Creditreform Bank Rating
Coöperatieve Rabobank U.A. (Group)

Creditreform Rating

Rating Object	Rating Information
Coöperatieve Rabobank U.A. (Group)	Long Term Issuer Rating / Outlook: **A+ / positive** Short Term: **L2**
Creditreform ID: 400976778	StType: Update / Unsolicited

Rating Date:	**23 October 2023**
Monitoring until:	withdrawal of the rating
Rating Methodology:	CRA "Bank Ratings v.3.2" CRA "Rating of Bank Capital and Unsecured Debt Instruments v.2.1" CRA "Government-Related Banks v.2.1" CRA "Environmental, Social and Governance Score for Banks v.1.0" CRA "Rating Criteria and Definitions v.1.3" CRA "Institutional Protection Scheme Banks v1.0"
Rating History:	www.creditreform-rating.de

Rating of Bank Capital and Unsecured Debt Instruments:

Preferred Senior Unsecured (PSU):	**A+**
Non-Preferred Senior Unsecured (NPS):	**A**
Tier 2 (T2):	**BBB+**
Additional Tier 1 (AT1):	**BBB**

Rating Action

Creditreform Rating affirms Rabobank's (Group) Long-Term Issuer Rating at A+ (Outlook: positive)

Creditreform Rating (CRA) affirms Rabobank U.A.'s Long-Term Issuer Rating at A+. The rating outlook is upgraded to positive.

CRA affirms Rabobank's Preferred Senior Unsecured Debt at A+, Non-Preferred Senior Unsecured Debt at A and Tier 2 Capital at BBB+. AT1 Capital is upgraded to BBB.

Please find a complete list of rating actions regarding the bank and its affected subsidiaries at the end of this rating update.

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Key Rating Drivers

- One of the world's leading banks in the food and agricultural sector
- Leading position in domestic retail banking and considerable market share in domestic mortgage loans
- Stable, satisfactory earnings in 2022, much improved in the first half of 2023 amid new interest environment; greatly improved earnings prospects in the medium term
- Stable, very good asset quality with low cost of risk
- Good capitalization with strong momentum amid good results and moderate distributions
- Material underway investigations against Rabobank with yet unknown outcome come on top of existing KYC problems with ongoing remediation

Executive Summary

Quantitative:	Good
Earnings	Satisfactory
Assets	Very Good
Capital	Good
Liquidity	Very Good
Qualitative:	Very Good

The rating of Rabobank U.A. (hereinafter: Rabobank) is prepared on the basis of group consolidated accounts.

Creditreform Rating affirms Rabobank's Long-Term Issuer Rating at A+. The outlook is raised from stable to positive. Rabobank essentially affirmed the solid result before risk assessment from 2021. The previous year's result was distorted by significant recovery effects, and the marked 25% decline in net profit is therefore only comparable to a limited extent. However, the current fiscal year 2023 is looking much improved due to the new interest rate environment, which will benefit Rabobank and the banking sector as a whole. Risk costs have remained low to date, and asset quality remains very good. Capitalization remains good in absolute terms and continues to improve due to good earnings und modest distributions. The outlook improves due to good earnings momentum and prospects in the new interest environment, tempered by the ongoing money laundering and anti-trust investigations with unknown outcome by Dutch Public Prosecution Service under the Dutch anti-money laundering and anti-terrorist financing act (Wwft) and European Commission (EC).

Company Overview

The cooperative bank Coöperatieve Rabobank U.A. (hereafter Rabobank or the bank) is a Dutch cooperative banking group headquartered in Utrecht. All local Rabobanks and the Rabobank Group Organization operate as one cooperative bank with one banking license and one set of financial statements.

Rabobank is the second largest bank in the Netherlands in terms of total assets. With almost 47,000 employees (FTE's at year-end 2022) in 37 countries, the Group serves more than 8.3 million private and 800,000 commercial customers in the Netherlands. Rabobank commands a 35% savings market share and 19% mortgage market share in the Netherlands (H1-23).

As an international financial service provider, the bank offers its clients a comprehensive range of financial products and services and is in particular active internationally as a financial services provider in the food and agricultural sector, where Rabobank is one of the world's leading banks. The bank is divided in the following major business lines: Domestic Retail Banking (DRB), Wholesale & Rural (W&R), Leasing (DLL) and Property Development (mainly BPD). DRB mainly encompasses the activities of the local Rabobanks and the subsidiary Obvion (among other responsible for mortgages). W&R contains wholesale activities in the Netherlands and focuses on the food and agricultural sectors internationally. The DLL segment is responsible for the global leasing activities and offers a wide range of leasing products. Property Development mainly encompasses the activities of Bouwfonds Property Development (BPD) with its focus on the development of residential property. Other segments within Rabobank include mainly the financial results of investments in associates (in particular Achmea B.V.), treasury and head office operations. In terms of contribution to Rabobank Group, see the chapter on profitability.

