Sustainability Report

2022

GRUPO COOPERATIVO CAJAMAR

CONSOLIDATED FINANCIAL REPORT

Content

Presentation of the report

The Sustainability Report 2022 contains relevant financial and non-financial information that allows an integrated assessment to be conducted of Grupo Cooperativo Cajamar's economic-financial, social and environmental performance for the financial year 2022. The information provided herein has been previously approved by the Board of Directors of Banco de Crédito Social Cooperativo, S.A. (hereinafter BCC), the Group's parent company, and complies with the Non-Financial Reporting requirements set out in Act 11/2018, of 28 December. This Sustainability Report 2022 is also included in the Group's Management Report as a Non-Financial Report.

Both the non-financial information and information related to the principles of responsible banking (PRB) have been verified by an independent auditor, KPMG, according to the terms of the latter's verification report. The perimeter of this non-financial information comprises all the entities that make up the Group, i.e. the 19 financial entities (Financial Group) together with 15 other non-financial entities that are also part of the Group. The economic and financial information contained in this report comes from Grupo Cooperativo Cajamar's audited Annual Accounts for 2022 according to the consolidation perimeter established in them (Consolidated Group).

Throughout the report, to avoid unnecessary repetition, links are included to corporate websites **www.bcc.es** and **www.grupocooperativocajamar.es**, as well as other relevant addresses that provide additional information on the subjects covered (e.g.: **compromisosocial.es**).

The present report has been compiled using the criteria established by the International Integrated Reporting Council (IIRC) – Integrated Report, by the Global Reporting Initiative (GRI Standards, GSSB), the ISAE 3000 standard and the indicators defined by the Sustainability Accounting Standards Board (SASB), following its Industry Standards Version 2018-10.

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Perimeter of the Consolidated Group [financial and non-financial]

Consolidated group global integration: Financial Group

Consolidated group global integration: Non-financial group

1) Company located in Madrid, Paseo de la Castellana. 87

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Letter from the President

Luis Rodríguez González
President BCC-Grupo Cooperativo Cajamar

The year 2022 largely saw a return to normality, unlike the previous ones, which had to endure paralysis or slowing down in most economic activities as a result of the pandemic, although its consequences are still present and are particularly impacting the general misalignment between supply and demand, with the implications this has in terms of inflation.

The hibernation of the economy led, on the one hand, to a decline in installed productive capacity, due to the high number of companies forced to close or endure severe difficulties in terms of financial and economic viability; and on the other hand, partly as a result of the above, a decrease in economic-productive interrelations between companies. The consequence of all this was a crisis in supply, subsequently compounded by a boom in demand due to public aid and the injection of liquidity into the system. This misalignment between supply and demand has been aggravated by the energy crisis, the war between Russia and Ukraine, as well as the crisis of raw materials and the struggle for control over the production of electronic devices associated with new technologies and digital transformation.

Against this backdrop, the current economic and financial situation simultaneously draws together several problematic fronts that make it remarkably complex and unpredictable. Uncertainty, as well as the increased risk it brings, is making markets very volatile, states heavily indebted, local and global economies very fragile, and businesses and families very vulnerable. Specifically, businesses and families, faced with the governability problems of the global environment, are trying to gain resilience and the ability to adapt to adverse situations with positive outcomes.

Therefore, we continue to face an environment characterised by greater uncertainty and risk in an increasingly complex economy, in which conventional macroeconomic measures are not applicable. In addition, environmental risks, not to mention social risks, are gaining special relevance in the emerging *new risk culture* that banks must prioritise through models that integrate a greater volume of non-financial variables. In this sense, there are more and more channels of transmission between global risks (economic, environmental, social, etc.) and the traditional risks we are accustomed to measuring, managing, and trying to mitigate, so we must be able to identify them to guarantee two fundamental issues for a bank: not transferring risk to our surroundings and, in general, to the system; and generating confidence and certainty through a greater commitment to our surroundings, knowing more about our customers and, above all, maintaining ongoing constructive dialogue with our stakeholders based on a long-term outlook.

With these premises, we greatly value the ability to create stability, certainty, and confidence to promote a just ecological transition in which we all share the same rules of play and, of course, the same global social and environmental goals. Solvency, economic and financial viability, linking and fixing capital to the territory, support for the social economy, sustainable local development and local productive systems, as well as knowledge of our surroundings based on proximity and the creation of shared value, are undoubtedly the most important aspects of our business, the keys to our cooperative banking model and our strength to continue generating certainty in an ever-changing environment.

The banking industry, by the very nature of its activity, mainly services, is not a sector that negatively impacts the environment. However, society and the public authorities have placed us at the centre of the playing field in the fight against climate change. This is intended to prevent the environmental crisis from leading to a future financial crisis, and to harness the potential of the banking sector to redirect financial flows towards a greener, decarbonised economy. Hence, on the basis of these premises, in Grupo Cooperativo Cajamar, we assume and internalise a *new risk culture* by designing new measurement and management methodologies, new governance models, and new business strategies.

...

As in most cases, innovation is one of the key elements to tackle this challenge. And not only technological innovation, but also banking innovation, social innovation… We need to be more creative than ever so as to renew this industry and create more trust and certainty and so that society trusts it. The financial sector must develop sufficient innovation capacity to interpret and measure new emerging risks, especially those associated with climate change, so they may be turned into opportunities. In this respect, in 2021, our Group designed a Sustainable Finance Master Plan in order to achieve climate neutrality by 2050, setting strict environmental targets to achieve this; and in fact, we adhere to the Science Based Targets Initiative (SBTI), pledging to work towards those set out in the Paris Agreement. And based on this, in 2022, we defined intermediate goals to lay a solid foundation for achieving climate neutrality by the middle of this century.

For all this, the governing and management bodies of Grupo Cooperativo Cajamar, always with the support of our shareholders, members, and customers, as well as the commitment of our employees, pledge to devote the organisational, technological, human, and economic resources required to tackle the great challenges of the future and continue to generate a positive social and environmental impact on our surroundings.

Luis Rodríguez González
President BCC-Grupo Cooperativo Cajamar

Materiality Analysis

Grupo Cooperativo Cajamar carries out a materiality analysis every year with the aim of identifying the economic, social, and environmental issues that are priorities for its stakeholders and for its business. These expectations reflect the main positive and negative impacts of the material issues identified by the Group and determine the information included in this report and the level of intensity with which to respond to each issue.

To achieve this, it is essential to maintain ongoing constructive dialogue with society in general and with local communities in particular. The methodology, which will culminate with the generation of a materiality matrix, includes different phases: selection of stakeholders, identification of expectations and prioritisation of material issues.

Methodology

The process of preparing the Group's materiality analysis encompasses a series of phases

Selection of stakeholders

Looking at institutions or groups of people that interact with the entity in the course of its business.

Identification of expectations

By means of a thorough document analysis carried out on the basis of different primary and secondary sources of information.

Validation and prioritisation of material issues

Through internal and external consultations to establish priorities based on the relevance to the business of Grupo Cooperativo Cajamar and its different stakeholders.

MATERIALITY MATRIX

Consultations

Relevance to the business

38 questionnaires to executives in the organisation.

Relevance for stakeholders

Questionnaires and various consultations with a plural and diverse group of 15 CSR experts, to guarantee the adequate representation of all stakeholders.

Classification of stakeholders

1	**ESSENTIAL FOR THE BUSINESS MODEL**	• Shareholders • Cooperative members • Investors • Employees • Representatives of workers
2	**ESSENTIAL FOR BUSINESS CONTINUITY AND DEVELOPMENT**	• Customers • Suppliers • Regulatory bodies
3	**IMPORTANT FOR THE REPUTATION OF THE GROUP**	• Analysts • Ratings agents • Society • Media

Sources of information

Strategies and priorities of the Group (Strategic plan, Risk policy, materiality analysis from previous years, etc.).

Requirements of external evaluators: CDP, Sustainalytics, Moody's.

Recommendations of global initiatives: Global Compact, Agenda 2030, Responsible Banking Principles, TCFD, European Commission Action plan, GRI Sustainability Reporting Standards, SASB.

Analysis of sectoral trends and good practices.

Suggestion boxes, complaints and claims filed by different stakeholders. (customers, employees, suppliers).

Customer satisfaction surveys.

Social and other media.

Surveys for heads of different areas and experts external to the organisation.

Regulatory expectations.

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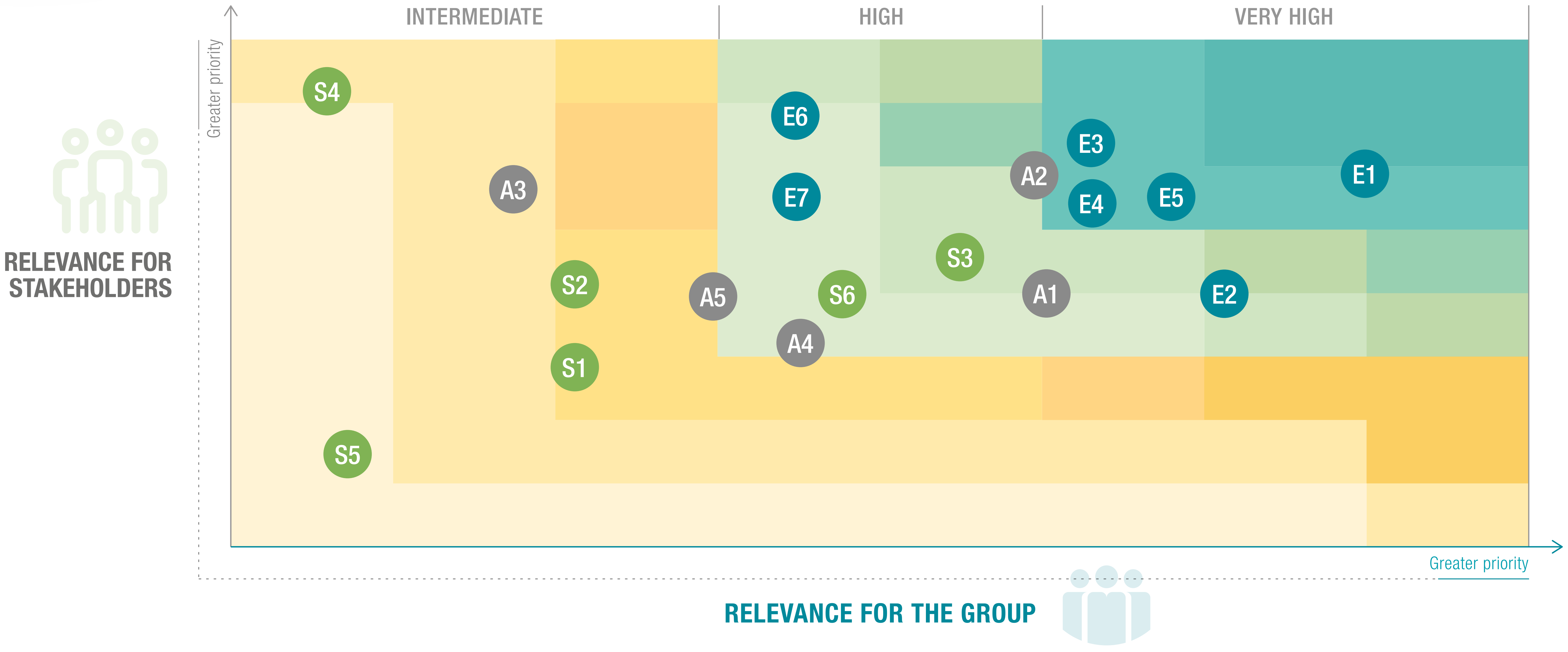
Materiality matrix

As a result of this process, we obtain a materiality matrix, which graphically reflects all expectations selected as relevant to Grupo Cooperativo Cajamar and its stakeholders. All of these expectations included in the matrix are therefore significant, have an influence on the Group's long-term sustainability, and have been categorised according to priority level.



E.1 Transparency, compliance and control
E.2 Strengthen the business model and financial soundness
E.3 Risk control and diversification
E.4 Customer experience and responsible marketing
E.5 Cybersecurity and data confidentiality
E.6 Digital Transformation
E.7 Promoting economic development and social progress
S.1 Responsible procurement
S.2 Financial solutions adapted to different life cycles
S.3 People management and adaptation to change
S.4 Financial accessibility and inclusion
S.5 Social, cultural and volunteering action
S.6 Contribution to the Sustainable Development Goals
A.1 Commitment to the environment
A.2 Sustainable finance
A.3 Risks and opportunities arising from climate change
A.4 Knowledge Transfer
A.5 Support for innovation and research

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The creation of long-term value from a double perspective of materiality

For Grupo Cooperativo Cajamar, double materiality is related to the creation of shared value and growth with our surroundings. It is based on a model of long-term value generation for the whole of society from the basis of financial soundness and sustainability. Verification of the Group's strategy by means of double materiality analysis allows us to preserve the foundations of the cooperative and social economy model, fostering stable and lasting relationships with our members and customers, as well as with our surroundings. This value model contributes to building trust and certainty.

DOUBLE MATERIALITY ANALYSIS FOR LONG-TERM VALUE CREATION

VALUE FOR THE GROUP +	EXPECTATIONS/MATERIAL ISSUES	+ VALUE FOR SOCIETY
Reduced reputational risk Improvement in the cost of financing Reduced exposure to adverse events Customer engagement Reduced technological risks Economic efficiency and reduced transaction costs Economic return	E.1 Transparency, compliance and control E.2 Strengthen the business model and financial soundness E.3 Risk control and diversification E.4 Customer experience and responsible marketing E.5 Cybersecurity and data confidentiality E.6 Digital transformation E.7 Promoting economic development and social progress	Trust, stability and creation of certainty Timely response to meet financial needs Absorbing risk from the environment and returning certainty Contribution to a framework of co-responsibility interactions Guarantee of secure networks and trusted virtual spaces Accessibility, inclusion, and improvement of productive efficiency Sustainable economic development
Lower procurement and economic return risk Improved economic and commercial efficiency Improved employee engagement and efficiency Improved business opportunities Economic return and social support	S.1 Responsible procurement S.2 Financial solutions adapted to different life cycles S.3 People management and adaptation to change S.4 Financial accessibility and inclusion S.5 Social, cultural and volunteering action S.6 Contribution to the SDG	Local commerce Improved conditions for long-term investment Promoting positive change in society Social and territorial cohesion Improving the well-being of people
Commitment to the surroundings New business opportunities Efficiency Economic return and social support	A.1 Commitment to the surroundings A.2 Sustainable finance A.3 Risks and opportunities arising from climate change A.4 Knowledge Transfer A.5 Support for innovation and research	Sustainable economic development Social inclusion and environmental conservation Mitigation of climate change More competitive productive sector

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3-3

Grupo Cooperativo Cajamar at a glance

2022: Milestones and Key Figures

Environmental Social Governance

2022
January

Sustainalytics
Grupo Cooperativo Cajamar has been awarded the *Top Rated* badge, accrediting it as one of the Global Top 50 companies for its management of Environmental, Social and Corporate Governance (ESG) risks.

Second call for **incubation and acceleration initiatives** from business projects and start-ups that offer efficient water management solutions.

Challenges and opportunities of rural Spain are analysed. Publication: "Rural Spain: future challenges and opportunities".

Launch of the **Observatory for Digitalisation** in the Agri-Food Sector.

Top Employer Certification obtained for the second time, positioning the company as one of the best places to work in Spain.

The new Launch of the **ESG Programme**, whereby the entity is a pioneer in this type of certification.

Climate Stress Test
Stress tests performed in the banking sector to identify its resilience to climate risks.

April

Third selection process to **attract talent and support high-tech entrepreneurs** in the entire water cycle market.

For the 4th consecutive year, the Group **has offset 100% of its emissions** identified in its Eco-Efficiency Plan.

Presentation of the **Observatory on the Spanish Agri-Food Sector** in the European context. 2021 Report.

Accession to the protocol to strengthen the bank's **social and sustainable commitment.**

We food.
Second edition of 'Cajamar We Food'. Researchers and professionals meet to address the main changes in eating habits towards the so-called consumption 4.0.

Accession to the United Nations Net-Zero Banking Alliance.
Grupo Cajamar undertakes to achieve net-zero operational greenhouse gas emissions by 2050.

Spain's National Securities Market Commission (CNMV) has approved the **change in the investment and conversion policy** of the Trea Cajamar Variable Income Investment Fund.

August

Agreement with the Technical Industrial Engineers Association of Andalusia (CACITI) to support the investment and funding of projects, **aimed at the installation and self-consumption of photovoltaic solar energy.**

CDP awards Grupo Cooperativo Cajamar **'A' Leadership Rating** for its corporate transparency and performance in terms of climate change.

First issue of sustainable debt under the Sustainable Bond Framework. The market received this social issuance favourably.

December

The Group has incorporated the **analysis and assessment of sustainability** in the *Supplier Approval Process.*

Public Complaints and Claims Channel for confidential and anonymous communication.

For yet another year, Grupo Cajamar has obtained the **Great Place to Work certification** for human resources management.

... Key Figures

1,074 million
Gross margin

88.07 %
Liquidity Ratio
LTD

60,430 million
Total resources managed

2.64 %
NPL ratio

15.91 %
Solvency ratio
Phased in

56.11 %
Efficiency rate

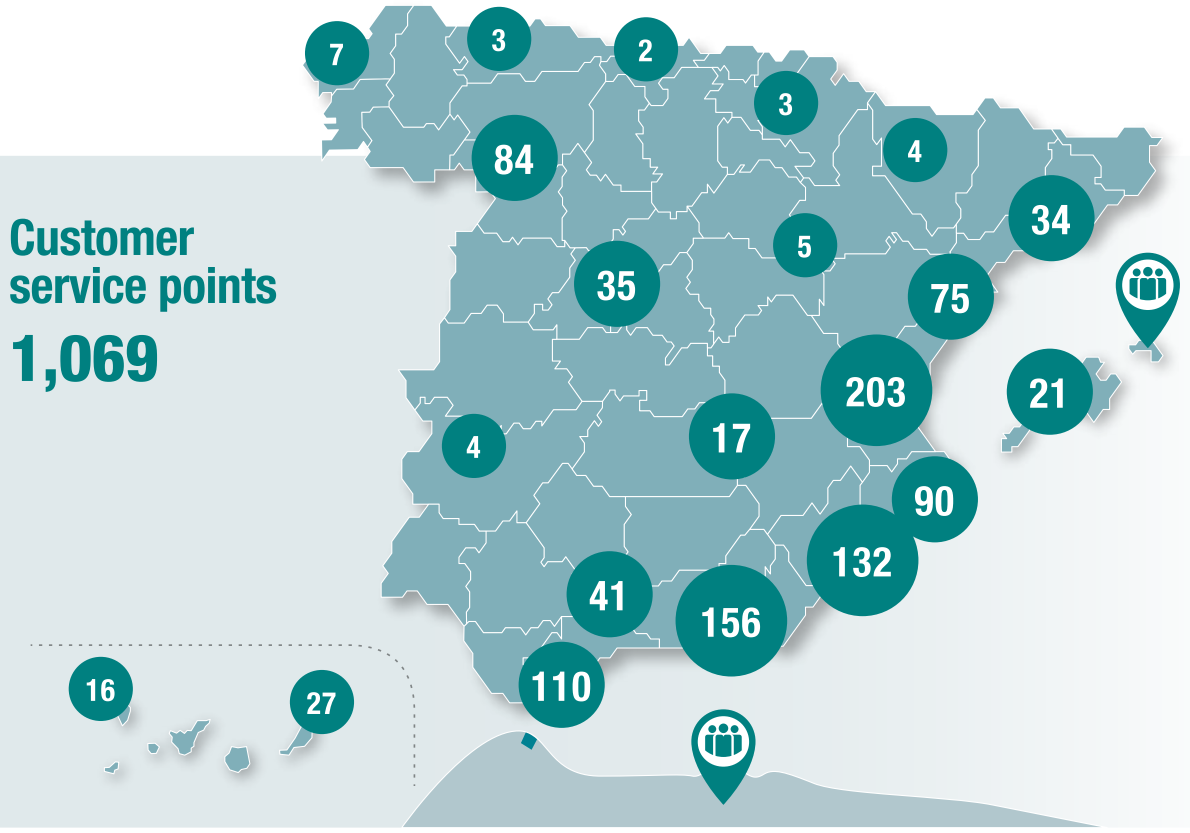
18
credit cooperatives form part of Grupo Cooperativo Cajamar

1st
cooperative financial group in Spain by volume of assets

TOP 10
financial entity in Spain by turnover and gross margin

Leading group in the agri-food sector with a
15.4 %
market share in the primary sector

Customer service points
1,069



PEOPLE

1.7 Million MEMBERS

3.7 Million CUSTOMERS

6,224 EMPLOYEES

IDEAS

2 Research CENTRES

1 Knowledge PLATFORM

72 Research PROJECTS

1 FOREST planted to offset emissions in our region

REGIONS

841 BRANCHES

172 financial AGENCIES

1.514 ATMS
14 ATMS without a branch

5 VEHICLES
providing a service to 42 villages

top EMPLOYER ESPAÑA SPAIN 2022
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Great Place To Work. Certified OCT 2021-OCT 2022 ESP

SUSTAINALYTICS a Morningstar company
ESG REGIONAL TOP RATED 2022

SUSTAINALYTICS a Morningstar company
ESG INDUSTRY TOP RATED 2022

SUSTAINALYTICS a Morningstar company
ESG GLOBAL 50 TOP RATED 2022

CDP DISCLOSURE INSIGHT ACTION
A LIST 2022
CLIMATE

Offsetting of **100 %** of our CO_2 emissions, assigning the corresponding economic sum to Amazon Conservation projects in Madre de Dios (Peru).

CO2

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A cooperative identity linked to sustainable development

1760-1840
Industrial Revolution
Process of profound economic, social, and technological transformation.

Increased social polarisation
The quality of life of many workers is affected.

Mid 19th century
Birth of modern cooperativismo
It emerges as a people's movement, focused on the person and supported by cooperation, solidarity and mutual aid.

1850
The first credit cooperatives appear
To meet the financial needs of the marginalised classes excluded from traditional circuits, such as those in rural areas and working classes in industrial cities.

The model expands and reaches Spain

1895
The International Cooperative Alliance (ICA) is founded and cooperative principles are established and recognised

1929
Beginning of the Great Depression; first acid test for credit cooperativism

1970
Constitution of the EACB, founded by several cooperative banks to defend their interests

1973
Oil crisis

2008
Financial crisis

2009
Constitution of the first Grupo Cooperativo Cajamar and associated SIP

Cooperative banking and the expansion of its model has always been closely linked to the postulates now promoted and fostered by Sustainable Development, even before the term as we know it today existed.

Grupo Cooperativo Cajamar is a member of the EACB and the clearest exponent of the European model of cooperative banking in Spain

EUROPEAN MODEL

GRUPO COOPERATIVO CAJAMAR IN SPAIN

A common project managed with firm steps

Start of activity

1900 > CA y CR del Campo de Cartagena
1903 > CR San Isidro-Castellón
1909 > CR de Vilafamés
1913 > CR del Duero (Valladolid)
1917 > CR de Cheste
1919 > CR del Círculo Católico (Vila-real)

1923 > Credicoop Castellón
1926 > CR de Nules
1928 > CR Alqueries
1931 > CR de Burriana
1935 > CR de Almenara
1938 > CR de Vilavella

1946 > CR de Valencia and CR de Chilches
1951 > CR de Alicante
1959 > CR de Petrer
1961 > CR de Málaga
1963 > CR de Almería and CR de Turís
1964 > CR La Unión-Caja Campo (Requena)

1968 > CR de Altea
1969 > Grumeco, CR de Villar, CR de Torrent and CR de Callosa
1970 > CR de Casinos
1972 > CR de Baleares and CR de Sant Vicent de La Vall d'Uixó
1978 > CR de Canarias
1981 > CR de Alginet

1982 > CR Elche
1999 > CR Albalat dels Sorells
2001 > Credit Valencia

Timeline for Grupo Cooperativo Cajamar. Background and history

2000 — Grumeco merges with CR de Málaga, in turn the latter merges with CR de Almería (**marking the birth of Cajamar***)

2002 — Merger between CR de Alicante and Credicoop with CR de Valencia (marking the birth of Ruralcaja*)

2003 — Merger of CR de Elche and Ruralcaja

2007 — CR del Duero merges with Cajamar

2009 — Constitution of **the first Grupo Cooperativo Cajamar and associated institutional protection system (SIP)**: Cajamar, Caja Campo, CR Casinos and Caixa Albalat

2010 — CR de Baleares merges with Cajamar. Affiliation of CR Petrel and CR Turís. Constitution and evolution of Grupo Cajas Rurales del Mediterráneo (Grupo Cooperativo Cajamar)

2011 — Caja Campo merges with Cajamar. Affiliation of CR Castellon San Isidro and CR de Canarias

2012 — Between CR de Castellón San Isidro and Ruralcaja with Cajamar. Union of Grupo Cooperativo Cajamar and Grupo CRM. Incorporation into the new resulting group (Grupo Cooperativo Cajamar) of CR de Vila-real and CR Sant Vicent de la Vall d'Uixo

2013 — Mergers between CR Casinos, Credit Valencia and CR Canarias with Cajamar

2014 — Constitution of **Banco de Crédito Social Cooperativo** (Group's parent company)

2018 — Merger CR Albalat dels Sorellsof with Cajamar

Mergers between entities
Milestones in the formation of Grupo Cooperativo Cajamar

Milestones in Spanish cooperative banking

1865 > First credit cooperatives appear. "Manantial de crédito"(Madrid).
1906 > Enactment of the Agricultural Trade Unions Act of 28 January.
1917 > Creation of Caja Central de Crédito (which brings together the provincial federations).
1931 > Credit Cooperative Decree.

1942 > Enactment of the Cooperation Act.
1957 > CRUNA is formed, a national body regulated by the State, which will promote cooperative credit.
1978 > Enactment of the General Cooperative Law and RD 2860/1978 of 3rd November, regulating cooperative credit unions.

1986 > By virtue of Royal Legislative Decree 1298/1986, of 28 June, by which credit institutions are adapted to the legal system of the EEC.
2008 > Circular 3/2008 issued by the Bank of Spain, on 22 May, establishes the conditions for the existence and authorisation of Institutional Protection Systems.

