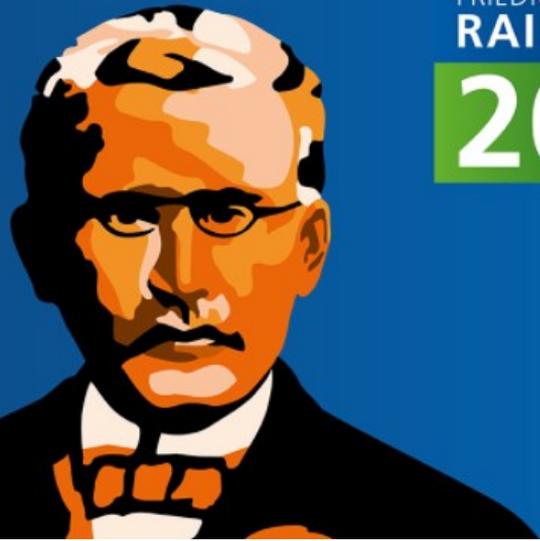


Das Raiffeisen- Jahr 2018

FRIEDRICH WILHELM
RAIFFEISEN

200 JAHRE

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RAIFFEISEN.
STARKE IDEE!



The visibility, validity and vitality of Raiffeisen's ideas in modern times

Growing a better world together

Wiebe Draijer
28 September 2018



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Some astonishing facts and figures.....



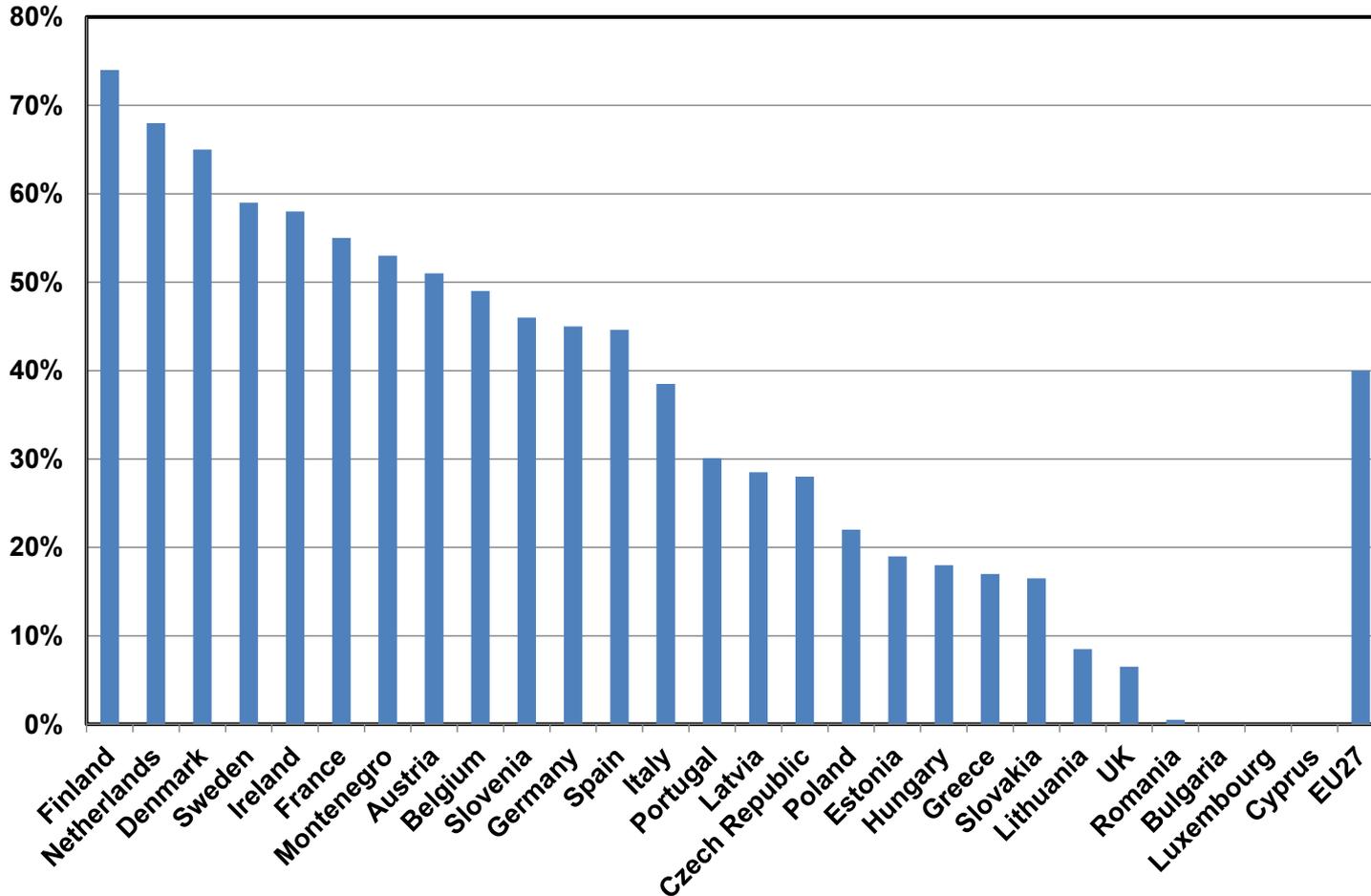
- Over 1.2 billion people are members of a co-operative
- Co-operatives provide employment for or supports the livelihood of 280 million people globally
- UN estimates that there are 2.5 million co-operatives around the world
- About 10% of working population works in or through co-operatives
- There are three times as many member owners of co-operatives as individual shareholders worldwide
- In 2016 the largest 300 coops had a combined annual turnover of over US\$ 2.2 trillion (equals GDP of France)
- Over 1,400 coops have a turnover of US\$ 100m+



