December 2021

SECOND PARTY OPINION

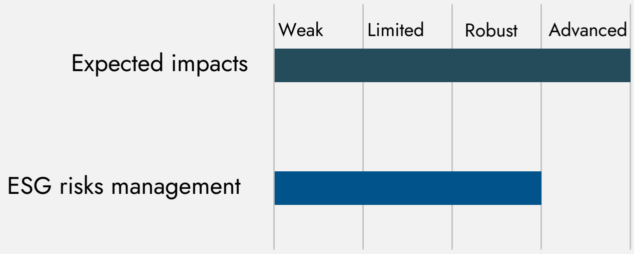
on the sustainability of Grupo Cooperativo Cajamar's Sustainable Bond Framework

V.E considers that Grupo Cooperativo Cajamar's Framework is aligned with the four core components of the ICMA's Green Bond Principles 2021 ("GBP") and Social Bond Principles 2021 ("SBP"), and is in line with best practices identified by V.E.

Framework

Contribution to Sustainability:

Advanced | Limited | Robust | Weak



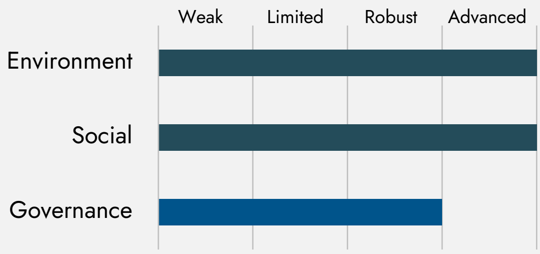
SDG Mapping

Characteristics of the Framework	
Green and Social Project Categories	⇒ 3 Social Categories ⇒ 4 Green Categories
Project locations	Spain
Existence of framework	Yes
Share of refinancing	To be disclosed for each bond issuance
Look back period	24 months

Issuer

ESG Performance as of May 2021

Advanced | Limited | Robust | Weak



ESG Controversies	
Number of controversies	None
Frequency	N/A
Severity	N/A
Responsiveness	N/A

Controversial Activities

The Issuer appears to not be involved in any of the 17 controversial activities screened under our methodology:

- ☐ Alcohol
- ☐ Animal welfare
- ☐ Cannabis
- ☐ Chemicals of concern
- ☐ Civilian firearms
- ☐ Fossil fuels industry
- ☐ Coal
- ☐ Gambling
- ☐ Genetic engineering
- ☐ High interest rate lending
- ☐ Human embryonic stem cells
- ☐ Military
- ☐ Nuclear power
- ☐ Pornography
- ☐ Reproductive medicine
- ☐ Tobacco
- ☐ Unconventional oil and gas

Coherence

- Coherent
- Partially coherent
- Not coherent

V.E considers that the Framework is coherent with Grupo Cooperativo Cajamar's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

Key findings

V.E considers that Grupo Cooperative Cajamar's Framework is aligned with the four core components of the GBP and SBP 2021 and best practices identified by V.E.

Use of Proceeds - aligned with the GBP and SBP, and best practices identified by VE

- The Eligible Loans are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria, and the location of Eligible Projects for all Eligible Categories, as well as the target population for Social Categories.
- The Environmental and Social Objectives are clearly defined, relevant and set in coherence with sustainability objectives defined in international standards, for all the Eligible Loans.
- The Expected Environmental and Social Benefits are clear, precise, relevant, measurable, and will be quantified for all the Eligible Loans in the reporting.
- The Issuer has committed to transparently communicate publicly the estimated share of refinancing prior to each bond issuance. The look-back period for refinanced Eligible Projects will be equal or less than 24 months from the issuance date, in line with good market practices.

Evaluation and Selection - aligned with the GBP and SBP, and best practices identified by VE

- The process for Loans Evaluation and Selection has been clearly defined and detailed by the Issuer. The process is well-structured in all the evaluation and selection steps (including the proposal, selection, validation, monitoring of Eligible Categories.) The roles and responsibilities are clear and include relevant internal expertise. The Process is publicly disclosed in the Framework and this Second Party Opinion.
- Eligibility criteria (selection and exclusion) for project selection have been clearly defined and detailed by the Issuer for all of the Eligible Loans.
- The process applied to identify and manage potentially material environmental and social (E&S) risks associated with the projects is publicly disclosed in this Second Party Opinion. The process is considered robust: it combines monitoring, identification and corrective measures, for all Eligible Loans (see detailed analysis on pages 21- 24).

Management of Proceeds - aligned with the GBP and SBP, and best practices identified by VE

- The process for the Management and Allocation of Proceeds is clearly defined, as is publicly available in the Framework
- The allocation period will be 24 months or less.
- The net proceeds of the Bonds will be placed in the General Treasury and tracked by the Issuer in an appropriate manner and attested to in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- For as long as the Bond is outstanding, the Issuer has committed to periodically adjust the balance of tracked net proceeds to match allocations to eligible categories.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and has committed to reallocate divested proceeds to projects that comply with the bond framework within 24 months.

Reporting - aligned with the GBP and SBP, and best practices identified by VE

- The Issuer has committed to report on the Use of Proceeds on an annual basis, until bond maturity for the allocation and impact reporting. The report will be publicly available on the Issuer's website.
- The Issuer has committed to include in the relevant information related to the allocation of Bonds proceeds and the expected sustainable benefits of the Eligible Loans. The Issuer has also committed to report on material developments and controversies related to the Eligible Loans.
- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Categories until full allocation and in case of material changes, as well as the indicators used to report on environmental and social benefits.

Contact

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SCOPE

V.E was commissioned to provide an independent Second Party Opinion ("SPO") on the sustainability credentials and management of the Green, Social and Sustainable Bonds[1] (the "Bonds") to be issued by Grupo Cooperativo Cajamar (the "Issuer") in compliance with the Sustainable Bond Framework (the "Framework") created to govern their issuance(s).

Our opinion is established according to V.E's Environmental, Social and Governance ("ESG") exclusive assessment methodology and to the latest version of the voluntary guidelines of ICMA's Green Bond Principles ("GBP") - edited in June 2021 - and Social Bond Principles ("SBP") - edited in June 2021 (referred together as the "GBP & SBP").

Our opinion is built on the review of the following components:

- Framework: we assessed the Framework, including the coherence between the Framework and the Issuer's environmental and social commitments, the Bonds potential contribution to sustainability and its alignment with the four core components of the GBP & SBP 2021.
- Issuer[2]: we assessed the Issuer's ESG performance, its management of potential stakeholder-related ESG controversies and its involvement in controversial activities[3].

Our sources of information are multichannel, combining data (i) gathered from public sources, press content providers and stakeholders, (ii) from V.E's exclusive ESG rating database, and (iii) information provided from the Issuer through documents and interviews conducted with the Issuer's managers and stakeholders involved in the Bonds issuance, held via a telecommunications system.

We carried out our due diligence assessment from 29 October to December 22, 2021. We consider that we were provided access to all documents and interviewees we solicited. For this purpose, we made reasonable efforts to verify the accuracy of all data used as part of the assessment.

