

Transcript

Client	Triodos Bank
Description	General Meeting of Shareholders 20-05-2022
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Type of transcription	Verbatim report <i>The meeting was recorded and a written transcription made in Dutch. Completeness was sought: the audio recording was listened to several times in order to reproduce correctly - as far as possible - even the passages that were difficult to understand. However, irrelevant text (such as interjections, stuttering, and repetitions) has been omitted. Most of the speakers' language errors have been corrected, but the text remains as close as possible to the speakers' choice of words.</i>
Undertaken by	Het Notuleercentrum, Maarsbergen - Utrecht

[The meeting was preceded by a film about Triodos Bank]

Ms Van Waveren

She welcomed everyone and introduced herself as Christine van Waveren, Triodos Bank's Director of Communications. It fell on her to first of all welcome everyone to Triodos Bank's Annual General Meeting and to make a few small housekeeping announcements before the chair officially opened the meeting.

As stated at the entrance to the room and in the notice convening this meeting, this was a hybrid meeting. This meant that depository receipt holders could participate in person as being there in the room, but also via the webcast which could be viewed on the Triodos website. The meeting could be followed in five languages; in the meeting room it was in Dutch and some parts in English; whilst via the translation app it could also be followed in French, German and Spanish.

On the morning programme was Triodos Bank's Annual General Meeting, including presentations by the Executive Board and the Supervisory Board. There would be a lunch break midway through the meeting, at approximately 12:30. The annual meeting of depository receipt holders would start at 2.30 p.m., including a presentation by the SAAT board. That would also take place on this stage.

Regarding questions, after each agenda item there would be an opportunity to ask questions about that item. The live chat function in the webcast would therefore be opened up and three questions from the audience would be answered first, followed by three questions from the webcast. The chair would indicate this clearly and allow the person he had invited to speak to do so.

Next, she asked everyone to remember to switch off their phones until the end of the meeting. She welcomed everyone.

1. Opening remarks and announcements

Chair (Mr De Geus)

He declared the meeting open and welcomed everyone. Following two years of digital meetings, this annual general meeting could again take place in person, which was very welcome news. It was good that they could also meet 'live'; he had already been able to greet some of those attendees. He hoped everyone was doing well. He understood that the train service had had problems; they had chosen this venue partly because it was such a fantastic place precisely with regard to public transport, but if the train service had problems, then they had to deal with that. It was therefore possible that some people would arrive a little later, but of course they would be welcome.

In addition to those present in the room, more than 600 depository receipt holders, from all the countries where Triodos Bank had offices, were present digitally. Also to these people he expressed a warm welcome.

The bank would strive to handle the questions with care and thus uphold its good practice of respectful and meaningful dialogue.

The ambiance might be somewhat theatrical – there in the Beatrix Theatre – but the individuality of Triodos could be seen there in the wild flowers.

The following persons were present on behalf of the Supervisory Board, and the Chair wished to introduce them to everyone: Mike Nawas, Dineke Oldenhof, Ernst-Jan Boers, Daniëlle Melis and Sebastien D'Hondt. Susanne Hannestad was unable to attend today.

Present on behalf of the Executive Board today were Jeroen Rijpkema, André Haag, Jacco Minnaar and Nico Kronemeijer. The fifth member, Carla van der Weerd, was unfortunately absent due to health reasons. They wished her a speedy recovery.

Members of the board of the Stichting Administratiekantoor Aandelen Triodos Bank (Foundation for the Administration of Triodos Bank Shares (SAAT)) were also present. Josephine de Zwaan, the SAAT chair, would speak at this meeting on behalf of SAAT and cast the vote on behalf of the shareholder.

Finally, he welcomed the external accountant Martijn Jansen of PricewaterhouseCoopers; the civil-law notary Wijnand Bossenbroek of NautaDutilh; and Maaïke van der Meer who had been appointed as secretary to take the minutes of this meeting.

He noted that the convening of this meeting had been done in accordance with the articles of association. The announcement of the meeting had been published in a national newspaper on 15 April. The shareholder and depository receipt holders had received an invitation by e-mail or by ordinary post. Furthermore, the agenda and accompanying explanatory notes had been available for inspection at the bank and had also been posted on the website. Accordingly, this meeting could take valid decisions. He wished to remind everyone that when a proposal was voted on, this would be done in the manner set out in the explanatory statement of the agenda.

Finally, he had three more announcements of a housekeeping nature. As also mentioned in the previous Monday's press release, the Supervisory Board had decided to withdraw agenda item 6 (Announcement of the appointment of Franca Vossen as member of the Executive Board). The draft minutes would be posted on the bank's website before the end of September. Everyone would then have three months for comments and then the minutes would be finalised and signed by the chair, the minutes taker and the chair of SAAT.

At the end of each agenda item, there would be an opportunity to ask questions about that agenda item and the live chat would be open. As usual, people could ask just one question at one time, so that others also had the opportunity to ask a question. Those in the room would be asked to state their name and place of residence for the record. For the digital participants, as soon as they asked a question, their name and place of residence would be visible on the chair's screen, so he could call them by name.

He also wished to ask the people in the room to state whether or not they were a depository receipt holder, because there were also guests among them and he wanted to ask the guests to give priority to the depository receipt holders if necessary.

That aside, there were no priority rules applying here and everyone would get the same amount of time regardless of the number of depository receipts they held.

He then suggested that they moved on to agenda item 2.

2. Annual report and accounts 2021

Chair

He wished to give the floor first to the chair of the Executive Board Jeroen Rijpkema. He had the floor.

a. Report of the Executive Board 2021

b. Annual environmental and social report

Mr Rijpkema

He thanked the chair of the meeting and welcomed everyone. It was good that they could all meet again in person. He also welcomed all those who participated digitally. It was good that in this day and age they were able to involve and inform so many depository receipt holders about Triodos Bank's activities in a hybrid manner.

Today, the bank wanted to reflect with them on the course of the past year and to look forward to the near and more distant future. The common thread in both looking back and looking forward was the importance of their mission and Triodos Bank's relevance in today's world. The ability to make positive changes with the conscious use of money was something that should be cherished and secured for the future. The need to achieve positive impact in their primary focus areas of Climate & Energy,

Nature, Food & Biodiversity and Social Inclusion was undisputed and today, if possible, even greater than ever. He was proud of what had been achieved here again in the past year and his colleague Jacco Minnaar would say more about that later. His colleague Mr André Haag would explain how they had been able to combine the realisation of all these positive impacts with the achievement of solid financial results and with the strengthening of their financial position. An inseparable combination for Triodos Bank's future: creating positive impact with solid financial results.

In order to secure its ability to generate positive impact for the future, the bank was currently undergoing three transition processes. It was in the process of a leadership transition, adapting its capital structure, and adjusting its business model. These three transitional paths prepared the bank for an impactful future.

His own arrival was part of the leadership transition that the bank was going through. They now had a renewed Executive Board and he was pleased that they had been able to strengthen it with internal candidates, Jacco and Nico. And as everyone may have read, there was now a new vacancy for the Risk Manager, but fortunately André Haag, our CFO, was willing to continue his temporary deputising. Changes were also underway at other administrative and managerial levels. After this meeting there would also be a renewed Supervisory Board, under a new chair. With this leadership transition at the different levels of the organisation, the bank was laying the foundations for the coming years, for the uninterrupted realisation of positive impact and solid financial results and for the execution of some special projects, such as the adjustment of the capital structure – the second transition that it was working on.

In the past year, they had worked hard to prepare for and achieve a solid, diversified capital base, with improved access to new capital, and to restore the ability to trade the bank's depository receipts. He was satisfied with the diversification of capital achieved through the successful Green bond issue. At the same time, he shared with everyone the disappointment that they were still in the preparatory phase for the recovery of trading.

The suspension of trading in depository receipts, the termination of the option to trade at net asset value with Triodos Bank, the switch to a new trading platform with an option to trade at a variable price - these were very radical changes and had understandably evoked many reactions over the last year. Sometimes encouraging and supportive, sometimes downright negative and confrontational. He understood these reactions. The only thing he asked was that they understood that not even the bank could do everything. Change and adaptation took time and benefited from calm and stability. That also applied to the bank. At the same time, he emphasised that through all these reactions, he felt a great sense of commitment from all the bank's depository receipt holders. It was about their bank. This gave him the confidence that together they could and would achieve their goals. And it strengthened him and his colleagues to continue to work hard and remain focused on a solution, no matter how challenging that might be in practice. He had learned that lesson from experience. Like those in attendance he looked forward eagerly and energetically to the moment when they could realise the listing on the so-called MTF – the multilateral trading facility, a platform – so that they could enable trading again. He would say more about this later today. For the moment, however, it was good to note that this transition was on course to be completed within the 12-18 month period that he had announced in December. So, from today, that would take seven to a maximum of thirteen more months.

Finally, they were committed to improving the business model in a way that did justice to the expectations that could and should be placed on the bank. Achieving distinctive positive impact and solid financial results with a moderate risk profile was what the bank stood for. As they knew, the bank's financial targets were further tightened last year and it was now aiming for a return on equity of 4 to 6% and a cost income (C/I) ratio of 70 to 75% in the period to 2025.

In this context, the bank had announced radical steps last Tuesday.

And in this regard, it was also important to keep a sharp eye on the goal that they were pursuing together. The bank's customers, its investors, its depository receipt holders, the projects it funded and invested in around the world were all focused on achieving positive impact. This was made possible with our banking and investment services and everyone could expect the bank to handle the funds entrusted to it as carefully and efficiently as possible. However, choosing to finance the positive impact activities that the bank stood for, with a moderate risk profile, also implied a different way of thinking about returns, which the depository receipt holders had always espoused. Unlike in the traditional financial world. The financing of housing for the elderly, biodynamic agriculture or an energy cooperative, investing in microfinance in Asia and Latin America; these were not the most profitable activities in the financial world, but based on the bank's convictions and objects, these were regarded as indispensable. Especially since Triodos Bank did not want to limit itself to just cutting back on activities that were harmful to the world, but wanted to contribute to things that created positive impact

that improved the world. Since its foundation, the bank had stood for 'do good' instead of 'do no harm'. In order to secure its lead in this area for the future, it would also make adjustments to its business model in the coming years. And as just mentioned, last Tuesday it had announced concrete steps on this path. He assured everyone that these would be far-reaching steps for Triodos Bank, measures it had never experienced before within Triodos Bank, but at the same time, in his opinion, a clear illustration of Triodos' willingness to make the changes necessary to remain capable of fulfilling its mission. Even if those changes were strange to the bank or even caused some pain.

Against the backdrop of these three transitions, which were far-reaching change processes for Triodos Bank, all regular work had continued as usual last year. And as everyone knew, last year had been no ordinary year, given the corona pandemic. It would have been more accurate to say an extraordinary year, since the bank had achieved good results, both in the area of creating positive impact, which Jacco would talk about later on, and in the financial area, which André would talk about in a moment. And both pillars were necessary for a healthy Triodos Bank. Without a sound financial basis, the bank would never be able to achieve its impact goals. And if it could not continue to make a positive impact, then it no longer had relevance and it would lose its distinctiveness. So both were inextricably linked. And as had been said many times before, right now, in this world full of uncertainties, with great challenges in terms of climate and energy, biodiversity and social cohesion, with heartbreaking violence in many countries – far away and unfortunately now also very close by with the invasion of Ukraine – there was a need and there would always be a need for a distinctive, value-driven bank like Triodos, a bank in which the depository receipt holders had invested. And he concluded that in the past year the bank had taken the right and necessary steps to ensure Triodos' relevance for the future. None of this altered the fact that the situation surrounding the non-marketability and pricing of the depository receipts was extremely disappointing for the depository receipt holders, and he was well aware of this. The need to find a workable solution to this problem with all concerned had strongly coloured his first year at Triodos, but had not overshadowed it. The positive impact they were creating together as a community was too strong and too convincing for that. Triodos played a special role in the financial world – in which, as they all knew, he had a long track record – and added a dimension to the banking landscape that was worthy of their joint efforts, even in this challenging situation. This had been recently confirmed with the bank's As-One-To-Zero Initiative. At the COP26 conference in Glasgow, Triodos Bank had announced it would be the first bank in the world to aim to make its operations carbon Net Zero by 2035, not only with regard to its lending activities, but also to its investment activities. As they may know, through Triodos Investment Management, the bank invested in a wide range of listed companies that it selected strictly; ultimately, they would also neutralise their carbon emissions. This combination was truly revolutionary compared to the more usual shared goal of many other 2050 institutions. The bank aimed to get there fifteen years earlier. In doing so, it would also try to inspire the world around it. It had recently announced that Bank Australia, a member of the Global Alliance for Banking on Values, had adopted the bank's ambition. For Triodos, this was an inspiring example of how the bank continued to play a pioneering role and to be a frontrunner, a trailblazer for other parties in the financial sector. That and the results achieved gave him energy, conviction and meaning to work together to further improve the bank and solve the issues it faced. Undeniably challenging and undeniably we would still have to solve a number of known and unknown issues, but with the depository receipt holders' support, understanding and patience and that of all the other stakeholders, they would overcome these challenges together.

He thanked everyone for their attention, and their support and then gave the floor to the bank's CFO, André Haag.

Mr Haag [through interpreter]

He thanked Jeroen and warmly welcomed the depository receipt holders. He proceeded to the next agenda item to present an overview of the financial results for 2021. He showed the first slide, outlining the bank's key points for 2021. Unfortunately, the year 2021 had also been dominated by the ongoing corona pandemic, as new waves of infection, driven by further mutations such as omicron, had had a major impact on the recovery of the world economy. But the slow start to the economic recovery had also created a tailwind for Triodos and had had a positive impact on its financial results for the year 2021. Triodos Bank reported a net profit of €50.8 million after tax for the year 2021, which was approximately €24 million higher than in the same period the previous year. Its solid performance in 2021 had been supported by higher income of €37 million – that was + 12% – and lower impairments of - €24.4 million compared to the same period in 2020. Its loan portfolio had remained resilient due to the sustainable sectors it financed and the geographically well-diversified loan portfolio across Europe.

The more favourable market conditions in 2021 had led to a recovery in asset valuations and a net release of the bank's provision for expected credit losses. Its total assets under management had increased by €3.9 billion over the previous 12 months to €24.2 billion in 2021, an increase of 19%. The bank's capital position had been further strengthened with a total capital ratio of 21.3%.

That was the general picture, but in a moment they would look at the finances in more detail. Firstly, he wished to emphasise the bank's business goals. Its two goals were to create sustainable impact in line with its corporate mission and with its chosen strategic impact themes – energy and climate, nature and food, and social inclusion – there was confidence that they had built the bank around the enormous challenges the world was facing. These were challenges that would be crucial for future generations to tackle. The bank achieved its mission by funding change and by changing funding. In line with previous years, in 2021 it had also created a tangible impact in its cultural, social and environmental focus areas.

This next slide showed some examples of impact. He would not go through them all, but wished to highlight one particular case. Looking at the matrix, you could see three columns, and on the third line it said on the left: that Triodos will have financed about 33,000 hectares of farmland across Europe by 2021. This translated into the equivalent of about 34 million organic meals produced in one year, which was really fantastic. The bank was so happy and proud to have been able to do this with the support of the depository receipt holders. It wanted to accelerate this central focus of its mission in order to generate even more impact. It would have been great to discuss all these nine examples with them, but there was insufficient time for that. They could, of course, take a look at the annual sustainability report, which could be found via the bank's homepage.

The following slide showed a summary of the group's consolidated income statement and the development of its main components over the past four years. For the financial year 2021, the bank reported a solid net profit of €50.8 million. This was rounded off to €24 million more than the year before. The total income improved by €37 million year-on-year, which was +12%. This was slightly above the pre-corona level, thanks to additional credit growth in the bank's sustainable loan portfolio and higher funds under management, thus increasing to €342 million.

The bank's focus remained on maintaining healthy interest margins and improving commission income from mutual funds and tax solutions in the future. Its cost of risk improved markedly in 2021; in particular, more favourable macro-economic parameters had led to a net release of the expected provision for loan losses of €420,000 in 2021.

The bank's operating expenses had increased compared to the previous year by some €30 million, or +12%, to €275.2 million in 2021. This could mainly be attributed to additional staff costs for compliance and anti-money laundering due to AML legislation and additional regulatory costs.

A more detailed overview of these key profit and loss drivers could be found on the next three slides.

The next slide showed the total turnover. This slide showed the development of the bank's total income and a breakdown of the main components that contributed to it. The bank had achieved total revenues of €342 million in 2021, €37 million more than the previous year. The interest result had improved by 12% to €221.5 million, thanks to additional lending growth from a careful selection of higher yielding loans, while the non-financial impact had been maximised. The interest result had been further supported by the one-off benefit of TLTRO, targeted longer-term refinancing operations. We had tried to explain it to everyone last year, it was a terribly long term, but simply put, it was a programme that had been launched a number of years ago by the European Central Bank to encourage banks to grant loans to the best causes. The net income from TLTRO amounted to €6.9 million in 2021. That was a very good incidental income, but was a one off; it was slowly being phased out so it would not be under discussion the following year in this way. But this year, of course, the €7 million had been very nice, even if it would not happen again in the future.

The bank's net interest margin, NIM, had fallen to 136 basis points. This had been 151 in 2020, but had been supported by further price measures, applied to the known resources.

The bank's commission result had improved by 9% to €116 million, thanks to additional commissions for tax and transaction solutions and improved management fees for its investment funds. This had been mainly supported by higher funds under our management, which had increased by 20% to €7.7 billion.

In line with the bank's business strategy, it was shifting its policy towards more fee-based banking activities in order to diversify its overall income base even further. Its commission income was now about 34% of the total, which was above the average in the banking sector.

He turned to operating costs. This showed the development of operating costs with a breakdown of the main contributing items. Operating expenses had increased by €29.8 million and the increase was mainly due to additional staff costs of €15.3 million associated with additional work in the area of compliance and anti-money laundering (AML). Furthermore, the bank's regulatory costs had increased

by €3.9 million, mainly due to additional costs for the deposit guarantee scheme associated with higher deposits.

The last cost item really did put pressure on the bank's cost base and was an obstacle in achieving its ambitious cost targets. In the future, the bank would monitor more closely the development of the funds entrusted to it and consider further price measures if necessary.

The bank reported a cost-to-income ratio of 80% for the 2021 financial year, which was in line with the previous year. Further internal initiatives were being taken, as the bank had revealed in its press release last Tuesday, to further improve its business model and thus structurally improve its cost-benefit ratio in the future.

And on to the next slide. This showed the development of impairment charges broken down by stage of the model for expected credit losses, known as the ECL model. The total ECL expenditure had decreased by €24.4 million; that was quite a lot and had resulted in a net release of provision in 2021. A net release of provision was recorded especially in Phase 2 of ECL, which was partially offset by additional ECL expenditure in Phases 1 and 3 last year. Apart from its normal run rate for credit losses and ECL phase 3, the bank had not seen any significant manifestation of the corona crisis so far and so it had to remain cautious by keeping the already accrued provision for the previous year on its balance sheet.

The next slide showed the development of the bank's total assets under management, AUM. In 2021, total assets under management had increased by €3.9 billion to €24.2 billion. That was a big increase. Historically, the underlying trend had been very positive and had been rising significantly in recent years. Especially in the previous four years, assets under management had grown by about 16% annually, indicating a very solid and healthy growth path. Looking at this chart, the composition of the bars and the colour coding showed that the total increase of €3.9 billion over the previous twelve months had been mainly supported by a €2.6 billion increase in the bank's balance sheet and a €1.3 billion increase in funds under management.

He then wished to take a closer look at the development of the main balance sheet items. The slide showed an extract of the consolidated balance sheet of the whole group at the end of December 2021. On the liabilities side, the growth of the balance sheet total by €2.6 billion to a total of €16.5 billion in 2021 was mainly due to the additional inflow of funds entrusted to the bank, its participation in TLTRO, which they all knew about; targeted longer-term refinancing operation, tender version 3.7 and also by a successfully placed green bond. On the asset side, the additional funding had been mainly used to further develop the bank's sustainable lending portfolio. Its loan portfolio had increased by €1 billion to €10.2 billion and the rest of the funding had been partly invested in highly liquid debt securities and had resulted in an increase in the bank's cash position.

