

## **Minutes of the Meeting of Depository Receipt Holders of Stichting Administratiekantoor Aandelen Triodos Bank [Foundation for the Administration of Triodos Bank Shares], held on Friday 23 May 2014 in Zeist**

### 1. Opening

Ms De Zwaan, Chair of the Board of Stichting Administratiekantoor Aandelen Triodos Bank [Foundation for the Administration of Triodos Bank Shares] (SAAT), opened the meeting. She welcomed those present and proposed the order of the meeting. She then introduced the other members of the Board of the Foundation: Ms Van Boeschoten, Mr De Clerck, Mr Nijenhof and Ms Castañeda.

The Chair noted that Mr Anker, notary from Nauta Dutilh, was present in order to monitor the correct execution of the voting process.

In accordance with article 9, paragraph 9 of the Administrative Terms of Stichting Administratiekantoor Aandelen Triodos Bank, the Chair appointed Ms Verheul of Verheul Executive Support to take the minutes. The goal is to place the minutes on the website within three months.

The Chair noted that the meeting had been convened in accordance with article 9 of the Administrative Terms of Stichting Administratiekantoor Aandelen Triodos Bank. Depository receipt holders had received a written invitation sent out in good time. The documents for the meeting were available for scrutiny and could be requested.

The Chair reported that there were 135 depository receipt holders present who jointly represented 40,700 votes. The Executive Board had also received proxies from 972 depository receipt holders. These proxies represented 196,919 votes in total. A total of 237,619 were therefore present or represented at today's meeting. The Chair pointed out that the bank exercises the voting right on the mandates which it has received independently of the SAAT Board.

The Chair noted that there might also be people present who did not hold depository receipts. They were most welcome, but did not have the official right to speak at the meeting. If a depository receipt holder wished to speak, he/she was asked to move to the microphone now. Every depository receipt holder could, in the first instance, pose one question at a time. Questions could only be posed via the microphone or via the live webcast. The depository receipt holders were asked to state their name and place of residence clearly before speaking.

Depository receipt holders who arrived after the start of the meeting could not vote. This was also announced in the letter which depository receipt holders received after registering for the meeting. This is necessary in order to be able to ensure the validity of the vote.

The Chair indicated that the governance structure of Triodos Bank still often gives rise to questions. She used a slide to explain that this structure is based on a collaboration, with dialogue, between three parties: Triodos Bank, SAAT and the depository receipt holders. Triodos Bank issues shares to SAAT. SAAT is an independent body with its own board which issues depository receipts to the depository receipt holders for all the shares that it holds. SAAT exercises the voting right at the General Meeting of Triodos Bank, as happened this morning. The members of the SAAT Board are appointed by the depository receipt holders. This structure was firstly selected in order to safeguard the independence of Triodos Bank. The structure also makes it possible for the bank's mission to be monitored by an independent body which is in constant dialogue with the bank and the depository receipt holders about the fulfilment of that mission. Finally this structure also offers the bank the opportunity to maintain a direct relationship with the providers of its capital, the depository receipt holders.

In practice the Board, alongside its more formal responsibilities, also proactively maintains a dialogue with the depository receipt holders and the bank and lends content to it. Hence branches, customer days and the informal meetings of depository receipt holders in the various countries have all been visited over the past year. The SAAT Board travelled to the United Kingdom twice for meetings with customers and depository receipt holders. The branch in Belgium celebrated its twentieth anniversary at a meeting with around 1,200 attendees, and the local depository receipt holders' meeting was attended by over 500 depository receipt holders. It was also a special year for Spain: Triodos Bank has been operating in this country for ten years. Some 140 highly engaged depository receipt holders attended the annual meeting here. Finally the Chair highlighted the survey which the depository receipt holders can complete every year. A sort of 'health check' to find out what issues are important to the depository receipt holders. Every year this shows how much the depository receipt holders are thinking along with the bank as a 'critical friend'. This would be discussed briefly later in the meeting.

The Chair then moved on to item 2 on the agenda.