2017 > Reform of the legal regime of credit cooperative unions by virtue of the measures provided for in RD Law 11/2017, of 23 June, on urgent financial measures.

* Trademark

A pioneering, open, and flexible model

In Spain, the Group has pioneered the adoption of an integration formula for a consolidated group, allowing us to promote a system of mutual support and protection among member entities. It is a model that, in times of difficulty such as those experienced after the financial crisis of 2008, has proven to be a very valid instrument, capable of strengthening the cooperative banking model in our country.

The year 2022 marked the 10th anniversary of the union between Grupo Cooperativo Cajamar and the entities of Grupo Cajas Rurales del Mediterraneo, a hugely important milestone in the history and evolution of the Group itself.

Management of communal aspects

- **Group Management** (strategy, policies, control and internal audit).
- **Shared solvency** (capital remuneration, ICAAP and issuance of capital instruments).
- **Financing and liquidity** (cash management, market access, and ILAAP).
- **Administration, representation with regard to supervisory bodies, technology, HR and governance.**

PARENT COMPANY

BCC | GRUPO CAJAMAR

Contribution of 100% individual results

Focused on increasing strength

- **Management of the business in the territory** (branch network, customers).
- **Own institutional matters** (relationship with members).
- **Social return** (social fund application).

RURAL SAVINGS BANKS (CAJAS)

cajamar CAJA RURAL

Other Cajas Rurales

Assignment of funds*

FUND MUTUALISATION

Assignment of funds*

In a **Group** that guarantees the solvency and liquidity of the Group, as well as of each and every member entity

That enables us to reach further than we could alone

With a flexible model open to other **'cajas rurales' (savings banks)**, where each entity maintains its own legal personality, name and its proximity to the territory

* According to the equity contribution of each entity within the Group (net of cross-holdings).

A particular mission and way of understanding the banking business

Mission

Provide financial solutions to the economic development and social progress of our members, customers and the context in which Grupo Cooperativo Cajamar operates, through a unique strategy based on the principles of cooperation, the social economy and sustainable development.

Vision

Be a market leader in cooperative banking and reference for the agri-food sector in Spain, recognised for its strength, commitment and high ethical standards in relation to its customers, members, employees and the context in which it operates, based on a sustainable model.

Corporate Purpose

Continue contributing to the well-being and progress of **PEOPLE**, cooperating to generate **IDEAS** and innovation that sustainably shape the **REGIONS**.

Values

Proximity

An essential element to foster a stable, loyal and lasting relationship with customers and stakeholders, based on co-responsibility and mutual trust; a common horizon of certainty and accessibility through simple, familiar and everyday language when addressing matters of mutual interest.

Transparency

Fundamental pillar in its relations with stakeholders, on which it bases the organisation's ethical behaviour.

Integrity

Grounded in professionalism, rigour, dedication in all its professional endeavours, committed to core values such as honour, fairness, and a sense of responsibility.

Responsibility

Addressing and incorporating the expectations of stakeholders in a balanced way.

Diversity

Difference is understood to be an opportunity that fosters motivation and creativity and hence innovation and professional efficiency.

Principles

Social Economy

Pooling of efforts, knowledge and resources by community members to achieve common objectives, namely greater mutual benefit, efficiency and equity.

Cooperation

Reconciling the development and growth of the economic activity with people development requires combining economic-financial, social and environmental performance with the development of the region and the local production systems based on the corporate model.

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Better together: main alliances and affiliations

The Group leads the Forética Climate Change Cluster, Spain's leading business platform in relation to climate change.

Seal granted by the Ministry for Ecological Transition, which distinguishes organisations that calculate their carbon footprint and have a plan to reduce their emissions.

Global corporate renewable energy initiative whose objective is to increase renewable energy consumption by companies.

The Group certifies that its Central Services management system has been audited in accordance with the standard; demonstrating the Group's commitment to improving its environmental performance.

The Group certifies that its management system has been audited in accordance with the standard; providing a solid framework in the management and improvement of the Group's consumption and energy efficiency.

International environmental mobilisation event organised by the World Wide Fund for Nature in which the Group participates each year.

Platform that moves to fulfil the objectives of the Paris Agreement in the different sectors of society.

The Group leads the Forética Social Impact Cluster; a business platform focusing on leadership, knowledge, exchange and dialogue in the field of social impact.

Voluntary commitment by the Group that supports, fosters and extends diversity and non-discrimination within the company and among its members, customers and suppliers.

Stamp that recognises the Group's efforts in the application and development of equality measures and equal opportunities in the working conditions of its employees, within its organisation models and in other areas, such as services, products and advertising.

Each year, the Group participates in the Financial Education programme for young people, promoted by the Spanish Banking Association in collaboration with Junior Achievement.

Certification awarded by the *Great Place to Work* consultancy firm, supporting the Group's efforts in the field of people management.

Certificate granted to leading organisations in people management.

Gender equality acceleration programme for companies signed up to the United Nations Global Compact. The initiative addresses gender equality barriers and establishes corporate objectives for equal representation and leadership of women in business.

Initiative that supports the Women's Empowerment Principles promoted by the United Nations for Gender Equality, UN Women and the United Nations Global Compact.

Main alliances and affiliations

EUROPEAN ASSOCIATION OF CO-OPERATIVE BANKS

Association that represents, promotes and defends the interests of its members and corporate banks in terms of banking and cooperative legislation.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Group voluntarily adopts the recommendations of the *TCFD*, identifying the risks and opportunities related to climate change and its management.

forética | Clúster de Transparencia, Buen Gobierno e Integridad

The Group leads the Forética Transparency, Good Governance and Integrity Cluster, a business platform that aims to foster a sustainable corporate governance model, addressing different issues related to aspects of ESG.

WE SUPPORT UN GLOBAL COMPACT

The Group is committed to the business responsibility initiative of the United Nations Global Compact for sustainable development, pledging to uphold its ten principles and the Sustainable Development Goals. The Group is also a member of the Spanish Association of the Global Compact.

UN environment programme | finance initiative

Alliance between UNEP and the global financial sector to mobilise private sector funding and achieve sustainable development.

UN environment programme | finance initiative — Principles for Responsible Banking

As a founding signatory, the Group supports the Principles for Responsible Banking promoted by the United Nations Programme for the Environment (*UNEP FI*), aligning its business model with the Sustainable Development Goals and the Paris Agreement on climate change. It is also adhered to Net-Zero Banking Alliance *(NZBA)*, an initiative that fosters net zero emissions by 2050.

spainsif

The Group is affiliated to Spainsif, Spain's leading platform for Socially Responsible Investment.

SCIENCE BASED TARGETS — BUSINESS AMBITION FOR 1.5°C

The Group has signed a pledge to the *Science Based Targets* initiative. This initiative enables it to establish ambitious climate targets based on science to reduce greenhouse gas emissions, through which the Group has pledged to reduce its emissions in line with the Paris Agreement and reach net zero emissions by 2050 at the latest.

CDP DISCLOSER 2022

The Group has been recognised by CDP for its corporate transparency and climate change performance, awarding it an "A" rating (Leadership).

MORNINGSTAR | SUSTAINALYTICS

Sustainalytics has awarded Grupo Cooperativo Cajamar a score of 8.4 (insignificant risk) in the management of environmental, social and corporate governance (ESG) risks. This score positions the Group in first place among the entities of the banking sub-industry, both nationally and internationally.

In May 2021, the Group was awarded a score of 62 out of 100 from Moody's ESG Solutions, placing the Group in the category of "Advanced" entities in terms of the performance of its sustainability policies and its management of environmental, social and corporate governance (ESG) risks.

Committed to the future: climate neutrality by 2050

Main milestones in the decarbonisation of Grupo Cooperativo Cajamar

2014
First measurement of the Group's carbon footprint submitted to the CDP via the GHG Protocol

2018
100 % of electricity provided by renewable sources

The Group no longer funds projects associated with the production of electrical, thermal or automotive energy from coal (VND)

2019
The Group offsets its declared emissions for the first time

2020

2021
Sustainable Finances Master Plan

Adhesion to SBTi

Sector Policy Framework

Creation of the Plataforma Tierra

Cajamar Innova's first water technology incubation programme

2022
First issue of a sustainable bond under the BCC Sustainable Bond Framework

The Group establishes decarbonisation targets for Scopes 1 and 2

2023
First reforestation project of its own

The Group establishes decarbonisation targets for relevant sectors

2025
The Group will intensify its support for sustainable projects with agro taxonomy criteria

2030
The Group will intensify its support for sustainable mobility projects

The Group will reduce its Scope 1 and 2 emissions by 46.2 % with respect to the baseline year (STBi)

2035
The Group will intensify its support for reforestation projects

The Group will no longer finance non-eco light vehicles (VND)

2040
The Group will no longer fund fossil fuel intensive projects (VND)

The Group will no longer fund electricity generation companies whose revenue depends on coal by more than 10 %

2045
The Group will intensify its support for carbon fixation projects in crops and soil

2050
Full emissions neutrality

The Group will reduce its Scope 1 and 2 emissions by 90 %

PNIEC (2014–2030)

Long term decarbonisation strategy (2030–2050)

Business model

A differential banking model, cooperative banking

Building cooperative capital

The creation of shared value through the transformation of capital

A commitment to local and sustainable development.

A differential banking model: cooperative banking

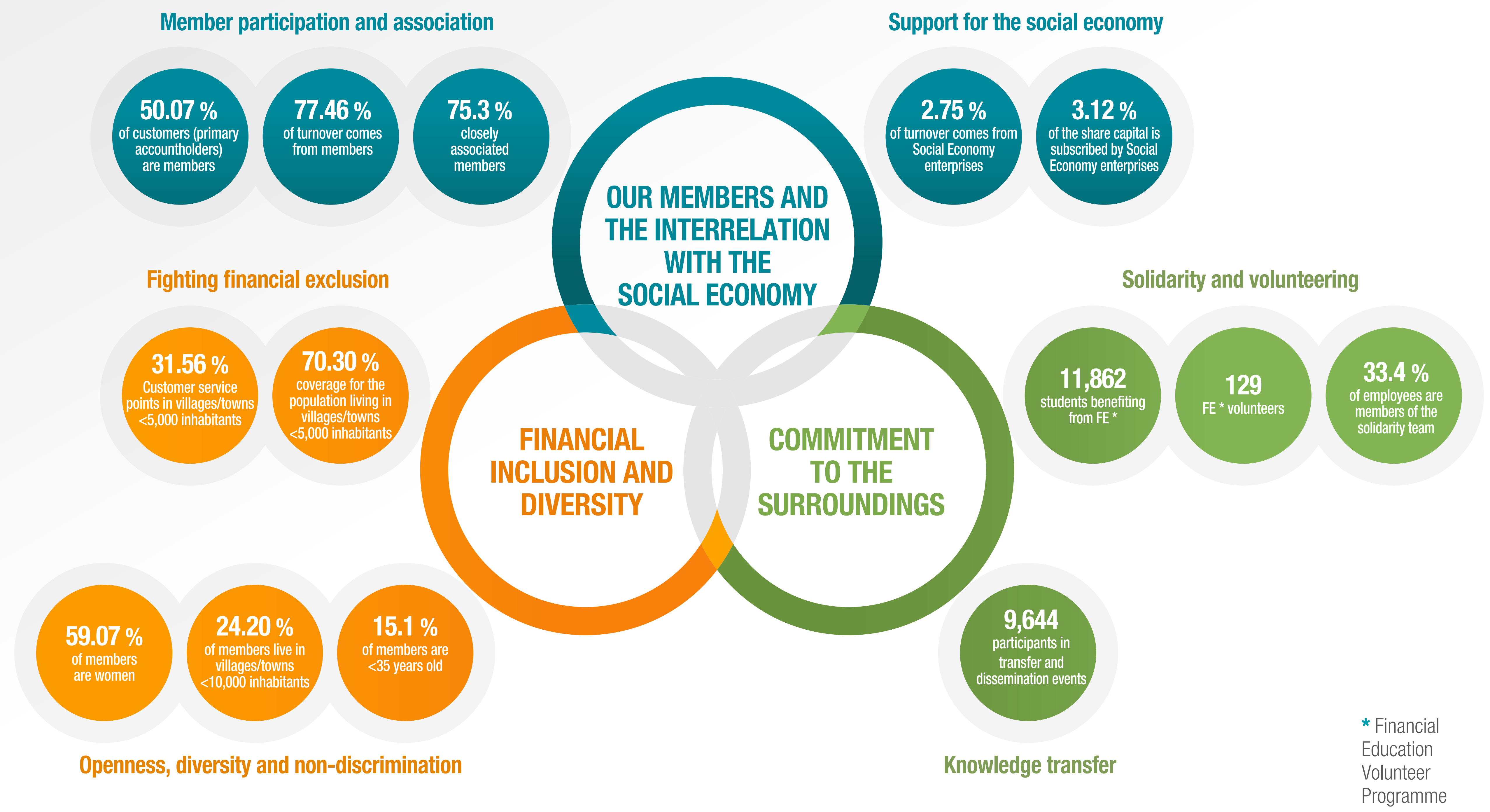
Cooperative banking entities bring diversity to the financial ecosystem, with a business model based on building stable and lasting relationships with the community, which is able to reduce the risks associated with speculation and the generation of bubbles. Therefore, in crisis situations, cooperative banking has proven to be more resilient and can offer a more stable and ongoing service to the most vulnerable groups. It is hardly surprising that countries with a greater presence of cooperative banking also have a faster rate of social progress.

Grupo Cooperativo Cajamar is the leading financial cooperative group in Spain, a country where cooperative banking enjoys a lower market share than its neighbours, such as, for example, France, Germany, Netherlands, and therefore it has the potential for development and growth.

This European banking model, inspired by cooperative principles, dates back more than one and a half centuries, during which time it has proven that it is capable of reliably promoting local and sustainable development and making a significant contribution in favour of the communities in which it operates.

Convinced of the need to preserve this essence, the Group has established a series of indicators that enable this performance to be monitored and assessed as a cooperative entity, which also serve to enrich the information provided to the stakeholders and reinforce the sense of belonging, considering such characteristic aspects as: **fighting financial exclusion, the special bond with its members, defending diversity and non-discrimination, promoting the real and local economy, solidarity and the commitment to knowledge generation and transfer.**

Corporate performance indicators for the Group



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Building cooperative capital

The cooperative banking model is based on inclusive and economic development criteria associated with cooperative principles and, in general, the values of the social and solidarity economy. In particular, the principles of mutual aid, responsibility, democracy, equality, equity and solidarity, lay the foundations for the establishment of lasting relationships with our surroundings and, consequently, for long-term planning, which is fundamental when incorporating sustainability criteria into the business model.

Based on these premises, and on its Governance Model and Ethical Management System, Grupo Cooperativo Cajamar bases its sustainability strategy on three key elements that are an essential part of its nature, its trajectory and its social projection: **PEOPLE**, **IDEAS** and **TERRITORIES**.

In accordance with its corporate purpose, through its activity, the Group aspires to *continue contributing to the well-being and progress of **PEOPLE**, cooperating to generate **IDEAS** and innovation that contribute to the sustainable connectedness of **TERRITORIES***. The well-being of **PEOPLE** and respect for human rights, as our raison d'etre; **IDEAS**, knowledge and innovation, as an immaterial source of economic and social progress; and the responsible, equitable and balanced connectedness of territories, to achieve sustainable development. These are all fundamental to building **COOPERATIVE CAPITAL** promoted by Grupo Cajamar.

COOPERATIVE CAPITAL, therefore, is fundamentally based on an advanced and responsible conception of relations with our surroundings, which must be determined by knowledge, sustainable development, and a lasting relationship with the various stakeholders. In this sense, **COOPERATIVE CAPITAL**, linked to Grupo Cajamar's banking model, fixes financial capital to the territory, contributes to the development of local production systems, and, in general, to sustainable local/rural development, promoting the principles and values of cooperativism and the social economy as inherent to an integrating and inclusive economic model capable of creating a positive and lasting impact on society.

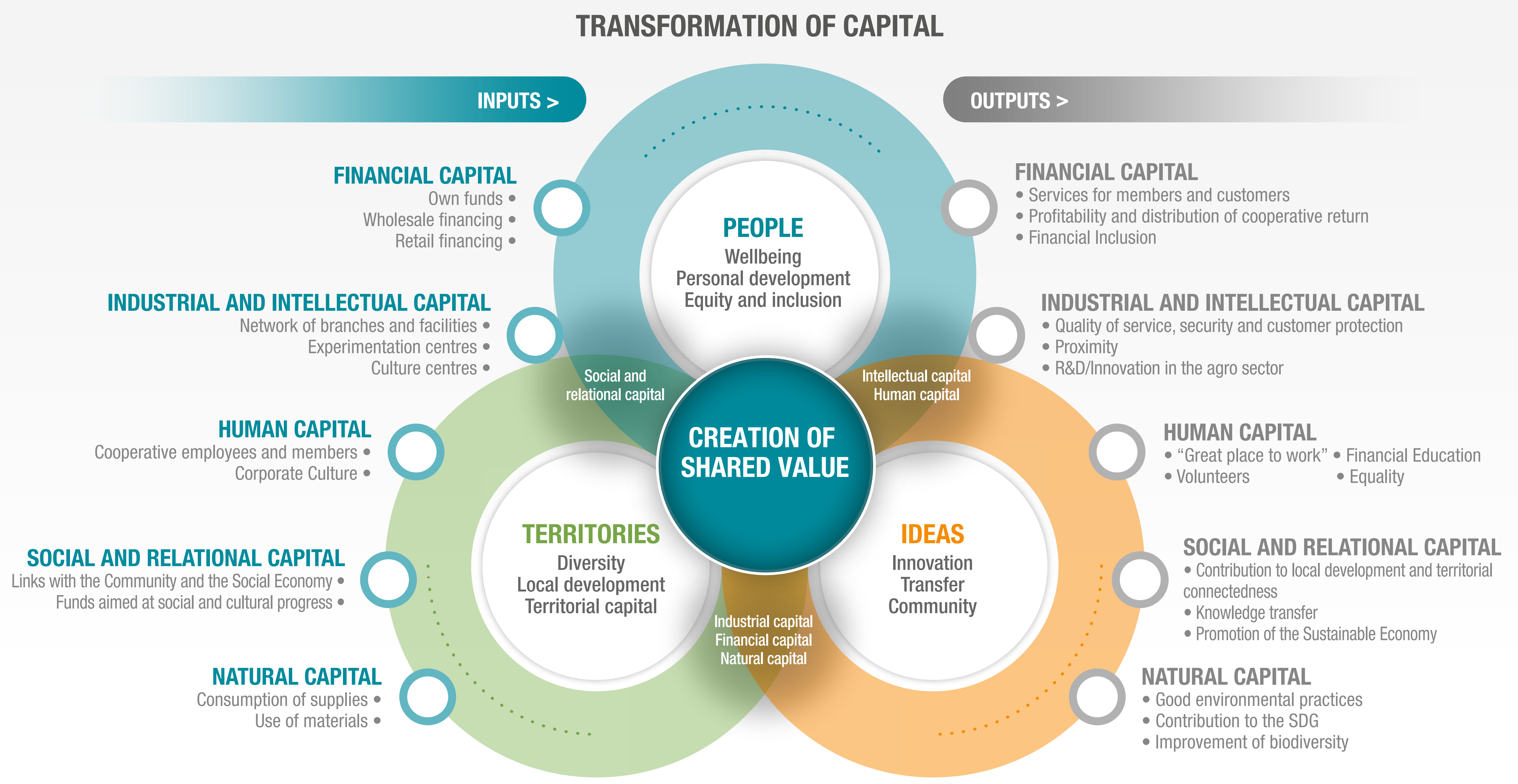
Long-term planning and proximity, vital to building cooperative capital for sustainable development.

The creation of shared value through the transformation of capital

In its business model, Grupo Cooperativo Cajamar puts people before profits, since the pursuit of profit is not an purpose in itself but rather a means of creating shared value. Therefore, this creation of shared value through the transformation of capital becomes an essential objective to develop our proposal for cooperative, social, and responsible banking.

Using initial resources (human, industrial, industrial, relational and natural capital), it develops its main activities (retail banking, asset management, insurance and agro innovation) with the close involvement of members, customers, and partners.

Using all these resources, a process of transformation occurs and initial capitals appreciate in the short, medium and long term, giving rise to the final capitals that make up our differential value proposal. These capitals will be placed at the service of society so that they can once again appreciate in value.



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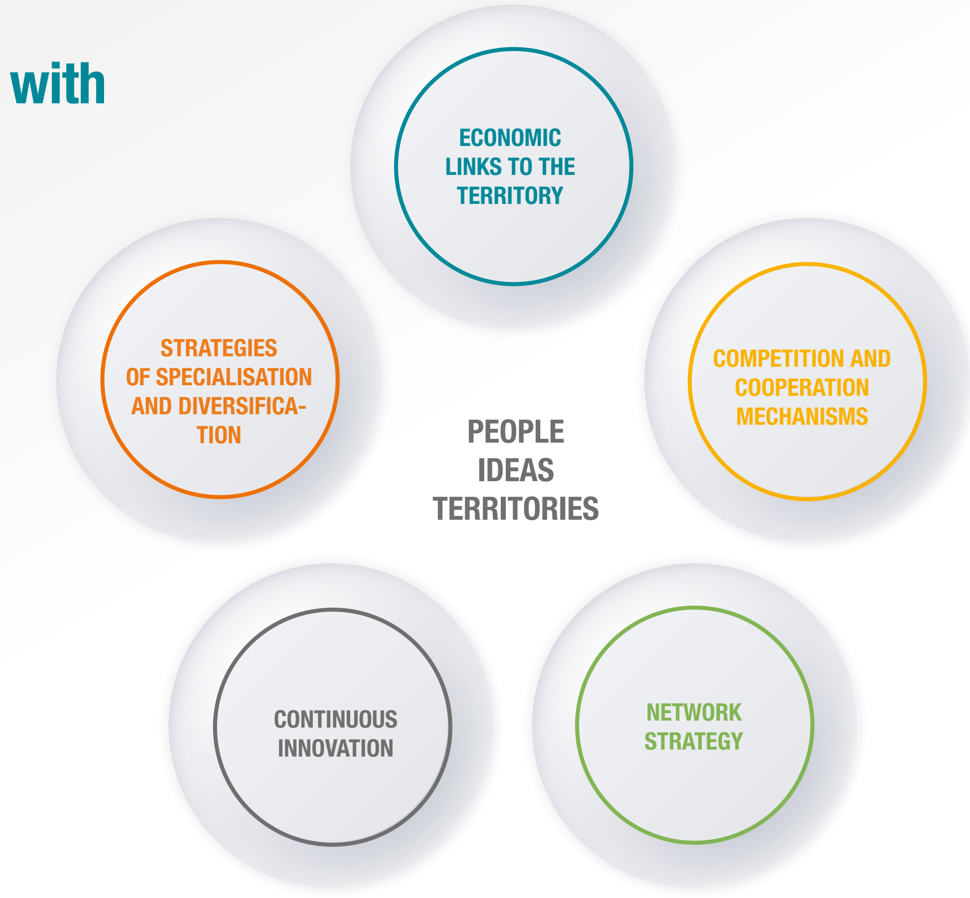
A commitment to local and sustainable development

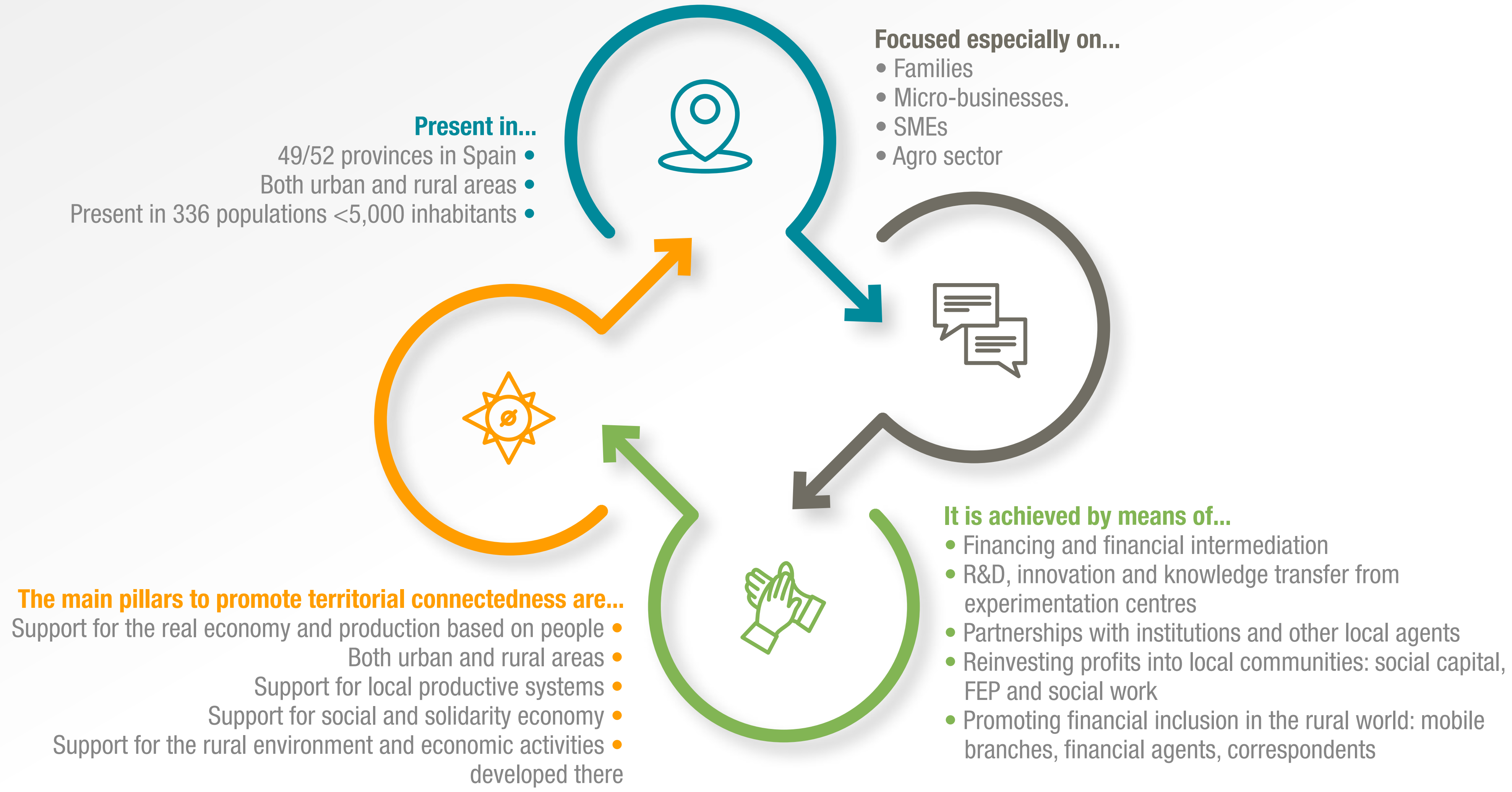
The model of cooperative and responsible banking proposed by Grupo Cooperativo Cajamar maintains a commitment to fostering, through its financial activity, the economic-social structuring of territories and especially the rural environment.