Then the next slide: the main driver of the balance sheet on the asset side, namely the bank's sustainable loan portfolio. The previous year, the bank had been able to further develop this portfolio by focusing on its main impact themes. The underlying trend had been very positive, showing annual growth of 12% over the past four years. By 2021, it would have grown by €1 billion to a total of €10.2 billion. The annual growth could be broken down into the following subsectors: cultural lending had grown by 7% to €1.2 billion in 2021, mainly driven by initiatives in arts and culture, recreation and education. Lending to the social sector had grown by 9% to €2.2 billion, mainly by supporting initiatives in healthcare, social housing and other social projects. The third was loans to the climate sector, which had increased by 2% to over €3 billion, mainly by supporting subsectors such as sustainable real estate and organic agriculture. Last but not least, the fourth, was green mortgages: up 32% to €3.6 billion due to the high demand for sustainable homes, especially in the Netherlands. All in all, the bank was very happy to see positive growth effects in all four sectors it focused on, despite everything relating to corona and the resulting difficulties in the economy.

The following slide showed the development of the bank's provision for expected losses on loans, broken down by phase. At the end of December 2021, the ECL provision for loans was €49 million. If this were compared with previous years, it was €1 million less. And if one looked at the composition in three phases, in phase 1 €8.7 million had been provided; that was a small increase. In phase 2, less had been provided for compared to the previous year, €3.4 million, and this was the main release that had had a positive impact. The bank was of course looking ahead, macro-economically speaking, and thanks to that, in the end, in phase 3 – which of course had preceded the Ukraine crisis – almost €37 million had been provided.

The historical trend line was very positive and pointed to the high credit quality of the bank's portfolio and its proven track record, as the annualised loss in phase 3 had always been below the market average in Europe. The bank's loss rate in phase 3 had been six basis points, and that could be seen in the bars of this chart as well. Below that, one could see the basis points for 2021, but also for earlier years, and it remained consistently below 15 points, which was very solid. Nevertheless, Triodos

remained prudent and would maintain a conservative provisioning level in accordance with IFRS accounting rules.

The next slide showed the development of the funds entrusted to the bank, which were its main driver on the liabilities side and also its main source of financing. The bank had recorded an additional inflow of funds entrusted of €1.5 billion, resulting in a total position of €13.3 billion at the end of December 2021. This strong inflow was of course driven by the fact that customers continued to be attracted by the bank's money-conscious proposition, but was also related to the continuing pattern of people spreading their balances over checking and savings accounts with different banks. When set against the bank's business needs, this excess liquidity squeezed its net interest margin and profitability, because it had to pay additional bank levies and taxes such as DGS. If this pattern continued, the need to consider further pricing measures to bring the cost of the funds entrusted to the bank in line with its financial goals could not be ruled out.

Next were the prudential ratios; actuals versus regulatory minimums, so how the bank actually did against the requirements. The capital ratios were shown. The depository receipts for shares formed the bank's CET-1 which, together with other capital elements, formed the total capital and thus the total capital ratio, TCR. Both ratios reflected the high quality of the bank's capital base. In 2021, the bank started to further diversify its capital base with the successful initial placement of a €250 million green bond. It began with the normal channels, looking at further sustainability. This qualified as TIER-2 capital for prudential banking purposes.

Looking at the Leverage ratio, if one could call it that, it had dropped to 8.1%, due to additional asset growth and the issuance of eligible TIER-2 capital, while core capital had been kept stable. Looking at the bar chart again, one could see that the prudential ratios mentioned above were well above the minimum regulatory requirements. It has already been said that the bank was comparing itself against this and this provided room for the future development of the bank.

Dealing then with the bank's liquidity position in recent years. The bank's Liquidity coverage ratio could be seen here. This ratio was 229% in 2021, which was well above the minimum requirements. The Net Stable Funding Ratio had reached 154% in 2021. The bank had earned really high marks here. The increase in the net stable funding ratio in the first quarter of 2021 had been attributable to the TLTRO 3.7 in which the bank participated in a sum of €800 million and which had had a positive effect on the level of stable funding. It was therefore clear that the bank was rebounding a little bit, but even here it was still well above the minimum requirements.

That brought him to the end of this financial section. He thanked everyone for their attention and gave the floor to Jacco Minnaar.

Mr. Minnaar

On the screen there was a picture of Argüelles. He hoped that he was pronouncing the name correctly. Argüelles was a goat that lived in Spain. It was at the end of September last year that he had first heard of the existence of Argüelles. As he was moving position from Triodos Investment Management to Triodos Bank, his colleagues at Triodos Investment Management had presented him with Argüelles by way of a gift. Argüelles was, in fact, part of the investment Triodos Investment Management had made with one of its funds in CrowdFarming. So thanks to Argüelles, his family was now receiving the goats cheese produced several times a year. The gift had pleased both him and his family, although he did not like cheese himself. The fact that he had received this as a gift really represented to him what Triodos stood for. The bank's founders had started out with an idea that was still very much alive today: that we in society should look at the things that money made possible and at what things we really did not want to spend money on, rather than just the financial return.

CrowdFarming actually did that too, by focusing on the products in the real economy and how they were produced. So Argüelles lived on an organic farm, where attention was paid to animal welfare.

Things were changing at Triodos Bank, but there were also things that would never change, and one of them was what he had just been talking about. Triodos Bank was primarily about impact, risk and return. These things were inextricably linked for the bank and it aimed for high impact, for moderate risk, and for reasonable return. Last year, the bank had announced that the return on the balance sheet should increase slightly to 4 to 6%. The issues of impact, risk and return also cropped up in the stories told by Jeroen and André as well, because for all of them they were not separate issues.

The slide also showed some of the impact figures that had been achieved. This had been reported on in great detail, and he warmly recommend that people read for themselves the many pages devoted to this subject. If he were to highlight a few things: the bank was and would remain a very big player in renewable energy. For years in a row, it had have been one of the players financing most of the projects there and, as could be seen from the slide, this generated a lot of kilowatt-hours of green produced electricity, although the banks was also very active in the social and cultural side. One could

also see, for example, the number of visitors to places that existed thanks to Triodos financing. But it was also apparent that the bank was trying more and more to invest in nature and in nature conservation, about which he would soon say more.

There were also things that were changing, such as how the bank handled its capital. He would also return to that in a moment. First, the environment in which the bank operated, because that was very relevant to its positioning. Of course, year after year, banks had seen how the competition had been intensifying and that actually all banks and all parties involved in investments were claiming to be green. Many of his colleagues and also many of the people he talked to who were sitting here in the room would say: yes, but some of these parties have also been substantially greenwashed. That was true, but for Triodos it was important that it had always aimed to be a pioneer and wished to stay that way. So the bank had to keep challenging itself to take on some of the projects that no one else wanted to do, so that it stayed ahead of the curve. It would also have to continue to communicate this very articulately and explain where the differences lay. The fact that the bank studied one hundred percent of the things it did through such a lens, and not just a small part. And that it actually undertook activities that kept it just a step ahead of the wave. Then others would join in, which would be fine. This has happened very much with wind and solar energy, for example, but here too the bank had to make sure that it again kept one step ahead. In the past, it often did so by growing fast on the balance sheet; which then attracted new capital which it invested in very interesting projects in terms of impact and return and, based on that performance, the bank went back and raised more capital. The bank was currently looking at a model to continue to grow its impact and return on investment. It did this, firstly, with the things on the balance sheet and by looking very carefully, even more strictly than in the past, at where it could create the best impact and the best return and, secondly, by developing activities that it already undertook in part. André had already mentioned that the bank had a relatively high fee income compared to other banks, but things that were not on the balance sheet and where the capital requirement was lower; that was the bank's strategy to ensure that it could continue to grow that impact while its capital would grow more limited, going forward and also in the past year. So how did we achieve this? We were already doing this, for example, by using guarantees. We had the Easy Guarantee, which was an excellent example of where we could finance medium and small projects that were sustainable. Really a number of things that could not have been done at other times, but with a lower capital outlay because there was a strong guarantee from the European Union backing it up. And he expected that kind of activity by the bank would only grow moving forward. The bank also did this by creating investments and funds, at Triodos Investment Management, and by distributing them in the various branch offices. And these activities, too, had shown strong growth the previous year. This way, the bank created impact without it being on its own balance sheet. It had very strong teams that understood these impact transitions well, and at times they could produce more than what was appropriate for us. So the bank also tried to collaborate with other parties. It already collaborated with ASR whereby they actually participated or immediately added a part of our loans to their balance sheet when payments are made. The bank intended to expand such collaborations further.

There were also opportunities on the mortgage side to do more of that. The bank had the greenest mortgage in the Netherlands and had already announced its wish to launch a bio-based mortgage this year, where it really did consider whether the materials used in building or renovating the house were the most sustainable materials that could be used in a circular way.

So that was how the bank had made an impact in 2021 and how it wanted to continue making an impact in the future.

Now, of course, one of the biggest current problems was the climate challenge. What they could all now see on the screen was the bank's carbon footprint. On the left-hand side it was shown in absolute terms, in kilotonnes of CO₂, and on the right-hand side it was shown in relative terms, where it was measured per billion euros of invested capital. And that climate footprint, that CO₂ footprint of the bank was fairly unique because it was so low compared to other financial institutions. At the top that of the screen you could see that the bank also continued to cause emissions; a wind turbine was of course very green over time, but it had to be built in the first place. Producing food ultimately also cost CO₂ and the bank needed to look at how it dealt with that.

In the second column, you could also see a part of what could be a bigger solution in the future, namely where we had been able to capture CO₂ naturally. When he said 'we', he meant the projects that the bank invested in and financed. So that was sequestration of CO₂ in a natural way. Below that, they could see the impact of all the renewable energy the bank financed, i.e. the amount of CO₂ avoided. It was huge because the bank was such a big player in that sector. If it now added and subtracted all these factors, the bank could claim to be already more than 200% climate neutral. However, the bank did not make such a claim because you could really only compare the first and the

second bars, namely the direct CO₂ emissions that the bank caused and the direct CO₂ emissions that it took out of the air. With the third category – which remained important – the bank helped others to make their energy greener and thus reduce their carbon footprint.

As Jeroen had mentioned, the bank had made an announcement last year and, of course, it had thought deeply about what was really needed for this climate transition. We had seen many parties making pledges, but most of these pledges were aimed for 2050. And by 2050, the whole world really should already have been there, as everyone was promising now. However, there was a very real risk that this would mean that we did not take action now, and only really started working towards the 2050 goal over the final ten years. That is why the bank had said: we really need to bring that deadline forward. So it had chosen 2035, knowing that at this point – last year in 2021 when the bank announced this – it did not yet have all the answers as to how exactly it would get there. But it did have plans and it was working them out now. Those plans were shown on these three bars, because the top bar represented the emissions from the bank's own portfolio, namely the loans and the investments it made. And each of those categories needed to fall zero or close to zero. So that applied to mortgages, to business loans and to all the funds of Triodos Investment Management. There too, it was clear that the bank's ambition was higher than the average in the financial sector, because these pledges usually only concerned the bank balance sheet. With investments, it was perhaps even more difficult to achieve this. If there were certain emissions that were unavoidable and could not be completely reduced to zero by 2035, then the bank wished to invest more – it was already doing that a bit – in nature, in regenerative agriculture, to ensure that it did more of that natural CO₂ sequestration. Of course, this could never be too large a part, it was more important that these other sectors all dropped to zero as soon as possible, but the bank did not want to go offsetting with certificates in the future. The bank really wanted to grow this natural commitment on its own balance sheet and with funds it managed itself. That was what it did and would continue to do with mostly small and medium-sized projects, in which the local community was involved as much as possible or that it often even helped to manage or actually managed. Because climate transition was, of course, not only a technical climate problem, but also a real cultural issue that everyone had to get behind and find ways to support.

With that, he moved straight on to what was formally item 2.b on the agenda, to say something about the bank's environmental and social annual report. For Triodos, it was always about its financing and investments, but here he focused a bit more on the bank's own operations. In the annual environmental report – and, again, there were very extensive documents in the official annual reports – where one could see the bank's own CO₂ emissions, these revealed the electricity the bank consumed, the vehicle commuting traffic, the bicycle traffic, paper use and in a general sense one could see that those indicators had all been reduced, so actually improved. So we could see a reduction in each of those sectors. In the past, for example, the bank had had two offices, Nieuweroord and the Reehorst. What had happened was that during the corona pandemic, of course, many people had worked from home. The bank had then looked at how best to proceed after the pandemic. It had asked our employees how they preferred to work. Many employees wanted to work two days at home and three days at the office, or three days at home and two days at the office, and so the bank had been able to reduce its number of offices to the Reehorst, where all the activities in the Netherlands now took place within a very sustainable office. And where people continued to work hybrid even after the corona pandemic. On a more human level, 1,715 people now worked roughly half at home and half in offices in the five countries where the bank operated. Almost half, 49.7% of these people were women. In management positions, the figure was still somewhat lower, at 39%. Last year, of course, it had also been very important to see how absenteeism figures would pan out, because there was a pandemic and we had also seen, of course, that people had become ill for longer periods as a result. The bank's absenteeism rate was 3.5% and it had to continue to monitor this closely. It had gone down slightly, compared to 3.7% the previous year. The bank tried to keep staff turnover below 10% and had exactly succeeded in this, at 9.8%. This was slightly higher than the previous year, when it had been 8.2%.

Finally, the bank always reported on the highest salary received within Triodos Bank versus the median. This was in line with the GRI reporting standards and was actually seen as the gold standard in this area. According to the GRI this should not be higher than 7. There were very few financial institutions that were actually below 7; however, the bank was at 5.2. So it had a relatively egalitarian structure in terms of salaries.

With this picture, he had demonstrated that Triodos was changing, but there was one thing that did not change at Triodos and that was the bank's focus on impact, risk and return and this remained a very strong ambition. We were all going to do our very best to make 2022 an even better year. He thanked everyone.

c. Report of the Supervisory Board 2021

Chair

He thanked the members of the Executive Board for the explanations and for the report. There were four members present. Nico Kronemeijer had been ill all week; he had been holding on, but if he got to the point where he said 'I'd rather go and sit in the hall' or whatever, he should just do that, because he had to recover over the weekend for the hard work that would be necessary the following week. He also welcomed those who had been delayed by the train and had arrived a little later.

At the last AGM they had all still been in the middle of the corona pandemic. As he had said, it had been necessary to have digital meetings. In hindsight, however, the economy had rebounded in 2021. However, the war in Ukraine and rising inflation had dampened expectations. And no one knew if Corona had really gone. In this context, Triodos Bank, as a group, had actually achieved an excellent result. This is what those present had heard that from André, and Jacco had then gone into more detail about the results in terms of impact. The Supervisory Board wished to express its appreciation to the Executive Board and all Triodos Bank co-workers for this. This good result also enabled the bank to make a suitable dividend proposal.

The bank's mission was as relevant as ever. The Supervisory Board had had intensive discussions with the Executive Board on this subject on several occasions. The transition in society to a sustainable economy – in regard, for example, to agriculture, food, energy, climate – could now count on broad support, but there had been very inadequate adapting of business models and our homes, government policies etc.. In 2021, we had also talked about social diversity and inclusion. The financing of social initiatives in this field also fell explicitly within the scope of Triodos Bank. So there were huge opportunities for the bank and its ambition to continue to play a leading role in this in the years to come.

The ratio of income to expenditure had been higher than desired for some time. They had therefore held intensive discussions with the Executive Board about measures to structurally improve that ratio and thus also to bring the bank's profitability to a solid level. This had resulted in decisions to adjust the business model, make use of digital opportunities and also of better cooperation between different branches and headquarters. The Supervisory Board welcomed these decisions, which had also been announced this week. They, the Supervisory Board, had confidence in the careful implementation of these policies.

A thorough analysis of depository receipt trading had led to the conclusion that the system of a fixed trading price (Net Asset Value) was no longer tenable. The Supervisory Board, in its supervisory and advisory roles, had regularly and intensively discussed this issue with the Executive Board, both with regard to the various options that were available and the basic components of the equity story, as it had then been called. A story sometimes told in English, which was perhaps more the language of bankers; André also spoke English although he was German. So let it be the 'Equity story' that was also a topic of discussion between the Supervisory Board and the Executive Board. And the decision to prepare for trading on a semi-open trading platform – also known as an MTF - which would be on the agenda later today, had received full support from the Supervisory Board in light of the different interests of the bank and the various stakeholders. We expected that the depository receipts would be readily marketable and that the price would move with the market valuation of Triodos Bank's impact/risk/return. We also expected to be able to attract new capital this way, which was necessary to finance the steady growth of the bank's lending. A third advantage of the chosen solution was that only registered persons and parties could trade, thereby protecting the uniqueness of Triodos Bank. We saw that the Executive Board was giving the preparation of this semi-open trading platform the necessary priority and was steering this process adequately.

In 2021, the Board had been renewed. Peter Blom and Jellie Banga had left the bank. They had been succeeded by Jeroen Rijpkema, Nico Kronemeijer and Jacco Minnaar. Everyone had been informed of this during the annual - and also during the extraordinary - shareholders' meetings.

In the appointment policy, the term of appointment of new directors had been changed from 'indefinite' to 'four years with possibility of reappointment'. We had done this because, firstly, the bond with (the mission of) Triodos Bank could be longer; for some people it stretched even to a lifetime. Whilst the employment contract could therefore be for a longer, or indefinite, term, the term of appointment in a functional role as a member of the Executive Board would be tied to a period of time, which was in line with the Dutch Corporate Governance Code.

Jeroen Rijpkema's term, originally foreseen for two years, had been extended to the normal four-year term. This would be discussed later under agenda item 7. These measures provided for continuity of leadership during transitions in business operations and capital provision. Unfortunately, our CRO Carla van der Weerd had been ill for a long time and her position was being filled temporarily. All in

all, the Supervisory Board was very satisfied with the performance of the Executive Board as a team of 'collective leadership'. Challenges were being dealt with, goals set, and plans realised, both in terms of content and timeframe.

In 2021, the Supervisory Board had also met with the SAAT board on several occasions to discuss the operations of the bank, appointments, and changes in capital provision. These included the interests of and dialogue with the bank's stakeholders in general and the depository receipt holders in particular.

Within the Supervisory Board, Fieke van der Lecq had been succeeded by Daniëlle Melis, whilst Susanne Hannestadt joined as seventh member. They were both members of the Audit and Risk Committee. Daniëlle Melis had also been nominated by Triodos' Works Council as a Nomination Committee member and she was also a member of the Remuneration Committee. Everyone had been informed about this in previous extraordinary shareholders' meetings. With this annual general meeting of shareholders, two members of the Supervisory Board would come to the end of their second term, as planned: Ernst Jan Boers and the speaker. The vacancy of Ernst Jan Boers would be filled by the nomination of Willem Horstmann later on the agenda. The vacancy caused by the speaker's departure would be filled by the internal succession of Mike Nawas, the current vice chair. In principle, this would bring the Supervisory Board back to six members. As Dineke Oldenhof was approaching the end of her first term and was not available for reappointment, the recruitment of her successor was ongoing. As soon as someone could be a nominated, the nomination would be put on the agenda for a future shareholders' meeting. We would bid farewell to our supervisory directors later. 2022, as mentioned, would be marked by the war in Ukraine, rising inflation and the hope and expectation that there would be no new waves of corona. Meanwhile, the social agenda of sustainability and inclusion was becoming increasingly topical, although the transition to sustainability was not going fast enough. Politics, business and the public would have to pull out all the stops, and we as a bank could play a catalysing role in this. Social inclusion was unfortunately taking on a new meaning due to increasing social inequality. Accordingly, Triodos Bank's mission remained as relevant as ever. *The bank aimed to change finance and to finance change.* As depository receipt holder, shareholder, customer, employee, director, and Supervisory Board, we continued to work together to realise this wonderful mission. He thanked everyone for listening.

There would now be an opportunity to ask questions about the report of the Executive Board and the Supervisory Board. We had touched on many issues in our reports. Questions on the dividend proposal and on the trade in depository receipts would be dealt with under agenda items 3 and 8. So this was really about the other points in the report, not about the dividend proposal and not about the trade depository receipts, since everyone would have ample opportunity for that in agenda items 3 and 8.

There would be three questions from the audience and then three questions sent digitally. He asked that questioners state their name, place of residence and whether they were a depository receipt holder or a guest.

He saw three people standing at microphone 2, which was good. Then you would get to speak one after the other. He asked them to proceed.

Mr Verhagen

My name is Verhagen, from Leiden. Unfortunately, I have not been able to be here for a number of years due to the circumstances, but I was always a regular visitor and a keen observer, I believe. I am happy to be back, given that circumstances have changed. First of all, I would like to say that there are so many language errors in the abridged annual report. I would like to ask whether this can be looked at more closely.

