

Triodos Bank



MTF EVALUATION DOCUMENT

14 May 2024

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SECTION A GENERAL INTRODUCTION

1 INTRODUCTION

On 21 December 2021, Triodos Bank publicly announced the decision to prepare for a listing of the depository receipts ("DRs") on a Multilateral Trading Facility ("MTF"). This announcement followed the assessment by Triodos Bank that pursuing an MTF listing would, considering prevailing circumstances and available information at the time, be the best way forward to restore tradability of the DRs, and fit best as the next evolutionary step. This assessment was based on extensive analyses and external advice, allowing Triodos Bank to make an informed and balanced decision. After an intense period of preparation, trading in DRs was restored on 28 June 2023 with the opening of the MTF order book. At the time, the bank indicated its intention to evaluate the restoration of trading after some time.

On 20 December 2023, Triodos Bank publicly announced that it had started the evaluation process of the restoration of trading in DRs on the MTF. The evaluation would focus on tradability, price formation, liquidity, operational performance of the MTF and on accessibility of the MTF. The purpose of this document is to lay down Triodos Bank's considerations and conclusions in respect of the research observations of independent third parties Deloitte, Oaklins and Ipsos regarding the MTF evaluation.

This document is structured as follows:

Section A provides a general introduction and includes the executive summary.

Section B provides important context for the MTF evaluation. The decisions to prepare for and proceed with the MTF listing were taken based on extensive preparation, fact-finding, independent specialist advice, analyses, reflections and considerations. The purpose of Section B is to clarify that the MTF evaluation cannot be viewed in isolation from the events and the decision-making that preceded the MTF listing.

Section C details the scope of the MTF evaluation, the incorporation of key stakeholder preferences, the deliverables of the evaluation, and the roles of independent third parties Deloitte, Oaklins and Ipsos.

Section D provides a summary overview of the research observations from Deloitte, Oaklins and Ipsos.

Section E provides Triodos Bank's considerations in respect of the research observations, and Triodos Bank's conclusions and action points.

2 EXECUTIVE SUMMARY

On 20 December 2023, after almost six months of trading on the MTF, Triodos Bank announced that it had commenced the MTF's evaluation process, which was going to focus on tradability, pricing and liquidity, operational performance and accessibility of the MTF. In accordance with stakeholder suggestions, a review of the investor engagement efforts was added to the evaluation scope.

Triodos Bank acknowledges that the relatively short period since the start of listing can only generate a limited data set. In addition, the evaluation is affected by limitations from the Market Abuse Regulation and from confidentiality agreements between Triodos Bank and the MTF. The evaluation has focussed on tradability, pricing and liquidity, operational performance and accessibility of the MTF, a review of the post-MTF listing investor engagement efforts, and on DRHs' views about Triodos Bank and the MTF.

Triodos Bank has mandated independent third-parties Deloitte, Oaklins and Ipsos to make analyses and to prepare reports about the evaluation. These firms have provided Triodos Bank with their written reports and have agreed to the publication of these reports by Triodos Bank.

With respect to tradability, Triodos Bank concludes that the MTF listing has successfully restored the trading in DRs. As a result, Triodos Bank's access to new capital has also been restored, subject to an amendment of the nominal value

of the shares in the capital of Triodos Bank. Triodos Bank considers that the introduction of the preliminary DR price in the order book, launched in December 2023, has provided useful information to investors.

With regard to pricing and liquidity, the research observations are as follows. The DR prices on the MTF have been low in comparison to the standards that were applied. Triodos Bank considers that the DR price formation and liquidity on the MTF are not functioning in the best interests of the DRH community yet. The low DR prices have financial and emotional impact on DRHs, result in legal action, and result in a decline in DRH engagement and trust.

The price formation on the MTF is affected by the limited availability of liquidity. This results in trading volumes which are low in absolute terms and in relative terms. Currently, Triodos Bank does not have indications that liquidity on the MTF can improve adequately without additional measures. Triodos Bank considered which additional measures might support liquidity on the MTF. Triodos Bank considers that the DR price formation on the MTF carries the risk of deterioration of the engagement of the DRH community.

The research observations on operational performance and accessibility confirm that many DRHs have experienced issues with onboarding on the MTF platform. The scope and number of these issues are substantial and negatively affect DRHs' views about the MTF and about Triodos Bank. In light of these negative experiences, Triodos Bank is consulting with the MTF on which improvement measures may be taken to address these issues.

Triodos Bank concludes that Triodos Bank has devoted considerable resources to investor engagement efforts and the MTF has opened well over 1,200 trading accounts for investors that were not DRHs before the MTF listing. At the same time, however, this has not or not yet resulted in significant new DR investments by new investors. Prospective investors frequently motivate their decision to not invest yet by referring to the MTF as such, the liquidity on the MTF, and the litigation and reputational risks surrounding Triodos Bank. Triodos Bank considers that investor engagement efforts must continue.

The MTF evaluation has provided new information and new insights into the functioning of the MTF. Triodos Bank acknowledges that the research observations clarify that the MTF listing has not yet provided the adequately functioning trading solution that DRHs and Triodos Bank are looking for. This is a major cause of concern to Triodos Bank, not only because of the financial and emotional impact that low price formation has on DRHs, but also because of the negative impact on the level of DRHs engagement with Triodos Bank, a key stakeholder group. To safeguard the interests of Triodos Bank and its stakeholders, Triodos Bank is unconditionally committed to decisively address, within the shortest timeframe feasible, the issues identified in the MTF evaluation.

3 LIST OF ACRONYMS AND DEFINITIONS

AFM	Stichting Autoriteit Financiële Markten / Netherlands Authority for the Financial Markets
AGM	Annual General Meeting
AML	Anti-money laundering
CET-1	Common Equity Tier 1
CRR	Capital Requirements Regulation
DNB	De Nederlandsche Bank N.V. / Dutch Central Bank
DR	Depository Receipt(s)
DRH	Depository Receipt Holder(s)
EB	Executive Board
EGM	Extraordinary General Meeting
ESG	Environmental, social and governance
KYC/CDD	Know-your-customer / customer due diligence
MAR	Market Abuse Regulation
MTF	Multilateral Trading Facility
NAV	Net Asset Value
P/B ratio	Price-to-book ratio
P/E ratio	Price-to-earnings ratio
SAAT	Stichting Administratiekantoor Aandelen Triodos Bank
SB	Supervisory Board
SCTB	Stichting Certificaathouders Triodos Bank
SRT	Stichting Red Triodos
STT	Stichting Triodos Tragedie

4 IDENTITY OF TRIODOS BANK

4.1 MISSION

Ever since its incorporation in 1980, Triodos Bank has been a mission-driven bank. Triodos Bank is a global pioneer in sustainable banking with more than 44 years of history in positive impact creation. Since inception, Triodos Bank's mission has been to make the conscious use of money work for positive social, environmental and cultural change. Triodos Bank wants to create a society that protects and promotes the quality of life of all its members within the planetary boundaries, and that has human dignity at its core. Triodos Bank's business model is based on a genuinely responsible approach to business, a commitment to transparency and using money consciously. Triodos Bank strives to be a change-maker in the financial system, changing the system from within, with the compelling motto "finance change, change finance".

Since its incorporation in 1980, Triodos Bank has been working consistently for the realisation of its mission. Triodos Bank's activities are testimony to Triodos Bank's commitment to its mission and to its frontrunner role in finance. Triodos Bank's principal activities since its date of incorporation have been the core activities of a bank and investment firm. Triodos Bank wants to connect the conscious use of money with quality of life, in its broadest sense, in a positive and enterprising way. Socially responsible entrepreneurship lies at the heart of this effort. Triodos Bank focusses on sustainable banking, reflecting this spirit of entrepreneurship and positive change in the banking industry. Triodos Bank

has built a track record financing organisations that work in the nature and environment sectors, social business, culture and welfare, from social housing for disadvantaged groups to ground-breaking renewable energy projects. Therefore, Triodos Bank only finances and invests in sustainable enterprises. To assess its impact, Triodos Bank uses both qualitative and quantitative evidence. For example, Triodos Bank is transparent about the impact of money entrusted to it, from publishing information about all the organisations it finances (www.triodos.com/know-where-your-money-goes), to reporting on its impact and assessing the carbon footprint of its loans and investments.

Triodos Bank applies a holistic approach and puts values-based banking into practice. Triodos Bank wants to connect depositors and investors with socially responsible businesses to build a movement for a sustainable, socially inclusive society, built on the conscious use of money, through leveraging the different qualities of money: savings and loans, mortgages, equity and bond investments, catalytic investments and gift money. Triodos Bank defines catalytic investments as transition accelerators, intended to get things up and running. The starting point is that the catalytic investment will be repaid so that the funds can be deployed again.

The bank's identity and its mission are complementary and strengthen each other. In a rapidly changing world, Triodos Bank's identity and mission continue to be a cornerstone of the bank's frontrunner role. While performing this role, ecological and societal sustainability is and continues to be at Triodos Bank's core and the bank applies a holistic approach to create positive impact. Triodos Bank incorporates positive and negative impact considerations in its financing and investment process and proactively contributes to harness progress beyond financing.

The bank's frontrunner role to finance change and to change finance is clearly and transparently defined by five key transition themes: Food Transition, Resource Transition, Energy Transition, Societal Transition, and Well-being Transition. Triodos Bank reports transparently about the impact it achieves in each of these five key transition themes.

