

FAQ Extraordinary General Meeting Triodos Bank 23 October 2024: Update

- *Proposed change of nominal value*

Why is Triodos Bank's nominal value being reduced? Why are you changing the nominal value of your shares? What is the impact for depository receipt holders?

What

The Executive Board and the Supervisory Board propose to reduce the issued capital of Triodos Bank by means of lowering the nominal value per share from EUR 50 to EUR 1. At the same time EUR 49 per share will be added to the share premium reserve. Share premium reserve and issued share capital are both part of the equity of the bank. So, one goes up and the other goes down, but the equity of the Bank is not changed. Reducing the nominal value is a technical adjustment which does not impact Triodos Bank's equity. The net asset value and market value of the shares/DRs remain unchanged.

The change in nominal value will not affect any of the other rights DR holders have, such as the right to attend and vote in Triodos Bank general meetings (AGMs or EGMs).

Why

The lowering of the nominal value of shares is relevant if Triodos Bank would want to issue new depository receipts at some point in the future. This is not possible if the nominal value is higher than the issuing price. The ability to issue new shares / depository receipts is important to be able to issue stock dividend or to maintain access to new capital, whenever this may be needed. This is also explained the Articles of Association of Triodos Bank in article (3)2.

Why now?

The proposed adjustment of the nominal amount per share is not a requirement for a listing on Euronext. However, a possible Euronext listing requires adjustments to the bank's articles of association, which is an extensive and complex process that must be carried out carefully adjusting the nominal amount also requires adjustments to the articles of association. It is therefore logical and efficient to implement changes to the articles of association at the same time.

Impact

Lowering the nominal value is a technical adjustment and does not affect the rights of the depository receipt holders. Lowering the nominal amount per share provides Triodos with flexibility in its capital policy. At this time, Triodos will not issue new shares. Triodos Bank has stated on several occasions including October 2022 and recently during the Annual Meeting in May 2024 that it has no intention to issue new shares to finance the growth of the business.

If the situation would occur that Triodos Bank would want to issue new shares this would be either within the existing authorised bandwidth or would require a new vote in a general meeting of Depository Receipt Holders.

Proposed nominal value

The proposed nominal value of EUR 1 is in line with market practice with Dutch banks (ABN AMRO EUR 1 and ING EUR 0.01 and Van Lanschot Kempen EUR 1).

What is the difference between nominal value, net asset value and the weekly auction price of the depository receipts of Triodos Bank on the Captin Multilateral Trading Facility (MTF)?

The **nominal value** of a share is the fixed value assigned to Triodos Bank's shares by virtue of the Articles of Association.

The **Net Asset Value** (NAV) of Triodos Bank's share represents the per-share value of Triodos Bank's assets minus its liabilities. NAV is calculated: (assets minus liabilities =) equity divided by the total number of issued shares.

The **DR market price**: The market price - also called auction price - is determined based on the highest volume of possible trades, in other words the auction price is set at the price at which the most depository receipts can be traded on the MTF.

For more information regarding the MTF and trading of depository receipts on the MTF please visit:

<https://www.triodos.com/en/investing/triodos-bank-depository-receipts>

Does a change of the nominal value of my shares effect my dividend payments? How does this impact the bank's overall financial health?

No, this change of nominal value has no impact on the (non)financial performance of Triodos Bank or dividend payments other than that after the change Triodos Bank can propose to offer stock dividend.

Do I understand correctly, that by decreasing the nominal value of the shares that Triodos can then issue new shares? How would that effect the value or voting rights of existing shares?

Shares may not be issued below nominal value. Currently the trading price is below the nominal value. By decreasing the nominal value, Triodos Bank would be able to issue new shares. There is currently however no intention to do so. If the situation would occur to issue new shares, this would be either within the existing authorization or would require a new vote.

Issuing new shares will not change the voting rights per share of current depository receipt holders per share, it will only increase the number of shares eligible to vote.

One of the reasons given to decrease the nominal share value is to be able to pay dividend out in stock rather than cash. Is it possible, following a Euronext listing, to continue to receive dividend in cash?

By decreasing the nominal share value, Triodos Bank will be able to pay dividends in the form of stock. It is Triodos Bank's policy that if a stock dividend is offered, each depository receipt holder will be able to choose if they wish to receive dividend in the form of stock or in cash. This will also be the case after a Euronext listing.

By reducing the nominal value of the shares Triodos Bank will increase its share premium reserve, will Triodos use this capital to buy back Depository Receipts?

Reducing the nominal value of its shares will not impact the cash position of the bank. Reducing the nominal value to EUR 1 moves the remaining EUR 49 to the share premium reserve. This is predominantly an accounting change. The equity of Triodos Bank will remain unchanged.

- ***Euronext Listing***

What is the difference between the trade of Depository Receipts on an MTF platform, and Euronext? How does this effect existing Depository Receipt holders?

The trading of Depository Receipts on Euronext, has a number of key differences to trade on the MTF:

- Euronext has a wider reach, meaning that a larger group of potential investors will more easily be able to buy and sell Triodos shares.
- Trading on Captin required opening a separate trading account with Captin. Trading on Euronext can happen via a diverse variety of trading accounts.
- Trading hours on Euronext are from 09:00am – 17:00 every workday.
- Listing on Euronext increases awareness of Triodos Bank and its mission.
- Trading on Euronext possibly also will lead to becoming part of a so-called index (selected group of shares) and investors could invest in so-called index trackers and in this manner invest indirectly in these shares.

Following a Euronext listing, how does the relationship between SAAT, existing Depository Receipt holders and new Depository Receipt holders change?

A Euronext listing will not change the existing relationship between SAAT, Triodos Bank and Depository Receipt Holders, existing or new. The “one share, one vote” principle, approved in the 2023 EGM, means that SAAT will only vote in Triodos AGM’s or EGM’s if they receive a proxy or a waiver to do so from a DR Holder.

- ***Voting on changing articles of association***

What is the required quorum for voting on changing the articles of association? What will happen if the required quorum is not present at the Extraordinary General Meeting on 23 October 2024?

This has an impact on agenda item 4.a and 4.b, referring to the amendments of the articles of association, the other voting items need a simple majority (>50% of depository receipt holders that cast their vote, either during the meeting, by proxy or before the meeting via the ABN AMRO corporate banking portal).

In accordance with article 18 paragraph 3 of the current Articles of Association, during the general meeting which must decide on a decision to

amend the Articles of Association (agenda item 4.a and 4.b), at least three-quarters of the issued capital must be represented. If the required part of the issued capital is not represented, no vote shall take place and a second general meeting shall be summoned after this general meeting, which meeting, irrespective of the represented part of the issued capital, may take a valid decision concerning the proposed amendment to the Articles of Association, on the condition that the decision is taken by a three-quarters majority of the votes cast.

What will happen if more than >25% of depository receipt holders that cast their votes at the second Extraordinary General Meeting against the current agenda item 4.a and 4.b?

Then we cannot change the Articles of Association, and we will consider next steps.