With the conclusion of the previous business strategy for 2015-2022, Rabobank focused on simplification, optimization and targeted growth in three phases. Most financial metrics were met. The new and updated strategy Growing a better world together has the ambition to strengthen the market position in the Netherlands, being the bank of choice for food and agriculture and being the market leader in vendor finance. Among its financial ambitions the bank seeks a CET1 ratio of over 14%, a cost income ratio of about 55% and a return on equity of over 8%.

At the end of 2022, Rabobank communicated two ongoing significant proceedings against it. Firstly, by the Dutch public prosecutor under the Dutch anti-money laundering and anti-terrorist financing act (Wwft). Secondly, by the European Commission (EC) in relation to compliance with EU competition law. In both cases, potential fines cannot yet be quantified as of H1-23.

Already in late 2021, Rabobank received instructions from the Dutch Central Bank (DNB) to address shortcomings in compliance with the Wwft. Through a remediation plan, the Financial Economic Crime (FEC) department was expanded from 4650 to 7050 FTEs in a short period of time, thus already accounting for a significant share of the total workforce. For the financial year, remediation costs of EUR 632mn were incurred due to investments in technology and staff as well as provisions.

Business Development

Profitability

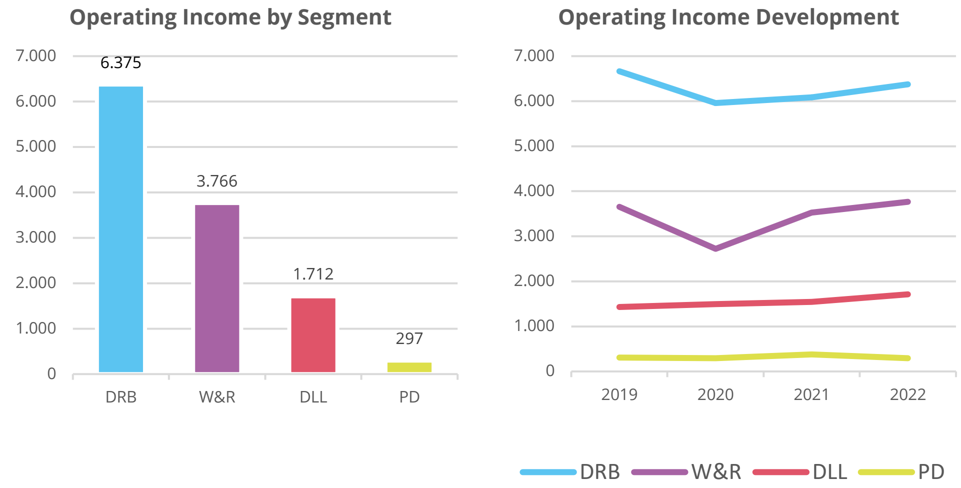
Creditreform Rating AG follows a structural approach in the presentation of the income statement and balance sheet as well as in the calculation of key ratios. The presentation may therefore differ from that of the bank. Creditreform Rating pursues the goal of making financial statements of different banks as well as within the scope of consolidation as comparable as possible. Certain key ratios are also taken or calculated from the Bank's Pillar III Report for reasons of comparability. Balance sheet and income statement figures are taken from the consolidated financial statements of the respective years. Significant one-off or exceptional items may be, where possible, relegated to the line items non-recurring revenue and expense.

After the encouraging result in 2021, Rabobank suffered a significant decline in net profit in 2022. However, on closer inspection, the bank was able to affirm the previous year's result in operational terms; the operating profit decreased marginally compared with the previous year. A normalization of impairment charges following the reversal of Covid-19 provisions in fiscal year 2021 and a slightly higher relative tax burden reduced net profit by almost a quarter year-on-year.

Operating income and operating expense remained virtually unchanged overall, but there were notable shifts within the line items. In particular, net interest income improved significantly by almost 10% or EUR 0.8bn as the interest rate environment for banks improved. The changes in the TLTRO terms and conditions for Rabobank, which led to a significant year-on-year decline in income and the bank's early repayment of the majority of its TLTRO exposure, had a negative impact. Contrary to the market trend, Rabobank also reported robust growth in net fee and commission income (+4.9% or EUR 0.1bn), primarily in payment services. Net trading and securities income (CRA aggregation) decreased by EUR 0.7bn. Other income fell, among other things, due to lower income from investments (e.g. Achmea) and lower valuations (e.g. Mechanics Bank). In total, operating income was just under EUR 12.1bn, compared to EUR 12.2bn in the previous year.

