



69 YEARS OF INDUSTRY'S INSIGHTS///// BUSINESS NETWORKING OPPORTUNITIES AMONG 1705 COOPERATIVE AND POPULAR BANKS

# INSTITUTIONAL

The Confédération Internationale des Banques Populaires (CIBP) is the first international organization that brings together cooperative and popular banking players from five continents.

Since 1950 we share insights, take great care of our trusted business network, inspire strategic & cutting edge thinking, and conduct research around the globe.

In June 2019, the CIBP moved to Avenue des Arts 46. The new facilities are more suitable to the size of the organization and they are conveniently located in the center of Brussels. AT THE BEGINNING OF THE YEAR, THE STAFF WAS REDUCED TO THREE EMPLOYEES AND A SECRETARY-GENERAL:

//// **BRIGITTE COLMER** OFFICE MANAGER • GENERAL ADMINISTRATIVE OPERATIONS

//// XAVIER GOMILA PROJECT MANAGER • SOCIAL ACCEPTANCE & TECHNOLOGICAL INNOVATION ACTIVITIES

//// VALERIA RUTGERS PROJECT MANAGER • LINK TRAINING PROGRAMMES

//// MARC BRISACK SECRETARY-GENERAL



### MESSAGE FROM THE PRESIDENT, MR. ALAIN DECLERCQ CEO, BANQUE CPH, BELGIUM

## 

These last years, CIBP went through a period of refocusing. The beginning of my presidency was really challenging, and the following months were not really calmer. In 2018, CIBP Executive Committee decided to give a new start and a new vision to CIBP, redefining priorities and strategies and restructuring the Secretariat General team. It was a quite hectic year, with a new Secretary General who abruptly passed away a few months after his hiring. CIBP also has to confront the doubts of its members and reaffirm its value and role.

- With hindsight, I see 2018 as a real turning point in the history of CIBP and I can say we have succeeded in putting it on the right track again!
   2019 was the year of the revival:
- The links with the members were strengthened again and they renewed their trust in the organisation,
- We welcomed new members (Chile and Colombia),
- The new projects focusing on Technological Innovation and Social Acceptance were implemented with success (Sparks and Sprints),
- The LINK program was a success again and the LINK Board program was launched with very positive feedbacks,
- We started to build a team of CIBP Ambassadors within our members to facilitate the communication between the Brussels team and the executive level of our member banks,
- We worked closely with members to bring an international touch to their events (cf. CRI8 in Brazil),

- We involved our members in international events of great interest regarding cooperative values (cf. Conscious Capitalism conference in Berlin),
- The website was revamped, and the LinkedIn page was reactivated,
- We continued to restructure the organisation to reduce costs and the main event in 2019 was the move to new offices (50% less expensive),
- Valeria RUTGERS took the Secretary General role, meaning that the Brussels team is now totally involved and determined to make things happening.

By the time I'm writing these words, things have changed a lot for our organisations, our employees and our families after the worldwide spread of the COVID-I9. We all had to adapt our structures, our way of working, living and thinking.

For CIBP, unfortunately, this implied to cancel many meetings like LINK modules or the Executive Committee and the 70th anniversary celebration. But CIBP adapted and became more digital to maintain the links with its members and help them share their concerns and the solutions found.

I am sure this crisis will lead to positive changes and allow CIBP members to reinforce the values and the image of cooperativism in our societies! Naturally, CIBP will be on this path with its members.

I end this few lines by thanking Mr. DE ALMADA (CIBP vice-President and BANCOOB CEO) and his Brazilian teams for their strong support during the last months.





### MESSAGE FROM THE VICE-PRESIDENT, MR. MARCO AURELIO ALMADA CEO, BANCOOB, BRAZIL

Mr. Alain Declercq conducted the executive decisions for 2019 in a spirit of cooperation and competence, which was admirable. I am very grateful for this successful partnership.

During this period, we supported the Presidency's decisions, in particular, regarding the actions aimed at integrating Latin American cooperatives with cooperatives in the Northern hemisphere and at

strengthening the history of cooperatives around the world. We also seek to facilitate the synergy of members around topics related to innovation for credit cooperatives, expanding discussions and encouraging creative thinking.

Undoubtedly, I, and the institution I represent, benefit from the activities of CIBP and its network that results from the relationships built by CIBP.