The clearly defined mission and the clearly defined path for the realization of that mission is, as the bank's history confirms, essential to Triodos Bank. The mission is what motivates co-workers throughout the organisation, and makes Triodos Bank distinctive for its retail and business clients, DRHs and society at large.

4.2 OWNERSHIP STRUCTURE

The founders of Triodos Bank had important insights about Triodos Bank's ownership structure, the role of money, the role of a bank in society and the activities that go with it. The founders of Triodos Bank deemed it important that Triodos Bank would function as an independent bank and that it is crucial that its mission and identity are protected. To safeguard the special character and mission, the founders chose Triodos Bank not to have individual shareholders but DRHs, and to abstain from listing on a stock exchange. Since 1980, this ownership structure is largely still in place with SAAT as the sole shareholder and issuer of DRs to DRHs, who want to invest in Triodos Bank. As a result of the MTF listing, the DRHs are legally entitled to request SAAT for a voting proxy for each general meeting. This change in voting rights had led SAAT to consult the DRHs on a new voting policy. In the SAAT DRHs meeting held on 23 March 2023, the DRHs adopted the 'one share, one vote' voting policy. The new voting policy came into effect on 5 July 2023, and will be applied for the first time at the AGM to be held on 17 May 2024. After this change in voting rights, the primary role of SAAT remains safeguarding the mission, values and independence of Triodos Bank from the so-called threefold perspective.

SECTION B BACKGROUND OF THE MTF LISTING

This Section B provides a summary overview of Triodos Bank's decision-making that preceded the start of the MTF listing on 28 June 2023. The section offers a concise description of the end of the former trading system, followed by a summary of the selection process that resulted in the decision to pursue an MTF listing. The section rounds off with a summary of the decision to open the MTF's order book on 28 June 2023.

5 THE FORMER DR TRADING SYSTEM

5.1 TRADING AGAINST NAV AND WITHIN THE LIMITS OF THE CRR

The former DR trading system rested on two pillars: NAV and the 'market making buffer'. The decision to use NAV as the DR trading price was based, amongst others, on considerations of fairness, the prevention of short-term financial speculation and a choice to not list the DRs on a public trading venue.

Until 18 March 2020, trading in the DRs was facilitated by Triodos Bank on a discretionary basis and based on the NAV of Triodos Bank. In all transactions that were facilitated by Triodos Bank, Triodos Bank was the sole counterparty for buy and sell orders. If Triodos Bank received more sell orders from DRHs than buy orders, it could decide to use the available 'market making buffer' ("**Market Making Buffer**"). The Market Making Buffer was the maximum amount of capital that Triodos Bank was allowed to deploy for buying DRs. Pursuant to the CRR, the size of the Market Making Buffer was capped at 3% of Triodos Bank's CET-1 capital. Triodos Bank was not allowed to exceed this limit.

5.2 THE COVID-19 PANDEMIC

The facilitation of transactions in DRs by Triodos Bank worked well for a long time. However, with the outbreak of the COVID-19 pandemic in early 2020, resulting in the number of sell orders greatly exceeding the number of buy orders, the facilitation of transactions by Triodos Bank came under severe strain. To avoid fully absorbing the Market Making Buffer, Triodos Bank was forced to suspend facilitating transactions in DRs on 18 March 2020. After resuming the facilitation of transactions in a restricted manner on 13 October 2020, Triodos Bank was forced to suspend trading again on 5 January 2021. As had been the case in March 2020, a trade pattern had emerged in which the number of sell orders greatly exceeded the number of buy orders.

6 THE DECISIONS TO PURSUE AND EFFECT THE MTF LISTING

6.1 PROJECT SOFIA: A DILIGENT REVIEW OF ALTERNATIVES

To explore solutions for restoring the tradability of DRs and ensuring future access to new capital, Triodos Bank set-up a programme (Project Sofia). Several external advisors joined Project Sofia, providing Triodos Bank with specialist financial markets, operational readiness and legal knowledge. Triodos Bank identified and explored nine alternatives for the restoration of tradability of the DRs, ranging from maintaining the status quo to a structural redesign of the trading in DRs. The alternatives were the following: (1) continuation of the current system, (2) trade at a discounted NAV, (3) a bulletin board, (4) DR buyback, (5) attracting new investors, (6) listing on an MTF, (7) listing (incl. SPAC) on Euronext, (8) IPO, and (9) a cooperative structure.

Each of the nine options was scored based on an identified set of seven criteria, being: (#1) safeguarding the mission, values and independence, (#2) business continuity, (#3) access to CET-1 capital, (#4) providing tradability, (#5) time to develop and implement, (#6) associated costs, and (#7) operational feasibility.

Also, Lazard Financial Advisory was mandated to issue an independent second opinion on the nine options, the assessment criteria, and Triodos Bank's considerations regarding the score results. Based on its review, Lazard Financial Advisory confirmed that Triodos Bank and its advisors had done a thorough job of assessing the prevailing situation with regard to the DRs and identifying and assessing the various options going forward. In addition, Lazard Financial Advisory explained that any final solution should at least create a market, and price formation of the DRs should be based on supply and demand.

At the EGM on 28 September 2021, Triodos Bank explained that it had completed an in-depth assessment of alternatives, and that it had identified three potential alternatives: maintaining the current system, listing the DRs on an MTF, and listing the DRs on a stock exchange (e.g., Euronext). Triodos Bank also explained that it would be focussing its analysis on listing on an MTF, and listing on a stock exchange.

6.2 THE DECISION TO PURSUE THE MTF LISTING

Immediately following the EGM on 28 September 2021, Triodos Bank considered the two listing alternatives in detail. To gauge the preferences and opinions of DRHs, Triodos Bank organized eight information meetings for DRHs in October and November 2021. To obtain input from all stakeholder groups, Ipsos performed an extensive survey in November and December 2021 among DRHs, retail and business clients, and co-workers in all Triodos Bank countries.

A listing of the DRs on either an MTF or on Euronext were considered potential long-term solutions, each of which was assessed and scored based on eight criteria ('DR value' was added to the list of assessment criteria). These criteria were: (#1) safeguarding the mission, values and independence; (#2) business continuity; (#3) access to CET-1 capital, (#4) providing tradability, (#5) DR value, (#6) time to develop and implement, (#7) associated costs, and (#8) operational feasibility. The application of these criteria to the two potential long-term solutions led Triodos Bank to conclude that a listing of the DRs on an MTF would best serve the objectives of Triodos Bank and fit best as the next evolutionary step.

Maintaining the current system was no longer considered a sustainable option. Also considering the Ipsos survey results, Triodos Bank estimated the potential difference between supply and demand for the DRs at the time to be between EUR 150 and EUR 250 million, based on NAV. This estimate was made to the best of Triodos Bank's knowledge and based on various assumptions and assessments of uncertainties that appeared reasonable and acceptable at that time, considering the prevailing circumstances, one of which was the global COVID-19 crisis.

ABN AMRO, Triodos Bank's external financial advisor, performed an independent second opinion on Triodos Bank's decision-making process and intended decisions. ABN AMRO concluded that Triodos Bank had performed a thorough step-by-step process to arrive at the intended decisions and that based on key objectives and a stakeholder test, relevant alternatives had been carefully considered and scored, supported by internal teams and several external financial and legal advisors. In this process, all key stakeholders had been involved. In ABN AMRO's view, an MTF was not likely to be a permanent solution for all objectives set by Triodos Bank, but ABN AMRO stated to understand why Triodos Bank opted for this route at that point in time.

On 20 December 2021, following approval by the SB and after consultation of SAAT, who endorsed the decision, the EB decided to take all necessary steps to prepare Triodos Bank for the listing of the DRs on an MTF.

On 21 December 2021, Triodos Bank publicly announced the decision to prepare for an MTF listing. The press release stated that Triodos Bank expected to complete the preparations within a 12-18 month timeframe. The press release also stated that based on the then applicable valuations of traded European financial institutions, it was to be expected that the variable trading price could be considerably lower than the trading price according to NAV.

6.3 THE DECISION TO EFFECT THE MTF LISTING

Following Triodos Bank's decision to take all necessary steps to pursue an MTF listing, Triodos Bank immediately started the preparatory work. The preparatory work consisted of two parts. The first part was the creation of a project organization based on an internal project office, assisted by external advisors. The second part was the preparation of a project roadmap with clear commitments regarding timing and deliverables, the provision of up-to-date information to DRHs and engaging in dialogues with stakeholders and prospective investors.

Triodos Bank had announced that the preparations for the MTF listing were expected to take between 12 to 18 months. In accordance with this expectation, Triodos Bank announced that the MTF listing was expected to be realized in the second half of June 2023. To support Triodos Bank's decision-making process with regard to the first day of trading, Triodos Bank was provided with multiple final reports by the project organization, by internal departments, by external advisors and by the MTF.

After careful consideration of these final reports, the prevailing circumstances and weighing the interests of DRHs, retail and business clients, co-workers and senior leadership, regulators and society at large, Triodos Bank decided that it was in the best interests of Triodos Bank and its stakeholders to proceed with the listing on the MTF. On 20 June 2023, Triodos Bank announced that the MTF's order book was expected to be opened on 28 June 2023, with the first trading round expected to be completed on 5 July 2023. Triodos Bank also announced that the upcoming listing after a prolonged period of trade suspension, might entail large fluctuations between supply and demand, and consequently in pricing.