Type of External Reviews supporting this Framework

☒	Pre-issuance Second Party Opinion	☒	Independent verification of impact reporting
☒	Independent verification of funds allocation	☐	Climate Bond Initiative Certification

[1] The "Sustainable Bond" is to be considered as the bond to be potentially issued, subject to the discretion of the Issuer. The name "Sustainable Bond" has been decided by the Issuer: it does not imply any opinion from V.E.

[2] Grupo Cooperativo Cajamar is part of V.E rating universe - the last ESG rating was performed in May 2021.

[3] The 17 controversial activities screened by V.E are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

COHERENCE

Coherent
Partially coherent
Not coherent

V.E considers that the contemplated Framework is coherent with Grupo Cooperativo Cajamar's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

According to the United Nations Environment Programme Finance Initiative[4] (UNEP FI) the banking sector[5] plays a crucial role in promoting sustainable development. The sector can lead the way to a more sustainable economy by lending to economic activities that yield the best return from society's point of view and by guiding customers and stakeholders to manage social and environmental challenges and opportunities. As the global economy's largest sector by market capitalisation, banks have great potential to support society's transition to a low carbon and sustainable economy. Their action is key in the promotion of effective solutions for the development of sustainable finance products and services, and the minimisation of the negative impact of their investments and activities on environment, people, and society.

As a result, by integrating environmental and social risks into the assessment of loans and project financing, as well as into their investment products, funds can influence customer behaviour towards more environmentally friendly and social activities and support projects with a high social outcome. The financial services sector can also effectively contribute to financial inclusion and to the reduction of inequalities by ensuring the accessibility of its products and services to a larger number of customers, including the most vulnerable.

Grupo Cooperativo Cajamar is a financial institution with a wide network of offices in Spain. Their corporative culture is based on three pillars: people, ideas and territory. The Issuer has a Sustainability Policy, last updated in 2019, which declares sustainability as a strategy to build a better world, capable of generating equity and welfare for all. For the implementation and monitoring they have appointed a Sustainability Committee, which is supervised by the Board of Directors.

The Issuer has an Environmental Policy, and their operations are certified ISO 14001 and ISO 50001 which allows the permanent control and evaluation on the environmental and energy management issues. The Group also aims at improving competitiveness through the reduction of costs and the minimization of the negative impacts of their operations, they created an Eco-efficiency Plan 2021-2023 accompanied by different key indicators that measure performance in energy consumption, water use, materials consumption and carbon footprint.

To strengthen, measure and contribute to the different issues of the sector Grupo Cooperativo Cajamar has multiple alliances in sector groups, they are funder signatory of the Principles of Responsible Banking of UNEP-FI, committed with the Global Compact Initiative, TCFD, RE100 Climate Group, Target Gender Equality, among others.

Grupo Cooperativo Cajamar has internal procedures for risk management, including the evaluation of environmental and social aspects, their teams analyze the client's performance according to the impacts of the activity, the local regulation and the benefits. They are currently working on the Directive Plan 2021-2023, this plan has, among other initiatives, the creation and implementation of ESG clauses for all their contracts.

[4] UNEP FI website https://www.unepfi.org/banking/banking/

[5] The annual investment in low carbon energy and energy efficiency would need to increase by a factor of five by 2050. Therefore, the financial system needs a transformation to deliver the scale and quality of investment needed in order to increase financing from all sources (especially private sources such as long-term debt finance and the large pools of institutional investor capital), reduce the cost of capital, enable catalytic finance from development finance institutions (DFIs), and accelerate the greening of the financial system.

FRAMEWORK

The Issuer has described the main characteristics of the Bonds within a formalised Sustainable Bond Framework (the last updated version was provided to V.E on December 22, 2021) that covers the four core components of the GBP 2021 and SBP 2021. The Issuer has committed to make this document publicly accessible on Grupo Cooperativo Cajamar's website, in line with good market practices.

Alignment with the Green Bond Principles

Use of Proceeds

Not Aligned	Partially Aligned	Aligned	Best Practices

The net proceeds of the Bonds will exclusively finance or refinance, in part or in full, Loans falling under three Social Categories and four Green Categories ("Eligible Loans"), as indicated in Table 1.

- The Eligible Loans are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria, and the location of Eligible Projects for all Eligible Categories, as well as the target population for Social Categories.
- The Environmental and Social Objectives are clearly defined, relevant and set in coherence with sustainability objectives defined in international standards, for all the Eligible Loans.
- The Expected Environmental and Social Benefits are clear, precise, relevant, measurable, and will be quantified for all the Eligible Loans in the reporting.
- The Issuer has committed to transparently communicate publicly the estimated share of refinancing prior to each bond issuance. The look-back period for refinanced Eligible Projects will be equal or less than 24 months from the issuance date, in line with good market practices.

BEST PRACTICES

⇒ The Issuer has committed to transparently communicate publicly the estimated share of refinancing prior to each bond issuance.
⇒ The look-back period for refinanced Eligible Projects will be equal or less than 24 months.

Table 1. V.E' analysis of Eligible Categories, Sustainability Objectives and Expected Benefits as presented in the Issuer's Framework.

- Nature of expenditures: loans for CAPEX and OPEX purposes.
- Location of Eligible Projects: Spain

SOCIAL ELIGIBLE CATEGORIES	DESCRIPTION	SOCIAL OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Projects and promotion of the Social Economy	New operations and refinancing of loans/credits granted to social economy enterprises according to Law 5/2011, of 2 March, on the Social Economy (Spain). The controversial activities set out in Annex II of the Framework are excluded. Beneficiaries: Cooperatives, worker-owned companies, mutual societies, fishermen's guilds, special employment centres, and integration enterprises.	Supporting the social economy Support and promotion of enterprises part of the social economy Development of the competitiveness of social economy enterprises. Employment Generation Generation of employment linked to social economy organisations.	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. The Target Populations have been clearly identified. The Social Objectives are relevant and set in coherence with sustainability objectives defined in international standards. The Expected Social Benefits are clear, relevant, and measurable, and will be quantified in the reporting.
Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment, and depopulation	New operations and refinancing of loans/credits associated with projects and/or acquisition of business assets that contribute to the economic and social development of municipalities, regions and provinces in Spain affected by low economic performance, high unemployment rates leading to low income levels, depopulation, and its consequent ageing. The identification of these regions and territories is defined in Annex I of the Framework. The controversial activities set out in Annex II of the Framework are excluded. It also includes operations and refinancing of loans/credits requested by families and other individuals that contribute to the well-being of people living in these territories, including consumer goods (it will exclusively include operations aimed at contributing to: access to quality employment and promotion of distance work, access to and improvement of housing, access to education and culture, as well as dependency and health), and the acquisition and rehabilitation of housing, limiting the amount granted to €300,000 per operation (only for families or other individuals).	Employment Generation and Economic Growth Support of job creation and preservation in economically depressed areas Develop the competitiveness of economically depressed territories Socio-economic advancement and empowerment Contribution to the well-being of citizens in these territories Reduction of regional and territorial inequalities Contribution to solving problems of population ageing and depopulation	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. The Target Populations have been clearly identified. The Social Objectives are relevant and set in coherence with sustainability objectives defined in international standards. The Expected Social Benefits are clear, relevant, and measurable, and will be quantified in the reporting.