## 2. Report of the SAAT Board for 2013

The chair referred to pages 146 to 150 of the Dutch annual report (pages 140 to 143 of the English annual report) and briefly discussed the Board's work during the year. She thereby referred to the Board's responsibilities as discussed earlier. With regard to safeguarding the bank's values and mission, she indicated that the Board particularly assesses the annual accounts from that perspective. Discussions with the Executive Board examine the impact which the bank generates with the money that the savers and depository receipt holders have entrusted to the bank, and whether this actually generates the innovations that we want to achieve together. The Executive Board's answer to this question this morning was the same as the answer that the Board receives in the discussions with the Executive Board. This showed the level of transparency in this company. The SAAT Board also sent a letter to the Supervisory Board asking about the Board's attitude to the bank's values and mission and how it incorporates this into its supervision. The SAAT Board has also asked itself the same question. Finally the Board has examined the question of whether certain elements can be identified within current social developments in which Triodos Bank specifically could play a pioneering role.

The subject of independence was not discussed because there were no grounds for doing so.

There was extensive consideration of the interests of the depository receipt holders, this bank's providers of capital. The Board thereby naturally looked at the dividend payment. It was noted that the dividend has remained remarkably stable over the years. The value of the bank's depository receipts is showing steady and reliable growth without enormous peaks or troughs, and that is also important to depository receipt holders. The Board also looked at how the internal market for depository receipts works, and considered when and how the bank enters into dialogue with the depository receipt holders. The Board thereby felt that the bank was a highly knowledgeable, accommodating and transparent dialogue partner, including with depository receipt holders.

The Board attended the local informal meetings of depository receipt holders. It was thereby noted that the depository receipt holders in the United Kingdom, Spain and Belgium all ask three types of question; the same questions that were also raised today. The first question relates to general social developments and the role that Triodos Bank wishes to and can play in that. A second question which is frequently posed concerns the developments in the banking sector and the bank's role within that. Finally there is the recurrent question about the degree to which the bank can encourage developments in the sectors in which it operates and how the bank can thereby act as a pioneer. The SAAT Board includes these questions in its discussions with the Executive Board.

The Chair then invited questions. Since there were no questions, the Chair moved on to item 3 on

the agenda:

3. Appointment of Mike Nawas as a member of the SAAT Board

It was Mr Jan Nijenhof's turn to retire under the retirement rota. He was not available for reappointment. The Chair noted that Mr Nijenhof's departure would be marked at the end of the meeting.

The Chair discussed in more detail the process which leads to the nomination of new members of the Board. She noted that SAAT Board members are often people who come across our path by accident, people who become visible from the periphery of Triodos Bank and with whom a dialogue starts, whereby the idea develops that this person could be significant to SAAT, the bank and the depository receipt holders. When the Board comes to the conclusion that the person meets the profile for membership of the SAAT Board in terms of experience and background, and also has a deep bond with the bank's mission and values, that candidate talks to the bank's Executive Board. The nomination is then submitted to the Supervisory Board, which must approve the Executive Board's acceptance. This shows how carefully the nomination for an appointment is made.

In accordance with article 8 (1)(m) of the articles of association of Triodos Bank, Mr Mike Nawas's nomination has been approved by both the Executive Board and the Supervisory Board. The Board was delighted to nominate Mr Mike Nawas as a new member of the SAAT Board.

The Chair invited Mr Mike Nawas to briefly introduce himself. Mr Nawas indicated that his CV and reasons could be found in the annex to the agenda for this meeting. He added that he was born in the United States and came to the Netherlands with his family as a child and grew up there. He studied political economics in Tilburg, majoring in 'money, lending and banking' with his main subsidiary subject being 'political economics and social order'. He has great appreciation for the values and mission which Triodos Bank represents. It is a bank which does not embrace banking and what it can mean as a goal in itself, but places it at the service of social order, people, society and the environment. He would like to make a contribution to the SAAT Board in order to safeguard these values and mission at Triodos Bank.