Chart 1 outlines the operating income of the main segments of Rabobank and the respective developments over time. The DRB segment accounts for the majority of operating income, slightly more than half. In the financial year, it generated sales of just under EUR 6.4bn. The W&R segment contributed another third. Leasing (14%) and Property Development (2%) accounted for only a small share. The W&R segment recovered quickly from the Covid 19 dip. Over the 2019-2022 period under review, many areas performed inconsistently, with only Leasing achieving prominent growth of 20% in operating income.

Chart 1: Operating Income by Segment and Development | Source: Rabobank



On the expense side, the significantly higher spending on personnel is evident. Efforts to remedy inadequacies in the Financial Economic Crime (FEC) department led to a significant increase in staffing levels at a time when competitors were significantly reducing staff. The effects of the collective labor agreement also had a negative impact. Investments in IT infrastructure significantly increased IT costs by more than a quarter in the reporting year. Other provisions, on the other hand, fell back to a normal level following high provisions, among other things, for the KYC requirements imposed by DNB. Nevertheless, further significant provisions are expected in subsequent years as a result of the new investigations. In total, operating expenses decreased by less than 1% to EUR 7.7bn, compared to EUR 7.8bn in the previous year.

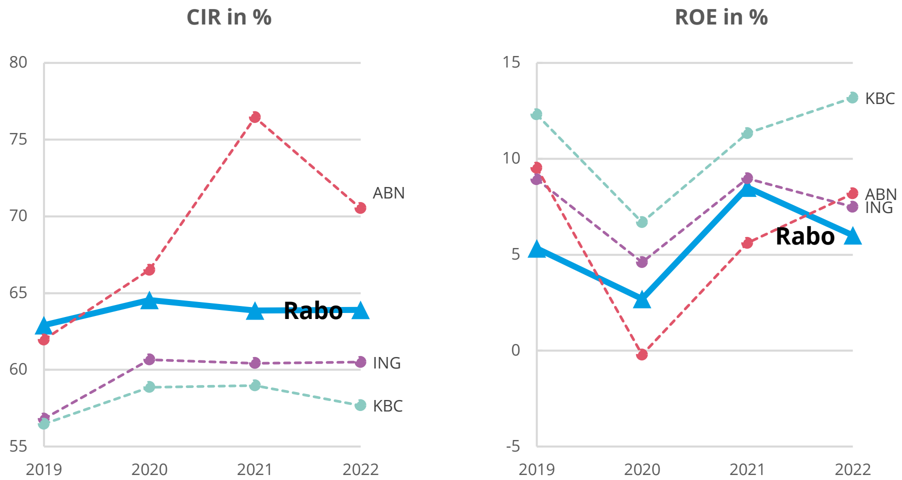
Impairment charges amounted to EUR 0.4bn, after a positive contribution of EUR 0.5bn in the previous year due to the release of Covid-19 provisions. The withdrawal from the Russian market following the invasion of Ukraine and management adjustments due to the deteriorating economic situation, including war and high inflation, accounted for most of the increase in impairment charges. However, despite the significantly worsened interest rate environment and the general inflationary situation for companies and households, this has so far not led to any significant deterioration in general asset quality and associated impairment charges.

A slightly lower (but relatively higher) tax burden together with higher impairment charges therefore primarily contributed to the decrease in net profit by EUR 0.9bn or 24.5%.

The decline in net profit was accompanied by a deterioration in the dependent earnings indicators, although the cost-income ratio remained virtually stable. Overall, Rabobank's earnings performance can be described as average.

This assessment is also affirmed in comparison with a peer group selection. Chart 2 outlines the development of key performance indicators of Rabobank in comparison to the peer group. The cost-income ratio remained stable over the last years and was only subject to minor fluctuations. The return on equity developed heterogeneously, with the Covid-19 slump in 2020 clearly visible. Rabobank is at the bottom of the field here, but this is also due to its good equity base, which is discussed in more detail in the section Refinancing, Capital Quality and Liquidity.

Chart 2: CIR & ROE of Rabobank in comparison to the peer group | Source: eValueRate / CRA



