

# Triodos Bank

**STICHTING ADMINISTRATIEKANTOOR AANDELEN TRIODOS BANK**  
(established in The Netherlands as a foundation, having its corporate seat in Zeist, The Netherlands)

**Offering of up to 3,500,000 new depository receipts for ordinary shares with a nominal value of EUR 50 each in**

## **TRIODOS BANK N.V.**

(incorporated in The Netherlands as a public company with limited liability,  
having its corporate seat in Zeist, The Netherlands)

Triodos Bank N.V. (**Triodos Bank**) is offering through Stichting Administratiekantoor Aandelen Triodos Bank (the **Issuer**) up to 3,500,000 depository receipts in registered form (the **Depository Receipts**) in respect of ordinary shares in registered form with a nominal value of EUR 50 each (the **Shares**) in the capital of Triodos Bank (the **Offering**). The Offering consists of a public offering being made to the public in Belgium, Germany, The Netherlands and Spain. This document (the **Prospectus**) constitutes a prospectus for the purposes of Article 5.3 of the Directive 2003/71/EC as amended by Directive 2010/73/EC (the **Prospectus Directive**) and has been prepared in accordance with Article 5:9 of the Financial Supervision Act (*Wet op het financieel toezicht*, the **FSA**) and the rules thereunder. This Prospectus has been approved by and filed with The Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the **AFM**). Triodos Bank has requested that the AFM provide a certificate of approval and a copy of this document to the relevant competent authority in each of Belgium, Germany and Spain.

The Depository Receipts have not been listed on any securities exchange. However, the Issuer facilitates transactions against net asset value of Depository Receipts. The Depository Receipts are being issued and/or offered only in those jurisdictions in which, and only to those persons to whom, offers and sales of the Depository Receipts may lawfully be made.

For a description of restrictions on offers, sales and transfers of the Depository Receipts and the distribution of this Prospectus in other jurisdictions, see 'Selling and transfer restrictions' beginning on page 53.

The Depository Receipts and underlying Shares will be issued continually, under exclusion of the pre-emptive rights of the holders of Depository Receipts (**Depository Receipt Holders**) at the time of the Offering. The existing holdings of Depository Receipt Holders will be diluted proportionate to the amount of new Depository Receipts issued.

The issue price of the Depository Receipts (the **Issue Price**) will be determined daily by Triodos Bank based on a financial model that derives the calculated net asset value of Triodos Bank (the **NAV**) divided by the number of issued Depository Receipts (the **NAV per Depository Receipt**). The NAV is equal to the book value of the assets of Triodos Bank minus the book value of the liabilities of Triodos Bank. The Issue Price per Depository Receipt will be rounded to whole euros, whereby values of 0.5 euros or more are rounded up. During certain periods, the Issue Price may be fixed for campaigning purposes. The applicable Issue Price can be requested from Triodos Bank daily and is also published on its country websites. In Belgium this is [www.triodos.be](http://www.triodos.be), in Germany this is [www.triodos.de](http://www.triodos.de), in The Netherlands this is [www.triodos.nl](http://www.triodos.nl) and in Spain this is [www.triodos.es](http://www.triodos.es).

A transaction fee of maximum 0.5% will be charged by Triodos Bank for the execution of buy and sell orders of Depository Receipts (with a minimum fee of EUR 5 for subscriptions made through the Spanish branch).

Discounts on the purchase price can be available in certain periods. Discounts on the transaction fee can be made available to certain investors in certain periods. These discounts will be made public on the country websites of Triodos Bank.

Allocations will be made by the statutory members of the executive board of Triodos Bank (the **Executive Board**) on behalf of the Issuer. The allocation policy will take into account the importance of a balanced spread of the holdings of Depository Receipts. Furthermore, the number of Depository Receipts held directly or indirectly by any one Depository Receipt Holder will be limited to a maximum of just under 10% of the total number of issued Depository Receipts. The Executive Board is authorised on behalf of the Issuer to refuse subscriptions on Depository Receipts or to only allocate a limited number. In addition, the Executive Board can resolve at any time to limit, suspend or exclude the issue and/or offering of Depository Receipts. Any resolution to close the issue and/or offering will be announced on Triodos Bank's country websites.

The Depository Receipts are registered and will be recorded in the register of Depository Receipt Holders (the **Register**), which is managed by Triodos Bank. After allocation the subscriber will receive proof of registration in the Register.

The rights attached to the Depository Receipts included in this Offering vest as per the date that the Issue Price has been paid into the equity of Triodos Bank and the Depository Receipts are delivered to the Depository Receipt Holder by registration in the Register.

The date of this Prospectus is 13 June 2019. This Prospectus replaces the prospectus in respect of Depository Receipts of Triodos Bank dated 14 June 2018 and will be valid until 13 June 2020, unless prior to that date a new prospectus in respect of Depository Receipts of Triodos Bank is published which will replace the current Prospectus.

**TABLE OF CONTENT**

**SUMMARY - 3**

**RISK FACTORS - 13**

**CERTAIN NOTICES TO INVESTORS - 21**

**DOCUMENTS INCORPORATED BY REFERENCE - 23**

**USE OF PROCEEDS - 24**

**DESCRIPTION OF THE ISSUER - 25**

**DESCRIPTION OF TRIODOS BANK - 28**

**SUPERVISION AND REGULATION - 43**

**CHARACTERISTICS OF THE DEPOSITORY RECEIPTS AND UNDERLYING SHARES - 45**

**THE OFFERING - 50**

**SELLING AND TRANSFER RESTRICTIONS - 53**

**FINAL STATEMENTS - 55**

**ADDRESSES - 56**

## SUMMARY

The summary set out below complies with the requirements of the Prospectus Directive and Commission Regulation No 809/2004 implementing the Prospectus Directive (the **PD Regulation**), including the contents requirements set out in Annex XXII of the PD Regulation. These requirements apply to the Depository Receipts and the summary set out below is addressed to potential investors in the Depository Receipts. The PD Regulation specifies a mandatory order for the sections and elements set out below and the use of the designation 'Not Applicable' for any element specified below where either no relevant information falls to be disclosed or the requirement is not applicable for any reason. The titles set out in each of sections B through E below are themselves summaries of the requirements set out in Annex XXII of the PD Regulation. This summary has been prepared on the basis that only Annex X of the PD Regulation is applicable to issues of Depository Receipts and, as a result, the elements referred to below are deliberately not consecutively numbered.

<b>Section A – Introduction and warnings</b>		
A.1	<i>Introduction and warnings</i>	This summary should be read as introduction to this Prospectus. Any decision to invest in the Depository Receipts should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Depository Receipts.
A.2	<i>Financial intermediaries</i>	Not applicable; neither Triodos Bank nor the Issuer consents to the use of this Prospectus for any subsequent sale or final placement of Depository Receipts by financial intermediaries.

<b>Section B – Issuer</b>		
B.31	<i>Information issuer underlying shares:</i>	
	<i>Legal and commercial name of the issuer</i>	Triodos Bank N.V. The bank's commercial name is Triodos Bank. Triodos Bank has no other trade names.
	<i>Domicile/ legal form/ legislation/ country of incorporation</i>	Triodos Bank N.V. was founded as a public limited company under Dutch law by deed of 30 June 1980, executed before civil-law notary A.G. van Solinge of Amsterdam. Triodos Bank operates under Dutch law.  Triodos Bank's registered office is in Zeist, The Netherlands. The address is Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands and the telephone number is +31 (0)30 693 6500.
	<i>Business</i>	Triodos Bank's principal activities since its date of incorporation are the activities of a bank. Triodos Bank wants to connect money with people's quality of life, in

		<p>its broadest sense, in a positive and enterprising way. For many, socially responsible enterprise lies at the heart of this effort and sustainable banking reflects this spirit of enterprise and positive change in the banking industry.</p> <p><i>Markets and our core activities</i></p> <p>Triodos Bank is an international bank with branches in The Netherlands (since 1980), Belgium (since 1993), Spain (since 2004), Germany (since 2009) and an office in France (since 2012). Triodos Bank’s branch in the United Kingdom (since 1995) has been recently transposed to a subsidiary named Triodos Bank UK Ltd. from 1 May 2019.</p> <p>Triodos Bank's activity is split between two core divisions: on the one hand Triodos Bank’s saving - and lending business and investment services; and on the other hand, Triodos Investment Management B.V., which invests through investments funds or investment institutions managed by Triodos Investment Management B.V.</p>
	<p><i>Recent trends</i></p>	<p><i>International markets</i></p> <p>In many European countries, there is a growing public demand for a bank with the mission, experience and products and services that Triodos Bank can offer. Triodos Bank is continuously looking at ways in which it can be active in countries where people and businesses are interested in its approach.</p> <p><i>Retail and Business Banking</i></p> <p>Retail activities developed further in 2018 as people and sustainable enterprises continue to choose to partner with Triodos Bank.</p> <p><i>Triodos Investment Management</i></p> <p>Worldwide, more and more investors realise that how they invest their money now determines what the world will look like in the future.</p> <p><i>Outlook</i></p> <p>There are no trends in products, sales and services, and costs and selling prices since the end of 2018 to the date of this Prospectus that are significant or relevant for Triodos Bank.</p>
	<p><i>Group</i></p>	<p>Triodos Bank is sole shareholder of Triodos Bank UK Ltd. and Triodos Investment Management B.V. as described below. All shares in Triodos Bank are held by Stichting Administratiekantoor Aandelen Triodos Bank.</p> <p><i>Triodos Bank UK Ltd.</i></p> <p>Triodos Bank UK Ltd., incorporated in the United Kingdom, manages the banking business of Triodos Bank in the United Kingdom.</p> <p><i>Triodos Investment Management B.V.</i></p> <p>Triodos Investment Management B.V., incorporated in The Netherlands, manages several Triodos investment funds, both retail and institutional.</p>

		<p><i>Triodos Ventures B.V.</i></p> <p>Triodos Ventures B.V., incorporated in The Netherlands, is associated with Triodos Group. It is legally independent of Triodos Bank and plays a role in the development and finance of new projects that, in many cases, represent high-risk investments. These include venture capital activities, project development and charitable funds.</p>																																																																																																				
	<i>Voting Rights</i>	<p>The voting rights of the significant Depository Receipt Holders do not differ from other Depository Receipt Holders.</p> <p>Triodos Bank is not aware of any persons, other than the members of the Executive Board, who directly or indirectly have an interest notifiable under Dutch law in Triodos Bank's capital or voting rights.</p> <p>Triodos Bank is not aware of any persons, who directly or indirectly own or control Triodos Bank's business.</p>																																																																																																				
	<i>Selected historical key financial information</i>	<table> <thead> <tr> <th>Amounts in millions of EUR</th> <th>2018</th> <th>2017</th> <th>2016</th> </tr> </thead> <tbody> <tr> <td colspan="4"><b>Financial</b></td> </tr> <tr> <td>Equity</td> <td>1,131</td> <td>1,013</td> <td>904</td> </tr> <tr> <td>Funds entrusted</td> <td>9,558</td> <td>8,722</td> <td>8,025</td> </tr> <tr> <td>Loans</td> <td>7,274</td> <td>6,598</td> <td>5,708</td> </tr> <tr> <td>Balance sheet total</td> <td>10,870</td> <td>9,902</td> <td>9,081</td> </tr> <tr> <td><u>Funds under management*</u></td> <td><u>4,673</u></td> <td><u>4,604</u></td> <td><u>4,373</u></td> </tr> <tr> <td><b>Total assets under management</b></td> <td><b><u>15,543</u></b></td> <td><b><u>14,506</u></b></td> <td><b><u>13,454</u></b></td> </tr> <tr> <td>Total income</td> <td>266.2</td> <td>240.3</td> <td>217.6</td> </tr> <tr> <td>Operating expenses</td> <td>-211.8</td> <td>-190.2</td> <td>-171.9</td> </tr> <tr> <td>Impairments loan portfolio</td> <td>-3.5</td> <td>-1.8</td> <td>-5.7</td> </tr> <tr> <td><u>Value adjustments to participating Interests</u></td> <td><u>-0.5</u></td> <td><u>1.3</u></td> <td><u>-1.5</u></td> </tr> <tr> <td>Operating result before taxation</td> <td>50.4</td> <td>49.6</td> <td>38.5</td> </tr> <tr> <td>Taxation on operating result</td> <td>-11.8</td> <td>-12.2</td> <td>-9.3</td> </tr> <tr> <td><b>Net profit</b></td> <td><b><u>38.6</u></b></td> <td><b><u>37.4</u></b></td> <td><b><u>29.2</u></b></td> </tr> <tr> <td>(Common) equity tier 1 ratio</td> <td>17.7%</td> <td>19.2%</td> <td>19.2%</td> </tr> <tr> <td>Leverage ratio</td> <td>8.7%</td> <td>8.9%</td> <td>8.8%</td> </tr> <tr> <td>Operating expenses/total income</td> <td>80%</td> <td>79%</td> <td>79%</td> </tr> <tr> <td>Return on equity in %</td> <td>3.6%</td> <td>3.9%</td> <td>3.5%</td> </tr> <tr> <td>Return on assets in %</td> <td>0.4%</td> <td>0.4%</td> <td>0.3%</td> </tr> <tr> <td>Real Economy assets/Balance sheet total**</td> <td>77.6%</td> <td>80.2%</td> <td>80.6%</td> </tr> <tr> <td>Triple Bottom Line assets/Balance sheet total**</td> <td>76.5%</td> <td>75.3%</td> <td>77.0%</td> </tr> <tr> <td colspan="4">Per share (in EUR)</td> </tr> <tr> <td>Net asset value at year end</td> <td>84</td> <td>83</td> <td>82</td> </tr> <tr> <td>Net profit***</td> <td>2.99</td> <td>3.19</td> <td>2.83</td> </tr> </tbody> </table>	Amounts in millions of EUR	2018	2017	2016	<b>Financial</b>				Equity	1,131	1,013	904	Funds entrusted	9,558	8,722	8,025	Loans	7,274	6,598	5,708	Balance sheet total	10,870	9,902	9,081	<u>Funds under management*</u>	<u>4,673</u>	<u>4,604</u>	<u>4,373</u>	<b>Total assets under management</b>	<b><u>15,543</u></b>	<b><u>14,506</u></b>	<b><u>13,454</u></b>	Total income	266.2	240.3	217.6	Operating expenses	-211.8	-190.2	-171.9	Impairments loan portfolio	-3.5	-1.8	-5.7	<u>Value adjustments to participating Interests</u>	<u>-0.5</u>	<u>1.3</u>	<u>-1.5</u>	Operating result before taxation	50.4	49.6	38.5	Taxation on operating result	-11.8	-12.2	-9.3	<b>Net profit</b>	<b><u>38.6</u></b>	<b><u>37.4</u></b>	<b><u>29.2</u></b>	(Common) equity tier 1 ratio	17.7%	19.2%	19.2%	Leverage ratio	8.7%	8.9%	8.8%	Operating expenses/total income	80%	79%	79%	Return on equity in %	3.6%	3.9%	3.5%	Return on assets in %	0.4%	0.4%	0.3%	Real Economy assets/Balance sheet total**	77.6%	80.2%	80.6%	Triple Bottom Line assets/Balance sheet total**	76.5%	75.3%	77.0%	Per share (in EUR)				Net asset value at year end	84	83	82	Net profit***	2.99	3.19	2.83
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		<p>Dividend 1.95 1.95 1.95</p> <p>Number of Depository Receipt Holders 42,416 40,077 38,138</p> <p>Number of accounts - retail 839,242 808,090 759,738</p> <p>Number of accounts - business 68,751 60,339 50,765</p> <p><i>*Including funds under management with affiliated parties that have not been included in the consolidation.</i></p> <p><i>**Triple Bottom Line assets refer to assets not only focused on economic benefits, but also on positive social and environmental benefits. Triodos Bank believes this figure provides the best indication of a bank's commitment to sustainability. The assets committed to the Real Economy and to the Triple Bottom Line for the years 2014-2016 have not been reviewed.</i></p> <p><i>*** The figure of net profit per share is calculated on the average number of issued shares in circulation during the financial year.</i></p> <p>During the years ended 31 December 2017 and 31 December 2018 and since 31 December 2018 there has been no significant or material change in the financial or trading position of the Issuer and/or Triodos Bank and/or the group of which the Issuer and Triodos Bank are part as meant in Article 24b of book 2 of the Dutch Civil Code.</p>
	<i>Profit Forecast</i>	Not applicable. There is neither a profit forecast included in the Prospectus nor in the annual report for the financial year 2018.
	<i>Qualifications in the audit report.</i>	Not applicable. There are no qualifications in the auditors' reports on the historical financial information for the years ended 31 December 2016, 2017 and 2018.
	<i>Information about the issuer of the underlying shares</i>	See D.4 below.
B.32	<i>Information issuer of the depository receipts</i>	Stichting Administratiekantoor Aandelen Triodos Bank (the <b>Issuer</b> ), a foundation under Dutch law, was established and operates under Dutch law by deed of 30 June 1980, executed before civil-law notary A.G. van Solinge of Amsterdam. The registered office of the Issuer is located in Zeist, The Netherlands. The address is Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands and the telephone number is +31 (0)30 693 6500.

<b>Section C – Securities</b>		
C.13	<b>Information underlying shares:</b>	
	<i>Description of the shares</i>	The Shares have been created under Dutch law and are registered shares and the register is kept at the head office of Triodos Bank at Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands. Triodos Bank is in charge of keeping the records of the Shares in the register.
	<i>Currency</i>	The underlying Shares are denominated in euros.

