



# ALLOCATION AND IMPACT REPORT

2023

October 2023

**SUSTAINABLE BOND  
FRAMEWORK**



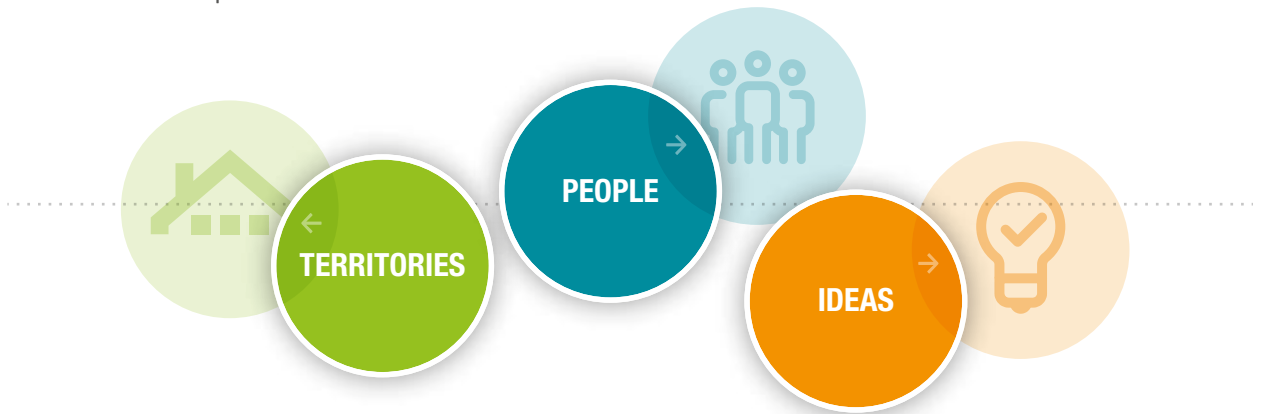
## Contents

<b>1</b>	<b>Introduction</b>	03
<b>2</b>	<b>Purpose of the Report</b>	04
<b>3</b>	<b>Overview of the Sustainable Financing Framework of Grupo Cooperativo Cajamar</b>	05
<b>4</b>	<b>Social Bond Issuance 2022</b>	07
<b>4.1</b>	<b>Eligible Financing Portfolio</b>	07
<b>4.2</b>	<b>Allocation of Proceeds</b>	09
<b>4.3</b>	<b>Impact Indicators associated with the Social Bond Issuance 2022</b>	10
<b>4.4</b>	<b>Methodology</b>	10
<b>5</b>	<b>Disclaimer</b>	13
<b>6</b>	<b>Annex</b>	14
<b>6.1</b>	<b>Independent Review Report</b>	14



# 1 | INTRODUCTION

Grupo Cooperativo Cajamar is the leading Spanish banking institution with a cooperative approach. It comprises a group of financial entities whose goal is to support families, micro, small and medium-sized enterprises and local production systems (LPSs), while also promoting the social and solidarity economy. Its field of action focuses on backing efforts to strengthen territories cohesion and contribute to real local sustainable development based on three essential pillars:



It is precisely the Group's ties with the territories and LPSs, especially those with an agricultural base, that have enabled it to place sustainability at the heart of its strategy and to contribute towards a just ecological transition that enables the preservation and creation of quality jobs, financial and social inclusion, and territorial balance (population, capital fixation in the territory, local sustainable development).

Thanks to its activity, vocation and cooperative nature, as part of the social economy, the Group stands out for its contribution to the following **Sustainable Development Goals (SDGs)**:



In this respect, Grupo Cooperativo Cajamar has always set its sights on local development wherever it operates. The cooperative sector has undoubtedly been its most intense area of activity. So much so, that the development of its internal and external structure is based on recognising the importance of this economic development model as a pillar for its continuation and development.

The Group encourages cooperation at all levels, as it is the essential tool to address the main challenges faced today, among others: the promotion of solidarity, both internally and with society, fostering commitment with local development, equal opportunities for men and women, social cohesion, integration of people at risk of social exclusion, generation of stable and quality employment, reconciliation of personal, family and working life and sustainability.