SECTION C THE MTF EVALUATION

This section explains the 'why and how' of the MTF evaluation. Chapter 7 sets out why Triodos Bank decided to undertake the evaluation. Chapter 8 explains the design of the evaluation and how the assessment criteria were established. Chapter 9 details the roles and the input provided by independent third parties Deloitte, Ipsos and Oaklins.

7 BACKGROUND OF THE MTF EVALUATION

7.1 MTF EVALUATION DECISION AND OBJECTIVES

Exactly 1204 days passed between the first suspension of DR trading on 18 March 2020, and the completion of the first trading round on the MTF on 5 July 2023. It is fair to state that this period has proven to be a highly dynamic and intense period in Triodos Bank's history, consisting amongst others of root cause analyses, assessment of alternative trading solutions, MTF listing preparations, amendments to Triodos Bank's corporate governance framework, changes in the composition of the EB, the SB and SAAT, engagement with DRHs, co-workers, and regulators, the design and implementation of the new Triodos Operating Model, the launch of new products and services, an inquiry proceeding before the Enterprise Chamber, just to mention some of the important developments

Triodos Bank has been and continues to be very conscious of the fact that the end of the former DR trading system and the MTF listing are profound changes, which continue to have a large impact on Triodos Bank, the DRHs and other stakeholders. For all of these reasons, and some more, Triodos Bank has closely monitored the MTF listing from multiple viewpoints, such as (but not limited to) the MTF's technical and operational performance, the experiences that DRHs have had with the trading account opening procedure on the MTF platform, the weekly DR transaction prices on the MTF, and the number of DRHs that have registered their access to the DRH register and have opened a trading account. The MTF listing has been and continues to be an important topic in the meetings of the EB, and the EB has regularly provided the SB, and also DNB and the AFM, with update reports about the MTF listing.

Against this background, Triodos Bank considered that after approximately six months of trading on the MTF, an evaluation of the MTF listing was not only a logical next step, it was also fully consistent with Triodos Bank's decision in December 2021 to periodically review and assess the MTF listing. Triodos Bank acknowledges that the evaluation is affected by the limited availability of data, as the start of the MTF listing occurred as recently as 28 June 2023.

On 20 December 2023, Triodos Bank announced that it had commenced the evaluation process. The evaluation was focussing on price formation, liquidity, operational performance of the MTF and accessibility of the MTF. The announcement included that the EB would be drafting its own evaluation and intended to present the EB's views at the AGM in May 2024.

7.2 STAKEHOLDER PERSPECTIVES

Triodos Bank's key stakeholders are, in alphabetical order, the clients, the co-workers, the DRHs, the regulators (e.g., the AFM or DNB) and SAAT. Ever since the first suspension of DR trading, Triodos Bank has consistently stayed in contact with each of these key stakeholders.

Business and Retail Clients

The Ipsos survey conducted in November 2021 established that the business and retail clients of Triodos Bank are primarily motivated by Triodos Bank's mission to make money work for positive social, environmental, and cultural change. Unless business and retail clients were also DRHs, the suspension of trading of DRs and the listing of the DRs on the MTF had not had an immediate impact on Triodos Bank's capabilities to deliver positive impact and on the banking relationship between Triodos Bank and business and retail clients. Triodos Bank considers that Triodos Bank's frontrunner role in sustainable finance and its proven track record of positive impact creation have helped cement a constructive relationship between the bank and business and retail clients. The increase in the number of clients, the realization of meaningful positive impact, and the strongest financial results in its history, as reported on in the Annual Report 2023, are testimony to this constructive relationship.

Co-workers

Triodos Bank relies on its co-workers to fulfil the bank's mission, to deliver positive impact, and to realize financial results. The Ipsos survey from November 2021 concluded that Triodos Bank's co-workers are strongly engaged with the bank's values and mission. Triodos Bank acknowledges that on the one hand, completing the MTF listing has provided some relief to co-workers as the listing concluded an intensive, 18-month preparation period. On the other hand, the MTF listing has not ended negative media attention about the DR price formation on the MTF and DRH dissatisfaction has also not been resolved. Generally speaking, co-workers are worried by these circumstances and the impact this may have on the mission of the bank. The EB provides regular updates to co-workers, among others during town hall meetings.

DRHs

The Ipsos survey from November 2021 identified that Triodos Bank's values were the single most important motivation to become a DRH. The suspension of trading, however, did have a negative impact on approximately 20% of the DRHs, leading to an intention to sell once the suspension was lifted. The Ipsos survey also revealed that the majority of DRHs would calmly wait until the trading solution would be available, and that half of the DRHs population felt (very) confident about their future relationship with Triodos Bank.

Nevertheless, Triodos Bank cannot and does not ignore that the suspension of trading and the MTF listing appear to have played a divisive role within a part of the DRH community, resulting amongst others in the creation of several special interest groups such as SCTB, STT, and SRT. On 24 April 2024, STT and SRT announced their decision to cooperate, including the dissolution of SRT. SRT called on its members to join STT.

Regulators DNB and AFM

DNB and the AFM are Triodos Bank's principal supervisory authorities. DNB is responsible for Triodos Bank's prudential supervision which aims to safeguard the financial solidity of financial undertakings and the stability of the financial system. The prudential supervision by DNB of Triodos Bank's banking activities is primarily based on European Union legislation, such as the CRR. The AFM is responsible for Triodos Bank's market conduct supervision of Triodos Bank's banking and investment services. In relation to the suspension of trading and the MTF listing, Triodos Bank has been and continues to be in frequent contact with both DNB and the AFM.

SAAT

SAAT is Triodos Bank's sole shareholder and has issued the DRs to the DRHs. The purpose of SAAT is to safeguard the mission and identity of Triodos Bank. As a follow up on SAAT's public endorsement of the decision to pursue an MTF listing on 21 December 2021, SAAT formally approved the MTF listing in the EGM on 11 October 2022. Until the MTF listing, SAAT exercised the voting rights attached to the shares in the capital of Triodos Bank exclusively. As a result of the MTF listing, SAAT no longer has exclusive voting rights and, on 23 March 2023, SAAT adopted a new voting policy. The new voting policy allows DRHs to exercise the right to vote at the general meetings of Triodos Bank and SAAT will no longer exercise these voting rights (unless requested to do so by a DRH).

8 SCOPE AND DELIVERABLES OF THE MTF EVALUATION

Chapter 8 explains Triodos Bank's considerations about the scope of the MTF evaluation.

8.1 SCOPE OF THE MTF EVALUATION

Based on feedback provided by Triodos Bank's functional departments, key stakeholders and external advisors, and recognizing that the to be evaluated trading period on the MTF is rather limited, Triodos Bank has carefully considered how to strike the right balance between a meaningful evaluation and the limited availability of MTF trading data. Triodos Bank acknowledges that a limited trading period will necessarily not allow Triodos Bank to undertake an in-depth evaluation of all relevant aspects of trading on the MTF. To eliminate any statistical outliers, an in-depth analysis requires an extensive data set, which is currently not available. Nevertheless, Triodos Bank acknowledges that the actual trading of the DRs on the MTF is a cause of distress among DRHs, induced among others by low price formation and limited liquidity.

Acknowledging that a short trading period only provides a limited data set, Triodos Bank has decided to consider the type of evaluation which would be possible and meaningful. Within these boundaries, Triodos Bank considers that an evaluation that focuses on the MTF's performance until now would satisfy these conditions. To make the term 'MTF performance' practical and measurable, Triodos Bank has decided that the scope of the evaluation should be as follows:

- 1) Evaluation of the tradability on the MTF.
- 2) Evaluation of the pricing and liquidity established on the MTF, which must include an external assessment on the trade results on the MTF compared to trade results of peers on other trading venues, and taking in recent external economic developments.
- 3) Evaluation of the operational performance and accessibility of the MTF, which much include an assessment of the ease with which DRs can be bought and sold on the MTF.
- 4) Evaluation of the post-MTF listing investor engagement efforts.
- 5) Obtaining DRHs feedback on their connection to Triodos Bank, on their views related to the trading of DRs on the MTF and their first months of experience with the platform.
- 6) A written evaluation including a formal statement from the EB which will be externally accessible.

Triodos Bank is aware that the scope of the evaluation is affected by limitations imposed by MAR and by confidentiality arrangements between Triodos Bank and the MTF. This means, amongst others, that Triodos Bank does not and may not have complete or immediate access to the MTF's data on orders, transactions, newly onboarded investors and the trading behaviour of investors on the MTF.

8.2 DELIVERABLES OF THE MTF EVALUATION

The scope of the evaluation has led Triodos Bank to designate the following deliverables:

No.	Name of Deliverable	Scope of the Evaluation	Allocated To
1	MTF Assessment Report	Evaluation of the tradability on the MTF. Evaluation of the pricing and liquidity established on the MTF. Evaluation of the ease with which DRs can be bought and sold on the MTF.	Deloitte
2	Pricing and Liquidity Report	External assessment on the trade results on the MTF compared to trade results of peers on other trading venues, and taking into account recent external economic developments. Assessment of the post-MTF listing investor engagement efforts.	Oaklins

3	DRH Satisfaction Survey	DRHs' feedback on their connection to Triodos Bank, on their views related to the trading of DRs on the MTF and their first months of experience with the platform.	Ipsos
4	Overall Evaluation Report	Written evaluation including a formal statement from the EB which will be externally accessible.	Triodos Bank

9 EXECUTION OF THE MTF EVALUATION

Chapter 9 details the roles and the methodology of the analyses provided by independent third parties Deloitte, Ipsos and Oaklins. The research observations are detailed below in Section D.

