

## **MINUTES of the Meeting of Depository Receipts Holders of Stichting Administratiekantoor Aandelen Triodos Bank [Foundation for the Administration of Triodos Bank Shares], held in Zeist on Friday 22 may 2015**

### 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 the attendees and introduced the members of the Board of SAAT (hereinafter the 'Board of Management'): Ms Van Boeschoten, Mr De Clerck, Mr Nawas, and Ms Castañeda. This meeting was a formal meeting. An opportunity to informally exchange ideas with the bank and SAAT will be provided on the 'Heart-Head Day' (Hart-Hoofddag) on 27 June.

The Chair reported that Mr Anker, notary at NautaDutilh, was present to provide an explanation and answer questions pertaining to the proposed amendment to the articles of association and the terms of administration (items 5 and 6 on the agenda) and to monitor the correct execution of the voting process.

The Chair appointed Ms Verheul of Verheul Executive Support as the Minutes Secretary. The goal is to place the minutes in four languages on the website within three months.

The Chair noted that the meeting had been convened in accordance with Article 9 of the Terms of Administration. The depository receipt holders had received a written invitation. The documents for the meeting were available for inspection, could be requested, and had been published on the website.

The Chair reported that the number of depository receipt holders and the number of votes that they represent would be announced before the time of the vote. The Chair pointed out that the Executive Board of the bank (the "Executive Board") exercises the voting right on the mandates it has received independently from of the Board of SAAT.

The depository receipt holders have the right under the articles of association to speak at the meeting. 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 right under the articles of association to speak at the meeting.

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

The Chair then provided a brief explanation of the bank's governance structure. Using a diagram, she explained how SAAT represents the interests of the depository receipt holders. SAAT is an independent body with its own board that manages all shares. SAAT exercises the voting right at the General Meeting. The members of the Board of SAAT are appointed by the depository receipt holders. This structure was chosen to guarantee the independence and the mission of the bank and the economic interests of the depository receipt holders.

### 2. Report of the Board of SAAT for 2014

The Chair referred to pp. 62-65 of the Dutch-language annual report (pp. 177-180 of the Annual Report).

The Chair discussed the Board's work during the past year and, in doing so, referred to the Board's responsibilities mentioned earlier. In addition to formal topics, such as the bank's capitalisation, the trade in depository receipts, the value of the depository receipt and the dividend, there were also substantive topics on the agenda. The Chair mentioned topics such as the discussions concerning the appointment of the supervisory directors, the appointment of the auditor, the regulatory burden, and topics related to the mission.

The Chair then provided information about the annual cycle completed by SAAT to arrive at the voting statement at the General Meeting. The questions asked last year at the General Meeting and the Meeting of Depository Receipt Holders have been discussed at the meetings held by SAAT with the Executive Board and the Supervisory Board throughout the year. Some of the questions that came up for discussion were: how are the various business locations of Triodos Bank doing? Is the bank not expanding too quickly and can all this still be reconciled with the mission? What is the staff turnover in the initial year of their employment? Attention was furthermore requested for the ratio of the lowest to the highest salary and the expansion of the loan portfolio in comparison to the bank's capital growth. An intensive procedure was initiated last year in connection with Triodos Bank 2025 (the strategic vision). In addition to the Supervisory Board, the chair of SAAT was also involved in this procedure. The contribution of SAAT was made especially from the perspective of Triodos' mission. This process expressly dealt with the mission and essence of Triodos.

In the course of the year, ideas were exchanged with depository receipt holders in the other countries where Triodos Bank is present. The Chair asked her fellow members of the Board to provide a brief impression thereof.

Ms Van Boeschoten indicated that the depository receipt holders in the United Kingdom are exceptionally enthusiastic about the work of Triodos Bank, its objectives and the mission. The most important theme was the bank's visibility. One example was the introduction of a private current account. Attention was also devoted to the further expansion of the Global Alliance for Banking on Values.

According to Ms Castañeda, the bank has many local branches in Spain, contrary to other countries. At the meeting with the depository receipt holders, many questions were asked about potential new products, investment funds, and services. Triodos Bank must become a point of reference for more people. The depository receipt holders were also interested in the outcome of the discussions with the Executive Board and the Supervisory Board of the bank and the challenges they perceived. The meetings provided the Board with good input for its dialogue with the Executive Board.

Mr De Clerck noted that many critical, yet supportive questions were asked in Belgium. An important aspect was the impact that the bank could have socially and the question whether Triodos Bank was doing enough to deal with social issues by means of lending.