Grupo Cooperativo Cajamar is present throughout Spain through its network of banking agencies. In this respect, it is aware of the economic, social and territorial circumstances in Spain, as well as the existing imbalances that may potentially hinder sustainable economic development and the well-being of citizens.

One of the main social problems contributing to territorial imbalance is related to the regions of Spain affected by low economic performance and depopulation. Much of the national territory is affected by depopulation and, consequently, by the potential loss of economic activity. Entities like Grupo Cooperativo Cajamar, which follows a business model of proximity and is highly involved in the territory and in the production economy, are essential to alleviate the effects of this worrying territorial inertia through inclusive financial services that enable population and capital to be retained in the territory.



Adaptation to a dynamic environment in order to create long-term value within a framework of financial stability and trust.

**COOPERATIVE BANKING**  
IDEAS • PEOPLE • TERRITORIES

In this respect, the bank believes that the fight against depopulation is essential for the preservation of the rural environment and agricultural assets, the natural environment and ecosystems, as well as Spain's cultural and monumental heritage.

## 2 | PURPOSE OF THE REPORT

This Impact Report aims to comply with the commitment undertaken in the Sustainable Bond Framework approved by Grupo Cooperativo Cajamar in December 2021 in terms of transparency and information for investors. In September 2022 the first social bond was issued under the conditions set out in the aforementioned framework.

The indicators developed for the evaluation of the financing granted are presented both from an economic perspective and in terms of impact on the social environment.



For the purposes of the presentation of this Report, as will be explained in the methodology, an overall impact approach has been applied, rather than an individualised approach per operation, given the granularity of the proposals funded due to the nature of the categories funded.

In order to ensure clarity and accessibility, the complexity of the evaluation has been reduced wherever possible to what is strictly necessary to ensure rigorous results.



### 3 | OVERVIEW OF THE SUSTAINABLE FINANCING FRAMEWORK OF GRUPO COOPERATIVO CAJAMAR

Published in December 2021, the Sustainable Financing Framework of Grupo Cooperativo Cajamar is the reference for the issuance of the different instruments that are labelled as social or green and offered by any of the companies in the Group.

In order to meet the expectations of the different stakeholders, this framework is based on best market practices, aligned with the Green Bond Principles 2021 (GBP-2021), Social Bond Principles (SBP-2021) and Sustainability Bond Guidelines (SBG-2021), established by the International Capital Markets Association (ICMA). These standards provide guidelines on the following four pillars, which are considered to be key in order to achieve greater transparency and integrity of information reported by issuers to other market stakeholders:



This alignment has been ratified by Vigeo Eiris (now Moody's Investors Service) obtaining the highest rating in its second opinion report (SPO) on our sustainable financing framework. The framework's contribution to sustainability was rated at the highest level (advanced), as well as its foreseeable impact and link to different Sustainable Development Goals (SDGs).





→ **USE OF PROCEEDS**

Thanks to its activity, vocation and cooperative nature, as part of the social economy, Grupo Cooperativo Cajamar is committed to channelling and pushing proceeds towards sustainable investments.

The categories identified in the framework, as well as the Sustainable Development Goals (SDGs) they are aligned with, are detailed below:

**Social Categories**

	SDG
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	

**Green Categories**

	SDG
Sustainable agriculture and protection of the biodiversity	
Renewable Energies	
Sustainable Construction	
Sustainable Mobility	

→ **PROJECT ASSESSMENT AND SELECTION**





## → MANAGEMENT OF PROCEEDS

- Grupo Cooperativo Cajamar will guarantee that the volume of eligible assets related to an issuance is at least equal to the net proceeds obtained from that issuance.
- If proceeds cannot be fully allocated at the time of issuance, they shall be temporarily placed in a cash account or invested in short-term government assets (with a commitment not to invest such proceeds in CO<sub>2</sub> intensive or controversial activities).
- Allocation period for the total proceeds to eligible projects: two years after the issuance. Should financing no longer be considered eligible, it will be replaced by another eligible asset within a maximum period of 12 months.

## → INFORMATION AND REPORTING

- For bonds issued under the sustainable financing framework, impact reports and allocation of proceeds will be published annually until their maturity date, available on the corporate website.
- The impact reports will provide information on the amount of proceeds allocated to eligible projects.