SOCIAL ELIGIBLE CATEGORIES	DESCRIPTION	SOCIAL OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
	Beneficiaries: Families, self-employed workers, and companies located in these territories. The target populations is identified through the definition of regions and territories affected by low economic performance, unemployment, and depopulation shall be understood to refer to Spanish provinces with a population density equal to or less than 25 inhabitants/km^2 and/or municipalities with fewer than 10,000 inhabitants located in provinces with an unemployment rate higher than the Spanish average according to data published by the National Institute of Statistics in the last quarter of the calendar year immediately prior to the bond issue date.		
Natural disasters, states of alarm, and hibernation of the economy	New loan/credit operations and refinancing of projects and assets of companies affected by possible natural disasters, droughts, earthquakes and volcanic eruptions, floods, health alerts or possible situations that may lead to temporary lockdowns or the hibernation of the economy, a risk that has emerged from the COVID-19 pandemic. The controversial activities set out in Annex II are excluded. It also includes operations and refinancing of loans/credits that contribute to the well-being of people living in territories affected during the process of reconstruction and returning to normality. It will exclusively include operations aimed at contributing to: access to quality employment and promotion of distance work, access to and improvement of housing, access to education and culture, as well as dependency and health. Beneficiaries: Families, self-employed workers and businesses located in territories affected by natural disasters and/or the state of alarm or hibernation of the economy.	<u>Employment Generation</u> Support of job creation and preservation in affected areas. <u>Adaptation and Resilience</u> Support of the well-being of people in areas affected by these disruptive events.	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. - The Issuer has specified in internal documentation that the identification of a related event in this category by the Issuer is preceded by a declaration from the relevant authority, such as the Central Government through the declaration of a Royal Decree Law of an area seriously affected by a natural event. The Target Populations have been clearly identified. The Social Objectives are relevant and set in coherence with sustainability objectives defined in international standards. The Expected Benefits are clear, relevant, and measurable, and will be quantified in the reporting.

GREEN ELIGIBLE CATEGORIES	DESCRIPTION	ENVIRONMENTAL OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Sustainable Agriculture	New operations and refinancing of loans/credits associated with projects related to organic farming and integrated production, including auxiliary facilities and technical support services. This encompasses operations linked to the following three areas: - Agriculture and the commercialisation of organic production. Organic farming is regulated in the EU by Council Regulation (EC) No 834/2007 of 28 June 2007. In Spain it is regulated by Royal Decree 1852/1993, of 22 October, on organic agricultural production and its indication in agricultural products and foodstuffs. - Agriculture and the commercialisation of integrated production, regulated in Spain by Royal Decree 1201/2002, of 20 November. According to this regulation, integrated production means "agricultural systems for obtaining vegetables that make maximum use of natural resources and production mechanisms and ensure sustainable agriculture in the long term, by introducing biological and chemical control methods, and other techniques that reconcile the requirements of society, the protection of the environment and agricultural productivity, as well as the operations carried out for the handling, packaging, processing and labelling of vegetable products included within the system. - Agricultural industries and auxiliary services oriented towards a more sustainable use of agriculture, as defined below: Industries in the Support Activities for Sustainable Agriculture subsector provide support services that are an essential part of the sustainable agricultural production. These support activities are the production of inputs required for the production process for an organic and/or biodynamic for a given crop, animal, or forestry industry, which are certified by the Ministry of Agriculture, Fisheries and Food and/or the correspondent Regional authority. The production and/or marketing of biofertilizers, auxiliary fauna for biological pest control, organic seeds for organic production and waste management activities are some of the activities and establishments considered in this subsector.	Climate change mitigation Avoidance of GHG emissions. Energy consumption reduction. Environmentally sustainable management of living natural resources and land use Increase in land area for sustainable agriculture production Pollution prevention and control of contamination and pollution Waste avoided	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. • The Issuer reports that eligible loans under the first two areas of this category will have to follow specific internationally recognised certifications on organic or integrated farming. • For the third subsector, eligible activities must be an input required for the production of certified organic or biodynamic agriculture. The Issuer has stated to have a team of analysts specialised in sustainable agriculture responsible for evaluating the projects on a case by case basis. The Environmental Objectives are relevant and set in coherence with sustainability objectives defined in international standards. The Expected Environmental Benefits are clear, relevant, and measurable, and will be quantified in the reporting.

GREEN ELIGIBLE CATEGORIES	DESCRIPTION	ENVIRONMENTAL OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Renewable energies	New operations and refinancing of loans/credits associated with projects that support the electricity generation from the following technologies: solar, wind, hydro, geothermal, and bioenergy, including the acquisition, construction, operation, maintenance or repowering of facilities. Technical screening criteria: - Facilities operating with life cycle emissions below 100gCO_2e/kWh are eligible. - Hydroelectric power shall include installations with a power density greater than 5 W/m^2. - Facilities operating above 80% of GHG emissions-reduction in relation to the relative fossil fuel comparator set out in RED II increasing to 100% by 2050. Bioenergy can include high-efficiency biomass cogeneration, for which feedstock are limited to sources that do not deplete existing terrestrial carbon stocks or compete with food production. This category also includes development, construction, equipment, operation and maintenance of new or additional Energy Transmission and Distribution networks (electricity only) from renewable sources, with average emissions intensity of the network under 100 gCO_2e/kWh or more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO_2e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period.	Climate change mitigation Avoidance of GHG emissions.	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. The Environmental Objective is relevant and set in coherence with sustainability objectives defined in international standards. The Expected Environmental Benefit is clear, relevant, and measurable, and will be quantified in the reporting

GREEN ELIGIBLE CATEGORIES	DESCRIPTION	ENVIRONMENTAL OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Sustainable Building	New operations and refinancing of loans/credits associated with the financing of: - The acquisition, promotion and/or construction of houses built before December 31, 2020, with EPC equal to an A rating and/or belonging to the top 15% most efficient buildings in Andalusia (or Spain). - Loans or mortgages to finance the acquisition, development, and/or construction of housing built after December 31, 2020, with Primary Energy Demand (PED) at least 10% lower than the threshold established for near zero consumption building requirements (NZEB), in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council. Energy performance is certified by an Energy Performance Certificate (EPC). - Loans or investments for rehabilitated (residential) buildings with an energy efficiency improvement of at least 30%.	<u>Climate change mitigation</u> Avoidance of GHG emissions.	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. The Environmental Objective is relevant and set in coherence with sustainability objectives defined in international standards. The Expected Environmental Benefit is clear, relevant, and measurable, and will be quantified in the reporting
Sustainability Mobility	Purchase of vehicles, including passenger cars, light commercial vehicles, and large vehicles, emitting less than 50 gCO_2 km up to 2025, and 0 g CO_2/km from 2026 onward.	<u>Climate change mitigation</u> Avoidance of GHG emissions.	The Eligible Category is clearly defined, the Issuer has communicated the nature, the eligibility criteria, and location of Eligible Expenditures. The Environmental Objective is relevant and set in coherence with sustainability objectives defined in international standards. The Expected Environmental Benefit is clear, relevant, and measurable, and will be quantified in the reporting