The Chair invited questions to Mr Nawas.

Mr Bloemen from Utrecht observed that Mr Nawas had been employed at ABN AMRO Bank and had left for certain reasons. He wondered whether it was precisely one of those reasons that was now bringing him back to banking. Mr Nawas said that he had learnt a lot about the business at ABN Amro, and also had many good experiences. He left because of the many changes. After the break-up of ABN AMRO he worked at Royal Bank of Scotland, but that suited him less well. He felt that banking is a good profession, but not if it is reduced to banking for the sake of shareholder value.

In response to a question from Ms Van Giessen (Zeist) of whether his family originated from Egypt, Mr Nawas explained that his family is of Palestinian origin and emigrated to America in 1948.

Since there were no further questions, the Chair put the proposal to appoint Mr Nawas to the vote. Following a brief explanation of the process of electronic voting by Mr Hollander (Head of Tax, Legal and Compliance at Triodos Bank), the vote took place. The Chair noted that Mr Mike Nawas's appointment had been approved with 99.95% of the votes cast. She welcomed Mr Nawas as a member of the SAAT Board.

The Chair then moved on to item 4 on the agenda:

#### 4. Any other business

Mr or Ms Alblas from the Netherlands asked via the live webcast whether it was also possible to vote via the Internet. Mr Hollander replied that this was not possible, but that this possibility would be explored since this could further expand participation in this meeting.

Mr Braakman (Schagen) wondered how sustainable and how practically effective Triodos Bank is? In practice today's agriculture focuses on annual crops. More attention needs to be paid to perennial crops. He cited a project in the Sahara. That offers possibilities, including for Triodos Bank as a pioneer to promote this development. He also noted that the depository receipt holders were being offered chocolates at the exit, but that it does not state where the chocolate comes from. The Chair thanked Mr Braakman for his appeal and his great engagement. The bank itself has heard the appeal and this topic is permanently on the agenda there, but it was worth restating. With regard to the chocolates she assumed - knowing the bank - that the requisite care had been paid to the source.

Mr Brands from Driebergen pointed out that questions have been raised at meetings of the Triodos Investment Funds in recent months to which he felt no answer or inadequate answers were given, or where the questioner was referred to a bank employee in order to discuss the topic in private outside the meeting. He felt that the SAAT Board is also there to represent the interests of the depository receipt holders. He also raised this subject this morning at the General Meeting and discussed it after the meeting with Mr Blom, but he was dissatisfied with the response. (in relation to his specific question) he understands that expenses are being incurred, and apparently a rule has now also been passed down from on high which instructs the bank to make clear what costs are being levied. However, the new system that is being used feels to him as if Triodos Bank is helping itself to some of his assets. Mr Brands indicated that he would withdraw his funds if this remains the case. The Chair considered this plea to be an appeal to the SAAT Board to stand up for the interests of the depository receipt holders in this regard as well. This appeal has been heard, and the Board will enter into dialogue with the bank. She also asked the bank's Executive Board and Supervisory Board to address this issue. This therefore placed this item on the agenda three times.

Mr Vromans from Oirschot wondered why the voting right is limited to 1,000 votes, and why not to 5,000 or 10,000 votes? And whether it was known if there are bodies which can spread their holding across several people or companies in order to circumvent the restriction? The Chair explained the voting relationships using a slide. She thereby observed that the articles of association limit the voting right to 1,000 votes. This restriction was chosen in order to prevent a depository receipt holder from having so many votes in the meeting that he can thereby impose his will on the rest of the meeting. With regard to the second part of the question, the Board does not know anything about depository receipt holders who are circumventing this restriction. This should in any case be shown by the records. Nor has there ever been a group of depository receipt holders who manifested themselves as such at these meetings or at the branches.