# 4 | SOCIAL BOND ISSUANCE 2022

Transaction Details:

<b>Issuer</b>	Banco de Crédito Social Cooperativo, S.A
<b>Debt Instrument</b>	Social Senior Preferred Issuance
<b>ISIN</b>	XS2535283548
<b>Volume Issued</b>	€ 500 M
<b>Date</b>	22nd September - 2022
<b>Due Date</b>	22nd September - 2026
<b>Optional Cancellation</b>	22nd September - 2025
<b>Listing</b>	Market Regulated by the Irish Stock Exchange (Euronext Dublin)
<b>Legislation</b>	Spanish

## 4.1 | Eligible Financing Portfolio

Fulfilling the commitment made to our investors, the eligible portfolio relating to the 2022 social bond has focused on the following categories:

### → Projects and Promotion of the Social Economy

Grupo Cooperativo Cajamar is deeply rooted in the territory as a social economy enterprise, fostering such principles in its environment. In this respect, it supports the creation, strengthening and development of cooperative and social economy enterprises, especially those in the primary sector, through the provision of financial services and the transfer of knowledge and R&D from its agricultural experimentation centres.

SDG





These companies are essential for the creation of quality employment and self-employment, social articulation through the associative movement, retaining the population and capital in the territory, and territorial cohesion through local production systems, especially those based on agri-food.

The proceeds included in this category are intended to finance and re-finance projects promoted by social economy enterprises according to Law 5/2011, of 29th March, on Social Economy, including the following enterprises listed in the law: cooperatives, labour companies, mutual associations, fishermen’s guilds, special job centres and insertion companies, excluding as stated in the framework, activities that are not aligned with the Group’s Sustainability Policy and its policy of undesired associations.



→ **Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment and depopulation**

Grupo Cooperativo Cajamar is present throughout Spain by means of its network of banking agencies. In this respect, it is aware of the economic, social and territorial reality of Spain, as well as the existing imbalances that may potentially hinder sustainable economic development and the well-being of citizens.

One of the main social problems contributing to territorial imbalance is related to the regions of Spain affected by low economic performance and depopulation. Entities like Grupo Cooperativo Cajamar, which follows a business model of proximity and is highly involved in the territory and in the productive economy, are essential to alleviate the effects of this worrying territorial inertia through inclusive financial services that enable population and capital to be retained in the territory.

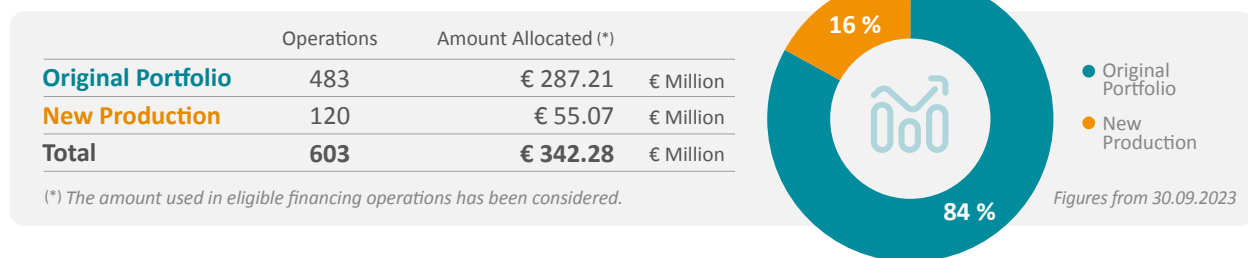
**Projects and social assets that are financed contribute to the sustainable economic development of the Spanish municipalities, counties and provinces affected by low economic performance and depopulation.** Similarly, eligible projects and assets would be those that contribute to the well-being of the people living in these territories, excluding as stated in the framework, activities that are not aligned with the Group’s Sustainability Policy and its policy of undesired associations.