Market share co-operatives in F&A sector

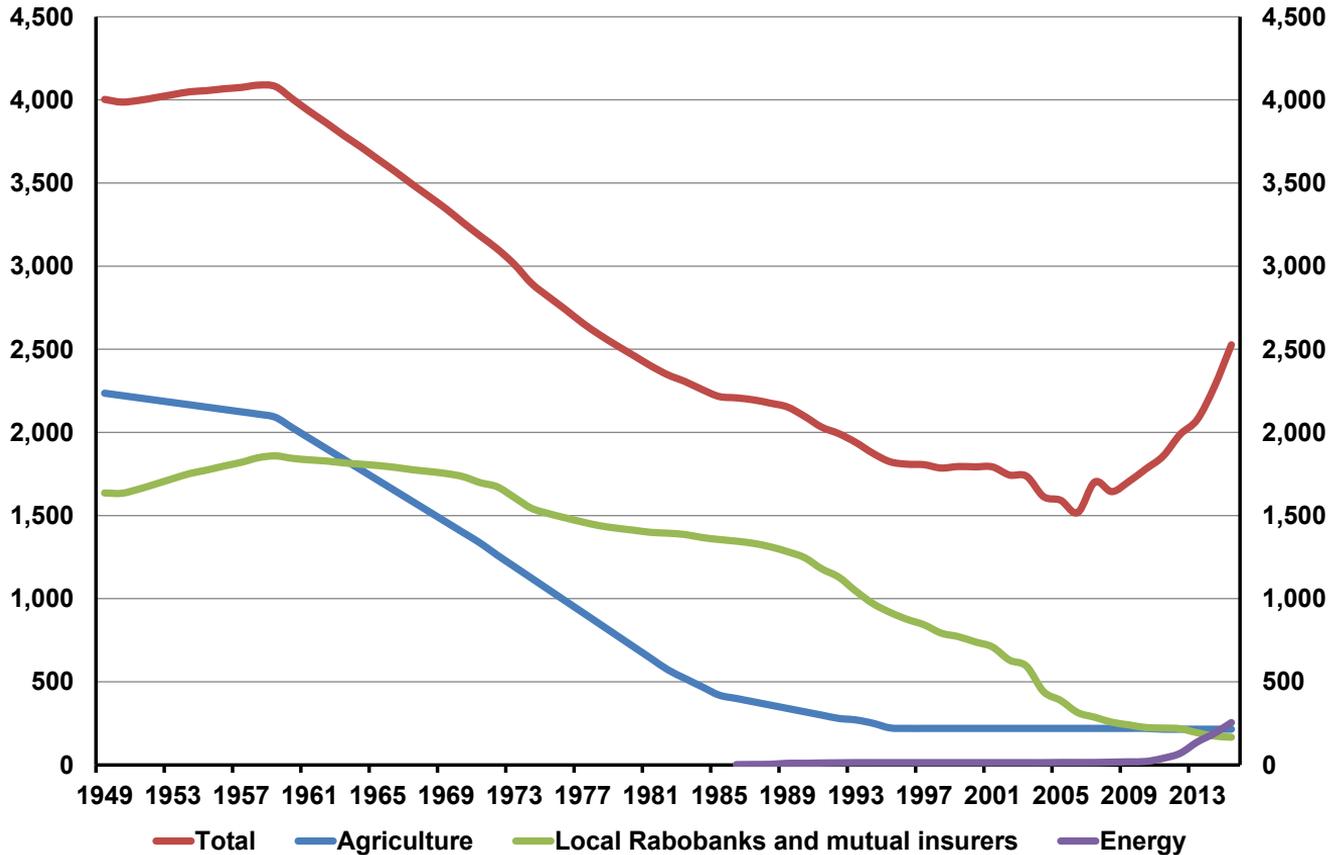


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Source: EC report on Support for Farmers' Cooperatives (2012)

Evolution of active co-operatives in the Netherlands