	<i>Number of shares and nominal value</i>	The authorised capital of Triodos Bank amounts to EUR 1,500,000,000, divided into 30,000,000 Shares with a nominal value of EUR 50 each. On 31 December 2018, the number of shares issued to and fully paid up by the Issuer is 13,494,697.
	<i>Rights attached to the Shares</i>	<p>The Shares give the right, <i>inter alia</i>, to the dividends made payable on the Shares, and to liquidation payments. In addition, each Share gives the right to cast one vote at the General Meeting.</p> <p>Shareholders have a pre-emption right proportionate to their shareholding. On 18 May 2018 the General Meeting of Triodos Bank has given the authority to the Executive Board for a period of 30 months to exclude this pre-emption right. There are no special procedures for exercising the rights attached to the Shares.</p>
	<i>Transferability of the Shares</i>	The Shares are not freely transferable. The Shares will only be transferred between Triodos Bank and the Issuer in the context of the issue of Depository Receipts in accordance with the Terms of Administration.
	<i>Listing</i>	It is not intended to request a listing on a securities exchange of the Depository Receipts.
	<i>Dividend policy</i>	Part of-, or all the profit as reported in the adopted profit and loss account shall be used by the Executive Board to form or to add the reserves to the extent that is deemed desirable by the Executive Board. Any remaining profit may be distributed to the shareholders in line with the Articles of Association of Triodos Bank. The intention of the Executive Board is to have a stable dividend distribution per Depository Receipt. However, this intention will in no way be binding on Triodos Bank and/or its Executive Board. The dividend policy of Triodos Bank is the absolute and sole discretion of Triodos Bank and is subject to applicable statutory and legal (European) requirements. It is possible to make dividends available in cash or in whole or in part in the form of Shares and for the Depository Receipt Holder in the form of Depository Receipts. All dividend payments are of a non-cumulative nature.
C.14	<b>Information depository receipts:</b>	
	<i>Description of the depository receipts</i>	The Depository Receipts have been created under Dutch law and will be issued under Dutch law with the cooperation of Triodos Bank. The Issuer issues one Depository Receipt for each Share. Depository Receipts can also be issued in the form of fractions thereof, which fractions shall be rounded to three (3) decimal places and the total of which fractions equals one (1).
	<i>Currency</i>	The Depository Receipts are denominated in euros.
	<i>Rights attached to the depository receipts</i>	<p>Depository Receipt Holders have the rights which Dutch law attributes to the fact that the Depository Receipts have been issued with the cooperation of Triodos Bank. The rights attached to the Depository Receipts relate to, <i>inter alia</i>, the dividends and liquidation payments made payable on the Depository Receipts and the right to attend the General Meetings and speak at such meetings. Depository Receipts do not have the right to vote at the General Meetings.</p> <p>Depository Receipts Holders have a pre-emption right proportionate to their share that can be limited or excluded by the Executive Board.</p>

		The Depository Receipts are non-convertible. Non-convertible means that a Depository Receipt cannot be converted into a Share.
	<i>Transferability of the depository receipts</i>	<p>In principle the transfer of Depository Receipts is not allowed if and insofar as the acquiring party alone, or together with one or more group companies, or on the basis of an arrangement to cooperate together with one or more others, directly or indirectly, is a holder or will become a holder as a result of the transfer, of a nominal amount of Depository Receipts jointly corresponding with ten percent (10%) or more of the total issued capital of Triodos Bank. In limited circumstances the above provisions may be deviated from.</p> <p>Guarantee attached to the Depository Receipts: not applicable.</p>
	<i>Meeting of depository receipt holders</i>	<p>In several situations, the articles of association of the Issuer and the Terms of Administration require decision-making by the meeting of Depository Receipt Holders. For example, amendment by the Issuer of its articles of association and Terms of Administration is only possible subject to approval of the meeting of Depository Receipt Holders and the approval of Triodos Bank. Furthermore, the meeting of Depository Receipt Holders appoints the members of the board of the Issuer, based on a binding nomination by the board of the Issuer. Triodos Bank must approve the nomination of the board members of the Issuer.</p> <p>In a meeting of Depository Receipt Holders, each Depository Receipt Holder has as many votes as he has whole Depository Receipts, with a maximum of 1,000 votes. No vote can be cast on a fraction of a Depository Receipt.</p>
	<i>Guarantee</i>	Not applicable. There is no guarantee attached to the Depository Receipt which is intended to underwrite the Issuer's obligations.

<b>Section D – Risks</b>		
D.4	<i>Key information on the key risks that are specific to the issuer of the underlying shares</i>	<p><b>Risks relating to Triodos Bank and the industry in which it operates in general</b></p> <ul style="list-style-type: none"> <li>• Triodos Bank may be forced to assume shortfalls upon the bankruptcy of financial institutions pursuant to existing and new deposit guarantee schemes ('DGS') in The Netherlands and the European Union.</li> <li>• Triodos Bank is exposed to the risk of interventions by regulatory authorities.</li> <li>• Triodos Bank is exposed to the risk of ineffective (ICT) systems and processes, and interruption, failure or breach thereof.</li> <li>• Triodos Bank is exposed to climate risk.</li> <li>• As with the banking sector in general, Triodos Bank's liabilities to its clients exceed Triodos Bank's liquid assets. In particular, Triodos Bank is dependent on client deposits and savings accounts, and a sudden shortage of these funds could increase Triodos Bank's cost of funding.</li> <li>• As a credit institution, Triodos Bank is exposed to the creditworthiness of third parties. Triodos Bank is exposed to the risk that third parties owing it money,</li> </ul>



		<p>securities or other assets will not perform their obligations. In Triodos Bank's case, these parties include Triodos Bank's trading counter parties, clients, exchanges, clearing houses and other financial institutions. These parties may default on their obligations to Triodos Bank due to lack of liquidity, operational failure, bankruptcy or for other reasons. This risk arises in a variety of contexts, including in connection with derivative contracts.</p> <ul style="list-style-type: none"> <li>• Triodos Bank operates in an industry that is highly regulated. There could be an adverse change or increase in the financial services laws and/or regulations governing Triodos Bank's business.</li> <li>• Triodos Bank is exposed to the risk of a loss of Triodos Bank's management team and key employees. Losing the services of one or more members of the management team could adversely affect Triodos Bank.</li> </ul> <p><b>Risks specifically relating to the business and circumstances of Triodos Bank</b></p> <ul style="list-style-type: none"> <li>• Triodos Bank is active in a limited number of sectors. This causes a credit risk concentration and therefore a higher vulnerability of Triodos Bank to a downturn in those sectors.</li> <li>• Triodos Bank is a relatively small, full service financial institution with an international scope, a diverse product portfolio and with an average autonomic growth of approximately 10% a year over the last years. This poses challenges to the organisation as it relies on a relative small number of senior managers. Not being able to manage its growth and meeting regulatory requirements within its control framework may lead to an adverse impact on Triodos Bank's business objectives and could negatively influence its financial results.</li> <li>• Triodos Bank is mainly financed by funds entrusted from its customers and is not active in the money- and capital markets for its funding. In times of prolonged and severe liquidity stress it may prove to be difficult for Triodos Bank to access the money- and capital markets. This could lead to a relatively high cost of funding because Triodos Bank has no current presence and track record in those funding markets. This could have a negative impact on the financial results of Triodos Bank.</li> </ul>
D.5	<i>Key information about the depository receipts</i>	<p><b>Risks relating to the Depository Receipts and the Offering</b></p> <p>Trading in the Depository Receipts is only possible on a limited basis and accordingly investors may have to wait before they can sell (all of) their Depository Receipts or may not be able to sell the Depository Receipts at or above the price paid for them.</p>

<b>Section E – Offer</b>		
E.1	<i>Net proceeds and estimated expenses</i>	<p>The total amount of the proceeds depends on the number of Depository Receipts sold. The maximum total net proceeds will be approximately EUR 290,000,000. The maximum costs involved with the issue of the Depository Receipts will be approximately EUR 400,000.</p> <p>Estimated expenses charged to the investor: See E.7 below.</p>

E.2a	<i>Reasons for offer</i>	<p>The Issuer intends to use the net proceeds from the Offering of the Depository Receipts entirely for the purchase of Shares in Triodos Bank.</p> <p>The Offering is intended to support Triodos Bank's growth in financing sustainable business by providing sufficient capital to meet Triodos Bank's own solvency requirement. This will reinforce Triodos Bank's profile and further strengthen the Triodos Bank brand.</p> <p>Triodos Bank uses the proceeds of the sale of Shares to the Issuer for financing companies, institutions and projects that add cultural value and benefit people and the environment, with the support of depositors and investors who want to encourage the development of socially responsible and innovative business.</p>
E.3	<i>Terms and conditions of the offer</i>	<p><i>Maximum number of Depository Receipts available for issue</i></p> <p>On the date of this Prospectus, the authorised capital amounts to EUR 1,500,000,000, divided into 30,000,000 Shares with a nominal value of EUR 50 each. The Offering consists of a public offering being made to the public in Belgium, Germany, The Netherlands and Spain. On the date of this Prospectus, 3,500,000 Shares are available for issue, with an aggregate nominal value of EUR 175,000,000. As one Depository Receipt is issued for one Share, the maximum number of Depository Receipts that could be issued on this date is also 3,500,000. With reference to Section 2:97 of the Dutch Civil Code, it is hereby expressly announced that if it is only possible to issue a lower number of Shares than the maximum number of Shares, and by the same token, Depository Receipts, such lower number will be issued.</p> <p>The Depository Receipts and underlying Shares will be issued continually, under exclusion of the pre-emptive rights of the existing Depository Receipt Holders. The holdings of the existing Depository Receipt Holders will be diluted proportionate to the amount of new Depository Receipts issued. In the event of issues up to the maximum issue, the dilution will be 21%.</p> <p><i>Issue Price</i></p> <p>On a daily basis, Triodos Bank will determine the Issue Price of the Depository Receipts based on a financial model that derives the calculated NAV per Depository Receipt. The NAV of Triodos Bank is equal to the book value of the assets of Triodos Bank minus the book value of the liabilities of Triodos Bank.</p> <p>Net Asset Value is a generally accepted accounting concept which is presented as a single definable entity. However, it concerns only a representation of the underlying reality which always carries elements of uncertainty.</p> <p>The calculation of the NAV is based on the accounting principles generally accepted in The Netherlands as applied by Triodos Bank (Dutch GAAP). It is envisaged that as of 1 January 2020, the financial statements of Triodos Bank will be prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). As of the date of this Prospectus, the Issue Price calculated under Dutch GAAP will already be adjusted for the estimated effect IFRS will have on the NAV of Triodos Bank. As of the envisaged date of 1 January 2020, the NAV calculation will be based on the accounting principles IFRS.</p>

		<p>A recovery price procedure has been determined in case a mistake has been made in the calculation of the Issue Price of the Depository Receipts. During certain periods, the Issue Price may be fixed for campaigning purposes.</p> <p>Discounts on the purchase price can be available in certain periods. Discounts on the transaction fee can be available to certain investors in certain periods. These discounts will be made public on the country websites of Triodos Bank.</p> <p><i>Allocation to the subscribers</i></p> <p>Allocations will be made by the Executive Board on behalf of the Issuer. The allocation policy will consider the importance of a balanced spread of the holdings of Depository Receipts in accordance with the provisions of Article 5 Paragraph 3 of the Terms of Administration. The Executive Board can resolve at any time to limit, suspend or exclude the issue of Depository Receipts. Any resolution to close the issue will be announced on the country websites (as defined on page 1 of this Prospectus).</p> <p><i>Register</i></p> <p>The Depository Receipts are delivered to the subscriber by registration in the Register, which is maintained by Triodos Bank.</p> <p><i>Repayments</i></p> <p>Any excess funds which Triodos Bank has received in relation to a limitation or exclusion of allocation will be repaid to the account from which these funds were received. Repayments will not include interest.</p> <p><i>Vesting date</i></p> <p>The rights attached to the Depository Receipts included in this Offering vest as per the date that the Issue Price has been paid into the equity of Triodos Bank. As of that moment the subscription can no longer be revoked.</p> <p><i>Intentions to subscribe</i></p> <p>So far as Triodos Bank and the Issuer are aware, no members of the administrative, management or supervisory bodies intend to subscribe in the Offering.</p>
E.4	<i>Material and conflicting interests</i>	So far as Triodos Bank and the Issuer are aware, no person involved in the issue of the Depository Receipts has an interest material to the Offering and there are no conflicting interests.
E.5	<i>Offering entity and lock-up agreements</i>	<p>Stichting Administratiekantoor Aandelen Triodos Bank (established in The Netherlands as a foundation, having its corporate seat in Zeist, The Netherlands).</p> <p>Not applicable. There are no Lock-up Agreements.</p>
E.6	<i>Dilution</i>	The Depository Receipts and underlying Shares will be issued continually, under exclusion of the pre-emptive rights of the existing Depository Receipt Holders. The holdings of the existing Depository Receipt Holders will be diluted proportionate to the amount of new Depository Receipts issued. In the event of issues up to the maximum issue, the dilution will be 21%.

		Not applicable: The Depository Receipts are not offered by means of a subscription offer.
E.7	<i>Fees charged</i>	A transaction fee of maximum 0.5% will be charged by Triodos Bank for the subscription and/or sale of Depository Receipts, (with a minimum fee of EUR 5 for subscriptions made through the Spanish branch).

## **RISK FACTORS**

*Before investing in the Depository Receipts, prospective investors should consider carefully the following risks and uncertainties in addition to the other information presented in this Prospectus. The Issuer believes that the following risk factors are specific to the industry in which Triodos Bank operates, to Triodos Bank or to Triodos Bank's business, as well as to the Depository Receipts. If any of the following risks actually occurs, Triodos Bank's business, results of operations or financial condition could be materially adversely affected. In that event, the value of the Depository Receipts could decline, and an investor might lose part or all of the investor's investment. In addition, prospective investors should realise that in the event two or more risks and/or uncertainties materialise simultaneously or accumulate, Triodos Bank's business, results of operations or financial condition could be even more adversely affected, and the value of the Depository Receipts could further decline. Although the Issuer believes that the risks and uncertainties described below are Triodos Bank's material risks and uncertainties, they are not the only ones Triodos Bank faces. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently does not deem material may also have a material adverse effect on Triodos Bank's business, results of operations or financial condition and could negatively affect the price of the Depository Receipts.*

*Prospective investors should read the detailed information set out elsewhere in this Prospectus and should reach their own views before making an investment decision with respect to any Depository Receipts. Furthermore, before making an investment decision with respect to any Depository Receipts, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Depository Receipts and consider such an investment decision in light of the prospective investor's personal circumstances.*

For a more detailed discussion of the business of Triodos Bank and the industry in which it operates, see 'Description of Triodos Bank' and 'Supervision and regulation'.

### **Risks relating to Triodos Bank and the industry in which it operates in general**

*A downturn in the markets in which Triodos Bank operates (as well as other markets around the world) could adversely affect Triodos Bank's business*

As a bank, Triodos Bank's business is materially affected by conditions in the financial markets and economic conditions generally, both in Triodos Bank's home markets of The Netherlands, Belgium, Spain, Germany, the United Kingdom and France as well as elsewhere around the world. In the event of a prolonged market downturn, Triodos Bank's business could be adversely affected. Depending on Triodos Bank's ability to reduce expenses at the same pace, Triodos Bank's profit margin could erode and Triodos Bank's profitability could be damaged. Also, Triodos Bank's financial condition and cash flow could be affected and the rates of loan defaults may become higher.

*Triodos Bank can be obliged to contribute to the deposit guarantee schemes*

Triodos Bank may be forced to assume shortfalls upon the bankruptcy of financial institutions pursuant to existing and new deposit guarantee schemes ('DGS') in The Netherlands and the European Union. In addition, a default by, or even concerns about a default by, one or more financial services institutions could lead to significant systemic liquidity problems, or losses or defaults by other financial institutions, which could have a material adverse effect on the Triodos Bank's liquidity, results of operations, financial condition and prospects.

*Triodos Bank is exposed to the risk of interventions by regulatory authorities*

On 6 May 2014, the Council of the European Union adopted the Bank Recovery and Resolution Directive ('BRRD'). As per 26 November 2015, the BRRD establishes a policy framework for managing, amongst others, ailing banks and large investment firms ('institutions') established in the European Union. The BRRD has been transposed into national law. The BRRD requires Member States to provide their designated

resolution authorities with certain resolution tools in respect of ailing institutions, including the power to transfer their shares and assets to another party and the power to write down their debt (or to convert such debt into equity). These tools are aimed at strengthening the financial position of the affected institutions and allow such institutions to continue as a going concern subject to appropriate restructuring. The use of these tools could disrupt the rights of the General Meeting and creditors of Triodos Bank and could adversely affect the proper performance by Triodos Bank of its payment and other obligations against the Issuer and (consequently) the Depository Receipt Holders.

The Single Resolution Mechanism-regulation ('SRM') provides uniform rules and procedures for the resolution of ailing banks which are part of the Banking Union. Triodos Bank is part of the Banking Union. Under the SRM, a Single Resolution Board will be authorised to adopt a resolution scheme in respect of an ailing bank, including resolution measures similar as provided for under the BRRD. The national resolution authorities will however remain responsible for implementing any resolution measures pursuant to the SRM by making use of the powers conferred on them by the national law transposing the BRRD. The use of these resolution measures could disrupt the rights of the General Meeting and creditors of Triodos Bank and could adversely affect the proper performance by Triodos Bank of its payment and other obligations against the Issuer and (consequently) the Depository Receipt Holders.