## MESSAGE FROM THE SECRETARY GENERAL, **MS. VALERIA RUTGERS**

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For CIBP General Secretariat, 2019 was a year of new beginnings, new projects, CIBP members gatherings, few changes and continuity. A reflection on our members' well-being and involvement was raised.

CIBP's role and invitation to its Members' guests and participants remains to offer "out of the box" helicopter views, unusual from what they hear back home.

This is the permanent influence of the Confederation: bringing global insights from our multicultural borders. These are the most constant experiences we share at CIBP thanks to your transmission of particular know-how and national realities. We do believe in powerful connections that help CIBP members to think forward and impact the roles of their



leaders, board members, managers, employees. All levels strive to adapt their skills and roles to ways of collaboration, crucial to building an ongoing CIBP community.

CIBP has also undertaken to pursue actionable tools focusing on issues that matter most to the cooperative and popular banks. The mission is to share what are the common denominators and what we can learn from each other's differences on e.g. our cooperative business model today and tomorrow.

We have engraved once again the strength of human connections that inspired the foundation of CIBP thanks to leaders, academics, facilitators at all levels of our network. Thank you to all for your active participation!

### 



In 2019 we continued with the implementation of our action plan focused on Technological Innovation and Social Acceptance, it is divided into 4 main pillars:

## WE INSPIRE

Discover and share in a common platform stories that make us proud to be a cooperative bank

 Particular
 Run Innovation SPARKS to connect members and fire up discussions within CIBP network

E CO-CREATE Run innovation SPRINTS to

engage specialists of CIBP members, to uplift the community

**BELONG** Building our confederation into

a community by a shared purpose, rooted on coop values and on an inspiring vision.

The pillar **WE INSPIRE** is a space to raise awareness about the positive impact cooperative and popular banks have on society. Our community has a pioneer spirit that puts us in the edge of innovative business model and inclusive decision making. That is what inspires all of our members. Through the distribution of inspiring content in our website and newsletters shared from all members, we aim to bring our associates, future associates and strategic partners closer to what we believe and make.

## WE INSPIRE

During 2019, CIBP revamped its website with a completely new design, making its content friendly and dynamic.

We included a section for each of our pillars with the intention to be a generator of original content and share it with the CIBP community.

In 2019 we continued sharing in our website and newsletters, video material that reflects the values and principles of cooperative banks.



**SPARKS** are online exchanges where we invite a specialist from a member bank to share his/her views on a specific topic or project. During the event, CIBP facilitates and moderates the interactions with all the participants.

After the session, a video of the Spark is shared on our website.

So beside the session itself, we are creating a product that can be viewed by any member any time. The objective is to share valuable information and expertise and at the same time create a feeling of community among our members.

In 2019 we have organized a total of 6 Sparks with a participation that ranges from 20 to 30 people.

The topics that we have addressed are:

"IN THE MIND OF A HACKER" FEBRUARY 5 • JOSEPH CARSON • CHIEF SECURITY SCIENTIST & ADVISORY CISO • GUEST

#### **"DZ BANK INNOVATION LAB"** MAY 17 • PATRICK STEINER • DZ BANK AG • **GERMANY**

**COUR WAY OF INNOVATION** september 19 • Horst weichselbaumer-lenck • volksbank wien • Austria

**\*PSD2 THE EUROPEAN OPEN BANKING EXPERIENCE** october 24 • Mathieu desmet • Banque CPH • Belgium

**"COOPERATHON CHILE:** PROMOTING CHANGE AND GENERATING IMPACT" NOVEMBER 25 • CARLOS ORELLA • COOPEUCH • CHILE

"PROMOTING GENDER DIVERSITY"
 DECEMBER 6 • MARC-ANDRE MALBOEUF • DESJARDINS GROUP • CANADA

## WE CO-CREATE

SPRINTS are a collaborative set of reports on innovation and technological topics where we invite our member banks to contribute relevant information on specific subjects or projects that they are working on. The purpose is to capture valuable knowledge from the perspective of different member banks and transform it into a meaningful report available to the CIBP community.