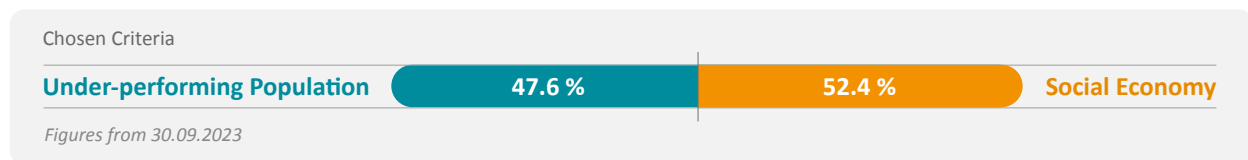


## 4.2 | Allocation of Proceeds

On the anniversary of the Group's first social issuance, we have allocated the proceeds obtained by our investors in accordance with the following distribution:



Allocation maintains a distribution per eligible category in :



This distribution follows the allocation of proceeds in accordance with:

Chosen Criteria	Operations	Formalised (in € million)	Used (in € million)	Average maturity (1) (in years)	Current average maturity (2) (in years)
<b>Social Economy</b>	456	€ 183.17	€ 179.51	10,8	8,9
<b>Under-performing Population</b>	147	€ 216.87	€ 162.77	11,9	10,2
<b>Total</b>	<b>603</b>	<b>€ 400.03</b>	<b>€ 342.28</b>		

Figures from 30.09.2023

1) Average maturity: calculated as the average of the maturity period from its formalisation until its final maturity date.

2) Current average maturity: calculated as the average of the maturity period from the data extraction date 30.09.2023 until the final maturity date.

**Co-financed operations** are concentrated in 4 operations which represent **4.27 %** of the total amount allocated.

The process of identification and subsequent allocation of operations carried out by Grupo Cooperativo Cajamar has complied with the committed governance requirements, proceeding as follows:

- **September 2022:** By drawing up the list of eligible operations related to the re-financing portfolio<sup>1</sup>, the proposal was submitted to the Group's Sustainability Committee, which authorised this association.
- **March 2023:** Materialisation of the monitoring report and allocation of new eligible projects relating to new operations<sup>2</sup>. A half-yearly report was submitted to the Group's Sustainability Committee with the monitoring indicators and the proposal for the allocation of new projects.

### Management of proceeds received from the issuance:

Transparency and commitment to the proper management of the proceeds obtained by investors has been a priority for the Group, so in order to allocate the proceeds in accordance with the principles set out in the Sustainable Bond Framework, a specific portfolio is available on the Group's Treasury Platform to deposit the proceeds received.

With regard to unallocated proceeds on 30.09.2023, €157,710,378.51 remain pending and are deposited in a specific account and are currently allocated to a short-term EU public debt instrument.

1) Operations available on Grupo Cooperativo Cajamar's Balance Sheet formalised up to 2 years prior to the issue of the allocated bond.

2) Operations available on Grupo Cooperativo Cajamar's Balance Sheet formalised after the issuance of the allocated bond.



## 4.3 | Impact Indicators associated with the Social Bond Issuance 2022

### • General Bond Indicators

	TOTAL
Total amount of loans granted	€ 342.28 M
Total number of loans granted	603
Estimated contribution to the GDP in the territories as a result of the financing	€ 342.28 M
Estimated contribution to the tax collection in these territories as a result of the financing	€ 154.03 M
Estimated contribution to employment in these territories as a result of the financing	5,682

### • Projects and promotion of the Social Economy

	TOTAL
Total amount of loans granted to social economy enterprises	€ 179.51 M
Number of loans granted to social economy enterprises	456
Number of beneficiary social economy enterprises	375
Total amount of loans granted to small and medium-sized social economy enterprises	€ 115.18 M
Number of loans granted to small and medium-sized social economy enterprises	420
Number of beneficiary small and medium-sized social economy enterprises	346
Number of beneficiary social economy enterprises	191,625

### • Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment and depopulation

	TOTAL
Financing in autonomous regions with a low educational level	€ 85.97 M
Financing in provinces with an average age above the national average one	€ 110.61 M
Financing in autonomous regions with poverty or risk of social exclusion rate above the national average one	€ 85.97 M
Amount allocated to foundations, NGOs or third sector entities	€ 0.5 M

By geographic distribution, all of the assets allocated to the issuance **are located in Spain**, in line with the objectives set out in the Group's Sustainable Bond Framework.