My second question is: I remember a conversation with Mr Jansen, but I do not know who Mr Jansen is. Oh, from PricewaterhouseCoopers, thank you. Then I wanted to ask whether you could include a page with abbreviations in the next annual reports, because so many abbreviations are mentioned, please explain them in English and in Dutch, because if you have to look up again what is meant ... Be more specific about this, yes? My question is mainly about the expected credit losses, because there is a discrepancy between what was on the slide and what is in the report. The report states that phases 1 and 2 had improved and that, unfortunately, this improvement had to be scaled up to phase 3. My question is: what is phase 1 and 2 and what is phase 3? Please explain that.

Chair

Thanked the questioner.

Ms Versteeg

My name is Kels Versteeg, from Eefde. I am a depository receipt holder. My question relates to the management report, namely the choice made last year of an MTF rather than the stock exchange, for depository receipt trading. The only real justification we, as depository receipt holders, have heard about this is that it would appear from the answers to the Ipsos survey. Those questions and answers have not been published in their entirety. I filled it in and these were questions where, in my opinion, you could go either way with the answers, so for me that is not a convincing argument. What I expected and what I really missed was just a business-like, expert report or something that really addressed: what do we expect the demand to be on an MTF? What do we expect to be the demand on the market? What about the possibility of actually getting rid of larger share or depository receipt holdings? And then I can understand why you also say: options to protect the independence of the bank on the one forum and on the other. This consideration plays a role. My impression of the choice of the MTF is that it is only an easy crutch for the bank and a very poor construction for the depository receipt holders and that there is no certainty or prospect that you can actually get rid of your shares, your depository receipts, at the time when you need to do so for your pension, for example, or for some other reason. We all know enough stories of people who are trapped in this and it is not solved with an MTF. So I also hear the apparent confidence of the Supervisory Board, which I don't understand, and I think there should be much more clarity about that. And as a second question, I would like to ask that this be re-examined in detail, for example, with interest groups such as the Depository Receipt Holders Foundation (Stichting Certificaathouders) and possibly the Dutch Investors' Association (VEB).

Mr Van der Velde

Good morning, my name is Fons van der Velde. Of course, I am a depository receipt holder, I am from Utrecht. I am also chair of the Stichting Certificaathouders Triodos Bank, a foundation that has some 2,200 affiliated supporters, with a total investment of €125 million. I will permit myself a single remark about the foundation before I come to my question. The foundation has a dual purpose. Firstly...

Chair

Would you like to ask your question?

Mr Van der Velde

Yes, I am asking my question. But please give me a minute to explain the question, I hope you will. The foundation has a dual purpose, and I need that comment to set the context of my question. The foundation represents the interests of the depository receipt holders in combination with contributing to maintaining Triodos Bank's banking functions as a social and sustainable lender, that's point one. The foundation, Mr De Geus, stands for dialogue, for conversation, for connection. But at the same time, I tell you, if that path is not open to us, the foundation will obviously proceed through the institutions, the available financial institutions. Now I come to my question. As you know, since March 2020, Triodos Bank depository receipt holders have been affected by the fact that the depository receipts are not tradable and that there is a significant write-down and a dividend policy, which we will discuss later. These are three interrelated problems, which are further reinforced by the way the bank talks to us and communicates. We consider ourselves primary stakeholders of the bank, while we do not have the impression that the bank also considers us primary stakeholders in terms of communication, transparency and accountability. That is why I am asking. The first component of the question is: we would like to know when Triodos Bank's Executive Board knew that the bank's current business model and the depository receipt holders' position in it were coming to an end? At which meeting of the Supervisory Board was it noted that that model was coming to an end? Was that, for example, in the meeting of 14 December, which you report on in the English annual report on page 378, or was it earlier or was it later? We would like to know: when did you realise that the model had reached its limits?

The second question is linked to this: what alternatives – this ties in with the question from the previous speaker, Ms Versteeg – did you investigate beyond the platform and an IPO? And what considerations were made then?

The third question is: what considerations have led you to choose to unilaterally pass on the problems entirely upon the depository receipt holders? What are the reasons for you unilaterally passing on the problems to depository receipt holders who are heading for a loss of €400 million or more? What is happening now – that is my last comment – is in the opinion of the foundation not good for depository receipt holders, but we think in all modesty that it is not good for the bank either. The trust in the bank, the reputation of the bank, attracting new capital and so on. So that is why we are asking

you, that is why I am calling for more openness on the part of the bank, more transparency and accountability, beyond what you have already done. I am asking you to adopt a slightly different attitude and tone of voice towards the depository receipt holders and I am asking you, I am making an urgent appeal, to come up with solutions that are more acceptable to the depository receipt holders. Thank you.
[Applause.]

Chair

He thanked the questioners. He would now see if there were any questions posted on the screen. Had any been received? Three questions.

Ms Schreurs

A question from Mr Hans de Witte from Sint Andries, which would be in Belgium: 'Does Triodos publish details of its CO₂ emissions, of emissions avoided, of emissions closed and of calculation methods? Are there independent audit reports?'

The second question came from Mr Tanguy Bailly [1:23:54] from Brussels: 'Just as the model for depository receipt trading seems to have had its day, the governance model of Triodos also seems to be totally outdated. A situation in which SAAT, the Foundation for the Administration of Triodos Shares, itself claims to have no real power or direct control over the bank's two administrative and management bodies. Therefore, is it not time to change the board, reinvent itself, get rid of the intermediary SAAT and give the depository receipt holders back their direct power over the bank and thus their voting rights?'

Finally, the third question, from Mr Bennink from Groningen: 'Good results require good distribution among stakeholders, a different dividend design. Good leadership requires translating differently. There is no place for complacency, understanding is only given on the basis of trust. That has been lost recently. Will you really talk to the duped depository receipt holders in the near future? The Depository Receipt Holders Foundation can be a good discussion partner.'

Chair

He thanked the questioners for these questions. There were now six questions, and he suggested that the chair of the Executive Board spoke first, and he could, of course, also involve his colleagues in his response, and the speaker would also contribute to the response.

[unintelligible comment from the audience]

If that person wanted to ask another question, they could do so in the next round. He thanked them. There were three questions from the floor and three questions digitally per round, so now these questions would be answered first, otherwise they would not be able to keep up. Then there would be a second round.

Mr Rijpkema

He thanked Mr Verhagen for his questions. He regretted the language errors in the abridged report, and they would certainly pay attention to that and take steps to avoid that as much as possible in the future. He thought that the question about the provisions, the ECL as it was so nicely called in non-Dutch, should perhaps be passed on to his colleague.

Mr Haag [through interpreter]

He thanked the questioner. Actually, there were several questions in one: what were the definitions? If one looked on page 270, there were exact definitions of each phase. ECL consisted of three phases: the first phase was all loans and all financial instruments. All the costs were also evaluated there, so that meant that since these loans had been taken out, nothing had changed. So that meant that everything fell into that category and a number was attached to it. If there were then a significant change that had occurred after the start of the loan, a loan had to be moved from phase 1 to phase 2 and we had to calculate what the expected fee basis would be for a loan at the end of the term. So those were phase 2 loans. If we had loans outstanding, we needed to calculate the full expectation for the end term and calculate that amount. Because of macroeconomic conditions, loans that were in phase 2 were very volatile and that number would be different every time, because of the changing environment in which those loans found themselves. Of course, it could relate to unemployment, everything had an effect on that phase 2 and that was why that number was often very volatile there. And then phase 3 was something different; if the credit risk that we had observed in phase 2 was actually going to happen at the end of the term, then we would have to put that loan into phase 3 and

there we often had to support the customer to solve such a loan. And this was a description of the actual life cycle of a loan, phases 1, 2 and 3. If you looked at the table on page 274, you would see that the entire ECL was explained per balance sheet item. You spoke of a deviation, I looked at loans in particular which involved 90% of the provision we made. But there was also a very small portion that was outstanding in bonds and these, of course, also qualified as a certain type of loan. On top of that we also had things that were not on the balance sheet, such as loans that we had given to customers but had not spent, so that was not on the balance sheet but we still had to calculate ECL on that. So he was not talking about the full 100%, but only what was on the balance sheet, which was 98% and those were the deviations. He hoped that that answered the question.

Mr Rijpkema

Ms Versteeg's question about choosing an MTF and not a Euronext listing or another market, well, Euronext would have been the most obvious choice. We had indicated at the meeting of – off the top of my head – 28 September last year that we had looked at a number of alternatives and in order to find an alternative to the system of Triodos Bank at the time, that we would look at a form of listing. Either an MTF platform, which we then described as a community solution, or a listing on a public market. We had then mentioned a number of aspects that we would consider. In short, he thought that there had been important considerations at the time and that a number of criteria had been looked at, which we had also indicated again on 15 and 17 February in our explanation, then via the webinar. It was much nicer that we could meet physically now. At that time we had explained that we had looked at a number of aspects. We had looked at the mission, business continuity, changes in depository receipt value, access to capital, access to marketability, operational feasibility, the complexity of listing on either platform, and also the costs. Ultimately, we had looked at these activities and concluded that a multilateral trading platform, an MTF, would best serve the interests of all Triodos Bank's stakeholders. It was a very different type of trade – as we ultimately wanted to recover the trade for you – otherwise than via a Euronext listing. Nothing against a Euronext listing, but we came from a world where you had explicitly chosen to invest in Triodos Bank. Because you wanted to use your money in a conscious way, you wanted us to create a positive impact and you wanted to achieve this together as a community. We also knew the depository receipt holders. They felt connected to this organisation. The moment we went to a public market, that connection would have been severed. Because it meant that we would go to anonymous investors who had different considerations for investing in Triodos Bank to yours, the depository receipt holders who were committed to us. Pricing would therefore be different. Anyone could place and execute trade orders from their computer at any time when the exchange was open. The price would then be very much influenced by temporary withdrawals of supply and demand. When you went to a community-based platform, you would be able to secure the Triodos identity much better with each other – we would know who the depository receipt holders were – and you could also regulate trading. You could say: trading could be made possible once a week, or twice a week or once a month; those were things we would discuss with you later. You could also specify ranges within which trading could take place. So not at a time where there was a lot of demand or a lot of supply with very large fluctuations in price formation, but much more that you said: within this bandwidth, trading could now take place. You could decide on the platform, the conditions under which you, our depository receipt holders, wanted to trade on an MTF. This was not possible on Euronext where it really was the market that decided. The bank had decided, based on the criteria just mentioned, that it was in the bank's interest, in the interests of all stakeholders, but also of the depository receipt holders who come from a completely different world of trade, to make this step towards a multilateral trading platform. Importantly, the preparations for this were broadly similar to those for a listing on the market. Here, too, you had to take all kinds of steps with regard to administration; we would be discussing that this afternoon. Here, too, you had to build an equity story. There were similar steps to be taken. But it was our belief that Triodos Bank's identity and the preservation of its mission and the realisation of our goals could best be achieved by moving to a community-based platform.

Speaker in the room

[Not well understood, not into microphone] Was that decision really taken by the bank?

Mr Rijpkema

We said in December that we were taking all the necessary steps to move in that direction. Your question was whether the decision had been taken. That applied to any IPO, the real decision would be taken only when you said: I'm going to list tomorrow or the day after. But we were going to take all the steps to prepare ourselves for it.

Mr Van der Velde's question: when did you know that Triodos Bank could no longer trade with the previous system? We indicated at the extraordinary meeting of shareholders on 28 September that we had found that the existing system had reached its limits. We had also published – he hoped he had seen this on our website – an explanation of how, within the market making buffer, in other words the trading facility that Triodos Bank itself had, the bank had been able to absorb the differences between supply and demand in recent years. This had always worked well, even during the financial crisis of 2008/2009. In March 2020, the bank had been confronted with highly anomalous trading patterns and had had to suspend trading on the basis of that observation. The bank then took steps to restart trading in a controlled manner in October 2020 and, unfortunately, in early January 2021, once again found that even with the adjustments it had made, trading could not be conducted within the existing trading facility. Then we had started looking at alternatives. We had explained these alternatives on 28 September 2020 and again on 15 and 17 February via the webinars. We had looked at a whole range of variants and finally made a choice between a public market listing and an MTF. In making that choice, we had also established that the existing system was not enforceable, and so we were switching to a new system. The alternatives you were asking about; he wanted to explain them again, but they had been explained extensively on 28 September and on 15 and 17 February, and they ranged from looking for a core investor, some big investors who would take a stake in Triodos. The bank had also looked at possible merging acquisitions, i.e. merger and acquisition solutions. It had looked at a cooperative model, at a number of variants, and finally it had selected these two: an MTF or Euronext. The bank had gone through a careful process; it had taken advice from external parties and finally it had made this choice. And it had in any case tried – and he thought that it was important to say this – to communicate transparently and openly about this and to account for this in the meetings mentioned.

As he had said, they were trying to improve the bank in a number of areas and, at the same time, to realise a positive impact – the thing that mattered, what you had after all invested in – as well as possible in that rebalancing, which Jacco Minnaar had also mentioned, between impact, return and risk. And ultimately, with the steps the bank was taking now, to ensure that investing in Triodos Bank remained attractive and became attractive for new investors too. He considered this to be the best step to take to enable increases in value for depository receipt holders, also in the future.

At the same time, he also had to say that the existing system had stalled. That was a reality that he also faced and in that reality the bank was trying to find the best possible solution for the depository receipt holders, but it was also his statutory responsibility to do so in the interest of all other stakeholders of the bank. This included the employees, the customers – 750,000 in five countries – and the wider society in general, as it was called. And the bank was trying to find that balance, but at the same time it felt a strong pressure and responsibility to also find a good solution for its depository receipt holders and to ensure that it could at least restore some form of trade within the indicated period of 12 to 18 months that had started at the beginning of this year.

He asked Jacco whether he wished to say something about the publication on emissions.

[unintelligible, without microphone]

He had made a note of three, he apologised.

Chair

He would come back to that in a moment.

Mr. Minnaar

The question was about our method of calculating CO₂ emissions. This was based on the method of PCAF, Platform Carbon Accounting Financials. It was a method that had been developed jointly by financial institutions, and launched in the Netherlands with Dutch banks. He remembered clearly that in November 2015, on the train on the way to Paris, that the bank had announced that initiative. Hundreds of banks were now affiliated with it and it seemed to be the leading initiative to create a standard for how we captured CO₂ emissions in the most effective way. It could be compared to the accounting standards on the financial side, which were becoming more and more sophisticated and could be improved continuously, to which the bank had been actively contributing since the beginning. The numbers that were actually in the annual report had also been audited, because that was Mr De Witte's second question.

Chair

The next question was about the governance model. He would repeat it anyway, because it might have slipped your mind: just as the depository receipt trading model seemed to have had its day, so too the Triodos governance model seemed to be totally outdated with SAAT claiming no real power or

direct control over the bank's two governing and management bodies. Therefore, was it not time to change the board, to reinvent itself, to get rid of the intermediary SAAT and give the depository receipt holders back their direct power over the bank and thus their voting rights?

To that question he could give a few clarifications. SAAT was not an intermediary, SAAT was the shareholder. The question of SAAT's actual powers could be further answered by SAAT itself, but indeed the questioner was right that it had no direct control. SAAT was in that sense at a certain distance removed as a shareholder, because in the governance of the bank there was an Executive Board and a Supervisory Board, and the shareholder had certain powers but of course it was not a kind of third supervisor. So that was not the case. The essence of this question was ultimately, whether it was time to give the depository receipt holders back their direct power over the bank and thus their voting rights: this had actually been provided for in the governance of the bank from the outset, so that the beneficial ownership lay with the depository receipt holders and the power to vote with the SAAT. This had been a very deliberate decision at the time to safeguard the bank's individuality, mission and continuity. In any case, we as the Supervisory Board saw no reason to change that.

Then he came to the third question, which concerned the other dividend design. Could he ask the Executive Board to answer this?

Mr Rijpkema

In his view the question by Mr Bennink from Groningen contained a number of elements. We would be talking about the dividend structure later, so if he liked, we could perhaps answer that question after the explanation of the dividend proposal. In addition, he thought that Mr Bennink's appeal was also mainly aimed at whether we were open to entering into discussions with depository receipt holders: absolutely, that is why we were here today, he thought, and why we had also tried to organise depository receipt holder meetings in October and November, not only in the Netherlands but in all countries. We had also tried to give further explanations via the webinars in February, which, of course, had not been very pleasant for anyone as it could only be done digitally. But we were certainly open to discussion; at the end of the day, he believed that we were all involved in this bank and that we all wanted the best for this bank, and he certainly tried from his position together with his colleagues to do the best for all stakeholders of this bank, and the depository receipt holders formed a very important group within that. So he was certainly open to dialogue, although he admitted that he might not be able to fulfil all the wishes of all the stakeholders, and therefore perhaps not all the depository receipt holders, but in any case, he was very happy to have dialogue and discussions.

Chair

He would now return to answering Mr van der Velde's questions. There were four questions there, and in the answer, the chair of the Executive Board had covered the four questions well, in his opinion. When had the business model reached its end: that had been explained. What alternatives to the platform had there been: that had already been partly covered in the answer to Ms Versteeg's question, but that point had been clarified. What factors had been considered: that had also been explained. The last question had been about more transparency, attitude and tone of voice, which had just been addressed in answering Mr Bennink's question. The question had also implied that, in Mr van der Velde's opinion, that there had not been enough of this; if it was not enough, then perhaps we should try to improve it from both sides. In any case, it was – as the Executive Board also confirmed – our absolute intention to uphold, in transparency, in attitude and in tone of voice, our tradition of open dialogue and respectful treatment.

In the spirit of that respectful treatment, they now arrived at the second round. That is where he faced a challenge as chair of this meeting, because there were people who had come forward before, and that included the lady who was now turning to microphone 2. And there were two people who had been standing at microphone 3 for a while, and a gentleman who had been standing at microphone 1 for a while. That was four people and he had said there should be three people per round. However, since all four of them had been waiting for so long, he would like to give them all the floor, but that would then close this second and final round. Afterwards, there might be further questions via the website. He would now turn first to the lady at microphone 2.

Ms Lubbers

My name is Romée Lubbers from Amsterdam. I somewhat concur with Ms Versteeg and Mr van der Velde. I am also a member of the Stichting Certificat houder s Triodos Bank, but my question is actually about abandoning the old system in the first place, which is actually still the system in force today. What exactly is Triodos Bank's analysis of why the system no longer works? I heard some great

reports this morning. And it reassures you: this is still the Triodos Bank as I knew it. But why did it get off track and has something happened within the base of depository receipt holders, so that the system could no longer work? I miss that analysis, because you would expect from an Executive Board that having made an analysis it would then have made a policy to put the situation back on track. That did not happen and I do not know on what grounds. *[Applause.]*

Chair

He thanked the questioner. He now turned to the two questioners at microphone 3.

Mr Jansens

Thank you, chair. My name is Jansens and I am from Voorschoten. I wear three hats as a depository receipt holder, but I will not dwell on that. On behalf of the Stichting Certificaathouders, I have recently conducted a survey among depository receipt holders. It is still ongoing, but I would like to share some preliminary results with you because I think they are interesting. These are based on one thousand respondents, one thousand depository receipt holders, together accounting for more than 5% of all depository receipts. It is the context to which my questions relate. Only 2% of all respondents said that the bank handled the depository receipt issue well. 72% say the bank has done badly. The rest do not know. No more than 5% think that the bank has communicated properly about this. 76% do not agree at all. 74% said that the bank has not been transparent about the expected depreciation of depository receipts when listing on MTF. They were caught off guard by this on 21 December, as nothing had been said about it before. This is just a small sample of the results. Respondents have not only shared many opinions and ideas with us, but also experiences, and the depository receipt holders are really disappointed and angry. Some are outraged. They feel abandoned, cheated and robbed by their bank, their social bank. I could give countless tear-jerking examples of this, but I will not do so now for the sake of time. Where is all this leading? For 97% of all depository receipt holders who answered this survey, yes you heard correctly, 97%, their confidence in the bank has been seriously shaken. Half of them have lost confidence in the bank. That has consequences and it is going to have many more consequences. Of these people, 16% have already switched to another bank and 41% are considering it. Most of the rest don't know yet or can't switch because they only have depository receipts. Against this background, I have two questions about the annual report. In the annual report, you note that the decision-making on the depository receipts was 'well received by many and less well received by some'. What do you base that on? In the section on risk management you write that for Triodos 'as a bank with a mission, a good reputation is essential to its ability to function'. For this reason, the bank would manage its reputation in a 'proactive manner, particularly by doing the right things and acting in line with its mission'. A survey of depository receipt holders, shortly before you turn low-risk depository receipts into high-risk shares and saddle them with huge losses, is certainly proactive but it is disastrous for the bank's reputation. Are you not afraid that there will be an exodus when your own depository receipt holders, the owners of the bank, withdraw their trust in the bank so massively and that socially committed investors will choose other banks from now on? *[Applause.]*

Mr Ronk

My name is Cees Ronk and I am from Zeist. I am a depository receipt holder and a customer of the bank. I have had a look at the profit and loss account and the balance sheet, and I think this question is for Jeroen Rijpkema: where can I find the amount that is made available by the bank to compensate the depository receipt holders for the loss they suffer?