The reports are distributed via our newsletter, website and email distribution list. Designing Apps and Digital Interfaces for Elderly

Governance Models and the Opportunities of Digitalization



Innovation Labs: Leveraging Technology and Innovation Inside Out



In 2019, we published 3 SPRINTS.

into a community by a shared purpose, rooted on coop values and on an inspiring vision. A CIBP Ambassadors.

community, better than any organization, can leverage the network effect by expanding our collaboration with other organizations that share our values and principles. During the year 2019, we successfully created the group of

The pillar WE BELONG is a

roadmap to turn our confederation

The Ambassadors are the link between the Executive Committee members and CIBP General Secretariat contact with our member banks and align the CIBP

activities with the priorities of our members.

Since the creation of the CIBP Ambassadors group, we experienced a better and more direct connection with our members. The group of Ambassadors contributed to plan the 20I9's activities and build the projection for the next year.

We consider that only with the genuine engagement and input from our Ambassadors we can design relevant activities for our Confederation. Therefore, understanding their needs and inviting them to share their views turned out an essential part of our communication with them.

ARGENTINA ///// BANCO CREDICOOP ///// CLAUDIO CAUZILLO HEAD OF DIGITAL BUSINESS

> AUSTRIA //// OEGV //// VICTORIA PAGOWSKI INTERNATIONAL REPRESENTATION OF INTERESTS

BELGIUM //// BANOUE CPH //// CRISTELLE JULIEN SENIOR EXECUTIVE ASSISTANT TO THE PRESIDENT

BRAZIL //// SICOOB //// RODRIGO GUIMARÃES DE ARAÚJO STRATEGIC AND INNOVATION MANAGER

CANADA //// DESJARDINS GROUPE //// SOPHIE ROUGANNE STRATEGIC ADVISOR, OFFICE OF THE PRESIDENT

> CHILE //// COOPEUCH //// CARLOS ORELLA MANAGER OF STRATEGIC PLANNING AND EXPERIENCE

COLOMBIA //// BANCO COOPERATIVO COOP CENTRAL //// RONNY RAMIREZ OPERATIONS AND TECHNOLOGY MANAGER

> FRANCE //// FNBP //// LAURENT BOURGUIGNAT HEAD OF STRATEGY AND DEVELOPMENT

> GEBMANY //// DZ BANK AG //// NORA KEMPER REFERENT GENERAL SECRETARIAT

MOROCCO //// GROUPE BANOUE POPULAIRE DU MARROC //// ZINEB SAID ALAMI DIRECTOR OF STRUCTURE AND CAREER MANAGEMENT

2019 was a reunification year for the 12<sup>th</sup> CIBP LINK cycle 2018/2019 and a challenging year for the 13<sup>th</sup> CIBP LINK cycle 2019/2020.

In February 2019, the 12<sup>th</sup> cycle CIBP LINK participants (10) met the colleagues of Volksbank Wien and ÖGV in Vienna after nearly 5 years; the time for the Austrian Association of Volksbanks to undergo a restructuring process since its partial nationalisation in April 2012;

The Innovation module was an opportunity to immerse in the strategic digitalization action plans in the Austrian cooperative landscape and to fully experience a Viennese Ball season – "It is the modern stage management of a traditional event".

In June 2019, without first knowing, the CIBP LINK participants of the new 13th cycle really experienced the reality of a VUCA (Volatility, Uncertainty, Complexity and Ambiguity) world.

After meeting for the first time, as per tradition in Montabaur, home of the Academy of German Cooperatives (ADG), the participants only met again in Santiago de Chile in January 2020.

The **Leadership module** which was



supposed to take place in November 2019 was postponed under the strong suggestion of our new Member and host, COOPEUCH, due to the contingency Chile experienced.

"For our credit union it is very important to carry out this activity and especially to receive executives from financial institutions from different countries of the world who will be visiting us, knowing COOPEUCH and our country.

It's a tremendous opportunity for the exchange of experiences, knowledge and good practices from entities as prestigious as those that make up CIBP. And we want this visit to be in the best conditions and, above all, that we can ensure that its objectives are met, always safeguarding the integrity of the CIBP delegation."

Words of Mrs. Siria Jeldes, President of COOPEUCH and Mr. Rodrigo Silva, CEO of COOPEUCH.

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### **NOTICE:** MODULE III INNOVATION IN PARIS

Planned in March 2020 was cancelled at the last minutedue to the COVID-19 crisis.