A meeting with a limited group of depository receipt holders was held in Germany for the first time. The questions concerned the structure and the guarantees of the mission of the bank. In addition, attention was also devoted to the regulatory burden and the extent to which this could restrict Triodos Bank's mission.

### 3. Voting statement

The Chair indicated that, even more so than in previous years, SAAT wanted to provide an explanation of the considerations that led to its approval of the proposals made at the General Meeting that morning, by providing insight in the nature of the discussions conducted by SAAT with the Executive Board, among other aspects. In doing so, the Chair dealt in more detail with the essence, the impact of the bank through its lending, and SAAT's involvement in the appointment process of the supervisory directors.

As indicated that morning, Triodos Bank has since become a medium-sized bank. It opted for making a 'step-up' in the structure, the governance, and the risk management. Furthermore, the strategic course for the next ten years was charted. The Executive Board realised that this was crucial. SAAT has talked several times with the Executive Board about the clarity of the essence and the fundamental values that the bank represents and has reviewed the historical perspective. In doing so, three concrete elements were raised, namely the interaction between the individual development of free people and the interaction with the desired development of our society as a whole are deemed indispensable by SAAT. Furthermore, fraternity was discussed, a principle that goes beyond "harmless economic actions", namely the responsibility for society as a whole. The responsibility for money and economic trade, aimed at striving for a decent society for everyone. Moreover, the call to Triodos to devote itself to the increasing awareness of this responsibility and transparency's central role in obtaining that awareness.

Regarding the impact, Mr Nawas indicated that all discussions conducted by SAAT with the depository receipt holders revealed that much importance is attached to finding the proper balance between the impact of Triodos Bank and the financial return. The Chair referred in that regard to the recent survey of depository receipt holders, which revealed that approximately 90% of the depository receipt holders indicated that there is a proper balance. Furthermore, the loan to deposit ratio, the ratio of loans to savings, was discussed. The percentage is lower than targeted by Triodos, but its increase is not an objective in itself. However, the increase of the impact is an objective. One of the drivers of the expansion of the impact is the mortgage business in the Netherlands and Belgium. This is a purposeful policy, but SAAT did question the extent to which the Executive Board is aware of the impact of mortgage lending in comparison to other forms of lending. Furthermore, it also asked about the extent to which the degree of impact is included in the selection of growth sectors in the lending policy.

Finally, the Chair explained SAAT's involvement in the appointment process of the supervisory directors. The Supervisory Board itself takes the initiative for a (re-)appointment. SAAT becomes involved in the final interview round with the candidates. In doing so, SAAT does not just review the degree of expertise, which is assessed by the Supervisory Board itself, but rather the degree to which the candidate is committed to the bank's mission and his or her capability to support the bank in the dilemmas of the next years, and to bear the responsibility for the company as a supervisory director.

The Chair provided the attendees with the opportunity to ask questions about the policy pursued and the substantiation of the voting statement. The Chair indicated that she would answer the questions from the perspective of the shareholder. The Executive Board would answer the question if the question was directly related to the activities of the bank.

Mr Wijnders of Oldenzaal indicated being a depository receipt holder for a long time to full satisfaction. He appreciated the clarity with respect to the mission of the bank, the retention of independence, and a proper balance between the various interests. The growth of Triodos Bank

can in part be attributed to the dissatisfaction in respect of large banks. He wondered how Triodos Bank guarantees that this remains the case, even though it too is a medium-sized bank now.

Mr Linser of Utrecht had a question about the lending, the impact, and write-downs on loans. There has been much talk about the role of the Non-Performing Loans Department, namely in industries such as healthcare. He wondered how Triodos Bank was dealing with this, partially in view of the impact of the government's regulations.

Mr Joppe of Epe referred to the preamble of the articles of association, which refers to the frameworks used by the founders of the bank. It might be a good idea to look at those foundations in order to see whether they can support the bank's future evolution.

The Chair first responded to the last question, which referred to the question about making the mission more current. Triodos Bank's governance is aimed at protecting the bank's mission. The shareholder, SAAT, has always been wondering how the founders' objectives relate to the current social issues. Triodos Bank wants to make a difference in today's society. In doing so, the employees and the Executive Board of Triodos Bank constitute the first line of defence of the mission, while the depository receipt holders form the second line of defence by critically monitoring the bank and by being willing to provide it with capital. In addition, the Supervisory Board too keeps the Executive Board on task with regard to the mission.