The second question I have: in André's presentation, there was quite an emphasis on growth, growth of the bank. Who decided that the bank should grow like this?

Chair

He thanked them for two clear questions. He then turned to the last questioner.

Mr. Vink

My name is Vink, from The Hague. I am a depository receipt holder. I have some more fact-based questions about, indeed, the decision to suspend trade and, in particular, the size of the buffer. The buffer figures have been published and now it appears that 40% of the buffer has not been used. So how can you come to that decision to suspend business completely, when you could still have worked it through. What was the criterion? I can imagine that when you get down to 10%, you say: yes guys, now we really have to stop trading. But at 40%, you still have plenty of room in that buffer. That is the first question.

The second question is: where is the use of this buffer represented in the annual figures? I have had a quick look at pages 134 and 135, which will be a question for Mr Haag, and it shows the total nominal share capital at the beginning of the year, it shows that an additional €3 million was purchased – I wonder where that came from – and then we arrive at the final amount. On page 135 it says that €22 million has been written off. What is the reason for that write-off? Finally, a small discrepancy, because on page 184 of SAAT's report it says that there was no change at all in the nominal capital. Who is right here? Thank you.

Chair

You asked 'do you understand'; he did not understand it yet, but perhaps we could all understand it after the explanation. This was a question about the annual report. He actually noticed that the questions about the report of the Executive Board and the Supervisory Board and the questions about trading in depository receipts and the annual report were often related to each other, and got mixed up a bit. He would therefore also ask for your understanding that we were running a little late with this agenda item, which we could then perhaps make up for on other agenda items. Now this round was closed because as he had explained there were three speakers. The gentleman at microphone 2 had really been waiting for a while; he was inclined to let him ask his question provided that it was kept very short. He asked the questioner to proceed.

Mr Rijken

Thank you. I am Bibi Rijken from Amsterdam, depository receipt holder and customer of the bank. I have a great need to ask questions in a slightly different area. The world is in turmoil because of the geopolitical situation around Ukraine and the war. It has already been established by several speakers that this has a major impact on various areas, so I assume also on the impact areas of Triodos Bank. In this turbulence, many civil society organisations are reconsidering their missions and goals. My question is prompted by a comment made by Jeroen Rijkema at the beginning, about there being positive impact but still changes that are strange and painful in terms of the impact areas. Now, my question in this whole context in which we live is: does this also mean that there will be a reorientation with regard to the impact areas, for example, that investments will be made in other areas such as the security structure or concrete defence? Thank you, that was the question.

Chair

He thanked the questioner. He was looking at the questions that had come in through the chat box. The moderator faced the challenge of reading quite detailed questions. In this regard, as chair of the meeting, he would actually suggest that they left out the explanations that people gave for their questions and only read out the sentences that related to the actual question, because the explanations actually corresponded to things that had already been said. He asked her to proceed.

Ms Schreurs

She told the chair that she would try to do this. Depository receipt holder De Jong from Gouderak asked the question again – vis-a-vis earlier questions – about the relationship between management and providers of capital. It was a question of the confidence that both supervisors still had in the bank. He also referred to the plans announced by the Executive Board of the bank this week, and asked about the trust of employees and the public in the bank. She would read the last sentence of his question: 'How do the Executive Board and Supervisory Board view the prospect of Triodos Bank N.V. realising its ambitions on its own, compared to a scenario in which it joins forces with parties with similar ambitions?'

The next question came from depository receipt holder Bekkers from Bilthoven. It was a question about depository receipts and ultimately he asked: 'The intrinsic value of the bank as previously published and the current value as published, that difference in value, where did that money go? What happens to the money that is released? I believe that these depository receipt holders should be compensated for the selling price that was set too low.' [short applause.]

The third question was very short, so she was going to read it out, from depository receipt holder Tanice from Alkmaar: 'You have recently set up a monthly contribution to youth savings accounts. Is it possible to scrap this contribution?'

Chair

He thanked the questioners. There were now seven questions, which was a lot. He would first approach the Executive Board.

Mr Rijpkema

He hoped that he had written them down correctly, and if not, he apologised, but would try to answer them. And they could hopefully also meet during the lunch break.

The first question was from Ms Lubbers, if he could summarise, who had asked: did the Executive Board do enough to resolve the issue and not abandon the former system too soon? As indicated, there had been a system within Triodos Bank whereby the bank had offered depository receipts to interested investors, who invested in a risk-bearing depository receipt. A depository receipt by which you provided capital to the bank and you could then trade that depository receipt, but the amount that you invested with that depository receipt in the bank was, by definition, not repaid. That was the characteristic feature of a depository receipt or a share and different from a bond, savings account or anything else. At the moment a depository receipt holder wished to sell – and we fortunately also had depository receipt holders who had been with us for a long time and equally fortunately we had depository receipt holders who had invested in us more recently – you could sell back to Triodos Bank. This sale was then made at net asset value. This was a certain price mechanism, by which you knew at what price you could buy and sell back. The intrinsic value could change as the bank's results changed, but in recent years it had always gone up. That system had become jammed. We had discussed a number of reasons at the meeting on 28 September, and he did not think it would be appropriate to go into them again now, but ultimately, in March 2020, we had been faced with a situation in which supply greatly exceeded demand. At that time, the bank had not been able to deal with the trade margin available to the bank, 3% of equity and these were European provisions ... Within the trade margin of the €36 million, the bank had not been able to deal with the imbalance between supply and demand. We had then tried to start trading again in October, in a different way. So then we had looked at: if you no longer wanted to have, say, all transactions and trade orders processed, but only have them checked first up to a maximum of €5,000 per week and later only up to €1,000, could you still keep the system going? That variant, too, had unfortunately stalled. The bank had been neither able nor allowed to buy back more than €36 million. We could all agree on many things, but that was the reality in which we operated. There was a world of laws and regulations for the financial sector, which, by the way, had been rightly put in place after the 2008/2009 financial crisis, and we had to operate within them. Within that margin, with 43,500 depository receipt holders, we had been unable to get the trading started within Triodos. Then we had decided: we could not let this continue indefinitely. There was of course a trading possibility that you could sell depository receipts between yourselves, each depository receipt holder was free to sell their depository receipts. But that was not what you expected from us. You could expect us to develop an alternative and that was what we were doing. That took time, it was complex, and he would not bother you with all that, but he did think that it was the bank's duty to offer you an alternative and not to allow the existing situation that prevented according to an organised mechanism to continue. In that other world, we could no longer guarantee or set a price, because Triodos was not a counterparty there. The old system in which Triodos had bought and sold the depository receipts and operated as a counterparty was no longer tenable and we were therefore moving directly to a system in which depository receipt holders could buy depository receipts from or sell them to each other.

Regarding Mr Jansens' question about the survey: he would like to talk to him about it and, of course, see the results as he had not yet been able to do so. He was, of course, very uncomfortable with some of the words, with the descriptions ... It affected him personally. He had received other reactions too, by the way. There were people who said: keep going, we have faith, you have to find a good solution together. But that did not detract from the correctness and validity of the responses that had been mentioned. Was he worried about the bank's reputation? Of course. That was why we also wanted to talk to you about it, and why we wanted to communicate with you about it. This was another reason why he communicated with other stakeholders. But he thought that it was also important to have this conversation with each other with the attitude: there was no conflict, we had a common interest, we had an interest in seeing that Triodos, together with you and all stakeholders, came through this difficult phase strongly. And we also had a common interest in making a real distinction between the marketability issue and how the bank was performing. He was really shocked when people made suggestions about emptying the bank. That was very, very undesirable and it was not the reality. André Haag had said that last year €1.5 billion in new deposits had flowed into the bank. We had also grown in customer numbers. And whatever discussion we had and whatever disagreements we had with each other, we should not call the bank into question. That was not good for the impact we were achieving together, it was not good for all the other stakeholders and ultimately it was not good for the depository receipt holders. Because whatever solution we came up with together, we would also have to find new investors for those depository receipt holders who wanted to dispose of their depository receipts. So it was in our mutual interest to support this bank together and, in consultation, take it to

the next stage. And he would be the first to say that this was difficult, but he thought that it was his duty... And he would work at it with you and that was why he was willing to sign along the line, because he thought it was worth fighting for this bank. [applause]
[unintelligible comments from the audience]

Chair

He asked for a moment. He had noticed from several sides that the conversation was so intense that there was almost a need to continue it. There were two disadvantages to this. Point one: what you said was understandable to us, but not to a lot of other people. Point two: it was really the case that we were running out of time, so he proposed that if you felt the need to continue the conversation, this could be done during the break without interruption from the floor. We really needed to speed up and answer the remaining questions.

Mr Rijpkema

He thanked Mr Ronk for his question. He had asked: where was the amount for compensation? There was no amount of compensation. We were in a *zero sum game*, an English term. The depository receipt holders had invested in the bank, which was a one-off investment that could not be repaid by the bank. He could not buy back shares indefinitely. So if you wanted to sell your shares, we would have to find other buyers. That is what he was working for, to make the bank healthy, to make the bank attractive and to interest other parties in investing in the bank. There was no amount by way of compensation.

He asked André in English if he could say something about the growth of the bank.

Mr Haag [through interpreter]

He thanked the questioner. Indeed, he had shown on one of his slides the growth the bank had experienced in recent years and that was exactly the right word. This was, of course, our strategy in the background, which demonstrated very well how we deliberately aimed to take the bank to the next level. You didn't need to do everything, but if an opportunity arose that allowed the bank to grow, that had a sustainable impact, then we would do it and it created value in all its facets. That was what our strategy was about and we were trying to balance that as best we could. In the coming years, we would very much want to have more non-financial impact, and we would also want to express our support for this, especially in the cultural and social sectors, which were also looking very promising at the moment.

Mr Rijpkema

A question from a gentleman in The Hague about the use of the buffer. He apologised for not writing down his name in the hustle and bustle of things, but he had remembered The Hague. The questioner had said that 40% had not been used. If you indeed looked at the buffer use – and if we talked about transparency, which was something we had demonstrated to you all – then you could indeed see that in early January there had been a decrease in the use of the buffer. We had decided at that point that, given the pattern of buying and selling, we should stop trading. At the moment, or just before the moment, when we had stopped trading, one very large investor came in, with €10 million. Therefore, the amount had gone down from the currently available space under the buffer. The underlying pattern had been no different. We had then persisted in halting the trade, but we had also indicated previously that we still wanted to make the amount that was available under the use of the buffer available to the depository receipt holders. We were working on that, we would give you a further explanation this afternoon about the interim solutions and, depending on how they worked out, we might also look at other possibilities for returning that money to the depository receipt holders.

There was also a question about write-offs.

Mr Haag [through interpreter]

He wished to refer to pages 134, 135 of the annual report. On page 135 you would see a column, which says retained earnings. There you could see the figure of €20.499 million, which was the amount used from the buffer in 2020. On the following page (137) you could see that the amount used in 2021 was €0.900 million. Furthermore, a small part of the buffer had already been used in previous years. Page 197 of the annual report showed that by the end of 2021, €21.6 million had been purchased from the buffer. When it came to prudential, that was different, we had to calculate it differently. Then it was about that 3% of our total outstanding capital that we were allowed to use for purchasing. So that went straight out of your capital, if you did it prudentially. This was not prudential,

this was just pure accounting rules, what we had actually bought back and what was shown in the books. And that was why you did not see all of that buffer.

Mr Rijpkema

Mr Rijken from Amsterdam had referred to the impact of the bank and also to the very distressing war in Ukraine. He thought that many of us did not think that we would ever experience this again in Europe, at least for me, it was very moving to see this so close at hand on television every day and hear about it. He related that to the measures we were now taking, which were strange and painful for Triodos. He thought that it was good to separate these things. The measures he had referred to were related to the adjustments of our business model, which were necessary to achieve a healthier cost-income ratio and which were far-reaching in their scope for our organisation. You can imagine, when this happened for the first time on this scale, it was something that worried people. At the same time, in weighing the interests of all the stakeholders around our bank, including you our depository receipt holders, this was a necessary step. At the same time, he wished to emphasise that we stood, and would continue to stand, by our mission to make a positive contribution to the world through the proper use of money. One way we did this was by applying minimum standards. We had expressly excluded a number of activities, and that also had a certain effect on returns, as he had mentioned this morning. Because of the choices we made, we did not focus on the most profitable activities and therefore we would always be different from other banks. For example, we did not finance armaments; we were not active in the arms industry. This was a choice, which did not mean that we did not strongly condemn Russia's invasion of Ukraine, but we also believed that we should not be involved in the arms trade and the arms industry. These minimum standards, in addition to others such as the fact that we were not involved in intensive agriculture and many other things, you could read about them on our website, these were our principles and in these activities we were not active. This had had a certain effect on returns, but much more importantly, it had had an effect on our desire to make a positive contribution to the world and not just limit ourselves to 'do no harm'.

Chair

The chair then came to the questions asked via the chat. For this, it was necessary that those who controlled our monitors to go back to the first of the three questions that had been read out. That was the question put by Mr or Ms De Jong from Gouderak, who mentioned a number of issues that had also been discussed before and asked how the Executive Board and the Supervisory Board, respectively, view the prospect of realising Triodos Bank's ambition under the bank's own steam, compared to joining forces with others. He addressed Jeroen. Oh, hadn't he seen that one?

Mr Rijpkema

No, he had not seen that one; he had thought it was a question for the Supervisory Board. He apologised.

Chair

The question was: how did the Executive Board and the Supervisory Board look at the situation? So he had thought it best to follow the order put by Mr or Ms De Jong. Anyway, first his own view and also the view of the Supervisory Board. Of course, living in such times, not only like the last year, he had been in the business for eight years now and there had been several times when one saw the banking landscape changing dramatically and then you got asked the question: did you have enough scale to go digital? Did you have enough power, was there enough clout? And a certain scale was actually necessary to be a successful bank, but you also had to move with the times when it came to digitalisation and other things. Combining forces with similar ambitions to Triodos Bank, the questioner had suggested. It was true that those ambitions were similar, but they were not the same. The bank really did play a pioneering role, and it was not true that comparable parties shared the same ambitions. The issue of the tradability of the depository receipts, which the questioner had also addressed, was actually separate from the fact that there was a very healthy business model, which of course meant that the bank now had to take steps to improve the costs and benefits. But as had been seen in the figures, there was no reason for the company itself to abandon its own mission or identity. He asked whether Jeroen had anything to add.

Mr Rijpkema

Frankly, no.

Chair

He indicated they would now deal with the next question: what happened to the money that was released? The questioner thought that the depository receipt holders should be compensated for the far too low sales price set. The chair said that this was a similar question to the one asked at the second microphone, but maybe you had something to add?

Mr. Minnaar

He thought that the underlying question was: what happened to the free money? He thought it would be a good idea to explain this. The moment a depository receipt was first valued at its intrinsic value and later started trading on an MTF at a different price, a price that was likely to be lower, then that value evaporated. But that value did not stay with the bank and it did not end up with anyone else. It was an investment loss, just like in the past you sometimes had investment profits, that money did not end up with someone else either. So there was a difference what we saw on the one hand, when we talked about a stable bank we were talking about the impact-risk-return of the bank, we were talking about the fact that the bank made a reasonable return and had never shown a loss so far. That was the healthy side. On the other hand, there would soon be trading on the market. You could make price losses, but at that moment that money did not go to someone else. In his opinion it was very important to mention that, because we had sometimes also been called thieves, that money did not end up in the bank or with anyone else.

Mr Rijkema

If I may add: it really was a complex issue, because your intrinsic value did not change. You simply remained a participant in the bank's capital and if the bank developed well, the intrinsic value would rise and so would the intrinsic value of your depository receipt. However, you could not sell it at intrinsic value because Triodos Bank no longer had the option to buy it at its intrinsic value. You could sell it at a variable price, among yourselves, to another interested party or soon on an organised platform. And that price would be set by supply and demand. For the sake of transparency and fairness and clarity, the bank had admitted that it could not indicate right then what the price would be next year. But if it looked at the price development in the financial sector when it made that statement at the end of December, it had to reckon with a significant drop in value. However, that could still change at some point and there were also situations where the value could even exceed intrinsic value. He was not going to promise things that were not realistic now, but he wanted to say that the trade in the depository receipts would soon be determined by supply and demand and that was a variable price. In principle, this variable price could not be determined now. As my neighbour had just said, compare it to the change in value of real estate. You bought a house at some point; you owned the property, and its future value would be determined when you sold it. In the meantime, you could see how the value was changing by looking at what the neighbour's house was doing or how other things were changing, but the actual price was only fixed at the time of an offer to buy. This could be higher or lower than the price at which you bought the house.

Chair

The last question, on youth savings accounts.

Mr Rijkema

Asked whether Jacco would deal with this.

Mr Minnaar

The question was why there were also fees charged for the different types of youth accounts that Triodos Bank offered. The bank was aware that other banks sometimes offered this free of charge, actually as a lure to get people into their system later. The bank stood for the conscious use of money, and so had chosen to charge a fee, albeit a lower fee, on youth accounts. This was to ensure that there was an awareness that the provision of banking and transaction services in this case involved costs, and it was therefore reasonable to pass on these costs.

Chair

He expressed his thanks. They now came to the next item on the agenda.

Mr Gerritsen

Needed to respond briefly to an obvious inaccuracy that had emerged. Was that allowed?

Chair

Yes. But could he please keep it short.

Mr Gerritsen

Thank you Mr. Minnaar had just said that the loss for the depository receipt holders evaporated at the time of trading. However, he would point out to Mr Minnaar that €1.2 billion was paid, really paid, by depository receipt holders. If there had been a different structure as in other banks, a PLC with shares, then a much lower amount would have been received, say 65%, which was a usual amount compared to the intrinsic value. Then perhaps €700 million – well, the sum may not be quite right, but he'll understand the point – had come into the bank. In short, in that calculation, the bank actually did not get €450 million, it was not just what had evaporated or what was not there. This had just been confirmed to the meeting, so he thought it important that...

Chair

Mr Rijpkema would explain.

Mr Rijpkema

Asked whether he could say something about that. The bank's capital – but perhaps we could discuss that later on during the lunch break, so that his financial colleague André Haag could also be involved – was of course made up of the depository receipt holders' deposits and retained profits over the years. So the €1,250,000,000 was not invested by just depository receipt holders, it included an amount invested by depository receipt holders and through their investment we had together been able to make a profit for 42 years and that profit had also been added to the capital and it had built up to this amount. But that amount was still there and regardless of how the value of the depository receipts changed, that amount would remain. The intrinsic value of each depository receipt now stood at €88 and if we got together and talked mainly about the marketability of the depository receipts and preserved the peace around the bank, then he hoped that together they would be able to create a positive impact and also achieve better results, so that the value for the depository receipt holders would also continue to rise.

Chair

The questioner remained standing, from which the chair deduced that he required a follow-up. That would have to be during the break. [*protest, not understood*]

They faced a big challenge, because there were five minutes before the break and there were still a number of items left on the agenda. He apologised, but said that further talk must be left to the break. [*The speaker announced that he was Erik Gerritsen from Utrecht*]

The challenge, as he had mentioned, was to take a break at 12.30. Such a break was needed for a human's biological clock, so he didn't want to alter that timetable. However, he did want to change the time when the meeting would be resumed in the hall, because they had to make up time. So they would reconvene not at 13.15, but at 13.00. So he asked everyone to enjoy their lunch quickly.