SDG Contribution

The Eligible Categories are likely to contribute to eight of the United Nations' Sustainable Development Goals ("SDGs"), namely:

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment, and depopulation	1 NO POVERTY	1.2 Reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions. 1.4 Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.
Sustainable Agriculture	2 ZERO HUNGER	2.3 Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment. 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.
Renewable Energies	7 AFFORDABLE AND CLEAN ENERGY	7.2 Increase substantially the share of renewable energy in the global energy mix.
Sustainable Building		7.3 Double the global rate of improvement in energy efficiency.
Projects and promotion of the Social Economy Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment, and depopulation Natural disasters, states of alarm, and hibernation of the economy	8 DECENT WORK AND ECONOMIC GROWTH	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
Projects and promotion of the Social Economy Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment, and depopulation Natural disasters, states of alarm, and hibernation of the economy	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Sustainable Agriculture	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2 Achieve the sustainable management and efficient use of natural resource.
Sustainable Agriculture Renewable energies Sustainable Building Sustainability Mobility	13 CLIMATE ACTION	The projects are likely to contribute to SDG 13 which consists in adopting urgent measures to combat climate change and its impacts.
Sustainable Agriculture	15 LIFE ON LAND	15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.

Evaluation and Selection of Eligible Loans

Not Aligned	Partially Aligned	Aligned	Best Practices

- The process for Loans Evaluation and Selection has been clearly defined and detailed by the Issuer. The process is well-structured in all the evaluation and selection steps (including the proposal, selection, validation, monitoring of Eligible Categories.) The roles and responsibilities are clear and include relevant internal expertise. The Process is publicly disclosed in the Framework and this Second Party Opinion.
- Eligibility criteria (selection and exclusion) for project selection have been clearly defined and detailed by the Issuer for all of the Eligible Loans.
- The process applied to identify and manage potentially material environmental and social (E&S) risks associated with the projects is publicly disclosed in this Second Party Opinion. The process is considered robust: it combines monitoring, identification and corrective measures, for all Eligible Loans (see detailed analysis on pages 21- 24).

Process for Project Evaluation and Selection

- For the purpose of the Bonds, a Sustainability Committee ("the Committee") has been created. This Committee is composed of the executive Director and representatives of the Directorates General. In addition, the Sustainability Department will act as the secretary/coordinator of the Committee.
- The Committee is responsible for:
  - Selecting the Eligible Projects to be included in the Green, Social and Sustainability Bonds according to a pre-selection of potential eligible loans which will be proposed by the Business Division, Finance Division and Investment Division.
  - Evaluating and approving the loans according the criteria set in the Framework, and confirm the environmental and/or social impacts of the assets chosen.
  - Monitoring the loans and projects during the lifetime of the Bonds and the allocation of net proceeds to be applied.
  - Maintaining and updating the Framework.
- The traceability and verification of the selection and evaluation of the loans and projects is ensured throughout the process:
  - The Committee will be responsible for monitoring the compliance of the selected projects by confirming the environmental and or social impacts, at least twice a year, throughout the life of the bonds. The Committee will be responsible for replacing a loan or project if it no longer meets the eligibility criteria and will replace it with another Eligible Loan or project.
  - The Committee will also monitor ESG controversies that may be associated with the loans or projects. In case of identifying any controversy the Committee will remove the loan or project from the portfolio and replace it with a new Eligible Loan that meets the criteria of the Framework.
  - All decision making related to the selection and evaluation of Eligible Loans and projects will be recorded in minutes.

Eligibility Criteria

The process relies on explicit eligibility criteria (selection and exclusion), relevant to the environmental and social objectives defined for the Eligible Categories.

- The selection criteria is based on the definitions in the Eligible Categories defined Table 1 in the Use of Proceeds section.
- The Issuer reports that all Eligible Social and Green categories are assessed against the Group's Socially Responsible Investment strategy which includes exclusion criteria of activities and behaviours that go against international standards and basic rights, as well as activities that go against the ethical values of the Group.
- In addition, all the loans are assessed against exclusion criteria set out in Annex II of the Framework, which detail controversial activities that are excluded.

We consider that the exclusion criteria are relevant, since they cover the main issues in terms of environmental and social responsibility, in line with good market practices.

BEST PRACTICES

⇒ The Issuer reports that it will monitor compliance of selected projects with eligibility and exclusion criteria specified in the Framework throughout the life of the instrument and has provided details on content, frequency, duration and on procedure adopted in case of non-compliance.

⇒ The Issuer reports that it will monitor potential ESG controversies associated with the loans throughout the life of the instrument and has provided details on frequency, content and procedures in case a controversy is found on a project.

Management of Proceeds

Not Aligned	Partially Aligned	Aligned	Best Practices

- The process for the Management and Allocation of Proceeds is clearly defined, as is publicly available in the Framework
- The allocation period will be 24 months or less.
- The net proceeds of the Bonds will be placed in the General Treasury and tracked by the Issuer in an appropriate manner and attested to in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- For as long as the Bond is outstanding, the Issuer has committed to periodically adjust the balance of tracked net proceeds to match allocations to eligible categories.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and has committed to reallocate divested proceeds to projects that comply with the bond framework within 24 months.

Management Process

- The net proceeds of the Bonds will be manage by the Finance Division and will be credited to the Issuer's treasury general treasury or another general account, and will be managed in cash and public money market assets.
- The proceeds will be earmarked in an internal process, and the Issuer reports that it will ensure that the volume of eligible assets are earmarked for an issuance at least equal to the net proceeds obtained by such an issuance.
- In case of temporary non-allocation of proceeds, these will be placed temporarily in a cash account or invested in public money market assets. The Issuer reports that temporary unallocated proceeds will not be invested inn GHG intensive activities or controversial investments.
- In case of projects postponement, cancelation, divestment or ineligibility, or in case an Eligible Loans has matured, the Issuer has committed to replace the no longer Eligible Loan by a new Eligible Loan withing a maximum period of 12 months.

BEST PRACTICES

⇒ The allocation period is 24 months or less.

⇒ The Issuer has committed not to invest temporarily unallocated net proceeds in GHG intensive activities or controversial activities.

⇒ The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the bond framework within 12 months.

Monitoring & Reporting

Not Aligned	Partially Aligned	Aligned	**Best Practices**

- The Issuer has committed to report on the Use of Proceeds on an annual basis, until bond maturity for the allocation and impact reporting. The report will be publicly available on the Issuer's website.
- The Issuer has committed to include in the relevant information related to the allocation of Bonds proceeds and the expected sustainable benefits of the Eligible Loans. The Issuer has also committed to report on material developments and controversies related to the Eligible Loans.
- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Categories until full allocation and in case of material changes, as well as the indicators used to report on environmental and social benefits.