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In March 2019, after 3 years, the **CIBP LINK ALUMNI** gathered again in Brussels for a 2,5 days reunion at the same time as the CIBP Executive Committee and the CIBP LINK BOARD members meetings.

It was the first time that the Executive Committee members and CIBP LINK Alumni met. The purpose was for the CIBP LINK Alumni to present to the Executive Committee members their most relevant CIBP LINK Innovation Lab projects developed in the last years for the their banks.

Their contribution was essential to bring professional and

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personal insights to the current realities. It was clearly an opportunity to reinforce the CIBP LINK network and to discuss key transformations within the Members' respective banks.

MARCH

## 

The **CIBP LINK BOARD** conference programme is an opportunity to increase the cooperative banking business model network.

The design of the CIBP LINK BOARD conference programme is to offer to the members of the Boards of directors of CIBP member banks a platform to share their experiences and knowledge, to exchange around governance about issues, to contribute to their Strategic thinking. On March 29 2019, CIBP organized the I<sup>st</sup> edition of CIBP LINK BOARD.

The pilot event really strengthens the need to grow within cooperative governance responsibilities to the attention of popular and cooperative banks' Board members.

- **TO FACILITATE** active dialogue between Board members coming from different cooperative and popular banks;
- **TO PROVIDE** complementary and multicultural learning immersion;
- **TO INVITE** CIBP Board members to identify the common denominator between all members cooperative values;
- **TO GIVE** the opportunity to Board members to present, according to CIBP Members' national realities, their own environment, local actions / developments in balance with their expertise/know-how and need.



The Board members profited from high-quality speakers offering them the extra helicopter view on topics such as "Real Estate Evolution and Impact on our Societies" by Mr. Roland Gillet, Professor of Finance at the university Sorbonne Paris and Solvay. Regarding the topic "governance and fit and proper", professor Eric Lamarque (university Sorbonne Paris) had a trusted exchange with the participants explaining the challenges of

cooperative banks and highlighting possible solution approaches.

Challenged by fast-paced scope of regulations, the Board members benefited from learning different scopes that are made available for board meetings.

Training and education of Board members proved again to be essential. The pilot participants recommended to experience the cooperative banking model in a multicultural environment which shares the same values and challenges in different countries.We believe the CIBP LINK **BOARD** conference programme is a very good event to enhance the knowledge, exchange with other banks on a global basis, get impulses for future strategies (i.e. governance and digitalization), establish contacts and widen horizons. In Brussels, the **Executive Committee** approved the

organization of the CIBP LINK BOARD every year with the probability to host the event at the same time as the annual Executive Committee meeting and considered hosting the event also in-Latin America where CIBP also counts a certain number of members and of privileged partners.

### EUROPEAN CONFERENCE ON CONSCIOUS CAPITALISM

BERLIN (GERMANY), SEPTEMBER 23, 2019

CIBP invited its members' managers involved in the field of Corporate social responsibility (CSR) and Sustainable Development Missions to attend the 2<sup>nd</sup> Conscious Capitalism European Conference in Berlin in September 2019.The event gathered outstanding leaders who shared how they have transformed themselves and their organizations.

The conference was designed to serve as a forum for an open exchange on the challenges of the business world and to present many inspiring examples of the win-win-win effect of conscious capitalism in practice.

Our guests enjoyed the quality of the speakers "highly inspiring" and the distinguished features of a high visibility "conference experience". They could also get easily in touch with other participants giving the chance to have so many high-quality conversations and increasing their network.

#### Among the speakers present:

- John Mackey, CEO of Whole Foods Market and co-founder of the Conscious Capitalism movement
  - Raj Sisodia, Professor of International Business at Babson College and Co-Founder of the Conscious Capitalism Movement

#### About Conscious Capitalism:

Conscious Capitalism supports a network of entrepreneurs, business leaders and intrapreneurs on how they implement conscious leadership in developing new ways of doing business and leading their daily lives to achieve better results for all.

It is about commitment and it is a philosophy of business ethics that lays the foundation for modern, sustainable leadership.

The purpose of the conference in Berlin was to introduce the participants to the principles of the holistic approach of conscious capitalism:

- **I**. Higher goal in equal measure,
- **2.** Stakeholder orientation,
  - Conscious leadership,

3.

4.

Conscious cultural, economic and ecological values.