In the four minutes left, he wanted to give the floor to Dineke Oldenhof to explain the implementation of the remuneration policy, and perhaps there would be no questions about that. If there were any questions then they would see ... Dineke Oldenhof.

d. Implementation of remuneration policy

Ms Oldenhof

Thanked the chair. She was going to use her four minutes and then they would see if there were any questions. The implementation of the remuneration policy. The justification provided to you under this agenda item on the implementation of the remuneration policy related to the remuneration paid to the members of the Executive Board and the Supervisory Board in 2021. There was an overview of these remunerations on pages 117 to 125 of the annual report, where there was also a summary of the principles of Triodos Bank's remuneration policy. She wanted to mention the main principles here, before moving on to the implementation.

The bank's income was generated by the combined efforts of all employees. The Executive Board was remunerated fairly in relation to the total workforce and with due regard to the responsibilities of the members of the Board. For 2022, the Supervisory Board had decided not to award any salary increase to the Executive Board. The employees received a salary increase in accordance with the applicable employment conditions and collective labour agreements. In 2021, restraint had been exercised in the

granting of promotions and the so-called tokens of appreciation. That was something about the first principle.

The second principle: the bank did not offer variable or performance-related bonuses or option schemes to board members or employees.

A third principle concerned the internal ratio of salaries. For this purpose, the bank used the method of the Global Reporting Initiative (GRI). Thus, it calculated the median of the employees' salaries. The bank's view was that the highest salary should be no more than seven times this average. That was a very brief summary, in four minutes. She would now give the floor back to the chair.

Chair

Expressed his thanks. Everyone could see how disciplined his colleagues were. This benefited the smooth running of the meeting and enabled them to pay attention to other matters that affected them all. Were there any questions on this agenda item? He could not see any. Were there any questions via the chat?

Ms Schreurs

There were no questions via chat.

Chair

Announced that they would take a break and resume with the Annual Accounts item at 13.00 on the dot.

[break]

e. Adoption of the annual accounts 2021

Chair

Wished everyone a good afternoon. He hoped they had enjoyed the lunch as much as he had done and had also had some productive conversations. They would resume the meeting with the adoption of the annual accounts, and he would give the floor first to Martijn Jansen, who would give an explanation of the auditor's report on behalf of PricewaterhouseCoopers.

Mr Jansen

He wished everyone a good afternoon and hoped they had enjoyed lunch. In the script, he believed, he had been scheduled to speak at 10.30, and this was a little later. People were used to him, he thought, having quite a long story. With their permission, he could shorten that a little, perhaps leaving time for other things. Perhaps it was a good idea to introduce himself: Martijn Jansen, accountant and responsible for the 2021 audit of the annual report. That's where we had been before the break. We were talking about the 2021 annual accounts and he wanted to explain the audit.

2021 was their sixth year as auditors and he would outline what their engagement entailed. Then we could move on to the next slide.

The audit of the annual accounts. On 16 March 2022, they had issued an unqualified audit opinion on the consolidated and company financial statements of the bank. When auditing the financial statements, they always determined a materiality level, which was a limit used to assess whether something had a material impact. This had been set at €3.1 million. Like last year, Corona had also had quite an impact on the audit and, of course, on the bank. This meant that they had to do a lot of remote work and also consider how best to do it. They had conducted their audit in the different countries and segments where Triodos operated, and included within their team specialists on relevant subjects; such as the IT environment that was important for the bank, but also specialists on financial instruments, taxation, sustainability information and white regulations.

What was new this year in their auditor's report – which had already been quite long, by the way, and had become even longer this year - was that there were three topics to which they gave more explanation: the first topic was the risk of fraud. In doing so, they had paid attention to the risk that management might breach internal controls, including evaluating whether there had been indications of bias by management that could have represented a risk of a material misstatement due to fraud. They had evaluated the design and implementation of internal controls that mitigated fraud risks and, where appropriate, had tested the operation of those controls. For example, they had looked at high-risk manual journal entries, key estimates – also taking into account the impact of corona – and had included elements of unpredictability in the selection of audit work they had carried out that year.

A second subject that they had clarified was compliance with laws and regulations. They distinguished between two types of legislation and regulation: one that directly affected the amounts and disclosures in the annual accounts, and another that did not do so directly but that was fundamental to the bank's operations. Examples of this included licences and other aspects that were important for the bank's operational performance. A third subject that they had paid attention to in the auditor's report – and that he considered it important to explain briefly – was the continuity assessment. Management performed a continuity assessment and determined that there were no reasonable doubts regarding the continuity of the bank for the foreseeable future. The auditors had carried out procedures to check whether, for example, management's assessment had included all relevant information of which we had been aware, including the suspension of trading in depository receipts, changes in the bank's funding, liquidity and solvency in light of central bank requirements, and a review of management's plans for the next 12 months and relevant information that management could provide to us for the period beyond that 12-month period. Their work had not produced results that contradicted the assumptions and judgements made by management in applying the continuity assumption.

Their auditor's report contained two key audit matters, as they called them, which were subjects that required their special attention. The first was 'expected loss', and the second the financial instruments recognised at fair value. The reason they had chosen these topics as key audit matters was due to the size and nature of these items. They had been able to obtain sufficient assurance about these items and had also explained this in their statement.

Finally, when he talked about the audit of the annual accounts, he would like to mention two topics that did not affect the figures so much, but of course the explanations of which were also important for the bank: one was the impact of climate change and the other was the suspension of trading in depository receipts. This had already been discussed in full, but the auditors had also paid attention to it this year. These were the main points of the audit.

He would then move on to the impact information. There had also been a question about that earlier. Triodos Bank believed in the importance of transparency about the impact of its activities, based on its mission, and reported extensively on this in its annual report. The auditors had performed a review of these impact figures and had issued a limited assurance. In their stated opinion, based on their review, they had no reason to believe that the sustainability information provided was not a reliable and adequate representation of the policies, events and results as described.

Apart from the sustainability information, the annual report contained other information. In accordance with their responsibility as auditors, they had reviewed this other information and, based on their knowledge and understanding, considered whether it contained any material misstatement or was inconsistent with the annual accounts. They had also ascertained that all legally required information had been included.

That was the somewhat abbreviated explanation that he had wanted to present.

Chair

The chair thanked him for the explanation, and his assistance in keeping this explanation short. There would then be an opportunity to ask questions. He saw someone at microphone 2 and also someone coming to microphone 1. He decided to close with that as far as the room was concerned and then they would see if there were any questions through the chat, but that would come later. He asked if the question was to the accountant or about the annual report.

Mr Verhaar

To the accountant.

Chair

To the accountant. He asked the questioner to proceed.

Mr Verhaar

My name is Verhaar, I am a depository receipt holder. My question concerns the punishment that we received from De Nederlandsche Bank (DNB) in connection with money laundering. Did you include that process in your investigation, because there had been some delay in delivery? But I think that is also directed at Pricewaterhouse. That was my question.

Chair

Thanked the questioner. The second question.

Speaker

Thank you for the explanation. I just wanted to ask, you have taken note of the statement of the Executive Board that 'based on current valuations of traded European Financial Institutions at this moment it is to be expected that the variable trading price can be considerably lower than the former trading price based on NAV'

This leads me to the question: did you include this in the assessment of whether this could still be a going concern? Thank you.

Chair

The chair said he would check if there were any questions via the chat.

Ms Schreurs

No questions had been asked.

Chair

No questions had been asked. This had concluded the round of questions and so we came to the answers by the accountant.

Mr Jansen

He thanked the questioners. He would start with the first question, which he thought tied in well with his explanation of the laws and regulations that he had been talking about. On the one hand, it affected the figures the bank published and, on the other, it affected how the bank operated. The question actually referred to both. The short answer to the question was: yes, we had certainly looked into that. On the one hand, that the justification for this designation and also its financial effects had been processed correctly, but also: how did the bank deal with this designation and had there been sufficient follow-up? So it had certainly been included in our audit.

He would then move on to the other question. Could he be reminded what the question was again, since he had not written it down, for which he apologised.

Chair

That had been the questioner from The Hague.

Mr Jansen

I remember it now. But just to be sure ...

Chair

To refresh the memory of the accountant and the meeting.

Speaker

In its report, the Executive Board says: listen, if trading is going to happen again then based on the expected variable price, which is below the price, the book value will be lower than 1. So the value of the shares, the depository receipts, will be significantly lower than the net asset value. Of course, this does have an impact on the way the bank can raise capital and therefore on your assessment of whether this can still be judged as a going concern. That is the question.

Mr Jansen

He thanked the questioner. Certainly, this had been part of the continuity assessment carried out by management, where they had looked at the financial health of the company but also at the plans made for meeting future obligations and health. He had found no indication that this would be a problem.

Chair

Thanked the accountant for the answer. He asked if there were any further questions, other than to the accountant, about the annual report?

Speaker

But let me ask you this: is it all finished now? Have all the obligations concerning money laundering information been fulfilled, or is something still outstanding? That is my question.

Mr Jansen

Said that this was a question for the board.

Mr Rijpkema

Within the framework of the designation that the bank had received in 2019, it had drawn up a so-called remediation programme. The bank had been more than happy to work on this. He also wanted to pay tribute here to all the colleagues involved who had worked on this during the corona period, because as one could imagine it had not been easy to have to do this remotely, but they nevertheless did so. He assumed that later this year the bank would be able to present its completed remediation programme to the regulator and then he also hoped that they would be able to get its confirmation that the programme had been completed to its satisfaction.

Chair

Then that answered the questions to the accountant. He thanked the accountant. Now they came to the questions on the annual accounts as such.

Mr Gerritsen

Erik Gerritsen from Utrecht, depository receipt holder. The annual report and also the presentations always talk about a very healthy bank with a clear view of impact, risk and return. It has also been noted that the yield side should receive a little more attention, and that is what my question is about. Among other things, international cooperation was presented this week, on Tuesday, with regard to supporting the banks in the five countries. I have seen in the annual report that, of the five countries, Spain and Germany are particularly problematic. I did not hear that at all in today's presentation, but they have made a loss for a number of years. Germany almost always makes a loss, Spain also often makes a loss, a few times a loss and a few times a very small profit, so on the profitability side it is not good at all. So I hope that Mr Haag's story about a fantastically healthy bank – there is nothing to criticise – does not apply to Germany and Spain. My question is whether the measures announced on Tuesday, of international cooperation in terms of support, will mean **anything** to these two branches, and perhaps even whether these branches will be viable in the long term? Because they are very small. That is my question.

Chair

André Haag should be the first to respond.

Mr Haag [through interpreter]

He thanked the questioner. He referred back to pages 224 and 225 of the annual report, which set out the segmental reporting on the five countries. It was also broken down by country. He could still remember this situation from previous years; in Germany it had been difficult even to break even. In 2021 the bank had taken serious measures on that, so you could see in the column 'Germany' that it had made almost €1 million profit there last year and €1.1 **million** in Spain. So actually all five countries had made a profit last year. Across the board the bank had an EBITDA that had improved by 4.1%, so for the first time it had achieved that target of 4% to 6% that it had communicated. He could recognise this picture from previous years, but not in regard to 2021, because the bank had taken measures and they had born results. So he considered that a decent result.

The cost-income ratio was another subject. There was a relationship between costs and turnover, and in smaller industries it was simply very difficult to scale up. Germany was the bank's smallest location and the services it provided there needed to be further integrated with the headquarters. That was how it should be. These were not subsidiaries, these were branches. They were directly linked to the headquarters in the Netherlands, and the same applied to Spain and Germany. These were good questions, the bank wanted to look further, and indeed it had announced in that message last Tuesday that it needed to take other measures, which would certainly be very different from those it had taken over the last 40 years. The bank did have to let staff go in those kinds of places, and it had made provisions for that, too, in order to achieve those goals. That was absolutely related to these countries, so the questioner was right in that regard.

Mr Rijpkema

In the Netherlands, as his colleague André had pointed out, the bank had of course also noted it and was going to try to integrate this further so that the bank worked much more as one group in a number of countries, rather than as more standalone operations. This would certainly help the results in Spain and Germany.

Mr Gerritsen

But into the future, will they remain healthy and viable banks or departments?

Mr Rijpkema

Of course, he could not see into the future, nor could the questioner. He could only support the measures ...

Mr Gerritsen

Hence my question.

Mr Rijpkema

Repeated that he could not see into the future. He could only look at what the situation was now and adjust the measures accordingly. And with their colleagues in Spain and Germany, who were doing a good job there, to see how the bank could improve the results even more.

Mr Gerritsen

Okay, thank you.

Chair

Then there were no further questions on the annual accounts.

Ms Schreurs

She apologised to the chair and explained that one more question had come in via the chat. A quick question from Mr Bailly in Brussels: 'Isn't just about 50% of the result that you are announcing as good results for 2021 accounted for by a major turnaround in provisions in 2020? Without this, would the results not simply match those of previous years?'

Mr Haag [through interpreter]

Thanked the questioner. That provision, as he had already said, had indeed been a fairly significant entry. The bank had had lower costs for that, €24 million, but of course it had to be seen in context; 2020 had also been an exceptional year with the pandemic, which emerged for the first time, and new IFRS rules that look very much ahead at things, at macro-economic parameters. You had to adjust your expectations accordingly: how would unemployment develop, etc.? In 2020, these were the main components on which we made our provisions. The head office and all branches in Europe, we had all been exposed to those market conditions. Anyway, these risks had not materialised in that year and therefore we benefited enormously from that provision we made, because in 2021 those predictions did not materialise. Then you see that there had been a huge release from phases 1 and 2. If there were to be another crisis on top of this, either on a macroeconomic level or on a global level, that would also mean something for these parameters. Because it was about being able to anticipate a crisis, to have already foreseen it in your business model, and that also made this kind of provision very volatile. Anyway, that was the idea of the model and we had to get used to it, but it would indeed be reflected in the balance sheet. He thanked everyone.

Chair

The chair indicated that they would stop there. He could see that one questioner was coming back, but he had already closed the round of questions. However, if the questioner kept it very short...

Speaker

It is a question about the annual accounts.

Chair

He invited the questioner to go ahead.

Speaker

I always read the reports from cover to cover - that's why they are written, of course. If Mr Rijpkema would like to answer my question, that would make more sense to me. I will just use the abbreviated annual report. In it, under loans and advances to customers, there is also something about the mortgages you provide. That is actually a completely different item, I think. In fact, as I understand it, that is 32% of the total amount. Why don't you break that down? I do not think it fits under the word 'credits' at all.

Mr Rijpkema

He thought that this was a very good question, which the bank would of course consider. In finance theory, of course, the mortgage was a form of credit; it was money the bank provided. He thought it should be classified in that way under the prevailing rules. He also looked towards the accountant, who nodded an emphatic 'yes'. So he got confirmation that this was correct. He thought that it was just the way it was done in terms of accountancy rules, to divide it up like that.

Chair

In that case, the voting right on the annual accounts would be exercised by Stichting Administratiekantoor Aandelen Triodos Bank (SAAT). The spokesperson for the SAAT board is its chair, Josephine de Zwaan. He asked whether the shareholder would vote in favour of the adoption of the accounts.

Ms De Zwaan

[It took a while for her to get to the lectern.]

The shareholder needed a little time to get here and to be able to look everyone in the eye. She wished everyone a good afternoon. She had met some of them last Monday and it was a pleasure to see them here again. The first issue on which SAAT would vote today was the approval of the annual accounts. Slightly different from how we had done it in other years, she would first explain the vote that was really only about the annual accounts. Later on, there would be a detailed explanation of the dividend policy proposal and the vote SAAT would take on it, and that also applied to the discharge. In previous years, she had always begun with a detailed speech and then quickly cast the other vote. So that was a good way of channelling everyone's expectations.

That meant that the annual report and accounts were currently on the agenda for SAAT to vote on. For SAAT, the annual report and accounts were a snapshot. They give an insight into where Triodos Bank stood today as a result of 2021 and the previous years, but it was also a starting point for the future, and let's face it, they were already well into 2022. Regarding the annual report and accounts, SAAT – the entire board – had exchanged views with the Executive Board several times this year in the presence of the Supervisory Board. Nowadays, it did so on a permanent basis with a member of the Supervisory Board present, so that they could also directly take note of SAAT's questions but, more importantly, so that SAAT could also directly question the Supervisory Board on its supervision of the topics.

She explained that 2021 had been another exceptional year. It had been mentioned a number of times, COVID with its associated lockdowns, lasting effects on the economy and the bank were becoming and had become clear, and it was also clear that fundamental decisions had been taken with regard to the bank's capital position and with regard to the depository receipts and the depository receipt holders. Then there was the leadership transition; you now saw an almost completely renewed Executive Board, whilst two new Supervisory Board members had been appointed. Some might say: SAAT keeps repeating itself ad nauseam. And yet it kept doing so. SAAT had assessed the annual report and accounts from a threefold perspective: Triodos' mission, the interests of the depository receipt holders and the interests of the bank. It had assessed the mission element on the basis of a number of elements, in particular: had the bank actually implemented the strategy that had been set out and what impact had this had? This had been reported in detail in the annual report. For the sake of time, she did not want to go into detail about it now, but she would mention it briefly so that it could also be read in the minutes of this meeting. The strategic objectives and the extent to which the bank had achieved them were stated on the pages in the annual report up to and including 43, and the impact on pages 61 to 83 and 239 to 253. This showed – and she would summarise this briefly – that the bank was well on its way in terms of strategy, but also recognised that a number of strategic themes still needed to be pursued. On the other hand, it also provided clear insight into how the bank managed its own impact, the principles that underpinned it, and the results. It was ambitious goal, as had been mentioned a number of times here, 2035 Net Zero, and the reporting of this using the PCAF standards. They had also showed that the bank had devoted an extraordinary amount of attention to reporting in the sense of the Green Taxonomy and that it was still a matter of time to see how the unique proposition of this bank translated into these standards. In terms of the bank's mission and strategy, therefore, SAAT noted that the bank had made a very strong commitment within the context of corona and within that capital strategy challenge. The bank wanted to lead and fortunately did still lead. The bank noted year in and year out that it did think it important that the disclosure of that impact was of the utmost importance for you to be able to follow the development and for the bank to be able

to show that it really did do things differently and better than other banks. The bank had indicated in its annual reports that an impact strategy would be released this year, and that would help. Then to the financial interests of the depository receipt holders. She would deal with that very briefly. You had come to expect the bank to follow some very financially-focused parameters. These were the parameters on which André Haag had also reported extensively. She would mention them briefly. To begin with, of course, the report on the net asset value was €88, but this had been abandoned as the trading price. Earnings per share were €3.56. So the dividend proposal would be discussed in detail later. The return on equity within the bandwidth newly set. The bank realised that the TLTRO tender had made a positive contribution to this. Return on assets and so on. Cost income ratio, she would come back to that in a moment. These were all parameters; again she would just mention them, the ratio of bank earnings from interest to earnings from fee income. The bank had always said: this fee income, this was an important source of income for us, it needed to increase and this has indeed happened. We also wanted to highlight that the bank had strengthened its capital with the Green Bond, not to mention that Fitch had awarded the bank a triple B rating for the second time in a row. In terms of impact and the financial results, SAAT concluded that, from the point of view of the financial performance of the bank and the customers, it had been a good year. 2021 had been a good year. In a difficult period, Triodos had shown stable growth in assets under management, expanded financing with the Green Bond and improved results. At the same time, SAAT did note that there had been a challenge for Triodos to sustainably improve its financial results in order to also make its impact more sustainable. You knew that SAAT had made that same plea, year in, year out: that ambition had to go up, that costs had to come down, and there had to be a clear and distinctive strategy to continue to convince that Triodos' sustainable interest also created success. And like you, we had been surprised on Tuesday morning – pleasantly surprised, at least SAAT hoped so – with the measures that had been announced by the bank. These measures would reduce costs and increase the bank's clout, all of which would enable it to continue in its role as a leader of a healthy, sustainable financial institution that generated impact. Once again, Triodos had taken painful decisions in 2021 that had important consequences for you as depository receipt holders. SAAT had discussed this at length in February and March in informal and formal meetings and also in recent weeks. It had become clear, particularly in recent weeks, that in these circumstances the impact on depository receipt holders was great. And in that context, it was of the utmost importance that Triodos made progress. That was what you had been asking for and that was what SAAT had been asking for. And SAAT had called on Triodos to provide an anchor to the future for the depository receipt holders. In the renewed strategy that was being worked on, distinctive impact goals were being combined with financial goals and associated KPIs that were also clear and attractive to future investors. That was why SAAT called on the bank to speed up the announced process of recalibrating the strategy. The various inputs from you, the depository receipt holders, in all the meetings, had made it clear once again that this was necessary. That concluded her explanation.