9.1 INTRODUCTION

Following the determination of the scope of the evaluation, Triodos Bank has requested several independent third parties to prepare a detailed analysis of clearly defined research areas. Triodos Bank has mandated Deloitte Financial Advisory B.V. ("**Deloitte**"), Oaklins Equity & ECM Advisory B.V. ("**Oaklins**") and Ipsos B.V. ("**Ipsos**") to independently perform an analysis and prepare a report.

Each mandate stipulates that the report is to be prepared independently and will be made public by Triodos Bank, which has been accepted by Deloitte, Oaklins and Ipsos. In the paragraphs below, the scope of the analysis and the methodology followed by each report provider is explained.

For transparency purposes and to avoid any concerns for potential conflicts of interest, Triodos Bank would like to make the following known about the contractual relationships between Triodos Bank and each of the independent third parties:

Deloitte Financial Advisory B.V. - as part of the preparations for the MTF listing, Triodos Bank mandated Deloitte to assist with the investor engagement efforts. Deloitte assisted Triodos Bank in the period from March 2023 to June 2023 (inclusive). Deloitte provided project management services, assisted with the identification of prospective investors and assisted with the preparation of investor meetings.

Oaklins Equity & ECM Advisory B.V. - as part of the preparations for the MTF listing, Triodos Bank mandated Oaklins to assist with the investor engagement efforts. Oaklins assisted Triodos Bank in the period from April 2023 to June 2023 (inclusive). Oaklins reached out to a selected group of investors within its client portfolio. In addition, Oaklins has been acting as Triodos Bank's external financial advisor.

Ipsos B.V. - in November 2021, as part of Project Sofia (i.e., the assessment of alternatives for the suspended DR trading system), Ipsos assisted Triodos Bank with a survey among DRHs, retail and business clients, co-workers, senior leadership and the general public. In August and September 2022, as part of the preparations for the EGM held on 11 October 2022, Ipsos updated the observations of their survey to assess whether any significant changes in feedback had occurred. Ipsos concluded that no significant changes had occurred.

9.2 DELOITTE

The analysis performed by Deloitte focused on three clearly defined research areas, namely:

- 1) Tradability;
- 2) Pricing and Liquidity; and
- 3) Operational Performance and Accessibility of the MTF platform.

For its analysis, Deloitte relied on and made use of the following information:

- a) Audited financial statements of Triodos Bank for the years 2020 until 2023 and the unaudited interim financial statements for those years.
- b) Trading data of the DRs for the period 2015 until 31 March 2024.

- c) Onboarding data for DRs and DRHs for the period June – 31 March 2024.
- d) Dividend data of Triodos Bank from 2015 until 2023.
- e) Ticket data containing complaints to Triodos Bank and the MTF for the year 2023 and the period until 31 March 2024.
- f) Market data derived from S&P Capital IQ (i.e., a license-based market data vendor) and annual reports of comparable companies.
- g) Publicly available information, including data published by the MTF with regard to the MTF (www.captin.nl/noteringen/triodos).

The pricing and liquidity analysis provides a comparison of share volumes and prices traded of European banks comparable in size and activities to Triodos Bank, it being noted that there are no true comparable ‘peers’ and limitations in comparability exist between Triodos Bank and these peer companies. However, since there are no comparable companies listed on an MTF, the reference group was considered as a reasonable benchmark group.

It is important to realize that although the analysis is not an audit, the analysis does benefit from Deloitte's professional quality standards. It is equally important to realize that the analysis has to comply with requirements pursuant to MAR and with confidentiality agreements between Triodos Bank and the MTF.

9.3 OAKLINS

The analysis performed by Oaklins focused on two clearly defined research areas, namely:

- 1) Investor engagement efforts, post MTF listing; and
- 2) Pricing and Liquidity on the MTF.

For its analysis, Oaklins relied on and made use of the following information:

- a) Investor engagement information provided by Triodos Bank.
- b) Analyst reports from Degroof Petercam and ABN AMRO-ODDO BHF, respectively.
- c) Market data derived from S&P Capital IQ (i.e., a license-based market data vendor).
- d) Publicly available information, including data published by the MTF with regard to the MTF (www.captin.nl/noteringen/triodos).

The pricing and liquidity analysis provides a comparison of share volumes and prices traded of listed Dutch and Belgian banks, European banks with a clear ESG focus, and other listed European banks. As Triodos Bank is unique in both its focus and its MTF listing, it is important to note that there are no true comparable ‘peers’ and limitations in comparability exist between Triodos Bank and these peer banks.

9.4 IPSOS

The analysis performed by Ipsos focused on four clearly defined research areas, namely:

- 1) Characteristics and motives of DRHs;
- 2) DRHs' perception of Triodos Bank;
- 3) DRHs' perception of the MTF; and
- 4) DRHs' perception of the new governance and voting policy.

For its analysis, Ipsos used a two-pronged approach, consisting of a quantitative survey and a qualitative survey.

The quantitative survey used a questionnaire, which included open-ended questions and closed-ended questions. The average completion time of the questionnaire was 17 minutes. The questionnaire was distributed by Triodos Bank by e-mail and, for DRHs without an e-mail address, by letter. The questionnaire was available in English, Dutch, French, Spanish and German. The questionnaires were completed by the participating DRHs in the period from 31 January 2024 to 14 February 2024. Ipsos has advised Triodos Bank that the survey resulted in a response rate of 27%, which according to Ipsos' experience is to be considered high.

The purpose of the Ipsos qualitative survey was to gain in-depth insights into the experience, views, and suggestions from DRHs that have had experience with the MTF. As a qualitative survey enables participants to engage in storytelling and express their personal emotions, it is an important addition to the quantitative survey. Ipsos' qualitative survey was based on individual, deep-dive interviews with 52 DRHs (13 in the Netherlands, 12 in Spain, 12 in Belgium (50/50 across Wallonia and Flanders), 8 in Germany and 8 in the UK). These DRHs were interviewed about their engagement with Triodos Bank, their experience with and perception of the MTF, and their suggestions to optimize the MTF.

To make the survey results insightful, the interviewed DRHs were selected based on the following, objective criteria: no co-workers from Triodos Bank, mix in size of DR portfolio, mix of shorter and longer DR investment history, actual experience with the MTF platform and the trading account opening procedure, mix of involvement in special interest groups, and mix in age, gender, other products from Triodos Bank, and investing as a private person or via a legal entity.

SECTION D RESEARCH OBSERVATIONS OF THE MTF EVALUATION

In this section, the research observations of the analyses of independent third parties Deloitte, Oaklins and Ipsos are summarized. This section does not yet include an assessment by Triodos Bank of the observations as that is the subject matter of Section E.

10 OBSERVATIONS OF DELOITTE

The analysis by Deloitte is based on data starting on 28 June 2023 and ending on 31 March 2024. In the Deloitte report, this period is often referred to as the assessment period. The last auction round on the MTF during the assessment period was completed on 27 March 2024.

10.1 TRADABILITY

The tradability analysis has reviewed six different topics and has resulted in the following key observations:

1. Listing rules and onboarding procedures of the MTF and other MTFs

The analysis has compared Captin with two other MTFs in the Netherlands, namely NPEX and Nxchange. The analysis has not found material differences between these MTFs: all MTFs are licensed by the AFM and supervised by the AFM and DNB, all MTFs require a trading account opening procedure that complies with applicable AML legislation, all MTFs operate an online trading platform, and all MTFs offer both auction-based trading and continuous trading. Captin is the sole MTF operator that has passported its license to most EEA jurisdictions. According to its license and the passporting, Captin is authorised to provide its services to its customers in almost all EEA jurisdictions and professional customers in Switzerland and Canada. In the United Kingdom, Captin is only permitted to provide limited services to investors.

2. Order record keeping and trading rules

DRHs that wish to trade DRs are required to open a trading account with the MTF. In accordance with AML legislation, as applicable in the Netherlands and the EU, the MTF is required to perform a KYC/CDD assessment before the MTF is allowed to make a trading account available. The MTF is licensed to provide services in most EU jurisdictions and is able to provide services to professional investors in Switzerland and Canada. Via an MTF trading account, an investor is able to submit buy or sell orders to the order book on a 24/7 basis.

3. Order execution and reporting on executed orders

All buy and sell orders are bundled in the once-per-week trading round, held each Wednesday at 14:00 CET. The MTF determines the DR transaction price for each trading round by assessing the price at which the highest volume of DRs can be traded. In case of an imbalance between supply and demand at the DR transaction price, the MTF applies a pro rata order allocation rule. Orders that cannot be executed, either in whole or in part, are kept in the order book until the end of the following month, unless cancelled. In accordance with applicable regulatory rules, the MTF publishes the

order book's ten best bids and asks, the preliminary transaction price, and the transaction price and data on executed orders.

4. Weekly auctions on the MTF

In each weekly trading round since the start of listing on the MTF on 28 June 2023, the MTF has produced a DR transaction price and has executed buy and sell orders.

