

FAQ – Buyback / Solidarity Arrangement withdrawal

Q. In March 2022, when you obtained the approval from the Annual General Meeting, you indicated there might be challenges with the Solidarity Arrangement (SAR) for Depository Receipt holders, but that you would execute the general buyback (BB) if the SAR was not possible. Now you are withdrawing both. Why?

A. In preparing for the implementation of the BB/SAR we encountered unforeseen complexities in the implementation of the programme at the same pace across the five countries where Triodos Bank is active. Triodos Bank has concluded that the restricted buyback programme and the solidarity arrangement can no longer be executed in a timely manner. Due to this serious risk of further delay, the implementation timelines of the listing of the DRs on a Multilateral Trading Facility platform (MTF) would likely be adversely affected. Triodos Bank considers the risk of delay of the MTF listing unacceptable in light of the situation of prolonged suspension of trade affecting the current DR holders. Triodos Bank will continue to take all necessary steps to continue the preparations for a timely launch of the MTF, projected to conclude in the first half of 2023.

Q. What unforeseen complexities did you run into with regards to the Solidarity Arrangement and buyback scheme for Depository Receipt (DR) holders? Why did you not know this in advance?

A. Triodos Bank tried to find ways in which to provide intermediate solutions for the lack of tradability and the liquidity issues DR holders may experience. We felt we had to investigate everything, to offer DR holders interim solutions. In doing so, we have stepped outside the known paths. We started looking for new solutions to enable the purchase of Depository Receipts within the legal possibilities. A bulletin board, unfortunately, turned out not to be possible. The buyback scheme raised new questions from regulators which require time and new answers. As we stated at the AGM of 20 May 2022, we will not be able to implement the intended programme if preparing the answers to the questions takes so much time that they would delay the listing on the MTF.

Q. I am a Depository Receipt (DR) holder and was counting on the money from the buyback programme and now that you have withdrawn that programme, I am in financial difficulty. How can you help?

A. We are aware that by withdrawing the buy-back programme and solidarity scheme, some of our DR holders will forego the relief of their financial situation they had hoped for. If that is the case for you, and you are experiencing financial difficulties, please contact us on 0330 355 0355 so that we can work with you to see if we can find suitable solutions to help you, within the context of existing banking products and services and within the framework of the regulations.

Q. Triodos Bank is proposing an extraordinary dividend of EUR 1.01 per Depository Receipt: is this because the Board of SAAT asked you to consider an interim dividend?

A. The extraordinary dividend, which is now proposed, is designed to distribute the EUR 14.4 mn which was reserved for the restricted buyback programme and solidarity arrangement to DR Holders.

The payment of a possible interim dividend, which SAAT advocated during the AGM on 20 May, would be a decision based on this year's financial performance and outlook and can only be considered once the half year results 2022 have been drawn up. Should the Executive Board decide to pay an interim dividend, then such a decision will be communicated later, to coincide or following the publication of the Half Year Results 2022.