



| LEA 02 | Disclosures Monetary | Reason Gateway | Principle PRI 1,2,3 |
|---|--|-------------------|---------------------------|
| <p>Type of engagement Individual/ internal staff engagements</p> | <p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal staff <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff | | |
| <p>Type of engagement Collaborative engagements</p> | <p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal staff <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements | | |
| <p>Type of engagement Service provider engagements</p> | <p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal staff <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service provider engagements | | |

RI TRANSPARENCY REPORT

2014/15

Rabo FARM

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

| Symbol | Status |
|--------|---|
| ✓ | The signatory has completed all mandatory parts of this indicator |
| ☑ | The signatory has completed some parts of this indicator |
| 🔒 | This indicator was not relevant for this signatory |
| - | The signatory did not complete any part of this indicator |
| Ⓜ | The signatory has flagged this indicator for internal review |

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

| Organisational Overview | | | | Principle | | | | | | General |
|-------------------------|---|--------|------------------------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| OO 01 | Signatory category and services | ✓ | Public | | | | | | | ✓ |
| OO 02 | Headquarters and operational countries | ✓ | Public | | | | | | | ✓ |
| OO 03 | Subsidiaries that are separate PRI signatories | ✓ | Public | | | | | | | ✓ |
| OO 04 | Reporting year and AUM | ✓ | Public | | | | | | | ✓ |
| OO 05 | Breakdown of AUM by asset class | ✓ | Asset mix disclosed in OO 06 | | | | | | | ✓ |
| OO 06 | How would you like to disclose your asset class mix | ✓ | Public | | | | | | | ✓ |
| OO 07 | Segregated mandates or pooled funds | 🔒 | n/a | | | | | | | ✓ |
| OO 08 | Breakdown of AUM by market | ✓ | Public | | | | | | | ✓ |
| OO 09 | Additional information about organisation | ✓ | Public | | | | | | | ✓ |
| OO 10 | RI activities for listed equities | 🔒 | n/a | | | | | | | ✓ |
| OO 11 | RI activities in other asset classes | ✓ | Public | | | | | | | ✓ |
| OO 12 | Modules and sections required to complete | ✓ | Public | | | | | | | ✓ |

| Overarching Approach | | | | Principle | | | | | | General |
|----------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| OA 01 | RI policy and other guidance documents | ✓ | Public | | | | | | | ✓ |
| OA 02 | Publicly available policies / documents | ✓ | Public | | | | | | | ✓ |
| OA 03 | Policy components and coverage | ✓ | Public | ✓ | ✓ | | | | | |
| OA 04 | Conflicts of interest | ✓ | Public | | | | | | | ✓ |
| OA 05 | RI goals and objectives | ✓ | Public | | | | | | | ✓ |
| OA 06 | Main goals/objectives this year | - | n/a | | | | | | | ✓ |
| OA 07 | Governance, management structures and RI processes | ✓ | Private | | | | | | | ✓ |
| OA 08 | RI roles and responsibilities | ✓ | Public | | | | | | | ✓ |
| OA 09 | RI in performance management, reward and/or personal development | - | n/a | | | | | | | ✓ |
| OA 10 | Collaborative organisations / initiatives | ✓ | Public | | | | ✓ | ✓ | | |
| OA 11 | Promoting RI independently | ✓ | Public | | | | ✓ | | | |
| OA 12 | Dialogue with public policy makers or standard setters | ✓ | Private | | | | ✓ | ✓ | ✓ | |
| OA 13 | ESG issues in strategic asset allocation | ✓ | Private | ✓ | | | | | | |
| OA 14 | Allocation of assets to environmental and social themed areas | ✓ | Private | ✓ | | | | | | |
| OA 15 | ESG issues for internally managed assets not reported in framework | ✓ | Public | | | | | | | ✓ |
| OA 16 | ESG issues for externally managed assets not reported in framework | 🔒 | n/a | | | | | | | ✓ |
| OA 17 | RI/ESG in execution and/or advisory services | 🔒 | n/a | ✓ | ✓ | | | | | |
| OA 18 | Innovative features of approach to RI | ✓ | Private | | | | | | | ✓ |
| OA 19 | Internal and external review and assurance of responses | ✓ | Private | | | | | | | ✓ |

Rabo FARM

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 02

Mandatory

Peering

General

OO 02.1 Select the location of your organisation's headquarters.