Chair

The chair thanked her. There would now be an opportunity to put questions to the SAAT, to Josephine de Zwaan, before she cast her vote. Were there any questions at this time? Then he would allow the opportunity to vote.

Ms De Zwaan

This meant that SAAT approved the annual accounts.

Chair

Concluded that the annual accounts for the financial year 2021 of Triodos Bank had been adopted.

3. Dividend

a. Dividend policy

b. Dividend over 2021

Chair

Then they would move on to agenda item 3, dividends. For an explanation of the dividend policy and the proposal for dividend distribution, André Haag had the floor.

Mr Haag

He thanked the chair. He wished to summarise the main elements of the dividend proposal before he elaborated on the underlying rationale. For the year 2021 the bank had achieved a net profit of €50.8 million after tax. Based on that, the bank was proposing an overall dividend amount of €25.6 million for the year 2021 which represented a pay-out ratio of 50%. This proposed amount broke down into a cash dividend amount of €1.80 per depository receipt. The remaining amount of the overall net profit for the year 2021 would be transferred into the retained earnings reserve. The ex-dividend date was expected to take place on the 24th of May and the payment would be made on the 27th of May this year. Having presented those facts, he wished to guide people through the considerations that had resulted in this proposal.

Before the bank had even started with its pure financial assessment, it very much considered the situation that the depository receipt holders were in. The bank was very much aware of the prolonged suspension of organised tradability, the DR value at risk and the absence of a predictable dividend pay-out over the last two years. In addition, the year 2021 had been another very difficult year for depository receipt holder and the bank not only recognized that, but also wanted to show that it recognized that. So, the bank entered the more financial considerations based on a clear desire to achieve what was the best for you, our depository receipt holders. While remaining responsible and acknowledging reality as well, the bank had started our more financial considerations by taking into account our dividend policy which allowed a pay-out of up to a maximum of 70% of our annual profits while we had an ambition level of 50% considering market circumstances. The next step had been a very thorough assessment of our net profit of €50.8 million for 2021. And as he had explained earlier today this profit had been also based on exceptional releases like the expected credit loss provision, which had primarily been built up in 2021 and the one off income of TLTRO that the bank had received in 2021. With that, the bank had wanted to strike a prudent balance between its wish to achieve the best possible for its DR holders, pay a fair and attractive share of our net profit and the resilience and long-term stability of the bank. In this respect the bank had had to consider the uncertainties related to the effects of the potential reviving of the COVID-19 pandemic later that year. Furthermore, it had also had to consider a potential delayed economic impact of the pandemic so far. Finally, and perhaps even more relevant, it had had to consider the uncertainties related to the war in Ukraine and its effect on the economic outlook. Especially the sharp increase of the inflation rate in Europe, which we had observed recently, had had a great impact on the economy and the outlook and stability in Europe. In addition to that, the bank was still awaiting – since 2019 now – guidance from the regulator for an additional capital buffer, based on the so-called MREL framework, which would be rolled out we assumed later in the year. This could have a potential impact on our capital base as well.

All these factors required the bank to maintain a solid capital base to ensure a sound and resilient operating bank, in line with its own prudential risk approach and applicable bank regulations. In the current circumstances of our bank and the interests of all stakeholders, there was no room for a higher dividend amount. It wanted to stretch though that the retained earnings would strengthen the interest of all our DR holders because they contributed to further sustainable impact into future earnings of the bank. The bank wanted to emphasise that it had not taken this decision lightly. It had challenged itself, had been challenged by the Supervisory Board and certainly it had also been strongly challenged and rightfully so by the SAAT. Ultimately, after careful consideration, the bank had concluded that the proposed pay-out ratio of 50% for the year 2021 was a well-balanced dividend proposal, reflecting its intention to pay as much as responsibly possible. He thanked everyone very much for their attention. He handed the floor back to the chair.

Chair

Thanked André for his explanation. He wished to remind everyone that the dividend proposal had been written out on page 197 of the annual report. The final amount proposed to be paid was €25,589,557. In addition, the final amount proposed to be added to the reserves was €25,168,985. The ex-dividend date was 24 May and the dividend would be payable on 27 May. Were there any questions about this proposal? Via the chat? Yes, there was a question.

Mr Steenbrink

Good afternoon, my name is John Steenbrink from Hoogkarspel. I am a depository receipt holder. I had a proposal for the dividend, for one euro more, at €2.80. [applause] Because it would be a bit more first aid to help the depository receipt holders. So my question is: could an extra euro be added? I am curious to know the answer.

Chair

Apart from the simplicity of the question, the charm with which it had been asked was appealing. He would now check whether any questions had come in through the chat. Oh, he could that there was another question from the floor. He invited them to go ahead.

Mr Heijenberg

René Heijenberg from Driebergen, depository receipt holder and customer. I would like to make an even crazier proposal. There are 41,000 depository receipt holders who are not organised. Does the board hear that? Is it possible to forego dividends and thus just let money flow back and give the mission more of a foothold? Can depository receipt holders waive dividend?

Chair

The questions were becoming more and more surprising. He expressed his thanks for them. Both questions were to be taken very seriously in that sense. The third question would therefore be the last question of this round. He invited the questioner to go ahead.

Mr Gerritsen

Erik Gerritsen from Utrecht. A letter has been sent by the Foundation for Depository Receipt Holders for an alternative proposal, also a slightly higher proposal for 2021 and also to look at 2019 and 2020 when very little was paid out. These seem to me to be very reasonable proposals, so I would like to hear an official response to them.

Chair

He thanked the questioner. He had seen someone else walk up to the microphone and he thought that maybe more questions could be asked in the second round. But now to the chat.

Ms Schreurs

Depository receipt holder Jan van Reusel from Eijsden, Belgium: 'Belgian depository receipt holders always face double taxation, a Dutch and a Belgian one, when their dividends are paid out. Can Triodos Bank not stand up for the collective group of depository receipt holders by facilitating the recovery of the Dutch tax?'

The second question came from Mr Bailly from Brussels: 'Why is the bank sticking to the capital of depository receipt holders, insisting on a 50% retrocession on the 2021 profits instead of making a gesture by paying out the full 2021 profits?'

And finally question 3, from Mr Bennink from Groningen: 'In the past, a reservation translated into an increase in intrinsic value. Currently, a reservation implies a return that disappears from the view of depository receipt holders. I have indicated to you that a different dividend policy is desirable, a minimum remuneration is required to make a platform viable. The present dividend proposal does not meet these requirements, it is questionable and, in my opinion, it is poorly thought through.'

Chair

Thanked the questioners. He would see which of the members of the Executive Board would take the questions.

Mr Haag [through interpreter]

He thanked the questioners, he would start with the first one, the question of whether the bank could add a euro. He felt a great deal of empathy for that. He understood it too, and would have asked for it himself, but at the same time, as had just been said, the bank had had to look at various factors. It had to be a responsible distribution of capital, because of course it was still running a full bank, licensed by DNB. The first principle was, of course, that the bank wanted to pay as much as possible, but what was the quality of that wish, we then had to ask ourselves. Was it structural? Could we afford it? Of course, there were uncertainties, many at the moment, but which ones were still to come? The bank did not know that, so it had to hold something back. There was, of course, the war and perhaps of more effect, corona, and it was also partly out of the bank's hands because its regulator also told it how much dividend it was allowed to pay. The bank had to continue to capitalise, always in line with shareholder value of course, but it also had to also look at the risk. 50% was currently the maximum affordable in relation to the various challenges that still lay ahead. An extra euro was really not possible, but again he had a lot of sympathy and empathy for your question.

Mr Rijpkema

The next question came from Mr Heijenberg from Driebergen, whether the dividends could even be waived. No, not in that format. The bank was paying out the dividends now. Could it have waived the payment of dividends? Yes, it could have done that. The bank's dividend policy stated that it could pay a dividend of between 0% and 70%. Anyway, that was the challenge that the bank faced. The bank wasn't looking for sympathy, but the interests of everyone involved with the bank needed to be looked after, and as it had been asked in the room – and it was of course good that everyone could be together as a community – the question had been 'couldn't it be a bit more or higher?' whilst others said 'We don't actually need a dividend'. In the past, we had been able to offer a stock dividend to people who did not immediately need the cash dividend; it could not do that now because there has been no trading. That was a pity, of course, because then people who do not need a cash dividend could have opted for the stock dividend. He hoped that as soon as they were all together again on a trading platform, the bank would be able to offer that possibility again.

[To Mr Haag, translated by the interpreter] The next question came from Mr Gerritsen, about a higher proposal. Did he want to answer that?

Mr Haag [through interpreter]

Yes, the answer would be similar to that had just been given. He felt a great deal of empathy for that, but the bank had already gone to the limit. He did not want to repeat everything, of course, but he had tried to explain that there must be a balance, that the bank had to act responsibly. It could not pay the maximum today and then suffer a deficit later because of the effects and factors he had mentioned. So for this year he was afraid that the bank could not maximise it further, because it did not know what these uncertainties would do to the bank, and it had to show responsibility as a bank, not only to its depository receipt holders, but also to its customers.

Mr Rijpkema

Next there was the question from Mr Van Reusel from Eijsden, which he had understood very well because, through a cash dividend distribution, there was indeed double taxation for our valued Belgian depository receipt holders, which would not be the case if a stock dividend had been possible. He had to admit that influencing tax legislation in the Netherlands and Belgium was really beyond his capabilities. He wished to sympathise and agreed that the double taxation was very annoying, and that one hoped that this would not have been an issue in the EU, but Triodos as a bank was not in a position to prevent this. The bank would ultimately advise everyone to meet their tax obligations anyway, so if this involved double taxation, that was the reality they were now facing.

The next question came from Mr. Bailly, who asked why the bank insisted on the 50% retrocession - in other words, the 50% profit retention - instead of distributing the entire profit. He thought that Mr Haag had indicated the matters that the bank had considered and the conclusions it had reached.

The chair was in a hurry; he had been instructed to pass to the next question. Mr Bennink said that in the past, a reservation had translated into an increase in net asset value. Currently, the reservation implied that the return disappeared from the depository receipt holders' view. He had indicated to everyone that a different dividend policy was desirable. A minimum payment was required for a platform to be viable, but the present dividend proposal did not meet this requirement. In his opinion, this had not been sufficiently thought through.

He recognised – and he thought that that was also in line with the bank's own wish and Ms De Zwaan had spoken earlier about an anchor – that a predictable and clear dividend policy would also help the bank in the future with regard to tradability on a platform, so it was certainly something that it was very aware of. He thought that the reasons given by Mr Haag were sufficient to explain why the bank thought that 50% was the right payout now and why it believed that the payout of €1.80 was a good dividend proposal at this time.

Chair

Then asked whether the shareholder would vote in favour of the dividend proposal.

Ms De Zwaan

Thanked the chair. Triodos Bank's dividend proposal was €1.80 per share and depository receipt. In the annual report that they had all received, or at least the one published in March, Triodos had briefly explained this proposal. The bank referred to uncertain market developments related to the war in Ukraine, to inflation, and to internal dividend policy, and it wished to maintain a solid capital position for Triodos, for future growth and to achieve its mission. Today, they had heard a more detailed explanation of that short explanation. This had been partly in response to the questions raised by

SAAT in recent weeks. Precisely because of the bank's good performance, SAAT was somewhat disappointed that Triodos had chosen not to return to at least the level before COVID-19, which had been €1.95 for 2019. And certainly against the background that very little dividend had been paid out in 2019 and in 2020, given the fact that Triodos had had to take decisions in 2021 that had had an effect on the fiscal valuation of the depository receipts and, thirdly, given the fact that Triodos' financial position had developed favourably in 2021, SAAT had expected a higher dividend proposal. SAAT had heard that Triodos took particular account of uncertainties in the future and counted this as part of its responsibility of prudent management. SAAT had also heard in recent weeks and also today, that the Supervisory Board supported this interpretation of responsible management. At the same time, Triodos had not made the impact of these uncertainties in the future very concrete, nor had it explained how this related to the results achieved. Therefore, SAAT questioned whether the interests of the depository receipt holders had been sufficiently weighed in the explanation provided by Triodos. In this respect, SAAT once again noted that no anchor had actually been provided for the depository receipt holders into the future by which the strategy, impact goals and financial goals of the bank would also be linked to ambitions regarding dividends in the future. In this context, the bank's explanation to SAAT was not yet convincing. SAAT had made this clear in recent weeks, and had also made it clear again very recently, and it had asked whether this could lead to a reconsideration of the proposal. Nevertheless, the board had decided to stick with the proposal for now, which was of course in itself a good sign that the proposal had been well thought through in its own right from the start. This had now forced SAAT to face the question whether SAAT, in line with the views expressed by a majority of the depository receipt holders, should vote against this dividend proposal today. In recent weeks, in the various informal meetings, this question had regularly come up. Many had raised their voices and said that they were not satisfied, so SAAT should vote down that proposal now, and send Triodos back to the drawing board, by way of sending a clear signal. However, there were also other opinions. There were – and this had just been spoken out loud – also depository receipt holders who were satisfied with the dividend, there were also depository receipt holders who said that though they were less satisfied, nevertheless they did not want this dividend to be paid out now. And there was a very large group that did not speak out at all. The group of depository receipt holders was not homogeneous.

SAAT came to the following conclusion based – she would repeat it – on the threefold perspective. SAAT understood and agreed that, especially in the current situation, the bank had to pursue a prudent policy. At the same time, SAAT did not weigh the potential developments outlined by the bank as heavily as the bank did, and with the insights that SAAT had, it actually saw insufficient reason to keep the dividend proposal at that €1.80 per depository receipt and per share. And yet SAAT voted for the dividend proposal, and why? [*Booing in the hall*] Because if the proposal had not been accepted now, the bank would have had to go back and reconsider the dividend proposal, taking into account the circumstances that the bank itself described as possibly occurring in the future. Lawyers would say: the dividend proposal had to be weighed ex nunc, i.e. from now onwards, and then it was possible that precisely those developments that the bank had taken into account did actually occur and then it would also be possible that no dividend would be paid at that time. We had to be aware of this. SAAT therefore called on Triodos to assess, in the context of the half-yearly figures, whether at that time – when future developments were somewhat clearer – there was room for an interim dividend proposal. SAAT saw this as an important signal to the depository receipt holders, but also as an important signal at that time of the bank's sustainable success. More generally, SAAT therefore called on Triodos to come up with a more specific dividend policy for the coming years, with clear financial and impact parameters, as part of its rebalanced strategy. A policy that gave depository receipt holders more certainty about their expectations of future dividends and accountability strengthens Triodos' accountability. This contributed to the basis for the success of the new platform and SAAT believed that it was also important to contribute to a commitment to restoring trust and involvement of depository receipt holders. That was her explanation of the vote.

Chair

Expressed his thanks. Though it had not been scheduled, since she had addressed the bank so explicitly, he thought it would be good, also for everyone at the meeting, if he were to give the chair of the Executive Board the opportunity to respond briefly.

Mr Rijpkema

Thanked the chair of the meeting and the chair of SAAT. He did not think he would respond to all the observations made by the SAAT chair now, other than to say that they had come across loud and clear and the bank had understood them very well. In particular, the call to see if the bank could move

towards a clearer dividend policy and with an anchor and also, if the situation allowed, consider payment an interim dividend, was one that it would take to heart and look at seriously. At the same time, he appreciated SAAT's understanding of the bank's choice and could only confirm, which it was perhaps also good to explain: a dividend proposal was made by the Executive Board. Of course, it was checked with the Supervisory Board, but throughout the entire financial sector it always needed the approval of the regulator. That was the simple reality. There was now a proposal that had been approved and to which SAAT also gave its consent, and that meant that it could also be implemented in a week and a half. If a dividend proposal were to be withdrawn or adjusted with the instruction to go back to the drawing board, then new aspects and new decision-makers would be at the table and the uncertainties that Mr Haag referred to would play a role and might be weighed differently. So the bank considered, and that was why it had proposed to actually submit this proposal and also stick to it, that it really was in the interest of all depository receipt holders to also get this proposal realised now, and that would mean that later this month everyone would receive the €1.80 per depository receipt. At the same time, he wished to say that the bank would take to heart the SAAT's appeal and constructive criticisms and would also look at them in subsequent decisions.

Chair

Asked whether the shareholder would vote in favour of the dividend proposal.

Ms De Zwaan

Confirmed that SAAT was voting in favour of the dividend proposal, with an explicit call for interim dividends to be paid out where possible and the request to come up with, as SAAT called it, an anchor for the depository receipt holders for the future.

Chair

Expressed his thanks. He noted two things. Firstly, that the General Meeting had approved the dividend proposal for 2021. Secondly, that the appeal made by SAAT had been answered by the chair of the Executive Board.

4. Discharge

a. Discharge of the members of the Executive Board

b. Discharge of the members of the Supervisory Board

Chair

They then came to agenda item 4, the issue of discharge, namely the discharge of the members of the Executive Board and the members of the Supervisory Board. Were there any questions on this from the floor? They would also check the chat box.

Ms Schreurs

There were no questions.

Chair

Then he wished to know whether the shareholder would vote in favour of discharge. First of all, the discharge of the Executive Board.

Ms De Zwaan

As regards the discharge of the Executive Board and the Supervisory Board in respect of their management or supervision, as shown in the 2021 annual accounts and the announcements made to this meeting. It was good for us all to be aware of what 'discharge' actually meant. By granting discharge, Triodos, the company itself, waived any claims it may have against the Executive Board and the Supervisory Board arising from this policy. This did not affect the rights of depository receipt holders themselves. It was important to properly understand this. The discharge also related to 2021. The year 2021, as had already been mentioned, which everyone had experienced and which they had literally been bringing to the platform today, she just wanted to say whilst she was on stage, that it had been a special year. The results had been discussed with you today, SAAT had given its view on them from the threefold perspective. However, these results were not, of course, what was primarily on your minds today. This had been apparent from the questions posed. Your attention had been focused on the trading in depository receipts. In January 2021, the decision had been taken to cease trading again and, after an extensive process, the bank had decided in December to stop Triodos' net asset

value purchase programme and to pursue a listing on an MTF. SAAT realised that these far-reaching decisions had a major impact on the bank and on you, the depository receipt holders. In December 2021, SAAT expressed understanding for the decision to seek a listing on the MTF, based on the information it had also shared with you in February, in September and in March. SAAT had included its own considerations in the annual report, and she was not going to repeat them here. At the same time, as far as SAAT was concerned, the matter was not finished. It was precisely the conditions for this platform that made the difference, and this had already been mentioned briefly. The platform did not tell us much at the moment. How often could trading take place? Who could join? How attractive was it for new investors? How was the mission guaranteed? What was that new capital strategy, the bank's goals, and so on? What was the anchor for you on that MTF? These were questions that had not only been facing us since December, and that SAAT had asked several times, but they were also the questions that depository receipt holders were asking. The lack of clarity about this MTF and the lack of a concrete perspective always raised the question of whether this MTF offered a good alternative. It was this lack of clarity that caused unrest. And SAAT had expressly asked the bank to come up with a clear plan on that MTF. Not just a plan about the MTF, but above all a plan about how to involve you, the depository receipt holders, in shaping that MTF. As far as SAAT was concerned, it was imperative that Triodos involved all stakeholders in the coming period in the plans and specifically involved you in this context.

For SAAT and the depository receipt holders, the decision to suspend in 2020 and in 2021 had come as a very unwelcome surprise. The subsequent decision to end the purchase programme again had come as an unpleasant surprise to you and you had rightly asked questions about it. How could this be? Shouldn't the board have intervened earlier? Had all alternatives been considered? Today, one of the depository receipt holders had also asked what she considered to be a very clear question: what had been the bank's analysis at the time? Why was the MTF the solution? In short, a lot of questions. And then the announcement in the course of 2021 that there had been a concrete risk that the price on that MTF would be lower than the net asset value; that had cast its shadow. To that extent, the consequences of the imbalance between supply and demand created in 2021, as the bank put it, had really become visible. SAAT found this regrettable and extremely painful for the holders of depository receipts, and it should be noted that today it had been palpable here in the room and it had also been extremely painful for the bank. Some of the depository receipt holders had even gone a step further and believed that the decisions were unjustified and unlawful. But there was also a proportion – and SAAT had also picked up those signals – that said that this was a continuation of the development the bank was going through and it was the opportunity to do things differently.