Source: own calculations based on data of Statistics Bureau and National Co-operative Council

Important reasons for increasing global popularity of co-operative organisational form



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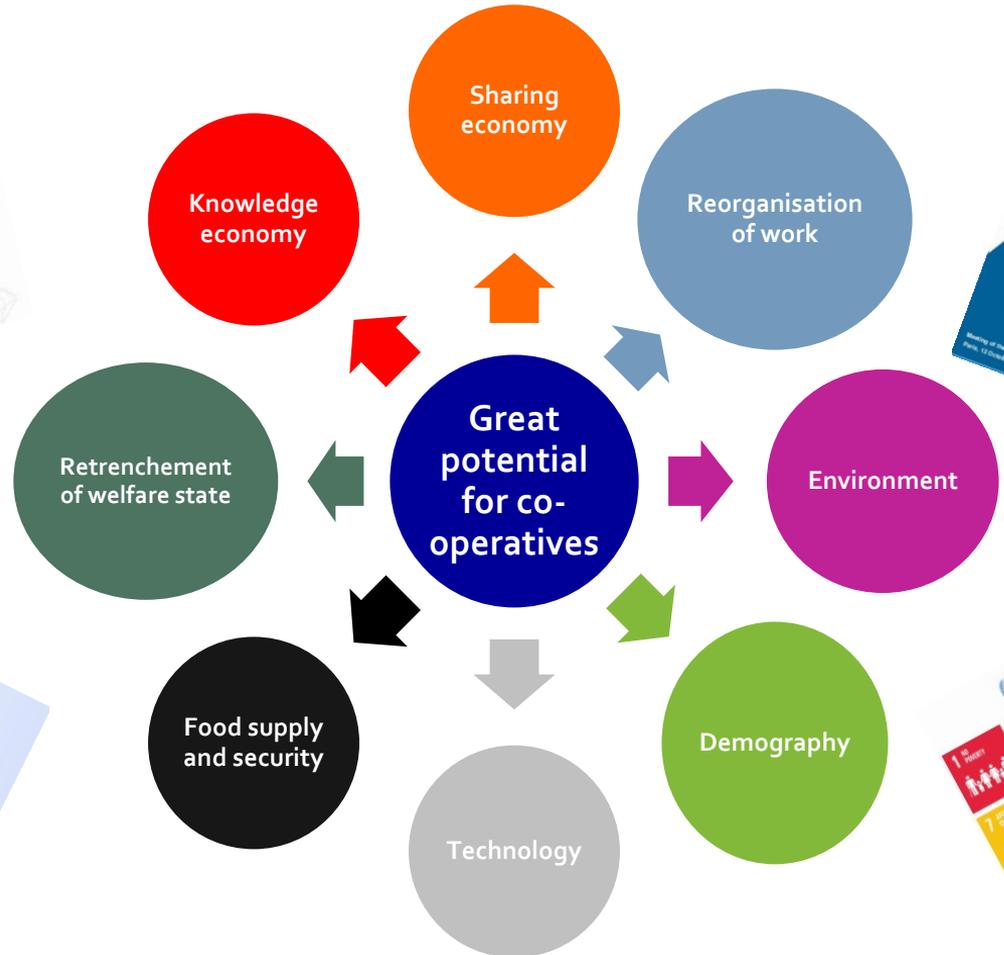