Through the coming into force of the Dutch Intervention Act (Wet bijzondere maatregelen financiële ondernemingen) of 13 June 2012 (the 'Dutch Intervention Act'), the Dutch Central Bank (*de Nederlandse Bank*, **DNB**) had been granted the power to take various measures in respect of banks and insurance companies if it perceives signs of a dangerous development regarding the entity's own funds, solvency or liquidity and it can reasonably be foreseen that this development cannot be sufficiently or timely reversed. The national framework for intervention by DNB has however been amended by the law implementing the BRRD, which entered into force on 26 November 2015. However, the scope of the powers granted to the Dutch Minister of Finance under the Dutch Intervention Act has remained as it was. The Dutch Minister of Finance may, with immediate effect, take measures or expropriate assets of or securities issued by or with the cooperation of a financial firm (financiële onderneming) or its parent, in each case if it has its corporate seat in The Netherlands, if in the Minister's opinion the stability of the financial system is in serious and immediate danger as a result of the situation in which the financial firm finds itself. Provisions of Dutch law and the financial firm's articles of association may be set aside. In the case of expropriation, the beneficiary of the relevant asset will be compensated for any damage that directly and necessarily results from the expropriation. It is unlikely that such compensation will cover all losses of the relevant beneficiary. The application of the Dutch Intervention Act could materially and adversely affect the rights and effective remedies of Depository Receipt Holders, as they could lose ownership over the Depository Receipts or become Depository Receipt Holders of an empty entity or a bad bank. In the latter case, the Depository Receipts could be of less or no value and less or no dividend could be paid. Changes in regulation with respect to solvency and resolution, currently under discussion, may result in higher required capital and/or required eligible liabilities.

#### *Triodos Bank faces substantial competitive pressures in a mature market*

There is substantial competition on Triodos Bank's home markets for the types of banking and other products and services which Triodos Bank provides. Competition in the financial services industry, especially in the banking sector, is increased by the high level of consolidation in these countries and the relatively mature nature of the markets in which Triodos Bank operates. Triodos Bank faces competition from various national and international financial institutions which are also active in the financial services industry. Triodos Bank is a medium sized financial services provider and a number of its competitors are larger in size. If Triodos Bank is unable to offer competing, attractive, and innovative products and services that are also profitable, if it does not choose the right strategy or if it does not implement a strategy successfully, Triodos Bank could lose market share and/or incur losses on some or all of its activities and/or experience slower growth. Consumer demand, technological changes, regulatory changes and actions and other factors also affect competition. Competitive pressures could result in increased pricing pressures.

*Volatility in interest rates may negatively affect Triodos Bank's net interest income and may have other adverse consequences*

For the year ended 31 December 2018, 62% of Triodos Bank's total income consisted of interest income. Interest rates are highly sensitive to many factors beyond Triodos Bank's control, including monetary policies and domestic and international economic and political conditions. As with any bank, changes in market interest rates could affect the interest rates Triodos Bank charges on Triodos Bank's interest-earning assets differently than the interest rates Triodos Bank pays on Triodos Bank's interest-bearing liabilities. This may have an adverse effect on Triodos Bank's net interest income, Triodos Bank's financial condition and/or Triodos Bank's results of operations.

*Volatility in currency exchange rates may negatively affect Triodos Bank's net income*

Triodos Bank does financial transactions in currencies other than the euro. The Executive Board determines the policy regarding hedging foreign exchange (FX) currency risks. Since 1 May 2019, Triodos Bank has a 100% participating interest in Triodos Bank UK Ltd. with an initial investment of GBP 172 million in the capital of Triodos Bank UK Ltd. In accordance with the foreign exchange currency risk policy Triodos Bank has hedged the foreign exchange rate (FX) risks of this investment up to a maximum of 95% of the invested amount. The hedged percentage of the invested amount may be lowered based on circumstances affecting GBP. The part that is not hedged will result in fluctuations of the value of the participating interest in Triodos Bank UK Ltd. in EUR as a result of changes in the GBP/EUR exchange rate. This may impact the Issue Price of Depository Receipts. *As with the banking sector in general, Triodos Bank's liabilities to its clients exceed Triodos Bank's liquid assets. In particular, Triodos Bank is dependent on client deposits, current and savings accounts, and a sudden shortage of these funds could increase Triodos Bank's cost of funding or lead to non-compliance of regulatory commitments*

Historically, Triodos Bank's principal sources of funds have been client deposits, savings and current accounts and Triodos Bank aims to maintain this situation. However, a sudden shortfall of these savings accounts might lead to a gap in Triodos Bank's funding. Triodos Bank can fill this possible gap with alternative funding including bond issues and other products. Triodos Bank can also borrow money in the money markets. These alternative sources of funding in many cases prove to be more expensive or in other ways less advantageous than client deposits. Thus, increased reliance on these sources could negatively impact Triodos Bank's financial condition and/or results of operations. Also, insufficient availability of cash flows would mean that Triodos Bank may not be able to meet all of Triodos Bank's short-term financial commitments or could lead to non-compliance of regulatory commitments.

*Triodos Bank is exposed to credit risk and risk of non-recovery*

As a credit institution, Triodos Bank is exposed to the creditworthiness of third parties. Triodos Bank is exposed to the risk that third parties owing it money, securities or other assets will not perform their obligations. In Triodos Bank's case, these parties include Triodos Bank's trading counter parties, clients, exchanges, clearing houses and other financial institutions. These parties may default on their obligations to Triodos Bank due to lack of liquidity, operational failure, bankruptcy or for other reasons. This risk arises in a variety of contexts, including in connection with derivative contracts.

Despite Triodos Bank's conservative approach in assessing the necessary provisions for possible bad and doubtful debts, Triodos Bank cannot assure that Triodos Bank's level of provisions will be adequate or that Triodos Bank will not have to make significant additional provisions for possible bad and doubtful debts in future periods.

*Triodos Bank is exposed to the risk of ineffective (ICT) systems and processes, and interruption, failure or breach thereof*

In the conduct of Triodos Bank's business, Triodos Bank relies heavily on its operational processes, and information and communication technology systems. Triodos Bank cannot ensure that interruptions, failures

or breaches in security of the extensive back-up recovery systems and contingency plans that Triodos Bank has in place will not occur. Similarly, Triodos Bank cannot guarantee that if any of these do occur that they will be adequately addressed. Any such interruptions, failures or breaches, even for a limited period of time, could result in, for example:

- interruptions in the services offered or information provided to customers, or inability to serve customers' needs in a timely fashion;
- interruptions or errors in Triodos Bank's management information and/or information reported to supervisory authorities;
- Triodos Bank being unable to report accurate information in a timely manner and thus being in violation of applicable regulations;
- inability to identify in time or at all, inadequate, fraudulent, negligent and/or unauthorised dealings by Triodos Bank's employees or third parties, or telecommunication connection failures or hacking of Triodos Bank's website portal; and
- considerable costs in terms of, for example, information retrieval and verification.

Triodos Bank's business operations are also vulnerable to interruption from fire, flood, bomb threats, explosions or other forms of terrorist activity and natural and man-made disasters. The same may apply for third parties on which Triodos Bank depends. Furthermore, Triodos Bank cannot assure that interruptions, failures or breaches of Triodos Bank's communication and information systems as a result of external fraud will not occur or, if they do occur, that they will be adequately addressed.

Furthermore, Triodos Bank is exposed to cybercrime risks. Login credentials of customers, intermediaries and employees may be intercepted by cyber criminals (e.g. Trojan on PC). This could lead to abuse of information and harm Triodos Bank's reputation. Any interruptions, failures or breaches in security of these processes and systems could also result in a loss of customers and/or materially adversely affect Triodos Bank's ability to compete with its competitors.

#### *Triodos Bank is exposed to climate risk*

Climate risk consists on the one hand of the risk that relates to the transition of 'old' sources of energy to sustainable ones, which can result in stranded assets. Power plants using coal that have to close earlier than expected, are an example. Given that sustainability considerations are a starting point within Triodos Bank's lending processes, transition risks are minimal in its loan portfolio. Triodos Bank's lending is already focused on financing enterprises contributing to a low-carbon future.

On the other hand, climate risk also includes those risks that relate to the changes of the climate itself causing physical damage, leading to extreme weather conditions and the rise of sea levels, for example. Triodos Bank's portfolio could be impacted by the physical risks of climate change. Regarding physical risk, the changes in climate leading to storms, floods and droughts may have an impact its assets. While Triodos Bank has not identified assets considered to be especially vulnerable to these physical risks, in the longer term, impact on weather conditions (such as wind and solar resources) may affect renewable energy generation.

#### *Triodos Bank operates in an industry that is highly regulated. There could be an adverse change or increase in the financial services laws and/or regulations governing Triodos Bank's business*

Triodos Bank's business is regulated and supervised by several supervisory authorities in its home markets. Laws and regulations applied at national level generally grant supervisory authorities broad administrative discretion over Triodos Bank's activities, including the power to limit or restrict business activities. It is possible that laws and regulations governing Triodos Bank's business or particular products and services could be amended or interpreted in a manner that is adverse to Triodos Bank, for example, to the extent that existing laws and regulations are amended or future laws and regulations are adopted that (i) reduce or restrict the sale of the products and services Triodos Bank offers, whether existing or new, or (ii) negatively affect the performance of the products and services Triodos Bank offers, whether existing or new. Triodos Bank's revenues and costs, profitability and available or required regulatory capital could also be affected by an increase or change in the degree of regulation in any of the markets in which Triodos Bank operates, whether



existing or new. Due to the continuously growth of the regulatory pressure and the complexity of the regulatory environment in which Triodos Bank operates, it will entail more costs to ensure that Triodos Bank is, and will continue to be, in compliance with all applicable laws and regulations at all times, to the extent that the volume of regulation increases and the scope of the activities changes.

If Triodos Bank would be in breach of any existing or new laws or regulations now or in the future, Triodos Bank is exposed to the risk of intervention by regulatory authorities, including investigation and surveillance, and judicial or administrative proceedings. In addition, Triodos Bank's reputation could suffer and Triodos Bank could be fined or prohibited from engaging in some of its business activities or be sued by customers if it does not comply with applicable laws or regulations.

*Triodos Bank is exposed to legal risks that may arise in the conduct of Triodos Bank's business and the outcome of related legal claims may be difficult to predict*

Triodos Bank faces significant legal risks in the conduct of its business. These legal risks could potentially involve, but are not limited to, disputes over the terms of transactions in which Triodos Bank acts as principal, intermediary or otherwise, disputes concerning the adequacy or enforceability of documents relating to Triodos Bank's products or services or transactions entered into by Triodos Bank, disputes regarding the terms and conditions of complex arrangements and products, and irregularities with regard to the sale of structured products and services. Triodos Bank faces risks relating to investment suitability determinations, disclosure obligations, performance expectations, and compliance with applicable laws and regulations with respect to the products and services it provides, which could lead to significant losses or reputational damage. Companies in Triodos Bank's industry are increasingly exposed to collective claims (with or without merit) from groups of customers or consumer organisations seeking damages of unspecified or indeterminate amounts or involving novel legal claims. These risks are often difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. It is inherently difficult to predict the outcome of many of the future claims, regulatory proceedings and other adversarial proceedings involving Triodos Bank.

*Triodos Bank is exposed to risks of employee misconduct*

Triodos Bank, as a financial institution, handles large amounts of money, customer data and privileged information and is therefore highly dependent on the honesty and integrity of its employees. In addition, regulation relating to financial abuse, including money laundering and funding of activities that could be considered to be terrorist activities, has become considerably stricter in many jurisdictions, with effects that are increasingly severe for financial institutions. As a consequence, it is becoming increasingly important that Triodos Bank's employees adhere to the policies it imposes as a result of these regulations. Triodos Bank faces a risk of loss due to errors, negligent behaviour, lack of knowledge or wilful violation of rules and regulations by its employees. Misconduct by employees could include binding Triodos Bank to transactions that exceed authorised limits or present unacceptable risks, or hiding from it unauthorised or unsuccessful activities, which, in either case, could result in unknown and unmanaged risks and losses. Employee misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious financial losses. Employee misconduct in any form could also result in significant damage to Triodos Bank's reputation, which could in turn hinder Triodos Bank's ability to retain existing customers or compete for new business. It is not always possible to deter and detect employee misconduct, and the precautions Triodos Bank takes to prevent and detect this activity (such as pre- and in-employment screening) may not be effective in all cases.

*A significant portion of Triodos Bank's business relates to Triodos Bank's dealings with third parties*

A significant portion of Triodos Bank's business relates to products and services which Triodos Bank offers in co-operation with third parties or in relation to which Triodos Bank depends on third parties, for example for the distribution of such products and services. Triodos Bank cannot guarantee that these third parties will continue their co-operation with Triodos Bank or that the relationships with these third parties will continue to be beneficial. Negative publicity about these third parties, whether or not founded, could also harm Triodos Bank's reputation.

*Triodos Bank may be exposed to failures in its risk management systems*

Triodos Bank invests substantial time and effort in its strategies and procedures for managing risks such as credit risk, concentration risk, strategic risk, foreign exchange risk, interest rate risk, liquidity risk, operational risk, compliance risk and conduct of business risk. These strategies and procedures could nonetheless fail or not be fully effective under some circumstances, particularly if Triodos Bank is confronted with risks that it has not fully or adequately identified or anticipated. Some of Triodos Bank's methods for managing risk are based upon observations of historical market behaviour. Quantifications of some of Triodos Bank's risk exposures are arrived at by Triodos Bank through the application of statistical techniques to these observations. These statistical methods may not accurately quantify Triodos Bank's risk exposure if circumstances arise which were not observed in Triodos Bank's historical data. For example, as Triodos Bank offers new products or services, the historical data may be incomplete or not accurate for such new products or services. As Triodos Bank gains more experience it may need to make additional provisions.

If circumstances arise that Triodos Bank did not identify, anticipate or correctly evaluate in developing its statistical models, Triodos Bank's losses could be greater than the maximum losses envisaged by Triodos Bank. Furthermore, the quantifications do not take all risks or market conditions into account. If the measures used to assess and mitigate risk prove insufficient, Triodos Bank may experience unanticipated losses.

*Triodos Bank is exposed to the risk of a loss of Triodos Bank's management team and key employees*

Triodos Bank's future success depends in part on having a capable management team. Losing the services of one or more members of the management team could adversely affect Triodos Bank. The implementation and execution of Triodos Bank's strategic plans depend in part on the continued availability of key qualified personnel, throughout Triodos Bank. No assurance can be given that Triodos Bank will be successful in the future in attracting and retaining, on acceptable terms, such personnel.

**Risks specifically relating to the business and circumstances of Triodos Bank**

*Triodos Bank is active in a limited number of sectors*

Based on its business model, Triodos Bank is active in a limited number of sectors that support its mission statement, like the environmental sector, the cultural sector and the social sector.

In addition, especially these sectors are also depending on volatile regulations (amongst others with respect to grants and tax benefits). The elimination of a grant and/or a tax benefit could cause a downturn in the respective sector and possibly, credit losses for Triodos Bank.

These factors are causing a credit risk concentration and therefore a higher vulnerability of Triodos Bank to a downturn in those sectors. In such circumstances Triodos Bank may have to make significant additional provisions for bad and doubtful debts, negatively impacting its financial results.

The concentration risk is mitigated by expanding the number of (sub-) sectors Triodos Bank operates in and the spread of Triodos Bank's loan portfolio over the different countries in which it is active.

*Customers expect Triodos Bank to act true to its mission and sustainable reputation*

In addition to the trust that the money deposited with Triodos Bank will be repaid, Triodos Bank's customers also expect it to follow its mission statement in being a truly sustainable bank and in maintaining high standards of integrity. Not meeting those expectations could negatively impact the liquidity position of Triodos Bank through an outflow of funds from disappointed customers.

*Triodos Bank is a relatively small, fast growing organisation, dependent on a relatively small group of senior managers*

Triodos Bank is a relatively small, full service financial institution with an international scope, a diverse product portfolio and with - over the last years - an average autonomous growth of approximately 10% a year. This poses challenges to the organisation as it relies on a relative small number of senior managers. Not being able to manage its growth and meeting regulatory requirements within its control framework may lead to an adverse impact on Triodos Bank's business objectives and could negatively influence its financial results.

*Triodos Bank is mainly financed by funds entrusted from its customers and is not active on the money- and capital markets for its funding*

In times of prolonged and severe liquidity stress it may prove to be difficult for Triodos Bank to access the money- and capital markets. This could lead to a relatively high cost of funding because Triodos Bank has no current presence and track record in those funding markets. This could have a negative impact on the financial results of Triodos Bank.

*Triodos Bank has branches in four European countries and a subsidiary in United Kingdom and is therefore vulnerable to changes in local laws and circumstances*

Triodos Bank has branches in four European countries and a subsidiary in the United Kingdom. Changes in local laws, or a default of a certain country may have a negative impact on the financial results of Triodos Bank. Brexit - and possibly an exit from the Euro zone of another country - may have a negative impact on the financial results of Triodos Bank as well.

### **Risks relating to the Depository Receipts and the Offering**

*Trading in the Depository Receipts is only possible on a limited basis and accordingly investors may have to wait before they can sell (all of) their Depository Receipts or may not be able to sell the Depository Receipts at or above the price paid for them*

The transfer of the Depository Receipts is subject to restrictions. The Depository Receipts are not listed on a securities exchange nor does a similar public market for Depository Receipts exist. Triodos Bank facilitates transactions against net asset value for the Depository Receipts whereby the price is determined each day in based on a financial model that derives the calculated NAV of Triodos Bank. The issuance and purchase of the Depository Receipts by Triodos Bank *inter alia* depends on outstanding demand for and supply of Depository Receipts. The Executive Board has received an authorisation of the General Meeting to acquire Depository Receipts to a maximum of the total amount of EUR 28.2 million for a period up to 18 November 2020. The question whether or not Triodos Bank itself will purchase Depository Receipts offered for sale for market making purposes is at the sole discretion of Triodos Bank and Triodos Bank will at no point in time be obliged to purchase Depository Receipts offered for sale. In addition, the total amount of Depository Receipts that may be offered for sale by any Depository Receipt Holder is in principle restricted to an amount of EUR 1,000,000 per Depository Receipt Holder per week. Investors may therefore during a long period of time not be able to sell or otherwise dispose of (all of) their Depository Receipts and/or to sell their Depository Receipts for their presumed value.