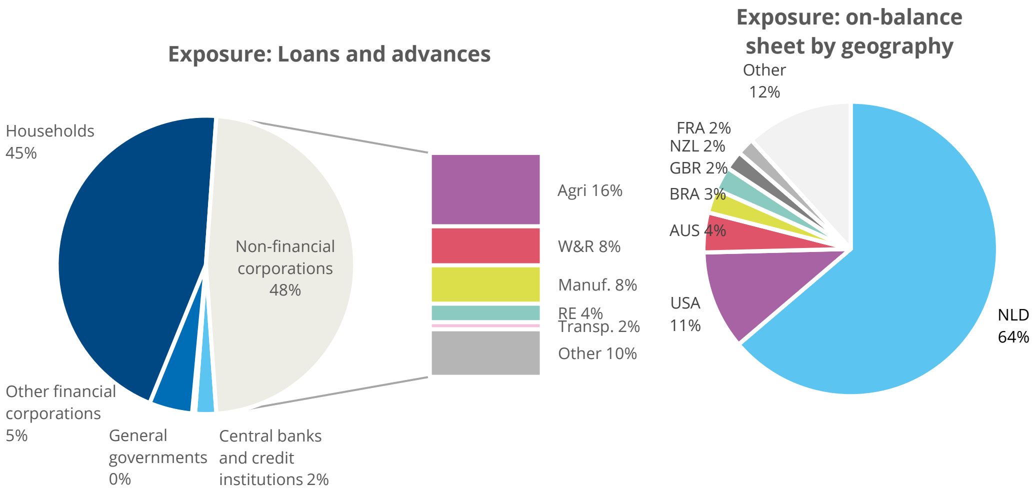
Rabobank posted a record half-year in the first half of 2023. Net profit was EU 2.5bn, which was almost the same as net profit for the entire previous year. Although operating expenses increased compared to the first half of the previous year (partly due to the higher headcount) and risk costs also increased in view of the sharp rise in interest rates and geopolitical events, these increases were disproportionate to the massive increase in interest income, which was over EUR 1.4bn higher than in the first half of the previous year (+32.6%). Key earnings figures improved accordingly and are already well above the targets for 2027.

Asset Situation and Asset Quality

In fiscal year 2022, total assets decreased slightly by EUR 10.7bn compared to the previous year. This was mainly due to interest rate hedges with a negative fair value of EUR 13.1bn; loans to private sector clients, on the other hand, increased robustly. The share of securities and equity instruments remained comparatively low, as in previous years, while cash and balances with central banks continued to be very high, accounting for over 20% of total assets.

In the context of the analysis of credit concentration, it is not surprising, given the bank's mission statement, that there is a significant exposure to the Agriculture, Forestry and Fishing sector. Just under one third of the exposure in the non-financial corporations area is attributable to this sector. At EUR 71.3bn, the exposure was well above the bank's available core capital (185.9% of CET1 in 2022). Overall, the Households and Non-Financial Corporations market areas roughly balance each other out. However, the overall exposure is quite diversified regionally, although the home market of the Netherlands continues to dominate with just under two-thirds. Chart 3 outlines the credit risk in terms of sectoral and geographical concentration.

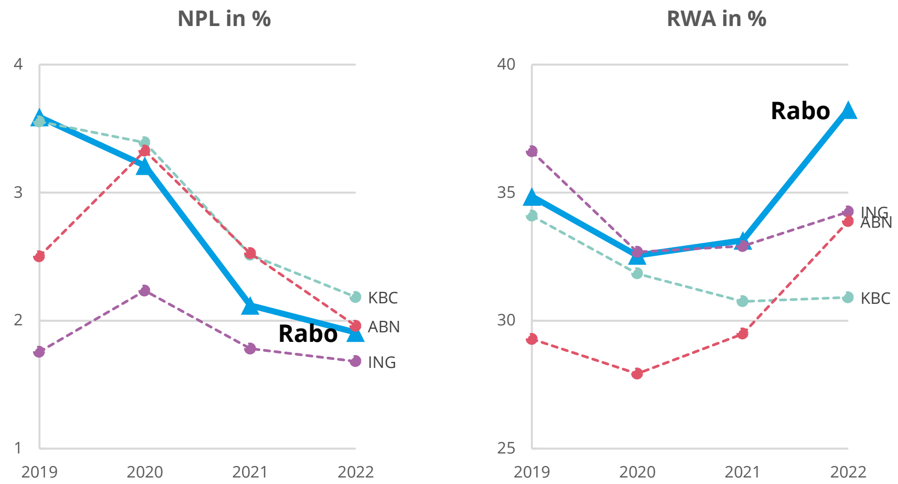
Chart 3: Credit Risk; concentration by segment and geography | Source: Pillar 3 (EU CQ4, CQ5, CR1)



Asset quality as a whole continues to be rated as very good. The NPL ratio improved further in the reporting year and is at a very low level of below 2%. Although the ratio of potential problem loans (Stage 2) is quite high at just under 9%, it is not unusual compared with the peer group. Reserves, collateral and guarantees on non-performing exposures are high. However, the RWA ratio made a sharp jump in 2022. However, this jump is mainly regulatory in nature; just under one third of the increase was due to the introduction of a macroprudential add-on for mortgages in the Netherlands at the beginning of 2022, and two thirds was due to model changes reflecting EBA guidelines. According to the bank, all remaining Basel IV influences were thus anticipated. Despite this significant increase in RWA by EUR 28.5bn to EUR 240.4bn, there was no significant change in the existing risk profile for the bank in real terms.

The asset quality of Rabobank and the peer group banks is quite homogeneous. The trend and characteristics are largely the same, both in terms of NPLs and RWA.

