



Decarbonisation strategy

**Grupo Cooperativo Cajamar
targets for sustainable, social
and responsible banking**

December 2024



Net-Zero Strategy:

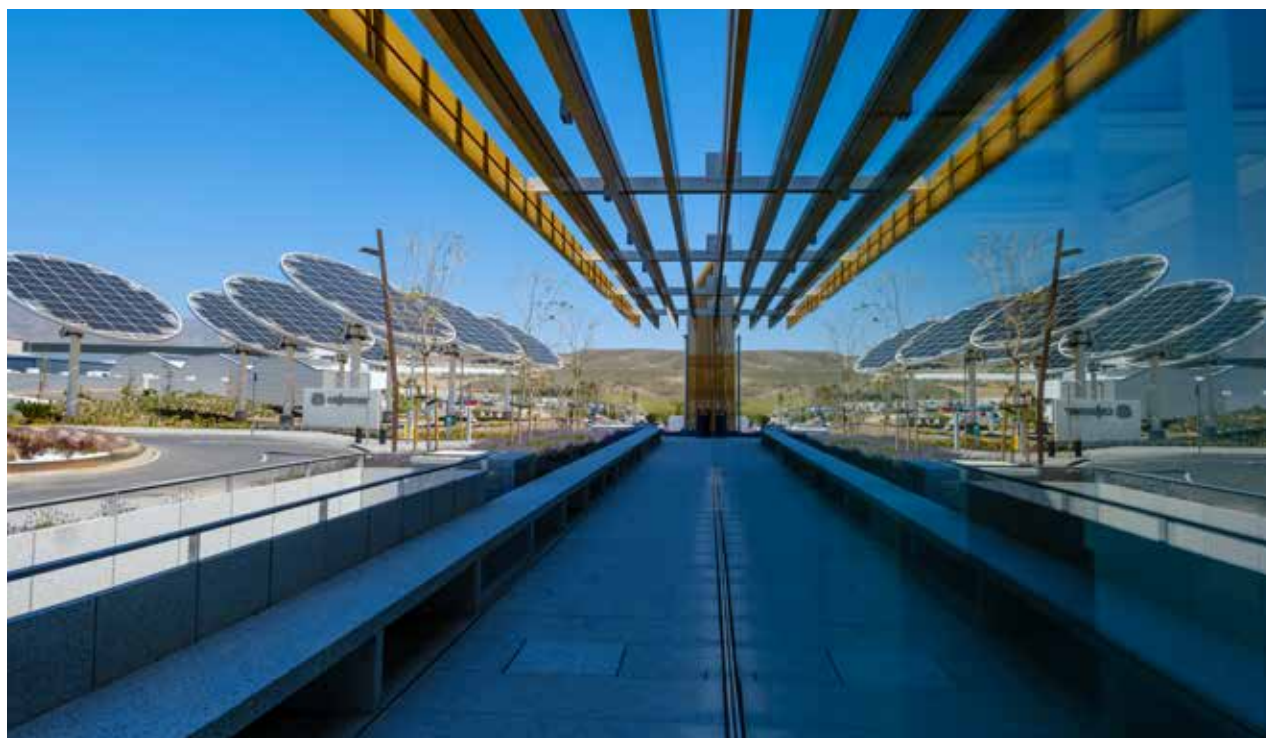
Group targets for sustainable, social and responsible banking

Sustainability is one of the core foundations of Grupo Cooperativo Cajamar's Strategic Plan for the period 2025-2027, striving to set the tone for the whole Spanish financial sector, driving the transition towards a business model aligned with the Sustainable Development Goals (SDGs) and committed to the creation of social and environmental value

To support the Group's ambition and ensure its strategy and business model align with the transition to a sustainable economy and the goal of limiting global warming to 1.5°C, in line with the Paris Agreement and the target of achieving climate neutrality by 2050, the Group has set interim targets (up to 2030).

These targets are consistent with the overall aim of achieving net-zero greenhouse gas emissions by 2050, with a focus on reducing emissions from both its operational footprint, through its Eco-Efficiency Plan, and its financed footprint. This way, it aligns its loan and investment portfolio with the achievement of this goal and supports its members and customers throughout the transition process towards a low carbon economy.

Grupo Cooperativo Cajamar also reaffirmed its commitment to the fight against climate change, aiming to become a climate neutral organisation by 2050. A testament to this commitment is its membership of the Net-Zero





Banking Alliance (NZBA), an initiative promoted by UNEP FI, which complements the Group's industry-leading cooperative banking model. This model reflects its dedication to supporting individuals, businesses and local production systems. It is underpinned by the Group's sustainability policy, which is based on social, environmental and corporate governance principles. In 2023, the Group set its first sectoral targets, approved by the Board of Directors, calculating its financed footprint and identifying its initial material sectors (sectors that represent significant sources of emissions or account for a notable percentage of our portfolio). Following this step, decarbonisation targets were defined for the first priority sectors (energy, oil and gas and steel).