In this business model, support for local production systems is essential, as they are localised, solid and innovative production models that contribute to fixing capital to the territory, creating quality employment, and promoting sustainable local development.

In fact, the origins of the Group are associated with certain local agricultural production systems, which have proven to be an ideal framework for the potential development of the values inherent to the social economy.

Characterisation of productive systems with territorial anchorage





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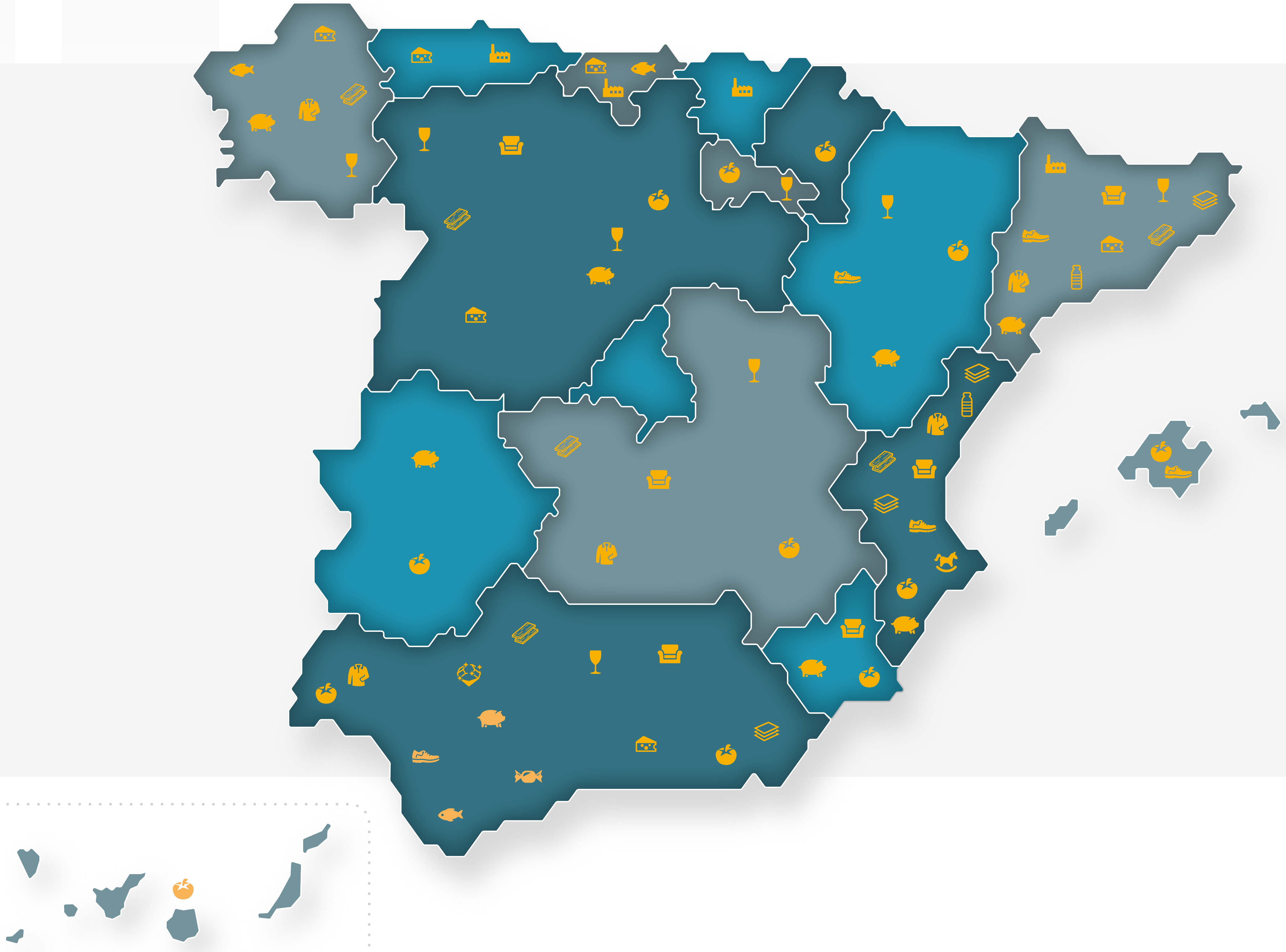
Major local production systems* in Spain



- Fruits and vegetables
- Meat products
- Textile and clothing
- Leather and
- Footwear Wood and
- cork Furniture
- Natural Stone
- Sweets
- Jewellery
- Toys
- Fish
- Drinks
- Dairy products
- Ceramic products
- Plastic
- Metallurgy

* Local production system: model of industrial organisation characterised by productive specialisation of a territory in which the activity is carried out in a decentralised way through small units and where the resources used are mainly local.

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Corporate Governance

GRUPO COOPERATIVO CAJAMAR

Corporate governance at Grupo Cooperativo Cajamar

The cooperative foundation of Grupo Cooperativo Cajamar means that the fundamental elements and best practices of corporate governance are present in the organisation. The unique role played by members and other stakeholders and the need to keep them properly informed shapes the way corporate governance is understood, which the Group defines as: the set of policies, measures and instruments, both internal (protection of the rights of members, composition and operation of the board, corporate information, etc.) and external (behaviour in capital markets, in the labour market, etc.), in order to protect shareholders, investors and customers; minimising the cost of agency in terms of ethics and efficiency, and constant dialogue with stakeholders as a fundamental element of the principle of cooperation.

Therefore, the fundamental principles on which corporate governance is based are information and transparency. The proper combination of these two facets is central to implementing good corporate governance practices and avoiding asymmetrical information.

With regard to compliance with legislation on Corporate Governance, Banco de Crédito Cooperativo, as the Group's parent company, accepts its obligations derived from relationships with supervisors and markets, in addition to complying with the requirements of applicable corporate governance legislation, taking into consideration the requirements derived from the following documents and practices:

- EBA Guidelines on internal governance.
- Corporate Governance Principles issued by the Basel Committee on Banking Supervision.
- CNMV good governance code for listed companies.

Follow up on recommendations of the CNMV *good governance code for listed companies*

Although the recommendations of the Good Governance Code are not directly applicable to Grupo Cooperativo Cajamar, since none of its members are classed as a listed company, the Group considers evaluating compliance with these recommendations to be a good market practice, in accordance with the principle of complying or explaining, showing the Group's commitment to following the best governance standards, with the level of compliance with the code recommendations standing at around 90%.

The Group balances elements of governance linked to cooperative principles (one member one vote, internal democracy, people before profits, freedom of affiliation, etc.) and elements of capital companies (market access, protection of minority shareholders, capital stability, etc.) which allows it to capture resources from wholesale capital markets and, in turn, to fix capital to the territory, creating socio-economic development linked to the productive economy, and, especially, the social economy.

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Key strengths in the Group's corporate governance

TRANSPARENCY AND INFORMATION AS KEY PRINCIPLES

- Internal audits ensure the proper functioning of information and internal control systems.
- Helping to maximise disclosure and the quality of information available to the market, investors, and other stakeholders.
- The Group is a member and leader of the Transparency, Good Governance and Integrity Cluster set up by Forética.

forética | Clúster Cambio Climático

ROBUSTNESS AND SUITABILITY OF THE BOARD OF DIRECTORS

- Commitment to comply with ethical standards and principles as well as existing legislation.
  - Strategic Plan
  - Internal Control
  - Internal Audit
- Strong committee structure that supports the Board, and implementation of a procedure for the annual self-evaluation of the functioning of the Board.
- It performs its functions with unity of purpose and independence of judgement and is guided by social interest.
- **Suitability Policy**. Procedures and mechanisms are established to ensure that Directors are suited to the post in terms of knowledge, experience and personal qualities, including professionalism and personal integrity. The Appointments Committee analyses the knowledge, capacity, diversity, and experience of Board members.
- **Remuneration Policy**. This policy aims to align the remuneration applicable to the Group, including that of the Directors, with the promotion of adequate and effective risk management in the Group.
- **Conflict of interest Policy**. This policy establishes the duty of Board Members to notify the Board of any potential conflict situation and to refrain from intervening in the deliberations and votes in which they may have a vested interest.

RESPONSIBLE MANAGEMENT AND BUSINESS ETHICS

- **Strategy and Sustainability Committee**, charged specifically with monitoring the performance of Grupo Cooperativo Cajamar in the field of sustainability, in its environmental, social and governance aspects (policy of financial inclusion and environmental policy).
- **Human Rights Policy** (signatory to the United Nations Global Compact).
- **Anti Money Laundering and Combating the Financing of Terrorism**. Training and awareness-raising for comprehensive prevention management.
- **Ethical Management System**. Commitment to members, customers and employees, encouraging actions in the field of sustainable development and business ethics.
- **Anti-Corruption Policy**. Commitment to maintaining a position of zero tolerance against corruption in all its forms.
- **Risk Management and Control** (responsible finance).
- **Good tax practices**. Voluntary adherence to the Code of Good Taxation Practices promoted by the Spanish State Agency for Tax Administration.
- **Criminal Risk Prevention Plan**. As a control instrument aimed at preventing the commission of crimes within the organisation.

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Governing bodies: structure, composition, and main indicators

Grupo Cooperativo Cajamar is made up of 18 credit unions and Banco de Crédito Social Cooperativo, SA (BCC), which effective leads and manages the group, being responsible for issuing and supporting the management instructions to be followed by the Group's entities. The 18 rural savings banks (Cajas Rurales) hold the vast majority (92.29%) of shares in BCC, which acts as the Group's parent company and assumes the strategic management of the Group, performing the role of risk control, human resources management, cash management, business planning, as well as internal audit and control, among others.

For the rural banks that make up the Group, the General Assembly is the highest body for the expression of social will, and the Steering Committee is the governing body, responsible for senior management, supervision of executives and representation of the entity.

The sovereign body within BCC is the General Assembly of Shareholders. The Board of Directors, its Executive Committee and its various other committees are the governing bodies responsible for representation, administration, management, and overseeing the organisation.

18 CAJAS RURALES (RURAL SAVINGS BANKS)

92,29 % Shareholding

BCC | GRUPO CAJAMAR

GENERAL ASSEMBLY OF MEMBERS

EXECUTIVE COMMITTEE

MANAGING DIRECTOR

- caixa rural burriana
- caixa rural vilavella
- caixa rural d'alginet
- caixa rural vila-real
- caixa rural almenara
- caixa rural torrent
- caixa rural vilafamés
- caja rural de villar
- caixa rural nules
- caixa rural alqueries
- cajamar caja rural
- cajacheste caja rural
- caixa xilxes
- caixacallosa
- caixaltea
- sant vicent caixa rural de la vall d'uixó
- caixapetrer
- caixaturís

GENERAL ASSEMBLY OF SHAREHOLDERS

BCC MANAGEMENT ORGANISATIONAL STRUCTURE

BOARD OF DIRECTORS

- → Internal Audit Division
- → Control Division
- → Cyber Resilience Division
- → Sustainable Development Division
- → Communications Division
- → Grupo Cajamar Coordination

CHIEF EXECUTIVE OFFICER

- → Secretariat General
- → Business Division
- → Investments Division
- → Efficiency and Transformation Division
- → HR Division
- → Finance Division

The Chief Executive Officer chairs the **Steering Committee**, where the highest level decisions are made.

The lines of responsibility for other collegial decisions are developed in other committees, the main ones being those related to the area of audits, regulatory compliance and control (Risk Monitoring Committee, Control Committee, and the Anti Money Laundering and Counter Terrorist Finance Committee); business (Assets and Liabilities Committee and Products and Services Committee), risk (Investments Committee); resource management (Resources Committee), technology (Strategy and Technological Risks Committee), and sustainability (Sustainability Committee).

BCC channels other types and levels of decision-making through other committees, which have established reporting lines according to their needs.

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Composition of the Board of Directors

EC Executive Committee
RC Risk Committee
AC Audit Committee
ApC Appointments committee
ReC Remuneration Committee
SSC Strategy and Sustainability Committee
IRB-C Credit Risk Management Committee

- Non-Executive (Grupo Cajamar)
- Independent
- Executive

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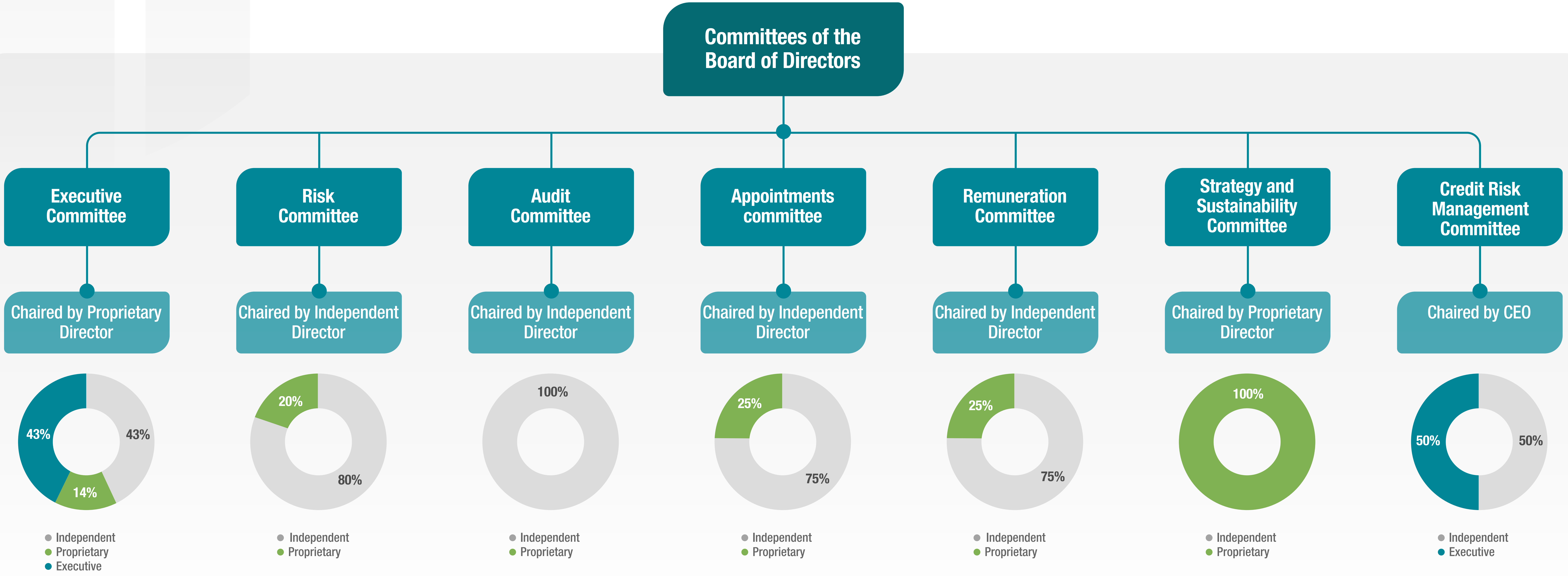
Committees of the Board of Directors
Executive Committee
Chaired by Proprietary Director
43%
43%
14%
Independent
Proprietary
Executive
Risk Committee
Chaired by Independent Director
20%
80%
Independent
Proprietary
Audit Committee
Chaired by Independent Director
100%
Independent
Proprietary
Appointments committee
Chaired by Independent Director
25%
75%
Independent
Proprietary
Remuneration Committee
Chaired by Independent Director
25%
75%
Independent
Proprietary
Strategy and Sustainability Committee
Chaired by Proprietary Director
100%
Independent
Proprietary
Credit Risk Management Committee
Chaired by CEO
50%
50%
Independent
Executive

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Corporate Governance Indicators

• Structure of the Board of Directors

46 % Independent Directors

31 % Proprietary directors

23 % Executive Directors

31% of Board members are women
(according to number of members as of 31/12)

• Composition of corporate governance and management bodies disaggregated by age and gender

	Under 35				between 36 and 55				>55				Total			
Governing Body	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board of Directors	0	0.0 %	0	0.0 %	1.00	20.0 %	4.00	80.0 %	8.17	100.0 %	0	0.0 %	9.17	69.6 %	4.00	30.4 %
Steering Committee	0	0.0 %	0	0.0 %	6.00	85.7 %	1.00	14.3 %	2.33	100.0 %	0	0.0 %	8.33	89.3 %	1.00	10.7 %
Total	**0**	**0.0 %**	**0**	**0.0 %**	**7.00**	**58.33 %**	**5.00**	**41.6 %**	**10.50**	**100.0 %**	**0**	**0.0 %**	**17.50**	**77.8 %**	**5.00**	**22.2 %**

* Number of people taking into account the time they have held their position in the year

• Remuneración media del Consejo de Administración de BCC*

By contract type	No. of people**	Fixed remuneration	Social Security	Other Remuneration**	Total
Executive Director	3.0	370.48	12.77	68.36	**451.61**
Non-Executive Director	2.67	219.05	10.26	38.14	**267.46**

By function	No. of people***	Fees	Premiums	Total
Directors	13.17	98.12	33.38	**131.50**
Women	4.00	101.03	31.31	**132.34**
Men	9.17	96.85	34.28	**131.13**
Wage gap		-4.31 %	8.66 %	**-0.92%**

* Thousands of euros
** Includes pension commitments, remuneration in kind, variable, and others
*** Number of people taking into account the time they have held their position in the year

• Remuneration of BCC Board members*

Fees	1291.91
Fixed remuneration	1696.31
Other remuneration**	203.91
Social Security	65.70
Attendance Premiums	439.50
Post-employment benefits	103.41
Total	**3,800.74**

* Thousands of euros
** Includes remuneration in kind, variable, and others

• Average remuneration of the BCC Steering Committee

	No. of people-FTE	Fixed remuneration	Social Security	Other Remuneration**	Total
Steering Committee	9.33	210.81	15.61	57.70	**284.12**
Wage gap		-8.80 %	0.04 %	16.36 %	**-3.10 %**

* Thousands of euros
** Includes pension commitments, remuneration in kind, variable, and others

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Integration of sustainability into governance

Grupo Cooperativo Cajamar has developed a governance structure that enables corporate governance best practices to be fulfilled in terms of sustainability, maintaining the appropriate framework for risk management and control. There are essentially three pillars in terms of the ESG governance structure:

- **The Board of Directors** has an expert sustainability committee: the Strategy and Sustainability Committee.
- **The Sustainable Development Division** reports to the Board Member with executive functions in terms of sustainability and is represented on the entity's Management Committee.
- **The Sustainability Committee** is presided by the Board Member with executive functions in terms of sustainability. It is a senior level committee that meets on a quarterly basis and promotes the measures and instruments related to ethics and sustainability, understood in its triple component: economic-financial, social and environmental, within the Group's main strategic lines.

The EBA (European Banking Authority) recommends the proportional incorporation of ESG risks to entities: *"Institutions are expected to embed these risks in their governance and risk appetite frameworks, while adequately involving all relevant functions, in order to properly manage them".*

In 2022, the Group has taken significant steps to fulfil these supervisory expectations.

On 1st April 2022, the Sustainability Committee of Grupo Cooperativo Cajamar approved the Definition of ESG Roles and Responsibilities in our Organisational Structure. Based on this document, all of the functions of the Group's organisational units were reviewed in order to integrate them and adjust them in terms of sustainability.

The value chain has been reviewed and the processes within it have been included to identify what is affected by the integration of ESG criteria. Therefore, the process map has been reviewed, identifying and updating those diagrams in which there is a link to ESG risk management.

To define incentives for the whole workforce, specific climate-related criteria have been incorporated, joining other mandatory sustainability objectives that have been incorporated for senior management, including Executive Directors. These objectives are directly linked to obtaining a certain score in indicators that consider aspects related to corporate governance, data security and confidentiality, business ethics, integration of environmental, social and corporate governance criteria, product governance and human capital.

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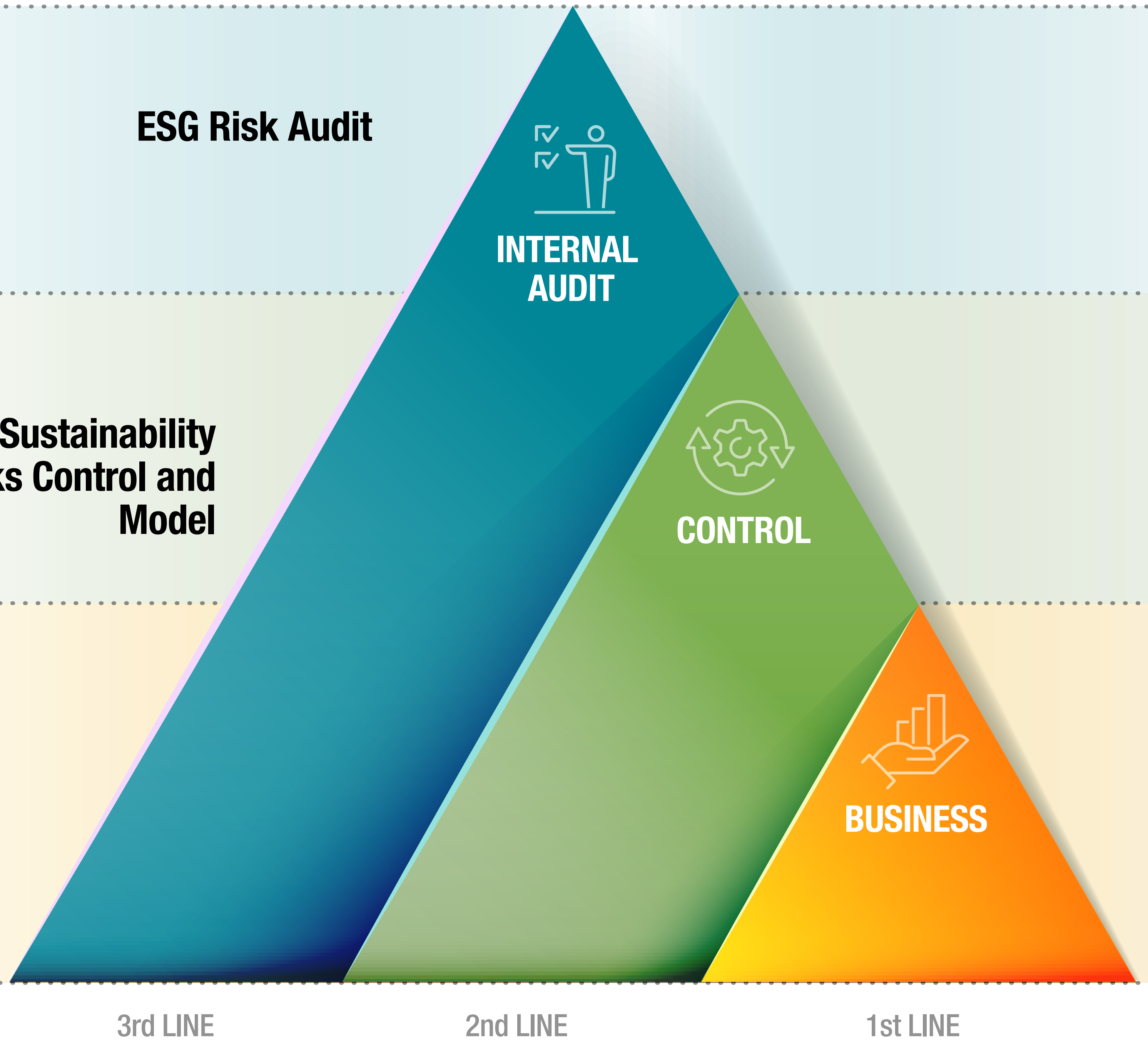
ESG specialisation in the triple line of defence

Grupo Cooperativo Cajamar weaves ESG criteria into every aspect of its strategy and business model, taking a cross-cutting approach, with a dual objective: on the one hand, to comply with internationally recognised standards; and, on the other, to promote positive differentiation in terms of sustainability rooted in its business and corporate model based on the social economy and connectedness with the territory through sustainable local development. To achieve these objectives, the Group has decided to deploy specialised organisational units in each of the lines of defence.

SPECIALISED UNITS



ESG Risk Audit

MISSION: Through ESG Risk Auditing, the goal is to offer independent and objective assurance regarding Grupo Cooperativo Cajamar's internal control framework. Therefore, the aim is to ensure that the most relevant risks to which the Group is exposed are controlled by those responsible for its management.

Sustainability Risks Control and Model

MISSION: Integrate sustainability risk into risk appetite, ensuring that the policies established by the entity are enforced and performing control functions as a second line of defence. Manage model risk as established in the Model Risk Management and Control Policies.

Sustainable Finance

—

Sustainable Development Staff

MISSION: Promote the implementation of policies, measures, and instruments to integrate ESG (environmental, social, and governance) criteria throughout the Group, taking a cross-cutting approach, promoting sustainable development, the application of the Ethical Management System, and the promotion of its social-cooperative model.

