

17 December 2018

Dear

## Triodos Bank Depository Receipt sales in the UK

We are hugely grateful to all our Triodos Bank Depository Receipt holders for helping us to use the power of money to deliver positive social, environmental and cultural change. By owning Depository Receipts you are part of an ownership structure that protects the special characteristics, mission and independence of the Bank.

Following our communication on 3 December 2018 (*Proposed transfer of business under Part VII of the Financial Services and Markets Act 2000*) you may be aware that we are making some necessary changes to our legal structure following the United Kingdom's (UK) planned withdrawal from the European Union (EU). We are creating a new subsidiary company, Triodos Bank UK Ltd, wholly owned by Triodos Bank N.V. and subject to regulatory approvals, expected to be operational from 1 March 2019. Further details are available on our website at: [www.triodos.co.uk/legaltransfer](http://www.triodos.co.uk/legaltransfer).

We are writing to you as a Triodos Depository Receipt holder to explain the impact of our proposed new Triodos UK subsidiary arrangement.

## Consequences for Triodos Bank Depository Receipts

Our focus in this process has been to continue operating within Triodos Bank Group, driving the growth of sustainable banking across Europe. For most of our products and services, becoming a subsidiary has relatively few implications. However, this is not the case for Depository Receipts, due to the specialist nature of the product.

Reviewing the legal and financial implications of the new subsidiary on this specific product, it has become apparent that it will be significantly more complex and costly for us to administer Depository Receipts in the UK. We have therefore had to reluctantly conclude that we will need to discontinue the sale of new Depository Receipts to UK residents, which includes the issue of new Depository Receipts as part of the stock dividend scheme.

## What does this mean?

Your existing Depository Receipts will remain in Triodos Bank N.V. and you will continue to support the growth of sustainable banking across Europe, including here in the UK. You remain part of a community of thousands of like-minded Depository Receipt holders across Europe with deep engagement with Triodos Bank and its mission to make money work for positive change.

Continued overleaf...

The last date to start an application for new Depository Receipts is 1 February 2019, with a correctly completed application form and cleared funds required by 11 February 2019. Any potential future dividends will be paid in cash rather than stock.

Existing Depository Receipt holders will continue to be able to sell their Depository Receipts through Triodos UK.

## How can you continue to support Triodos UK?

As in previous years, you will be invited to Depository Receipt holder meetings, where you can meet and ask questions of the senior management team. You will receive your regular statement and be included in communications sent to Depository Receipt holders across the Triodos Bank European branch network.

And there are other ways to support the positive money movement. We have a number of other investment opportunities through Triodos Bank UK that enable you to use your money for good - such as our SRI investment funds or the direct investment offers on our crowdfunding website. See [www.triodos.co.uk/investments](http://www.triodos.co.uk/investments) for more information.

## Next steps

No immediate action is required by you at this time. We will be in touch again early next year to clarify any changes to operational processes, including the changes from stock dividend to cash.

We appreciate this might be disappointing news but thank you for your understanding and continued support. We remain totally committed to keep financing change in the UK and campaigning to change banking for the better.

Kind regards,



**Bevis Watts**  
Managing Director  
Triodos Bank UK