Netherlands

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

17

OO 03

Mandatory

Descriptive

General

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

OO 03.3 Additional information. [Optional]

Rabo Farm is a subsidiary of Bouwfonds Investment Management, which is also a PRI signatory. Rabo Farm reports to PRI separately.

OO 04 **Mandatory** Gateway/Peering General

OO 04.1 Indicate the year end date for your reporting year.

31/12/2014

OO 04.2 Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

| | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM | | | 315 | 789 | 474 |
| Currency | EUR | | | | |
| Assets in USD | | | 414 | 155 | 109 |

OO 04.5 Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06 **Mandatory** Descriptive General

OO 06.1 To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as broad ranges

| | Internally managed (%) | Externally managed (%) |
|---------------------------|------------------------|------------------------|
| Listed equity | 0 | 0 |
| Fixed income – corporate | 0 | 0 |
| Fixed income – government | 0 | 0 |
| Fixed income – other | 0 | 0 |
| Private debt | 0 | 0 |
| Private equity | 0 | 0 |

| | | |
|--------------------|------|---|
| Property | 0 | 0 |
| Infrastructure | 0 | 0 |
| Commodities | 0 | 0 |
| Hedge funds | 0 | 0 |
| Forestry | 0 | 0 |
| Farmland | >50% | 0 |
| Inclusive finance | 0 | 0 |
| Cash | 0 | 0 |
| Other (1), specify | 0 | 0 |
| Other (2), specify | 0 | 0 |

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png,.bmp and .gif)

| | | | |
|-------|---|---------|---------|
| OO 08 | Mandatory to Report Voluntary to Disclose | Peering | General |
|-------|---|---------|---------|

| | |
|---------|--|
| OO 08.1 | Indicate the breakdown of your organisation's AUM by market. |
|---------|--|

| Market breakdown | % of AUM |
|--------------------------------------|--|
| Developed Markets | <input checked="" type="radio"/> 0% |
| | <input type="radio"/> <10% |
| | <input type="radio"/> 10-50% |
| | <input type="radio"/> >50 % |
| Emerging, Frontier and Other Markets | <input type="radio"/> 0% |
| | <input type="radio"/> <10% |
| | <input type="radio"/> 10-50% |
| | <input checked="" type="radio"/> >50 % |

| | | | |
|-------|-----------|-------------|---------|
| OO 09 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|

OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

The global population is expected to reach 9.6 billion by 2050. Alongside limited agricultural land, water security issues, infrastructure and biodiversity challenges coupled with climate change, we face an uncertain future for food security. Rabo Farm plays an active role in responding to the challenges facing global food security.

Rabo Farm is an investment manager serving institutional investors in farms and agricultural production. Rabo Farm initiates, structures and manages funds that invest in farms and primary agricultural production. Rabo Farm's mission is contribute to global food security in a sustainable way.

In our current fund we aim to increase agricultural production by improving productivity and the efficiency of existing farms. Here we invest in closing the agricultural production gap between inefficient and efficient farms. We do this in a sustainable way by enabling to use less farm inputs per hectare of agricultural land, while producing more. Rabo Farm aims to generate positive returns for numerous stakeholders, ranging from farmers and investors to local communities.

Gateway asset class implementation indicators

OO 11

Mandatory

Gateway

General

OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Farmland
- None of the above

OO 12

Mandatory

Gateway

General

OO 12.1

The modules and sections that you will be required to complete are listed below.

This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

Closing module

- Closing module

Rabo FARM

Reported Information

Public version

Overarching Approach

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Responsible investment policy

| | | | |
|-------|-----------|-----------------------|---------|
| OA 01 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|

OA 01.1 Indicate if you have a responsible investment policy.