What did that mean for our vote on discharge? We had discussed the decision of the SAAT board concerning this discharge in detail in recent weeks. It had been a very difficult choice for SAAT. Last Monday, in what she would describe as an active meeting with the depository receipt holders, the call had been made for a morally correct decision. And in the light of what the discharge actually meant – she had stressed this at the beginning of her speech for a reason: all things considered, SAAT concluded that there had been insufficient grounds to vote against the discharge. Of course, no one would have wanted to end up in this situation. What mattered now, however, was the policy pursued in 2021 and the choices that had been made. Despite the unrest among some of the depository receipt holders caused by radical but necessary choices made by the bank, the bank had also done everything possible to work on solutions. Under difficult circumstances, Triodos had reached decisions that had explicitly taken account of the interests of depository receipt holders. They were working very hard to make Triodos a better bank and to allow the depository receipt holders to profit from this – a word that did not sit comfortably with her in the circumstances. By this, SAAT meant that you would really benefit from the bank not only financially, but also in terms of your impact. At the same time, SAAT had a number of critical comments to make. SAAT concluded that Triodos, despite a lot of extra efforts with webinars and informal meetings, had failed to sufficiently involve depository receipt holders in the deliberations and choices that the bank had made. This had strained relations with one of the bank's key stakeholders. The lack of understanding among some of the depository receipt holders about the decisions taken in 2021 regarding the trade in depository receipts and in 2022 regarding the dividend could not and must not be ignored by Triodos. Triodos had thus made space for a persistent lack of trust from a proportion of the depository receipt holders. This was harmful for the bank itself, for other stakeholders and especially for the depository receipt holders. SAAT attributed this firstly to the provision of information by Triodos Bank, which was often retrospective, and – as she had shared with them before, the information had been really hard to find afterwards - insufficiently failed to involve depository receipt holders from the start. Secondly, SAAT attributed this to the fact that within the bank – and she stressed: within the bank – a lot of hard work was being done to revise a strategy that would form the basis for that future-proof Triodos and the success of that platform. But that was within the

bank, and it was necessary that that was shared outside, to be able to take the depository receipt holders on the journey. Triodos had always been a pioneer and we – she dared to use the word with them: we – wanted the bank to remain so. We had to avoid a situation where current developments meant that Triodos was left to defend itself alone. Triodos was a powerful organisation with an important message that could make the world a more beautiful and just place. This required courage and perseverance, acting from strength rather than fear. And we called on the Executive Board and the Supervisory Board to take up that challenge and demonstrate that the bank was taking the next step forward. It must and it could be improved and we could see that they were really working hard on this. However, it needed to be more widely visible, and SAAT again called on Triodos to come up with a powerful approach to include the depository receipt holders in this, in the form of an action plan, a concrete approach to restore trust among those of you where trust had been damaged. She asked to be allowed to make an appeal to you, because the depository receipt holders also had a responsibility here. Yes, of course, the Executive Board and the Supervisory Board were primarily responsible and had to be scrutinised. But the roles needed to be kept clear: an Executive Board, a Supervisory Board and here we were, the shareholders and the depository receipt holders. At the same time, it was in the interest of all stakeholders that Triodos could now continue to develop in a focused and concentrated way and actually take the next step, one that would also deliver what you wanted. SAAT therefore concluded by emphasising that it was essential to stay close and work together despite differences of opinion. SAAT would once again put its heart and soul into its work, both for you and for the bank, and that was no easy task. SAAT would therefore vote on the discharge.

Chair

Thanked the chair of SAAT. This had not been something the bank had heard every year, and he thought it was important to say, on behalf of the Supervisory Board at least, that they took very much to heart. Then to the Executive Board.

Mr Rijpkema

Ditto. He thought that a lot had been said, and he would like to receive copy of the speech later on so that he could really digest it, but we certainly took it to heart and especially the appeal that had been made. As had already been said, in the end, we could only solve this together. He could not promise to give everyone what they wanted, all the stakeholders in the bank, customers, employees, society and the depository receipt holders. But the depository receipt holders were a very important group in this and it is was the bank's task and also his challenge to ensure that this was done as well as possible, and it started with good communication.

Chair

The chair of SAAT had the floor to cast her vote.

Ms De Zwaan

Confirmed that SAAT voted in favour of the discharge, and that it called on the Executive Board and the Supervisory Board to make reasonable efforts to restore the trust of those depository receipt holders where this had been lost.

Chair

Then concluded that the proposal to grant discharge to the members of the Executive Board had been approved. And that the proposal to grant discharge to the members of the Supervisory Board had been approved. Because she had addressed them both.

5. Appointment of Willem Horstmann as member of the Supervisory Board

Chair

This brought the meeting to agenda item 5. For that, he would give the floor to Mike Nawas.

Mr Nawas

Thanked the chair. According to the rotation schedule, Ernst Jan Boers, Aart de Geus and Dineke Oldenhof would retire at the end of this meeting. The Supervisory Board had decided to appoint him – Nawas - as successor to Aart de Geus as chair of the Supervisory Board. The Supervisory Board was

at an advanced stage of filling the vacancy created by the retirement of Dineke Oldenhof. Further announcements would be made when a candidate was presented to the meeting.

As successor to Ernst Jan Boers, also as chair of the Audit & Risk Committee of the Supervisory Board, the Board wished to nominate Willem Horstmann as a supervisory director for a term of four years. Willem had extensive management and supervisory experience in the areas of financial risk management and controls, audit and financial reporting. When making appointments, the Board always considered the diversity in the composition of the Board, such as education, nationality, gender, professional and personal background and style of supervision. In the Board's opinion, his appointment was appropriate from this perspective. Together, the supervisory directors would have the competences to fulfil the tasks of the Supervisory Board.

He also noted that SAAT had been involved in the process of selecting the candidate and the works council had also been given the opportunity to express its opinion. The works council had indicated its approval of Willem Horstmann's nomination and De Nederlandsche Bank had approved the proposed appointment.

Chair

Wished to give the floor to Willem Horstmann to explain his candidacy.

Mr Horstmann

Thanked the chair and wished everyone a good afternoon. He would be brief. He had felt quite a lot of tension in the room and that also made him think again, because of that tension: why was he standing here? But the answer had come to him rather quickly. He was here because he believed in the bank's mission and because he respected the way that the bank, with all its stakeholders, tried to achieve that mission. It even energised him, however difficult that might have seemed at times. He got energy not only from those difficult things, but also from the sports that he participated in. He used to do a lot of climbing, nowadays he did tour skiing, cycling, and ice skating and if you looked at those sports, they were not completely risk-free. He thought that he would just mention this, because no doubt his business profile would be *risk and finance*, and no doubt people would assume that he was someone who believed that the bank should not take too much risk. However, he did think that it needed to take a risk. To make an impact, whatever that might be – financial results, social impact, sustainability impact – you had to take risks, but preferably calculated and assessed risks, that was his profession. He had spent quite a few years in the financial services industry. He had had interesting experiences with, for example, nationalisations, split-offs of companies, company sales, dealing with large capital issues, and he had often been involved in these as a supervisory director, as a chief risk officer or as chief finance officer. This meant that a certain technical approach had often been involved. But at the same time, in addition to these jobs, he had always paid attention to and made time for the company's sustainability, because he considered that even in companies whose primary objective was not sustainability, it was still a very important part of their place in society. He had done that, for example, by being a driving force behind a climate action plan, and had also talked to microfinance organisations in the Gambia to try and set up micro-insurance with them using the knowledge of the insurance world that he and his colleagues possessed. He had also been at the climate tables when the climate agreement had been made, together with colleagues from Triodos, by the way. What he had seen there was that Triodos really played a catalytic role in that kind of conversation and that appealed to him greatly. That was also why he was here, because he wanted to make a contribution. That was it.

Chair

Expressed his thanks. Asked whether anyone had any questions about this appointment.

Mr Verhaar

My name is Verhaar, from Leiden. With respect for you personally, your CV and your explanation, I think you do indeed fit in very well with this group, but I would therefore like to ask the Supervisory Board whether, in this context, when looking for yet another candidate, they would be prepared to look, for example, as we used to do, at two people from the Executive Board of the NMB, at that level, to see to what extent the Dutch banking knowledge they have could add to the whole of what you are doing. I think it is important, a Dutch banker of a good level, to look at that.

Chair

Thanked the questioner and noted that he had expressly used the word banker in his comment. Mr Horstmann's qualities were high. It was true that he was not a banker, but he would become one.
[laughter]

Mr Horstmann

Asked whether he could just add something about this. There were a lot of different types of banks, as you also knew. Triodos itself had a certain signature, which was not the same as the signature of an ING or other bank. He had been a supervisory director at Knab, which was also a bank. He had been a supervisory director there for four years, but Knab had a different signature. Every bank had its own focus and different qualities that went with it. He thought that he knew enough about banking to make a contribution here.

Chair

Thanked him and noted the message. They then came to the question of whether the shareholder would vote in favour of the proposed appointment.

Ms De Zwaan

[she took a place behind a microphone in the room]

She said that she would be standing there for a while. She would permit herself a joke. When Mr Verhaar took the floor, she had thought that he had been going to ask whether we should appoint a young woman to the Supervisory Board. That said, she noted it was time to press on. SAAT had, as usual practice, had an in-depth conversation with Mr Horstmann, in which the primary issue on the agenda had been the connection of Mr Horstmann to the mission of the bank, secondly the supervisory qualities had also been explicitly discussed and, thirdly, the more personal interpretation of that role in the context of the team. After all, the extent to which this functioned as a whole had a major impact on the quality of supervision. In view of all this, SAAT had unreservedly recommended that Mr Horstmann be nominated and it was happy to agree to his appointment.

Chair

Thanked Ms De Zwaan. He concluded that the General Meeting had approved the appointment of Willem Horstmann as a supervisory director for a period of four years.

6. Notification of intended appointment of Franca Vossen as member of the Executive Board (ad interim)

(This item had been withdrawn, as stated at the beginning of the meeting.)

7. Notification of the extension of the term of office of Jeroen Rijpkema as member of the Executive Board

Chair

Proceeded to agenda item 7, the notification of the extension of Jeroen Rijpkema's term of office. Mike Nawas had the floor.

Mr Nawas

Given the strategic challenges facing Triodos Bank, they believed that the Executive Board would benefit from stability in its composition. Therefore, on 8 October 2021, the Supervisory Board had announced through a press release its intention to extend Jeroen Rijpkema's term as Triodos Bank's Chief Executive Officer from two to the customary four years, until after the Annual General Meeting in May 2025, in accordance with the Corporate Governance Code.

In accordance with the provisions of the law and Triodos Bank's articles of association, the Supervisory Board had notified the General Meeting of this intention.

De Nederlandsche Bank (DNB) had approved this intended extension of the appointment period. In addition, Triodos Bank's Works Council had indicated its support for the proposed extension.

Chair

This was not an item that would be voted on, so he would not hand over to Ms De Zwaan, but given the opportunity to ask questions, if there were any. Were there any questions via the chat? No.

Mr Rijpkema

Asked the chair if he could add something. SAAT might not vote on this as a shareholder, but my real shareholder – Mrs Rijpkema – had also agreed.

Chair

I see that was a rising share, which was nice. Thank you.

8. Information update on semi-open trading platform (MTF)

Chair

Agenda item 8 concerned the update on the planning of the semi-open trading platform. He looked at the clock, it was now 2.28pm. This meeting was scheduled to end at 2.30 p.m., which was not going to happen. The MTF agenda item had already been discussed in previous conversations, and now in real substance too, so he thought that probably they should allow for this meeting to run over by at least a quarter of an hour, but no more than half an hour. He turned to Jeroen.

Mr Rijpkema

Expressed his thanks. Fifteen minutes would be a challenge. But anyway, he would try to get through it quickly without rushing. Could it be agreed that whatever they were unable discuss now, including questions, he would be happy to be available to discuss afterwards, or at another time.

This morning, they had discussed the bank's approach to enable the trading of depository receipts again. And, as had been said before, this was an issue that had emphatically coloured his first year at Triodos. And rightly so. It was very important to himself and to the bank that you, the holders of depository receipts who wished to sell their depository receipts, were given the opportunity to do so again. He was therefore pleased that, over the past year, they had been able to find an alternative solution to the trade deadlock and thus create a path for trade to resume. The way there had been definitely challenging for the following reasons. The listing of depository receipts on a multilateral platform – which he asked he be allowed to refer to as MTF – required adjustments in the administration, in the registers in the various countries. It required various internal and external approvals, it required contracts with an MTF platform provider with Euroclear and, very importantly, it required the depository receipt holders to register on that platform. But above and beyond these challenges that had to be overcome, it was a challenging journey for depository receipt holders since they had not been able to act for two years, which had been undesirable and downright annoying. Furthermore, it had also become clear that future trading could no longer take place at intrinsic value, but at a variable price. This was a very radical change, the bank was well aware of that. Finally, the desire of the depository receipt holders and the bank to complete this process as soon as possible was also a great challenge, since speed could not be at the expense of the care and legal correctness that the forthcoming listing of the depository receipts on an MTF required.

When the bank had announced our choice of an MTF in December, we had indicated our aim to complete the listing preparations within 12 to 18 months. We were sticking to that timescale, so as of today, we were contemplating a period of seven to thirteen more months. That seemed a long way off, which he indeed worried about, but the bank was committed to completing this process within seven to thirteen months. We would determine the actual time of listing on the basis of the market conditions prevailing at that time and the investor interest that could be expected at that time. This was also in the interests of the depository receipt holders. Of course, we would then have to see what the market conditions were like – would there be a new corona crisis? He hoped not. Would there be a new Ukraine crisis? He hoped not. But these were events that naturally played a role: what would be the right moment, also for you, to start this listing?

The bank was still following the schedule, as just indicated, from twelve to eighteen months and now from seven to thirteen. He would return to that in a moment, but he thought that it was also good to update everyone on the buy-back scheme that had been announced earlier this year, which the bank was working on intensively. We were aware that the lack of liquidity was an important issue for you, the depository receipt holders who wanted to sell. That was why we had proposed the limited buy-back scheme, including a solidarity scheme for those depository receipt holders for whom the need to sell was most urgent. The announcement of this regulation in February had followed a period of intensive consultation with the Dutch regulators. It now had to be acknowledged that the process was taking longer than anticipated. It was not yet certain whether this route could actually be completed in time. And 'on time' referred here to the interdependence with the preparation of the listing of our depository receipts on an MTF, which the bank had said it wanted to complete within another seven to

thirteen months. Our aim to complete the listing preparations in the first half of next year could be jeopardised if we were unable to finalise the buy-back programme before the end of the summer. Therefore, at the beginning of this summer, the bank would actually reconsider whether the buy-back programme could continue in full or in part. He regretted that the preparations were taking more time than had been hoped and expected, but here too, it was not desirable that speed came at the expense of the appropriate level of care. He could imagine you thinking 'couldn't you have foreseen this earlier? Prior to the announcement of the programme?' And he thought that that was a fair question. What he wanted to say was that the bank was really trying everything, and it also believed that it should explore everything, to create interim solutions for those depository receipt holders who needed liquidity. In doing so, the bank had departed from the beaten path. It was looking for new solutions for the buyback of depository receipts within existing legal possibilities. Earlier, the notice board had unfortunately proved unfeasible, and now it appeared that the buyback programme raised new questions within the current line-up. New questions, which took time and also required new answers. As he had said, he believed that the bank should be at the forefront to try things even whose outcome was not one hundred percent certain. Not trying was not an entrepreneurial spirit and was a worse option for you. So the bank was exploring all options to create some liquidity and he still hoped that the bank could find success with this. But he also took into account that the bank would not be able to carry out part of that planned programme fully or at all, because otherwise this would delay the listing on the MTF and that was not in the interests of the depository receipt holders. The bank wanted to stick to the timelines it had given you. As soon as the bank knew more, which he expected to be in early summer, it would, of course, inform you.

As stated above, the bank aimed to realise the listing of the depository receipts on an MTF in the first half of 2023. It was now in the final stages of contract negotiations with the selected provider and expected to reach a conclusion before the summer. Through this MTF trading platform you would soon be able to trade with each other as a community. You would be able to buy or sell depository receipts. He personally hoped to buy more, of course. In addition, the community platform also provided access for new investors to invest in Triodos Bank depository receipts. The bank was currently working with the intended provider on a Triodos-specific trading platform with its own Triodos Bank *look and feel*, on which your depository receipts could be administered, managed and traded. Through this trading platform, you would be able to view your positions, find executed transactions, actually sell or buy Triodos depository receipts, find the value of those depository receipts, and transfer the proceeds of the purchase or sale to your own current account with Triodos Bank or with another bank. You could also find all documentation on Triodos Bank's trades and depository receipts there.

Supply and demand for Triodos depository receipts would be brought together on this online platform. This platform would be set up within the existing laws and regulations to meet the bank's needs and your needs, and the bank really wanted to involve you in this. In doing so, they would have to make various choices together. Consider, for example, whether trade should be possible all the time, or only a few times a week or a month. Opinions were divided on this – according to the surveys that had been conducted – but the bank wanted to discuss this with you. And did you want trading to take place within predetermined price ranges or would that be left open to be determined by supply and demand at any given time? The bank was currently actively considering how to best gather your views on this and it understood that you had also recently discussed this at the meetings organised by SAAT. The bank would certainly use those insights to determine the next steps, but he was also happy to talk to the depository receipt holders directly.

The actual preparation for trading still required a number of important steps. First of all, the bank would merge and centralise in the Netherlands the different depository receipt registers that were currently kept in each country. You would continue to be depository receipt holders of the offices in Spain, or in Belgium or in the UK or in Germany, but the administrations would be merged in the Netherlands. The bank would then invite each of you individually to open an account with the platform provider. This was necessary in order to be able to participate in trading in due course and also to be able to trade your depository receipts there in an organised manner. Of course, depository receipt holders were free to open that account. If you as a depository receipt holder decided not to apply for the platform, your depository receipt rights remained valid. However, you would not be able to participate in organised trading on that platform. For good liquidity and price formation, it was obviously desirable that as many depository receipt holders as possible participated in that platform and also wanted to trade on it. Later this year, the bank would inform you about how to sign up for the platform and what the trading principles would be. Naturally, the bank would keep you informed about the progress made, the steps you could take to transfer your depository receipts to that platform yourself and the set-up of the platform. The bank was discussing with SAAT as a shareholder the necessary administrative and governance steps that would still be needed and that it wanted to take between now and the listing. In

that context, he expected that in the autumn of 2022, sometime in September/October, the bank would organise a new EGM – an extraordinary shareholders' meeting – in which it would ask the shareholder to formally approve the listing on an MTF, among other things.

So although many steps had already been taken to restore the trading of depository receipts – as an important part of the bank's capital position – and he was genuinely pleased that the bank could now offer good prospects by listing on an MTF, much remained to be done. It would be quite a challenge to get everything done within the said seven to thirteen months and also to find the right balance between the necessary care and the desired speed.

He would be happy to answer any questions about this. He hoped he had not rushed through it, but he had received instructions from the chair. However, he said they should feel free to ask questions.

Chair

There were questions. He saw three people approaching the microphone in the middle and someone approaching the microphone on the right. The bank had been allowing three questions per round.

Mr Verhaar

My name is Verhaar, from Leiden. My question is, I actually missed it in your explanation, because you have of course also submitted this to our regulator DNB and the Netherlands Authority for the Financial Markets (AFM). I wanted to hear their reaction.

Chair

Thanked the questioner. Then the next question.

Ms ...

I hear you say that it is desirable for as many depository receipt holders as possible to sign up, so to speak, in order to get trade going. But do you also have plans to create demand from outside the current depository receipt holders? Because I do not expect that within the current circle sufficient demand can be generated for the large supply I expect on that platform.

Chair

Asked the questioner to proceed.

Mr Hurts

My name is Hugo Hurts, from Leidschendam, depository receipt holder. First of all, I am not at all convinced that the choice of an MTF is the right one, but let us not reopen that discussion now. I really hope that the Executive Board will take to heart the call just made by the SAAT chair for a different policy from now on in providing transparency on the choices being made and all the information that goes with them. Please, let us do so from today onwards, so that we, as depository receipt holders, can also follow how decisions are prepared and taken and we can actually have an opinion on them. But I really expected the chair of the Executive Board to give a roadmap today of how this is going to go. I like what you are saying now, but I still have very little to go on. When can we, as depository receipt holders, simply expect a written document outlining the steps that will be taken in this whole process? I have one very specific question: does one of these steps include amending the current administration conditions? I say that to all my fellow depository receipt holders: if the administration conditions need to be amended - which I expect to be the case - then we have a vote on that. We can think of something. And I tell you that based on what I find so far today, I am not going to predict how my vote will be on that.