### MANNIN WOCCU MEETING MEXICO CITY (MEXICO), OCTOBER 17 AND 18

CIBP participated in a workshop together with some important Cooperatives and Credit Unions from Latin America.

The event was the occasion to address the common current global challenges, new toos and skills needed for the cooperatives of today, digitalization of cooperatives, creation of new cooperatives and strengthening communities, the future of cooperatives, attracting youth to the cooperatives, and the role of cooperatives in social inclusion.

### CRI8 MARINGÁ (BRAZIL), JUNE 27 AND 28

In 2019, we participated to the International Conference on Innovation in Financial Cooperatives (CRI8), organized by Sicoob Unicoob. The event took place June in Maringa (Brazil) and CIBP was invited to lead a panel regarding Innovation Experiences. This was a great opportunity to find synergies with Sicoob Unicoob and discuss innovation implementation from different perspectives.

The event gathered more than 800 people and 30 speakers.

The event was boosted by Mr Luiz Ajita, Chairman of the Board of SICOOB Metropolitano, and represented the first innovation conference in Brazil for Cooperative Banks.

CIBP took part in an international panel with the presence of:

- Marco Almada, CEO of Bancoob (Brazil) and Vice-President of CIBP
- Horst Weichselbaumer-Lenck, Chief Digital Officer at Volksbank AUSTRIA
  - Pascal Krug, Director of Transformation and Customer-Collaborative Experiences at Banque Populaire Val de France

Valeria Rutgers, representing CIBP

## MEMBERS

Each one is part of an international hub of experiences.

#### **ARGENTINA** CREDICOOP COOPERATIVO LIMITADO

Credicoop is a cooperative Argentine bank. After **2001**, it turned into the second private bank of the country. It is the most important cooperative bank of Latin America.



Volksbank Wien AG is an Austrian cooerative bank and the central organization of the Association of Volksbanks.

Established in 2001, VOLKSBANK WIEN AG operates as a regional universal bank, foreseeing a broad range of retail banking products and services to private individuals and companies. Since July 2015, VOLKSBANK WIEN AG offers its retail banking products and services online via its registered trademark, LiveBank. It also provides cash management, business card processing, mortgage, and estate settlement services.



Österreichischer Genossenschaftsverband is an Austrian institution that represents Volksbank Group's interests and acts as its auditing association.

Since 2017, there are 8 regional banks and 2 specialized banks in Austria.

They built an integrated system of banks (Association of Volksbanks) connected through a contract of collaboration. The central institution is VOLKS-BANK WIEN AG, the biggest regional bank of the association. The central service functions were transferred from Österreichische Volksbanken AG (ÖVAG) to VOLKSBANK WIEN AG in July 2015. ÖVAG itself surrendered its banking license.

The "remainder of ÖVAG" continues to operate as a wind-down entity responsible for ensuring the orderly, active and value-preserving wind-down of its assets.





#### **BELGIUM** CPH BANQUE

CPH Banque, is a Belgian local bank. Its headquarters are located in Tournai, Belgium. It counts 28 points of sales in the French-speaking part of the country.

#### BRAZ SICOO DECRÉ

**BRAZIL** SICOOB, SISTEMA DECOOPERATIVAS DECRÉDITO DO BRASIL

Sicoob is the largest system of cooperative banks and financial services of Brazil, composed of more than 3,6 million associates and 2,500 service points.

#### CANADA Desjardins group

Founded in **1900** in Lévis (Québec) by Alphonse Desjardins, Desjardins Group is the largest association of credit unions in North America and the leading cooperative financial group in Canada with assets of CDN\$350 Billion. To meet the diverse needs of its 7 million members and clients, Desjardins offers a full range of products and services to individuals and businesses through its extensive distribution network, online platforms, and subsidiaries across Canada. Ranked among the World's Strongest Banks, according to The Banker magazine, Desjardins has one of the highest capital ratios and credit ratings in the industry.

#### CHILE COOPEUCH, COOPERATIVA DE AHORRO Y CREDITO

Founded in **I967** by a group of employees from the Universidad de Chile, with the purpose to satisfy the financial needs of its members, in a time of booming of the cooperative business model.Coopeuch is the biggest credit union in Latin America, ranking first in market share in Chile with a wide margin since its foundation.





