to help create a society that protects and promotes quality of life and human dignity for all - is as relevant as ever in today's world.

## Being a bank

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While our mission is as relevant as ever before, we need to always be conscious of the fact that we have chosen to be a bank in order to realise our mission. And that choice will continue to have consequences for how we run our business.

## Being sustainable

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Using the three dimensions of Impact, Risk and Return allows us to be the bank with a mission to change the world for the better

# Building on our heritage, getting ready for the future

## Triodos Bank's key assets



A clear purpose



Rich history as a frontrunner in sustainable finance



Strong community of clients



Highly motivated co-workers



Strong brand



Strong credit portfolio and low volatility of income



Profitable and solid capital and liquidity position



## Challenges to be addressed

Remain a frontrunner in increasingly competitive market segment

- Create transformative and activating impact
- Create distinctive customer experience

Improve financial results

- Streamline our activities
- Optimise our business model
- Cost Income Ratio < 75%
- Return on Equity 4-6%

Solidify and diversify capital base

- Tradability
- Access to capital
- Green bond



## Access to capital

Changed market and investment behaviour requires evolution of our capital system

- Capital is required to be able to operate as a bank
- Prudential regulation sets requirements for amount and types of capital
- We rely very much on one instrument – our DR trading system – and would like to diversify and solidify our capital base
- Diversify: Considering the issuance of a green bond

# Ownership model safeguards Triodos' principles, values and objectives

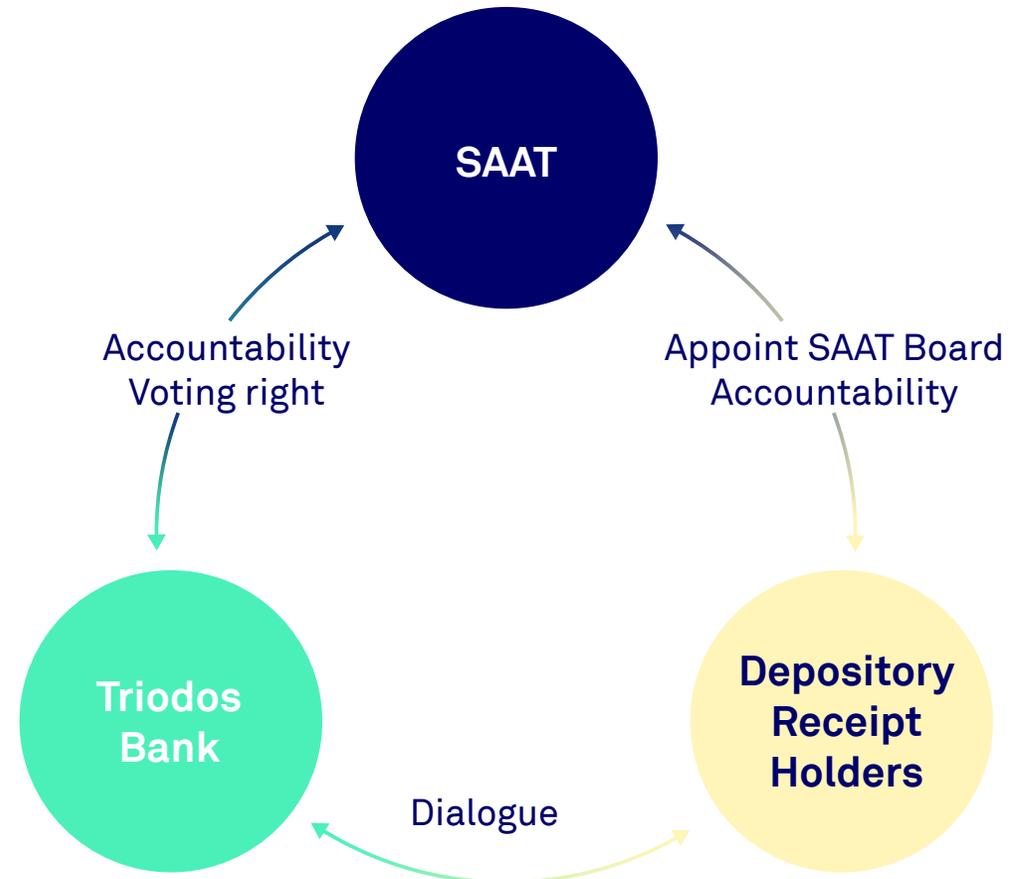
## The current system

1. The mission guides the business and decision making
2. Providing capital to the bank should not lead to control over the bank
3. Investors in the bank should pay a price that is related to the balance sheet (NAV)

## Limitations

1. Community is limited to Triodos Bank customers
2. Pricing based on book value/NAV
3. Trading on our own platform
  - 3% trading buffer set by regulator
  - No regulating mechanism to balance supply and demand