Chair

Thanked the questioner. He had said there would be a round of three and then look at the chat box, but because... No, now there were two others anyway, then we would have to do it in a second round. First the chat box with three questions.

Ms Schreurs

From depository receipt holder Roland, from Tiel in Belgium: 'What is the opinion of the council of financial journalists that a listing on an MTF platform leads to a reduction in value of the depository receipt of 45 or even 50%? I think it was the council of financial journalists? Will the bank manage trading on the MTF platform in such a way that the trading price of depository receipts approximates to the intrinsic value? Has the bank made any accounting provisions to respond to any legal action by the depository receipt holders and to compensate them for such action?' That was the first question.

The next question came from Mr Lafuente Garcia in Zaragoza: 'Triodos Bank is a solvent bank with a relevant number of customers and that projects good financial health to the public and to customers. So why not reopen depository receipt trading? I would prefer the bank to return the money with the previous price of the depository receipt and to change the market model later, without endangering the capital of individuals in the context of the current external crisis. I trusted Triodos, but now I would not put my money in it.'

The next question came from Mr Gago Bagones in Valladolid: 'It was people's panic that caused the depository receipt trading problem, making the previous system unviable. It is necessary to try to inform and be successful in reducing the current panic, in order to avoid slippage and deviation in the price of depository receipts.'

Chair

He would now move on to the answers to these six questions.

Mr Rijpkema

He told the chair that he would try to do that briefly and clearly. Mr Verhaar's question, DNB and AFM, you would appreciate that. He could not comment on discussions with individual regulators in the Netherlands, but he had indicated in his explanation that prior to the announcement the bank had had extensive discussions with the regulators in the Netherlands and you could conclude from the fact that the bank had made the announcement that those discussions had been satisfactory.

The question regarding plans to attract other depository receipt holders: that was a very valid question. Of course, together we had to ensure that there was sufficient supply and demand to achieve good price formation. The bank had engaged a financial adviser, who would guide us through the whole process and who will also guide us in the writing of – you had heard it before today – the equity story. But that would be a story that would indeed bring the bank to the attention of other investors and they will also definitely help us. That was also their area of expertise, to guide us in this.

Mr. Hurts's question, if he had interpreted it correctly: he was not convinced about the MTF and would like a route document. He had tried to outline a number of steps today, so the steps the bank was working on now were to conclude a contract with an MTF provider, prepare to centralise the administration registers, conclude a contract with Euroclear and then inform the depository receipt holders in more detail, – he thought that it would be somewhere in the third quarter, early fourth quarter – about opening an account on the platform and all the steps needed to get that done so that we could work together towards a situation where we could start trading in the first half of 2023. He had heard the questioner's appeal – and would certainly take it to heart – to see if the bank could add something to it, with a document or on a website, how we could further underpin this.

The questioner had asked: Was an adjustment of the administrative conditions foreseen? We did not foresee this at this moment. He could not rule anything out at the moment, but if he were asked, he would say: given the state of play today, at the moment it did not seem necessary for a listing on an MTF.

There was a question about which he had written down the one word 'accounting' in haste. That was the question from Mr Roland, to whom he apologised. He did not know what journalists thought about this, several had written about it. He did not think they directly related a decrease in value to a particular platform, but mainly to the fact that it would go to variable pricing. And here was indeed the question about the accounting provision: no, there had been no accounting provision made to respond to legal actions or compensation, that question had been asked earlier today. It was important to establish: buying a depository receipt was an investment in the bank and the value of a depository receipt was then determined in mutual trading, but the bank would not be able to buy back the depository receipt because that system had proved to be no longer viable.

There was a question from Mr Garcia in Zaragoza: the bank was doing well, why not reopen the depository receipt business? He thought that this was and had been the wish of many of us and those amongst us. As he had said, the bank had tried that in the autumn of 2020, but it had turned out not to be possible because the balance between supply and demand had been disturbed and the possibility for the bank itself to come back was limited to the 3% market making buffer, the trade buffer. So reopening had not been possible, it had been tried and now the bank was looking for another alternative.

Then the comment or question from Mr Bagones in Valladolid: it was necessary to try to inform everyone, to succeed in reducing the current panic to prevent a drop and deviations in the price. He thought that the bank had indicated that it would take the wish to inform very seriously and it would

look into that. He did not know if there had been any panic when that happened with Corona, everyone made their own decisions about why they wished to sell their depository receipts. At the time, the bank had faced a considerable imbalance between supply and demand, and he hoped that with the bank's good developments and also a new platform, and also with new parties wanting to invest in the bank, we could together restore a healthy balance between supply and demand.

Chair

Expressed his thanks. There would now be an opportunity for a second and final round of questions and comments on this agenda item. He could see someone at microphone number 3, he saw Mr Douma at microphone number 2 and Mr Hurts at microphone number 2 and those would be the three questioners. He invited them to proceed.

Mr Jansens

Jansens, Voorschoten. I have heard many times in the last hour, or hour and a half, or maybe longer, that we have to do it 'together with the depository receipt holders', from the bank. We have to stand in support of the bank, it was said at one point. The call from SAAT was to do more work on communication with the depository receipt holders. That all sounds fine, but to be honest, I am not so convinced that it will work, because in the past period that should already have been happening, according to your documents. I have also heard a kind of appeal from the chair of the Stichting Certificaatouders, to start talking together and to exchange more than the obligatory details and information that had long been known. Is Triodos going to take that stichting seriously? More than two thousand depository receipt holders are united in it, which seems to me to be a good discussion partner if you want to talk to depository receipt holders. Because you say: I want to make use of all the opinions that are available. However, these have been shared with you by individual depository receipt holders for a long time, but nothing is being done with them. I understand that it is also very complicated to communicate with 42,000 people, but are you going to take this stichting seriously? Will there be an invitation for serious consultations and talks, including about the future?

Chair

Thanked the questioner. Next was Mr Douma.

Mr Douma

My name is Douma, from Rotterdam. I am a depository receipt holder, investor and Triodos Bank customer, so I am involved in many ways. I could say a lot, but because of time constraints I will limit myself to two questions that I have been trying to get answers to for a year and a half. I have read and followed all the webinars and online meetings, all the Q&As, the annual report, everything, and still I am not given the answer to those two questions. One question was also asked this morning almost literally in the same way as I am going to ask it, but it has still not been answered. I checked with several people over lunch and they also say: I don't think the answer has been given. The question is in anticipation of the MTF: why has Triodos Bank concluded that the existing trading platform is no longer adequate? Jeroen Rijpkema has explained several times that the trade was halted due to a disruption at the beginning of the COVID crisis, after adjustments the trade was restarted in October 2020 but even then the trade was still disrupted. The fact is that the COVID crisis was still in place at the time, so it may still indicate a temporary disruption. Therefore: what exactly was the underlying analysis – and not just the observation 'there was a disturbance in supply and demand' – why a system that has worked for 40 years to everyone's satisfaction was thrown out by one kink in the chain? We simply did not get that analysis, other than what I am explaining now.

My second question is about the MTF itself. If it were an alternative, a deliberate choice was made for a closed platform because that offered the possibility of regulating it oneself, of making agreements on it. Then my question is: why is it so obvious that trading on an MTF 'therefore' takes place at a variable price? This is being sold as Siamese twins, but I think they are two different issues. The trading platform and the price for which are different issues. I think you should also be able to trade on an MTF at intrinsic value if you agree to that in the trading conditions. I can even give a substantive argument as to why this is very realistic in the case of a bank. A bank consists almost exclusively of monetary items on both the asset and liability sides that are highly liquid. It means that under the ELC model, as explained several times by André Haag, fair value must be determined and set on the balance sheet with risk factors. That means that on balance, the sum of all those real values, which you can estimate very well, gives the intrinsic value of the bank. That is what the bank is really worth. So what would be a reason to trade at a price other than that intrinsic value? In fact, you could say that any price deviating from that intrinsic value is speculative, and speculation is the last thing we

would want in the context of Triodos' mission and vision. So I think variable price trading is the beginning of the root to Triodos Bank's mission. [*applause*]

Mr Hurts

Hugo Hurts, from Leidschendam. I would like to come back to the answer that Mr Rijpkema just gave to my question about the administration conditions. I would urge him to read Article 5 of the administration conditions, which, in my opinion, contains the entire basis for the current construction, including the entire protective construction that protects the bank. It also mentions the intrinsic value as the redemption price of shares, should a shareholder have more than 10% of the total holding. I cannot imagine that this can be maintained under the system you are now preparing. I would very much appreciate it if there were a proper legal examination of this for once, because this will be a very important moment for the depository receipt holders, because this is one of the very few things that we as depository receipt holders can influence. This is because we have to determine and approve the administration conditions and changes to them ourselves. So I was not convinced by your answer.

Chair

He would now look at the chat box, which had two more questions. He asked that they be read out.

Ms Schreurs

There were three questions. One question of a series from Mr Pedro Niëto, but we had agreed with him that we would ask one question now and that the other questions would be discussed with him after the meeting. His question was: 'What happened to cause the valuation of the depository receipts to fall so sharply?'

Then there was a question from Mr Albrechts from Maasmechelen, Belgium: 'How will the involvement of the depository receipt holders in the operation and set-up of the MTF be organised?'

Finally, a question from Mr Van Heijningen of Leidschendam: 'There is a buyback programme whereby people can register depository receipts, sell them at a buyback price of €59. Is it also possible to sign up to buy depository receipts at this price?'

Chair

Thanked the questioners. He indicated that the meeting was due to end at 2.30 p.m., but he asked for it to be extended by 15 to 30 minutes. It was now 29 minutes past, and he did not want to force the Executive Board to respond in a minute. He thought that it was right and proper to answer all these questions, but he did state that after that he would move on from this agenda item.

Mr Rijpkema

Mr Jansens from Voorschoten was appealing for talk with the stichting as well; with pleasure, we had already talked to it once and he would very much like to talk again to the stichting about the future. So he would gladly do that.

Mr Douma from Rotterdam asked why the system was no longer satisfactory. We had established that supply and demand simply could not be matched at this price.

[*Something was said from the audience, which was unintelligible on the recording.*]

Perhaps we could talk about this again separately. The bank did not think it was just because of a crisis, because at some point when we started the second time in the autumn we had different situations. In the end, with the limited scope of the bank to buy up to €36 million, it could not continue to deliver the volume at that price.

Your other question: could you trade at intrinsic value on the semi-open platform? This was precisely something that we could discuss with each other. The bank could no longer be a counterparty to buying and selling. But what he was saying, and he really did think that this was one of the more attractive aspects of an MTF: you could agree on ranges within which trading could take place. You could not do this on an open market, but you could here. You could say: we will open a trade between price X and price Y. Or we could also say here: we would not act on the whim of the day, but there would be a fixed moment in the week. Or we could also say: it would only be possible to trade a limited number of depository receipts and not so many at once. He therefore thought it was better to regulate the trade with each other, in a way that respected the interests of the depository receipt holders but also respected the interests of the bank in protecting its mission.

He had heard what Mr Hurts had been saying about Article 5. The bank had, of course, sought legal advice. The meeting had been encouraging him to have another look at it, but the legal advice the bank had received so far indicated that the administrative conditions as they currently stood had been in place for a long time and would function well on a multilateral trading platform.

The question from Mr Albrechts from Maasmechelen: how was the bank going to organise the involvement of depository receipt holders in the operation and layout of the MTF? He thought that the bank would talk to the foundation in any case about the future, but also to other depository receipt holders. There were 43,500 of them and, for the record, that translated into more than 50,000 individuals. The bank would be talking to a number of people about this, and there would undoubtedly be large meetings in the various countries once again. The bank would also look at other ways of getting in touch, but it would really try to reach out to the widest possible group of depository receipt holders to gauge their opinions and talk about this.

Then there was the question from Mr Van Heijningen. He did not know Mr Van Heijningen, so this had not been a planted question, for the record, but he did like the fact that after all the discussions that had taken place between them, there were also depository receipt holders who said: could I buy more? At the moment he could not, because he was not allowed as a financial institution to mediate between the buying and selling of depository receipts. It was all up to you, but for Mr Van Heijningen the first opportunity – or Ms Van Heijningen, he apologised – would arise when the bank was listed on an MTF.

Chair

There was also a question from Pedro Niëto: 'What happened to cause the value of the depository receipts to drop so much?' That was an identical question to one that had been asked from the floor, so he thought that they should consider it as having been answered. He would close that agenda item and move on to any other business.

9. Any other business

Chair

Asked if anyone wished to take advantage of this any other business. Asked if anyone dared. He could see that three people had come forward. He asked them to go ahead.

Speaker

A practical question. I strikes me that each time you collect the questions, you ask six questions and then give answers. I think it would be much more logical and much more absorbing if the answer came every time after a question.

Chair

That had been done that in the past, but then you did not have the opportunity to take answers to certain questions together, so in practice it led to much longer meetings. He could say that from forty years of experience. But it was a suggestion, for which he thanked the questioner.

Mr Ruiters

My name is Ruiters, from Utrecht, and I am a small depository receipt holder. I have two suggestions for the bank. On the one hand, because it is a very specific bank with a value, I think I myself would like it if there were a MOOC (Massive Open Online Course) on finance. There are various platforms for this, edX is one of the better ones, I think. Has the bank ever thought about that or would it be willing to think about that? Next: if those depository receipt holders want to sell to each other, they must know each other. The bank could make a platform for this.

Chair

Mr van der Velde.

Mr Van der Velde

Thank you, chair, especially for the question 'Who dared?', which in particular encouraged me to get up from my seat. I do not need an answer to the question now, but I would like to put a question to you that I would like a detailed answer to at another time. The background to my questions this morning was: has the bank fulfilled its duty of care? The bank has a duty of care, to customers in the broad sense, you know that better than I do. That is why I asked this morning: when did you realise the limits of the system as you had it, systemically in the Triodos Bank with depository receipt holders? Was that only at the time of the corona crisis or were there indicators in your risk analyses earlier that said: this system is coming to an end? If that is the case ... Mr Haag said earlier – and I very much agree with him – that you have to anticipate a crisis. He did not say 'and compensate', but I fill that in. So my

question is: to what extent did you, from your responsibility as having a duty of care to depository receipt holders, recognise the limits of the system before the corona crisis occurred?

My second and final comment is a request. You keep saying: the bank is doing well. The bank is robust, the bank makes a profit. But then you have to imagine that you are a depository receipt holder who is going to lose a third to possibly half of the original deposit and what the impact is of always repeating your mantra 'the bank is doing well'. I ask you to think about that, thank you. [*applause*]

Mr Rijpkema

The question about the MOOC: the bank would think about that. He did not think that it had been discussed before. Depository receipt holders had to get to know each other; that would happen on the platform soon and then, of course, it would be arranged that you could trade with each other through the platform.

The duty of care: the questioner said that he did not have to answer it now, but he would do so anyway. He wished to respond to something else, Mr van der Velde. Something that really made him feel a bit emotional, we had talked about that earlier: when he talked about the bank doing well and being robust, he had also read comments in newspapers about the bank not doing well and savers taking their money away. We were talking about an institution that was based on calm, stability and trust. And however much we might disagree, he pleaded that this should not create turmoil around this institution, because it would be to the detriment of everyone and, first and foremost, to the detriment of the depository receipt holders. So he wished to talk about how the bank was doing, but when he said that 'the bank was doing well', he did so to communicate calm and confidence, so people didn't have to worry. Triodos was a profitable bank with a low risk profile and good capitalisation. He was well aware of the issue and of the personal problems that people were facing, because the bank had been forced to stop trading the depository receipts. He was concerned about that and would try to find a solution, but please let us keep the peace around the bank. [*applause*]

Speaker

[... do something about it, but you do nothing. Nothing at all. No compensation, nothing.]

Chair

He came to the giving of farewells. He wished to thank the departing colleagues.

Ernst Jan Boers, had been on the Supervisory Board for eight years, was a banker and a supervisor and had also developed as a supervisor. He had been on the ARC and the NCC with us and then on the ARC again. He expressed his great thanks for the professionalism and helpfulness of Ernst Jan. Dineke had been on the Supervisory Board for four years. She knew the financial world, she knew the HR world, and she knew the world from which Triodos Bank emerged. And she was very involved and concerned with how we could take Triodos Bank's mission forward in these times. He likewise wished to express his great thanks for the professionalism and helpfulness of Dineke.

He wished to invite Josephine to come forward. Josephine de Zwaan had led SAAT for 12 years and would be leaving the bank this afternoon after the next meeting. She would be stepping down as chair of SAAT. On behalf of the Executive Board and the Supervisory Board, he expressed his thanks. She knew the financial world, she was also a supervisor, and also knew the world from which Triodos Bank originated, so actually she was a combination of Ernst Jan and Dineke. And in fact their terms of eight years and four years did indeed add up to the 12 years that she had served. He wanted to thank Josephine very much for the utmost care, commitment and passion with which she had done her job. He had found it a great privilege to work with her.

[*applause, and flowers handed out.*]

Chair

They were coming to the conclusion.

Ms De Zwaan

She indicated to the chair that she was breaking protocol here. They would speak to each other later on, but the chair of the Supervisory Board, Dineke Oldenhof and Ernst Jan Boers would not. SAAT thanked the Supervisory Board for its enormous commitment, dedication and contribution to the bank. And they all realised that these were turbulent times. However, that contribution really needed to be highlighted. She thanked them. [*applause*]

Mr Nawas

He also wanted to take the floor for a moment, because Aart de Geus was also stepping down today, as he had said earlier, after eight years as chair of the Supervisory Board. In this, he had done the bank a great service, including the chairing of meetings like this one, with great fluidity and yet with the ability to stick to the agenda. He thanked him for that, he believed on behalf of everyone in the room for everything always having run smoothly, but also thanked him on behalf of the Supervisory Board for his support, for his wisdom and for the way that he had served the bank. He again expressed his thanks. [*Applause, flowers were handed out*]

Chair

Had I overlooked the fact that someone has reported at microphone 5? He apologised and invited the person to go ahead.

Speaker

It does not matter. I have to tell you, I do not know anything about money. At one point, I just had some money left over and I thought, what am I going to do with that? And then I came Triodos Bank. I said to myself: this is a nice institution, I can spend some money on it because they do nice things. I did and now I am a depository receipt holder. And I am from Amsterdam. Now, I thought, I have money. I come from a poor family and I always thought: if you invest money in something – and I say that to every depository receipt holder right now – then you must also be able to stand your loss. Then you also have to say: okay, wait a minute, if I wanted to keep money, I might as well have put it under the mattress, but I wouldn't have given it to Triodos Bank. But now I have given it to Triodos Bank, at the risk of possibly – as Mr Rijpkema has said: possibly – losing it. Some people here definitely give me the feeling that they just cannot stand to lose. We should also be able to say: yes, I don't know about the bank, there are experts there who might know about it. They undoubtedly make mistakes, every board makes mistakes, a Supervisory Board also makes mistakes of course, everyone makes mistakes. Okay, I just have to swallow that. And I happen to know that I have to swallow a lot, because I have just not been seen because I have to sit in a wheelchair, so I wanted to call on everyone to think about the fact: can you stand your loss? I just wanted to say that, thank you. [*applause*]

Chair

It was amazing how the person from the floor had contributed so constructively and positively, which also gave him the feeling that meetings like this were never really finished. For him it had finished, but for others there was the possibility to talk some more and actually with a movement like Triodos enter into a constructive dialogue, that conversation was never finished.

10. Close of meeting

They had talked in depth today about an intensification of conversation, about further points to be discussed, and he would close this session with the words: to be continued. He addressed Christine.

Ms Van Waveren

It would not have escaped everyone's notice that they were using slightly different times today than had been originally planned. That meant that they were now going to quickly clear this board table and set it up for the SAAT board meeting, which would start in a few minutes. Tonight, Tina the Musical was being performed in this theatre again, which meant that they were limited in how long they could stay there. Therefore, they could continue the meeting on this stage until 16:15 and the SAAT board had already indicated that they would be available in the foyer for another half hour, i.e. until 16:45, for any continuation of the discussion, that they had been unable to conclude during the meeting. At 5 p.m. they really had to leave, because the first Tina guests would be arriving. So the bank was going to make a quick change here, and of course people were free to go outside for a little while, but nothing else had been provided during the break, so it was just to stretch their legs and be back here as soon as possible. She thanked everyone.