Indicators

The Issuer has committed to transparently communicate at Eligible Category level, on:

- Allocation of proceeds: The indicators selected by the Issuer to report on the allocation of proceeds are relevant and exhaustive.

REPORTING INDICATORS
⇒ Amount of proceeds allocated to eligible green and/or social projects. ⇒ The balance of unallocated proceeds and types of temporary unallocated funds placements. ⇒ Percentage of new loans vs refinancing operations, including details on the share of co-financing. ⇒ Location of the assets

- Environmental and social benefits: The indicators selected by the Issuer to report on the environmental and social benefits of the Eligible Categories are clear, relevant and exhaustive.

ELIGIBLE CATEGORIES	SOCIAL AND ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Projects and promotion of the Social Economy	- Total amount and number of loans granted to companies in the social economy. - Total amount and number of loans granted to small and medium-sized enterprises in the social economy. - Total amount and number of loans granted to social economy enterprises established within the three years prior to the issue. - Estimated number of beneficiaries. - Estimated turnover of the social economy enterprises financed.	- Estimated employment generated.

ELIGIBLE CATEGORIES	SOCIAL AND ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment, and depopulation	- Total amount and number of loans granted to regions and territories affected by low economic performance, unemployment, and depopulation. - Estimated turnover of the enterprises financed.	- Estimated contribution to GDP of these territories as a result of financing. - Estimated employment generated. - Estimated population and capital fixed to the territory.
Natural disasters, states of alarm, and hibernation of the economy	- Total amount and number of loans granted for these disruptive events. - Estimated turnover of the enterprises financed. - Estimated number of beneficiaries.	- Estimated employment generated and/or preserved.
Sustainable Agriculture	- Total amount and number of loans granted for sustainable agriculture. - Estimated production in physical and monetary terms. - Estimated land area and associated production. - Estimated number of beneficiaries.	- Estimated employment generated. - Estimated waste avoided. - Estimated CO2 emissions avoided.
Renewable energies	- Total amount and number of loans granted for renewable energies. - Estimated installed capacity. - Estimated number of beneficiaries.	- Estimated employment generated. - Estimated CO2 emissions avoided.
Sustainable Building	- Total amount and number of loans granted for sustainable building. - Estimated number of beneficiaries.	- Estimated employment generated. - Estimated CO2 emissions avoided.
Sustainability Mobility	- Total amount and number of loans granted for sustainable mobility. - Estimated number of beneficiaries.	- Estimated employment generated. - Estimated CO2 emissions avoided.

BEST PRACTICES

- ⇒ The Issuer will report on the Use of Proceeds until bond maturity.
- ⇒ The Issuer report will be publicly available.
- ⇒ The reporting will cover relevant information related to the allocation of Bond proceeds and to the expected sustainable benefits of the categories. The Issuer has also committed to report on material development related to the projects, including ESG controversies.
- ⇒ The indicators selected by the Issuer are exhaustive with regards to allocation reporting.
- ⇒ The indicators selected by the Issuer are clear and relevant and cover all expected benefits associated with the Eligible Categories.
- ⇒ The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be disclosed publicly.
- ⇒ Environmental & Social benefits and impacts will be externally verified until bond maturity.

Contribution to sustainability

Expected Impacts

The potential positive Impact of the Eligible Loans projects on environmental and social objectives is considered to be advanced.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Projects and promotion of the Social Economy	ADVANCED	According to the SDG index[6], significant challenges remain in Spain for achieving SDG 8 (Decent Work and Economic Growth). According to the Spanish Enterprise Confederation for the Social Economy, Social Economy enterprises represent 10% of Spanish GDP and 12.5% of employment[7]. As it is still a minority of economic activity in Spain, it is relevant for banks to support social economy activities. Following the eligibility criteria, loans under this category will go exclusively to social economy enterprises, in line with the definition established by law in Spain, thus targeting enterprises whose activities have social objectives. Furthermore, besides providing financial access, the Issuer offers its customers' trainings and webinars on extra-financial and financial topics, including special programmes addressed at young people to promote the development of cooperatives. These measures provide long-term benefits to the target population by empowering and equipping them with relevant skills to support the success and development of social economy enterprises.
Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment, and depopulation	ROBUST	According to the SDG index, significant challenges remain in Spain in achieving SDG 8 (Decent Work and Economic Growth). The target population is well defined, as those living in Spanish provinces with above average unemployment rate and low population density. As a consequence, these provinces face several other social issues such as low income, depopulation and aging of the population. The eligibility criteria thus ensure that the Eligible Loans target the population most in need with regards to depopulation and low economic performance. Furthermore, besides providing financial access, the Issuer offers its customer's and the general public trainings and webinars on extra-financial and financial topics. Support to enterprises in those locations bring about long term improvement by supporting economic performance.
Natural disasters, states of alarm, and hibernation of the economy	ROBUST	When disasters or states of alarm occur, any economic support is highly relevant in response to the potential severity of the impacts. This category is focused on the target population affected by emergencies to mitigate their negative effects. Access to finance is identified to respond to specific emergencies. The projects thus have both a population and geographical targeting, supporting the affected populations for whom loans/credits are most relevant (families, self-employed workers and businesses), as well as geographical targeting where only areas identified by the relevant authorities are eligible. Support in case of disasters or other cases of hibernation of the economy are short term, as they provide a short term solution to an event of high severity. The eligible loans associated with reconstruction and return to normality can have more long term benefits.

[6] https://dashboards.sdgindex.org/profiles/spain
[7] https://www.cepes.es/cifras

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Sustainable Agriculture	ADVANCED	Agriculture, forestry and other types of land-use account for approximately 23% of total global greenhouse gases, according to the International Panel on Climate Change (IPCC)[8]. Spain faces agricultural soil challenges associated to semi-arid conditions, traditional agricultural practices, and arable land abandonment, as well as soil nitrogen losses from inadequate long-term application of fertilizers which has led to polluting surface, subterranean waters, and the atmosphere[9]. Therefore, promoting sustainable agriculture is key to help address these challenges which would help mitigate environmental impacts, increase agricultural productivity and offer socio-economic benefits. Moreover, to be eligible for financing, loans and projects under the first two areas of this category will require to meet EU regulation on organic farming and Spanish law on integrated farming, as well as relevant certifications (organic or integrated farming certificates), which provides further assurance on the positive environmental impact of this category.
Renewable energies	ADVANCED	According to the European Energy Agency[10] public electricity and heat production contribute to around 30% of all CO_2 emissions and 26% of all GHG emissions in the EU-27. In addition, the promotion of renewable energy and energy efficiency is key to addressing the national challenges of reducing the carbon footprint. Renewable energy projects are key to building a sustainable national energy matrix. According to data from the International Energy Agency (IEA) in 2019, just over 40% of Spain's energy was generated from fossil resources (coal, oil and gas), while around 37% comes from solar, wind, hydroelectric and biofuel resources. Spain targets a 42% share of renewables in energy end use (increasing renewable power installations and boosting the use of renewable gases in the power sector).[11] Therefore, investment in renewables remains key to achieving climate change mitigation goals. The eligible projects will contribute to addressing this challenge. The majority of the category follows the best technologies available in the sector to contribute to the claimed objective of climate mitigation, and adopts the EU Taxonomy Climate Delegated Act screening criteria, which are considered to be the most stringent to date.