Grupo Cooperativo Cajamar has continued to make progress in developing transition plans for the targets set in order to bring their intensities closer to the proposed decarbonisation scenario and follow the established decarbonisation pathway. For this purpose, in 2024, it approved decarbonisation targets for the residential mortgage portfolio and the agri-food portfolio (a relevant sector for the Group). All approved by the Board of Directors.





Portfolio sector	Scope	Metric	Reference scenario	Base year	Metric base year	Metric current year 2024	Target year	% reduction 2022-2030
Energy	1+2	KgCO ₂ e/MWh	IEA Net Zero 2050	2022	111,10	98,70	2030	38,00 %
Oil and gas	1+2+3	KgCO ₂ e/GJ	IEA Net Zero 2050	2022	75,00	75,00	2030	19,00 %
Steel	1+2	KgCO ₂ e/t-steel	IEA Net Zero 2050	2022	1.055,10	1.021,6	2030	11,00 %
Residential mortgage portfolio	1+2	KgCO ₂ e/m ²	IEA Net Zero 2050	2023	32,84	26,60	2030	25,60 %
Agri-Food portfolio	Agriculture	KgCO ₂ e/kg product	Integrated National Energy and Climate Plan	2023	0,43	0,44	2030	13,70 %
	Livestock farming	KgCO ₂ e/kg product	Integrated National Energy and Climate Plan	2023	4,18	4,42	2030	13,70 %
	Support services for the primary sector	Tonnes CO ₂ e /million €	Integrated National Energy and Climate Plan	2023	1.287,72	1.287,72	2030	6,80 %
	Food and beverage industry	Tonnes CO ₂ e /million €	Long-term decarbonisation strategy	2023	803,73	800,39	2030	10,20 %
	Wholesale trade	Tonnes CO ₂ e /million €	Long-term decarbonisation strategy	2023	446,97	446,97	2030	10,20 %
	Retail trade	Tonnes CO ₂ e /million €	Long-term decarbonisation strategy	2023	370,11	370,11	2030	10,20 %



Portfolio sector: Energy, oil and gas, steel

The Group has selected the scenarios established by the international energy agency (taking the 1.5° scenario as a reference in the Net-Zero 2050 scenarios). Once the intensities have been calculated and the reference scenario chosen, the Sectorial Decarbonisation Approach (SDA) has been used to calculate a decarbonisation path. To select its targets, different scenarios have been analysed..



Portfolio sector: Residential mortgage

The Group calculates its residential mortgage portfolio based on the Sectorial Decarbonisation Approach (SDA) methodology to calculate a decarbonisation pathway. To select its targets, different scenarios have been analysed, considering the projection of

the real intensities of the portfolio and using different variables such as the current portfolio, the evolution of business in the Group's portfolio as well as the current market trend. Grupo Cooperativo Cajamar calculates its financed footprint using the Partnership for Carbon Accounting Financials (PCAF) methodology.



Portfolio sector: Agri-Food

Currently, the agri-food sector, from a regulatory perspective, does not have specific greenhouse gas emissions targets set, given the high complexity of this sector. This complexity is due to the wide range of activities that it encompasses throughout the entire value chain. Based on primary agricultural and livestock production, the products subsequently undergo a series of transformations through the food and beverage industry, then moving to distribution



processes that usually include both wholesale and retail trade.

In each of these phases, there are very different sources of GHG emissions and factors that condition these emissions, as well as measures to reduce them. Even within the same link of the food chain, there are significant differences depending on the product obtained, the techniques used and the geographical location.

Faced with this situation, Grupo Cooperativo Cajamar has developed its own methodology for calculating its agri-food value chain, based on a deep understanding of the sector (strategic for the Group). For this purpose, it has carried out an academic review of scientific articles published on the emission of greenhouse gases in the agri-food value chain and on possible mitigation strategies, along

with an adaptation to the Sectoral Decarbonisation Approach (SDA) methodology and an estimate of the emissions financed according to the Partnership for Carbon Accounting Financials (PCAF) methodology.

To select its targets, different scenarios have been analysed, both national and international. Likewise, in order to advance towards the established targets, Grupo Cooperativo Cajamar, among other actions, has developed products, services and features aimed at the sustainable performance and transition of its customers, promoting campaigns and initiatives to encourage investment with a positive impact on the environment.