- Yes
 No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
 No

OA 01.3 Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

The global population is expected to reach 9.6 billion by 2050. With less access to scarce land, water and mineral resources, the agricultural sector will need to double agricultural production in the next 40 years to meet the growing demand for food. Rabo Farm plays an active role in responding to the challenges facing global food security. Rabo Farm's mission is to contribute to global food security in a sustainable way.

In our current fund we aim to increase agricultural production by improving productivity and the efficiency of existing farms and rural regions in emerging countries. Based on our principles of adding real value, creating alignment and facilitating sustainable growth, our aim is to invest in bringing the agricultural production of a farm to its full potential. This will be done sustainably by using less farm inputs per hectare of agricultural land, while producing more.

Rabo Farm envisions to build up a portfolio of modern, efficient and sustainable farms that prosper in a vital local agricultural sector. Main elements of Rabo Farm's responsible investment policy are:

- sustainable farms and farmland
- ethical business practices
- promoting knowledge, education and sustainable innovation
- creating an enabling agricultural environment for leaseholders and other local farmers

| | | | |
|-------|-----------|---------------|-------|
| OA 02 | Mandatory | Core Assessed | PRI 6 |
|-------|-----------|---------------|-------|

OA 02.1 Indicate if your responsible investment policy is publicly available.

- Yes

OA 02.2 Provide a URL to your responsible investment policy.

URL

<http://rabofarm.com/farmers> (copy)

No

OA 02.3 Indicate if your other policies or guidance documents related to responsible investment are publicly available.

Yes

Yes, all

Yes, some

OA 02.4 List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

| Policy or document name | URL |
|--|---|
| BouwfondsIM Fund Governance Principles | http://www.bouwfondsim.com/csr |

No

OA 02.5 Additional information. [Optional]

Rabo Farm is a subsidiary of Bouwfonds Investment Management and follows its policies on ethical business practices.

OA 03 **Mandatory** **Core Assessed** **PRI 1,2**

OA 03.1 Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

| Policy components/types | Coverage by AUM |
|--|--|
| <input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input checked="" type="checkbox"/> Other, specify leaseholder policy, smallholder policy, <input type="checkbox"/> Other, specify | <input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM |

| | | | |
|-------|-----------|---------------|---------|
| OA 04 | Mandatory | Core Assessed | General |
|-------|-----------|---------------|---------|

| | |
|---------|---|
| OA 04.1 | Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process. |
|---------|---|

Yes

| | |
|---------|--|
| OA 04.2 | Describe your policy on managing potential conflicts of interest in the investment process. [Optional] |
|---------|--|

Rabo Farm follows the conflict of interest policy of Bouwfonds Investment Management that is publicly available on internet: <http://www.bouwfondsim.com/csr/>

No

Objectives and strategies

| | | | |
|-------|-----------|-----------------------|---------|
| OA 05 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|

| | |
|---------|--|
| OA 05.1 | Indicate if your organisation sets objectives for its responsible investment activities. |
|---------|--|

Yes

| | |
|---------|--|
| OA 05.2 | Indicate how frequently your organisation sets or revises objectives for responsible investment. |
|---------|--|

At least once per year

Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
- Biannually
- Annually
- Every two years or less
- It is not reviewed
- No

Governance and human resources

OA 08**Mandatory****Gateway/Core Assessed****General****OA 08.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Director CSR**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
- Dedicated responsible investment staff
- External managers or service providers
- Other role, specify
- Other role, specify

OA 08.3

Additional information. [Optional]

Rabo Farm considers responsible investment to be integral part of its business process. Therefore various team members (portfolio managers, regional agricultural asset managers, country managers and investment managers) are involved in the implementation of responsible investment at Rabo Farm.

Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

- Interview IPN (Investments and Pensions Netherlands, a magazine for pension professionals)
- Global Agri Invest Conference, panelist on CEE, New York, USA
- Rabo Farm seminar on food security, Bunnik, the Netherlands
- Participation in trade mission of the King and the Queen of the Netherlands to Warsaw, Poland
- Participation in a case study on the implementation of responsible investment guidelines within Rabo Farm for an international research project funded by German Development Agency (GIZ) that is prepared for the G7 meeting of June 2015

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Being part of the Rabobank Group, Rabo Farm complies to the guidelines of UN Global Compact

- Other collaborative organisation/initiative, specify
Principles for Responsible Investment in Farmland

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Rabo Farm is a signatory to the Principles for Responsible Investment in Farmland (Farmland Principles). These principles are an initiative of a group of institutional investors to provide a framework for investors to incorporate environmental, social and governance factors into farmland investments.