#### **COLOMBIA** COOP CENTRAL

CoopCentral is a Colombian financial cooperative with I7 branches around the country, reportedly has received approval to become a cooperative banking institution.

This will provide for stricter governmental oversight of the bank and allow CoopCentral to use the national clearinghouse to transfer money to and from other banks in the clearinghouse's network.

CoopCentral ambition is to be by **2020** the only bank, owned and cooperative in nature, at the specialized service of the solidarity sector, positioned as a leader in the provision of financial products to the solidarity sector, its associates and customers, through a network of 800 efficient integrated offices and competitively. Furthermore, CoopCentral is oriented towards sustainability and the consolidation of solidarity entities, their associates and customers.

#### FRANCE Groupe bpce

Groupe BPCE is composed of Banques Populaires and Caisses d'Épargne. It was created in **2009** following the merger of Caisse Nationale des Caisses d'Épargne and Banque Fédérale des Banques Populaires.

Groupe BPCE, the 2 largest banking group in France, pursues a full range of banking and insurance activities.





#### **GERMANY** DZBANK DIE INITIATIVBANK

DZ BANK is the second largest bank in Germany with 560 bn EUR total assets and is also the central institution for more than 800 co-operative banks in Germany.

**GERMANY** BVR BUNDESVERBAND DER DEUTSCHEN VOLKSBANKEN UND RAIFFEISENBANKEN

The National Association of German Cooperative Banks (BVR) is the umbrella association for the cooperative banking sector in Germany. MOROCCO BANQUE POPULAIRE DU MAROC

BCP Group is a cooperative structure, reflected by the cross-participation between BCP, the central entity of this organization, and the 8 regional banks. In this structure, BCP plays a central role with two essential tasks: development of its own banking activity and management of the support functions of regional popular banks. Currently, the Group is present in 32 countries in the world, including I8 sub-Saharan Africa countries.



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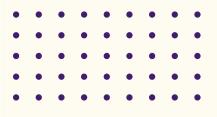
TOTAL ASSETS (€ BN)	TUTAL DEPUSIT FROM CUSTOMERS (@ BN)	TOTAL LUANS To customers (@ BN)	MARKET SHARE Loans	
3.5	2.7	0.8	1.80%	
27.5	21.7	21.3	4.51%	
2.9	2.4	1.9	—	
25.9	16.4	14.4	4.80%	
199.7	127.9	134.5	_	
2.2	0.8	2.7	6.40%	
0.3	0.2	0.2	—	
_	4,458	551	22%	
1,293	842	795	25%	
39.6	260.7	13.4	—	
	(€ BN) 3.5 27.5 2.9 25.9 199.7 2.2 0.3  1,293	TOTAL ASSETS (€ BN)FROM CUSTOMERS (€ BN)3.52.727.521.72.92.425.916.4199.7127.92.20.80.30.2	TOTAL ASSETS (6 BN)FROM CUSTOMERS (6 BN)TO CUSTOMERS (6 BN)3.52.70.827.521.721.32.92.41.925.916.414.4199.7127.9134.52.20.82.70.30.20.24.4585511,293842795	TOTAL ASSETS (6 BN)FROM CUSTOMERS (6 BN)TO CUSTOMERS (6 BN)MARKET SHARE LOANS3.52.70.81.80%27.521.721.34.51%2.92.41.9—25.916.414.44.80%199.7127.9134.5—2.20.82.76.40%0.30.20.2—4.45855122%1,29384279525%





MARKET Share smes	NET PROFIT After taxes (© m)	NUMBER OF Employees	NUMBER OF Clients	NUMBER OF Members	NUMBER OF Local Banks	NUMBERS OF Branches
3.7%	211	5,025	2,201,421	1,075,639	N/A	274
_	148.5	3,604	1,072,639	_	9	267
_	21.6	214	100,372	30,939	N/A	28
_	661.1	43,352	N/A	4,629,429	N/A	3,283
_	1,712.9	47,849	7,000,000	7,000,000	2,338	905
_	85.6	2,097	500,000	824,419	N/A	81
_	0.8	333	17,808	602	N/A	14
_	3,000	105,000	30,000,000	9,000,000	29	7,800
_	7,800	176,500	30,000,000	18,900,000	841	9,344
_	1,640	17,320	8,000,000	373,856	8	1,443







## CIBP ACTIVITY REPORT 2019