Chart 4: NPL and RWA ratios of Rabobank in comparison to the peer group | Source: eValueRate / CRA / Pillar 3 (EU KM1)



In the first half of 2023, asset quality has so far been little affected by the changed, i.e. worsened, economic conditions. So far, this trend can also be applied to peer banks. Although there has been a significant increase in insolvencies in the real estate sector and economic development is weakening, this appears to have had only a limited impact on NPLs so far. At the same time, however, current developments are associated with a considerable degree of risk and uncertainty, also in geopolitical terms.

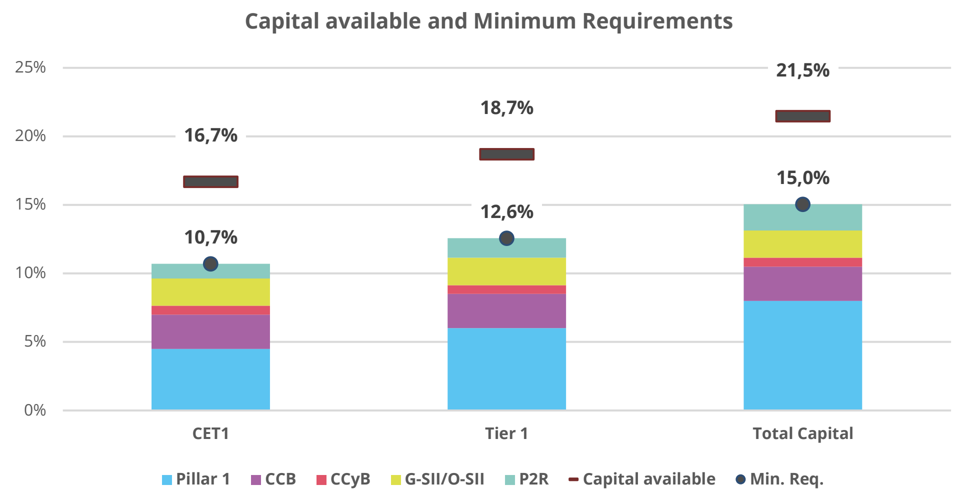
Refinancing, Capital Quality and Liquidity

There was significantly more movement on the liabilities side than on the assets side, with deposits from banks falling noticeably by EUR 41.1bn, while deposits from customers increased by EUR 23.8bn. The decline in bank deposits is due to the early repayment of TLTRO III after favorable conditions had expired. On the debt funding side, long-term debt securities decreased in favor of short-term debt securities, resulting in a slight overall increase in debt liabilities. Equity increased significantly by almost EUR 3bn, mainly due to increased earnings coupled with moderate distributions and the issue of EUR 1bn in capital securities in April 2022 (AT1).

Despite the strong increase in balance sheet equity, which is also reflected in the equity ratio, regulatory equity decreased sharply. This is due to the disproportionately high increase in RWA. The RWA ratio increased from 33.1% to 38.3% and, as discussed in the previous section, RWA also rose sharply in absolute terms for regulatory reasons. Nevertheless, CRA considers the capitalization of Rabobank to be very strong. In addition, the current very positive earnings trend combined with a moderate dividend policy substantially strengthens the capital base.

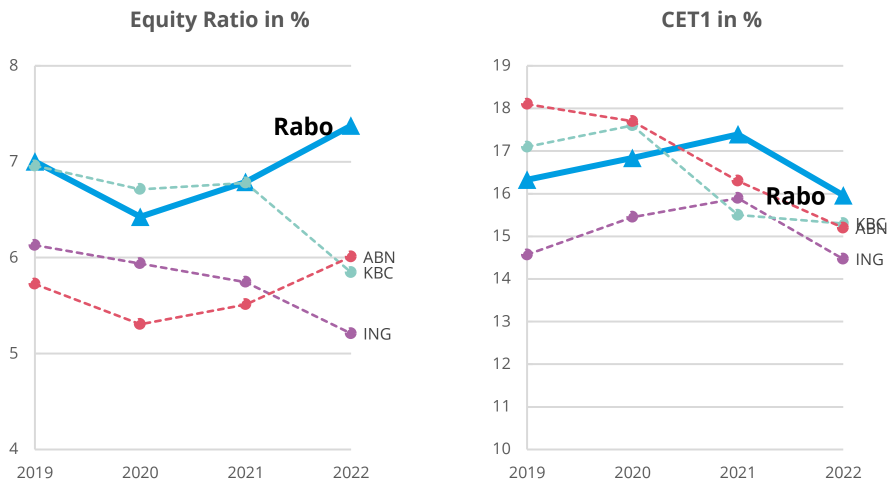
This positive development continued in the first half of 2023. In terms of the financial targets of the updated strategic plan, the bank is well above the target CET1 ratio of over 14%.