## 4.4 | Methodology

The Group considers that promoting fair and inclusive economic and social development is essential to its nature. It is the Group's own social and corporate base that shapes its cooperative banking model by highlighting the transformative power of the social economy, sustainability and the transition to an ecological model that is more environmental friendly.

The Group's activity is therefore determined by these environmental and social challenges, which require a banking entity that is close to and committed to the territory.

Grupo Cooperativo Cajamar business model enables economic-financial efficiency and sustainability to be reconciled with its social and founding commitment to the development of rural communities, contributing to



retaining the population in the territory, fighting depopulation, creating jobs and fostering local sustainable development.

Based on the Group's strategy, interaction with its stakeholders and its roots in the territory, a series of indicators have been established to provide a vision of the objectives set, whereby the Group has established 2 types of impact indicators. The first shown are those related with general aspects of the bond:

● **General Bond Indicators**

Indicator	Indicator Unit	Definition	Data Source
<b>Total amount of financing operations granted</b>	Euro	Total amount of loans/credits granted is calculated by adding the total amount (€) of the loans/credits included in the collateral of the bond reported.	GCC recording system
<b>Total financing operations granted</b>	Number	Total number of loans/credits granted is calculated by adding the number of loans/credits (No.) included in the collateral of the bond issued.	GCC recording system
<b>Estimated contribution to the GDP of the territories as a result of the financing</b>	Euro	Estimated contribution to the GDP as a result of the financing is based on the information set out in the "Economic Impact of Grupo Cooperativo Cajamar" Report <sup>1</sup> .	"Economic Impact of Grupo Cooperativo Cajamar" Report 2022
<b>Estimated contribution to the tax collection of these territories as a result of the financing</b>	Euro	Estimated contribution to the tax collection as a result of the financing is based on the information set out in the "Economic Impact of Grupo Cooperativo Cajamar" Report <sup>1</sup> .	"Economic Impact of Grupo Cooperativo Cajamar" Report 2022
<b>Estimated contribution to employment in these territories as a result of the financing</b>	Number	Estimated contribution to employment per € million of turnover as a result the financing is based on the information set out in the "Economic Impact of Grupo Cooperativo Cajamar" Report <sup>1</sup> .	"Economic Impact of Grupo Cooperativo Cajamar" Report 2022

1) Report drawn up by the Valencian Institute of Economic Research (IVIE), which is prepared annually to estimate the economic impact generated by GCC on the Spanish economy and its regions. The impact is quantified in terms of income (GDP), employment and tax revenue.

The specific indicators are then detailed according to the eligible category. In social economy, the indicators aim to identify the impact derived from the set of economic and business activities that pursue general economic and social interest.

As part of the social category, the sub-category of Projects and promotion of economic and social development in regions and territories affected by low economic performance, unemployment and depopulation is included, whose impacts are associated with financial operations that contribute to the economic and social development of Spanish municipalities, regions and provinces affected by low economic performance, high unemployment rates, leading to low income levels, depopulation and subsequent ageing.