Mr Aeby then responded to the question about lending, about the lending customer experiencing a negative impact from changing regulations. The bank is dealing with various stakeholders, the lending customer, the savings customer, and the depository receipt holder. Problems arising with a loan are dealt with and resolved from the perspective of all stakeholders. The care industry is a challenging industry and changing regulations can constitute an issue. It is difficult to provide a general approach. A solution is being sought on a case-by-case basis. Triodos Bank's added value is that it knows and understands the industry and the issue. The most important objective is that the concerned organisation survives and can continue to operate.

Mr Kroeg of Amsterdam noted that the target profit ratio has been 7% for many years. He wondered how this percentage was determined and how it relates to the current balance between the financial and social returns.

Mr Aeby indicated that the percentage of 7% was adopted as a target approximately ten years ago. Before the crisis, banks were targeting a return of 15% to 20%. Triodos Bank performed a model-based assessment of the proper balance between social objectives and a minimum return. Based on that assessment, 7% was adopted, but has not yet been achieved. This can be attributed to the financial crisis, declining interest, higher losses at certain times, and pressure on the interest rate, among other causes. The percentage of 7% is achievable in a stable world. Triodos Bank is currently revising the concept of return, based on the evolution of the interaction between impact, risk, and return. This will likely result in a lower percentage.

Mr Douma of Rotterdam indicated that he had been attending the meeting for a number of years and that he always found the dialogue to be very stimulating and inspiring. He said that he would appreciate it if the Board would also specify the lessons that could be drawn from the discussions with the Executive Board. In that regard, he wanted to ask Mr Nawas what the topics of such discussions are and what conclusions can be drawn from them, pursuant to his remark

about the diversity of the loan portfolio engendering a widening.

Mr Nawas indicated that Triodos Bank might be the only bank in the Netherlands that does not have an excessive number of mortgage loans on its balance sheet. Expansion is possible, provided it expressly occurs in green mortgage products. It is also an attractive product from the perspective of regulation. SAAT's perspective in that regard is the extent of the sustainability of the option to have mortgage lending expand in a limited market by means of the current green products. Mr Aeby added that mortgage lending is an old debate within the bank, which has extensively been discussed. This has resulted in a mortgage product that can have an impact on the quality of homes and energy consumption. Combined with current accounts, this provides the bank with a full range of products and a better relationship with its customers. The bank's portfolio will consist for a maximum of 20% of mortgage loans.

#### 4. Reappointment of Ms Van Boeschoten as a member of the Board of SAAT

It was Ms Van Boeschoten's turn to retire under the retirement rota. She was available for reappointment. The Chair stated that the board members are appointed by the depository receipt holders on the nomination of the board of SAAT. That nomination requires the approval of the Executive Board and the Supervisory Board of Triodos Bank, which both have granted.

The Chair noted that Ms Van Boeschoten had been a member of the Board for six years. She provided a significant and high-level contribution to the work of the Board and strongly adheres to the values of the bank, which is very valuable to a board such as the one of SAAT. The Board therefore gladly nominated Ms Van Boeschoten for reappointment. The Chair then invited Ms Van Boeschoten to speak.

Ms Van Boeschoten referred to the remark made during the General Meeting, regarding "whether it is really true that there is an ethical bank". In all the years that she had been a supervisory director and later a member of the Board of SAAT, she found that this was really true. What Triodos Bank has realised is very impressive: a European bank, one of the founders of the Global Alliance for Banking on Values, and a co-founder of the Sustainable Finance Lab. Triodos Bank has also become a medium-sized bank. She was delighted that she can continue to be a part of these developments as a member of the Board of SAAT. As far as her specific contribution was concerned, Ms Van Boeschoten indicated that it is important to give the bank a 'push' from time to time to think creatively and to encourage each other to find new innovative ideas.

Since there were no further questions, the Chair put the proposal to reappoint Ms Van Boeschoten to the vote.

118 depository receipt holders attended the meeting and 824 proxies were granted to the Executive Board. In total, 188,127 could be cast at this meeting. After a brief explanation of the electronic voting process, the vote was taken.

The Chair noted that Ms Van Boeschoten's reappointment had been approved with 99.5% of the votes cast. She congratulated Ms Van Boeschoten on her reappointment.

#### 5. Adoption of the decision to amend the articles of association of SAAT

The Chair invited Mr Anker, a notary at NautaDutilh, to provide a brief explanation. Mr Anker provided a combined explanation of the proposed amendment to the articles of association and the terms of administration. The items on the agenda were subjected to a separate vote.