Chart 5: Capital available and minimum requirements for Rabobank as per H1-23 | Source: P3 (EU KM1)



Compared with the peer group banks, a clearly positive trend can be observed at Rabobank in the context of capitalization. Although the CET1 ratio is decreasing at all peer banks as well as at Rabobank, the situation is significantly different in terms of balance sheet capitalization. The moderate dividend policy has led to a significant increase in equity at Rabobank, with the bank clearly assuming the top position.

Chart 6: Equity and CET1 ratios of Rabobank in comparison to the peer group | Source: eValueRate / CRA / Pillar 3 (EU KM1)



Due to Rabobank's bank capital and debt structure, as well as its status as a O-SII, the Group's Preferred Senior Unsecured Debt instruments are not notched down in comparison to the Long-Term Issuer Rating and rated A+. Due to the seniority structure, Rabobank's Non-Preferred Senior Unsecured debt is rated A. Rabobank's Tier 2 Capital is rated BBB+ based on Rabobank's capital structure and seniority in accordance with our rating methodology. Additional Tier 1 Capital is upgraded to BBB, reflecting the improving equity stock, providing a larger buffer in case of adverse business environments.

Environmental, Social and Governance (ESG) Score Card

Rabobank has one significant and two moderate ESG rating drivers

• Corporate Governance is identified as a highly significant rating driver. The relevance for the credit rating results from the impact of the corporate governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated positive due to Rabobank's sound track record, its stable business model and the already implemented diverse ESG related policies.

• Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated positive due to significant ESG related financing activities, Corporate Behaviour is rated negative, because of AML violations and especially KYC Problems - the Bank had to invest 249mn in e.g. staffing for KYC

ESG Bank Score
3,5 / 5

Score Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
< = 1,75	Poor

Factor	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	1.2 Exposure to Environ-mental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	2	( )
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)
Social	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	2	(+)
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)
Governance	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated positive in terms of the CRA ESG criteria.	4	(+)
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated negative in terms of the CRA ESG criteria.	3	(-)
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
( )	Neutral
(-)	Negative
(- -)	Strong negativ

The ESG Score is based on the Methodology "Environmental, Social and Governance Score of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage https://creditreform-rating.de/en/about-us/regulatory-requirements.html. In addition, we refer to CRA's position paper "Consodering the Impact of ESG Factors".

Outlook

The outlook of the Long-Term Issuer Rating of Rabobank is upgraded to positive. The 2022 result could only confirm the 2021 pre-impairment result, and indeed could not match the previous year's overall result. At the same time, the current economic and geopolitical environment harbours significant risk potential, while the recent investigations entail additional risks that cannot yet be quantified. However, the new interest rate environment promises a significant and possibly sustained improvement in profitability in the short to medium term. The development of both profitability and capitalisation in H1-23 is already ahead of the targets set for 2027 and shows no signs of slowing down. At the same time, the impact of inflation and the economic downturn has not yet materially affected overall asset quality and the capital buffer is increasing.

Scenario Analysis

Best-case scenario: AA

Worst-case scenario: A

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

In a scenario analysis, the bank is able to reach a Long-Term Issuer Rating of AA in the "Best-Case-Scenario" and a Long-Term Issuer Rating of A in the "Worst-Case-Scenario". The ratings of Bank Capital and Senior Unsecured Debt would respond similarly based on our rating methodology. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade Rabobank's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt if Rabobank manages to carry forward the current earnings momentum while at least maintaining its good risk profile and very good capitalization. Ongoing deficiencies in KYC issues should continue to be addressed and remedied. CRA also expects Rabobank to fully comply with ongoing investigations.

By contrast, a downgrade of Rabobank's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt may be warranted if economic and geopolitical risks prevail and hurt profitability, for example through increased impairment expense and/or a decrease in revenue. Likewise, a material deterioration of asset-quality may warrant a downgrade. Furthermore, a material, adverse outcome of current investigations or even further investigations and with it harsh penalties may precipitate a downgrade.

Appendix

Bank ratings Coöperatieve Rabobank U.A.

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

Long-Term Issuer / Outlook / Short-Term **A+ / L2 / positive**

Bank Capital and Debt Instruments Ratings Coöperatieve Rabobank U.A.

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred Senior Unsecured (PSU):	**A+**
Non-Preferred Senior Unsecured (NPS):	**A**
Tier 2 (T2):	**BBB+**
Additional Tier 1 (AT1):	**BBB**

Rating History

Please consult our website www.creditreform-rating.de for additional information regarding the dates of publication.