In response to the follow-up question as to why the limit has not been set at 5,000 or 10,000 votes, Mr Blom replied that in the early years of the bank the depository receipt holders had no vote at all. As time passed this was felt to be increasingly inappropriate. However, in order to ensure that one depository receipt holder could not exercise disproportionate influence, a number of scenarios were worked out in order to determine the optimum limit on the voting right. The limit chosen leads to sufficient influence for both the smaller and larger depository receipt holders. The figure of 1,000 is somewhat arbitrary, and could equally be 2,000 or 500, but it is clear that a figure of this sort of size leads to a good representation of depository receipt holders.

Ms Van Nistelrooij from Amsterdam wondered how the SAAT Board, which claims to represent the interests of depository receipt holders, knows what the depository receipt holders' interests are? Could the dialogue with depository receipt holders not be organised better? The Chair explained what form the dialogue with depository receipt holders takes. This morning

depository receipt holders were able to talk directly to the bank and indicate what they feel is important. The SAAT Board attends the General Meeting and takes careful note of all the questions and suggestions. There is also the annual survey which produces a lot of information, and the annual customer days, where the SAAT Board enters into dialogue with depository receipt holders. Depository receipt holders are also free to contact the Board directly at any time. This also happens, and discussions then take place. The Board greatly appreciates suggestions to further improve the dialogue. The Board has also asked the bank to identify what its activities have been in terms of interacting with the depository receipt holders, and whether they were sufficient. Finally, there will be the customary discussion after this meeting where the depository receipt holders can enter into dialogue with (co-workers from) the bank.

Mr Delhaise (Zeist) felt that the democratic content of this meeting could be improved: the annual report is not really explained, and nor is it possible to vote on it. Nor is the strategy put to the vote. The Chair thanked Mr Delhaise for his suggestion. This topic will be considered by the SAAT Board.

Ms Speur from Almere remarked that the meeting of depository receipt holders previously took place before the General Meeting. She wanted to urge that the timetable for the day be reversed, so that - for example - depository receipt holders could influence the appointment of members of the Supervisory Board. The SAAT now gives its approval on behalf of the depository receipt holders, whilst the depository receipt holders have not explicitly been asked for their opinion about these appointments.

The Chair replied that the suggestion to change the order of the meetings would be included in the Board's evaluation.

Since there were no further questions, the Chair moved on to item 7 on the agenda:

## 5. Close

The Chair closed the official part of the meeting and handed over the chair to Ms Inge Diepman.

Ms Inge Diepman then led the depository receipt holders in a discussion of the following topics with a panel of four bank co-workers on the basis of a number of statements:

- Sustainability
- People (Co-workers)
- Service
- Impact

No minutes were taken of these discussions. They are reproduced in full on the Triodos Bank website: [www.triodos.com/agm](http://www.triodos.com/agm)

The Chair thanked Ms Diepman and the bank's co-workers for their contribution to the dialogue with the depository receipt holders. The issues raised will certainly be included in the discussions between the SAAT Board and the Executive Board of Triodos Bank. She thanked the depository receipt holders present for their engagement and once again stressed the great value which the SAAT Board attaches to a good dialogue with the depository receipt holders. She noted that the customer days are a good opportunity to learn about projects which are financed by the bank and to enter into dialogue with the bank's co-workers. Information about this can be found in 'The Colour of Money'. Finally the Chair briefly noted the survey which again was conducted amongst depository receipt holders this year. Less attention had been paid to the results of this survey at this meeting this year. What was noteworthy this year was that generally speaking depository receipt holders are very satisfied with Triodos Bank, and the balance that it manages to strike between the financial results on the one hand and achieving its ideals on the other hand.

Before bidding farewell to the depository receipt holders, the Chair addressed Mr Nijenhof, who stood down as a member of the SAAT Board earlier this afternoon. She praised his ability to

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always ask the right question at the right time and his great personal commitment to the bank. The SAAT Board and the Bank were very grateful to him for that.

Finally the Chair thanked those present again for their attendance and contribution, and wished them all a safe journey home.

J.G.J.M. de Zwaan  
*Chair of the Board of  
Stichting Administratiekantoor  
Aandelen Triodos Bank*

E.L. Verheul  
*Minute taker*