- Observed resilience of coops during and after Great Financial Crisis
- High (youth) unemployment and new forms of flexible employment (e.g. self-employed workers)
- Withdrawing government (in combination with ageing population in EU)
- Policy support (e.g. 'Social Economy' in EU)
- Betrayed trust in institutions, professionals, market forces, scale increase, Europe,.....
- People's initiatives are taken away by the market, government and professionals (i.e. 'democratic deficit')
- Imminent or existing exclusion or 'unmet' needs due to fundamental changes in the global society

Fundamental global transformations and role of co-operatives



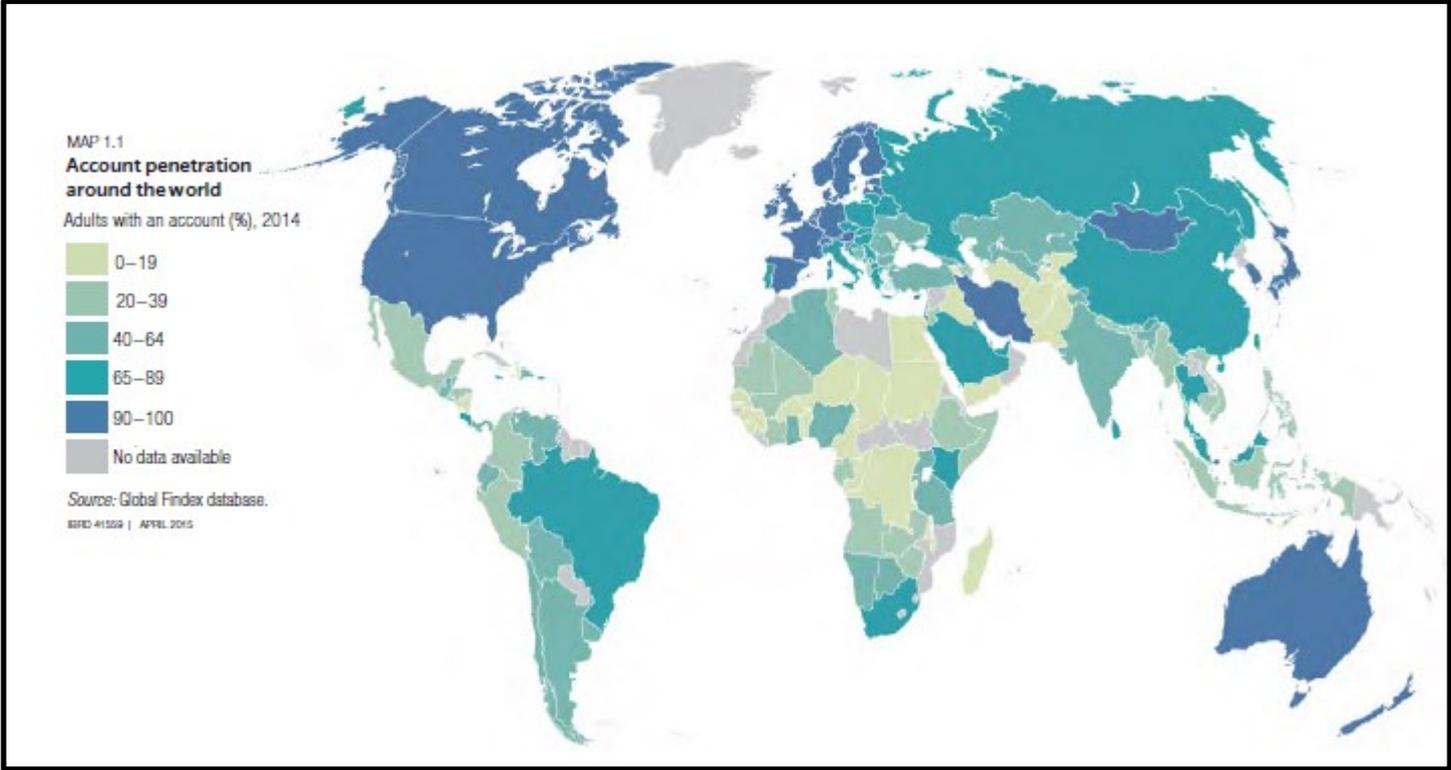
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Hugh potential for all types of co-operatives