Figure 1: Rating History

Bank Issuer Rating	Rating Date	Result
LT / Outlook / Short-Term (Initial)	17.05.2017	A / stable / L2
Rating Update	06.11.2019	A+ / stable / L2
Monitoring	24.03.2020	A+ / NEW / L2
Rating Update	26.11.2020	A+ / negative / L2
Rating Update	23.09.2021	A+ / stable / L2
Rating Update	13.04.2022	A+ / stable / L2
Rating Update	23.10.2023	A+ / positive / L2
Bank Capital and Debt Instruments	**Rating Date**	**Result**
Senior Unsecured / T2 / AT1 (Initial)	01.02.2018	A- / BBB- / BB+
PSU / NPS / T2 / AT1	06.11.2019	A+ / A / BBB+ / BBB-
PSU / NPS / T2 / AT1	24.03.2020	A+ / A / BBB+ / BBB- (NEW)
PSU / NPS / T2 / AT1	26.11.2020	A+ / A / BBB+ / BBB-
PSU / NPS / T2 / AT1	23.09.2021	A+ / A / BBB+ / BBB-
PSU / NPS / T2 / AT1	13.04.2022	A+ / A / BBB+ / BBB-
PSU / NPS / T2 / AT1	23.10.2023	A+ / A / BBB+ / BBB

Tables Group (if applicable)

Figure 2: Income statement[1] | Source: eValueRate / CRA

Income Statement (EUR m)	2022	%	2021	2020	2019
Income					
Net Interest Income	9.149	+9,6	8.351	7.997	8.455
Net Fee & Commission Income	2.106	+4,9	2.008	1.780	1.858
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	-47	< -100	685	120	255
Equity Accounted Results	115	-65,6	334	188	192
Dividends from Equity Instruments	-	-	-	-	-
Other Income	748	-4,5	783	678	623
Operating Income	**12.071**	**-0,7**	**12.161**	**10.763**	**11.383**
Expense					
Depreciation and Amortisation	393	-3,7	408	519	416
Personnel Expense	5.023	+7,9	4.657	4.684	4.821
Tech & Communications Expense	490	+26,6	387	365	371
Marketing and Promotion Expense	97	+11,5	87	92	150
Other Provisions	99	-81,7	542	668	163
Other Expense	1.613	-4,3	1.685	619	1.240
Operating Expense	**7.715**	**-0,7**	**7.766**	**6.947**	**7.161**
Operating Profit & Impairment					
Operating Profit	**4.356**	**-0,9**	**4.395**	**3.816**	**4.222**
Cost of Risk / Impairment	449	< -100	-474	2.196	1.275
Net Income					
Non-Recurring Income	13	+62,5	8	19	373
Non-Recurring Expense	-	-	-	-	-
Pre-tax Profit	**3.919**	**-19,6**	**4.877**	**1.496**	**3.041**
Income Tax Expense	1.133	-4,4	1.185	400	838
Discontinued Operations	-	-	-	-	-
Net Profit	**2.786**	**-24,5**	**3.692**	**1.096**	**2.203**
Attributable to minority interest (non-controlling interest)	76	-20,8	96	41	46
Attributable to owners of the parent	2.710	-24,6	3.596	1.055	2.157

Figure 3: Key earnings figures| Source: eValueRate / CRA and Pillar III

Income Ratios (%)	2022	%	2021	2020	2019
Cost Income Ratio (CIR)	63,91	+0,05	63,86	64,55	62,91
Cost Income Ratio ex. Trading (CIRex)	63,67	-4,01	67,67	65,27	64,35
Return on Assets (ROA)	0,44	-0,13	0,58	0,17	0,37
Return on Equity (ROE)	6,01	-2,50	8,51	2,70	5,33
Return on Assets before Taxes (ROAbT)	0,62	-0,14	0,76	0,24	0,51
Return on Equity before Taxes (ROEbT)	8,45	-2,78	11,24	3,68	7,35
Return on Risk-Weighted Assets (RORWA)	1,16	-0,58	1,74	0,53	1,07
Return on Risk-Weighted Assets before Taxes (RORWAbT)	1,63	-0,67	2,30	0,73	1,48
Net Financial Margin (NFM)	1,33	+0,07	1,26	1,27	1,39
Pre-Impairment Operating Profit / Assets	0,69	+0,01	0,69	0,58	0,67

Change in %Points

[1] Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets| Source: eValueRate / CRA

Assets (EUR m)	2022	%	2021	2020	2019
Cash and Balances with Central Banks	129.580	+7,5	120.534	108.466	63.086
Net Loans to Banks	5.975	+9,1	5.477	5.580	6.594
Net Loans to Customers	421.268	-0,9	425.011	420.719	428.473
Total Securities	15.633	-6,1	16.647	18.215	15.862
Total Derivative Assets	26.865	+17,0	22.971	29.638	23.584
Other Financial Assets	13.645	-55,3	30.494	33.158	36.256
Financial Assets	**612.966**	**-1,3**	**621.134**	**615.776**	**573.855**
Equity Accounted Investments	1.679	-26,4	2.282	2.183	2.308
Other Investments	562	+28,3	438	450	371
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	250	> +100	73	52	435
Tangible and Intangible Assets	5.112	+0,0	5.110	6.942	7.727
Tax Assets	905	-3,3	936	985	1.102
Total Other Assets	7.039	-24,0	9.258	5.870	4.800
Total Assets	**628.513**	**-1,7**	**639.231**	**632.258**	**590.598**