In 2014, as part of the commitments towards the implementation of these principles, Rabo Farm published its second Farmland Principles report over 2013. The report is available for download at: <http://rabofarm.com/>

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

| | | | |
|-------|-----------|---------------|-------|
| OA 11 | Mandatory | Core Assessed | PRI 4 |
|-------|-----------|---------------|-------|

| | |
|---------|--|
| OA 11.1 | Indicate if your organisation promotes responsible investment, independently of collaborative initiatives. |
|---------|--|

Yes

| | |
|---------|--|
| OA 11.2 | Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives. |
|---------|--|

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No

Asset class implementation not reported in other modules

| | | | |
|-------|-----------|-------------|---------|
| OA 15 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|

| | |
|---------|--|
| OA 15.1 | Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold. |
|---------|--|

| Asset Class | Describe what processes are in place and the outputs or outcomes achieved |
|-------------|---|
| Farmland | <p>Rabo Farm is investing in farms and farmland, for these investments a PRI asset class module has not yet been developed.</p> <p>Rabo Farm is also a signatory of the Principles for Responsible Investment in Farmland (Farmland Principles). As part of the commitments made towards the Farmland Principles, annually disclosure is given of the activities of Rabo Farm to incorporate environmental, social and governance factors into its investment process and the progress made towards implementing responsible investment principles in farmland.</p> <p>These Farmland Principles reports can be downloaded from our website: www.rabofarm.com</p> |

OA 15.2

Additional information.

Identifying and removing potential health, safety and environmental hazards on farms

One dedicated project involved updating the inventory and conducting an in-depth risk analysis of building safety and the presence of underground oil tanks, asbestos-containing materials (ACM) and Polychlorobiphenyl (PCB) on Rabo Farm farm bases in Poland.

The legal requirements of Polish and Romanian legislation have been examined and compiled in a procedures handbook. The legislation on oil tanks and asbestos containing material is much less stringent in Romania. For example, there is no requirement to remove old oil tanks, and ACM can be used until the end of its economic life opposed to the deadline in Poland to have it removed by 2032. Rabo Farm chooses to maintain a single standard within its portfolio and uses the most stringent requirement. In order to exert adequate control over our processes where legal requirements are concerned, workflow schemes that provide step-by-step guidance to a project manager are in place. A risk analysis and follow-up plan for oil tanks, buildings, ACM and PCB per farm has been conducted. The results of the implementation of the procedures are discussed below.

1. Underground oil tanks

The portfolio oil tank procedure was carried out in 2014 for the entire portfolio. This was preceded by a testing procedure for all tanks and surrounding soil. It revealed a substantial amount of ground affected by oil. Several cross-checks were performed to ensure both a proven and cost efficient remedy:

Much land containing oil tanks is classified as agricultural land. Such land is subject to a more restrictive environmental standard compared to other types of land.

A new environmental law on bioremediation came into effect in September 2014. It offers new options for remedying contamination. A long-term bioremediation solution is in situ, with a process that takes up to five years. Technological and economic options were investigated for ex-situ (excavate) and in-situ procedures. It turned out that bioremediation is often not suitable for specific geological soil structures encountered. In addition, it entails additional monitoring costs and uncertainty because of the extended period. Compared to the immediate solution provided by ex-situ procedures, and the lack of evidence of any price benefit of the in-situ procedure, bioremediation proved not to be an alternative.

Requests for removal have been submitted and work has started on six farms. The last three are expected to receive permits and finalise the work in the course of Q1 2015. This would imply that, except for new acquisitions, all non-compliant oil tanks have been removed from the Polish portfolio by mid 2015.