### • SOCIAL BOND Methodology

SOCIAL BOND	Indicator	Indicator Unit	Definition	Data Source
Projects and Promotion of the Social Economy	Total amount of loans granted to social economy enterprises	Euro	Total loans or credits granted to social economy enterprises, in accordance with Law 5/2011, of 29th March, on Social Economy, is calculated by adding the total amount (€) of the loans included in this category.	Group internal recording system.
	Loans granted to social economy enterprises	Number	Total loans or credits granted to social economy enterprises is calculated by adding the number of loans and/or credits (No.) included in this category.	Group internal recording system.
	Beneficiary social economy enterprises	Number	Total beneficiary social economy enterprises is calculated by adding the number of social economy enterprises that have received a loan and/or credit included in this category. For the calculation, the number of single enterprises will be taken into account, or in other words, if an enterprise receives two or more operations, it will only be counted once.	Group internal recording system.
	Total amount of loans granted to small and medium-sized social economy enterprises	Euro	Total amount of financial operations granted to small and medium-sized social economy enterprises is calculated by adding the total amount (€) of the loans/credits awarded to small and medium-sized enterprises included in this category. For this indicator, those companies classified as micro, small or medium-sized enterprises will be taken into account.	Group internal recording system.
	Loans granted to small and medium-sized social economy enterprises	Number	Total loans / credits granted to small and medium-sized social economy enterprises is calculated by adding the number of loans/credits awarded to small and medium-sized enterprises included in this category. For this indicator, those companies classified as micro, small or medium-sized enterprises will be taken into account.	Group internal recording system.
	Small and/or medium-sized beneficiary social economy enterprises	Number	Total number of beneficiary small and medium-sized enterprises from the social economy is calculated by adding the number of small and medium-sized enterprises belonging to the social economy that have received a loan/credit included in this category. For the calculation, the number of enterprises will only be counted once. Furthermore, those companies classified as micro, small or medium-sized enterprises will be taken into account.	Group internal recording system.
	Beneficiaries of social economy enterprises	Number	Total number of beneficiaries of social economy enterprises is calculated by taking into account the average number of beneficiaries per enterprise in the last year, considering beneficiaries to be individuals associated with social economy enterprises (mutual fund members, non-working members and associates of the enterprises). The number of beneficiaries of social economy enterprises will be calculated by multiplying the number of beneficiary social economy enterprises by the average number of individuals associated with the social economy per enterprise, data taken from the statistical data.	Estimate based on data taken from the internal recording system and the Spanish Social Economy Business Confederation (CEPES).
Projects and promotion of the economic and social development in regions and territories affected by low economic performance, unemployment and depopulation	Financing in autonomous regions with a low educational level	Euro	Financing in autonomous regions with a low educational level is calculated by adding the total amount of loans/credits included in this category and which have been granted to individuals and enterprises located in autonomous regions whose educational level reached by the total population is lower than that of the national average. An autonomous community will be considered to have a low educational level if the percentage of the populated aged between 16 and 64 who have not completed secondary education is lower than that of the national average.	Estimate based on data taken from the internal recording system and from the National Statistics Institute (INE).
	Financing in provinces with an average age above that of the national average	Euro	Financing in provinces with an average age above that of the national average is calculated by adding the total amount of loans/credits granted to individuals and enterprises included in this category and which are located in provinces with an average age of the population that is above that of the national average.	Estimate based on data taken from the internal recording system and from the National Statistics Institute (INE).
	Financing in autonomous regions with a poverty or risk of social exclusion rate above that of the national average	Euro	Financing in autonomous regions with a poverty or risk of social exclusion rate above that of the national average is calculated by adding the total amount of loans/credits granted to individuals and enterprises included in this category and which are located in autonomous regions with a risk of poverty or social exclusion rate above that of the national average.	Estimate based on data taken from the internal recording system and from the National Statistics Institute (INE).
	Amount allocated to foundations, NGOs or third sector entities	Euro	Financing allocated to foundations, NGOs or third sector entities is calculated by adding the total amount of loans/credits granted to enterprises that have ticked the "Non-profit Entity" box.	Group internal recording system.



As part of the explanation of the indicators and their methodology, the definition of attributes for the calculation of the final outputs is determined:

- **Definition of micro, small and medium-sized enterprises**

	<b>MICRO-ENTERPRISE</b>	<b>SMALL ENTERPRISE</b>	<b>MEDIUM-SIZED ENTERPRISE</b>
 <b>&lt; 10 employees</b>	<b>&lt; 10 employees</b>	<b>&lt; 50 employees</b>	<b>&lt; 250 employees</b>
 <b>Turnover € M</b>	<b>≤ 2</b>	<b>≤ 10</b>	<b>≤ 50</b>
 <b>Total Balance € M</b>	<b>≤ 2</b>	<b>≤ 10</b>	<b>≤ 43</b>

Source: Indicators taken from European Commission Regulation No. 651/2014.

## 5 | **DISCLAIMER**

This Allocation and Impact of Proceeds Report prepared by Grupo Cajamar Cooperativo (GCC) is provided solely for declaratory and informative purposes. The information contained herein has been independently verified. Neither GCC nor any of its affiliates, nor their respective directors, officers, employees, representatives or agents shall have any liability whatsoever (due to negligence or otherwise) for any direct or consequential loss, damage, cost or injury arising out of the use of the report or its contents or otherwise arising in connection with the report, apart from any liability for fraud, and expressly waives all liability, which may be direct or indirect, express or implied, contractual, tort, statutory or otherwise, in relation to the accuracy or integrity of the information or any of the opinions contained herein or for any errors, omissions or misrepresentations.

