

5 January 2021

Triodos Bank N.V. suspends trading in Depository Receipts of ordinary shares

On 13 October 2020 Depository Receipt holders were informed that we resumed trading in our Depository Receipts after we had suspended trading on 18 March 2020. The decision to reopen was based on the expectation that markets would have normalised after the first wave of the Covid-19 pandemic and people would consider an investment in the bank.

At the reopening of trade, we took measures to facilitate a balanced trading pattern with inflow of buy orders compensating for sell orders.

We have pro-actively approached existing Depository Receipt holders ("DR holders") with an updated prospectus to bring to their attention the possibility of an additional investment in Depository Receipts. To manage potential build-up of sell orders we set a limit to the amount which DR holders can sell in a single transaction (initially EUR 5,000, then EUR 1,000 per investment account per week). In the UK, where Depository Receipts are no longer on sale, the resumption of trade only enabled DRs to be sold on a limited basis.

The ongoing uncertainty around the Covid-19 crisis and its longer-term economic effects have not disappeared, on the contrary, further lockdown and other restrictions are seen globally. Since reopening we have experienced a trade pattern where the number of sell orders outweighs the number of buy orders for Depository Receipts. This trend emerges despite the financial health of the bank, as our capital and liquidity ratios remain well above regulatory minimum levels.

The trading pattern we are experiencing calls into question whether the balance in trade in Depository Receipts will be restored, given the current economic context. It also poses a question on what measures we can take in order to achieve balanced trading, as we now must assume that previous trading patterns are not likely to recover in the foreseeable future.

These measures are not concrete enough yet and therefore cannot be disclosed to investors. However, the details of such possible measures are considered relevant information when making an informed investment decision. This is why, in accordance with market regulations, trading in Depository Receipts needs to be suspended.

Trade will be suspended from Tuesday 5 January 9.00 hrs CET.
Sell orders received up to Tuesday 5 January 9.00 hrs CET will be settled as normal.
Outstanding buy orders at Tuesday 5 January 9.00 hrs CET will be cancelled.

The decision to suspend trading is not taken lightly, and we are aware this may affect those DR holders wishing to sell (part of) their investment in Triodos Bank N.V. in the short term. However, we are compelled to carefully consider the impact of the current developments on all DR holders and on Triodos Bank N.V. itself, in order to be able to provide current and future DR holders with all the relevant information on the Depository Receipts of ordinary shares when they are making investment or divestment decisions.

In the coming months, we have planned a series of interviews with different stakeholders and a survey among all DR holders to obtain important insight in what your view is on the unique way in which Triodos Bank N.V. has constructed its legal governance and capitalisation. The information from these consultations with DR holders and other stakeholders will help us with defining and weighing the measures that are needed.

The full year results for 2020 will be published on 18 March 2021. DR holders will be invited to a webinar on the same day for a presentation of the results as well as an update on the suspension of trade of Depository Receipts. You will receive a separate invitation for this webinar nearer the date.