*Investors are exposed to the risk of volatility of the Issue Price*

The Issue Price of the Depository Receipts is based on International Financial Reporting Standards (IFRS). Under this accounting standard there could be volatility in the pricing of the Depository Receipts if and when the economy changes upwards or downwards.

*Triodos Bank may not be able to pay dividends in the future*

Triodos Bank's results could fluctuate and Triodos Bank's ability to pay dividends may be dependent on Triodos Bank achieving sufficient profits. In any event, there is no obligation for Triodos Bank to pay any dividends; the payment of dividends is the absolute and sole discretion of Triodos Bank at all times. The payment of dividends is further subject to statutory, regulatory, legal and financial requirements and restrictions. If dividends are not paid in the future, capital appreciation, if any, of the Depository Receipts would be the investor's sole source of gains.

## **CERTAIN NOTICES TO INVESTORS**

### **Responsibility**

Triodos Bank accepts responsibility for the information contained in this Prospectus. In addition, the Issuer accepts responsibility for the information contained in the sections 'Use of Proceeds' and 'Description of the Issuer'. Each of the Issuer and Triodos Bank declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

No person is or has been authorised to give any information or to make any representation in connection with the offering or sale of the Depository Receipts, other than as contained in this Prospectus, and, if given or made, any other information or representation must not be relied upon as having been authorised by the Issuer or Triodos Bank.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Depository Receipts shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue of the Depository Receipts is correct as of any time subsequent to the date indicated in the document containing the same. Investors should review, inter alia, the most recent financial statements of Triodos Bank when deciding whether or not to purchase any Depository Receipts.

Neither this Prospectus nor any other information supplied in connection with the issue of the Depository Receipts should be considered as a recommendation by the Issuer that any recipient of this Prospectus or any other information supplied in connection with the issue of the Depository Receipts should purchase any Depository Receipts. Each investor contemplating purchasing any Depository Receipts should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the issue of the Depository Receipts constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Depository Receipts in jurisdictions where it is unlawful to make such offer or invitation.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see 'Documents Incorporated by Reference'). This Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Prospectus.

### **Presentation of financial and other information**

The financial statements of Triodos Bank for the years 2016, 2017 and 2018 were prepared in accordance with accounting principles generally accepted in The Netherlands as applied by Triodos Bank (Dutch GAAP). The financial statements for the years 2016, 2017 and 2018 have been audited by PricewaterhouseCoopers Accountants N.V., independent auditors.

In making an investment decision, investors should rely upon their own examination of Triodos Bank and its subsidiaries, the terms of the Offering and the financial information provided herein.

### **Forward-looking statements**

This Prospectus contains unaudited forward-looking statements, including statements about the Issuer's and Triodos Bank's beliefs, expectations, and targets. In particular the words 'expect', 'anticipate', 'estimate', 'may', 'should', 'believe', 'intend', 'plan', 'aim', 'could', 'will', 'potential', and similar expressions are intended to identify forward-looking statements. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Triodos Bank and the Issuer undertake no duty to and will not necessarily update any of them in light of new information or future events, except to the extent required by applicable law. The Issuer and Triodos Bank caution investors that a number of important factors

could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements. These factors are discussed under ‘Risk factors’.

### **Offering Restrictions**

The distribution of this Prospectus and the offering of the Depository Receipts in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for purposes of, an offer, invitation or solicitation by anyone in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is not authorised or to any person to whom it is unlawful to make such offer, invitation or solicitation.

The Depository Receipts have not been and will not be registered under the U.S. Securities Act of 1933, as amended from time to time (the **Securities Act**) and are Depository Receipts in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Depository Receipts may not be offered, sold or delivered within the United States of America or to U.S. persons. For a further description of certain restrictions on offers and sales of Depository Receipts and on distribution of this Prospectus, see ‘Selling and transfer restrictions’.

### **Miscellaneous**

All references in this Prospectus to ‘euro’, ‘EUR’ or ‘€’ are to the currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the EU.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Prospectus and will be filed with the AFM, shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (i) the articles of association of the Issuer and Triodos Bank;
- (ii) the Terms of Administration of the Issuer;
- (iii) the audited annual financial statements stated in the annual reports for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 of Triodos Bank, including the auditor's reports in respect of such financial statements;
- (iv) the key figures of Triodos Bank for the years 2016, 2017 and 2018 (included in Triodos Bank's annual reports, see table below);
- (v) the Executive Board report for the years 2016, 2017 and 2018 (included in Triodos Bank's annual reports, see table below).

<b>Specific information</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Financial statements and historical financial information	73 to 212	78 to 192	61 to 173
Key figures	5 to 7 and 128 to 140	4 to 6 and 136 to 150	4 to 6 and 118 to 132
Cash flow statements	80 and 87	84,85 and 95	67,68 and 78
Executive Board report	14 to 44	14 to 47	9 to 51
Changes in financial condition and results of operation	Executive Board report (14 to 44) and more specific in the heading 'Results' (29 to 31)	Executive Board report (14 to 47) and more specific in the heading 'Results' (28 to 30)	Executive Board report (9 to 51) and more specific in the heading 'Results' (23 to 26)
Breakdown of total revenues by category of activity and geographic market	128 to 140	136 to 150	118 to 132
Related party transactions	127	134	117
Auditor's report on the financial statements	213 to 223	193 to 203	173 to 190
Statement of shares	233	212	194
Information on leased properties	114	122	103

The annual reports 2016, 2017 and 2018 of Triodos Bank are not incorporated in full. The parts of these reports that are not incorporated are either not relevant for investors or are covered elsewhere in this Prospectus.

Triodos Bank will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference and any further prospectus or prospectus supplement prepared by Triodos Bank for the purpose of updating or amending any information contained herein or therein and, where appropriate, English translations of any or all such documents. These documents are also available on the country websites of Triodos Bank.

Written or oral requests for such documents should be directed to Triodos Bank at its registered office set out at the end of this Prospectus.

## **USE OF PROCEEDS**

The Issuer intends to use the net proceeds from the Offering of the Depository Receipts entirely for the purchase of Shares in Triodos Bank. The total amount of the proceeds depends on the number of Depository Receipts sold. The maximum total net proceeds will be approximately EUR 290,000,000. The maximum costs involved with the issue of the Depository Receipts will be approximately EUR 400,000.

The Offering is intended to support Triodos Bank's growth in financing sustainable business by providing sufficient capital to meet Triodos Bank's own solvency requirement. This will reinforce Triodos Bank's profile and further strengthen Triodos Bank's brand names.

Triodos Bank uses the proceeds of the sale of Shares to the Issuer for financing companies, institutions and projects that add cultural value and benefit people and the environment, with the support of depositors and investors who want to encourage the development of socially responsible and innovative business. The mission of Triodos Bank is to help achieve a healthier society and enhance people's quality of life, to enable individuals, institutions and businesses to use money more consciously in ways that benefit people and the environment and promote sustainable development and to offer customers sustainable financial products and high quality service.

The Issuer and Triodos Bank would like to draw special attention to the fact that Triodos Bank facilitates transactions against net asset value in Depository Receipts. If at any point in time the total demand for Depository Receipts is lower than the total supply no new Depository Receipts will be issued. In that case the Issuer does not receive any net proceeds and does not purchase (additional) Shares in Triodos Bank.



## DESCRIPTION OF THE ISSUER

### General

Stichting Administratiekantoor Aandelen Triodos Bank (the **Issuer**), a foundation under Dutch law, was established and operates under Dutch law by deed of 30 June 1980, executed before civil-law notary A.G. van Solinge of Amsterdam. The articles of association of the Issuer were most recently amended by deed of 8 June 2015, executed before civil-law notary M.D.P. Anker of Amsterdam. The Terms of Administration were most recently altered by deed of 22 May 2017, executed before civil-law notary W.H. Bossenbroek of Amsterdam. The Issuer is registered in the Trade Register with the Chamber of Commerce of Utrecht, The Netherlands under number 41179632. The registered office of the Issuer is located in Zeist, The Netherlands. The address is Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands and the telephone number is +31 (0)30 693 6500.

All Shares of Triodos Bank are issued to the Issuer, which issues one Depository Receipt for one Share. The Issuer holds the voting rights on the Shares, in order to protect the identity and working method of Triodos Bank. As regards voting rights, there are no differences between the Shares.

In the exercise of its rights, the Issuer is guided by the interests of the Depository Receipt Holders and of Triodos Bank, and by the basic principles expressed in Triodos Bank's objects.

### Purpose

The objects of the articles of association (Article 2) of the Issuer read as follows:

*The objects of the foundation are:*

- a. to acquire shares in the capital of Triodos Bank N.V., a limited liability company having its corporate seat at Zeist - hereinafter referred to as: the 'Bank' - for administration purposes to what end which shares will be transferred to the foundation in return of non-convertible depository receipts, on the terms of administration to be established by notarial deed;*
- b. to exercise the rights which are attached to the shares;*
- c. to do anything which is, in the widest sense of the word, connected with or may be conducive to the attainment of the objects as mentioned under a. and b. above, provided that any act that could entail a commercial risk for the foundation is excluded.*

The board of the Issuer holds at least one yearly meeting of Depository Receipts Holders. The meeting is held in The Netherlands and is called no later than 15 days before the meeting is held. Each holder of Depository Receipts has the right to attend the meeting. Each Depository Receipt Holder has as many voting right as he holds Depository Receipts, with a maximum of 1,000 votes.

Members of the board of the Issuer are appointed by the meeting of Depository Receipts Holders, on the basis of a binding nomination by the board of the Issuer. Subject to approval of the Supervisory Board, the Executive Board must approve the binding nomination of the members of the board of the Issuer. If the proposal for appointment is not accepted by the meeting of Depository Receipt Holders, the board of the Issuer shall draw up a new nomination. The binding nature of this second nomination can be withdrawn by a resolution by the meeting of Depository Receipt Holders by a two thirds majority of the votes cast that represent more than half of the nominal value of the issued Depository Receipts. Members of the Executive Board and the Supervisory Board cannot be appointed as board members of the Issuer.

The Terms of Administration can be altered by the Issuer. The meeting of Depository Receipt Holders and Triodos Bank must approve this alteration.

## Members of the board of the Issuer

The members of the board of the Issuer are:

### *Josephine de Zwaan (1963), Chair*

Josephine de Zwaan is also a member and Chair of the Supervisory Board of Stichting Triodos Holding. She was a lawyer for more than thirteen years, specialising in major real estate projects. During the last five years of that period, she was a member of the partnership (owner) CMS Derks Star Busmann. Since 2000 she has acted in various administrative and supervisory roles in education, health care and culture. She is Chair of the Supervisory Board of Stichting Cito and Fairphone B.V., Vice-Chair of the Supervisory Board of the University of Applied Science Leiden, Vice-Chair of the Supervisory Board of the Vilans Foundation and Chair of the Foundation for the Register of Social Enterprises. She is chair of the Supervisory Board of the association Buma and the foundation Stemra. She is a member of the Board of Foundation Akademeia and an independent advisor to various organisations, in both the public and private sector (including social enterprises). Josephine de Zwaan was first appointed in 2010 and her present term expires in 2020. She is of Dutch nationality and does not own any Depository Receipts.

### *Nikolai Keller (1969)*

Nikolai Keller is the CEO of the Filderklinik GmbH in Filderstadt and is shareholder and Board Member of Mahle Stiftung GmbH. Nikolai Keller is also a lawyer and partner at Keller & Kollegen, a law firm based in Stuttgart, as well as Chair of the Supervisory Board of Helixor Heilmittel GmbH and member of the Supervisory Board of Nikolaus Cusanus Haus e.V. Prior to that he had served at Weleda AG as Managing Director Pharma Germany/Austria/Switzerland. Mr. Keller started his career at the law firm Barkhoff & Partner in Bochum. Nikolai Keller was first appointed in 2018 and his present term expires in 2022. He is of German nationality and does not own any Depository Receipts.

### *Willem Lageweg (1951)*

Willem Lageweg is also a member of the Supervisory Board of Stichting Triodos Holding. He was CEO of MVO Netherlands, a centre of excellence which encourages corporate social responsibility among companies until July 2016. Prior to that he worked for Rabobank Netherlands where he held various positions such as spokesperson & Communications Director, Director of Cooperation and Project Director for Major Cities. He began his career at the National Cooperative Council for Agriculture and Horticulture. Currently he holds a number of administrative, supervisory and advisory positions, including at the Transition Coalition Food, Louis Bolk Institute, SIB Kenya, Institute for Positive Health and Friends of Maasai and Max Havelaar. Willem Lageweg was first appointed in 2016 and his present term expires in 2020. He is of Dutch nationality and owns 183 Depository Receipts.

### *Koen Schoors (1968)*

Koen Schoors is full professor of economics at Ghent University. His research focuses on banking and finance, law and economics, development economics, institutional economics and complexity. At Ghent University he is the current head of the Department of General Economics and of the newly founded Russia platform. Outside Ghent University he is Chair of the Board of Gigarant and Trividend and is also a member of the Board of the Cooperative firm Energent, and of the social-artistic collective Bij de Vieze Gasten. He also acted as an expert for the Fortis Commission of the Federal Parliament, the Dexia Commission of the Flemish Parliament and the G1000. He actively participates in the policy debate, via colloquia, debate evenings, public lectures, columns, commentaries and interviews. Koen Schoors was first appointed in 2017 and his present term expires in 2021. He is of Belgian nationality and does not own any Depository Receipts.

### *Mercedes Valcarcel (1968)*

Mercedes Valcarcel is Managing Director in Fundación Tomillo and professor in economics in UNED (Spanish on-line public university) focused on social finance and social impact assessment. Fundación Tomillo aims to contribute to social improvement and development of the individual and works for a change in our society by helping people at risk of exclusion to improve their situation and their community. She is member of the Spanish Social Investments Association (Spainsif) and member the Board of Directors of Fundación Daniel & Nina Carasso. In the last years she participated in European Commission advisory groups on social entrepreneurship and on innovation. Previously, for 10 years, Mercedes Valcarcel held various management

positions in a public foundation in charge of promoting employment in small and medium-sized enterprises (SME). Before that, she worked for 14 years in the financial sector in internal audit, consultancy and financial departments of various European banks and venture capital companies, such as Sepides, Najeti, SCR, Banco Espirito Santo and Deloitte. Mercedes Valcarcel was first appointed in 2019 and her present term expires in 2023. She is of Spanish nationality and does not own any Depository Receipts.

In relation to the members of the board, the Issuer is not aware of (i) any convictions in relation to fraudulent offences in the last five years; (ii) any bankruptcies, receiverships or liquidations of any entities to which they were associated in the last five years; (iii) any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies) or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer in the last five years.

### **Remuneration**

Members of the board of the Issuer receive remuneration for their activities of EUR 7,000 per annum. The chair receives a remuneration of EUR 10,000 per annum. The compensation per return travel is fixed at EUR 1,000 with a maximum of EUR 12,000 per annum for those members of the board who travel to a meeting outside their home country.

The total remuneration (remuneration and compensation for travel time) paid to the members of the board is as follows (*amounts in EUR*):

	<b>2017</b>	<b>2018</b>
Marjatta van Boeschoten (until 18 May 2018)	12,000	5,917
Sandra Castañeda Elena (until 19 April 2017)	4,333	-
Frans de Clerck (until 18 May 2018)	13,000	4,917
Nikolai Keller (as per 18 May 2018)		7,667
Willem Lageweg	8,000	8,000
Mike Nawas	13,000	14,000
Koen Schoors (as per 19 May 2017)	7,083	15,000
Josephine de Zwaan (Chair)	13,000	15,000

### **Services contracts**

There are no service contracts between the members of the board of the Issuer providing for benefits upon termination of employment.

### **Potential conflicts of interest**

The Issuer is not aware of any potential conflicts between any duties of the member of the board of the Issuer and their private interest and/or other duties except as mentioned in this Prospectus on page 27 in the paragraph 'Potential conflicts of interest'.

## DESCRIPTION OF TRIODOS BANK

### Structure

Triodos Bank N.V. was founded as a public limited company under Dutch law by deed of 30 June 1980, executed before civil-law notary A.G. van Solinge of Amsterdam. Triodos Bank's commercial name is Triodos Bank. Triodos Bank has no other trade names. Triodos Bank operates under Dutch law.

Triodos Bank's registered office is in Zeist, The Netherlands. The address is Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands and the telephone number is +31 (0)30 693 6500. The articles of association of Triodos Bank were most recently amended by deed dated 22 May 2017, executed before civil-law notary W.H. Bossenbroek of Amsterdam. Triodos Bank is registered in the Trade Register with the Chamber of Commerce of Utrecht under number 30062415, in the Legal Entities Register in Brussels under company number 0450 507 887, in the UK Companies House register under number 11379025, in the Trade Register of Madrid (ES) Tomo 19.798, Folio 180, Hoja M-348646, in the Trade Register of Frankfurt (DE) HRB 85826 and in the Trade Register of Paris under number 788974343 (RCS Paris).

