



Sustainable banking

'Invest in the day after tomorrow'



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Vision Rabobank Group on sustainability



Core values

1. Respect
2. Integrity
3. Professionalism
4. Sustainability

Ambition

- To be the largest, best and most innovative financial service provider in the Netherlands
- To be the best international food & agribusiness bank with a strong presence in the major food & agricultural countries
- To be one of the most sustainable banks globally



Working together in the chain

Supply chain developments

- Stakeholder and consumer **pressure**
- Responsible **sourcing**
- Demand for **tracking** and **tracing**
- Sustainability labels & supplier audits and **certification**
- From direct footprint to **indirect** footprint



Farm inputs



Farming



Trade & distribution



Processing



Food retail & service

Work with clients and help to achieve their objectives



Client engagement & support

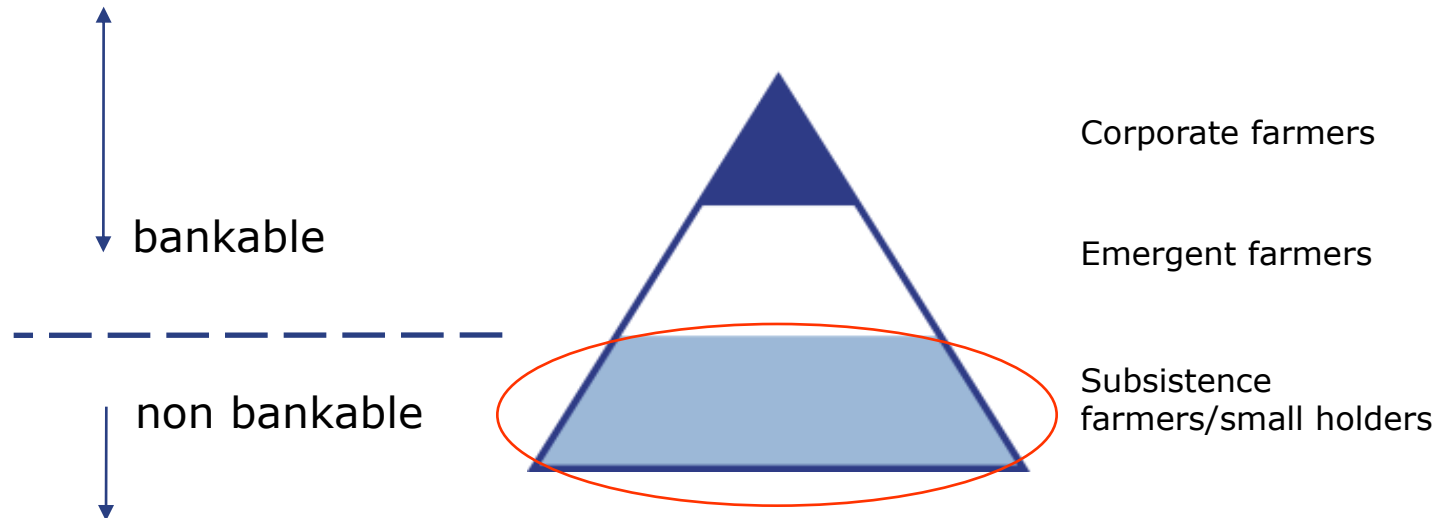
- Dialogue and sharing knowledge
- Linking internal and external network and offering services
- Providing solutions and services to support sustainable production