[8] https://www.ipcc.ch/2019/08/08/land-is-a-critical-resource_srccl/
[9] https://ejpsoil.eu/about-ejp-soil/news-events/item/artikel/agricultural-soil-challenges-in-spain-overcoming-existing-barriers-for-the-implementation-of-sustai-1/
[10] https://www.eea.europa.eu/data-and-maps/indicators/emissions-co2-so2-nox-from-1
[11] https://www.oecd.org/economy/surveys/Spain-2021-OECD-economic-survey-overview.pdf

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Sustainable Building	ROBUST	According to the International Energy Agency (IEA)[12], Spain's energy and climate policies over the coming decade outline a number of policy actions in various sectors to support the country's climate targets such as a 39.5% improvement in energy efficiency through refurbishments, increase in the use of renewable heating in the residential and commercial sectors and promotion of energy efficiency and fuel switching in the industry sector. The eligible projects are in line with the EU Taxonomy Climate Delegated Act screening criteria and contribute to energy efficiency of buildings and the objective of climate mitigation. The category has a positive potential impact both locally, through reduced energy consumption, and globally, through reduced GHG emissions. Nonetheless, the category includes new construction which has an absolute effect on energy consumption and on land use and therefore has a less positive impact compared with renovation.
Sustainability Mobility	ADVANCED	In 2018, a total of 24% of global CO_2 emissions from fuel combustion came from transportation[13]. In addition, according to the 2018 GHG inventory, the transport sector is the main contributor to GHG emissions in Spain[14], generating 27% of the country's emissions. Long-term planning scenarios indicate that the global vehicle fleet will have to be almost entirely made up of electric vehicles, powered mostly by renewable sources by 2050, if the world is to avoid worst-case global climate-change scenarios. Clean transport not only has a global benefit through avoided GHG emissions, it also has a local impact through improved air quality. In addition, the Eligible Projects adopt the EU Taxonomy Climate Delegated Act screening criteria, which are considered to be the most stringent to date.

OVERALL ASSESSMENT	ADVANCED

[12] https://www.iea.org/reports/spain-2021
[13] https://www.iea.org/reports/tracking-transport-2019
[14] https://www.lamoncloa.gob.es/lang/en/gobierno/news/Paginas/2019/20190610co2-emissions.aspx

ESG Risks Identification and Management systems in place at project level

The identification and management of the environmental and social risks associated with the Eligible Projects are considered robust[15].

	ELIGIBLE CATEGORIES						
	PROJECTS AND PROMOTION OF THE SOCIAL ECONOMY	PROJECTS AND PROMOTION OF ECONOMIC AND SOCIAL DEVELOPMENT IN REGIONS AND TERRITORIES AEFFECTED BY LOW ECONOMIC PERFORMANCE, UNEMPLOYEMENT AND DEPOPULATION	NATURAL DISASTERS, STATES OF ALARM AND HIBERNATION OF THE ECONOMY	SUSTAINABLE AGRICULTURE	RENEWABLE ENERGIES	SUSTAINABLE BUILDING	SUSTAINABILITY MOBILITY
Environmental risks	n/a	X	n/a	X	X	X	X
Human rights	X	X	X	X	X	X	X
Health and safety	X	X	X	X	X	X	X
Communities involvement	X	X	X	X	X	X	X
Ethics risks	X	X	X	X	X	X	X
OVERALL ASSESSMENT	ROBUST						

Grupo Cooperativo Cajamar has ESG risk management processes integrated in their assessment of financing requests from their clients. For applications for financing of over 5 million euros, Grupo Cooperativo Cajamar prepares a sustainability report analysing the request, specifically its alignment with the EU's climate policies, its carbon footprint, actions performed by the applicant regarding energy consumptions, water footprint, social actions and governance. In addition, following the Group's 2021-2023 Directive Plan, a sustainability report will be prepared for all applications for financing of over 3 million euros. This Directive Plan was favourably assessed by the European Central Bank (ECB), as following regulatory expectations with regards to climate and environmental risk. The sustainability report is prepared by the departments of Sustainable Finance department and/or the analysis centers of the Investment department, and can include ESG due diligences requested by the client to third parties.

Environmental risks

Grupo Cooperativo Cajamar have an ISO 14001:2015 certified Environmental Management System , and an ISO 50001 certified Energy Management System. In addition, all Eligible Loans under the environmental categories of this Framework must have an ISO 14001 certification or equivalent.

For Eligible Loans financed by the Bonds, the clients must provide Grupo Cooperativo Cajamar with sufficient information to evaluate the environmental impact of the project, either through a technical report or other document issued by an

[15] The "X" indicates the E&S risks that have been activated for each Eligible Category.

auditor or external advisor. This report, which can also be prepared by the client, is delivered to Cajamar, and contains the main performance on mitigation and prevention of environmental impacts, and key indicators. The client is responsible to ensure the monitoring is executed through due diligences by a third party. In case of significant non-compliance, Grupo Cajamar will support the client to find a possible solution to the identified issues. If the issues cannot be resolved, the loan will be excluded from the eligible portfolio.

By local regulation, the projects are obligated to comply with measures to prevent pollution, including emissions, air quality, water use, soil, waste management or biodiversity protection. Grupo Cooperativo Cajamar, in addition to the reports made when operations are granted, carries out a semi-annual monitoring of projects belonging to customers with significant exposure, specifically those that account for 5% of the Group's equity. This monitoring of environmental risk management is also carried out for customers who have been identified as representing a significant position in a territory.

In addition, the environmental impact related to the sale of homes will be accredited by obtaining an Energy Efficiency Certificate (in compliance with Royal Decree 235/2013, of April 5), which needs to be obtained by the client. This certificate approves the basic procedure for certification from energy efficiency from highest to lowest energy efficiency, according to energy consumption and CO2 emissions, being issued by an approved company. With regard to the rehabilitation of housing, the Cajamar Group reports that it will make its best efforts to obtain this certificate, providing the client with the channels to obtain and accredit it.

Human Rights

The Issuer reports that within the sustainability report that is prepared alongside the financing proposals, human rights issues are also assessed such as whether the applicant and/or projects (over 5 million euros) evaluate the promotion of human rights and/or if ESG risk management are incorporated, including the labour policies. The Issuer evaluates the project's documentation, including Sustainability Reports, Non-Financial Information Statement, Corporate Social Responsibility Report, publication on its corporate website, among others.