Distribution of the report in certain jurisdictions may be restricted by law. Recipients should ensure that they are informed about and observe any such restrictions. Grupo Cooperativo Cajamar waives any liability arising from the distribution of the report by any of its recipients. Grupo Cooperativo Cajamar is not liable for the use, assessments, opinions, expectations or decisions that third parties may adopt as a result of the publication of the report.

The report does not constitute or form part of, and should not be construed as, (i) an offer, request or invitation to subscribe, sell or issue or otherwise acquire any security, nor does its communication form, be trusted in connection with, or act as an incentive to enter into any contract or commitment with respect to any security; or (ii) any form of financial opinion, recommendation or investment advice with respect to any security.

By receiving or accessing the report, you accept and agree to be bound by the aforementioned terms, conditions and restrictions.



## 6 | ANNEX

### 6.1 | Independent Review Report



WHEN TRUST MATTERS

## Independent Limited Assurance Report

to the Management of BANCO DE CRÉDITO SOCIAL COOPERATIVO, S.A.

BANCO DE CRÉDITO SOCIAL COOPERATIVO, S.A., ("BCC") commissioned DNV Business Assurance Spain, S.L.U. ("DNV", "us" or "we") to conduct a limited assurance engagement over Selected Information presented in the Sustainable Bond Framework Allocation and Impact Report 2023 (the "Report") for the period from 22 September 2022 to 30 September 2023.



**Our Conclusion:** Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

#### Selected information

The scope and boundary of our work is restricted to the key performance indicators included within the Report for the reporting period 22 September 2022 to 30 September 2023 (the "Selected Information"), listed below:

- Impact indicators included in the table "Impact indicators associated with the social bond issuance"
  - General Bond Indicators: Total amount of loans granted (M€), Total number of loans granted (nº), Estimated contribution to the GDP of the regions as a result of the financing (M€), Estimated contribution to the tax collection in these territories as a result of the financing (M€), Estimated contribution to employment in these territories as a result of the financing (Nº)
  - Projects and Promotion of the Social Economy: Total amount of loans granted to social economy enterprises (M€), Number of loans granted to social economy enterprises (nº), Number of social economy enterprises benefited (nº), Total amount of loans granted to small and medium-sized social economy enterprises (including micro-enterprises) (M€), Number of loans granted to small and medium-sized social economy enterprises (including micro-enterprises) (nº), Number of small and medium-sized social economy enterprises benefited (including micro-enterprises) (nº), Number of social economy enterprises benefited (nº)
  - Projects and Promotion of Economic and Social Development in regions and territories affected by low economic performance, unemployment and depopulation: Financing in autonomous regions with a low educational level (M€), Financing in provinces with an average age higher than the national average one (M€), Financing in autonomous regions with a risk of poverty or social exclusion rate higher than the national average one (M€), Amount allocated to foundations, NGOs or third sector entities (M€)

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used BCC and the member entities of the Cajamar Cooperative Group [Sustainable Bond Framework](#), and the reporting criteria defined in the mentioned Sustainable Bond Framework Allocation and Impact Report 2023 (the "Criteria").

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on Cajamar Cooperative Group's website for the current reporting period or for previous periods.

#### Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

#### Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by BCC have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.



### Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with BCC's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by BCC for the Selected Information is prepared in line with the Criteria;
- Assessing the appropriateness of the Criteria for the Selected Information; and
- Reading the report and the narrative accompanying the selected information within it in relation to the criteria.

### Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

### DNV Business Assurance Spain, S.L.U

Madrid, Spain.  
23.10.2023



## WHEN TRUST MATTERS

### Responsibilities of the Directors of BCC and DNV

The Directors of BCC have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to BCC in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Report.

### DNV Business Assurance Spain, S.L.U

DNV Business Assurance Spain, S.L.U Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.  
<https://www.dnv.es/about/supplychain>



# ALLOCATION AND IMPACT REPORT

SUSTAINABLE BOND FRAMEWORK



2023