The full text of the old and new articles of association as well as the terms of administration, including a brief explanation, had been included in the agenda documents as well as on the website of Triodos Bank. Mr Van Anker indicated that the purpose of the amendments was to bring the articles of association and the terms of administration in line with the changed Dutch law; to implement the consequent use of terminology; to simplify actions concerning the maintenance of the depository receipt holders' register; the clarification of actions; and the correction of a number of clerical errors.

The Chair invited questions about the proposed amendments.

Mr Sluijter of 't Harde noted that a maximum term of office of 12 years for the members of the board of SAAT had been included in the articles of association. He wondered whether there is a retirement schedule to prevent all members of the Board from retiring at the same time. The Chair confirmed that there is a retirement rota that provides in principle for not more than one member retiring at a given point in time. The rota is currently being reviewed to see where it must be modified as a result of these amendments to the articles of association.

Since there were no further questions, the Chair put the proposed amendments to the articles of association to the vote. The Chair noted that proposed amendments to the articles of association had been approved with 99.99% of the votes cast.

## 6. Adoption of the decision to amend the terms of administration of SAAT

The Chair indicated that Mr Anker had already clarified the proposed amendments in the previous item on the agenda. The Chair invited questions.

Mr Douma indicated being surprised that the terms of administration stipulate that the shareholder can decide that a dividend is to be taken up in depository receipts when a depository receipt holder does not choose between the payment of the dividend taken up in cash and the payment of the dividend taken up in depository receipts. He believed that it is easier to include in the terms of administration that the dividend is to be taken up in depository receipts in the absence of a decision of the depository receipt holder.

The notary, Mr Anker, explained that this is a technical matter to be formally decided by the shareholder.

Since there were no further questions, the Chair put the proposed amendment to the terms of administration to the vote.

The Chair noted that proposed amendments to the terms of administration had been approved with 99.35% of the votes cast.

## 7. Adjustment of allowance for travel time of the members of the Board of SAAT

The Chair indicated that SAAT's Board meetings and other meetings to be attended by the Board increasingly take place not just in the Netherlands, but also in the other countries in which Triodos Bank is established. The experiences of recent years have taught that the time consumption of (international) travel is more significant than provided for as yet.

Therefore, a proposal was submitted to the General Meeting of Depository Receipt Holders to adjust the current scheme concerning the allowance in connection with additional travel time

for international travel of EUR 500 per day (with a maximum of 10 meetings per year). The proposal consisted of setting the allowance per trip at EUR 1,000, with an annual maximum of EUR 12,000, for the members of the Board of SAAT who travel to a meeting in a country other than the one in which they reside. This change will come in effect with retroactive force from 1 January 2015.

The Chair invited questions. Since there were no questions, the Chair put the adjustment of the allowance for travel time of SAAT's Board to the vote.

The Chair noted that the adjustment of the allowance for the travel time of SAAT's Board had been approved with 96.63% of the votes cast.

## 8. Any other business

Mr Klerks of Sterksel wondered whether there is a more formal manner of submitting matters if he wants to provide the Board with a direction for their discussions with the Executive Board and the Supervisory Board.

The Chair noted that there are two formal manners, namely by making use of the right to speak at the General Meeting, such as the one that took place that morning, and at this Meeting of Depository Receipt Holders. In addition, there were numerous informal moments, such as the 'Heart-Head Day' (Hart-Hoofddag) and the opportunity to conduct an individual conversation or to make contact via e-mail. The contribution of depository receipt holders is transmitted to the Executive Board.

Next, Piet from the Netherlands asked a question via webcast. Triodos Bank is growing vigorously, even as far as the employees are concerned. Job vacancies ask for banking experience, making it possible for employees of other banks to also submit their application. This can cause pressure on the culture and values represented by Triodos Bank. The Chair indicated that the Board is also dealing with the question about the need for banking knowledge versus the bond with the mission and the culture of the bank. Mr Aeby clearly answered that question already at the General Meeting that morning, but he added that it is always a dilemma. It is primarily the bond of the person with the mission and values of the bank and secondly the technical skills that are assessed. A banking background is not negative a priori for that matter.

Mr Rutgers van Rozenburg of Driebergen asked if it would be possible to communicate the dates of the General Meeting and the Meeting of Depository Receipt Holders earlier. The Chair announced that the annual schedule had recently been adopted and that the 2016 General Meeting and Meeting of Depository Receipt Holders would take place on Friday 20 May.

## 9. Closure

The Chair thanked the depository receipt holders for their attendance and their involvement in Triodos Bank and wished all the attendees a safe return.

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

E.L. Verheul  
*Minutes Secretary*