Partnership & network

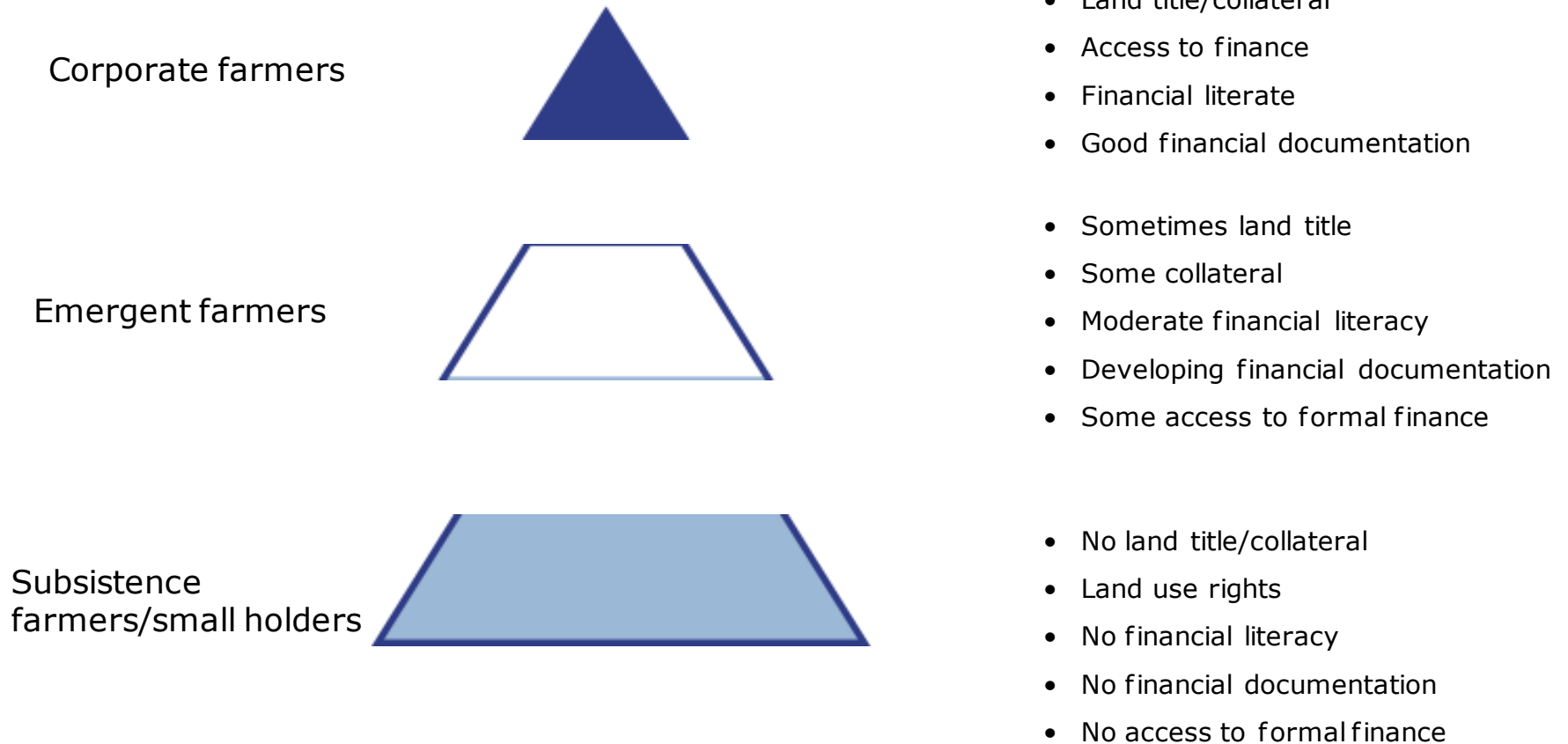


Cocoa issues - smallholders



Cocoa production is for 90% concentrated in the lower part of the pyramid

Characteristics



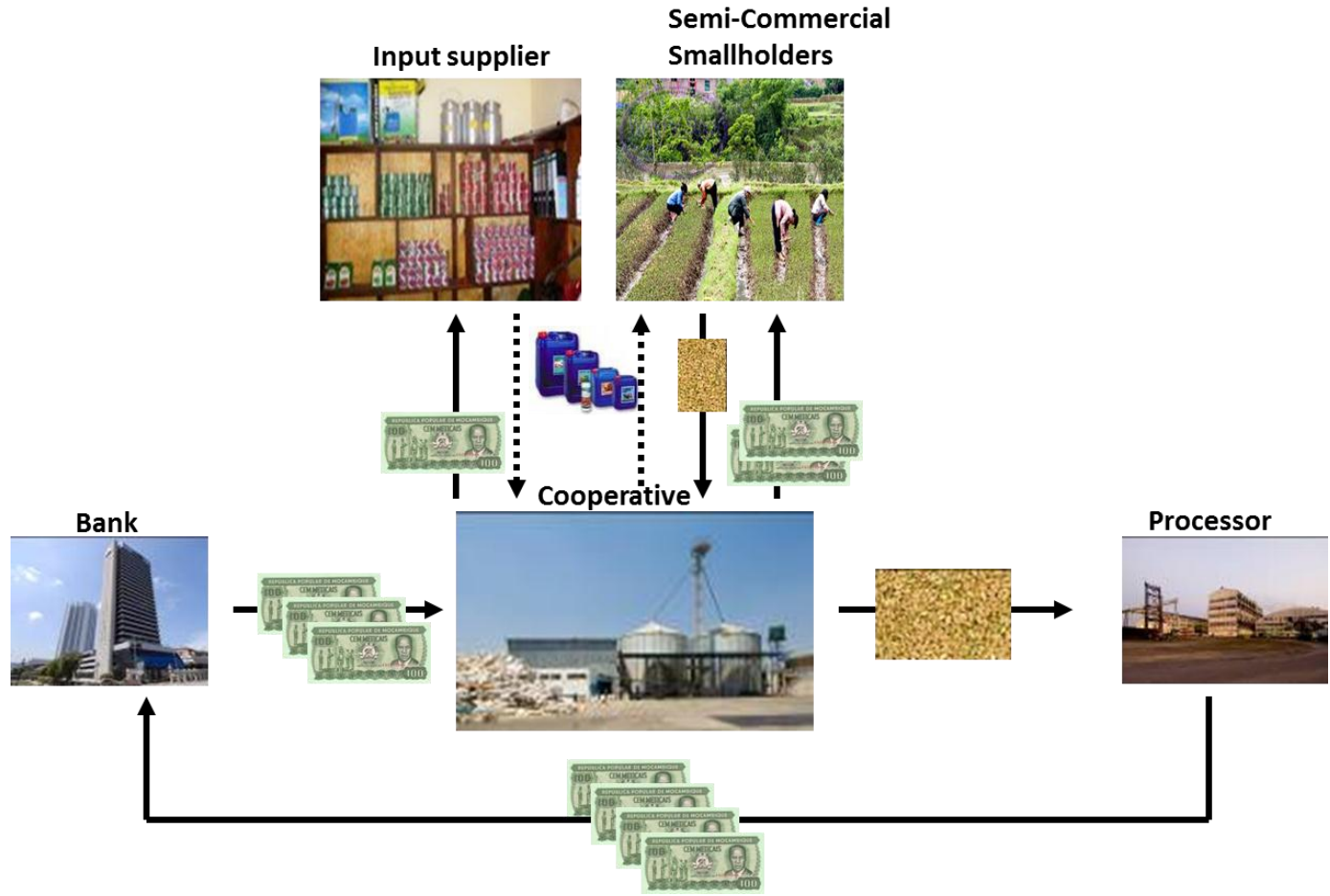


Main obstacles credit to farmers

- Lack of collateral and/or land title
- Lack of financial documentation
- Lack of track-record/or bad experiences financing agriculture
- Lack of mutual understanding between bank and farmer
- High transaction cost due to inferior infrastructure
- High perceived risk financing agriculture
- Weak match between financial products offered and needed (eg overdraft instead of loan)

How to counter this:

example value chain financing via cooperative



Key take away

- Organise farm inputs and marketing of end products via farmer organisations/cooperatives with:
 - Clear objectives for creating a cooperative organisation
 - Efficiency of operations
 - Adequate organization structure
 - Discipline of members
 - Adequate legislation and Government's enabling policy
 - Capacity building assistance



Questions

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