5. Weekly transaction prices

In accordance with applicable laws, the MTF observes a price bandwidth. If a transaction price would fall outside of this bandwidth, this means that the trading round has not delivered a valid transaction price and the next auction round commences. Each weekly trading round since the start of listing on the MTF on 28 June 2023 has resulted in transaction prices that fall within the price bandwidth.

6. Publication of weekly auction results

The website of the MTF publishes the order book's ten best bid and ask prices, including corresponding volumes. Since the start of listing on 28 June 2023, the MTF has published the weekly transaction price and data on executed orders. Since December 2023, the MTF publishes the preliminary transaction price.

10.2 PRICING AND LIQUIDITY

The pricing and liquidity analysis has reviewed four different topics and has resulted in the following key observations:

1. Analysis of development in transaction prices

In the assessment period, the MTF started with a DR transaction price of EUR 50.00 on 5 July 2023, and ended with a transaction price of EUR 32.00 on 27 March 2024. This is a 36% decline over the assessment period. Compared to Dutch banks Van Lanschot, ABN AMRO and ING, at the end of the assessment period the DR price was 36% lower, while the average share price of the referenced Dutch banks was 10.3% higher. Compared to a selection of European banks, at the end of the assessment period the DR price was 36% lower, while the median share price of the selection of European banks was 9.8% higher. Compared to the development of Dutch indices AEX, AMX and ASCX Small Cap Index, at the end of the assessment period the DR price was 36% lower, while the average index price was 4.5% higher. The transaction price volatility of the DRs on the MTF exceeds the share price volatility of Dutch banks Van Lanschot, ABN AMRO and ING, and the median share price volatility of a selection of European banks.

2. Analysis of transaction volumes

In the period from 5 July 2023 to 27 March 2024, a total of 364,000 DRs was traded on the MTF, which involved 1,288 DRHs with an MTF trading account. The 1,288 trading DRHs represent 3% of the total DRH population, and around 9% of all DRHs with an MTF trading account. Over the same period, the 4-weeks trailing average transaction volumes declined. In absolute terms, these volumes showed a decline of approximately 37% over the assessment period. In terms of equity value, this resulted in a decline of approximately 61% over the assessment period. Compared to Dutch banks Van Lanschot, ABN AMRO and ING, the weekly stock transaction volumes in relation to total issued stock is substantially lower for the DRs (between 0.02% and 0.14%) compared to the shares of these Dutch banks (above 0.60%). However, if the weekly stock transaction volumes are measured against the issued stock that is actually available within the Euroclear system (i.e., 'gegraliseerd'), the relative DR volume increases between 0.06% and 0.50%, which is still below the share transaction volumes of these Dutch banks, which are all above 0.60%. Compared to a selection of European banks, the weekly stock transaction volumes in relation to total issued stock is around or below the lower-end of the interquartile range of the selection of European banks for DRs (and between the lower end of the interquartile range and the median, when adjusted for DRs that are available within the Euroclear system). The transaction volumes on the MTF are in general lower than the pre-suspension transaction volumes.

3. Analysis of dividends

In the period from 5 July 2023 to 27 March 2024, Triodos Bank delivered an annualized dividend yield ranging between 6.2% and 14.7%. Based on the DR price on 27 March 2024, the DRs delivered a dividend yield of 12.7%. Compared to Dutch banks Van Lanschot, ABN AMRO and ING, as per 27 March 2024, Triodos Bank's dividend yield of 12.7% is comparable to Van Lanschot's dividend yield of 12.8% and higher than ABN AMRO's (9.7%) or ING's (7.4%). Compared to a selection of European banks, during the assessment period, Triodos Bank's dividend yield is higher than the dividend yields of the selection of European banks. It must be noted, however, that Triodos Bank's dividend yields are to an extent the result of the DR price fluctuations during the assessment period. In the period from 2015 to 2018, the annual dividend yields ranged between 2.3% and 2.4%. Financial years 2019 and 2020 were outliers, with dividend yields of nil and 0.8% respectively. Both compared to Dutch banks Van Lanschot, ABN AMRO and ING, and to a selection of European banks, Triodos Bank's dividend yield over the period from 2015 to 2020 is lower, it being noted that in this period Triodos Bank and the other banks operated under different market dynamics and under different trading platforms and mechanics.

4. Analysis of price-to-book ratio of the DRs

The price-to-book ratio ("**P/B ratio**") is a financial ratio that compares the current market price of a company's share with the company's book value. In the period from 5 July 2023 to 27 March 2024, the P/B ratio of the DRs ranged from 0.2x to 0.6x. During the same period, Triodos Bank's P/B ratio is lower than that of Dutch banks Van Lanschot (0.75x – 1.00x), ABN AMRO (0.44x – 0.58) and ING (0.78x – 0.94x), and below the lower-end of the interquartile range of a selection of European banks (0.43x – 1.14x).

10.3 OPERATIONAL PERFORMANCE AND ACCESSIBILITY OF THE MTF PLATFORM

The operational performance analysis has reviewed five different topics and has delivered the following key observations:

1. Accessibility of the MTF for natural persons and legal entities

In accordance with AML legislation, as applicable in the Netherlands and the EU, the MTF is required to perform a KYC/CDD assessment before the MTF is allowed to open a trading account for investors. The identity verification process of natural persons is performed on the basis of a passport or identification document in combination with a photo (selfie). For legal entities, identification of each ultimate beneficial owner and the provision of a legal entity identifier (LEI) code are required, in accordance with applicable laws.

2. Number of onboarded DRHs and DRs

Measured on 11 March 2024, 34.5% of natural person-DRHs and 18.7% of legal entity-DRHs had successfully completed the trading account opening procedure with the MTF, resulting in a *giralisatie* level of 36.7% (approx. 5.3 million) of the issued DRs. The onboarding rates differ per Triodos Bank country. On 11 March 2024, onboarding was highest in the Netherlands (43.0% of all DRs held in the Netherlands) and lowest in the UK (16.1% of all DRs held in the UK). In the period between 30 June 2023 and 11 March 2024, the percentages of onboarded DRHs steadily increased on a month-by-month basis. This trend has continued after 11 March 2024.

3. Captin's authorization with the AFM

Captin is a licensed investment firm and is authorised to operate an MTF and to provide investment services. Captin is authorised by the AFM and is supervised by the AFM and DNB.

4. Analysis of DRH complaints

In 2023 and Q1 2024, DRHs filed 1,118 complaints about the MTF with Triodos Bank. The complaints were spread relatively evenly over this period, with a notable peak occurring in June and July 2023. In absolute terms, the highest number of complaints came from Spain (718), followed by the Netherlands (250), Belgium (97), the UK (48), and Germany (5). In relative terms, Spain experienced the highest ratio of number of complaints to total DRHs, namely 9.5%, followed by the UK with a ratio of 2.9%, Belgium with a ratio of 1.3%, the Netherlands with a ratio of 1.0% and Germany with a ratio of 0.4%. In the Netherlands, the United Kingdom and Belgium, the majority of the complaints

(up to 39%) was related to onboarding with the MTF. The second most cited complaint was price development. In Spain, price development was the most cited complaint (53% of all complaints).

5. Analysis of tickets recorded by the MTF

In 2023 and up to 11 March 2024, the MTF recorded 32,186 service requests (i.e., 'tickets') from DRHs. The peaks occurred in April 2023 (1,853 tickets in a week) and June 2023 (1,289 tickets in a week) respectively, and gradually declined towards the end of the assessment period (between 100 and 300 per week).

11 OBSERVATIONS OF OAKLINS

The analysis by Oaklins is based on data starting on 28 June 2023 and ending on 31 March 2024.

11.1 INVESTOR ENGAGEMENT EFFORTS (POST MTF LISTING)

The investor engagement efforts analysis (post MTF listing) has reviewed three topics and has delivered the following key observations:

1. Quantitative analysis of efforts

In the period between the start of the MTF listing on 28 June 2023 and December 2023, the investor engagement efforts resulted in the identification of 85 prospective investors, consisting of institutional investors, high-net worth individuals, family offices, and strategic investors. These 85 prospective investors were primarily located in the Netherlands, Belgium, the United Kingdom, France, Spain and Germany. Members of the EB had meetings with 62 individual prospective investors.

2. Investor feedback

Triodos Bank received blended feedback in the meetings with prospective investors. A total number of 40 investors (64.5%) said they (currently) would not invest in DRs because of the MTF, or because of the litigation risks surrounding Triodos Bank. A group of 16 investors confirmed they had already invested in DRs prior to the MTF listing, and 2 investors said they had invested both before and after the MTF listing. A group of 4 investors confirmed to have invested following the MTF listing. In addition to the feedback from prospective investors, since the listing, Captin has opened approximately 1,200 trading accounts (as per 31 March 2024) on behalf of prospective investors.

3. Investor awareness activities

To further raise investor awareness, Triodos Bank initiated analyst coverage by Degroof Petercam and ABN AMRO – Oddo BHF respectively. To increase the transparency of the MTF's order book, Triodos Bank requested the MTF to consider implementing a preliminary transaction price, which the MTF completed in December 2023. Triodos Bank continues to engage with investors about their onboarding experience with the MTF. In addition, Triodos Bank has made further investments in the investor relations department and has appointed an external advisor to assist with further investor engagement efforts.