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Source: Global Findex database (2014)

Raiffeisen banks: at the service of their members and society

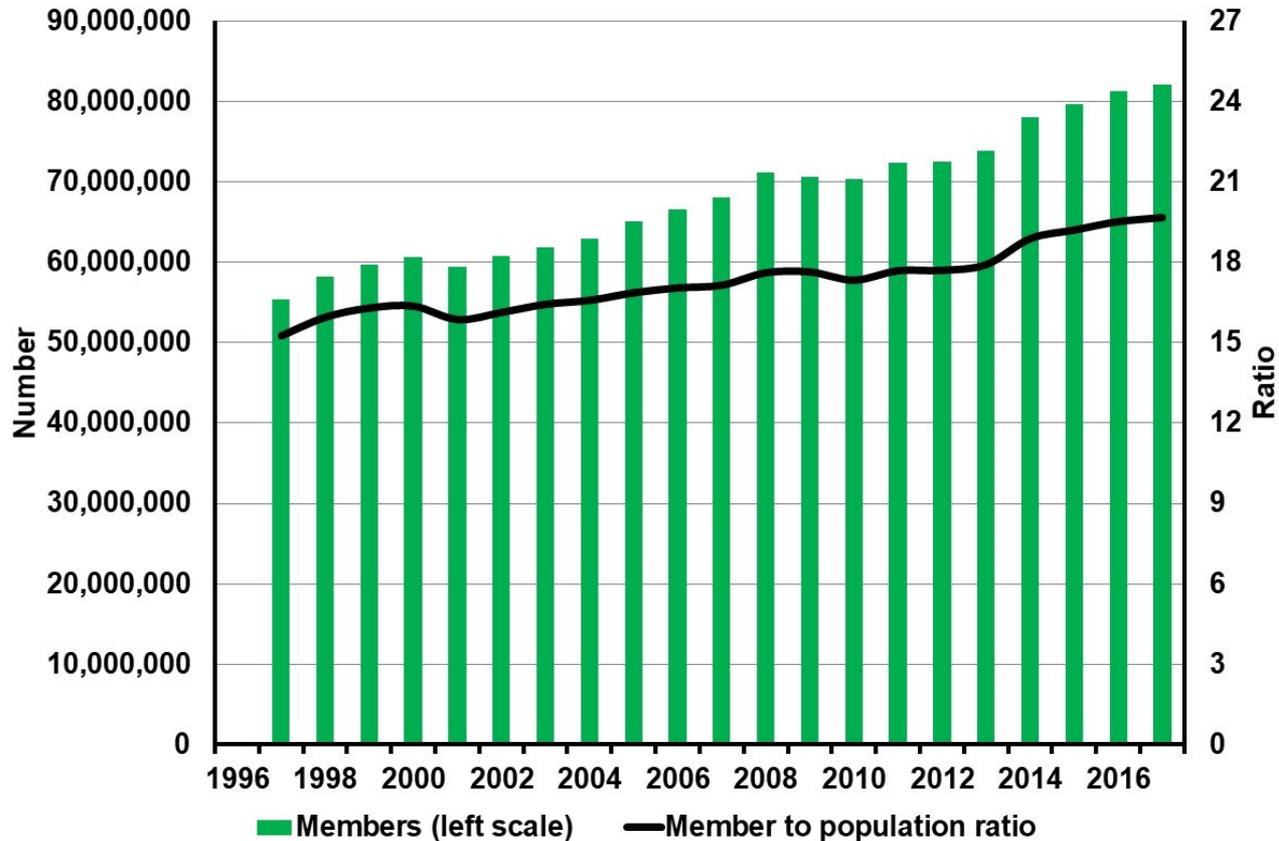


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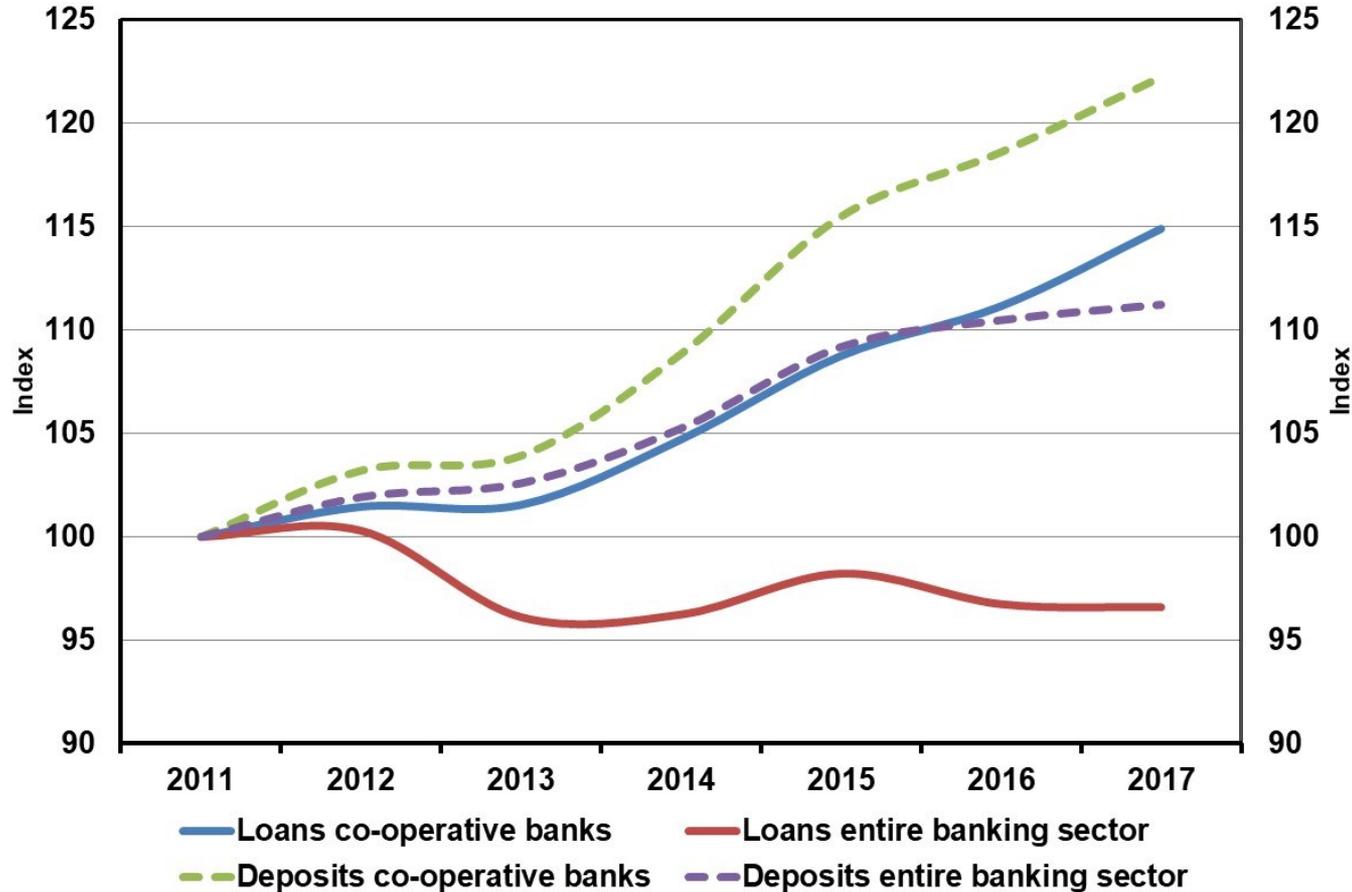