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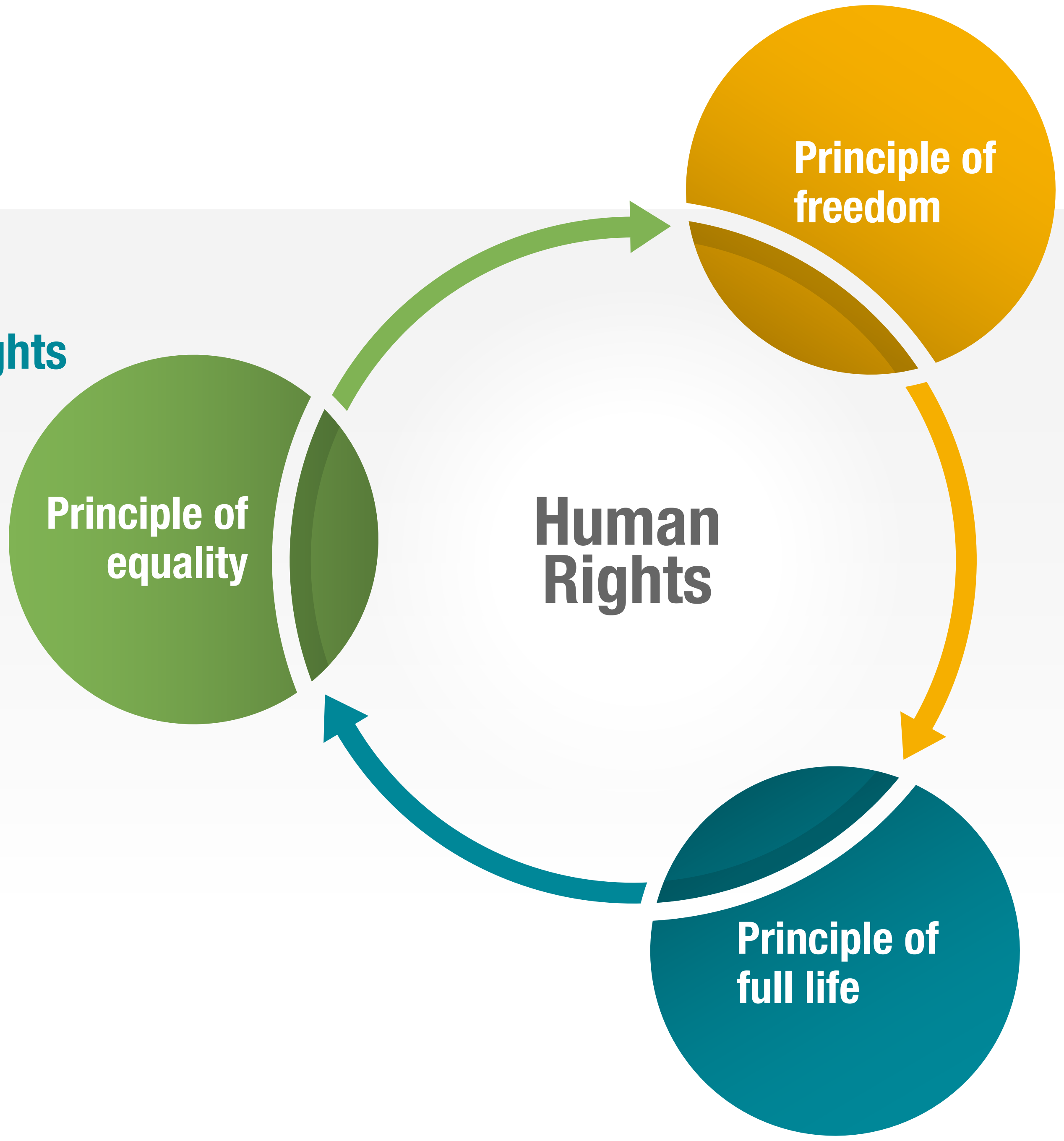
Grupo Cajamar's commitment to Human Rights

Human rights have been defined through various historical processes that have resulted in their constitutionalisation and their incorporation into various regulations and solemn declarations made by the most important multilateral organisations in the world. In this sense, they are a living concept, constantly evolving.

Among the priorities defined in its **Human Rights Policy**, Grupo Cooperativo Cajamar pursues the respect, protection, and promotion of these rights within its sphere of action and influence. This Policy, approved by the Group's Board of Directors in 2017, is aligned with its Ethical Management System, and sets out the general principles and guidelines that allow for the proactive development of clear and effective rules, procedures, and/or controls in this regard, related to the protection and promotion of human rights within the Group and in its relations with various stakeholders.

Principles of Grupo Cajamar's Human Rights Policy



DISCLOSURE OF PROGRESS IN THE AREA OF HUMAN RIGHTS

Grupo Cajamar, mainly through its Sustainability Report and its Progress Report on the Global Compact, reports annually on the progress made in the field of human rights within its three fundamental objectives: respect, protection, and promotion.

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The Human Rights Policy is implemented within Grupo Cajamar through four specific lines and one cross-cutting line for due diligence. The four specific lines are prevention policy, training, the creation of alert mechanisms, and the whistleblowing channel. The joint aim of all these lines is to strengthen organisational culture in terms of respect, protection, and promotion of human rights.

Pillars for the implementation of Grupo Cajamar's Human Rights Policy

PILLARS	THE GROUP'S COMMITMENT TO HUMAN RIGHTS
Clear and firm prevention policy	Grupo Cooperativo Cajamar and its directors will present its policy of respect, protection, and promotion of human rights clearly and forcefully to all of its stakeholders, and to society as a whole.
Training and awareness	Grupo Cooperativo Cajamar, within the scope of its training plans, will include specific training activities related to its Human Rights Policy.
Alert mechanisms	Grupo Cooperativo Cajamar will design and develop mechanisms to identify warning signs of practices that entail human rights violations.
Whistleblowing channel	Grupo Cooperativo Cajamar will design and implement effective reporting channels for employees who detect practices that infringe human rights both within the organisation and in organisations with which it has a relationship such as customers, suppliers, etc. These channels must guarantee confidentiality, promoting the existence of immunity and defence protocols for employees acting in good faith. In addition, the Group will design and implement reporting systems that allow any human rights violations identified to be disclosed to the persons or bodies responsible for overseeing them and/or establishing prevention mechanisms.

Due diligence

The implementation of the Human Rights Policy involves the application of appropriate human rights due diligence processes with third-party representatives and partners with respect to whom the Group may be supplementarily responsible for its actions and practices related to respect and protection of human rights.

Likewise, within the scope of its policy governing socially responsible investment and undesirable links, the Group pledges not to finance companies and organisations of which it has reliable knowledge of human rights violations.

Due diligence and guarantee mechanisms for the different material stakeholder groups

Employees	• Specific training in the field of sustainability • Whistleblowing channel	• Essential rights • Equality plans and policies
Supply chain	• Sustainability reports for Essential Suppliers • Managing controversy through consultation	• Training on the 10 principles of the Global Compact • Whistleblowing channel
Borrowers, members, and customers	• Sustainability reports for operations worth more than 3 million euros • Follow-up reports • Managing controversy through consultation	• Whistleblowing channel • Financial inclusion and accessibility policies • Training
Investors	• Undesirable Links • Socially responsible investment policy	• Whistleblowing • ESG Rating

The Group has not received any complaints regarding the violation of Human Rights related to the following fundamental rights: free association, non-discrimination, decent work (fair remuneration, working hours, etc.), health and safety conditions, child labour, and forced or compulsory labour.

Dialogue with stakeholders and mechanisms of attention/whistleblowing/reparation in matters of human rights

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Risk management

Vision and fundamentals of risk management within Grupo Cooperativo Cajamar

From global and emerging risks to the impact of climate factors at the local level

Managing climate and environmental risks: scenarios, strategies and metrics

Managing the risk of biodiversity loss

GRUPO COOPERATIVO CAJAMAR

Vision and fundamentals of risk management within Grupo Cooperativo Cajamar

Risk management is a fundamental part of all banking activity. For Grupo Cooperativo Cajamar, in addition to being a fundamental pillar to preserve the financial and capital strength of the Group, appropriate risk management must also satisfy its vocation to contribute to its surroundings and stakeholders, by generating confidence and certainty to facilitate the development of business and economic activity. An appropriate risk management model in the banking sector must be able to transform the main elements of uncertainty into risk, and risk into capital, through appropriate management and the provision of value to its stakeholders.

In this respect, risk management represents an opportunity for Grupo Cooperativo Cajamar to favour its stakeholders by promoting value creation and business development according to the level of risk tolerance and appetite determined by the bank's governing bodies.

Scheme to create certainty and value within Grupo Cooperativo Cajamar's risk model

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In the case of Grupo Cooperativo Cajamar, Banco de Crédito Social Cooperativo (BCC), as the parent company, is solely responsible for establishing risk policies and regulations. Ultimate responsibility for the Group's risk management, therefore, lies with BCC's Board of Directors, which performs a supervisory role through the Audit Committee and the Risk Committee, chaired in both cases by independent directors.

In terms of risk management and control, there is a broad framework of assessment principles, policies, procedures and advanced methodologies, which are integrated into an efficient decision-making structure. This system is based on the triple line of defence model, as endorsed by best banking practices and widely recommended regulatory standards.

So, the first line of defence is constituted by the CEO, appointed by the Board of Directors as the Chief Executive of the Parent Company, together with the management divisions that report directly to the CEO.

The second line of defence, which reports directly to BCC's Board of Directors, is provided by the Control Division. This division reports to the Steering Committee, the Risk Monitoring Committee and the Risk Committee about the most relevant risks identified, as well as their impact, situation, and progress made in implementing the measures adopted to mitigate them.

The third line of defence lies with the Audit Division, which also reports directly to BCC's Board of Directors through the Audit Committee. By conducting Internal Audits, the aim is to provide independent and objective assurance to BCC's Audit Committee about Grupo Cajamar's internal control framework, which ensures that the most relevant risks to which it is exposed are adequately controlled by those responsible for their management.

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The risk model of Grupo Cooperativo Cajamar is based on a series of general principles of governance, responsibility and efficiency, working primarily towards creating opportunities, shared value and certainty, as well as minimising costs for the organisation and society as a whole.

	CATEGORY	PRINCIPLE	DESCRIPTION
Principles deduced from the main practices of Grupo Cooperativo Cajamar's risk model for the creation of shared value and the generation of trust	GENERAL	Precaution	The risk model establishes measures to understand uncertainty and unknown aspects in the evolution of the surroundings and the organisation. This principle means not delaying at an affordable cost the adoption of effective and proportionate measures in order to avoid irreparable or irreversible damage.
		Prevention	The risk model aims to protect against identified risks.
		Prudence	The risk model sets out measures to ensure proper conduct in relation to the risks tested.
	GOVERNANCE	Integration	The risk model is integrated into processes and information systems, as well as governance and decision-making.
		The triple line of defence	The risk model has a triple line of defence monitored by the Audit Committee, the Risk Committee, and the Strategy and Sustainability Committee, all of which are part of BCC's Board of Directors.
		Integrity	The risk model integrates risk management in all its activities.
		Transparency	The risk model helps stakeholders understand the risks associated with the organisation.
	RESPONSIBILITY	Ethics and corporate culture	The risk model is integrated into the Ethical Management System and the corporate culture of the organisation.
		Iterability and sensitivity to change and the surroundings	The risk model is dynamic and predisposed to the integration of sensitive and significant emerging risks for the organisation and society as a whole.
		Equivalence in the transfer of risks	The risk model aspires not to transfer risks to the surroundings in net terms, favouring the creation of certainty.
	EFFICIENCY	Rationality and comparability	The risk model aims to maximise the benefits and opportunities for the organisation and its stakeholders for each unit of risk taken.
		Diversification	The risk model promotes the diversification of idiosyncratic risks, minimising their contribution to systemic risk.
		Materiality	The risk model identifies the relevant and significant risks associated with its business model.
		Innovation and continuous improvement	The risk model integrates innovation procedures that allow for adaptation to changes in the surroundings through an approach of continuous improvement.

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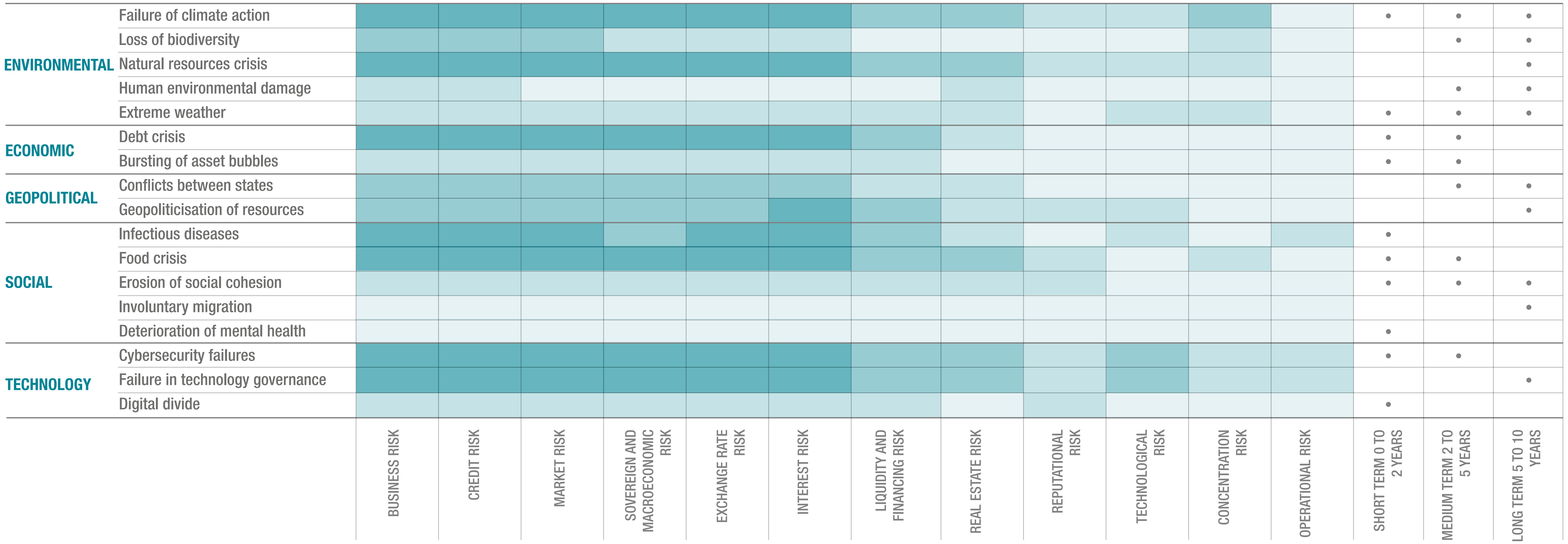
From global and emerging risks to the impact of climate factors at the local level

• Global and emerging risks

The most efficient way to generate certainty in the surroundings and promote their development is through a model of long-term interrelation, which fosters close, trusting, and lasting relationships. This model is the one promoted by a cooperative group such as Cajamar that nurtures local production systems and the social economy, a way of delivering social and responsible banking that remains close to territories and people.

That is why, among the ambitions of its risk management model, Grupo Cooperativo Cajamar aims to understand the major global and emerging risks, which derive from an increasingly globalised environment with the aim of minimising their impact at the local level. To achieve this, it has identified the levers of transmission between global and emerging risks that will be a critical threat to the world in the short, medium, and long term and those inherent to the banking business and the characteristics of the business model developed by the Group.

Map of the relative interrelations between global and emerging risks and risks managed by Grupo Cooperativo Cajamar



Methodological note for the *global risks interrelation map* included in this chapter.

To identify the indirect impact of global risks on the risks managed by Grupo Cooperativo Cajamar *(risk genealogy)*, contained in its *Risk Appetite Framework (RAF)*, a number of levers have been identified based on expert opinion that would act as drivers of risk. A total of 16 levers have been defined: 1) Impacts on the business model; 2) volatility; 3) asset damage; 4) implications for product labelling and classification; 5) loss of network efficiency; 6) potential loss in economies of scope; 7) potential loss in economies of scale; 8) potential loss in network economies ; 9) potential loss in critical mass economies; 10) hibernation of the economy; 11) loss of confidence; 12) inflation and rising costs; 13) stagflation; 14) secular stagnation; 15) supply chain; and 16) resource mobility. These levers mediate between the global risks considered a critical threat in the *Global Risks Report 2022*, published by the World Economic Forum, and the traditional banking risks managed by Grupo Cooperativo Cajamar.

Upper quartile
Upper middle quartile
Lower middle quartile
Lower quartile

Source: Group's own data based on *Global Risks Report 2022* (World Economic Forum).

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Climate risk factors

Global and emerging risks include those associated with climate change, which, due to their systemic nature, are classed as cross-cutting risk factors that impact the Group's relevant risks. Climate risk management is integrated into the Group's triple line of defence. The Sustainable Development Division heads up this management, collaborating with various areas in the active management of climate risk, in which all BCC Management Divisions participate.

Transmission channels and climate risk materiality analysis

Climate change risks can be classified into two main categories:

- **Physical risks:** risks arising from the physical effects of climate change and environmental degradation, which in turn can be subdivided into those caused by extreme (acute) climate events, and those resulting from medium and long-term change in climate behaviour (chronic).
- **Transition risks:** these are a consequence of uncertainty related to the transition to a decarbonised production system, which will imply a drastic transformation of the global economy through important changes in technology, the market, or the regulations.

These risks can affect the resilience of the business model and can trigger both direct damage, through counterparty risk, and indirect damage, through a general decline of the economy. That is why the European Banking Authority (EBA) recommends that transition and physical risks should be assessed as levers or drivers of existing financial risks. Hence, "causal chains that explain how ESG risk factors impact institutions through their counterparts and investment assets" are defined as transmission channels.

Following these indications, Grupo Cooperativo Cajamar has developed a matrix incorporating all transmission channels referenced in the current regulatory framework. This matrix aims to reflect all possible ways transition risk and physical risk might affect direct financial variables (profitability, production, value of physical assets, etc.) and indirect ones (macroeconomic) and finally the risk parameter.

TRANSMISSION CHANNELS	TYPES OF RISK	
Extreme events (floods, thunderstorms, etc.)	ACUTE	PHYSICAL
Fires (forest)		
Heat waves/droughts		
Temperature rise	CHRONIC	
Water shortage (or decrease in rainfall)		
Sea level rise		
Climate policies (CO^2 emission price)	POLICIES REGULATION	ECOLOGICAL
Climate policies Indirect risks		
Standards and regulation		
Technology	STRUCTURE MODIFICATION	
Consumer behaviour	CHANGING PREFERENCES	
Investor behaviour		

This matrix of transmission channels is very useful when planning the management and control of risk. In addition, it is a starting point for defining methodologies for quantifying climate risk and evaluating the material impact on financial risks, with a prospective approach and taking into account the portfolio profile and distribution in terms of sectors and geography.

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• Determining the materiality level for each transmission channel

The aim of the materiality assessment is to better understand the importance of and vulnerability to the impact of environmental risks on the Group's overall risk profile, as well as to improve the Group's ability to take subsequent actions to support the monitoring and control of ESG risks, including setting targets and limits. To achieve this, and based on all the transmission channels identified in the matrix prepared by the Group, an analysis of each of the risks is carried out, assigning different levels of materiality to the transmission channels according to their probability of occurrence and severity. The combination between frequency and severity determines the degree to which the transmission channel impacts the Group, affecting solvency to a greater or lesser extent, according to the table below.

		LIKELIHOOD		
		UNLIKELY	LIKELY	VERY LIKELY
SEVERITY	NOT SIGNIFICANT	LOW	LOW	MEDIUM
	SIGNIFICANT	LOW	MEDIUM	HIGH
	VERY SIGNIFICANT	MEDIUM	HIGH	VERY HIGH

LOW: Losses resulting from ESG risks have an irrelevant impact on solvency. Follow-up is necessary, but no actions need to be evaluated.

MEDIUM: Losses resulting from ESG risks have a moderate impact on solvency and actions should be evaluated.

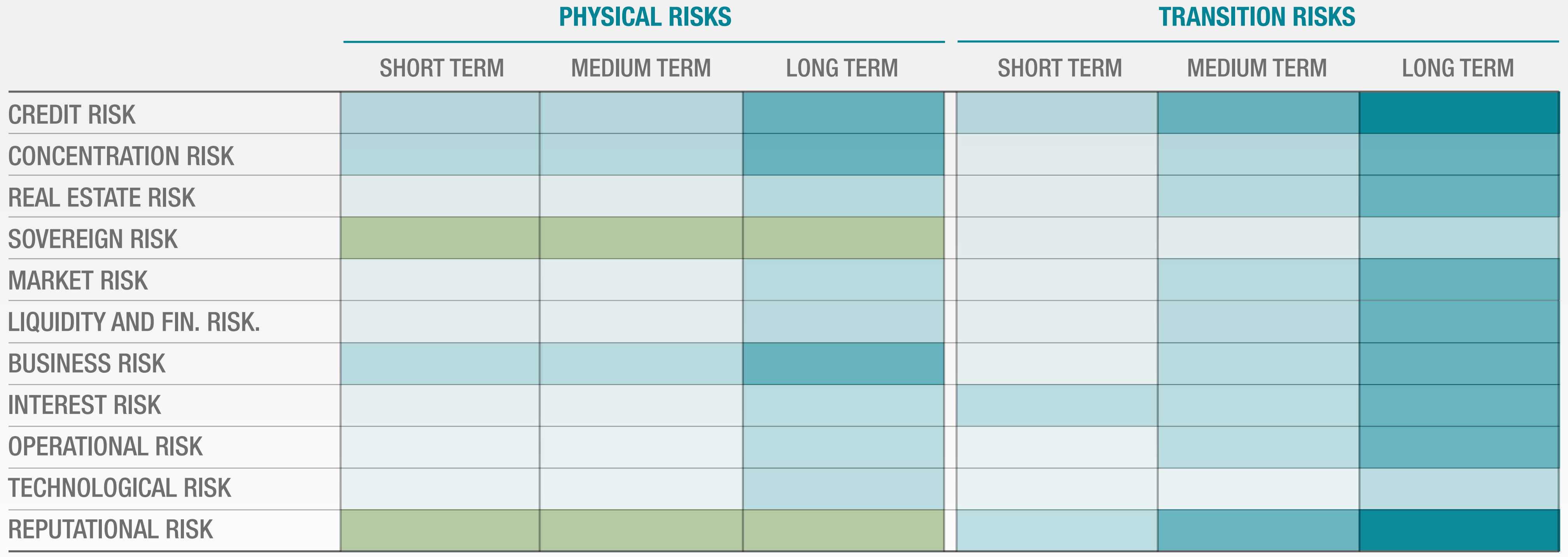
HIGH: Losses resulting from ESG risks have a significant impact on solvency and actions must be evaluated.

VERY HIGH: Losses resulting from ESG risks have a serious impact on solvency and actions must be evaluated as a matter of priority.

The evaluation also includes different time horizons, to measure the resilience of the Group in the short, medium, and long term. Since the extent to which counterparties are implementing climate change adaptation or mitigation measures is not known, risks are considered to increase as the target date approaches. Referring to the target set in the Paris Agreement for 2050, the following timeframes have been considered:

TIMEFRAME		PERIOD
SHORT	2022 - 2025	
MEDIUM	2025 - 2030	
LONG	2030 - 2050	

Heat map of the impact of ESG factors on material risks



Low · Medium · High · Very High · Not applicable

Once the level of materiality has been determined for each channel, a global level is assigned for physical risk and a global level for transition risk. Following a conservative criterion, the highest level resulting from each transmission channel evaluated has been taken.

The assessment covers the risks identified as material for the Group, since the impact on other risks (non-material risks), can be considered low, considering the value on the balance sheet or the contribution to the income statement.

The highest impacts are detected in transition risk derivatives, especially in the long term. An inadequate transition to a decarbonised economy can especially affect credit and reputational risks. Concentration, business and credit risks can also be substantially impacted twice, both through physical and transition risks.

GLOBAL SCOPE | EMERGING RISKS | TRANSMISSION CHANNELS | CLIMATE RISK FACTORS | MATERIALITY ANALYSIS | TRADITIONAL RISKS | LOCAL SCOPE

• Impact and risks of climate change on agricultural and livestock production

One of the human activities most affected by the increase in certain phenomenons associated with global warming is agriculture, as it is highly dependent on the climate. The adverse effect for crops may even threaten food security for the population, and even more so, bearing in mind the increase in demand for such food.

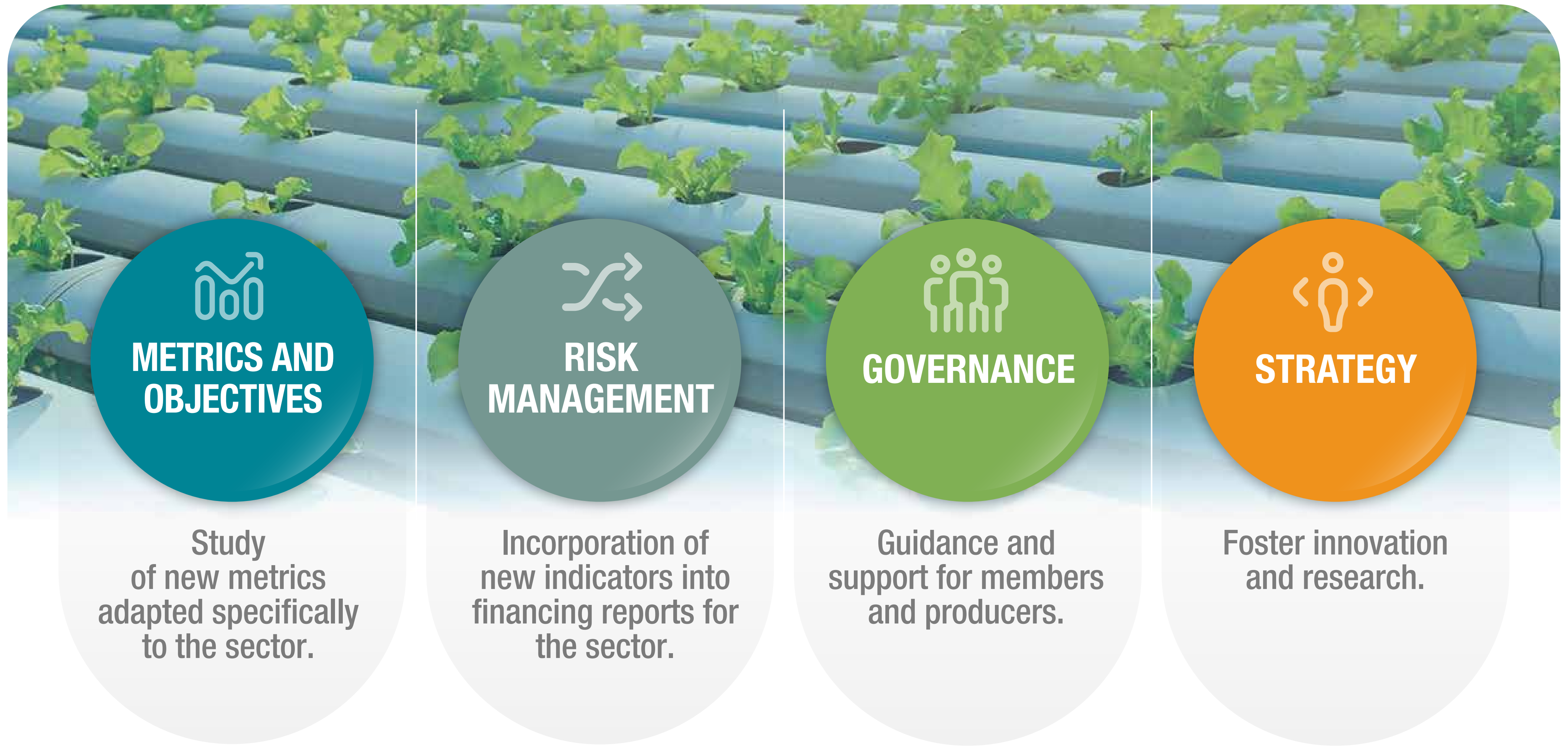
The agri-food sector, one of the driving forces of the Spanish economy, accounting for a significant part of the GDP, is one of the five sectors with the highest export volume. For Grupo Cooperativo Cajamar, this sector is considered strategic, as it has close ties to it and is one of the leading and reference financial entities for the sector. This commitment to the agri-food world and the risks and opportunities that it faces, requires the effects of climate change on agricultural production to be identified and an understanding of to what degree agriculture and livestock may be affected in the different scenarios.