11.2 PRICING AND LIQUIDITY ON THE MTF

The pricing and liquidity analysis has reviewed two different topics and Oaklins has added their own conclusion regarding pricing and liquidity. The key observations are the following:

1. Price performance

Compared to the share price performance of Dutch banks Van Lanschot, ABN AMRO and ING and Belgian bank KBC, the DR price performance was lower, suggesting that DR price formation might be affected by factors specifically related to Triodos Bank. Compared to listed banks with a clear ESG focus, the DR price performance is considerably lower, again suggesting that DR price formation might be affected by factors specifically related to Triodos Bank. The first two months of trading on the MTF were relatively volatile, possibly resulting from selling pressure after more than

3 years of suspended trading, limited liquidity on the MTF and (adverse) media exposure. The period from September 2023 to March 2024 initially exhibited a decline in the DR price, followed by a period of stable or gradually increasing DR prices. Compared to a benchmark group of 26 listed European banks, the price-to-earnings ("**P/E ratio**") of Triodos Bank is considerably lower while the dividend yield of the DRs is considerably higher.

2. Liquidity

The average weekly trading volumes on the MTF vary between c. 6,300 DRs and c. 9,700 DRs, or 0.04% and 0.07% of all issued DRs. Until the suspension of trading in March 2020, the average weekly trading volumes varied between c. 8,700 DRs and c. 14,500 DRs, or 0.08% and 0.11% of all issued DRs. Trading volumes on the MTF are lower compared to the former trading system. Measured against the DRs that are actually available in the Euroclear system (i.e., '*gegraliseerd*'), the average weekly trading volumes on the MTF are higher than under the former trading system, namely between 0.12% and 0.19% of the DRs available in the Euroclear system. The change in price setting from NAV to market-based pricing has affected the value of the weekly trading volumes, implying that liquidity has become a factor that influences the DR price formation.

3. Conclusion

The change in price setting from NAV to market-based pricing resulted in a price discount to book value. The magnitude of this discount depends on several factors. Triodos Bank's investor engagement efforts have clarified that many institutional investors are not able or willing to invest on an MTF, and perceive the MTF's liquidity as (too) limited. Also, the requirement to open a trading account with the MTF is seen as a barrier to investment. The prolonged suspension of trading has resulted in selling pressure on the DRs and in declining DR prices. Investors are deterred from investing in DRs because of the legal and litigation risks surrounding Triodos Bank, including the related reputational impact.

12 OBSERVATIONS OF IPSOS

12.1 QUANTITATIVE SURVEY RESULTS

The survey has identified that the DRHs that have participated in the survey are a very heterogeneous group.

In respect of country of residence, 3% lives in Germany, 4% lives in the UK, 17% in Belgium, 17% in Spain and 58% in the Netherlands. In terms of investment history, 48% has been a DRH for 10 years or longer, 38% has been a DRH for more than 5 but less than 10 years, and 13% has been a DRH for more than 1 but less than 5 years. In terms of portfolio sizes, the distribution is as follows: 11% own less than 10 DRs, 22% own between 10 and 50 DRs, 15% own between 50 and 100 DRs, 37% of the respondents own between 100 and 500 DRs, 9% own between 500 and 1,000 DRs, 5% own between 1,000 and 5,000 DRs, and 1% own more than 5,000 DRs. Approximately 41% of the respondents consider their DR investments (very) important, 34% does not consider it important or unimportant, and 24% consider their DR investments (very) unimportant. The majority of the respondents are retail investors (87%) with one or more other Triodos Bank products or services. In terms of age distribution, 33% of the respondents is aged between 65 and 74 years, 26% is aged between 55 and 64 years, 21% is aged 75 years or older, 14% is aged between 45 and 54 years, and the remaining 6% is younger than 45 years.

12.1.1 CHARACTERISTICS AND MOTIVES OF DRHS

The engagement and motivation survey has delivered the following key observations:

1. Reasons for being a DRH

A great majority of the respondents stated to have invested in DRs for ideological reasons: 67% want to contribute to positive change and a sustainable impact on society, 58% support the mission of Triodos Bank and 41% want to contribute to enable a better world. An overwhelming majority of respondents confirmed to have invested in DRs as a long-term investment (77%), not as a short-term investment (2%).

2. Current levels of engagement and trust of DRHs

The majority of respondents confirmed to be not participating in any meetings or webinars by either Triodos Bank, SAAT or external DRH organizations (64%). A minority of the respondents said they were participating in meetings or webinars by Triodos Bank or SAAT (34%). Meetings of external DRH organizations are attended by 8% of the respondents.

12.1.2 DRHS' PERCEPTION OF TRIODOS BANK

Around 75% of the respondents feel involved or neutral with Triodos Bank, mostly because of Triodos Bank's mission. Around 25% of the respondents have said to feel no involvement, mostly because of the suspension of trading and the DR prices on the MTF. The suspension of trading and the DR prices on the MTF have caused 55% of the respondents to feel less involved with Triodos Bank, while 40% became more involved or remained neutral. A majority of 54% looks with confidence or neutrally to their future relationship with Triodos Bank, while 46% have little confidence. The decline in DR prices on the MTF is an important contributor to the decline in engagement with and confidence in Triodos Bank. Around 40% of the respondents keep supporting Triodos Bank's mission, regardless of the price development, while 27% is neutral and 33% of the respondents does not or no longer support Triodos Bank's mission regardless of the price development.

12.1.3 DRHS' PERCEPTION OF THE MTF

The survey has delivered the following key observations about DRHs perception of the MTF:

1. Knowledge

The overwhelming majority of respondents (96%) are aware that the method of trading has changed and that trading is now taking place on the MTF. The level of detail in knowledge of the operations and technicalities of the MTF vary among respondents: 59% of the respondents are aware that trading requires a trading account with the MTF, 45% are aware that trading occurs once per week, 44% are aware that trading involves costs and 43% are aware that the trading price is determined by the highest possible volume of traded DRs. Most respondents (59%) stated that they were sufficiently and timely informed about the launch of the MTF and the onboarding procedure, while 27% is neutral and 12% feels insufficiently informed.

2. Usage of the MTF

Approximately 58% of the respondents have activated their access to the DRH register, and 18% intend to do so. Approximately 33% of the respondents have opened a trading account with the MTF, and another 25% intend to do so within the next couple of months. Around 3% of the respondents with a trading account have actually traded DRs on the MTF (2% as buyer and 1% as seller), and 31% intend to do so. Most respondents do not intend to trade (very) frequently.

3. Experience with the MTF

The activation of the access to the register of DRHs was perceived as difficult by 47% of the respondents, and as easy or neutral by 53%. The trading account opening procedure was perceived as difficult by 40% of the respondents and as easy or neutral by 60%. The identification step with the photo (selfie) and the digital onboarding flow in general are often negatively mentioned. The MTF support desk and the information provided on the MTF website are frequently mentioned as not being helpful. The experience with the MTF platform after the trading account has been opened is rated neutrally or positively by 59% of the respondents and as negative by 41% of the respondents. The latter group often cites the low DR price and that the MTF portal has, in their experience, low user-friendliness. The perceived closed character of the MTF, which means that trading is only possible with other trading account holders, is viewed as a drawback by 45% of the respondents. Although only 3% of the respondents have actually traded on the MTF, 51% of them were disappointed with the DR prices that were realized on the MTF.

4. Perception of barriers of the MTF

Around 42% of the respondents have not activated their access to the DRH register, mainly because they have no intention to trade in DRs, they experienced technical difficulty when trying to activate their access, or they do not wish to use the MTF. Around 67% of the DRHs have not opened a trading account, but 39% of these DRHs did activate their access to the DRH register, citing different reasons for not opening a trading account. The most cited motive (45%) being the absence of a trading intention. The second most cited motive (28%) is that respondents experienced issues in the trading account opening procedure. The respondents that have opened a trading account but have not visited the MTF since account opening cited different reasons, the three most common reasons being the low DR price (48%), no intention to trade (39%), and lack of understanding of the operation of the MTF (23%). Respondents that have opened a trading account, visited the MTF platform and did not trade, frequently indicated that the low DR price (73%) was the most important reason, followed by no intention to trade (25%).

12.1.4 DRHS' PERCEPTION OF THE NEW VOTING POLICY

The survey has delivered the following key observations about DRHs' perception of the new voting policy:

1. Awareness of new voting policy

The majority of the respondents (66%) is aware of SAAT's new voting policy, while a minority (34%) has indicated to be unaware.

2. Level of understanding of new voting policy

A key principle of the new voting policy is that if a DRH does not do anything with its voting rights, those voting rights will be lost. The majority (66%) of the respondents is aware of this effect, while 11% had an incorrect understanding and 23% did not know.

3. Intention to vote

A majority (69%) of the respondents will not or is unlikely to vote, while 25% may do so and 6% will surely vote. A majority (75%) of the respondents consider that the two options offered for authorizing SAAT to vote are sufficient. The respondents that may vote or will surely vote have very diverging preferences: 21% will vote in person, 12% will instruct SAAT to vote based on their instructions, 12% will instruct SAAT to vote as SAAT sees fit according to the threefold perspective, 25% will decide per meeting, and 29% does not know yet.

12.2 QUALITATIVE SURVEY RESULTS

The qualitative survey has resulted in the following feedback from the interviewed DRHs about Triodos Bank, the MTF platform and price formation.