Grupo Cooperativo Cajamar has a management and control area designed to supervise customer operations. Specifically, the Area for the Prevention of Money Laundering and Financing of Terrorism has alert systems to supervise both social security fraud and complaints, including for example human trafficking.

Health and safety

Grupo Cooperativo Cajamar relies on national legislation for risks related to health and safety. The Group reports that it will evaluate each project to ensure that specific clauses are included for the client to comply with local health and safety regulations.

An area for improvement is to establish control mechanisms to identify and manage health and safety issues and monitor the performance of borrowers after lending.

Access to basic services and home safety conditions

Grupo Cooperativo Cajamar reports that all loans linked to the financing of housing, an appraisal must be prepared by an independent appraiser approved by the Bank of Spain that complies with the relevant national regulations[16], which values access to water and electricity, indicating if the housing has or will have these services, the public services available in the area where it is located, and health and safety regulatory standards of the house. The Issuer requests for such documentation where these elements are assessed, and in the event case of identifying signs of deterioration, the Issuer reports that it will impact the conditions of the financing proposals.

Responsible Customers relations

Grupo Cooperativo Cajamar ensures responsible customer relations thanks to the Code of Conduct, a document that follows from the Corporate Social Responsibility policy and its Ethical System, their employees receive regular mandatory

[16] Order ECO / 805/2003, of March 27

training on the principles and requirements, including on non-discrimination. The Group is currently working to include ESG clauses in their contracts with clients, following the implementation of the 2021-2023 Directive Plan.

The Issuer has a Credit Risk Manual that describes the procedures, for each product, to evaluate the credit capacity of their clients, including control measures to prevent over indebtedness, determination of terms and interest rates, and balance disposition guidelines. The customer services include providing accurate information for clients and non-clients on the company's financial products including loans and mortgage loans, and in this topic complies with local laws which guarantees that customers have a protected and transparent credit agreement for real state.

The Issuer has internal control measures concerning the level of indebtedness of the clients of its portfolio, taking the historical data and requesting authorization to check the financial indebtedness in the Spanish financial system, by means of an application form to the Risk Information Centre of the Bank of Spain. Also, and according to the local regulations, Cajamar has an internal independent Customer Service to attend and resolve complaints and claims that may be presented related to their interests and legally recognized rights, whether they are stipulated on the client's contracts or in the regulations of transparency and protection of customers. Claims can be submitted through a variety of channels: by post directly to Grupo Cajamar Customer Service, e-mail, filling in a form in the offices, on the web site or the mobile app for Grupo Cajamar.

An area for improvement is to further specify what measures are taken to respond to claims, and whether there is a reporting of the claims and their management.

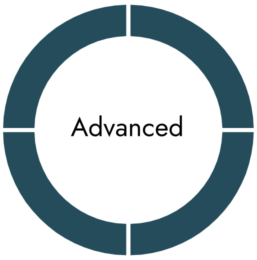
Ethics risks

Grupo Cooperativo Cajamar has an Ethics Management System (SEG), this was implemented voluntarily and contemplates the intuition's values, principles and procedures. The system seeks to achieve shared value and reduce risks, and operates transversally though the organization and with all the stakeholders, including clients.

For the financed projects, the Group evaluates the ethics issues of the client though Know Your Customer (KYC) procedures or the legal due diligence if available, and they have a unit for Prevention of Money Laundering and Terrorist Financing, responsible for verifying and supervising that clients comply with the Group's principles, and they control possible fraud situations verifying data in internal or shared sources. In addition, the Group has a complaints channel available for its employees to report irregularities[17].

[17] https://www.bcc.es/storage/documents/informe-integrado-e6dbc.pdf

ISSUER



Grupo Cooperativo Cajamar is a cooperative institution, comprised by the parent entity Banco de Credito Social Cooperativo, S.A. and other 18 banks. The parent company is responsible for the management and oversight of the Group. Grupo Cooperativo Cajamar offers financing, savings, and investment products and services to individuals, families, businesses, professionals, self-employed persons, and small and medium enterprises. The Company was founded in 1963 and is based in Almería, Spain.

Level of ESG performance

The Issuer's ESG performance was assessed through a complete process of rating and benchmark.

As of May 2021, Grupo Cooperativo Cajamar displays an overall advanced ESG performance, ranking 4th in our "Retail & Specialised Banks" sector which covers 97 companies. The Grupo Cooperativo Cajamar's performance is considered advanced in the Environmental pillar, advanced in the Social pillar and robust in the Governance pillar.

DOMAIN	COMMENTS	OPINION
Environment	<u>Grupo Cooperativo Cajamar's performance on the Environment pillar is considered advanced.</u> The Environment domain performance of Grupo Cooperativo Cajamar has improved over the years of evaluation, the improvements were made in the company's strategies to reduce its indirect environmental impact by including environmental factors in its investment and lending activities like including policies to not invest in fossil fuel-related businesses, methods to assess environmental risks in its lending activities, with a special focus on agri-business clients, among others. On their direct impacts, the company has set targets to reduce its energy consumption and CO_2 emissions as well as initiatives to reduce CO_2 emissions from employee transportation, and continues to implement measures in their activities like energy-efficiency measures in its buildings.	Advanced Robust Limited Weak
Social	<u>Grupo Cooperativo Cajamar's performance on the Social pillar is considered advanced.</u> Regarding internal measures for labour relationships the company has committed to maintaining a dialogue with employee representatives and trade unions and has collective agreements covering all employees, and they have procedures in cases of reorganizations. Grupo Cajamar has improved in their efforts to prevent discrimination, which now include affirmative action programmes for female employees and disciplinary procedures in case of misconduct. Furthermore, the share of women in senior management has increased. Concerning health and safety, the company is OHSAS 18001 certified and has measures to prevent stress, include stress management training, flexitime initiatives, among others.	Advanced Robust Limited Weak

Governance	<u>Grupo Cooperativo Cajamar's performance on the Governance pillar is considered robust.</u> The company has a Sustainability & Strategy Committee as part of the Board, in charge of overseeing the company's sustainability strategy and the actions related. Moreover, there is an Audit Committee which has a comprehensive role, and the Bank's internal control system covers some CSR risks and relevant risk management systems on CSR risks are in place. The 46% of the Board is considered independent, 76% are non-executives and 23% of the directors are women.	Advanced Robust Limited Weak

Management of ESG Controversies

As of today, the review conducted by V.E did not reveal any ESG controversy against Grupo Cooperativo Cajamar over the last four years.

Involvement in Controversial Activities

The Issuer appears to be not involved in any of the 17 controversial activities screened under our methodology, namely: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from V.E.

METHODOLOGY

In V.E's view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity or transaction. In this sense, V.E provides an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review, following three levels: first, the team in contact with the company; then the Executive Director in charge of Methods, Innovation & Quality; and finally, V.E's Scientific Council.

COHERENCE

Scale of assessment: not coherent, partially coherent, coherent

This section analyses whether the activity to be financed through the selected instrument is coherent with the Issuer's sustainability priorities and strategy, and whether it responds to the main sustainability issues of the sector where the Issuer operates.