Triodos Bank has offices in The Netherlands, Belgium, the United Kingdom, Spain, Germany and in France. Triodos Bank's registered office in The Netherlands has been in Zeist since its foundation in 1980. Triodos Bank has been based in Belgium since May 1993. In the United Kingdom, Triodos Bank has been based in Bristol since 1995. In Spain, Triodos Bank has been based in Madrid since 2004. In Germany Triodos Bank has been based in Frankfurt since 2009. In France Triodos Bank has an office in Paris for which Triodos France B.V. acts as intermediary for Triodos Bank N.V. since 2012.

### Purpose

The objects of the articles of association (Article 2) of Triodos Bank read as follows:

- 1. The object of the company is the exercising of banking business in the widest sense, including brokerage in insurance. Participation in, cooperation with and management of other companies or institutions shall also be within the objective of the company.*
- 2. With the exercising of banking business, the company aims to contribute to social renewal, based on the principle that every human being should be able to develop in freedom, has equal rights and is responsible for the consequences of his economic actions for fellow human beings and for the earth. All in the widest sense of the word.*

Triodos Bank is subject to the large company regime (*structuurregime*). Under this regime, a number of traditional powers vested in the general meeting of shareholders (the **General Meeting**) are transferred to the Supervisory Board.

Triodos Bank has a two-tier board structure consisting of the Executive Board and a supervisory board (the **Supervisory Board**). Members of the Executive Board are appointed and dismissed by the Supervisory Board upon the nomination by the Supervisory Board. The Supervisory Board shall notify the General Meeting of a proposal to appoint a member of the Executive Board. Members of the Supervisory Board are appointed by the General Meeting. The General Meeting may withdraw its confidence in the Supervisory Board. Such resolution shall have as its effect the immediate dismissal of all the members of the Supervisory Board.

The daily management of Triodos Bank lies with the executive board (the **Executive Board**).

The Supervisory Board is tasked with supervising the policy of the Executive Board and the general state of affairs within the company and the associated business. The Supervisory Board supports the Executive Board with advice. In fulfilling their task, the Supervisory Board members act according to the interests of the company and the associated business.

Subject to the approval of the Supervisory Board, the Executive Board is authorised to issue Shares for a period of 30 months as of 18 May 2018. The Shares shall be registered and shall only be issued if fully paid up. The Executive Board shall maintain a register containing the names and addresses of all shareholders, stating the amount paid on each Share. The register shall be regularly updated.

The articles of association of Triodos Bank can be amended by the General Meeting on the proposal of the Supervisory Board. The General Meeting is called annually by an invitation letter sent to the shareholders and all Depository Receipt Holders. Depository Receipt Holders have the right to speak at the General Meeting.

The General Meeting shall be held in The Netherlands in Amersfoort, Amsterdam, The Hague, Driebergen, Rotterdam, Utrecht or Zeist, as often as convened by the Supervisory Board or the Executive Board. General Meetings must be convened when one or more shareholders and/or Depository Receipt Holders, jointly representing at least one-tenth of the issued capital so request the Executive Board and the Supervisory Board, stating the subjects to be discussed.

### **Capitalisation**

Triodos Bank is characterised by a high degree of liquidity and is funded predominantly by deposits from private customers and small and medium sized enterprises. As a result, Triodos Bank does not rely on funding from the wholesale market. As at 31 December 2018, the balance sheet totals EUR 10,870 million, consisting of equity (EUR 1,131 million (10.4% of balance sheet total)) and liabilities (EUR 9,739 million (89.6% of balance sheet total)). Equity consists of EUR 675 million of share capital, EUR 190 million of share premium reserve, EUR 2 million of revaluation reserve, EUR 31 million of statutory reserve, EUR 194 million of other reserves and EUR 39 million of retained earnings.

Regarding the share capital, the authorised capital of Triodos Bank amounts to EUR 1.5 billion, divided into 30 million shares, each having a nominal value of EUR 50. On 31 December 2018, the number of shares issued to and fully paid up by the Issuer is 13,494,697. This number of shares consists of 12,247,373 shares as of 1 January 2018, an increase with 1,001,861 shares and stock dividend of 245,463 shares. The Issuer had issued 13,494,697 Depository Receipts, each with a nominal value of EUR 50. Share premium reserve includes deposits, exceeding the nominal capital, after reduction of capital transfer tax. Statutory reserves include development costs and conversion differences.

Since the founding of Triodos Bank, it has increased its capital base by issuing via the Issuer Depository Receipts to the public, using its own customer base and general marketing efforts. Triodos Bank plans to continue this policy as, until now, this method proved to provide for sufficient growth of the capital.

As at 31 December 2018, Triodos Bank did not hold any Depository Receipts.

There are no restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the operations of Triodos Bank.

Besides this capital base, Triodos Bank is funded by customers that have funds entrusted in various types of bank accounts (EUR 9,558 million as at 31 December 2018). EUR 334 million of the funds entrusted can be classified with a maturity of longer than one year.

As at December 2018 the Common Equity Tier 1 ratio, an important measure of banks solvency was 17.7% (Triodos Bank aims for a Common Equity Tier 1 ratio of at least 16% in a stable and predictable regulatory context). As at 31 December 2017 the Common Equity Tier 1 ratio was 19.2%. The decrease in 2018 was mainly caused by an increase in risk weighted assets, due to the growth of the sustainable loan portfolio. This trend was coupled with relatively lower growth in capital in 2018 and the fact that Triodos Bank has increased its capital buffer related to the trading in its Depository Receipts.

For 2018 cash inflow is mainly caused by an increase in funds entrusted of EUR 836 million, divestment in interest bearing securities of EUR 397 million and a share issue of EUR 83 million. Cash outflow mainly

consists of an increase in loans of EUR 679 million and investment in interest bearing securities of EUR 228 million.

In 2018, the loan portfolio grew by 10% to EUR 7,274 million (2017: EUR 6,598 million). The loan portfolio as a percentage of the total amount of funds entrusted stayed the same: 76% at 31 December 2018. Triodos Bank's goal is to lend between 75% and 85% of its funds entrusted. Triodos Bank intends to continue to build on and improve the ratio between loans and funds entrusted. Without short term loans to municipalities the ratio increased to 74% (: 70%). The remainder of the assets is mainly in banks (EUR 237 million), interest-bearing securities (EUR 1,232 million, of which 38% is in government bonds) and cash (EUR 1,795 million), which mainly consist of on demand deposits with central banks.

Liquidity risk refers to the risk that Triodos Bank is unable to fulfil its payment obligations to its customers and counterparties at a particular point in time without incurring unacceptable losses. Customers' savings and deposits are attracted in order to finance Triodos Bank's lending operations. The surplus is primarily placed with central banks, credit institutions or invested in deposits and bonds. Triodos Bank has a strong liquidity position and is funded almost entirely by equity and deposits from private customers and small and medium sized enterprises. As a result, Triodos Bank does not rely on funding from the wholesale money and capital markets. The liquidity position of Triodos Bank is monitored by two ratios:

- The Liquidity Coverage Ratio (LCR): to ensure an adequate level of unencumbered, high-quality assets that can be converted into cash to meet liquidity needs over a 30-day time horizon under a liquidity stress scenario specified by supervisors. The LCR ratio must be at least 100%.
- The Net Stable Funding Ratio (NSFR) indicates the relationship between available longer-term, stable funding and required longer-term, stable funding resulting from the liquidity profiles of assets and off balance sheet items. Minimum NSFR standards will be set by 2018.

As at December 2018 the LCR is 228%. The NSFR is 146%.

Regarding foreign exchange risk, Triodos Bank aims to avoid net currency positions, with the exception of those arising from strategic investments. The term positions in foreign currencies reflect mainly the currency derivatives for Triodos Investment Funds which are nearly fully hedged.

## **Business**

Triodos Bank's principal activities since its date of incorporation are the core activities of a bank and investment firm. Triodos Bank wants to connect money with quality of life, in its broadest sense, in a positive and enterprising way. Socially responsible enterprise lies at the heart of this effort. And sustainable banking reflects this spirit of enterprise and positive change in the banking industry.

Triodos Bank is a powerful example of sustainable banking in practice. It uses money and banking expertise to create positive solutions to social and environmental problems and is well-equipped to continue to meet these challenges. Triodos Bank wants to further involve its customers, Depository Receipt Holders and other organisations in delivering meaningful, lasting change. As well as offering these stakeholders access to a sustainable bank, it wants to provide a compelling way to take positive action to address the social and environmental issues that face us and the planet we depend on. This inclusive approach creates a broad basis of support for the social and environmental renewal at the heart of Triodos Bank's mission and helps bridge the gap between economic developments on the one hand and the interests of people and the environment on the other. Money has a central role to play, backed by understanding, entrepreneurship and transparency.

Since its foundation, Triodos Bank has experienced substantial growth. Over the past five years, the balance sheet total grew steadily, with 2018 showing a growth of 10%. Triodos Bank's balance sheet total is expected to grow more modestly in 2019. Triodos Bank aims to further increase its capital, with this issue, in order to create a basis for the expected further growth of its loan portfolio. It has no further funding requirements in addition to this equity.

## *Markets and our core activities*

Triodos Bank wants to achieve its mission as a sustainable bank in three ways:

### **1. As a relationship bank**

Triodos Bank's service is built on deepening and developing long-term relationships with its customers. This singular focus on relationships is shared across the organisation, while how they are developed differs as the organisation benefits from unity within the diversity of its branches and geographies. It fosters these relationships through various on and offline channels, including offices where customers meet co-workers face-to-face, via the internet, over the phone and by post. Triodos Bank's aim is to create a broad customer base that's closely connected to it – a combination of private and corporate customers who have made a conscious decision to bank with Triodos. Exactly how this happens also differs in each country; its services have developed in different ways in each of the countries where it works, depending in part on the stage of development of the branches and offices in question.

### **2. As a sustainable service provider**

Bank customers not only want sustainable products and services, but also competitive prices and a professional service. Triodos Bank believes that these key customer values cannot be seen in isolation. So it tries to offer a collective package of banking services to promote sustainable development. And it does so in the context of meaningful, transparent relationships with its customers.

Triodos Bank's commitment to meaningful relationships as a key strategic objective, leads to the development of innovative products which directly reflect the mission and values at the core of its work. Product development takes place in all countries.

### **3. As a reference point**

Triodos Bank wants to stimulate public debate on issues such as quality of life, corporate social responsibility and sustainable banking. It also wants to use almost 40 years' experience to encourage society to promote more sustainable development. The implications of this public debate extend well beyond the activities of Triodos Bank itself. Triodos Bank's vision and approach has led to international recognition. Its participation in the public debate, often through high impact events that it hosts and participates in, means people can see what Triodos Bank stands for and hear its opinions about important social trends. Triodos Bank's identity is crucial in this respect, strengthening the Triodos Bank brand and reputation.

Because Triodos Bank develops its own products and distributes them via third parties, its influence extends beyond its own community of customers. As a result its ideas about financial responsibility need to be communicated to a wider audience. Reaching a broader group supports both Triodos Bank's mission to make a positive contribution to sustainable development and contributes to the financial return it generates.

Triodos Bank seeks to strengthen and increase its independence by broadening its customer base. Importantly, by continuing to speak directly with its existing customers, it can continue to understand and respond to its longer standing customers' needs and wishes. Being a Triodos Bank customer means more than just choosing financial products and services that benefit people, the environment and culture. It also means becoming part of a community of individuals and organisations that share similar values. As such, Triodos Bank becomes a hub to help individuals enjoy a more rewarding and authentic quality of life.

## *International markets*

Triodos Bank is an international bank with branches in The Netherlands (since 1980), Belgium (since 1993), Spain (since 2004) and Germany (since 2009). Triodos Bank's branch in the United Kingdom that has been in operation since 1995, has been recently transposed to a subsidiary Triodos Bank UK Ltd. from 1 May 2019.

In addition, Triodos Bank has an office in France (since 2012). The Head Office and statutory seat is in Zeist, The Netherlands.

In many European countries, there is a growing public demand for a bank with the mission, experience and products and services that Triodos Bank can offer. Triodos Bank is continuously looking at other ways in which it can be active in countries where people and businesses are interested in its approach.

#### *Recent developments*

Triodos Bank's activity is split between two core divisions, Triodos Bank's savings and lending business and investment services and Triodos Investment Management, which is a globally active impact investor. Triodos Investment Management manages and invests through investments funds or investment institutions bearing the Triodos name.

In 2018, Triodos Bank's income grew by 11% to EUR 266 million (2017: EUR 240 million). This increased revenue was realised despite the high pressure on income caused in the Eurozone by the European Central Bank. Triodos Investment Management contributed EUR 39 million to this figure (2017: EUR 34 million). In 2018, commission income amounted to 35% (2017: 35%) of total income, in line with expectations.

The total amount of assets under management including Triodos Bank, the investment funds and Private Banking grew by EUR 1.0 billion, or 7%, to EUR 15.5 billion as at 31 December 2018.

In 2018 Triodos Bank's balance sheet total grew by 10% to EUR 10.9 billion thanks to a steady growth of the funds entrusted and new capital raised during the year, in all branches. Growth of between 5% and 10% was expected.

Triodos Bank's total number of customers increased by 5%, against expected growth of between 10% and 15%, and numbered 715,000 customers ultimo 2018. The lower than expected growth was mainly caused by lower inflow of customers in the United Kingdom and a higher outflow of customers in Spain due to the introduction of fees and the clean-up of unused accounts. While Triodos Bank continues to attract new customers in some of its markets, its relatively low interest rate offering and reduced product marketing have contributed to limited growth in 2018.

Triodos Bank has centralised the management of activities related to venture philanthropy and gift money in a new business unit: Triodos Regenerative Money Centre. With this centralisation the coherence of this management is ensured better.

The net profit is EUR 38.6 million, up by 3% (2017: EUR 37.4 million). Triodos Bank delivered a Return on Equity of 3.6% 2018 (2017: 3.9%), in line with expectations.

#### European Branch Network (retail and business banking)

Retail activities developed further in 2018 as people and sustainable enterprises continue to choose to partner with Triodos Bank. For the reasons stated above, the branches offer a variety of products and services to meet growing demand and enable their customers to use their money consciously. This led to continuing and balanced growth in funds entrusted to Triodos Bank in 2018 by EUR 836 million, or 10%, against expected growth of approximately 10%. It also resulted in continuing growth in all the countries where Triodos Bank operates. This was due in part to a growing profile, more efficient and customer friendly account opening processes, and a receptive market keen to use their money more consciously.

Growth of the loan portfolio amounted to EUR 676 million, or 10%, exceeding expected growth of between 5%-15%. Excluding the short-term loans to municipalities the sustainable loan portfolio would have grown by approximately 17%, mainly because of the increase of the mortgage portfolio by 36%. The expected growth of the sustainable loan portfolio was 20%. The increase in business loans was limited to 13%. The distribution of growth over the sectors has been deliberate to achieve more diversification and to lower the risk profile of the portfolio.



## Triodos Investment Management

Triodos Investment Management is responsible for 16 funds, for both individuals and institutions. The assets under management of Triodos Investment Management increased by 21% (2017: 5%) to EUR 4.2 billion of which 18% relates to bringing the financial asset management of the discretionary portfolios of Triodos Bank Private Banking Netherlands in house. The closure of the Culture Fund resulted in a 3% decrease in total assets under management. The net inflow of funds was 4%. Due to stock exchange movements in 2018, the investment funds overall lost 1% of their value.

Worldwide, more and more investors realise that how they invest their money now determines what the world will look like in the future. They are increasingly opting for meaningful and measurable impact investing solutions. Triodos Investment Management sees this as a promising development given the many challenges the world faces today, such as climate change and increasing inequality. Many of these challenges are addressed by the UN Sustainable Development Goals (SDGs). As part of a global sustainable development agenda, the SDGs encourage investors to contribute to addressing these global challenges together.

### *Historical information on Financial Condition and Operating Results*

Historical information on Triodos Bank's financial condition, changes in financial condition and results of operations for the financial years 2017 and 2016 can be found in the Executive Board report 2017 and 2016, which are part of the annual reports 2017 and 2016 incorporated by reference in this Prospectus (see the table on page 23 for more details). The abovementioned sections within the annual reports provide information on significant factors, including unusual or infrequent events or new developments, materially affecting Triodos Bank's income from operations, indicating the extent to which income was so affected; material changes in net sales or revenues, including a discussion on the reasons for such changes, and any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, Triodos Bank's operations.

### *Outlook*

Triodos Bank will continue to develop its European banking activities through the existing branches and Triodos Finance, an intermediary for Triodos Bank N.V. in France. To deliver more positive impact for the individuals and communities Triodos Bank serves, building on its unique experience as Europe's only pan-European sustainable bank, Triodos Bank needs to operate more as one bank. By doing so, Triodos Bank will improve its service to sustainable enterprises, improve efficiency and aim to maintain a stable net profit.

Triodos Bank wants to act beyond its immediate boundaries. Triodos Bank will develop new strategic partnerships and will start offering approved sustainable investment funds from other parties on its own platform in addition to the Triodos Investment Funds, starting in 2019. To become less dependent on interest income, Triodos Bank will focus on growing our fee income, mainly through the expansion of the Triodos Investment Management activities. Triodos Bank anticipates continuing upward pressure on its cost base due to ongoing regulatory requirements. Triodos Bank recognises that these obligations, that come with the license to operate a bank, are important. In particular the increased responsibility of banks for customer due diligence and transaction monitoring require attention and investment, to both comply and stay fully up-to-date with new developments. Triodos Bank has shortcomings in that respect and has received an instruction from the regulator to improve its processes for customer due diligence and monitoring of customer transactions. Triodos Bank expects to be able to comply with the instruction from The Dutch Central Bank (DNB) in the required timeframe.