1. Engagement with Triodos Bank

On the one hand, the interviewed DRHs continue to feel connected to the mission of Triodos Bank, on the other hand, DRHs feel very disappointed because of the price formation on the MTF. The MTF is not believed to be a credible solution because of the perceived closed character of the MTF. Some DRHs perceive the MTF as an attempt by Triodos Bank to distance itself from the price formation issue. DRHs would like Triodos Bank to express more empathy with DRHs.

2. Experience with the MTF

The interviewed DRHs all experienced various problems during their onboarding on the MTF and frequently mentioned the identification process based on a 'selfie' and the responsiveness of the MTF helpdesk. From a user-experience point of view, the MTF is experienced as not great and not bad either, but not as intuitive as platforms from other brokers. Many DRHs do not consider themselves to be investors. Actual experience with trading on the MTF is limited, but those who tried ran into difficulties or did not understand the trading procedures.

3. Potential improvements for the MTF

The majority of the interviewed DRHs find the information in the order book, including the preliminary transaction price, difficult to understand. The disbalance between sell orders and buy orders is seen as a barrier to the restoration of the value of the DRs. Any measure that might stimulate trading is welcomed by the DRHs. DRHs consider that the look and feel of the website of the MTF is less warm than Triodos Bank's website.

SECTION E TRIODOS BANK CONSIDERATIONS

In this section, Triodos Bank considers the results of the MTF evaluation and draws its conclusions. Chapter 13 provides Triodos Bank's assessment of the research observations. Chapter 14 includes Triodos Bank's key takeaways and forward-looking considerations.

13 ASSESSMENT OF THE RESEARCH OBSERVATIONS

13.1 TRADABILITY

Ever since the occurrence of the first suspension of trading in March 2020, restoring the tradability of the DRs has been one of the main strategic goals of Triodos Bank's efforts. Triodos Bank notes that the research observations from Deloitte confirm that the MTF listing has effectively restored trading. Since the start of trading, each trading round has resulted in a transaction price, within the MTF's price bandwidth, and has resulted in weekly execution and settlement of transactions. The MTF has published the weekly transaction price and has published data on executed orders. Triodos Bank considers that in respect of tradability, the MTF listing has realized one of the goals pursued by Triodos Bank.

13.2 PRICING AND LIQUIDITY

Triodos Bank concludes from the Ipsos report that the low price of the DRs on the MTF is the most widely cited reason for concerns, grievance and dissatisfaction among DRHs. SAAT has also expressed their disappointment with the low price formation on the MTF. Triodos Bank is very conscious of the effects of low price formation on DRHs' financial situation, their financial outlook and the anxieties and stress that many DRHs experience as a result.

Triodos Bank concludes from the research observations of both Deloitte and Oaklins that the DR price is low in comparison with (a) the first MTF price (EUR 50.00), (b) share prices of several Dutch, Belgian and ESG focused listed banks, and (c) share prices of a selection of European banks. In terms of dividend yield, the DR scores relatively high.

In terms of liquidity, the Deloitte and Oaklins reports provide that trading volumes under the former trading system were already relatively low compared to other financial institutions, and continue to be low on the MTF. When adjusted for DRs that are actually available within the Euroclear system, the weekly trading volumes are lower than the trading volumes of several Dutch and Belgian banks, and a selection of European banks.

Triodos Bank concludes from the Deloitte report that 34.5% of natural person-DRHs and 18.7% of legal entity-DRHs have opened a trading account, resulting in a *giralisatie* level of 36.7% (approximately 5.3 million) of the issued DRs as per 11 March 2024. This means that a qualified majority of the DRHs, together holding a qualified majority of issued DRs, have not opened a trading account and are, therefore, not able or not willing to trade.

The Ipsos report has found that only 3% of the respondents with a trading account have actually traded, 2% of which as sellers and 1% as buyers. Triodos Bank concludes that the transaction volumes realized on the MTF are low, due in part to the relatively low levels of opened trading accounts, due in part to the low trading intentions of trading account holders, and due in part to the low price formation on the MTF. This has prevented DRHs to trade at these price levels.

The Ipsos report has found that the interviewed DRHs continue to feel connected to Triodos Bank's mission, but are very disappointed about the price formation of the DRs on the MTF. The interviewed DRHs do not consider the MTF as a credible solution.

Triodos Bank notes that the Ipsos report has found that 77% of the respondents have qualified their investment in DRs as a long-term investment.

13.3 OPERATIONAL PERFORMANCE AND ACCESSIBILITY

Triodos Bank concludes from the observations of Deloitte that Triodos Bank registered 1,118 complaints about the MTF. The complaints peaked in June 2023 and July 2023. Both in absolute and in relative terms, most complaints are filed in Spain, and the most cited cause of complaints in Spain is the low DR price. In addition, the trading account opening procedure initially triggered a (very) high number of MTF tickets, which peaked during April 2023 and June 2023, and have substantially declined ever since.

Triodos Bank concludes from the Ipsos report that DRHs have experienced difficulties in registering their access to the DRH register, going through the subsequent steps of the trading account opening procedure, or receiving effective feedback from the MTF service desk.

Triodos Bank also observes from the Ipsos report that parts of the DRH population do not identify themselves as financial investors. As a result, the trading account opening procedure and actual trading on the MTF feel strange to mission motivated DRHs and may conflict with their long-term investment horizons. In addition, Triodos Bank observes that a substantial part of the DRH population appears less accustomed to fully digital service channels, such as offered by the MTF. Nevertheless, the scope of complaints and grievance about the MTF's services is widespread across the entire DRHs population.

13.4 INVESTOR RELATIONS ASSESSMENT PROVIDES VALUABLE FEEDBACK

A review of the investor engagement efforts was not included in the initial scope of the MTF evaluation, as published on 20 December 2023. Upon stakeholder suggestion, the scope of the evaluation was expanded to include the review of the investor engagement efforts. Triodos Bank is of the opinion that this review has provided valuable insights.

Triodos Bank has received blended feedback in meetings with prospective investors, this feedback is a valuable source of information for Triodos Bank. On the one hand, prospective investors recognized the value of Triodos Bank's brand, its reputation, its mission and its profitability. On the other hand, commonly cited reasons for not investing are the MTF and/or the perceived lack of liquidity on the MTF. Other commonly cited reasons for not investing are the litigation risk and the related potential reputational exposure.

Oaklins has also established that well over 1,200 trading accounts have been opened by (potential) new investors. It is not possible to predict whether these new investors will ultimately invest, and if so, to which extent and at what price levels.

Triodos Bank observes that many institutional investors, high-net worth individuals, family offices, strategic investors, impact funds, foundations or private banks appear not willing to overcome the inherent MTF limitation of being a stand-alone, single stock trading venue. The perceived lack of liquidity and continued existence of legal and litigation risks surrounding Triodos Bank also have a deterrent effect on investors.

14 CONCLUSIONS AND FURTHER REFLECTIONS

Triodos Bank's high level observations are summarized in paragraph 14.1. Triodos Bank's conclusions about the MTF evaluation are set out in paragraph 14.2.

14.1 HIGH LEVEL OBSERVATIONS

Taking all the research observations, the recommendations, and the experience with the MTF into account, Triodos Bank makes the following high level observations.

1. Accessibility

Access to the MTF is restricted, with negative impact on potential liquidity. Access is restricted in real terms and in terms of investors' willingness to accept the MTF in itself. In real terms, Triodos Bank notes the MTF's jurisdictional limitations, and the fact that many professional and institutional investors are barred from trading on an MTF by their internal or external investment mandates. In terms of investors' acceptance, the MTF is not perceived favourably by

many DRHs, as evidenced by the Ipsos report and as evidenced by the substantial numbers of DRHs that until now have not started or completed the trading account opening procedure.

2. Functioning of the MTF

The MTF functions and executes transactions in DRs, yet an overwhelming majority of DRHs do not have a favourable perception of the MTF. This is predominantly the result of low prices on the MTF. The trading account opening procedure, and the experience with the MTF after the trading account is opened, is rated negatively by a majority of DRHs. The order book is perceived as difficult to understand, and the transfers of funds to and from the trading account are seen as troublesome.

3. Price formation

Low price formation on the MTF and the impact thereof on DRHs and on Triodos Bank is a major cause of concern to Triodos Bank. Triodos Bank is aware that the bank is neither capable nor allowed to directly influence price formation of the DRs on the MTF, but Triodos Bank is strongly committed to promote the best possible trading conditions for the DRs.

4. Engagement with Triodos Bank

The Ipsos survey has set out that the respondents were a very heterogeneous group, spread across all jurisdictions, investment history buckets, portfolio size buckets, and age buckets. The Ipsos report has identified a decline in involvement of the DRHs with Triodos Bank (67% in 2021 vs 47% now). This observation is taken very seriously by Triodos Bank. It is likely that the reasons for this decline in involvement are the suspension of trading, the way that tradability has been restored, the experience with and perception of the MTF, and the actual DR prices on the MTF. This decline in involvement, in combination with the relatively high number of DRHs that have expressed to have little confidence in their future relationship with Triodos Bank (46%), is of great concern to Triodos Bank. In its very core, Triodos Bank is a mission-driven bank that depends on the support and confidence of the community of its main stakeholders, being DRHs, clients, co-workers, SAAT and society at large. It is this community that has helped to carry Triodos Bank, since 1980, to where it currently is, and it is essential to the future ability of Triodos Bank to pursue its mission. Preserving the cohesion, integrity and support of this community remains a key objective for the bank. Triodos Bank recognizes that the MTF listing has, at least until now, not been able to prevent a decline in engagement and Triodos Bank is strongly committed to take all actions feasible to remediate this situation to the best extent possible.