Furthermore, with the aim of generating certainty for local producers, the incorporation of advisory and accompanying measures are essential in order to convey which challenges we face and the potential actions that could be applied to maintain production and profitability in light of these new situations.

For this reason, the Group understands that the implementation of a strategy to identify and manage these risks is a cornerstone of its cooperative banking and social policy, in addition to informing the entire Group and its representatives of the importance of such events in order to subsequently transmit this knowledge to the sector.

To facilitate this entire process, the Group has defined different lines of action:

- **Study of new metrics adapted specifically to the sector.** For some time now, the Group has been analysing, participating in forums and joining forces with other entities to develop an agro taxonomy that takes the specific characteristics of each economic activity that forms part of the sector into consideration. This should facilitate, for example, the measurement of emissions and carbon fixation, facilitate the adoption of more efficient strategies and the more accurate measurement of the sector's contribution to the environment or that of the portfolio.
- **Incorporation of new indicators into reports on the financing of operations for the sector.** These usually require new data to be collected, which provides further information on the possible impact and risks of the operation.
- **Guidance and support for members and producers through the usual knowledge transfer channels.** Plataforma Tierra, publications, training sessions. It is the Group's determined bid to collect and pass on information for the agri-food sector.
- **Foster innovation and research**, mainly in those lines that favour the mitigation and adaptation of the agri-food sector to climate change To do so, the Group has two experimental centres (Almeria and Valencia) which are references in Mediterranean agriculture and a meeting point for companies, farmers, universities and technology centres.



Grupo Cooperativo Cajamar action lines to generate certainty in the agri-food sector and climate change, grouped around the TCFD recommendations and the impact on its main pillars.

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Climate and environmental risk management: scenarios, strategies, and metrics

• The NGFS and climate scenarios

In recent years, one particularly crucial issue is the climate change that our planet is experiencing and its consecuences. These circumstances cause temporal and / or spatial variations in the elements that constitute the climate, giving rise to substantial physical and transition risks that we must identify and measure so as to help mitigate their possible effects through appropriate policies, measures, and instruments that involve society as a whole, to a greater or lesser degree. Climate change can have profound impacts on ecosystems, on human health, on infrastructure, on the economy or on production, making it a major change factor.

The fight against climate change is one of the most important issues on the political agenda of countries and international organisations. The European Union is very committed to the fight against climate change through highly ambitious public policies aimed at achieving climate neutrality by 2050, and these efforts have necessarily had a major impact on the financial sector and, consequently, on the banking sector. The EU has understood that these sectors are drivers to accelerate and redirect financial flows towards the promotion of a green and decarbonised economy. The banking industry, in this sense, is obliged to know the impact of climate risks on traditional risks, seeking to minimise this effect as far as possible.

The Paris Agreement (COP21) set clear objectives to prevent temperature rises and achieve sustainable development. The agreed target is to limit global temperature increases to 2ºC in relation to pre-industrial levels and increase the capacity of the economy to adapt to the effects of climate change, among others. This limit would imply reasonable risks that would have an acceptable impact.

Depending on the measures implemented by all political, social, and economic actors, we would face different well-differentiated possible scenarios. Based on this premise, the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) was created in December 2017, having defined a set of hypothetical climate change scenarios. Such scenarios allow common benchmarks to be established for understanding climate change through the physical risks it entails, along with policy and technology trends in the development of the entire process.

NGFS scenarios have been developed to provide a common starting point for analysing climate risks to the economy and financial system. They have been created as a tool to shed light on possible future risks and to prepare the financial system for any shocks that may arise. In this third iteration, NGFS scenarios have been updated, incorporating countries' commitments to achieve net zero emissions, and enriching them with more sectoral information and a more accurate representation of physical risk, including acute risks. They are therefore a key part of the scientific assessments carried out by the Intergovernmental Panel on Climate Change (IPCC), among other organisations. Since 2020, they have been adapted by the NGFS to help central banks and supervisors to explore

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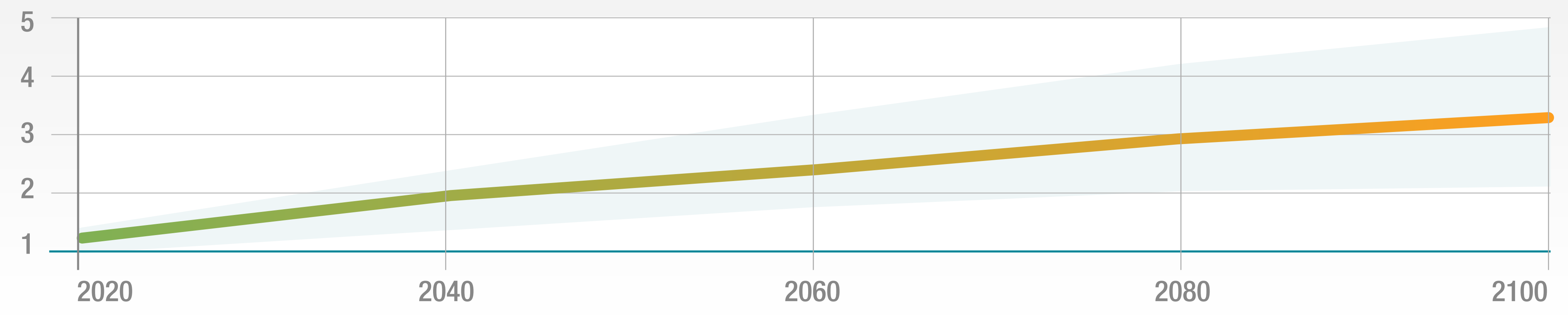
possible impacts on the economy and financial system. Periodically they are made available to the public as a public good and have a number of useful applications:

- Scenario analysis and dissemination, improving strategic thinking.
- Aligning strategies and policies, highlighting key issues that can be used to guide decision-making and set more granular goals.
- To provide a baseline for academic and technical-professional research.

Increase in average temperature relative to pre-industrial levels (in degrees Celsius) Source: NGFS



The physical effects of climate change and environmental degradation, as well as the transition to a low-carbon economy, create financial risks. These have been classified as physical risks and transition risks. The former are financial risks that can be classified as acute – if arising from climate-related events and acute environmental destruction – or chronic – if arising from progressive changes in climate patterns with gradual loss of ecosystemic services. The latter are financial risks that may result from the adjustment to a low-carbon and more circular economy, all of which will cause risks in the financial fabric.

CLIMATE RISK

Transition risk:

- Policy and regulations
- Technological development
- Consumer preferences

Physical risk:

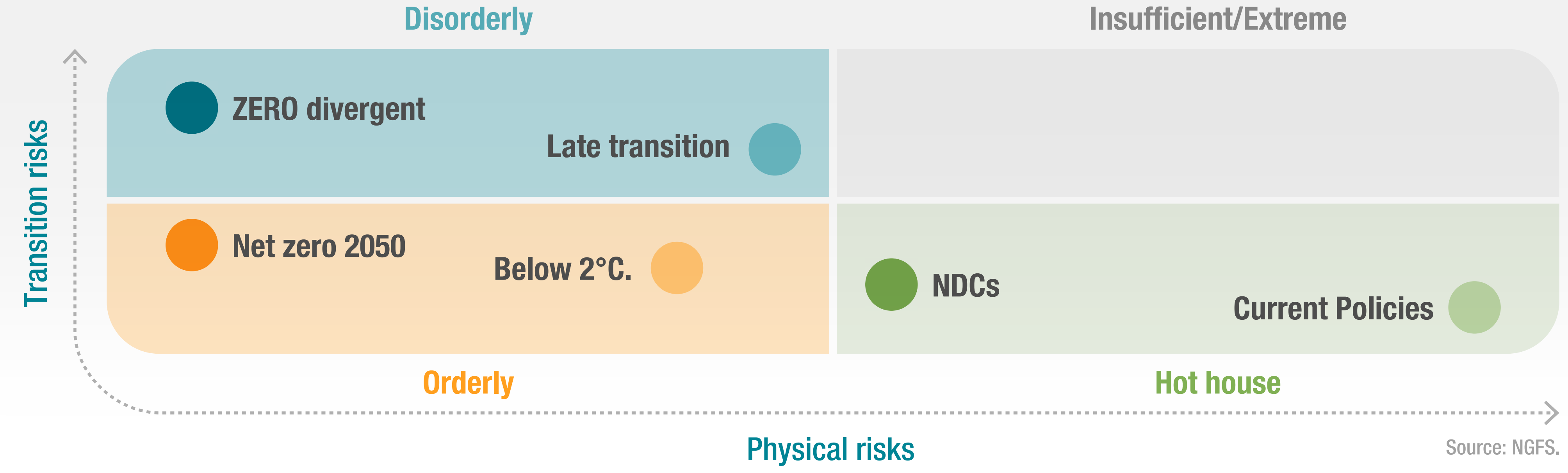
CHRONIC: high temperatures, heavy rainfall, sea level rise.
ACUTE: Fires, floods, cyclones, heat waves.

IMPLICATIONS FOR THE PRODUCTION SECTOR

- Loss of income due to changes in demand patterns.
- Increase in expenditure, as a result of the investment and repayments undertaken to cope with technological change.
- Increase in stranded assets as a result of the loss of value of corporate assets arising from regulatory constraints.
- Crop loss in agriculture.
- Physical damage to buildings, farms, and infrastructure.
- Increase in litigation and reputational cost.

The scenarios established by the NGFS were eventually reduced to six as shown in the graphic below. All of these scenarios share similar socio-economic assumptions and assume current economic and demographic trends.

Climate scenarios



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ORDERLY SCENARIO

This assumes that climate policies are introduced early and gradually become stricter. Both physical and transitional risks are relatively moderate.

Scenario	Climate Goal	Political reaction	Technology Transformation	CDR	Regional policy
• ***Net zero 2050.*** This is an ambitious scenario that limits the increase in global warming to 1.5 degrees Celsius through strict climate policies and innovation. In this scenario, climate neutrality would be achieved by 2050. The physical risks are relatively low, but the risks of transition are high.	**1.5 ºC**	**Immediate and fluid**	**Quick changes**	**Medium-high use**	**Average variation**
• **Below 2 ºC.** In this scenario, climate policies gradually become tougher, creating a 67% chance of limiting global warming to less than 2°C. Physical and transition risks are relatively low.	**1.6 ºC**	**Immediate and fluid**	**Moderate changes**	**Medium-high use**	**Little variation**

DISORDERLY SCENARIO

This assumes a greater transition risk because policies are delayed or differ between countries and sectors. Carbon prices are usually higher for a given temperature outcome.

Scenario	Climate Goal	Political reaction	Technology Transformation	CDR	Regional policy
• **Divergent net ZERO.** Climate neutrality is reached in this scenario by 2050, but with higher costs due to divergent policies introduced in all sectors and a faster phasing out of fossil fuels.	**1.4 ºC**	**Immediate but divergent**	**Quick changes**	**Medium-low use**	**Average variation**
• **Delayed transition.** This scenario assumes that global annual emissions do not decrease up to 2030. Sound policies would then be needed to limit warming below 2°C. Negative emissions are limited.	**1.6 ºC**	**Late Policies**	**Fast/slow changes**	**Medium-low use**	**High variation**

HOT HOUSE WORLD

This assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to stop significant global warming. Critical temperature thresholds are exceeded, resulting in serious physical risks and irreversible impacts, such as rising sea levels.

Scenario	Climate Goal	Political reaction	Technology Transformation	CDR	Regional policy
• **Nationally Determined Contributions (NDCs).** his scenario includes all policy pledges, even if they have not yet been implemented.	**2.6 ºC**	**Contribution national level**	**Slow changes**	**Medium-low use**	**Average variation**
• **Current policies.** This scenario assumes that only currently implemented policies are retained, resulting in high physical risks. Emissions grow to 2080, leading to about 3°C warming and serious physical risks.	**+3 ºC**	**There are no current/effective policies**	**Slow changes**	**Reduced use**	**Low variation**

TOO LITTLE, TOO LATE SCENARIO

This assumes that a late transition cannot contain the physical risks. Although no scenarios have been designed specifically for this purpose, this space can be explored by assuming higher physical risk outcomes for the scenarios. It is important to choose the scenarios wisely for appropriate action, as they include the robustness and timing of policies, the results of temperature developments, regional coordination, and technological trends. According to the NGFS, the current policies scenario is best suited for assessing physical risks. The delayed transition scenario is best suited for evaluating sudden changes in policy and technology. The zero 2050 (climate neutrality by 2050) scenario corresponds to the achievement of zero CO2 emissions by the mid-century.

Extreme scenarios

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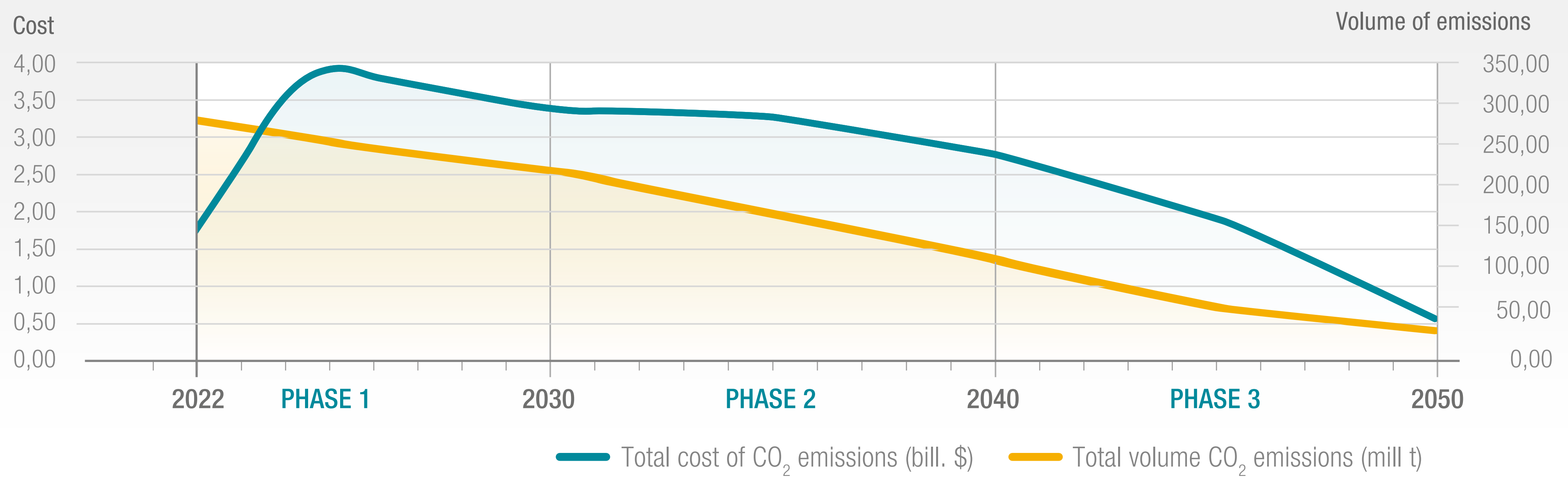
The reference scenario for Grupo Cajamar

In view of the commitments it has made to its climate stakeholders, and according to the approaches contained in its Strategic Plan and its Sustainable Finance Master Plan, Grupo Cooperativo Cajamar intends to develop its strategy of decarbonisation within the net zero 2050 scenario. This is an ambitious but plausible scenario that involves:

- **Assuming a favourable policy environment for the fight against climate change.**
- **Achieving climate neutrality by 2050 within the Group.**
- **Being proactive in the evolution of regulatory and supervisory expectations.**
- **Promoting differential leadership in the field of sustainable development and cooperative banking.**

We are basing our approach on the assumption that carbon prices will evolve in proportion to the effort to decarbonise according to the objectives set by the Paris Agreement. To this end, we will use the profile of the CO_2 cost curve, as well as the conclusions of the High Level Commission Report on Carbon Prices, chaired by Nobel laureate economist Joseph Stiglitz and author of the Stern Review on the Economics of Climate Change, Nicholas Stern. The main conclusion of the Report is that the price of CO_2 will evolve to reach between $50 and $100 per tonne by 2030, provided there is a favourable regulatory environment.

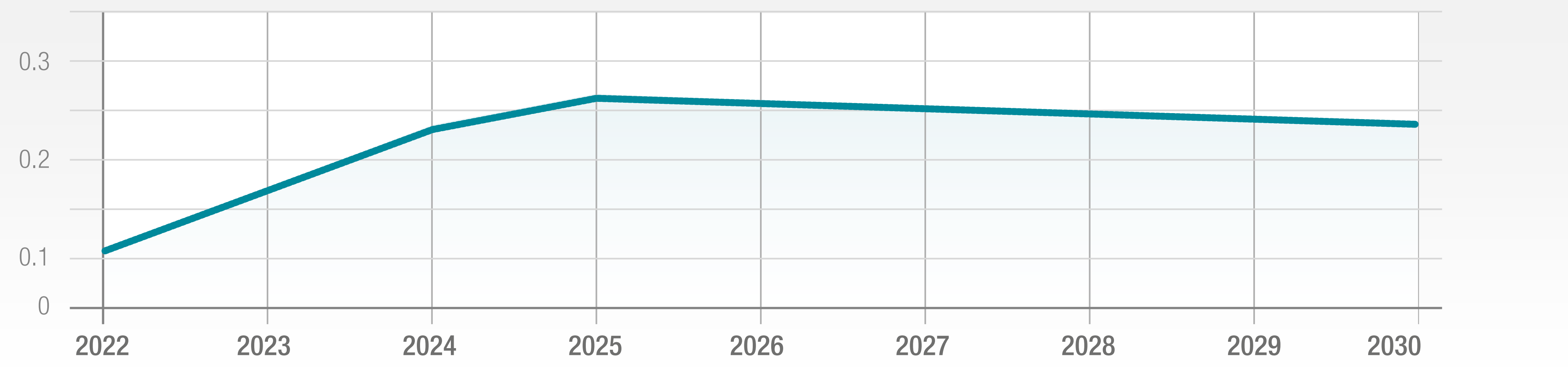
Estimation of the volume and cost of CO_2 emissions 2020-2050



This scenario would involve the following phases up to 2030:

- **Phase 1, or ecological transition (2015-2030).** In this phase, adaptation to the legal-supervisory framework would take place, so the most important risks for companies will be transition risks. Essentially, companies will have to make significant investments to adapt their capital goods, as well as, depending on the sector, make the necessary provisions to address the problem of stranded assets.
- **Phase 2, or adaptation to the new competitive framework (2030-2040).** Companies will need to identify and exploit comparative advantages (based on prices and costs) and location revenues to adapt to the new productive and commercial framework. Essentially, companies will have to face risks associated with lost revenue or increased costs.
- **Phase 3, or differentiation (2040-2050).** Companies will have to identify and exploit competitive advantages (based on the creation of shared value) to adapt to a new competitive framework that is particularly demanding from a productive and commercial point of view.

Estimation of the economic effort of companies financed by Grupo Cooperativo Cajamar with regard to decarbonisation (2021-2030)



To determine the cost, the emissions to be reduced by the companies financed in the period 2021-2030, according to the PNIEC, have been multiplied by the price of a tonne of CO_2 estimated by the *Stern Review on the Economics of Climate Change.*

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• Segmentation Strategies

The proper segmentation of the credit portfolio should be the first step to facilitate the establishment of admission, concession, commercial or monitoring criteria for credit operations, aligned with the portfolio's decarbonisation strategy and accompanying members and customers to a smooth transition.

With this aim, Grupo Cooperativo Cajamar has developed different tools for the segmentation of its portfolio, including its Ecorating model, the Sustainable Bond Framework and the Sector policy Framework.

Ecorating Tool

Over 10 years ago, Grupo Cooperativo Cajamar started to develop a segmentation model for credit portfolios in conjunction with Ecodes and the Applied Statistics Service at the Autonomous University of Barcelona, based on parameters regarding the likelihood of suffering economic impact derived from climate change and the ecological transition.

The model developed takes into consideration the analysis by expert judgement of environmental variables, along with the incorporation of criteria included in the June 2019 Technical Report on EU Taxonomy (mitigation and adaptation) and legal provisions related to companies at risk of carbon leakage.

The model segments the portfolio by assigning values to each customer based on the CNAE and the geographic location of the activity. In this way, each company assessed is assigned an indicator which estimates its sensitivity and susceptibility to transition risks associated with climate change.

Aspects considered by the model

- Transition risks associated with the decarbonisation of the economy.
- Physical, chronic and severe risks in the short, medium and long term.
- The European regulation in terms of risk of carbon leakage.
- The EU taxonomy on green finances.

Information required

- The CNAE as a segmentation unit.
- The activity's geographic location for the analysis of physical risks.

Information obtained

- A financial vulnerability index derived from climate change.
- A code indicating the physical risks to which the activity is subject.

What is the tool for?

- To segment the portfolio by types of vulnerability and exposure.
- To segment the portfolio based on the potential of green financing in accordance with EU taxonomy.

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Sustainable Bond Framework

Grupo Cooperativo Cajamar has a **Sustainable Bond Framework** which serves as a reference framework for the issue of green, social and sustainable bonds. In its commitment to channel and push funds towards social and green investments, the Group has defined a series of eligible categories aligned with the Sustainable Development Goals and materials in its field of action. In this way, the framework itself serves as a tool for the support and segmentation of our portfolio, enabling us to understand which assets are potentially eligible and have the characteristics and purposes that are compatible with the categories identified.

3 Social Categories

- Projects and promotion of the Social Economy
- Projects and promotion of the 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

4 Green Categories

- Sustainable Agriculture
- Renewable Energies
- Sustainable Building
- Sustainable Mobility

The Group's Sustainable Bond Framework has been certified by Vigeo Eiris, the world leader in environmental, social and governance solutions, having obtained the highest score in its Second Party Opinion Report (SPO).

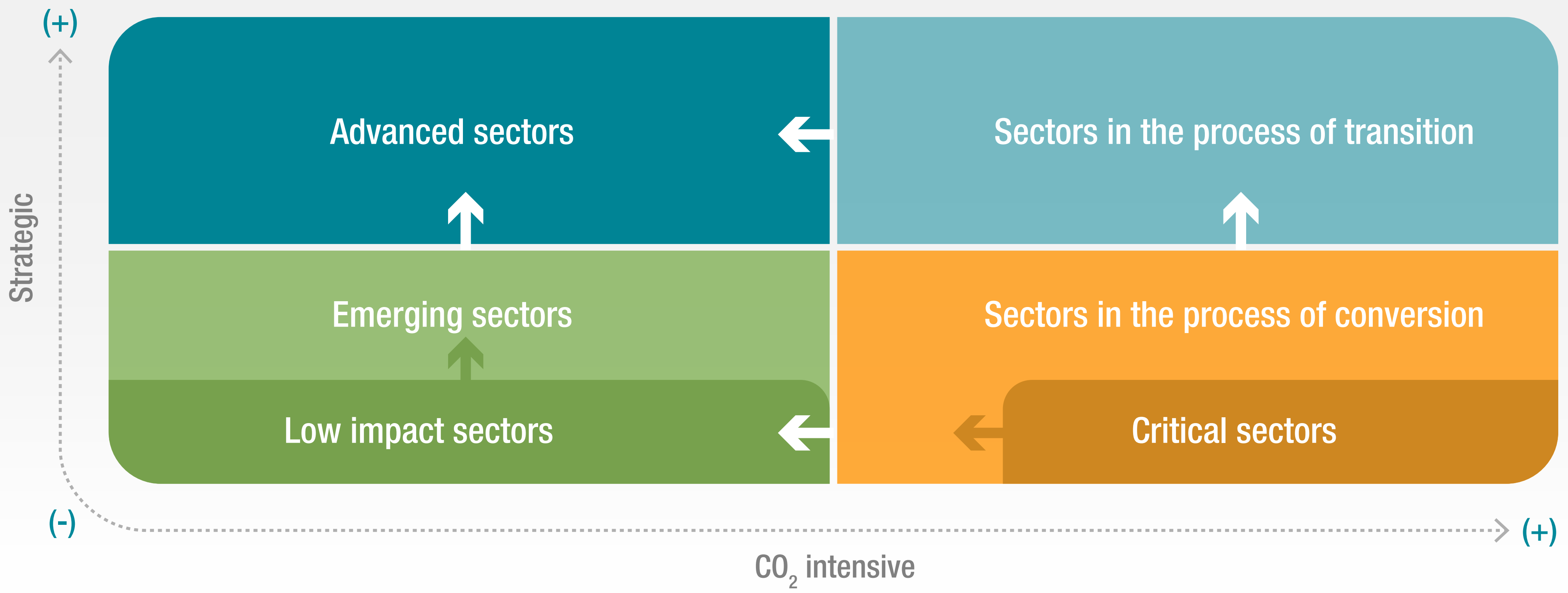
Sectoral Policy

Grupo Cooperativo Cajamar's Sectoral Policy, approved by the BCC Board of Directors in December 2021, aims to foster the segmentation of the investment portfolio, based on two main variables: the strategic relevance of each sector (Y-axis) and its level of carbonisation (X-axis).