Like the financial sector in general, Triodos Bank faces a serious challenge with low interest rates and increasing regulatory costs. And yet, the opportunities for Triodos Bank as a frontrunner in responsible finance are significant. With a controlled growth strategy, generating maximum impact and a stable profit, Triodos Bank expects a healthy development in 2019 and beyond.

There are no trends in products, sales and services, and costs and selling prices since the end of 2018 to the date of this Prospectus that are significant or relevant for Triodos Bank.

## *Recent and future investments*

### ICT banking system

Triodos Bank has invested in its ICT systems. The investments in 2016, 2017 and 2018 were respectively EUR 11.1 million, EUR 11.4 million and EUR 12.9 million.

### Real Estate

Triodos Bank has invested in new office buildings in Zeist, The Netherlands, in an office building in Madrid, Spain and in Bristol, United Kingdom for its own use. The investments in real estate in 2016, 2017 and 2018 were respectively EUR 1.7 million, EUR 19.0 million and EUR 35.2 million.

Triodos Bank has been working on the realisation of a new office building since 2011, with the objective to start using the building in 2016. Due to delay in (legal) procedures, the effective start of the construction works was in 2018. Completion of the new office is now scheduled in the third quarter of 2019. Total direct construction costs for the building amounts to EUR 50 million excluding VAT. Triodos Bank has an obligation for a perpetually renewable ground lease as of 2017 for an annual amount of EUR 0.2 million.

### Strategic participations in foreign banks

Triodos Bank has invested strategically in eight (foreign) banks with a similar mission to Triodos Bank's.

These banks are:

- Amalgamated Bank, New York; original investment in New Resource Bancorp, San Francisco in 2006 EUR 1.0 million, in 2008 EUR 1.9 million and in January 2012 EUR 2.9 million. Since 2017 Triodos Bank holds its participation in New Resource Bank via the holding company: New Resource Bancorp. New Resource Bancorp merged with Amalgamated Bank on 1 June 2018 whereby Triodos Bank acquired shares in Amalgamated. As at 31 December 2018 Triodos Bank holds approximately 2.28% in Amalgamated Bank.
- Merkur cooperative bank, Copenhagen; investment in 2008 EUR 1.0 million and in 2011 EUR 87,225; as at 31 December 2018 Triodos Bank holds approximately 2.96% in the share capital of Merkur cooperative bank.
- Cultura Sparebank, Oslo; investment in 2010 EUR 0.08 million, and in 2011 EUR 47,374. As at 31 December 2018 Triodos Bank holds approximately 1.34% in Cultura Sparebank.
- Social Enterprise Finance Australia Limited (SEFA), Sydney, investment in 2012 EUR 0.27 million; divestment in 2018 EUR 0.15 million; as at 31 December 2018 Triodos Bank holds approximately 4.46% in SEFA.
- GLS Gemeinschaftsbank eG, Bochum, investment in 2011 EUR 50,000; as at 31 December 2017 Triodos Bank holds approximately 0.013% in GLS.
- Banca Popolare Etica S.c.p.a., Padova, investment in 2011 EUR 0.12 million and in 2014 EUR 5,750; as at 31 December 2018 Triodos Bank holds approximately 0.17% in Banca Etica Popolare.
- Ekobanken-Medlemsbank, Stockholm, investment in 2011 EUR 47,587; as at 31 December 2018 Triodos Bank holds approximately 0.64% in Ekobanken-Medlemsbank.
- Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden (FMO), The Hague, investment in 2012 EUR 1.5 million and EUR 0.2 million in 2013; as at 31 December 2018 Triodos Bank holds approximately 2% in FMO.

At the moment no other major investments are planned or in progress.

Triodos Bank's own funds will be used to finance recent and future investments as described in this paragraph.

#### *Related party transactions*

Triodos Bank has links with several related parties. Ultimo 2018, the outstanding loans, including guarantees to related parties amounted to EUR 38 million. For more information see page 117 of the Annual Report 2018.

#### *Recent new products and services*

In 2018, the UK branch has introduced a crowdfunding platform.

As of 2018, Triodos Investment Management B.V. has insourced the asset management services of its social responsibility investments ('SRI'). From 2018 onwards, also the asset management of the discretionary portfolios of the private banking accounts of the Dutch branch of Triodos Bank, are managed by Triodos Investment Management B.V.

#### *Material property*

Triodos Bank currently owns real estate in The Netherlands, Spain and United Kingdom. There are no major encumbrances. The real estate in The Netherlands is used as an office for Triodos Bank itself. The book value was EUR 65.8 million as at 31 December 2018. The real estate in Spain and United Kingdom are also used as an office for Triodos Bank itself. The book values were respectively EUR 13.2 million and EUR 12.6 million as at 31 December 2018.

For an overview of leased properties, we refer to page 103 of the annual accounts 2018 of Triodos Bank.

#### *Stakeholders*

Triodos Bank defines stakeholders as all people, groups and organisations with which it has a business or other relationship. Triodos Bank encourages an active dialogue with its stakeholders. A transparent approach to its activities is central to this dialogue.

#### *Organisation and co-workers*

Triodos Bank could not achieve its mission without the support, effort and commitment of its co-workers. Its reputation as a pioneering force in sustainable banking depends on co-workers who are genuinely able to identify with, and make a real contribution towards, Triodos Bank's mission. To this end, co-workers are not only closely involved in the development of new products and services for customers but also in the financial, social and environmental performance of Triodos Bank itself.

#### *Corporate Governance*

The Dutch Corporate Governance Code (the **Code**) does not apply directly to Triodos Bank, as the Depository Receipts are not listed on any regulated market. Nevertheless, Triodos Bank endorses the basic principles of the Code and complies with the principles and best practices of the Code. However, it has also made a well-considered decision to deviate from specific points. The first deviation relates to voting rights on Shares and appointments. To protect Triodos Bank's mission and objectives as much as possible, Depository Receipt Holders are not allowed to exercise voting rights on the underlying Shares, which are instead exercised by the Issuer. For the same reason Depository Receipt Holders cannot make recommendations for appointments of members of the board of the Issuer and former Executive Board or Supervisory Board members of Triodos Bank can be appointed as members of the board of the Issuer. The second deviation relates to the term of office of the members of the Executive Board. This term is not limited to a period of four years, as Triodos Bank feels that this would not serve the long-term development of the company. The third deviation relates to the

fact that the Supervisory Board has an integrated Nomination and Compensation Committee and thus does not provide for a separate Nomination Committee and Remuneration Committee. This is done for practical reasons, given the size of Triodos Bank. The fourth deviation relates to the maximum term for members of the Supervisory Board. In exceptional cases a Supervisory Board member may be re-appointed after the maximum term has expired. The aim is to create more time to fill vacancies, if needed. The fifth instance relates to the fact that the Chair of the Supervisory Board deviates from one of the independence criteria of the Dutch Corporate Governance Code because a family member is a Triodos Bank group co-worker. Finally, Triodos Bank deviates from the Code's best practice to submit all proposals relating to material amendments to the articles of association as separate agenda items to the General Meeting. For practical reasons Triodos Bank wishes to retain the possibility, to be exercised at the discretion of the Executive Board and the Supervisory Board, to submit a proposal for multiple amendments to the articles of association as a single agenda item if there is a strong degree of interrelatedness between these proposed amendments.

#### *Dutch Banking Code*

The Banking Code is part of a package of developments for the banking industry called 'Future Oriented Banking' introduced by the NVB. The package includes, besides the revised Banking Code, a social charter and rules of conduct associated with the Dutch bankers' oath. It consists of a number of recommendations and principles aimed at ensuring the very best performance by banks. Triodos Bank, as a financial institution based in The Netherlands, complies with the principles of the Banking Code. However, Triodos Bank chooses not to have variable remuneration based on predetermined targets or achievements, as these can enhance a culture of taking more risk. Triodos Bank monitors, identifies and addresses any occasions when it does not comply with the Banking Code on an ongoing basis, and will report on compliance with the Banking Code in its annual report.

#### **Legal structure and ownership**

All Shares are issued to the Issuer, which issues one Depository Receipt for one Share. The Issuer holds the voting rights on the Shares, in order to protect the identity and working method of Triodos Bank. As regards voting rights, there are no differences between the Shares. In the exercise of its rights, the Issuer is guided by the interests of the Depository Receipt Holders and of Triodos Bank, and by the basic principles expressed in Triodos Bank's objectives. As at 31 December 2018, there were 42,416 Depository Receipt Holders, with 7.3% of the Depository Receipts held by financial institutions. No Depository Receipt Holder may hold 10% or more of the Bank's issued capital. The Depository Receipts are not listed on any securities exchange. Instead, Triodos Bank facilitates transactions against net asset value for the non-exchangeable Depository Receipts for registered shares.

#### **Information on significant subsidiaries**

##### *Triodos Bank UK Ltd.*

Triodos UK Bank Ltd., incorporated in the United Kingdom, manages the banking business of Triodos Bank in the United Kingdom.

##### *Triodos Investment Management B.V.*

Triodos Investment Management B.V., incorporated in the Netherlands, manages several Triodos investment funds, both retail and institutional.

##### *Triodos Ventures B.V.*

Triodos Ventures B.V., incorporated in The Netherlands, is associated with Triodos Group. It is legally independent of Triodos Bank and plays a role in the development and finance of new projects that, in many cases, represent high-risk investments. These include venture capital activities, project development and charitable funds. The directors of Triodos Ventures B.V. and of Stichting Triodos Holding are the same persons

as the members of the Executive Board of Triodos Bank. Stichting Triodos Holding has a supervisory board that currently consists of two members of the board of the Issuer (Willem Lageweg and Josephine de Zwaan).

<b>Significant Depository Receipt Holders (%)</b>	2017	2018
Coöperatieve Centrale Raiffeisen-Boerenleenbank BA	4.6	4.3
Delta Lloyd Levensverzekering N.V.	3.2	3.0

The voting rights of the significant Depository Receipt Holders do not differ from other Depository Receipt Holders.

Triodos Bank is not aware of any persons, other than the members of the Executive Board, who directly or indirectly have an interest notifiable under Dutch law in Triodos Bank's capital or voting rights.

Triodos Bank is not aware of any persons, who directly or indirectly own or control Triodos Bank's business.

### Share Capital

The number of Shares and Depository Receipts as per the end of the book year:

2016	11,088,308 Shares and Depository Receipts
2017	12,247,373 Shares and Depository Receipts
2018	13,494,697 Shares and Depository Receipts

The number of Shares and Depository Receipts has grown in these years due to an ongoing issue of new Shares and Depository Receipts, and due to stock dividends.

### Employees

In 2018, the number of co-workers employed at Triodos Bank rose by 3.6% from 1,377 to 1,427. This increase is mainly due to the growth of the Dutch and United Kingdom branch and the growth of the head office of Triodos Bank. At the end of 2018, the number of co-workers employed in the countries and business units was as follows:

	Number of co-workers		Full-time equivalent (FTE) basis	
	2017	2018	2017	2018
Bank branches				
<i>The Netherlands</i>	247	261	213.0	227.0
<i>Belgium</i>	139	140	130.0	138.7
<i>United Kingdom</i>	167	180	153.0	173.2
<i>Spain</i>	290	281	271.7	278.5
<i>Germany</i>	66	64	51.2	54.0
<i>France</i>	15	15	15.0	15.0
Triodos Investment Management (only NL)	184	186	168.1	168.5

Head Office (only NL)	269	300	247.0	262.5
<b>Total</b>	<b>1,377</b>	<b>1,427</b>	<b>1,249</b>	<b>1,317.4</b>

## The Executive Board

The members of the Executive Board of Triodos Bank are:

### *Peter Blom (1956), CEO, Chair*

Peter Blom has been a statutory member of the Executive Board of Triodos Bank N.V. since 1989 and is Chair of this Board. He is also a Statutory Director of Triodos Ventures B.V., member of the Board of Stichting Triodos Holding, Stichting Triodos Sustainable Finance Foundation and Triodos Invest CVBA, Chair of the Board of Stichting Global Alliance for Banking on Values, member of the Board of the Dutch Banking Association, Co-Chair of the Board of Stichting Sustainable Finance Lab, member of the Board Stichting NatuurCollege and Chair of the Supervisory Board of MVO Nederland. Peter Blom is also a member of the Central Planning Committee of Netherlands Bureau for Economic Policy Analysis (CPB). He is of Dutch nationality and owns one Depository Receipt.

### *Jellie Banga (1974), COO*

Jellie Banga has been a statutory member of the Executive Board of Triodos Bank N.V. since September 2014. She is Chief Operating Officer and was first appointed to the Executive Board as a non-statutory member in 2013. Jellie Banga is also a Statutory Director of Triodos Ventures B.V. and a member of the Board of Stichting Triodos Sustainable Finance Foundation and Stichting Triodos Holding. She is of Dutch nationality and does not own any Depository Receipts.

### *Carla van der Weerd (1964), CRO*

Carla van der Weerd has been a statutory member of the Executive Board and Chief Risk Officer of Triodos Bank N.V. since 17 May 2019. Carla van der Weerd is currently a member of the Supervisory Board of DSW Zorgverzekeraar U.A. and a member of the Supervisory Board of the University of Applied Sciences Inholland. Carla van der Weerd is a former member of the Supervisory Board of Triodos Bank N.V. She is of Dutch nationality and does not own any Depository Receipts.

At this moment there is a vacancy for the position of the CFO function within the Executive Board. The CEO of the Executive Board currently has the statutory responsibilities of the CFO.

## Remuneration paid to the members of the Executive Board

The Supervisory Board determines the remuneration and other employment conditions of the members of the Executive Board, taking account of the remuneration policy to be determined by the General Meeting.

The remuneration paid to the members of the Executive Board is as follows (*amounts in thousands of EUR*):

	<b>2017</b>	<b>2018</b>
Fixed salary expenses	793	805
Pension expenses	80	81
Pension allowance for salary above EUR 100.000	122	123
Private use company car	11	11
Social expenses	34	40
<b>Total</b>	<b>1,040</b>	<b>1,060</b>

The salary expenses of the Executive Board may be broken down as follows (*amounts in thousands of EUR*):

	<b>2017</b>	<b>2018</b>
Peter Blom (Chair)	300	304
Pierre Aeby*	253	257
Jellie Banga	240	244
Total	<b>793</b>	<b>805</b>

\*Pierre Aeby has been CFO and member of the Executive Board until 17 May 2019

In relation to the members of the Executive Board, Triodos Bank is not aware of (i) any convictions in relation to fraudulent offences in the last five years; (ii) any bankruptcies, receiverships or liquidations of any entities to which they were associated in the last five years; (iii) any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies) or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer in the last five years.

## **The Supervisory Board**

The members of the Supervisory Board of Triodos Bank are:

### *Aart de Geus (1955), Chair*

Aart de Geus is Chair of Triodos Bank's Supervisory Board and a member of Triodos Bank's Nomination and Compensation Committee. He is Chair and CEO of the Bertelsmann Stiftung, a German think-tank, President of the Bertelsmann Foundation North America, Member of the Advisory Panel of SITRA Public Foundation in Helsinki, Chairman of the Kuratorium of the Reinhard Mohn Institute and Member of the Advisory Council of Centrum Hochschulenentwicklung. Previously, he was Deputy Secretary-General at the Organisation for Economic Cooperation and Development (OECD) and Minister of Social Affairs and Employment in the Dutch Government (2002-2007). He was also a partner at Boer & Croon Strategy & Management Group and worked for the Industriebond CNV and Vakcentrale CNV. Aart de Geus was first appointed in 2014 and his present term expires in 2022. He is of Dutch nationality and does not own any Depository Receipts.

### *Ernst-Jan Boers (1966)*

Ernst-Jan Boers is Chair of Triodos Bank's Nomination and Compensation Committee. He was Chief Executive Officer at SNS Retail Bank until March 2014 where he previously also held the position of Chief Financial Risk Officer. He worked at ABN AMRO Hypotheken Groep B.V. until March 2007 including a role as Chief Financial Officer. Prior to that he worked at Reaal Groep N.V. as the head of Internal Audit and as a Controller. Ernst-Jan Boers is Board Member of Stichting Nationaal Energiebespaarfonds, a financial member of the Board of Coöperatie Medische Staf Gelre U.A., a member of the Supervisory Board of Coöperatie Univé U.A., a member of the Supervisory Board of Stichting Fonds Duurzaam Funderingsherstel and Chair of the Board of AHOLD Delhaize Pension Fund. Ernst-Jan Boers was first appointed in 2014 and his present term expires in 2022. He is of Dutch nationality and does not own any Depository Receipts.

### *Fieke van der Lecq (1966)*

Fieke van der Lecq is a member of Triodos Bank's Audit and Risk Committee. She graduated in economics and business economics and holds a PhD in monetary economics from Groningen University. Currently, she is part time Professor of Pension Markets at the Vrije Universiteit Amsterdam. Fieke van der Lecq is owner of Ecovisie, a member of the Supervisory Board and Chair of the Audit and Risk Committee of Syntrus Achmea Real Estate & Finance, Chair of the Supervisory Board of the Confectionery Industry Pension Fund, member of the Supervisory Board of Arriva Netherlands and Chair of the Board of Foundation KDP (KPMG Deferred Payments). At the same time Fieke van der Lecq is an independent ('crown') member of the Social and Economic Council of the Netherlands (SER), academic member of the Occupational Pensions Stakeholder Group (OPSG) of the European Insurance and Occupational Pensions Authority (EIOPA), Chair of the editorial board of Netspar, Chair of the SCOOR Foundation and Academic director of the VU programme Risk Management for Financial Institutions. Prior to this Fieke van der Lecq held various positions in academia,

business, and civil service. Fieke van der Lecq was first appointed in 2017 and her present term expires in 2021. She is of Dutch nationality and does not own any Depository Receipts.