14.2 TRIODOS BANK CONCLUSIONS ABOUT THE MTF EVALUATION

Tradability - Conclusions

The research observations confirm that the MTF listing has succeeded in restoring the tradability of the DRs. As a result of the restoration of tradability, Triodos Bank notes that the bank's access to new capital has also been restored, subject to an amendment of the nominal value of the shares in the capital of Triodos Bank. Access to new capital is important for any bank and it is equally important from a supervisory perspective. Triodos Bank concludes that these objectives have been realized with and by the MTF listing.

Tradability - Potential improvements

Following the MTF listing, the MTF amended the order book by extending the number of best bid and ask prices presented from five to ten rows. Another improvement was the introduction in December 2023 of the preliminary DR price in the order book. This has improved the quality of the order book information. Triodos Bank notes, however, that part of the DRHs have indicated to have difficulty in understanding the information in the order book and Triodos Bank will discuss with the MTF what may be done to resolve this, if anything, within the limits of applicable laws and regulations.

Pricing and Liquidity - Conclusions

Triodos Bank observes that DR price formation on the MTF has been low in comparison to the standards that were applied. Triodos Bank fully appreciates that since the DRs are listed on the MTF, the price formation on the MTF is compared with the share price formation of other listed banks, some of which with an ESG focus. Simultaneously, Triodos Bank recognizes some stark differences with these banks. For example, all of these banks have an established, longstanding history of listing on highly liquid stock exchanges, none of these banks are listed on an MTF, none of these banks have recently ended a trading suspension of more than three years, the pricing of the shares of these banks did not transition from NAV to market-based pricing, and none of these banks are exposed to legal and litigation risk similar to Triodos Bank's.

Taking all these considerations and perspectives into account, low DR price formation is a major cause of concern for Triodos Bank, for multiple reasons.

First, the low price has financial and emotional impact on DRHs, resulting in legal activism from special interest groups and fueling ongoing (individual) legal proceedings (notably in Spain). The DR price is and must be, therefore, a very important topic for Triodos Bank. It is possible that many DRHs continue to use NAV as their benchmark of the DR price, whilst others may use EUR 59.00 or EUR 60.00 (the fiscal values per 31 December 2021 and 31 December 2022 respectively), or EUR 50.00 (the first DR price on the MTF) as benchmark. Triodos Bank considers that until the DR formation better reflects the true value of Triodos Bank DRs, DRHs' dissatisfaction, legal threats and proceedings, and negative publicity are unlikely to subside or to disappear. The DR price is, therefore, a very important topic for Triodos Bank and its stakeholders.

Second, but equally important as the first point, low price formation on the MTF carries the risk of deterioration of the engagement of the community of DRHs and their connection with Triodos Bank. Ipsos has reported that an increasing number of DRHs feels less engaged with Triodos Bank and with the mission, and has lost faith in Triodos Bank. This observation is very important to Triodos Bank. On the one hand, Triodos Bank realizes meaningful positive impact, good financial results, and many DRHs continue to support the mission regardless of the price development. Yet, on the other hand a part of the community feels disenfranchised because of the low DR prices on the MTF. Triodos Bank is aware that the decision to pursue an MTF listing was based, amongst others, on the consideration that an MTF would be able to serve community building aspects. Based on the observations from the MTF evaluation, Triodos Bank considers that these aspects have not materialised to the extent strived for. It seems, however, that this is predominantly the result of the MTF's low price formation and not necessarily from the listing as such.

Third, Triodos Bank observes that market-based pricing of the DRs continues to have a profound impact on DRHs' perceptions of Triodos Bank, the DRs and the MTF. Triodos Bank concludes from the Ipsos report that an overwhelming majority of DRHs are aware that the method of trading has changed. It cannot be excluded that DRHs need more time to get accustomed to market-based pricing, and further communication about this may be helpful. This too, is an important point of attention to Triodos Bank.

Fourth, Triodos Bank has been clear that Triodos Bank would not be able to directly influence the market prices of the DRs, as market prices are determined by many different factors, including investor supply and demand, market circumstances and macro-economic outlook. What Triodos Bank can do and does, is to make sure that Triodos Bank operates efficiently and effectively, combining the realization of positive impact with the realization of healthy financial results. In this respect, Triodos Bank observes that although 2023 has been Triodos Bank's best financial year to date, the MTF seems less able to absorb these results in DR price formation. This is an aspect of the MTF functioning that is a point of attention to Triodos Bank.

With regard to liquidity, Triodos Bank concludes that trading volumes were already relatively low under the former trading system and continue to be low on the MTF. From a historic perspective, Triodos Bank is conscious of the fact that the DRs have never been 'high frequency trading stock'. The DRs have never been an investment that was frequently traded by DRHs and DRHs often considered their investment as a long-term commitment with the mission of Triodos Bank. According to the Ipsos report, a large majority of DRHs continues to regard their DRs as a long-term investment.

Triodos Bank concludes that currently approximately 9 million issued DRs are not yet available for trading on the MTF, as their DRHs have not yet onboarded with the MTF. The observation in the Ipsos report that 77% of the respondents have qualified their investment in DRs as a long-term investment may have impact on the volume of the DRs that are

available for trading on the MTF. It cannot be excluded that these DRs are owned by DRHs that continue to follow a buy-and-hold strategy. It is also possible that some of these DRHs do not accept the MTF as the trading venue of the DRs, perceive the onboarding procedure as difficult, or consider the current DR prices as prohibitive to start onboarding.

The Oaklins report states that the volume of available liquidity on the MTF is a factor that has become relevant for the MTF's price formation. In addition, the Oaklins report confirms that the MTF as well as litigation risks are reasons why the majority of the identified prospective investors (almost 65%) decided not to invest in DRs. The perception of the MTF's low liquidity level is also relevant for prospective investors. Triodos Bank notes that price formation on the MTF might be affected by other factors than pricing and liquidity. It is possible that investors compare Triodos Bank's P/B ratio or P/E ratio with those of other financial institutions and, following that comparison, are only willing to submit bid prices (buy orders) that do not support a higher price formation. In addition, it is possible that sellers are only willing to submit ask prices (sell orders) that prospective buyers are unwilling to accept.

Triodos Bank is currently not aware of indications that suggest that liquidity or transaction volumes might structurally and significantly go up with the mere passing of time, or with an increase in the DR price on the MTF.

Pricing and Liquidity - Potential improvements

Triodos Bank considers that pricing and liquidity are the ultimate test of the functioning of a trading venue. Triodos Bank considers that improvement of the MTF's liquidity is important, as price formation appears to be affected by the volume of available liquidity. Currently, Triodos Bank does not have indications that liquidity on the MTF can improve adequately without additional measures.

Operational Performance and Accessibility - Conclusions

Triodos Bank concludes that many DRHs have experienced issues with the MTF platform, ranging from minor registration issues, to more substantial onboarding problems. The Ipsos report has confirmed that many interactions between DRHs and the MTF – whether registration with the DRH register, trading account opening, submission of orders and transfer of funds for buy orders, or service requests – have resulted in issues. The volume of these issues has peaked in the summer of 2023, and has substantially declined since. The Ipsos report indicates that the MTF's performance is a cause of considerable DRH dissatisfaction. Triodos Bank notes the recommendation in the Deloitte report to request the MTF to add additional information to tickets.

Operational Performance and Accessibility - Potential improvements

Triodos Bank accepts the recommendation from Deloitte to consider increasing the data quality of the MTF's service request management system. As the Ipsos report has identified negative feedback of the DRHs with and on the MTF, Triodos Bank will request the MTF to consider these observations and suggest any improvements that are capable of addressing these issues.

Investor Engagement Efforts - Conclusions

Triodos Bank concludes that Triodos Bank has devoted considerable resources to investor engagement, and the MTF has opened well over 1,200 trading accounts for investors that were not DRHs before the MTF listing. At the same time, however, this has not or not yet resulted in significant new DR investments by institutional investors, high-net worth individuals, family offices, strategic investors, impact funds, foundations or private banks. Triodos Bank recognizes that despite all of Triodos Bank's efforts and achievements, investors cannot be pushed onto a market and investors cannot be pushed to submit specific buy or sell orders, nor to certain higher volume enabling price levels.

The investor engagement efforts have provided Triodos Bank with valuable feedback, amongst others in relation to these prospective investors' perceptions of the MTF, the liquidity on the MTF and the deterrent effects of litigation risk. At the same time, these prospective investors have recognized the value of Triodos Bank's brand, its reputation, its mission and its profitability. It is clear to Triodos Bank that unless the operational issues with the MTF are resolved, the liquidity has improved, and the litigation risks contained, such prospective investors most likely will not invest in DRs through the MTF.

Investor Engagement Efforts - Potential improvements

Triodos Bank acknowledges that none of the report providers has suggested any potential improvements for Triodos Bank's investor engagement efforts. Triodos Bank considers that the investor engagement efforts must continue. The opening of more than 1,200 trading accounts by prospective investors is an important and promising signal. In combination with Triodos Bank's recent financial results, its track record of impact creation and its frontrunner role in sustainable finance, Triodos Bank considers that the bank continues to offer prospective (ESG) investors an interesting investment proposition.