The combination of these two variables defines different segmentation areas that require different admission, approval, commercial and control measures and criteria.

This matrix should lay the foundations to implement the Group's strategy for the decarbonisation of its credit portfolio and facilitate the reorientation of investments to more sustainable projects. In this way, the Group aims to reconcile support for its most strategic sectors, accompanying all of its members and customers in the transition and achieving climate neutrality by 2050.

Grupo Cooperativo Cajamar materiality matrix for climate change mitigation and adaptation



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Scope and strategy of the sectors according to the Grupo Cooperativo Cajamar materiality matrix for climate change mitigation and adaptation

	SCOPE	STRATEGY
Advanced sectors	This would include sectors that are strategic to the entity and have low carbon intensity *(weighted average carbon intensity, WACI)*. These sectors can potentially yield a big return for the Group, having reached maturity and sufficient critical mass. Due to their strategic nature, these sectors would contribute to significantly increase the *green asset ratio* (GAR) over total assets.	Support, promote and/or encourage investment in these sectors provided that it represents a significant improvement in the fulfilment of priority environmental and social objectives. Generally speaking, promote investment in these sectors.
Sectors in Transition	This would include sectors that are strategic to the entity and have high carbon intensity *(weighted average carbon intensity, WACI)*. These sectors can potentially yield a big return for the entity, having reached maturity and sufficient critical mass within the entity. However, given their impact on climate change, they require intense support in the ecological transition process and, therefore, specialised treatment with increased Group involvement. Due to their strategic nature, these sectors would contribute to significantly increase the *green asset ratio* (GAR) over total assets. These sectors will experience a great deal of selective tension.	Support, promote and/or encourage investment in these sectors provided that it represents a significant improvement in the fulfilment of priority environmental and social objectives. Support and/or encourage investment in these sectors aimed at conversion and/or diversification, which represent a significant improvement in the fulfilment of priority environmental and social objectives. Generally speaking, support investment in these sectors in which there is no technological or economically viable solution to improve environmental and/or social performance in line with priority environmental and social objectives.
Low Impact Sectors	This would include sectors that are not actually strategic to the entity, but which have low carbon intensity (weighted average carbon intensity, WACI). These sectors would imply little return for the Group, so their low carbon intensity, although positive, has a limited impact on the decarbonisation objectives. However, some (emerging) sectors have strattegic potential for the Group in the medium or long term due to the opportunities they represent.	Support and/or encourage investment in these sectors provided that it represents a significant improvement in the fulfilment of priority environmental and social objectives. Generally speaking, support investment in these sectors.
Critical Sectors	This would include sectors that are not actually strategic to the entity, but which have high carbon intensity *(weighted average carbon, WACI)*. These are sectors to invest in following very selective criteria, focusing solely on companies with high conversion potential. It would not be advisable to turn them into strategic sectors, so their natural evolution should be towards conversion so that companies are more efficient and less carbon dependent.	Support investment in these sectors provided that it represents a significant improvement in the fulfilment of priority environmental and social objectives. Support investment in these sectors aimed at conversion and/or diversification, which represent a significant improvement in the fulfilment of priority environmental and social objectives. Support investment in these sectors in which there is no technological or economically viable solution to improve environmental and/or social performance in line with priority environmental and social objectives. Generally speaking, adopt reactive strategies for these sectors in the context of decarbonisation.

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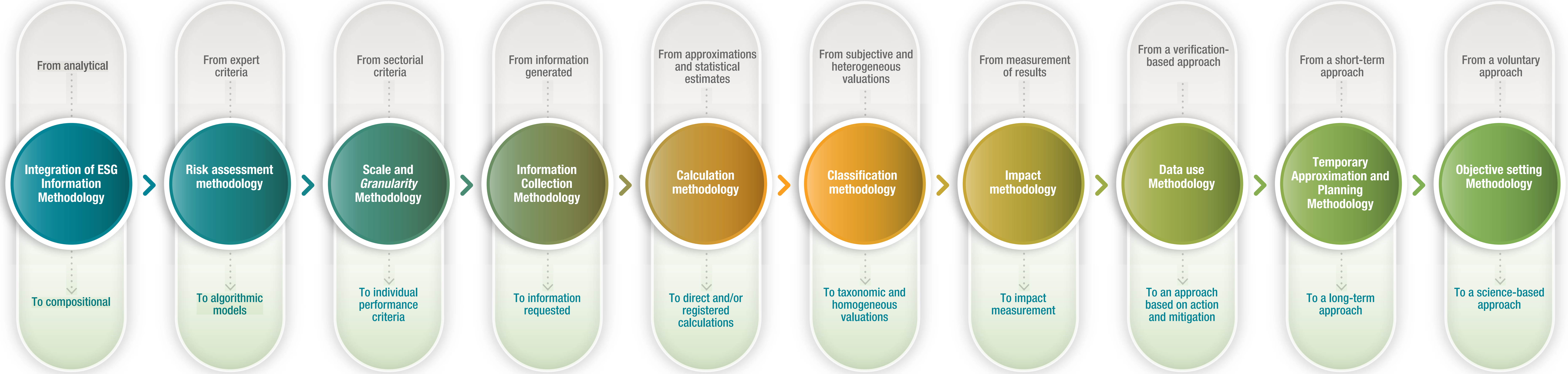
Metrics associated with the ecological transition within Grupo Cajamar

Grupo Cooperativo Cajamar is aware of the importance of the generation of metrics that enable the bases to be laid to identify the transmission channels between variable and financial risks, and variable and non-financial risks. The acquisition of knowledge and experience in this field requires a great deal of analytical effort in terms of materiality and opportunity, which enables banking entities to transition towards increasingly complex knowledge and estimation approaches.

Methodological evolution related to non-financial metrics



From this methodological approach, Grupo Cooperativo Cajamar continues developing and evolving new tools, processes and metrics that enable threats and the potential impact that environmental risks may have on our business environment and on the Group's business model to be assessed.

A convenient way of handling this assessment is through stress tests, which simulate different scenarios in order to measure impact considering a range of perspectives. To do so, the Group has updated its Stress Test Governance Manual and has approved a new climate risk stress test Manual.

Grupo Cooperativo Cajamar is currently carrying out regular stress tests, bearing in mind their impact on different risks, such as credit, liquidity and market risks.

Additionally, the Group has defined diverse metrics of a non-financial nature associated with climate change and other environmental challenges. These metrics will enable risk to be managed in the decarbonisation of the economy and, generally speaking, in the ecological transition. They also serve to understand and break down how the different business lines and sectors that make up the portfolio can be affected. These metrics have been divided into four groups according to their nature and purpose: **Concentration metrics, sectoral impact metrics, physical risk metrics and transition risk metrics.**

Metrics associated with climate change within Grupo Cajamar

CONCENTRATION METRICS

OBJECTIVE: Identify weighting in the sectors of activity that will be most affected by the decarbonisation of the economy

INDICATORS:

- **ECOrating:** The indicator is an analysis tool that measures susceptibility to transition environmental risk associated with the business loans portfolio (includes both transition risks associated with climate change and environmental risks).
- **Carbon use intensity (WACI):** The indicator measures the level of financial exposure of the business loans portfolio in accordance with their intensity in the use of fossil fuels (grenhouse gas emissions per unit of turnover: WACI).
- **Concentration in critical sectors:** The indicator quantifies the concentration level of the business loans portfolio which, due to their economic activity, are considered to be critical in accordance with the Sectoral Policy Framework for climate neutrality, approved by the Group on 28th December 2021 and deployed in the Group's sustainability policy in 2022.
- **Concentration in activities at risk of carbon leakage**: The indicator weights the concentration level in the portfolio of economic activities that determine the sectors and sub-sectors deemed at risk of carbon leakage for the period 2021 to 2030 (COMMISSION DELEGATED DECISION (EU) 2019/708).
- **Concentration in sectors identified by the EU *Taxonomy*:** The concentration indicator with mitigating and adaptation potential according to the EU Taxonomy.

SECTORAL IMPACT AND PORTFOLIO METRICS

OBJECTIVE: Identify the financial exposure of production sectors in accordance with their economic activity and transition efforts in the short, medium and long term.

INDICATORS:

- **Intensity of decarbonisation in the ecological transition:** The indicator identifies the economic effort to be made by companies with existing asset operations to comply with the official sectoral decarbonisation commitments up to 2030.
- **Climate Policy Relevant Sectors (CPRS):** The indicator quantifies the concentration level of the business loans portfolio which, due to their economic activity, are relevant for the climate policy as proposed by S. Battiston et al (2017) and updated in September 2022 using the NGFS Scenarios.
- **Distribution of the portfolio according to environmental criteria:** The indicator expresses the concentration according to the loans portfolio classification defined by the Group based on environmental criteria related to the intensity of emissions[1], their association to at least one physical risk factor[2] and the classification as an activity at risk of carbon leakage[3].

PHYSICAL RISK METRICS

OBJECTIVE: Identify the risk of collateral associated with funding operations to the the physical risks.

INDICATORS:

- **Exposure to physical risks in collateral:** The indicator identifies the exposure to physical risks of collateral associated with the mortgage assets portfolio according to: river flooding, coastal flooding, fire, desertification and seismic activity.

TRANSITION RISK METRICS

OBJECTIVE: Identify the exposure of collateral associated with funding operations identified by their energy efficiency classification.

INDICADOR:

- **Concentration according to the energy efficiency classification of the property:** The indicator identifies concentration level by categories according to the energy efficiency of the assets that act as collateral in the mortgage portfolio.

[1] Classification based on the sectors identified by the INE as intensive in the use of fossil fuels. The intensity level is calculated in the Group, listing the emissions for each unit of gross added value generated.

[2] Classification based on the CNAE according to the TAXONOMY published by the European Union *Technical Expert Group* on Sustainable Finance in June 2019

[3] Classification based on the CNAE according to the Commission Delegated Decision (EU) 2019/708 for the period 2021-2030.

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Monitoring and control of environmental risks

As part of a risk management process, there must be an ongoing monitoring and control phase that is able to monitor existing risks and identify new risks. The designated decision-making bodies must be informed of all this so that they can introduce the necessary corrective measures, the efficiency of which must also be assessed.

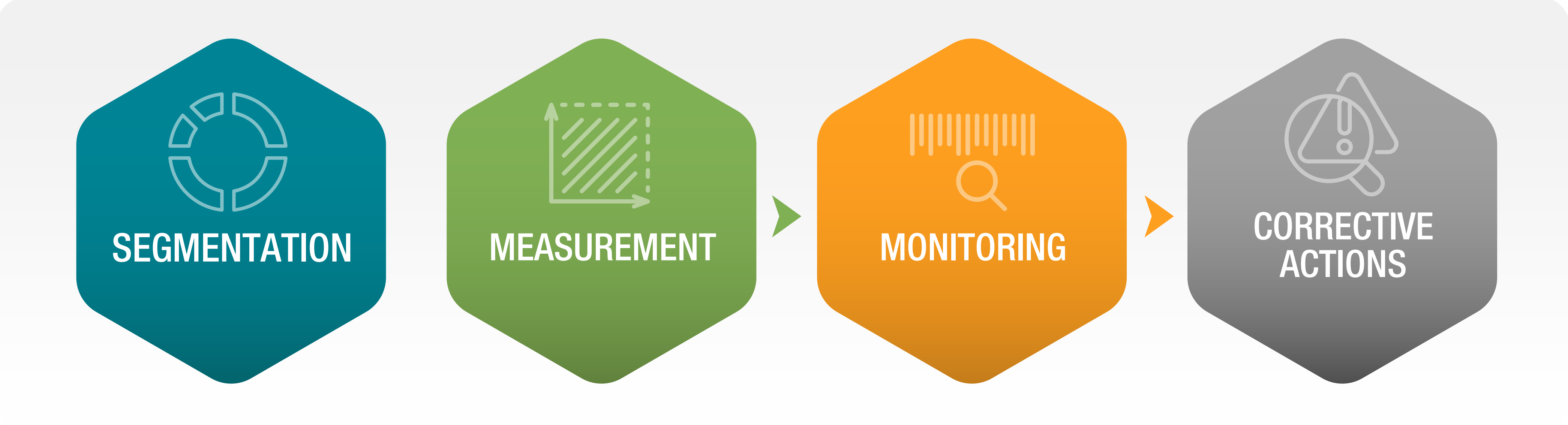
To monitor environmental risk, the Group regularly carries out:

- **A quarterly report from the Control General Division to the Risks Committee, which includes a specific section on exposure to climate change**. This report quantifies the Group's exposure affecting mitigation activities depending on the taxonomy in relation to activities exposed to at least one physical risk factor, carbon intense activities and activities exposed to carbon leakage, whereby the portfolio and new contracts are monitored quarterly. Exposure to these climate risk categories is also analysed through internal portfolios, guarantees and capital consumption.

- **A monthly monitoring report of the risk susceptibility framework is drawn up, presenting** the state of the RAF indicators, and their evolution. This report is raised to the Board of Directors. These indicators include those **related to climate change**, which help Grupo Cooperativo Cajamar define its risk appetite in relation to climate and environmental risks, and may determine and have an impact on its loan concession processes.

- **A Sustainability Scorecard**, monitored half-yearly, to report the main indicators that verify the Group's exposure to ESG risks and exposure of its loans portfolio to the Sustainability Strategy Committee.

Mitigation and corrective actions and policies



In addition to segmenting, measuring and monitoring and controlling the risks faced by any organisation, it must also endeavour to reduce the threats or potential risks to which it is exposed. To do so, it is advisable to design corrective and mitigation actions that form part of an appropriate and capable framework, which aims to reduce the probability of the risk occurring or reduce the impact it may cause.

Bearing in mind this objective, there are different action lines developed by the Group, among which the following can be highlighted:

- The Sustainability Policy defined for a borrower is an instrument designed to facilitate the reorientation of investments to more sustainable projects in order to accelerate the decarbonisation of its portfolio. Its application is the result of the combination of 3 different criteria.

1 - **Sectoral Criteria.** Based on the customer's CNAE and its positioning in the climate change mitigation and adaptation materiality matrix, defined in the sectoral policy, which is based on two main axes: strategic relevance and the carbonisation level.

2 - **Expert Criteria.** Based on the expert assessment of the specific characteristics of each borrower, and it is considered for all operations in excess of three million euros.

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3 - Taxonomic Criteria. Based on the borrower's alignment with the EU Taxonomy. It is a criteria that will be decisive, for which it is expected that the available information will be increasingly frequent.

1 SECTORAL CRITERIA + 2 EXPERT CRITERIA + 3 TAXONOMIC CRITERIA : SUSTAINABILITY POLICY

The Group is currently immersed in the deployment phase of this policy in all of its fields, in which admission, approval, commercial and control criteria will be included.

- An automatic alert has been designed for the new sustainability risks report model, which strengthens the due diligence process in all operations susceptible to having some kind of Undesired Association approved by the Board of Directors. These Undesired Associations act as a prior filter in the approval process and serve to exclude those companies or projects that are considered to be controversial for the ecological transition from those to be funded, in addition to other exclusions of an ethical nature or those associated with undesired financial practices.

- In the field of climate risk strategy and management, the Group is committed to and has embarked on the development of different action lines that enable it to reach carbon neutrality by 2050, hence contributing to the mitigation of climate risks that may affect the Group. In this respect, the Group has adhered to the Science Based Targets initiative (SBTi), and has established decarbonisation objectives under the PCAF methodology, aligned with the Paris Agreement and pending validation by SBTi. The methodology also contemplates monitoring KPIs to ensure their fulfilment. With this intention, the Group will continue working to establish the objectives for the Net-Zero Banking Alliance (NZBA) throughout 2023, aligning decarbonisation objectives for its portfolios that enable this commitment to climate neutrality to be fulfilled.

- Climate and environmental factors have been included in the operational risk sub-categories (accumulated losses, year-on-year variation of new events and self-evaluation comparison). The annual self-evaluation report for operational risk for 2022 incorporates climate and environmental risks. Furthermore, they have been included in the stress scenarios by operational risk sub-types.

- Liquidity and funding stress scenarios assessment report: includes the new ESG stress scenario. These scenarios have a forward-looking vision, with a time line of several months, depending on the tension level of the scenario.

- The evolution of the climate indicators included in the RAF is constantly monitored. If the thresholds established for each one are exceeded, as indicated in the Risk Susceptibility Framework, this situation is reported, along with a report analysing the cause and whether corrective measures should be adopted or not.

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Managing the risk of biodiversity loss

If we say that the banking industry has little direct impact on climate change, we could say the same in relation to biodiversity. However, its activity indirectly impacts through the projects it finances in terms of legal/regulatory, market, physical, or reputational risks. Hence the role played by this sector in the struggle of these two widely exceeded planetary boundaries. The role of banking in this regard is related to two crucial objectives. Firstly, to ensure that climate change and the loss of biodiversity - which are clearly interrelated phenomena - do not lead to a financial crisis, these risk factors must be monitored so that they have a minimal impact on the financial risks that banks are accustomed to monitoring. Secondly, so that banking helps to redirect financial flows towards productive projects that are increasingly greener, decarbonised, and more respectful of biodiversity and ecosystems. The well-managed combination of these objectives would entail turning risks into opportunities, and to do so banks must assess their exposure to priority sectors such as agriculture, luxury goods, energy production, mining or transport.

	Order	Priority from the perspective of biodiversity dependencies	Priority from the perspective of impacts
• Critical sectors for the preservation of biodiversity (1)	1	Agricultural products	Marine ports and services
	2	Clothing, accessories, and luxury items	Agricultural products
	3	Brewers	Airport services
	4	Distillers and winemakers	Exploration and production of oil and gas
	5	Electrical service	Mining
	6	Forest products	Storage and transport
	7	Farmers	Oil and gas drilling
	8	Renewable electricity	Distribution
	9	Textile	
	10	Water service	

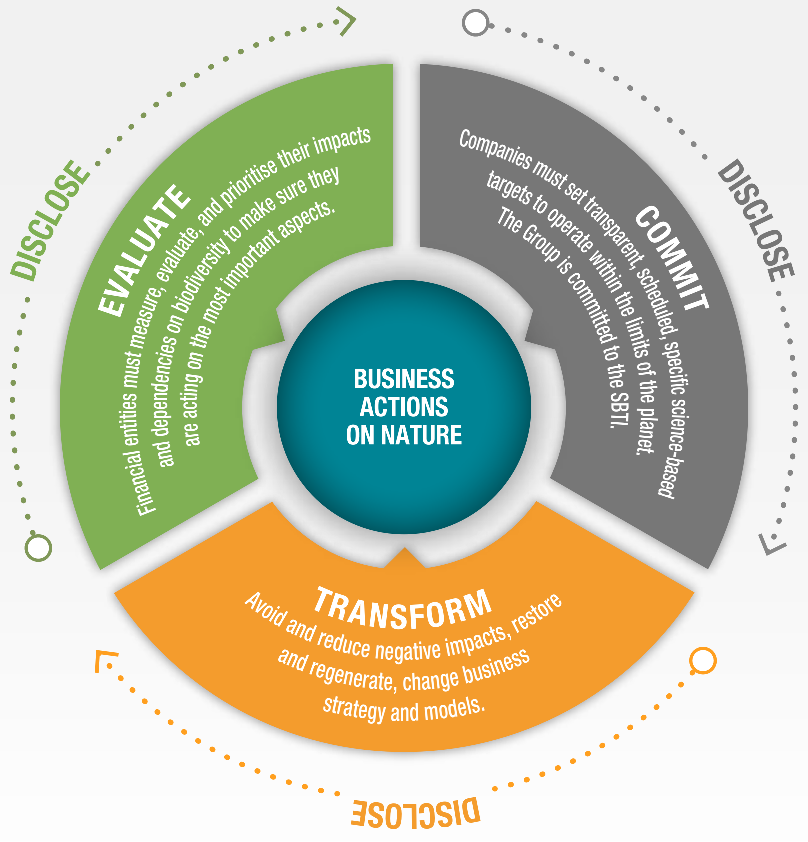
→ 1 UN Environment Programme, UNEP Finance Initiative and Global Canopy 2020. Beyond 'business as usual': Biodiversity targets and finance. Managing biodiversity risks across business sectors. UNEP-WCMC, Cambridge, UK.

Biodiversity is fundamental, directly or indirectly, for each and every economic activity through so-called ecosystem services. Within the sphere of planetary boundaries, which sustain life and our economic system as we know it, biodiversity is one of the limits that have already been exceeded. This loss of natural capital is irreversible, so the preservation of biodiversity has become one of the greatest environmental challenges we face. Around half of the world's GDP is compromised through biodiversity loss, which is one of the main global risks according to the World Economic Forum. The first step in setting targets is to identify priority sectors which face the greatest risks.

In December 2022, the city of Montreal, Canada, hosted the UN Conference on Biological Diversity (COP15), where governments from around the world gathered to agree on a new global framework for biodiversity. Following this meeting, the Kunming-Montreal Agreement has been adopted, defining a common goal to reverse the destruction of nature by 2030. In this agreement, an obligation has been established for large companies and institutions to assess and disclose their risks, impacts and dependencies on biodiversity throughout their operations, value chains, and investment and credit portfolios

In the same vein, the Task Force on Nature-related Financial Disclosures (TNFD), has launched the beta version 3.0 so that the financial and business sector has a common framework to report the risks and opportunities linked to its impacts and dependencies of nature.

In short, financial institutions must adopt strategies in all their areas of action to contribute to the goals of a natural planet by 2030. It is vitally important to integrate biodiversity in all sectors to be able to reverse the loss of natural capital and nature.



→ Source Infográma: High-level business actions on nature. These actions have been developed and supported by Business for Nature, Capitals Coalition, TNFD, SBTN, WBCSD, World Economic, World Economic, WWF and others.