*Mike Nawas (1964)*

Mike Nawas is co-founder of Bishopsfield Capital Partners Ltd (BCP), a financial consultancy based in London. He has been Associate Professor Financial Markets at Nyenrode Business University since 2011. Prior to that he worked at ABN AMRO Bank for twenty years in various positions, including from 2005 as group director worldwide responsible for helping clients access the credit markets via loans, bonds or structured finance. Since 2013 he has been Chair of the Foundation Akademeia. Mike Nawas is a former member of the Board of the Issuer. Mike Nawas was first appointed in 2019 and his present term expires in 2023. He is of Dutch and US nationality and does not own any Depository Receipts.

*Dineke Oldenhof (1958)*

Dineke Oldenhof is member of Triodos Bank's Nomination and Compensation Committee. She joined the National Police in 2008, where she became HRM Director in 2011. Since 2014 she has been a Special Councillor of the National Police. She has been Director of Operations of the Police Academy since February 2018. Dineke Oldenhof is a member of the Supervisory Board of the regional health centre, Widar. Previously she held various positions in a retail, political and educational environment as well as in financial services, such as holding director HR at Maxeda, Director HR at Interpay, organisational consultant to the executive board of ING Group and trainer/manager at the Vrije Hogeschool. Dineke Oldenhof was first appointed in 2018 and her present term expires in 2022. She is of Dutch nationality and does not own any Depository Receipts.

In relation to the members of the Supervisory Board, Triodos Bank is not aware of (i) any convictions in relation to fraudulent offences in the last five years; (ii) any bankruptcies, receiverships or liquidations of any entities to which they were associated in the last five years; (iii) any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies) or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer in the last five years.

### **Committees of the Supervisory Board**

The Supervisory Board has established from among its members two committees: an Audit and Risk Committee and a Nomination and Compensation Committee.

*Audit and Risk Committee*

The Audit and Risk Committee prepares the briefing material for decision-making by the Supervisory Board in relation to (i) operation of the risk management and internal control systems, (ii) provision of financial information by Triodos Bank, (iii) compliance with recommendations of actuaries and auditors, (iv) Triodos Bank's policy on tax planning, (v) Triodos Bank's financing and (vi) control of risks in relation to the applications of information and communication technology. The Audit and Risk Committee assists the Supervisory Board but does not supervise the Supervisory Board.

The Audit and Risk Committee of the Supervisory Board consists of Ernst-Jan Boers (Chair), Fieke van der Lecq and Mike Nawas.

*Nomination and Compensation Committee*

The Nomination and Compensation Committee (i) drafts a proposal to the Supervisory Board for the remuneration policy to be pursued, (ii) prepares a proposal for the Supervisory Board concerning the remuneration policy for the Executive Board, (iii) prepares a proposal concerning the individual remuneration of the members of the Executive Board and (iv) prepares on an annual basis the Supervisory Board's remuneration report on the remuneration policies for the members of the Executive Board.



The Nomination and Compensation Committee of the Supervisory Board consists of Ernst-Jan Boers (Chair), Aart de Geus and Dineke Oldenhof.

### **Remuneration paid to the Supervisory Board**

As per 2019, members of the Supervisory Board receive remuneration for their activities of EUR 20,000 per annum. The Chair receives a remuneration of EUR 30,000 per annum. The compensation per return travel is fixed at EUR 1,000 with a maximum per annum of EUR 12,000 for those Supervisory Board members who travel to a meeting outside their home country.

As per 2019, members of the Audit and Risk Committee receive an additional remuneration of EUR 5,000 per annum. The Chair of the Audit and Risk Committee receives an additional remuneration of EUR 6,000 per annum.

As per 2019, members of the Nomination and Compensation Committee receive an additional remuneration of EUR 4,000 per annum. The Chair of the Nomination and Compensation Committee receives an additional remuneration of EUR 5,000 per annum.

The remuneration paid to the Supervisory Board is as follows (*amounts in EUR*):

	<b>2017</b>	<b>2018</b>
Ernst-Jan Boers	25,979	25,750
David Carrington (until 19 May 2017)	13,958	-
Aart de Geus (Chair)	30,000	30,000
Mathieu van den Hoogenband (until 19 May 2017)	12,062	-
Fieke van der Lecq (as per 19 May 2017)	13,283	23,500
Dineke Oldenhof (as per 18 May 2018)	-	14,667
Gary Page* (as per 19 May 2017)	18,283	31,500
Udo Philipp	28,500	30,500
Carla van der Weerd (until 12 April 2019)	24,500	23,500

\*In addition, Gary Page provided consultancy services to Triodos Bank UK Ltd. of Triodos Bank related to Brexit preparations.

These services were rendered outside of the scope of his responsibility as a member of the Supervisory Board. In 2018 the remuneration for these services was GBP 13,333.

### **Address of the Supervisory Board and Executive Board**

All members of the Supervisory Board and Executive Board have their business address at Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands.

### **Service contracts**

There are no service contracts between members of the Executive Board, members of the Supervisory Board and the Issuer, Triodos Bank or any of its subsidiaries providing for benefits upon termination of employment.

### **Potential conflicts of interest**

There are some potential conflicts of interest between Triodos Bank and some of the investment funds that are managed by Triodos Investment Management B.V. or related foundations. Members of the Executive Board of Triodos Bank in some cases hold positions in the management board of these funds or foundations. Also, the chair of the Executive Board of Triodos Bank has a family relationship with a co-worker of Triodos Bank. Two members of the Board of the Issuer hold a position as supervisory board member in Stichting Triodos Holding.

In case a conflict of interest does exist, extra governance measures are taken based on a conflict of interest policy in order to safeguard interests of the separate legal entities. There are no other potential conflicts between any duties of the members of the Executive Board and the Supervisory Board to Triodos Bank and their private interest and/or other duties. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person was selected as a member of the administrative, management or supervisory bodies or senior management.

## **Financial information**

### *Audited annual financial statements*

As set forth under 'Documents incorporated by reference', the audited annual financial statements for the financial years ended 31 December 2016, 2017 and 2018 of Triodos Bank and the audited statements of shares for the years ended 31 December 2016, 2017 and 2018 of the Issuer are deemed to be incorporated in, and form part of, this Prospectus.

### *Auditors' reports*

The auditors, PricewaterhouseCoopers Accountants N.V., issued unqualified auditors' reports on the financial statements of Triodos Bank for the years ended 31 December 2016 and 2017 and 2018 on 24 March 2017, 14 March 2018 and 20 March 2019 respectively. For a better understanding of Triodos Bank's financial position and results and of the scope of the audit, the annual financial statements and the auditor's reports on these financial statements should be read.

### *Age of latest financial information*

The latest audited financial information is dated 31 December 2018.

## **SUPERVISION AND REGULATION**

### **Introduction**

This section constitutes a summary of the supervision and regulation framework relevant to Triodos Bank. The information in this section is by no means, nor is it intended to be, an exhaustive discussion of the subject matter thereof. As a financial service provider offering banking and investment services, Triodos Bank is primarily subject to supervision and regulation of the banking and investment services industry.

### **National regulation**

The activities carried out by Triodos Bank are subject to supervision exercised by the DNB and by the AFM, the two Dutch supervisory authorities for the financial markets. The supervision by the DNB of Triodos Bank's banking services is mainly exercised pursuant to the FSA, which implements European banking supervision legislation as further discussed below. The supervision by the AFM of Triodos Bank's securities and investment business is exercised pursuant to the FSA as well, which also implements various European legislation with respect to the activities of investment firms (securities intermediaries and portfolio managers). Increasingly, supervision in both areas is exercised pursuant to EU regulations which have direct effect without the need for further implementing national legislation.

The DNB exercises supervision with respect to the solvency of credit institutions, the structure of credit institutions and the group to which they belong, and the administrative organisation of credit institutions. In addition, it exercises liquidity supervision with respect to certain issues that are specific for credit institutions. Investment firms are subject to supervision by the AFM pursuant to the FSA and require a licence from the AFM to undertake their activities in The Netherlands. The FSA allows the AFM and the DNB to control and verify whether the (legal) persons subject to their supervision comply with the applicable regulations. In addition to their supervisory powers, the AFM and the DNB have various powers to enforce compliance if they determine a violation.

Triodos Bank's branches in Brussels, Frankfurt and Madrid are authorised to operate by way of an EEA passport under the Banking Directive 2006/48/EC. These branches are also subject to local supervision in respect of their conduct of business by their host state supervisory authorities in respectively Belgium, Germany and Spain. Triodos Bank's subsidiary in Bristol, Triodos Bank UK Ltd. is authorised in the United Kingdom by the Prudential Regulation Authority of the Bank of England and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### **Duty of care (know your customer)**

Pursuant to the conduct of business supervision, a financial service provider must determine a customer's financial situation, experience, knowledge and intentions, to the extent relevant for the activities it will perform for such customer. This is known as the 'know your customer' principle.

### **Integrity**

The conduct of business supervision rules provides, *inter alia*, for the requirement to have insider trading regulations, regulations in relation to private investment transactions by the financial service provider's employees and requirements in relation to the hiring of new personnel.

### **Transparency**

Pursuant to the FSA, financial services providers and intermediaries must comply with disclosure and transparency requirements with respect to (i) identity, (ii) cost of services and (iii) services and products offered. In addition, financial services providers and intermediaries will be required to be transparent in respect of costs and commissions.

### **Regulations applicable to the Issuer**

Currently, the Issuer itself is not regulated directly, but as the holding company of a licensed credit institution, it is subject to indirect supervision which the DNB and the AFM exercise on a consolidated level.

## **CHARACTERISTICS OF THE DEPOSITORY RECEIPTS AND UNDERLYING SHARES**

### **Rights attached to the Depository Receipts**

The Depository Receipts have been created under Dutch law, are denominated in euros and will be issued under Dutch law with the cooperation of Triodos Bank. The Issuer issues one Depository Receipt for each Share. Depository Receipts can also be issued in the form of fractions thereof, which fractions shall be rounded to three (3) decimal places and the total of which fractions equals one (1) Depository Receipt. Depository Receipt Holders have the rights which Dutch law attributes to the fact that the Depository Receipts have been issued with the cooperation of Triodos Bank. The rights attached to the Depository Receipts relate to, *inter alia*, the dividends and liquidation payments made payable on the Depository Receipts and the right to attend the General Meetings and speak at such meetings. Depository Receipt Holders do not have the right to vote at the General Meetings. For a more comprehensive description of the rights attached to the Depository Receipts, reference is made to the articles of association of Triodos Bank, the articles of association of the Issuer and the Terms of Administration.

Depository Receipt Holders have a pre-emption right proportionate to their share that can be limited or excluded by the Executive Board.

The Depository Receipts are non-convertible. Non-convertible means that a Depository Receipt cannot be converted into a Share. The Depository Receipts are registered in the Register and are registered in the name of the Depository Receipt Holder. There are no costs attached to registration. Triodos Bank does charge a transaction fee of maximum 0.5% for the execution of buy and sell orders relating to Depository Receipts (with a minimum fee of EUR 5 for subscriptions made through the Spanish branch).

### **Meeting of Depository Receipt Holders**

In a number of situations, the articles of association of the Issuer and the Terms of Administration require decision-making by the meeting of Depository Receipt Holders. For example, amendment by the Issuer of its articles of association and Terms of Administration is only possible subject to approval of the meeting of Depository Receipt Holders and the approval of Triodos Bank. Furthermore, the meeting of Depository Receipt Holders appoints the members of the board of the Issuer, on the basis of a binding nomination by the board of the Issuer. Triodos Bank must approve the nomination of the board members of the Issuer.

In a meeting of Depository Receipt Holders, each Depository Receipt Holder has as many votes as he has whole Depository Receipts, with a maximum of 1,000 votes. No vote can be cast on a fraction of a Depository Receipt.

For a more comprehensive description of the issues for which decision-making is required by the meeting of Depository Receipt Holders, reference is made to the articles of association of the Issuer and the Terms of Administration.

### **Characteristics of the Shares**

The underlying Shares have been created under Dutch law and are denominated in euros. The Shares are registered shares and the register is kept at the head office of Triodos Bank at Nieuweroordweg 1, 3704 EC, Zeist, The Netherlands. Triodos Bank is in charge of keeping the records of the Shares in the register. The Shares are not freely transferable. The Shares will only be transferred between Triodos Bank and the Issuer in the context of the issue of Depository Receipts in accordance with the Terms of Administration.

## **Rights attached to the Shares**

The Shares give the right, *inter alia*, to the dividends made payable on the Shares, and to liquidation payments. In addition, each Share gives the right to cast one vote at the General Meeting.

Shareholders have a pre-emption right proportionate to their shareholding. On 18 May 2018, the General Meeting of Triodos Bank has given the authority to the Executive Board for a period of 30 months to exclude this pre-emption right.

There are no special procedures for exercising the rights attached to the Shares.

## **Meeting of Shareholders**

At least one General Meeting will be held annually in accordance with Article 14 of Triodos Bank's articles of association. Triodos Bank has only one Shareholder: the Issuer. In the exercise of its voting rights, the Issuer will be guided by the interests of the Depository Receipt Holder, the interests of Triodos Bank and the basic principles expressed in the objects of Triodos Bank.

## **Trading and transfers**

The Depository Receipts are not listed on a securities exchange but may be offered back to Triodos Bank, which offer may, at the discretion of Triodos Bank, be accepted. Triodos Bank, facilitates these transactions against net asset value in Depository Receipts, whereby the price is determined on the basis of the net asset value as described under 'The Offering - Issue Price'. During certain periods, the price of the Depository Receipts may be fixed for campaigning purposes. This will be posted on the country websites. For the execution of buy and sell orders relating to Depository Receipts, a transaction fee of maximum 0.5% is charged by Triodos Bank (with a minimum fee of EUR 5 for subscriptions made through the Spanish branch).

Discounts on the purchase price can be available. Discounts on the transaction fee can be available to certain investors in certain periods. These discounts will be made public on the country websites of Triodos Bank.

For all buy and sell orders in Depository Receipts Triodos Bank is the sole counterparty. Buying Depository Receipts offered for sale is at the sole discretion of Triodos Bank. At no point in time Triodos Bank has the obligation to purchase Depository Receipts offered for sale.

Triodos Bank will only offer new Depository Receipts if no (or not sufficient) Depository Receipts have been offered for sale in the same settlement cycle and Triodos Bank does not possess any existing Depository Receipts.

The total amount of Depository Receipts that may be offered for sale by any Depository Receipt Holder is in principle restricted to an amount of EUR 1,000,000 per Depository Receipt Holder per settlement cycle. However, depending on the demand for Depository Receipts during that settlement cycle, Triodos Bank - at its sole discretion - may decide to accept larger sell orders.

In principle the transfer of Depository Receipts is not allowed if and insofar as the acquiring party alone, or together with one or more group companies, or on the basis of an arrangement to cooperate together with one or more others, directly or indirectly, is a holder or will become a holder as a result of the transfer, of a nominal amount of Depository Receipts jointly corresponding with ten percent (10%) or more of the total issued capital of Triodos Bank. At variance with the above provisions, Depository Receipts may only be acquired by a Depository Receipt Holder who alone or jointly with others is the holder of Depository Receipts jointly corresponding with ten percent (10%) or more of the issued capital of Triodos Bank as a result of a partial or full lifting of the above provision, exclusively upon issue and at most up to such number that, after issue, the percentage of the corresponding issued capital of Triodos Bank which said Depository Receipt Holders holds alone or jointly with others by means of their Depository Receipts, is no more than the percentage held before the issue.

The Depository Receipt Holder who alone or together with one or more group companies, and/or on the basis of a co-operation arrangement with one or more natural persons or legal entities, directly or indirectly holds or becomes a holder of a nominal amount of Depository Receipts that together correspond to three per cent (3%) or more of the entire issued capital of Triodos Bank, including the Shares that Triodos Bank holds in its capital, shall be obliged to notify the Executive Board thereof within thirty days.

For a more comprehensive description of trading and transferring Depository Receipts, reference is made to Article 5 of the Terms of Administration.

### **Dividend policy**

It is de policy of Triodos Bank to have a pay-out ratio of between 50% and 70% to deliver stability. However, there is no obligation for Triodos Bank to pay any dividends; the payment of any dividend and the moment of such dividend payment is the absolute and sole discretion of Triodos Bank at all times. No distribution shall be made in any event where this would exceed or cause to exceed the amount of 'distributable items' as defined in the Capital Requirements Regulation (no. 575/2013) available for payment of such dividend. During the financial years 2016, 2017 and 2018 the dividend paid out per Depository Receipt was EUR 1.95. Pursuant to article 16, paragraph 5 of the articles of association and article 3, paragraph 3 of the Terms of Administration, it is possible to make dividends available in cash or in whole or in part in the form of Shares and for the Depository Receipt Holder in the form of Depository Receipts. All dividend payments are of a non-cumulative nature. Stock dividend is calculated by dividing the price of the Depository Receipt (as per the ex-dividend date) with the determined cash dividend per Depository Receipt. This figure will be rounded in favor of stock dividend after the third digit after the decimal point.

### **Payment of dividends and withholding tax**

In case dividends on the Shares will be paid, these dividends are payable at the latest four weeks after the annual accounts have been adopted. Triodos Bank will withhold 15% (2019) Dutch dividend tax on the cash dividend. After receipt of the net dividend (after withholding tax), the Issuer will make the net dividend payable to the Depository Receipt Holders at the latest eight days after receipt. The Issuer will transfer the net dividend free of charge to a bank account specified by the Depository Receipt Holder or by cheque.