## Ownership model





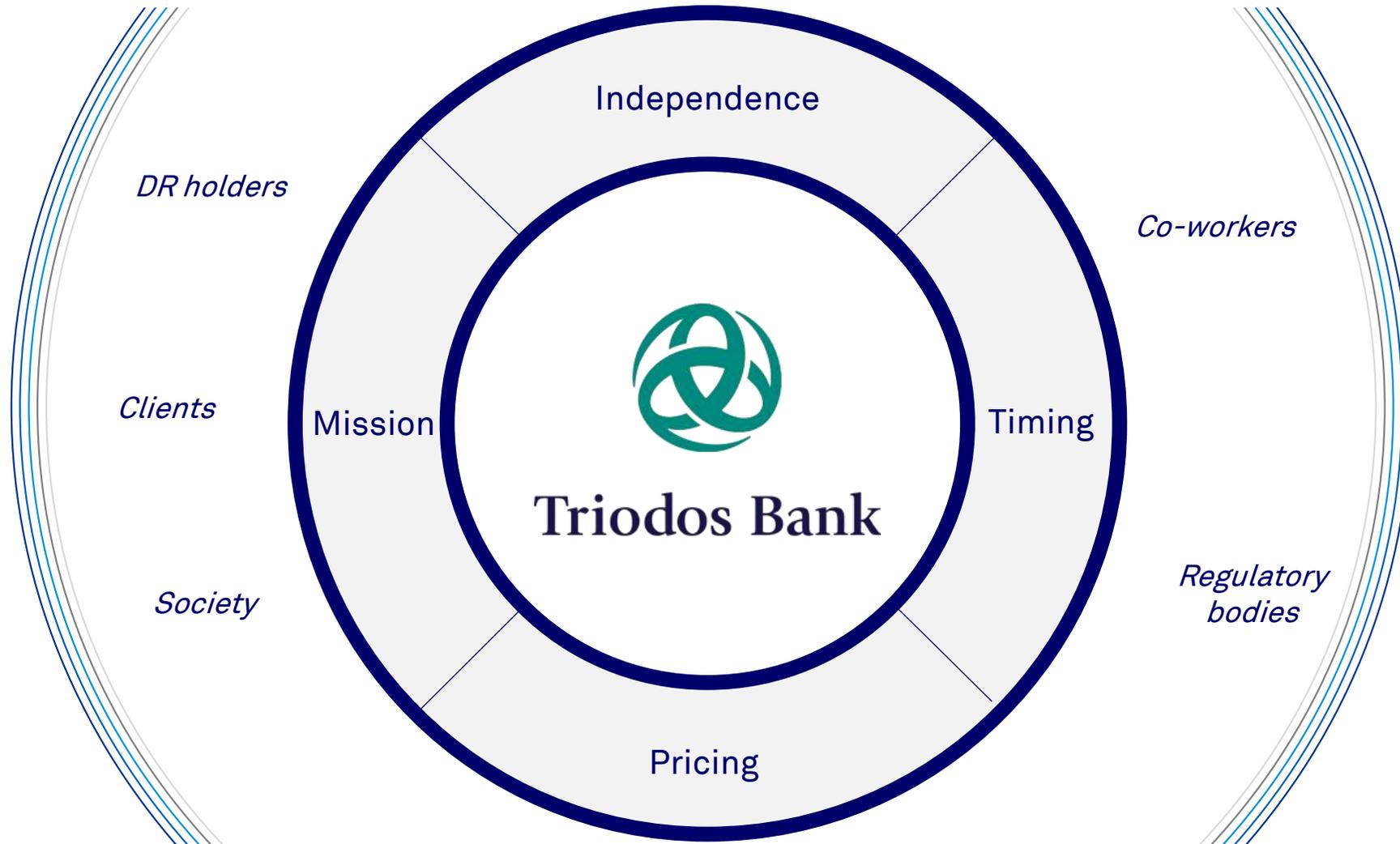
## Capital strategy

Our approach so far

- Evaluated possible capital and tradability options and what they mean for the type of organisation Triodos aspires to be
- Developed criteria for assessment of options which help to balance different needs from various stakeholders
- Assessed a series of alternatives - Ranging from maintaining the status quo to redesigning our DR trading system

# The alternative solutions are evaluated across the bank objectives and stakeholders

## The scoring framework



# Evaluation criteria

## NOW

Currently all options are and will be assessed against the following criteria:

- ✓ How does it facilitate Triodos to pursue its mission in a Triodos way
- ✓ How does it help to improve our access to capital
- ✓ How does it help to improve tradability



## BEFORE IMPLEMENTATION

The following criteria at the moment of implementation

- ✓ Market circumstances
- ✓ Is Triodos ready for it and has it received regulatory approval if needed
- ✓ Investor appetite



# How to select viable options?

Following an in-depth assessment of alternatives

## Status quo

### Status-quo

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Doing nothing and patiently wait for circumstances to change while accepting a decreasing capability to make impact and pursue our mission over time

## Community platform

### Introduction of a community-based trading platform (MTF)

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Facilitate trading based on variable pricing – via an internal trading platform for the Triodos Community.