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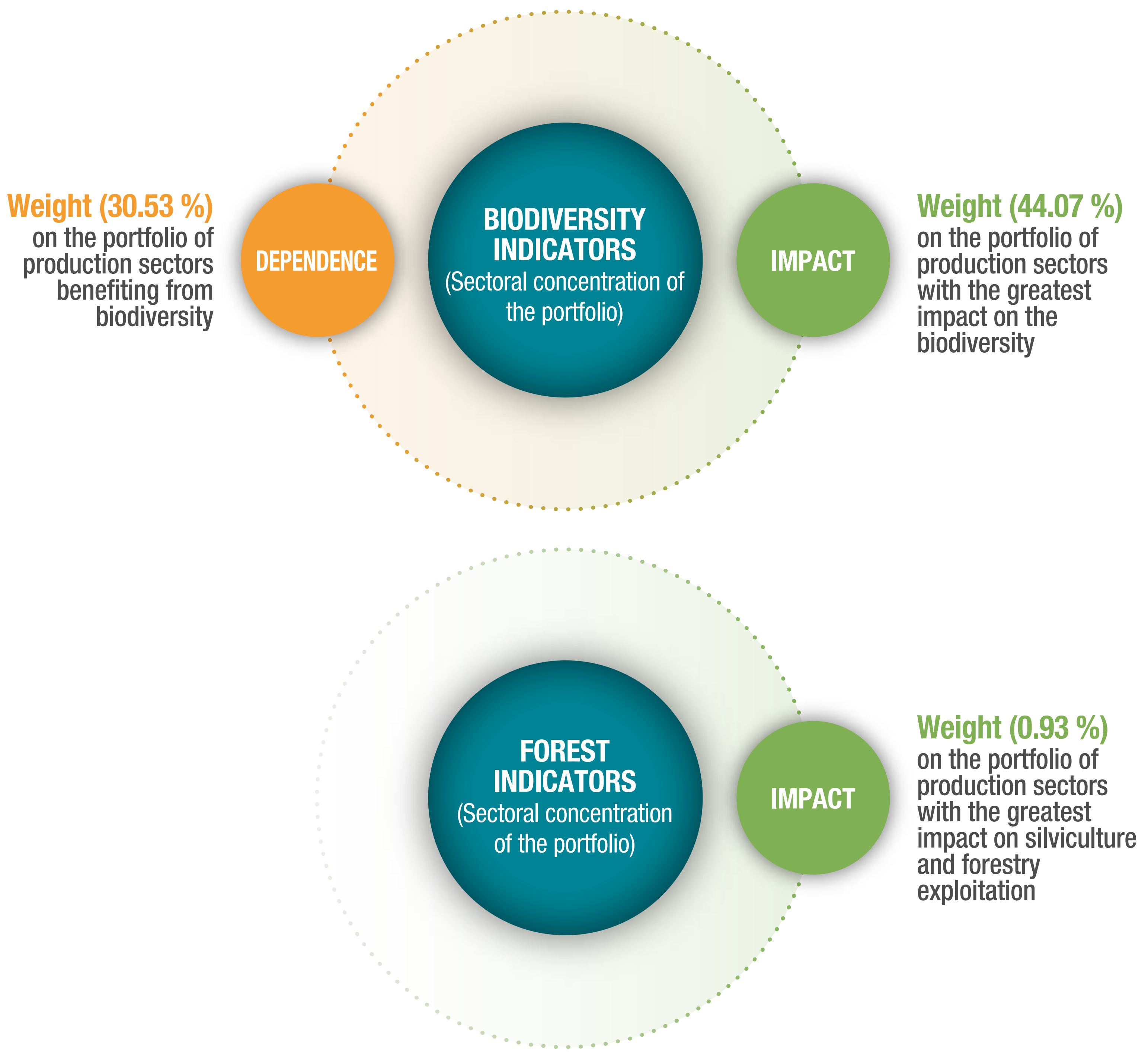
Biodiversity model and metrics

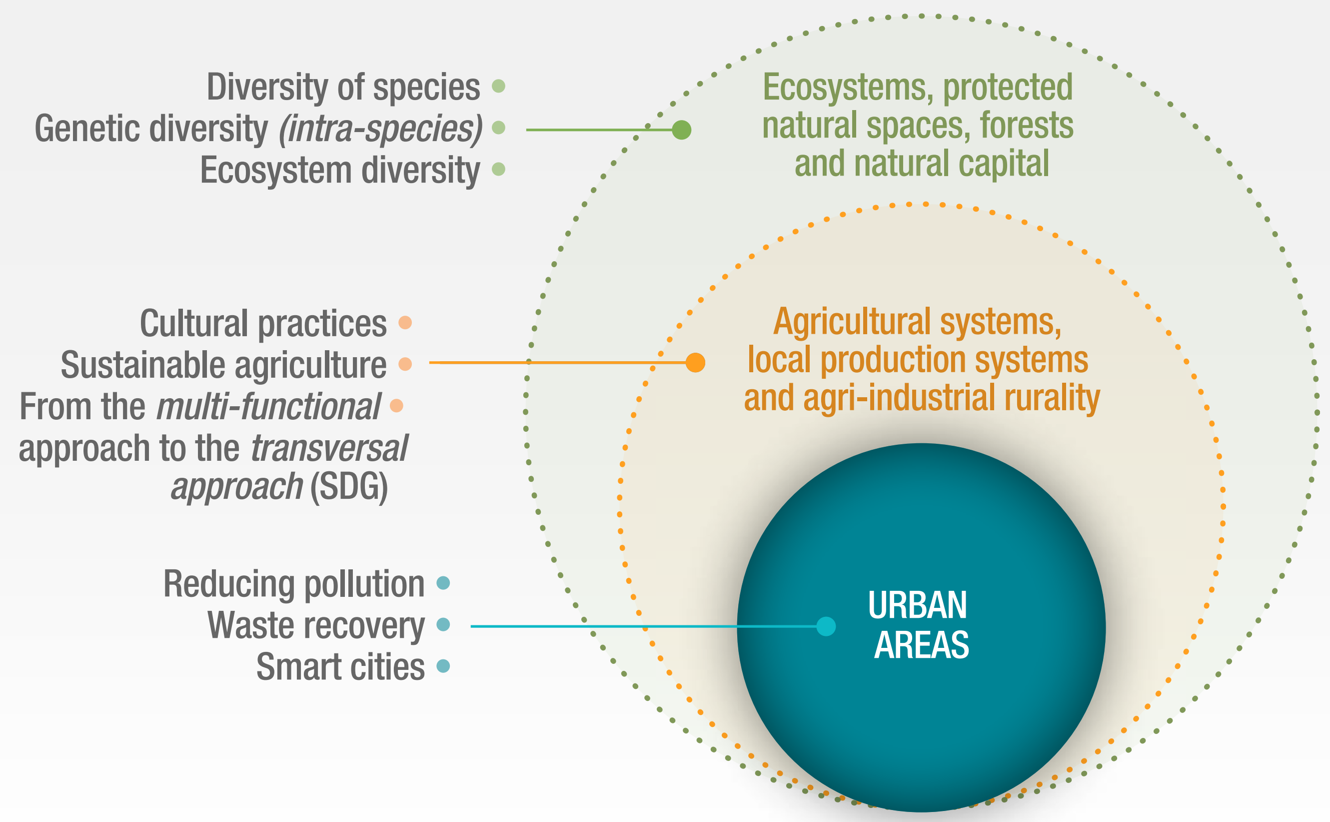
The link between biodiversity and the economic sectors may be established by two channels: by their dependence on it or by the impact on them of its loss. Some economic sector, in particular, are critically linked to the biodiversity through two channels: dependence and impact. A clear example of this is the agricultural sector. Hence, the importance of incorporating good production practices into such critical sectors to avoid the degradation of the ecosystem services and consequently to preserve the natural capital from a strong perspective of the sustainability concept.

The Cooperative Group has started to monitor the main sectors that are most involved in the preservation of the biodiversity, from the perspective of dependence (sectors that benefit from biodiversity in terms of input, products or economic efficiency) and from the perspective of impact (sectors with potential for a higher negative impact on biodiversity).

Metrics associated with biodiversity



Grupo Cooperativo Cajamar biodiversity preservation model



BIODIVERSITY AND SUSTAINABLE AGRICULTURE

The biodiversity is essential for food safety and autonomy, as well as for the healthy nourishment of all citizens. The agricultural systems are among the main beneficiaries of biodiversity, but they may also seriously harm it if they fail to activate their huge potential to contribute towards its protection. Hence, the importance of a governance system that enables the biodiversity approach to be incorporated into agriculture.

GRUPO CAJAMAR BIODIVERSITY MODEL

Ecosystems, protected natural spaces and forests are the main biodiversity reservoirs. Agricultural systems, local production systems and agri-industrial rurality may form a protective buffer against ultra-processed territories due to urban development. Therefore, they are capitals to guarantee the use of the ecosystem services and the preservation of the natural capital in a strong sustainability model (non-replacement of natural capital with other types of capital).

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Strategy

Contextual Analysis

Sustainability as a cross-cutting element in the strategy of the Group's

Sustainable Finance Master Plan

Group's goals for Social Banking and the Responsible

Integration of material issues into strategy

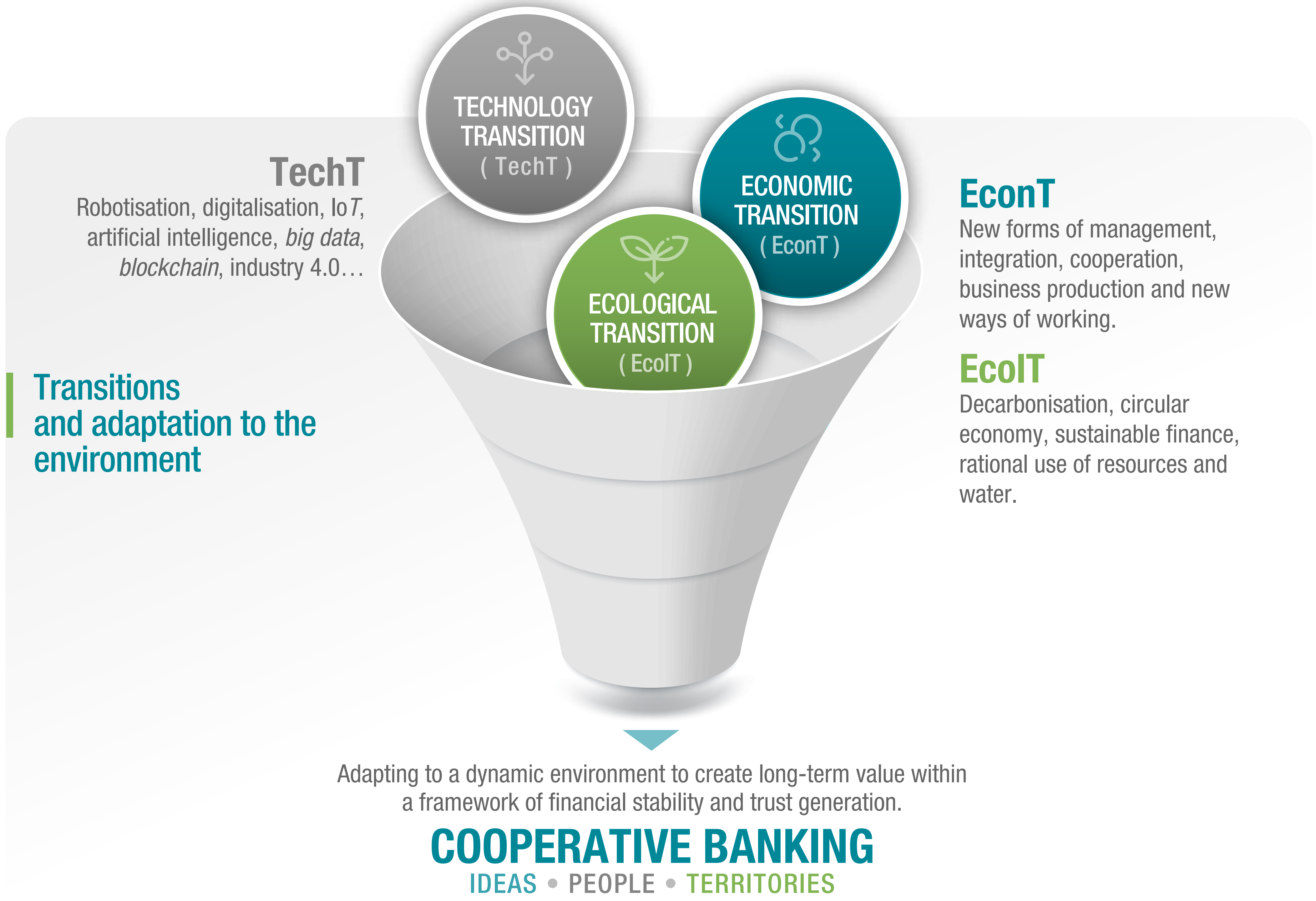
Contextual Analysis

A dynamic and disruptive environment, with new risks and opportunities

The year 2022 has been marked by a widespread increase in uncertainty and the proliferation of new risks in many different areas. The change in monetary policy as a result of inflationary tensions, the energy and commodity crisis, as well as political polarisation at the global level will reconfigure the scenario from which new strategies and new business schemes are defined in the banking industry.

Undoubtedly, all these changes are causes and effects derived from interaction with the three transitional macro-processes in which we are immersed: the economic transition, the technological transition, and the ecological transition. And, in turn, they interact with each other, increasing the sense of dynamism and change in the environment.

In particular, the interaction between the economic transition and the technological transition has manifested in the digital economy; the interaction between the technological transition and the ecological transition has manifested in the *dematerialisation* of productive activity; and finally, the interaction between the economic transition and the ecological transition has manifested through the sustainable economy.



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Macro trends in Grupo Cooperativo Cajamar

		ET	TT	CT
POLITICAL ENVIRONMENT	Geostrategic tensions on a global scale and political polarisation	M	M	H
	End of accommodative monetary policies and withdrawal of stimulus	M	M	M
	Public incentives for economic recovery and sustainability	H	L	H
ECONOMIC ENVIRONMENT	Energy and commodity crisis	H	L	H
	Cost-push inflation and rising interest rates	M	L	H
	Economic slowdown and market fragmentation on a global scale	M	M	H
LEGAL/REGULATORY ENVIRONMENT	Legal/regulatory pressure to accelerate the ecological transition	H	L	H
	Increased transition costs for companies and increased stranded assets in the face of regulatory changes	H	L	H
	Greater demands in terms of social impact	M	L	M
TECHNOLOGY ENVIRONMENT	Robotisation, artificial intelligence, big data, metaverse, blockchain and expansion of algorithmic models	M	H	H
	Greater cybersecurity challenges	L	H	M
	More disruptive technological environments	M	H	M
ECOLOGICAL ENVIRONMENT	Increase in the environmental demands of stakeholders	M	L	H
	Increase in socially responsible and impact investment	M	L	H
	Commitment to the circular economy	H	L	H
SOCIAL ENVIRONMENT	Impact of inflation and rising interest rates on households' ability to pay	M	M	H
	Increasing inequality in the face of changes in the economic context	M	L	M
	Strengthening new ways of working and their impact on housing preferences	M	M	M
SPECIFIC/SECTOR ENVIRONMENT	New scenarios for financial intermediation in the face of rising interest rates	M	L	H
	The decisive role of sustainable finance and its potential impact on cost and capital requirements	H	L	M
	New competitors increasing so-called shadow banking to avoid increased regulatory pressure	M	L	M

ET ECOLOGICAL TRANSITION

TT TECHNOLOGY TRANSITION

CT ECONOMIC TRANSITION

IMPACT: HIGH | MEDIUM | LOW

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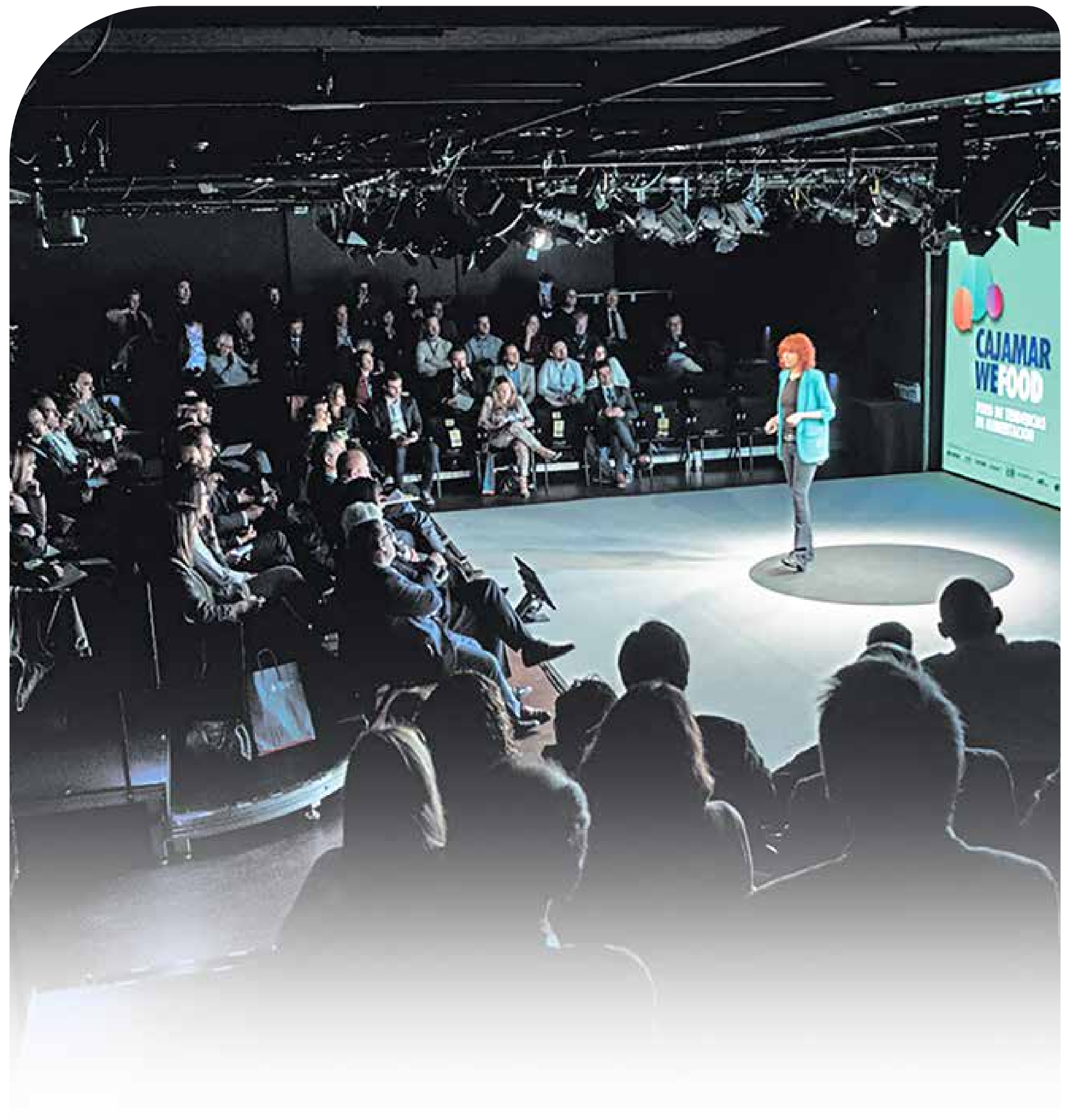
Sustainability as a cross-cutting element in the entity's strategy

For Grupo Cooperativo Cajamar, the strategy serves to define how it is going to get to where it wants to be, in line with its mission, vision and values. To successfully do so, the starting point is the identification of the needs and interests of its stakeholders and a study of the organisation's strengths and weaknesses in order to meet these expectations and the identification of the risks and opportunities that arise from the analysis of the environment.

Based on this analysis, the BCC Board of Directors, as the Group's highest management and supervisory body, is responsible for establishing the strategy, identifying the business model, the capital objectives, the risk appetite and policies and the corporate and legal structure. One of the fundamental elements on which the Grupo Cooperativo Cajamar strategy is designed is sustainability, ever present in a cross-cutting manner, in order to foster the creation of shared value and have a positive impact on those communities where it operates, based on the capacity to generate wealth as a financial entity and the sustainable development principles that it upholds. Throughout this entire process, there is an underlying series of structural options in terms of its ambition and the type of entity it aspires to be.



STRATEGIC PRIORITIES

Increasingly differential business positioning, focused on higher value segments

- Commitment to selective investment in value segments whose potential has been identified.
- Defence and strengthening of leadership in key segments.

Increasingly robust balance sheet and income statement

- Commitment to more stable segments, underweighting medium-high risk segments.
- Development of market-leading capabilities to measure and approve risk.
- Resource allocation for the rapid reduction of irregular assets.
- Specific focus on increasing profitability.

Value-added banking, customer-focused, supporting the growing preference for digital channels

- Maintenance of a relevant presence in operational territories, with branches focused on higher value activities.
- Commitment to the development of remote management and digital channels, teaching customers how to use them.
- Increased agility of the key customer impact processes.

First rate technological capabilities to support business development

- Development of new capacities.
- Commitment to a robust, reliable and modern data infrastructure.

SUSTAINABILITY

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Sustainable Finances Master Plan

For Grupo Cooperativo Cajamar and the rural savings banks that form part of it, sustainability is the backbone of their activity, intrinsically linked to their origins and the vocation with which each of them was set up.

The current climate emergency situation is pushing us to a transition process towards a low-carbon circular economy that entails risks and opportunities for the economy and for financial entities. The European Central Bank (ECB) is confident of the important role that financial institutions can play in this process, and hopes that they will adopt a forward-looking and comprehensive approach to climate and environmental risks. To encourage this, the ECB has drawn up an extensive regulatory repertoire that joins other European and international recommendations that entities should follow.

The Group has always tried to anticipate regulatory requirements, follow best practices and position itself as a reference in the sector thanks to its responsible management and social and environmental commitment.

In this respect, and in order to address the regulatory expectation in this area, the Group has implemented a Master Plan as a roadmap for decarbonisation. Its main objective is to reduce CO_2 emissions to the atmosphere to net zero emissions by 2050 at the latest. The Plan sets out the actions that will enable the Group to help its members and customers in the transition, minimising risks and optimising the opportunities identified, as well as facilitating the integration of its commitment to align its finance portfolio with scenarios compatible with the Paris Agreement into the strategy.

• Bases and structure of the Grupo Cooperativo Cajamar Sustainable Finances Master Plan

ESG Regulatory and Supervisory Framework

- CNMV Good Governance Code
- EBA Action Plan on Sustainable Finance
- EBA Guidelines on Loan Origination
- ECB Supervisory Expectations
- TCFD
- Climate Change Law

ECB - Questionnaire on climate and environmental risks - Implementation Plans

13 expectations:

- Business model
- Business strategy
- Management
- Risk Appetite
- Organisational Structure
- Risk Appetite Framework
- Reporting
- Credit risk
- Operational risk
- Market risk
- Scenario Analysis
- Liquidity Risk
- Disclosure

Grupo Cooperativo Cajamar Approach

Grouping into 5 TCFD Areas

- Governance
- Strategy
- Metrics and Objectives
- Risk Management
- Disclosure

Grupo Cooperativo Cajamar Master Plan Main considerations

> **Roadmap** for the implementation of Sustainable Finances.

> **Holistic perspective,** seeking synergies between the whole of the prevailing regulatory framework.

> More than **30 actions scheduled** grouped into **13 chapters**.

The sustainable finances regulation seeks to generate an impact on the real economy through the financial sysstem via the following bases:

> **Capital Flows:** channelling them towards sustainable objectives.

> **Risk Management:** integrating environmental, social and governance aspects at an organisational level.

> **Disclosure:** facilitating Information and transparency to the market.

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Internal structure of the Grupo Cajamar *Sustainable Finances Master Plan*

AREA	DESCRIPTION	ECB SUPERVISORY EXPECTATIONS
Conceptual Framework: ecological transition, risks and risk factors	Definition of the main concepts to be used in the Master Plan and scope and objectives of the document.	1
Business model and ecological transition	Description of the business model and identification of the main risks and opportunities associated with the ecological transition.	1, 2
Decarbonisation time line	Definition of the main milestones in the decarbonoisation process for the period 2015-2050: 1) ecological transition (2015-2030); 2) consolidation of a low carbon economy (2031-2040); 3) the path to neutrality (2041-2050).	1, 2
Governance in the ecological transition and support for stakeholders	Governance structure associated with the implementation of the Master Plan and strategy to support the main stakeholders in terms of decarbonisation and the ecological transition.	1, 2, 3, 5, 6
Scenario Analysis: baseline and adverse scenario	Determination of the main scenarios related to the fulfilment of the Paris Agreements and the EU strategy. Definition of the baseline and adverse scenarios.	1, 2, 11
Materiality Analysis	Identification of the significant issues in the ecological transition process.	1, 2
Strategic approach and key indicators (KPI)	Definition of the strategy to follow in the ecological transition process.	3, 7, 8, 9, 10, 12
Risk Appetite Framework	Identification of the risk susceptibility framework and appetite.	4, 7, 8, 9, 10, 12
Risk analysis: taxonomy and risk map	Analysis of the main impact of the risks associated with climate change and their implications on the risks managed by the Group in terms of probability and severity.	7, 8, 9, 10, 12
Processes, procedures and documentary architecture	Definition and scope of the processes, procedure and documentary instruments supporting the strategy described in terms of climate risk management.	7, 8, 9, 10, 12
Control model and triple line of defence	Link between the strategy defined in the Master plan and the triple line of defence: 1) operational management, 2) assurance and control functions 3) internal audit.	3, 5, 6, 7, 8, 9, 10, 12
Stress Tests	Definition of the methodological framework for the stress tests in accordance with the different scenarios described.	7, 8, 9, 10, 11, 12
Impact measurement	Measurement of the social and environmental impact and scope of the Group's strategy in the ecological transition.	1,2
Communication and disclosure	Definition of the communication and disclosure policy and strategy associated with the Master Plan.	6,13

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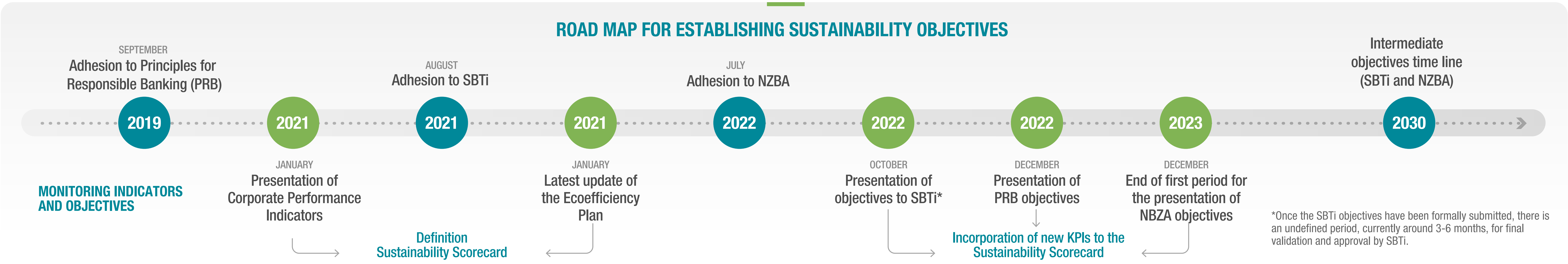
Group objectives for sustainable, social and responsible banking

The Agenda 2030 and the Paris Agreement represent an ambitious plan that seeks to achieve prosperity whilst respecting the planet and its inhabitants. Therefore, it is fully aligned with the vocation and mission of the rural savings banks that form part of Grupo Cooperativo Cajamar.

Among the initiatives in the banking sector to support this proposal, the Principles for Responsible Banking (PRB) have emerged. It is the most important sustainable banking framework, with 285 signatory banks, representing almost 50% of the global banking assets. In 2019, the Group joined as a founding signatory, clearly showing its positioning at the cutting edge of the sector in terms of sustainable finances. The initiative also facilitates tools and methodologies that the adhered entities can use to set objectives in their most significant impact areas and therefore have more potential to contribute to the Agenda 2030. In the case of Grupo Cooperative Cajamar, they are: climate, water, food and financial inclusion.

In recent years, the Group has also been extremely proactive in the climate and environmental fields. It has had an Ecoefficiency Plan since 2015, which contemplates objectives to reduce its operational footprint and energy consumption.

Finally, the Group has reaffirmed its commitment to combat climate change and become a climate neutral entity by 2050. Proof of this can be seen in its joining two of the main and most renowned initiatives in this field. The Science Based Targets initiative *(SBTi)* led by the Global Compact and CDP, among others, and the United Nations Net-Zero Banking Alliance *(NZBA)*. Both initiatives require intermediate objectives to be set (normally taking the time line of 2030), which are coherent with the final objective of achieving climate neutrality by 2050.



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Sustainability objectives for the Group

The Group continues promoting and strengthening its commitment by implementing actions and joining relevant initiatives in terms of sustainability. As an example of its ambition, it has identified four areas of significant impact that enable it to establish the targets aligned with the Sustainable Development Goals, the Paris Agreement objectives and other national, regional and international frameworks.

UN environment programme | finance initiative

Principles for Responsible Banking

As a founding signatory, the Group supports the Principles for Responsible Banking promoted by the United Nations Programme for the Environment financial initiative (UNEP FI), aligning its business model with the Sustainable Development Goals and the Paris Agreement on climate change.

CLIMATE

Group Objective
Reduce net greenhouse gas emissions to zero by 2050.

Detailed Objective
Align the Group's loans and investment portfolio, accompanying partners and customers throughout the transition process towards a low carbon economy.

WATER

Group Objective
Contribute to increasing efficiency in the use of water and reducing consumption for the agri-food sector, in particular, and society, as a whole.

