

*This is a translation of the original text in Dutch. In case of divergences between the texts, the text of the Dutch version shall prevail.*

Volksholding B.V.

To: Mr J. van Rutte

PO Box 8444

3503 RK Utrecht

COPY: Ms M. van der Grinten-van de Wetering

The Hague, 19 January 2017

NLFI 2016/291

Re: NLFI focal point letter 2017

Dear Mr van Rutte,

As a shareholder of Volksholding B.V. and indirect shareholder of Volksbank N.V. (jointly 'Volksbank') NLFI seizes the opportunity to send a focal point letter each year. This focal point letter aims to draw attention to several special points of interest. NLFI has formulated several focal points for 2017, which it would like to inform Volksbank about in this letter.

Eumedion recently sent out its annual focal point letter. The letter contained two core themes (in summary: climate change and diversity) with regard to which Eumedion made an appeal to companies. As explained in NLFI's online document 'Policy on the exercising of shareholders' rights', as a shareholder NLFI wishes to implement sustainable and responsible entrepreneurship. The themes referred to by Eumedion in its focal point letter 2017 are in line with NLFI's ideas on corporate social responsibility. Therefore, NLFI has drawn inspiration from these two themes in formulating two focal points, which are explained below.

NLFI will incorporate the focal points set out below in the ongoing dialogue with Volksbank NLFI engages in as shareholder of Volksbank and possibly bring them up for discussion at the shareholders' meeting. NLFI also requests Volksbank to take the focal points into account when drawing up its reports.

**Focal point: climate change**

In its previous focal point letter, NLFI congratulated Volksbank with its ambition to become a climate-neutral bank. In its previous focal point letter, NLFI requested Volksbank to pay special attention for risks and opportunities of sustainable development for Volksbank with regards to integrated reporting. It also called on Volksbank to be more transparent about the risks and opportunities associated with sustainable development. On 4 November 2016, the Paris climate accord entered into effect. A national climate summit was also recently held in the Netherlands. Considering these developments, NLFI hereby repeats its call of 2016. More specifically, NLFI request Volksbank to pay attention to the risks and opportunities associated with climate change and the way in which Volksbank incorporates these risks into its business operations in, for instance, product development or risk-mitigating measures. NLFI specifically calls on Volksbank to incorporate the Paris climate accord.

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**Focal point: diversity**

The Volksbank annual report 2015 reveals that it focuses on diversity with respect to gender balance and employing the handicapped. NLF1 appreciates this approach and underlines the importance of a clear diversity policy. NLF1 is a proponent of a broad diversity policy that zooms in on skills, experience and knowledge as well as gender, age, handicap and socio-cultural background within the bank's organisation. The abovementioned annual report contains a materiality matrix, in which subjects are identified that are of interest to both stakeholders and Volksbank, in which diversity is assigned medium priority. NLF1 calls on Volksbank to further explain its policy on diversity in its reports as well as the quantifiable objectives. NLF1 requests Volksbank to also report on any progress made in attaining these goals and the manner in which the organisation ensures that the achieved results are upheld.

We are more than willing to further discuss the issues raised in this letter. With this we strive to contribute to the existing dialogue between NLF1 and Volksbank. Please note that NLF1 will publish this letter on its website.

Kind regards,

Lilian Gonçalves-Ho Kang You

Board member

David Wyatt

Managing Director