- Long and rich history, but different evolutionary paths
- Long-term orientation as opposed to short-termism
- Frequent adaptations of governance and strategy in response to or in anticipation of many changes in society, technology, etcetera.
- Opportunities
 - Social goals and agenda (sustainable development of local territories)
 - Participation in local networks and communities
 - Commitment and dedication to serve the real economy (with focus on private households, SMEs and agricultural sector)
- Challenges
 - Digitalisation and virtualisation
 - Constant adjustments in regulatory and supervisory framework
 - A new risk: compliance cost risk
- Contribute to diversity – and hence systemic stability – in banking

Members and member-population ratio



Loan and deposit growth (2011 = 100)



One Rabobank as the basis

Active in 40 countries
8.5 million customers worldwide
7.3 million local Rabobank customers
1.9 million members

New governance:

- One legal entity: local Rabobanks + central organisation
- One banking license
- One balance sheet

Specialised Rabobank subsidiaries

Commanding domestic market shares

Market shares	2017	2016
Mortgages	22%	21%
Savings	34%	34%
Trade, Industry & Services (TIS)	39%	41%
Food & Agri	86%	84%

Organisational changes support our strategy

- Simplified, focused top structure
- Dedicated Fintech & Development team
- Centralised Portfolio Management unit
- Shared back-offices
- Integration of FGH Bank into Rabobank; non-core CRE portfolio managed separately

Ratings unchanged and at a high level in 2017

S&P Global	A+/Stable/A-1
MOODY'S	Aa2/Negative/P-1
FitchRatings	AA-/Stable/F1+
DBRS	AA/Stable/R-1(high)

Vision, mission and strategy



Growing a better world together



Banking for the Netherlands

Banking for Food



**Excellent
customer focus**

- 100% digital convenience in everything
- Top customer advice nearby
- Growth with innovation