2. PCB monitoring

In total there are 18 transformers located on the Polish assets. All four transformer stations owned by Rabo Farm were subject to examination for the presence of PCB and the results proved to be negative. Based on the shared documents and information collected from energy operators it can be inferred that there is a very low probability that such PCB hazards exist in the case of objects not owned by RF.

3. ACM clean-up

As part of the farm base building project in Benice, an obsolete satellite farm base was demolished and cleaned-up. All ACM removals, 89 tons in total, are certified and have proper documentation.

4. Building safety and logbooks

Buildings require a building logbook to describe their technical state. Although this is not monitored or actively enforced by the governments, Rabo Farm considers it something that is important to have. An inventory and asset management plan of all buildings on each asset has been made. To stay cost efficient, it was decided to only create building logbooks for buildings that are intended to be kept for the medium to long term. Of the 32

farms, 25 have their logbook requirement fulfilled (80%). The remaining seven are in the process of obtaining demolition approval. Simultaneously, a building safety instruction manual was produced and will be circulated to all leaseholders on an annual basis. It explains how to secure and draw attention to unsafe situations involving structures that are potentially unsafe.

The lime bank

The pH of our farm land in Poland is often below the farming optimum. A lower pH prevents the plants from efficiently extracting nutrients from the soil. Acid soils are more capable of absorbing pesticides than well-limed soils, which reduces the chemical efficacy of these pesticides as acidity can limit the rapid intake of pesticides by the plant. A lower production yield and an input loss are the result. By applying lime, and giving the soil an optimum pH level, the leaseholders will be able to produce more with less.

To mitigate these pH problems we introduced our leaseholders to a new concept: "the lime bank". The lime bank is a voluntary financial solution that we offer to our leaseholders. Rabo Farm provides leaseholders with lime in a tailor-made programme that aims to bring the soil to an optimal pH range for their farms. The project is creating a win-win situation. Rabo Farm enables leaseholders to improve the pH of the soil at a faster pace than farmers could ever do through credit lines or cash flow. Rabo Farm is investing in the land to meet its long-term goals of contributing to improved productivity of farms and leaseholders will strengthen their ability to pay their leases by increasing their production levels.

We added 37,000 tons of lime to land in our portfolio in 2014, as part of the lime bank programme, bringing the total of the limebank program to 51,000 tons. The total amount of lime applied in the portfolio is now amounting to 78,000 tons.

Due diligence of counterparties

Rabo Farm has a customer due diligence policy and procedure in place to ensure that it only does business with respectable counterparties. Rabo Farm conducted 14 customer due diligence screenings in 2014. One screening flagged issues that led to further investigation. After due investigation it was concluded that there were no criminal proceedings nor convictions, and allegations could not be substantiated. We therefore chose to proceed with the transaction.

Farm base renewal

The farm bases at Golczewo were typical of old communist regime farms, with asbestos roof material and dilapidated buildings spread over three separate farm sites, two at Benice and one at Ronica. The investment in two new farm bases at Golczewo has been completed. The main base in Benice was inadequate for running a business of such scale. An old pig feed factory was used as the workshop, a row of steel bins was used for grain storage and an old shed was used as chemical store. A third farm base had been abandoned and had a considerable amount of asbestos containing roof material. This third base has now been demolished and cleaned up, including the removal and certified disposal of 89 tons of asbestos.

A farm building with 2,000 m² of versatile flat grain storage space has now been constructed at Benice. The multi-purpose building houses an office, chemical store, workshop, staff facilities and general machinery storage in the lean-to structures. A pond fed by rainwater that serves as a water supply for fire fighters in case of disaster has also been constructed. The pond is fed by water collected from the building's roof and from yard drains. In addition to acting as a water source in the event of fire, the water can also be used to fill the farm's sprayer - thus cutting down on the use of potable water, which can be considered a modest but tangible step towards sustainable use of natural resources.

Is the leaseholder is engaged in a straw-for-manure swap programme - something that is encouraged by Rabo farm because of the great benefit to the farm's soil - an old cowshed has been refurbished, adding another 3,000 m² of flat storage that can hold straw, machinery and grain.