ISSUANCE

Alignment with the Green and Social Bond Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by V.E according to the ICMA's Green Bond Principles - June 2021("GBP") and the Social Bond Principles - June 2021 ("SBP"), and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and their sustainable objectives and benefits are a core element of Sustainable Bonds standards. V.E evaluates the clarity of the definition of the Eligible Categories, as well as the definition and the relevance of the primary sustainability objectives. We evaluate the descriptions of the expected benefits in terms of relevance, measurability and quantification. In addition, we map the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process is assessed by V.E on its transparency, governance and relevance. The eligibility criteria are assessed on their clarity, relevance and coverage vs. the intended objectives of the Eligible Projects.

Management of proceeds

The process and rules for the management and the allocation of proceeds are assessed by V.E on their transparency, traceability and verification.

Reporting

The monitoring and reporting process and commitments defined by the Issuer are assessed by V.E on their transparency, exhaustiveness and relevance, covering the reporting of both proceeds' allocation and sustainable benefits (output, impact indicators).

Contribution to sustainability

Scale of assessment: Weak, Limited, Robust, Advanced

V.E's assessment of activities' contribution to sustainability encompasses both the evaluation of their expected positive impacts on environmental and/or social objectives, as well the management of the associated potential negative impacts and externalities.

Expected positive impact of the activities on environmental and social objectives

The expected positive impact of activities on environmental and/or social objectives to be financed by the Issuer or Borrower is assessed on the basis of:

i) the relevance of the activity to respond to an important environmental objective for the sector of the activity; or to respond to an important social need at country level;[18]

ii) the scope of the impact: the extent to which the expected impacts are reaching relevant stakeholders (i.e. the issuer, its value chain, local and global stakeholders); or targeting those populations most in need;

iii) the magnitude and durability of the potential impact of the proposed activity on the environmental and/or social objectives (capacity to not just reduce, but to prevent/avoid negative impact; or to provide a structural/long-term improvement);

iv) only for environmental objectives, the extent to which the activity is adopting the best available option.

ESG risk management for eligible activities

The identification and management of the potential ESG risks associated with the eligible projects/activities are analysed on the basis of V.E's ESG assessment methodology, international standards and sector guidelines applicable in terms of ESG management and assessment.

ISSUER

Issuer's ESG performance

Scale of assessment of ESG performance: Weak, Limited, Robust, Advanced

NB: The Issuer's level of ESG performance (i.e. commitments, processes, results of the Issuer related to ESG issues), has been assessed through a complete process of rating and benchmarking developed by V.E.

The Issuers ESG performance has been assessed by V.E on the basis of its:

- Leadership: relevance of the commitments (content, visibility and ownership).
- Implementation: coherence of the implementation (process, means, control/reporting).
- Results: indicators, stakeholders' feedbacks and controversies.

Management of stakeholder-related ESG controversies

V.E defines a controversy as public information or contradictory opinions from reliable[19] sources that incriminate or make allegations against an issuer regarding how it handles ESG issues as defined in V.E ESG framework. Each controversy may relate to several facts or events, to their conflicting interpretations, legal procedures or non-proven claims.

V.E reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications

[18] The importance of a specific social need at country level is assessed on the basis of the country performance on the priority SDG that the project is targeting using data from Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. 2020. The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press.

[19] 'Reliable' means that there are sufficient details to substantiate claims made, with due attention paid to the political dimension of news and the danger of misinformation. V.E draws on investigative journalism, the business press, NGO and trade union reports which focus on corporate behavior relating to ESG issues. It is neither possible nor advisable to create a prescriptive fixed list of sources as new, valid sources arise all the time and it is necessary to investigate these as and when they are retrieved in order to comprehensively cover evolving issues and media.

or Non-Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

V.E provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- Frequency: reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Severity: the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the company, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- Responsiveness: ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, V.E's controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

17 controversial activities have been analysed following 30 parameters to screen the company's involvement in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The specific nature of the controversial products or services provided by the company.

V.E'S ASSESSMENT SCALES

Scale of assessment of Issuer's ESG performance or strategy and financial instrument's Contribution to sustainability	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the sustainability objective. An advanced expected impact combined with an advanced to robust level of E&S risk management & using innovative methods to anticipate new risks.
Robust	Convincing commitment; significant and consistent evidence of command over the issues. A robust expected impact combined with an advance to robust level of assurance of E&S risk management or an advanced expected impact combined with a limited level of assurance of E&S risk management.
Limited	Commitment to the objective of sustainability has been initiated or partially achieved; fragmentary evidence of command over the issues. A limited expected impact combined with an advanced to limited level of assurance of E&S risk management; or a robust expected impact combined with a limited to weak level of assurance of E&S risk management; or an advance expected impact combined with a weak level of assurance of E&S risk management.
Weak	Commitment to social/environmental responsibility is non-tangible; no evidence of command over the issues. A weak expected impact combined with an advanced to weak level of assurance of E&S risk management or a limited expected impact with a weak level of assurance of E&S risk management.

Scale of assessment of financial instrument's alignment with Green and/or Social Bond Principles	
Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Green and/or Social Bond Principles by adopting recommended and best practices.
Aligned	The Instrument has adopted all the core practices of the ICMA's Green and/or Social Bond Principles.
Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Green and/or Social Bond Principles, but not all of them.
Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Green and/or Social Bond Principles.

Statement on V.E' s independence and conflict-of-interest policy

Transparency on the relation between V.E and the Issuer/Borrower: V.E has not carried out any audit mission or consultancy activity for Grupo Cooperativo Cajamar. No established relation (financial or commercial) exists between V.E and Grupo Cooperativo Cajamar. V.E's conflict of interest policy is covered by its Code of Conduct, which can be found at https://vigeo-eiris.com/wp-content/uploads/2018/07/Code-of-Conduct-Vigeo-Eiris-EN.pdf

This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond/Loan, based on the information which has been made available to V.E. V.E has neither interviewed stakeholders out of the Issuer/Borrower's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer/Borrower. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer/Borrower. The Issuer/Borrower is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by V.E neither focuses on the financial performance of the Bond/Loan, nor on the effective allocation of its proceeds. V.E is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction. Restriction on distribution and use of this opinion: The deliverables remain the property of V.E. The draft version of the Second Party Opinion by V.E is for information purpose only and shall not be disclosed by the client. V.E grants the Issuer/Borrower all rights to use the final version of the Second Party Opinion delivered for external use via any media that the Issuer/Borrower shall determine in a worldwide perimeter. The Issuer/Borrower has the right to communicate to the outside only the Second Party Opinion complete and without any modification, that is to say without making selection, withdrawal or addition, without altering it in any way, either in substance or in the form and shall only be used in the frame of the contemplated concerned bond/loan(s) issuance. The Issuer acknowledges and agrees that V.E reserves the right to publish the final version of the Second Party Opinion on V.E' website and on V.E' internal and external communication supporting documents.

DISCLAIMER