

## The strengths of the Co-operative Banks

### RESILIENCE

#### Resilience: Solid and able to adapt to changing circumstances

*The fact that co-operative banks do not view maximising profitability as their primary objective means they do not need to operate with a high risk profile, which makes them less vulnerable. It also enables them to maintain higher capital reserves.*

Co-operative banks are resilient and have very high credit ratings and prudent policies. They have a lower risk appetite and a long-term orientation because their primary goal is not to maximise profits and pay out dividends. This is reflected in very good credit ratings that range between AA and AAA for the largest co-operative banking groups in Western Europe. Due to their local roots, co-operative banks can anticipate and adapt to local circumstances. This is why co-operative financial institutions are – more than other banks – able to adapt to changing circumstances and to re-invent themselves.