## Public market

### Facilitate trading via a public trading platform (Stock Exchange)

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Facilitate trading based on variable pricing – and trade on a public trading platform (stock exchange), inviting other investors to join

## For now, we will focus on

### Community platform

**Introduction of a community-based trading platform (MTF)**

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Facilitate trading based on variable pricing – via an internal trading platform for the Triodos Community.

### Public market

**Facilitate trading via a public trading platform (Stock Exchange)**

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Facilitate trading based on variable pricing – and trade on a public trading platform (stock exchange), inviting other investors to join

Going forward, we will further evaluate these two options with respect to:

1. Further elaboration and detailing of options
2. Feasibility from an operational & IT perspective
3. Feasibility from a legal & regulatory perspective
4. Refinement of the proposition to be made
5. Fit with Triodos

## Facilitate trading via a community-based trading platform (MTF)

This would ensure:

- Facilitation of trade
- Potential access to new capital
- Existing DR holders to freely acquire DRs from and sell to other DR holders on a regulated market
- Variable pricing

### Multi Trading Facility (MTF)

- A community-solution to provide for trading liquidity where every investor is individually known
- Certain unpredictable elements
  - the amount of liquidity
  - pricing level
- Potential limitations
  - restricted investors base
  - limited access to new capital





## Facilitate trading via a listing on a public trading platform – stock exchange

This would ensure:

- Facilitation of trade
- Access to new capital
- Existing DR holders to freely acquire and sell DRs on the public market
- Variable pricing

### Stock Exchange

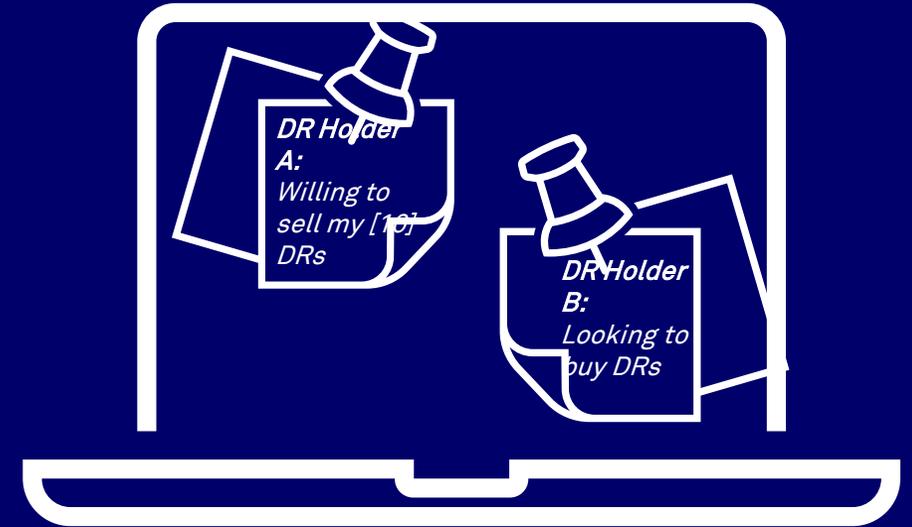
- Public listing
- The moment of decision-making and the moment of implementation (listing) may be relatively far apart.
- Financial performance in combination with market sentiment will determine pricing
- Will allow ‘anonymous’ investors to participate
- May be of interest to DR holders, institutional and professional investors as it is a good instrument to provide liquidity and, over time, it may provide access to new capital.
- The protection and independence of Triodos Bank will require specific legal and governance measures.

## Potential interim solution

### - Facilitate trade via a bulletin board

- To bridge time until implementation of listing on MTF / stock exchange
- DR holders can use such a bulletin board to find other potential buyers/sellers of DRs

- Community-enabled solution to provide liquidity for some DR holders by other DR holders
- Pricing and volume to be negotiated between participants
- Interim solution
- Cater for urgent liquidity issue
- Providing liquidity in the short-term



# Next steps

## Further analysis

- ✓ Further assessment of the two scenario's
  - ✓ *Analysis of implementation requirements*
  - ✓ *Protection of the mission*
- ✓ *Further assessment of feasibility bulletin board*

## Dialogue with investors (DR holders)

- ✓ Introduce and host in-country dialogue session
- ✓ Reach-out to DR holders who cannot participate in dialogue sessions

## Decision-making

- ✓ Formal decision-making process on the most viable option will start in December 2021

Further analysis

Dialogue with investors

Decision-making



# Your questions

# 6. Any other business

# 7. Close

- This meeting has now ended.
- You will be logged out from the Lumi environment automatically.
- Login for the Depository Receipt holders meeting will be opened from 11.45 hrs CEST.