Figure 5: Development of asset quality| Source: eValueRate / CRA and Pillar III

Asset Ratios (%)	2022	%	2021	2020	2019
Net Loans to Customers / Assets	67,03	+0,54	66,49	66,54	72,55
Risk-weighted Assets[1] / Assets	38,25	+5,10	33,14	32,55	0,00
NPL[2]/ Loans to Customers[3]	1,91	-0,21	2,12	3,21	3,59
NPL[2]/ Risk-weighted Assets[1]	3,52	-0,83	4,35	6,74	7,61
Potential Problem Loans[4]/ Loans to Customers[3]	8,74	+2,03	6,71	7,91	4,68
Reserves[5]/ NPL[2]	84,11	+0,63	83,48	83,96	82,11
Cost of Risk / Loans to Customers[3]	0,10	+0,21	-0,11	0,51	0,29
Cost of Risk / Risk-weighted Assets[1]	0,19	+0,41	-0,22	1,07	0,62
Cost of Risk / Total Assets	0,07	+0,15	-0,07	0,35	0,22

Change in %Points

1 RWA: Pillar 3, EU CR1
2 NPL: Gross; Non-Performing Loans of the categories Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
3 Loans to Customers: Gross; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
4 Potential Problem Loans: Stage 2; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
5 Reserves: Impairment & Provisions and Collateral & Guarantees; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

Figure 6: Development of refinancing and capital adequacy| Source: eValueRate / CRA

Liabilities (EUR m)	2022	%	2021	2020	2019
Total Deposits from Banks	31.337	-56,8	72.497	60.723	23.722
Total Deposits from Customers	396.408	+6,4	372.601	361.271	339.240
Total Debt	124.441	+1,7	122.391	131.389	151.785
Derivative Liabilities	20.198	+8,0	18.710	28.402	24.074
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	2.374	+11,4	2.132	1.987	1.953
Total Financial Liabilities	**574.758**	**-2,3**	**588.331**	**583.772**	**540.774**
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	91
Tax Liabilities	662	-39,9	1.102	588	768
Provisions	1.048	-18,8	1.291	619	783
Total Other Liabilities	5.687	+11,4	5.105	6.647	6.835
Total Liabilities	**582.155**	**-2,3**	**595.829**	**591.626**	**549.251**
Total Equity	**46.358**	**+6,8**	**43.402**	**40.632**	**41.347**
Total Liabilities and Equity	**628.513**	**-1,7**	**639.231**	**632.258**	**590.598**

Figure 7: Development of capital and liquidity ratios | Source: eValueRate / CRA and Pillar III

Capital Ratios and Liquidity (%)	2022	%	2021	2020	2019
Total Equity / Total Assets	7,38	+0,59	6,79	6,43	7,00
Leverage Ratio[1]	6,60	-0,68	7,28	7,00	6,40
Common Equity Tier 1 Ratio (CET1)[2]	15,96	-1,43	17,39	16,84	16,32
Tier 1 Ratio (CET1 + AT1)[2]	17,99	-1,23	19,22	18,98	18,83
Total Capital Ratio (CET1 + AT1 + T2)[2]	21,15	-1,50	22,65	24,23	25,25
CET1 Minimum Capital Requirements[1]	10,10	+0,10	9,99	9,99	11,04
Net Stable Funding Ratio (NSFR)[1]	130,65	+1,15	129,50	127,48	118,00
Liquidity Coverage Ratio (LCR)[1]	173,52	-14,59	188,11	n/a	n/a

Change in %Points

1 Pillar 3 EU KM1

2 Regulatory Capital Ratios: Pillar 3 EU KM1

Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following table clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website www.creditreform-rating.de. The rating was carried out on the basis of the following methodologies and Rating Criteria and Definitions (v1.3):

- Bank ratings (v3.2)
- Rating of bank capital and unsecured debt instruments (v2.1)
- Environmental, Social and Governance Score for Banks (v1.0)

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions are published on our homepage:

https://www.creditreform-rating.de/en/about-us/regulatory-requirements.html

On 23 October 2023, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to Coöperatieve Rabobank U.A., and the preliminary rating report was made available to the bank. There was no change in the rating.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

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1. Aggregated data base by eValueRate

2. Annual Report and interim reports

3. Investors relations information and other publications

4. Website of the rated bank

5. Public and internal market analyses

6. Internet research

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