In respect of the other countries in which the Depository Receipts are being offered, the following applies; Belgium: Cash dividends and stock dividends will also be subject to a local withholding tax (at a rate of 30%). Germany: All revenues generated by Depository Receipts (be it stock or cash dividends, and/or income on the sale) are subject to local tax in Germany. In other countries a local (withholding) tax can apply.

In general, investors are invited to seek appropriate advice on their specific (local) tax situation.

There are no dividend restrictions and procedures for non-resident holders.

Dividends that have not been claimed within five years after they have been made payable will go to Triodos Bank.

The Issuer assumes responsibility for the withholding of taxes at the source for the countries where the Offering is being made and where the withholding of taxes is required by law.

### **Return on investment and return on equity**

The return on investment (**RoI**) depends on the way the Depository Receipt Holder invests. Assuming the Depository Receipt Holder only invests at the beginning of a period and reinvests the received dividend, the RoI is equal to the change in the net asset value during a period including the distributed dividend in that period and the return on the distributed dividend divided by the trading price at the beginning of that period. The RoI doesn't take into account the effect of buy and sell fees (if applicable).

*(Example: The RoI for the year 2018 is 3.6% and equal to the increase in the trading price between 1/1/2018 until 31/12/2018 (EUR 1) plus the distributed dividend in 2018 (EUR 1.95) plus the return over that dividend in 2018 (EUR 0.05) divided by the trading price per 1/1/2018 (EUR 83).*

Over the last five years, the RoI for Depository Receipts was as follows:

2018	2017	2016	2015	2014	2013
3.6%	3.7%	5.0%	5.1%	5.3%	4.0%

As per the 31<sup>th</sup> of March 2019 the RoI per period are the following:

	3 months	1 year	3 year average	5 year average
Return on Investment Depository Receipts	1.2%	3.6%	4.1%	4.3%

The return on equity (**RoE**) as mentioned on page 5, differs slightly from the RoI. The RoE is the net profit of a period divided by the average equity position of Triodos Bank in that period.

*(Example: The RoE for the year 2018 is 3.6% and equal to the net profit of 2018 (EUR 38.6 million) divided by the average equity of Triodos Bank in 2018 (EUR 1.073.3 million)*

## Prospectus

This Prospectus replaces the prospectus in respect of Depository Receipts dated 14 June 2018, and will be valid until 13 June 2020, unless prior to that date a new prospectus in respect of depository receipts of the Bank is published, which will replace the current Prospectus.

## Subscription for Depository Receipt Holders

The way to subscribe to Depository Receipts differs per country. In all countries either an appropriateness test or suitability test forms part of the procedure to subscribe to Depository Receipts. In The Netherlands, Belgium, Spain and Germany subscriptions can also be made for fractions of Depository Receipts. The total price is equal to the number of Depository Receipts times the Issue Price, increased with the costs.

Depending on the branch, subscriptions can be made either via internet banking and/or via a written request and/or via phone banking. In order to be able to subscribe for Depository Receipts, account information - such as name, address and information on how the payment will be handled (direct debit or cash transfer) - has to be provided.

Upon finalisation of a subscription or redemption, a notification of the transaction will be sent to the Depository Receipt Holder.

### Belgium

Subscriptions will be received by the Belgium branch of Triodos Bank in Brussels, Hoogstraat 139/3 Rue Haute. For private investors, that account can be opened online on [www.triodos.be](http://www.triodos.be). For non-private investors, account opening forms can be downloaded from [www.triodos.be](http://www.triodos.be) and returned to the Triodos Bank. Account opening forms can alternatively be obtained at the office of Triodos Bank in Belgium. Once a subscriber has duly opened a securities account and performed the appropriateness test, he can submit his investment order (for instructions how to place an order please consult [www.triodos.be](http://www.triodos.be)).

### Germany

Subscriptions will be received by the German branch of Triodos Bank in 60487 Frankfurt am Main, Falkstrasse 5. To be able to process any application for the purchase of Depository Receipts, Triodos Bank N.V.



Deutschland must receive the required documentation, including a completed and duly signed subscription form sent by conventional mail to Triodos Bank N.V. Deutschland at the above-mentioned address. If the subscriber already holds Depository Receipts, Triodos Bank N.V. Deutschland accepts purchase or sale orders via an online-banking message, confirmed with a TAN or telephone banking (with use of a PIN). Upon acceptance of the application for the purchase of Depository Receipts, Triodos Bank N.V. Deutschland will complete the purchase transaction by debiting the subscriber's bank account (which may be either a TriodosTagesgeld or TriodosGirokonto account with Triodos Bank N.V. Deutschland) ) with the total price, including transaction costs.

#### *The Netherlands*

Subscriptions will be received by the Dutch branch of Triodos Bank in Zeist, Utrechtseweg 44, 3704 HD in Zeist. A subscription may be done via Internet Banking or via mail. It is expected that subscription via the Triodos mobile banking app will be possible as well by the end of 2019. A subscription via mail requires a signed and completed subscription form being sent to Triodos Bank. A subscription via Internet Banking can be done directly if the subscriber already has an investment account; in other cases, the subscriber can open an investment account via the website [www.triodos.nl](http://www.triodos.nl) and immediately afterwards place the order. The total price will be directly debited from a current account with a Dutch bank that has been given by the subscriber or a current- or savings account at Triodos Bank.

#### *Spain*

Subscriptions will be received by one of the offices of the Spanish branch Triodos Bank, the central office of Triodos Bank in Spain is located in Madrid, Sucursal in Madrid at Calle José Echegaray 5, 28232 Las Rozas. A subscription may be done via Internet Banking, on-site, or via 'phone banking'. A subscription requires an application form that is signed and completed and will be sent to Triodos Bank for processing. The total price will be directly debited from a current account in Triodos Bank Sucursal that has been given by the subscriber.

## **THE OFFERING**

### **Maximum number of Depository Receipts available for issue**

On the date of this Prospectus, the authorised capital amounts to EUR 1,500,000,000, divided into 30,000,000 Shares with a nominal value of EUR 50 each. The Offering consists of a public offering being made to the general public in Belgium, Germany, The Netherlands and Spain. On the date of this Prospectus, 3,500,000 Shares are available for issue, with an aggregate nominal value of EUR 175,000,000. As one Depository Receipt is issued for one Share, the maximum number of Depository Receipts that could be issued on this date is also 3,500,000. With reference to Section 2:97 of the Dutch Civil Code, it is hereby expressly announced that if it is only possible to issue a lower number of Shares than the maximum number of Shares, and by the same token, Depository Receipts, such lower number will be issued.

The Depository Receipts and underlying Shares will be issued continually, under exclusion of the pre-emptive rights of the existing Depository Receipt Holders. The existing holdings of the Depository Receipt Holders will be diluted proportionate to the amount of the new Depository Receipts issued. In the event of issues up to the maximum issue, the dilution will be 21%.

### **Issue Price**

On a daily basis, Triodos Bank will determine the Issue Price of the Depository Receipts based on a financial model that derives the calculated net asset value (NAV) per Depository Receipt. The NAV of Triodos Bank is equal to the book value of the assets of Triodos Bank minus the book value of the liabilities of Triodos Bank.

Net Asset Value is a generally accepted accounting concept which is presented as a single definable entity. However, it concerns only a representation of the underlying reality which always carries elements of uncertainty. The NAV per Depository Receipt is calculated by dividing the NAV of Triodos Bank by the number of Depository Receipts issued.

The calculation of the NAV is based on the accounting principles generally accepted in The Netherlands as applied by Triodos Bank (Dutch GAAP). It is envisaged that as of 1 January 2020, the financial statements of Triodos Bank will be prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). As of the date of this Prospectus, the Issue Price calculated under Dutch GAAP will already be adjusted for the estimated effect IFRS will have on the NAV of Triodos Bank. As of the envisaged date of 1 January 2020, the NAV calculation will be based on the accounting principles IFRS.

The Issue Price per Depository Receipt will be rounded to whole euros, whereby values of 0.5 euros or more are rounded up. A recovery price procedure has been determined in case a mistake has been made in the calculation of the Issue Price of the Depository Receipts. During certain periods, the Issue Price may be fixed for campaigning purposes. This will be posted on the country websites.

The applicable Issue Price can be requested from Triodos Bank and is also published on its country websites.

Discounts on the purchase price can be available in certain periods. These discounts will be made public on the country websites of Triodos Bank.

### **Transaction fee**

Transaction fee of maximum 0.5% will be charged on the issue of Depository Receipts transactions, (with a minimum fee of EUR 5 for subscriptions made through the Spanish branch). These transaction costs are calculated over the total price of the transaction, i.e. the Issue Price times the number of Depository Receipts. Discounts on the transaction fee can be made available to certain investors in certain periods. These discounts will be made public on the country websites of Triodos Bank.

The transaction fee will first be paid out of the total amount received upon issue of a Depository Receipt. EUR 50 will then be paid up as the nominal value of the underlying Share. The remaining amount will be booked as premium. The premium forms part of Triodos Bank's equity and is taken into account when determining the net asset value. The premium can be used to effect a dividend to the Depository Receipt Holders in Depository Receipts (stock dividend).

### **Allocation to the subscribers**

Allocations will be made by the Executive Board on behalf of the Issuer. The allocation policy will take into account the importance of a balanced spread of the holdings of Depository Receipts. In this respect, the Executive Board will be guided by the provisions of article 5 paragraph 3 of the Terms of Administration. This means that it will limit the number of Depository Receipts held directly or indirectly by any one Depository Receipt Holder to a maximum of just under 10% of the total number of issued Depository Receipts. The Executive Board is authorised on behalf of the Issuer to refuse subscriptions on Depository Receipts or to only allocate a limited number. In addition, the Executive Board can resolve at any time to limit, suspend or exclude the issue of Depository Receipts. Any resolution to close the issue will be announced on the country websites (as defined on page 1 of this Prospectus).

### **Register**

The Depository Receipts are delivered to the subscriber by registration in the Register, which is maintained by Triodos Bank. Triodos Bank records the registration of the Depository Receipts in the Register. After allocation the subscriber will receive proof of registration in the Register. By registering, the subscriber confirms that he is a party to the deed effecting the transfer of the Depository Receipt. No costs are attached to furnishing the proof of registration.

The Depository Receipts are not delivered by means of a deed executed in the presence of a civil-law notary.

### **Repayments**

Any excess funds which Triodos Bank has received in relation to a limitation or exclusion of allocation will be repaid to the account from which these funds were received. Repayments will not include interest.

### **Vesting date**

The rights attached to the Depository Receipts included in this Offering vest as per the date that the Issue Price has been paid into the equity of Triodos Bank. As of that moment the subscription can no longer be revoked.

### **No listing**

There is no intention to request a listing of the Depository Receipts on any securities exchange.

### **Intentions to subscribe**

So far as Triodos Bank and the Issuer are aware, no members of the administrative, management or supervisory bodies intend to subscribe in the Offering.

## **Prospectus**

This Prospectus replaces the prospectus in respect of Depository Receipts dated 14 June 2018 and will be valid until 13 June 2020, unless prior to that date a new prospectus in respect of Depository Receipts is published, which will replace the current Prospectus.

## **Availability**

Copies of the Prospectus (including all documents incorporated by reference) can be requested, free of charge, by e-mail (at: info@triodos.nl) or by telephone (+31 30 693 6511). The Prospectus, including all documents incorporated by reference, is also available on our country websites:

- <https://www.triodos.nl/beleggen/certificaten-aandelen>
- <https://www.triodos.es/es/inversion/certificados-deposito>
- <https://www.triodos.be/fr/investir/certificats-d-actions>
- <https://www.triodos.be/nl/beleggen/certificaten-van-aandelen>
- [www.triodos.co.uk/dr](http://www.triodos.co.uk/dr)
- [www.triodos.de/aktienaehnliche-rechte](http://www.triodos.de/aktienaehnliche-rechte)

## **No material interest**

So far as Triodos Bank and the Issuer are aware, no person involved in the issue of the Depository Receipts has an interest material to the Offering.

## SELLING AND TRANSFER RESTRICTIONS

### General

**The offer of Depository Receipts to persons resident in, or who are citizens of, a particular jurisdiction may be affected by the laws of that jurisdiction. You should consult your professional advisers as to whether you require any governmental or other consents or need to observe any other formalities to enable you to purchase the Depository Receipts.**

Neither the Issuer nor Triodos Bank is taking any action to permit a public offering of the Depository Receipts in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer, and, in those circumstances, this Prospectus will be sent for information purposes only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if you receive a copy of this Prospectus, you may not treat this Prospectus as constituting an invitation or offer to you of the Depository Receipts being offered in the Offering, unless, in the relevant jurisdiction, such an offer could lawfully be made to you, or the Depository Receipts could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements.

Accordingly, if you receive a copy of this Prospectus or any other offering materials or advertisements you should not distribute or send the same, to any person, in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If you forward this Prospectus or any other offering materials or advertisements into any such territories (whether under a contractual or legal obligation or otherwise) you should draw the recipient's attention to the contents of this section.

Subject to the specific restrictions described below, if you (including, without limitation, your nominees and trustees) wish to subscribe for the Depository Receipts being offered in the Offering, you must satisfy yourself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The information set out in this section is intended as a general guideline only. If you are in any doubt as to whether you are eligible to subscribe for the Depository Receipts being offered in the Offering, you should consult your professional adviser without delay.

### United States

The Shares and Depository Receipts offered hereby are being offered in accordance with Regulation S under the US Securities Act of 1933, as amended (the **Securities Act**). Terms used in this section that are defined in Regulation S under the Securities Act are used herein as defined therein. The Shares and Depository Receipts have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction within the United States and may not be offered, sold or delivered in the United States of America or to or for the account of any U.S. persons except in accordance with applicable laws.

Each purchaser of the Depository Receipts offered hereby will be deemed to have represented and agreed as follows:

The purchaser understands that the Depository Receipts have not, and will not, be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be reoffered, resold, pledged or otherwise transferred except (i) in an 'offshore transaction' complying with Rule 903 or Rule 904 of Regulation S (and not in a pre-arranged transaction resulting in the resale of such Depository Receipts into the United States) or (ii) pursuant to a registration statement which has been declared effective under the Securities Act, in each case, in accordance with all applicable securities laws of any state or territory of the United States and of any other jurisdiction.

## European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) an offer to the public of any depository receipts which are the subject of the offering contemplated by this Prospectus (the **Depository Receipts**) may not be made in that Relevant Member State other than the offers contemplated in this Prospectus (i) in The Netherlands, once the Prospectus has been approved by the competent authority and published and (ii) in Belgium, Germany and Spain, once this Prospectus has been passported in accordance with the Prospectus Directive as implemented in Belgium, Germany and Spain except that an offer to the public in that Relevant Member State of any Depository Receipts may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are qualified investors as defined under the Prospectus Directive; or
- (b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of Triodos Bank for any such offer;
- (c) in any other circumstances falling within article 3(2) of the Prospectus Directive,

provided that no such offer of Depository Receipts shall result in a requirement for the Issuer or Triodos Bank to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to article 16 of the Prospectus Directive.

For the purpose of this provision, the expression an ‘offer to the public’ in relation to any Depository Receipts in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Depository Receipts to be offered so as to enable an investor to decide to purchase any Depository Receipts, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression ‘2010 PD Amending Directive’ means Directive 2010/73/EC.

## **FINAL STATEMENTS**

### **Resolution to issue**

The issue of the Depository Receipts has been authorised in terms of the following resolutions: (i) a resolution of the Issuer in its capacity as shareholder of Triodos Bank dated 17 May 2019, (ii) a resolution of the Executive Board dated 20 May 2019 and (iii) a resolution of the Supervisory Board dated 16 May 2019, approving the proposed resolution of the Executive Board.

### **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Triodos Bank or the group are aware) in the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer and/or Triodos Bank and/or the group of which the Issuer and Triodos Bank are part as meant in Article 24b of book 2 of the Dutch Civil Code.

### **Significant or material change**

Since 31 December 2017 there has been no significant or material change in the financial or trading position of the Issuer and/or Triodos Bank and/or the group of which the Issuer and Triodos Bank are part as meant in article 24b of book 2 of the Dutch Civil Code.

### **Independent auditors**

PricewaterhouseCoopers Accountants N.V. ('PwC'), independent auditors, have audited, and rendered unqualified auditor's reports on, Triodos Bank's financial statements for the financial years ended 31 December 2016, 2017 and 2018. The address of PwC is Thomas R. Malthusstraat 5, 1066 JR Amsterdam, The Netherlands. The auditor signing the auditor's reports on behalf of PwC is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

### **Documents available**

From the date of this Prospectus and for the life thereof, copies of the following documents may be physically inspected at the registered office of the Issuer during normal business hours and copies of such documents in Dutch and in English will, when published, be available free of charge from such office during normal business hours:

- (i) the articles of association of the Issuer and Triodos Bank;
- (ii) the Terms of Administration of the Issuer;
- (iii) the audited annual financial statements stated in the annual reports for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 of Triodos Bank, including the auditor's reports in respect of such financial statements;
- (iv) the key figures of Triodos Bank for the years 2016, 2017 and 2018 (included in Triodos Bank's annual reports);
- (v) the Executive Board Report 2016, 2017 and 2018.

**REGISTERED OFFICE OF THE ISSUER**

**Stichting Administratiekantoor Aandelen Triodos Bank**

Nieuweroordweg 1  
3704 EC Zeist  
The Netherlands

**REGISTERED OFFICE OF TRIODOS BANK**

**Triodos Bank N.V.**

Nieuweroordweg 1  
3704 EC Zeist  
The Netherlands

**AUDITOR**

**PricewaterhouseCoopers Accountants N.V.**

Thomas R. Malthusstraat 5  
1066 JR Amsterdam  
The Netherlands