**Meaningful
cooperative**

- Concrete socially responsible contribution
- Involved members and communities

**Rock-solid
bank**

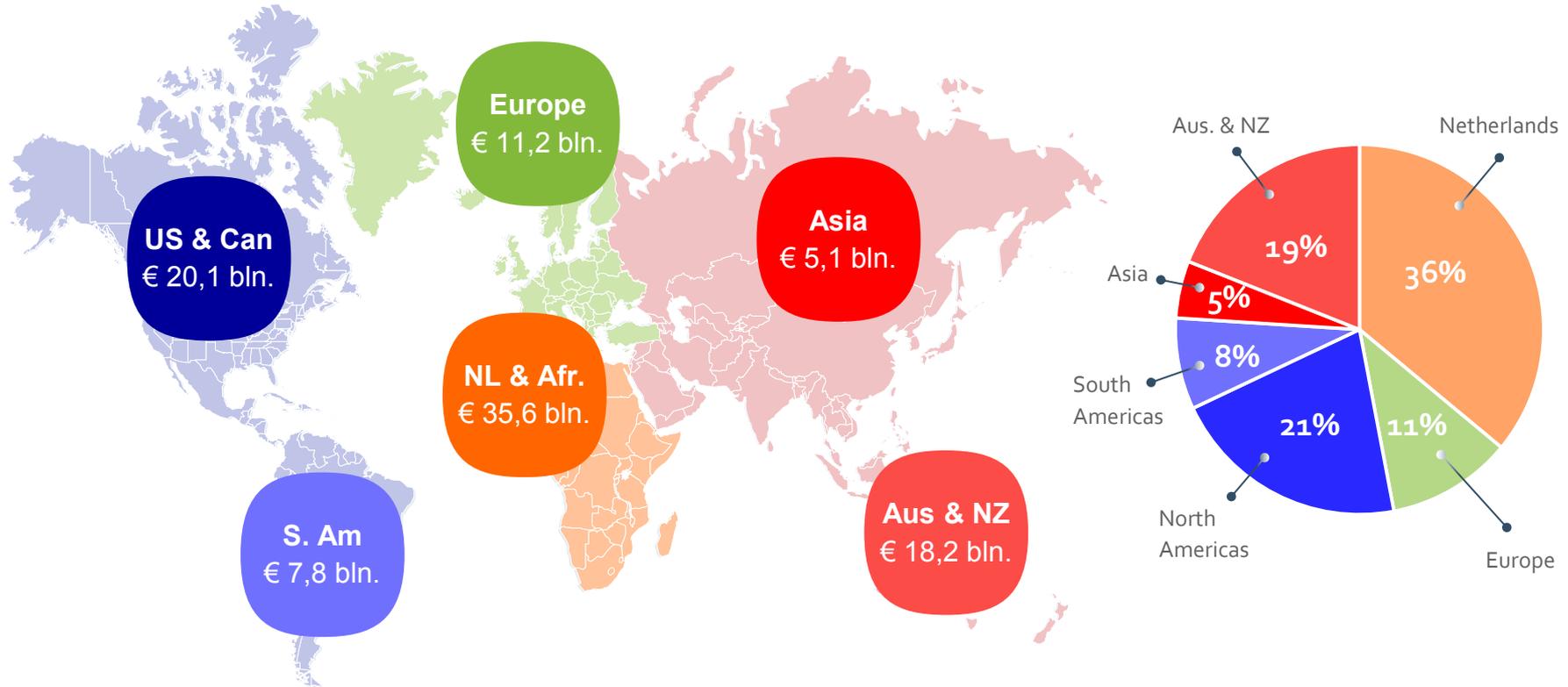
- Top performance
- Optimal balance sheet
- Exceptionally good execution

**Empowered
employees**

- Inspired employees
- One-Rabo culture

Banking for Food

Today, Rabobank has large food & agriculture portfolios all over the world



Cooperative evolution - the struggle



- 1. Monitoring and preserving vitality*
- 2. Irrevocability of change*
- 3. Lack of understanding of regulators*
- 4. Complexity of cross-border consolidations*
- 5. Evolving complexity of needs*

Cooperative evolution - the promise



"In a world that is ever more complex and in which technology and disruption alters the fundamentals of organisations and how we work...

...having a strong sense of purpose and community is vital for a productive and happy workforce."

Yuval Noah Harari - 21 lessons for the 21st century



Thank you for your attention



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