Detailed Objective
Pass on experience and knowledge to ensure its availability in terms of quantity and quality, whereby its use is more efficient, fostering the sustainable development that preserves the planet.

FOOD

Group Objective
Obtain healthier, more sustainable and affordable food for the population.

Detailed Objective
Foster and actively contribute to the sustainable, economic and environmental development of the sector, as a reference and leading entity in the financial sector for the agri-food sector in Spain.

FINANCIAL INCLUSION

Group Objective
Foster financial inclusion by generating a positive impact on the Group's environment and in the communities in which it operates.

Detailed Objective
Elimination of barriers and foster access to a diverse range of adapted, reliable and quality products and services for the different segments of the population.

Areas of impact identified via the "Portfolio impact analysis tool for Banks", offered by UNEP-FI.

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Group's Decarbonisation Objectives

As a result of the areas of impact identified, the Group has worked on establishing intermediate climate objectives that help to continue moving towards climate neutrality by 2050, focusing its efforts on the reduction of emissions derived from its operational footprint and its financing footprint associated with its loans and investment portfolio.

All of this makes the decarbonisation route embarked upon more robust, accompanying its members and customers throughout the transition process to a low carbon economy.

Reduction objectives set out in the Group's Ecoefficiency Plan

	OBJECTIVE	INDICATOR	2023
CARBON FOOTPRINT	Carbon neutral	% emissions reduced	3 %
		% emissions offset[1]	100 %
	Employee travel	% reduction in employee travel using their own vehicles, trains and planes	10 %
		% hybrid vehicles (leased vehicles)[2]	64 %
	Contracting of renewable energy	% renewable energy consumed	100 %
INTERNAL ENERGY CONSUMPTION	Implementation of energy efficiency actions	% reduction of energy consumption	3 %

→ 1 Objective established in relation to the emissions identified and calculated in the Ecoefficiency Plan 2021-2023 (not including emissions from the Group's loans and investment portfolio).

→ 2 Cumulative objective between 2021 and 2023.

Reduction objectives as a result of the Group joining the SBTi initiative

SCIENCE BASED TARGETS

BUSINESS AMBITION FOR 1.5°C

The Group has signed a pledge to the *Science Based Targets* initiative. This initiative enables it to establish ambitious climate targets based on science to reduce greenhouse gas emissions, through which the Group has pledged to reduce its emissions in line with the Paris Agreement and reach net zero emissions by 2050 at the latest.

Scopes	Objectives	
Scope 1 and 2	The Group undertakes to reduce its absolute Scope 1 and 2 GHG emissions by 46.2% by 2030 compared to its baseline and it undertakes to continue using 100% renewable electricity each year until 2030.	
Scope 3	The Group undertakes to achieve SBT in the listed shares and bonds portfolio, fixed assets, mortgages, funding for electricity generation projects and corporate loans by 2030 compared to its baseline.	
Type of Assets	**Objective**	**% portfolio covered by the objective**
Shares and bonds	The Group undertakes that 55% of its portfolio will establish objectives validated by SBTi by 2030.	100%
Mortgages	The Group undertakes to reduce its greenhouse gas emissions per square metre by 50% by 2030.	70%
Funding for electricity generation projects	The Group undertakes to reduce its greenhouse gas emissions by 85% per Kwh by 2030.	100%
Loans for commercial assets	The Group undertakes to reduce its greenhouse gas emissions per square metre by 55% by 2030.	67%
Loans to electricity generation companies	The Group undertakes to reduce its greenhouse gas emissions per KWh by 60% by 2030.	100%
Corporate loans	The Group undertakes to align the temperature of its Scope 1 and 2 portfolio from 3.16ºC of its baseline to 2.40ºC by 2030. The Group undertakes to align the temperature of its Scope 1.2 and 3 portfolio from 3.2ºC of its baseline to 2.56ºC by 2030.	67%

→ Objectives presented in 2022 and pending validation by the Science Based Targets initiative

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Integration of material issues into strategy

Changes		Material issues	Master Plan	Stakeholders	Related capital	Transformational macroprocesses
↑	E.1	Transparency, compliance and control	X, XIII	Shareholders, cooperative members, investors, employees, workers' representatives, customers, suppliers, regulators, analysts, rating agencies, society, media.	Intellectual, financial, human, natural.	
↑	E.2	Strengthen the business model and financial soundness	II, XI	Shareholders, cooperative members, employees, workers' representatives, regulatory bodies.	Intellectual, financial, human, social and relational.	
↑	E.3	Risk control and diversification	V, VII, VIII, XI	Shareholders, cooperative members, employees, customers, regulatory bodies.	Intellectual, financial, industrial.	
↑	E.4	Customer experience and responsible marketing	IV, XII	Cooperative members, customers, regulatory bodies.	Intellectual, financial, industrial, human, social and relational.	
↓	E.5	Cybersecurity and data confidentiality	IX	Cooperative members, customers, regulatory bodies, employees, rating agencies.	Intellectual, financial, human, social and relational.	
↓	E.6	Digital transformation	IX	Cooperative members, customers, regulatory bodies, employees, society.	Intellectual, human, industrial, social and relational.	
↑	E.7	Promoting economic development and social progress	IV	Cooperative members, customers, society.	Intellectual, human, social and relational, financial and industrial.	
↑	S.1	Responsible procurement	II	Suppliers, employees.	Human, industrial.	
↓	S.2	Financial solutions adapted to different life cycles	II, IV	Cooperative members, customers.	Intellectual, social and relational, financial.	
↑	S.3	People management and adaptation to change	IV, IX	Employees, workers' representatives, regulatory bodies.	Intellectual, human, social and relational.	
↑	S.4	Accessibility and Financial Inclusion	IV	Customers, cooperative members, regulatory bodies, partnership, rating agencies.	Human, social and relational, financial.	
↑	S.5	Social, cultural and volunteering action	II, IV	Employees, society.	Human, social and relational, natural.	
↑	S.6	Contribution to the Sustainable Development Goals	II, IV	Society, customers, cooperative members.	Natural, human, social and relational.	
↑	A.1	Commitment to the surrounding	II, IV	Customers, cooperative members, shareholders, investors, society.	Natural, human, intellectual, industrial.	
↑	A.2	Sustainable Finance	I, II, III, IV, VI, XII	Cooperative members, shareholders, investors, society, customers.	Financial, industrial, intellectual, natural.	
↑	A.3	Risks and opportunities arising from climate change	I, V, VII, VIII, XI	Cooperative members, shareholders, rating agencies, regulators, customers.	Natural, industrial, intellectual, human, financial.	
↑	A.4	Knowledge transfer	XIII	Cooperative members, society.	Human, intellectual, industrial, social and relational.	
↓	A.5	Support for innovation and research	XIII, IV	Cooperative members, society.	Human, intellectual, industrial, natural.	

TRANSFORMATIONAL MACROPROCESSES

- Ecological transition
- Technology Transition
- Economic Transition

CHAPTERS OF SUSTAINABLE FINANCE MASTER PLAN

I Conceptual framework: Ecological transition, risks and risk factors
II Business model and ecological transition
III Decarbonisation schedule
IV Governance in the ecological transition and support of stakeholders
V Scenario analysis: baseline and adverse scenarios
VI Strategic approach and key indicators (KPIs)
VII Risk propensity and appetite framework
VIII Risk analysis: taxonomy, materiality analysis, and risk map
IX Processes, procedures and document architecture
X Control model and triple line of defence
XI Strength testing
XII Financing with impact
XIII Communication and disclosure

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Performance

Economic Performance

Transparency, compliance and control

Transparency

Grupo Cooperativo Cajamar implements a whole series of policies that advocate transparency in the performance of its activity. The Ethical Management System (EMS) is the set of ethical-social values, principles, and standards, consistent with each other, which govern the Group's behaviour in each and every one of its fields of action, fostering and strengthening compliance with the legal system, respect for human dignity, and corporate social responsibility. The pillars of the EMS are the thematic areas, or groups of policies, measures and instruments, through which values, principles and standards are transferred to the whole Group.

The whistleblowing channel is the tool that allows Grupo Cooperativo Cajamar to prevent and detect irregular actions, avoid possible criminal liabilities and reputational damage. Through this channel, any person related to the Group can anonymously and confidentially report potentially important financial and accounting irregularities, behaviour, actions or facts that may constitute a breach of both the internal rules of the Group and the external laws and regulations applicable to its activities.

In 2022, the availability of this channel to different users has been expanded, so that now, in addition to employees, any third party can use it confidentially and anonymously. A space has been set up on the websites of Group entities to provide information about the whistleblowing channel.

Normative commitment to stakeholders

forética | Clúster de Transparencia, Buen Gobierno e Integridad

Together other large companies, the Group leads the Transparency, Good Governance, and Integrity Cluster promoted by Forética. The aim is to promote a model of sustainable corporate governance and tackle different issues related to the management of ESG, conveying the main trends in this area and serving as a meeting point where companies can engage in dialogue and exchange knowledge.

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Compliance and control

• Compliance

Grupo Cooperativo Cajamar is a benchmark in the financial sector, promoting respect for best practices in good governance policies, transparency, human rights, and economic, social and environmental sustainability in its fields of action, lines of action that are reflected throughout the Group's activity.

Internally, the Group's Code of Conduct is the code of ethics that regulates the behaviour of employees, agents, executives, and members of governing bodies, including a set of standards, ethical principles and values that must be known and enforced. The Annual Training Plan ensures a commitment to knowing the content of the main regulations associated with good governance practices.

• Control

The Financial Information Internal Control System (FIICS) is the set of processes that respond to needs regarding information transparency, whereby the Board of Directors, the Audit Committee, senior management and staff undertake to provide reasonable assurance regarding the reliability of financial information published for the markets.

The Internal Audit Division is responsible for checking that the FIICS is duly updated and that its processes and controls are executed as established in the different manuals and procedures, as well as verifying that the relevant risks have been identified on the risk map and that controls are in place to mitigate these risks.

Market Abuse >	Every three years	Conflict of interest >	Every three years	Health and Safety in Central Services >	Every three years
Cybersecurity - Information Security >	Annually	LOPD - Data Protection Law >	Every three years	Criminal Risk Prevention >	Every three years
Code of Conduct >	Every three years	Health and Safety in Branch Network >	Every three years	Prevention of Money Laundering and Counter-Terrorist Financing >	Every three years

QUALITY ASSESSMENT

BCC-Grupo Cooperativo Cajamar has obtained the Quality Assessment Certification from Spain's Institute of Auditors, after passing the assessment carried out by this independent body with the highest rating. According to the review performed, its procedures are aligned with international best practices of transparency, sustainability and commitment to good corporate governance. They also reveal a clear intention and commitment to operate in accordance with the fundamental principles for the professional practice of internal auditing.

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Anti-money laundering and counter-terrorist financing (AML-CFT)

Anti-money laundering and counter-terrorist financing (AML-CFT) is a strategic objective for the Group. So, it has an effective, advanced, dynamic money laundering prevention system in place, adaptable to a changing environment and reality. Its staff members are duly informed, trained, and sensitive to this reality. In the same vein, in addition to the applicable regulations, the Group complies with the International Financial Action Task Force (FATF) standards and the *Wolfsberg Principles*.

Measures in place in the Group to fight money laundering and the financing of terrorism

1 AML-CFT policy approved by the Board of Directors.

2 Procedure for analysing and monitoring customers based on their level of risk.

3 Specialised Anti Money Laundering and Counter-Terrorist Financing Committee, which is also aware of all relevant issues in this field.

4 Development and continuous improvement of the IT tool used for the generation and management of alerts, the parameters of which are periodically reviewed, adapting to the risks at any given time. This tool includes mathematical data analysis scenarios and models (predictive, segmentation, and social media).

5 Increasing number of internal and external resources allocated to AML-CFT.

6 Ongoing review and updating of the list of risk jurisdictions.

7 Control plan using samples of customers based on their risk level.

8 AML-CFT declaration from suppliers as part of their approval procedure.

9 Controls for the detection of “persons with public responsibility” and persons and entities included in international sanctions lists and negative news lists.

10 Review of internal control mechanisms on an annual basis by an external expert , and on a regular basis by Group’s Internal Audit.

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Main ESG regulations and challenges

Alignment with ESG regulatory legislation is one of the main regulatory challenges facing Grupo Cooperativo Cajamar in the coming years. In the field of ESG transparency and reporting, the Group will continue aligning its actions with the regulatory recommendations. In 2022, the first climate stress test, the implementation and development of the Disclosure Regulation (SFDR), the Taxonomy Regulation, the MiFID II suitability requirements or the Guidelines on the origination and monitoring of loans have led to some of the Group's most significant actions. In 2023, a more consolidated regulatory framework is expected that will facilitate transparency and equity in the ecological transition, requiring methodological developments to data measurement and control.

ESG regulatory milestones for 2023

- Taxonomy Regulation
- Regulation on the disclosure of information related to sustainability n the financial services sector (SFDR)
- Delegated Acts (OICVM/DGFIA/ MiFID II)
- Suitability (MiFID II and Insurance Distribution Directive)
- Non-Financial Reporting Directive (NFRD)
- Shareholder Rights Directive II (SRD II)
- Corporate Governance (in the development phase)

2023 challenges for Grupo Cooperativo Cajamar

- Development of procedures aimed at establishing due diligence mechanisms to ensure respect for HR with stakeholders.
- Maturity and development of the Non-Financial Reporting Internal Control System, which aims to guarantee data quality and supervision of information.
- Analysis of the new regulations and recommendations in terms of sustainability.
- Analysis of the implications in terms of disclosure derived from the recent approval of the CSRD (Corporate Sustainability Reporting Directive).

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Strengthen the business model and financial soundness

In 2022, Grupo Cooperativo Cajamar continued its structural strengthening to guarantee the fulfilment of its mission in favour of its members, customers, and the surroundings where it operates. The highlights of this past year include the recovery of margins within typical banking business, the reduction of irregular assets and the NPL ratio, the reinforcement of hedges and provisions, and the improvement of solvency. As in previous years, priority was given to improving the quality of the balance sheet in the income statement, allocating part of the income obtained to losses incurred through impairment of assets, specifically 323.3 million euros, after which the Group obtained consolidated profits of 80 million euros, a 27.7% increase in year-on-year terms and in line with the Group's forecasts.

• Significant revenue generation, 1.371 billion euros, 30.3% more than the previous year, thanks to the strong performance of the Interest margin, the results of holdings, and income via ROF

(Figures in thousands of euros)	31/12/2022	Year-on-year	
Results		Abs.	%
Interest margin	702,878	30,464	4,5 %
Gross Margin	1,074,148	(296,588)	(21,6 %)
Operating margin	471,443	(305,047)	(39,3 %)
Earnings before tax	73,224	(4,591)	(5,9 %)
Consolidated earnings for the year	80,001	17,376	27,7 %
Result attributed to the dominant entity	80,001	17,,376	27,7 %
Turnover			
Total assets on the balance sheet	62,314,492	3,801,466	6,5 %
Own funds	3,852,887	258,021	7,2 %
Retail resources on the balance sheet	40,249,522	1,509,157	3,9 %
Off-balance sheet resources	6,445,716	40,873	0,6 %
Healthy Credit Investment	36,542,755	2,269,714	6,6 %

• Maintenance of an ample liquidity margin and placing emissions in the wholesale market

(Figures in thousands of euros)	31/12/2022	Year-on-year	
Liquidity		Abs.	%
LTD (%)	88,07 %	2,36	
LCR (%)	148,82 %	(57,23)	
NSFR (%)	128,50 %	(9,62)	
Business *Gap*	4,910,847	(784,938)	(13,8 %)

• Ample compliance with regulatory requirements regarding solvency and strengthening the capital base

(Figures in thousands of euros)	31/12/2022	Absolute year-on-year
Phased In Solvency		
CET 1 (%)	13,50 %	0,21
Tier 2 (%)	2,41 %	(0,01)
Solvency ratio (%)	15,91 %	0,21
Leverage ratio (%)	5,40 %	(0,07)
Fully loaded solvency		
CET 1 (%)	13,25 %	0,47
Tier 2 (%)	2,41 %	(0,01)
Solvency ratio (%)	15,67 %	0,46
Leverage ratio (%)	5,31 %	0,04

• Improved efficiency through comprehensive control and containment of operating expenses

(Figures in thousands of euros)	31/12/2022	Absolute year-on-year
Profitability and efficiency		
ROA (%)	0,13 %	0,02
RORWA (%)	0,32 %	0,06
ROE (%)	2,17 %	0,37
Efficiency ratio (%)	56,11 %	12,76

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Risk control and diversification

With a retail banking business model closely linked to the territory and based on the principle of prudence contemplated in the Ethical Management System, Grupo Cooperativo Cajamar pursues efficient management and risk control among its fundamental pillars.

The key elements in the success of this management are the diversification of the risk portfolio, its segmentation by sectors of activity, and the continuous implementation of processes and mechanisms that improve the Group's ability to assess and adequately monitor the risks managed.

Main actions developed in 2022 to strengthen global risk control

- Strengthening credit risk controls, especially for the correct identification of restructured credit, accounting classification, hedging, and segmentation.
- Application of new accounting classification models in stage 2 through deterioration of the PD and early warnings (MAT), and in stage 3 through early warnings (MAT).
- Application of the new valuation cut-off model for foreclosed assets and real estate guarantees.
- Reinforcement of real estate risk management, improving quality and complete traceability between the guarantee and the foreclosed property.
- Continuing with the development and improvement of the new reporting project established by the General Control Division through a corporate platform, strengthening governance mechanisms to reduce integrity risks.
- In-depth review of the indicators through which risk propensity is monitored.
- Improvement of model validations, increasing the depth of analysis, reinforcing the associated documentation and automating the processes related to quantitative tests.
- Progress in the actions contemplated in the Sustainable Finance Master Plan, including:
  - incorporation of ESG criteria in the ILAAP
  - in the field of market risk, monthly monitoring of ESG portfolios, and governance control of investment policy with ESG criteria
  - incorporation into the Operational Risk Management Framework of a new subcategory of risks related to climate and environmental risk

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Risk diversification

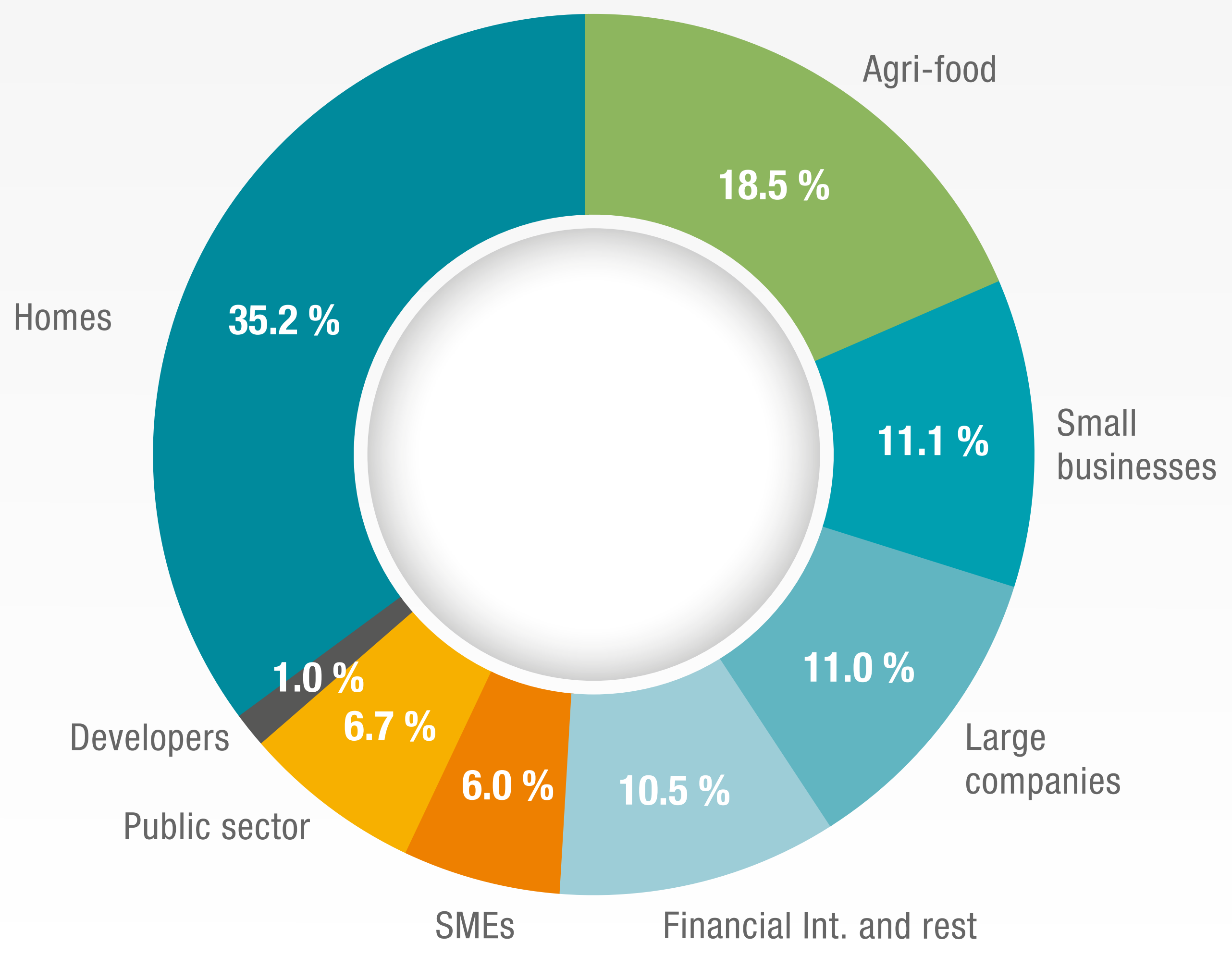
Over the last year, Grupo Cooperativo Cajamar has maintained adequate diversification and distribution of its credit portfolio that contributes to reducing concentration risk. Thus, in 2022, the financing granted to strategic sectors was particularly important, including agri-food, which recorded an increase of 6.1%, and finance granted to companies, which increased by 3.7%. It is also worth noting the diversification of the credit portfolio, in which lending to families accounts for 35.2% of the total, companies 29.1%, and the agri-food sector 18.5%. In this sense, Grupo Cooperativo Cajamar allocated 38.6% of its business lending to the primary sector and its industry, which makes it a leading entity in the sector with a national market share of 15.4%.

Credit investment (Figures in thousands of euros)

	31/12/2022	31/12/2021	Year-on-year Abs.	Year-on-year %
Public administrations	1,876,215	1,441,066	435,149	30.2 %
Other financial corporations	2,051,342	1,337,243	714,099	53.4 %
Non-financial corporations	15,471,439	14,651,498	819,941	5.6 %
Home	17,550,823	17,663,917	(113,094)	(0.6 %)
Loans to retail customers (gross)	**36,949,819**	**35,093,724**	**1.,856,095**	**5.3 %**
Of which:				
Real estate developers	434,042	589,447	(155,405)	(26.4 %)
Loans to healthy retail clients	35,935,940	33,781,800	2,154,140	6.4 %
Credit Investment Doubtful Assets	1,013,879	1,311,924	(298,045)	(22.7 %)
Other loans and credits *	-	-	-	-
Customer fixed income portfolio	**606,815**	**491,241**	**115,574**	**23.5 %**
Gross credit investment	**37,556,634**	**35,584,965**	**1,971,669**	**5.5 %**
Healthy Credit Investment	**36,542,755**	**34,273,041**	**2,269,714**	**6.6 %**
Correction by Customer Credit Risk	(693,663)	(935,165)	241,502	(25.8 %)
Total Credit Investment	**36,862,972**	**34,649,800**	**2,213,172**	**6.4 %**
Off-balance sheet risks				
Contingent Risks	1,100,839	956,517	144,322	15.1 %
of which: doubtful contingent risks	4,959	5,025	(66)	(1.3 %)
Total risks	**38,657,473**	**36,541,482**	**2,115,991**	**5.8 %**
Total doubtful risks	**1,018,838**	**1,316,949**	**(298,111)**	**(22.6 %)**

* Primarily temporary acquisition of assets

Distribution of healthy credit by sectors 2022



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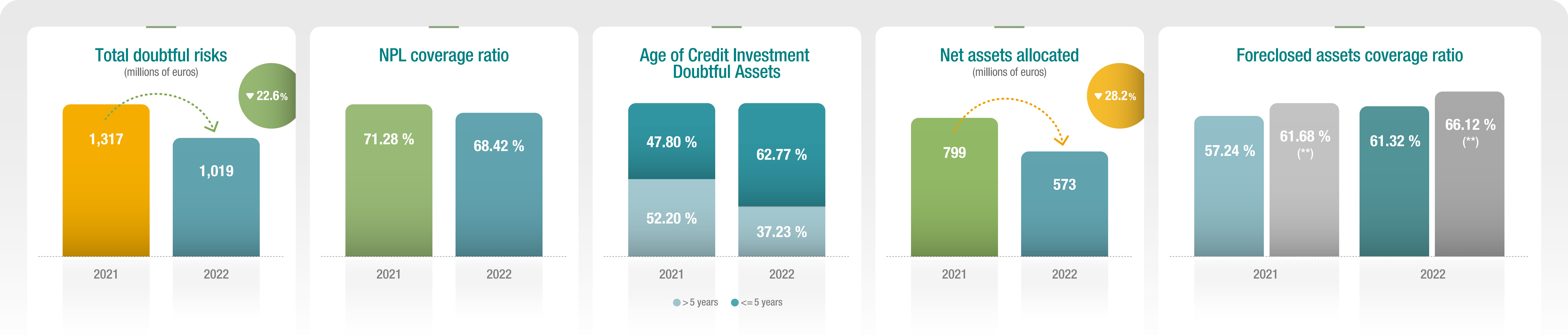
Continuous improvement of the NPL ratio

The NPL ratio fell by almost one point to 2.6%, below the sector average (3.68%)*, maintaining a high level of coverage at 68%.

The portfolio of assets less than 5 years old increased to almost 63%, requiring fewer provisions for credit risk.



Doubtful assets by segments
(year-on-year valuation)

- **-34.1 %** Homes
- **-33.2 %** Families
- **-1.2 %** Companies
- **-60.9 %** Developer
- **-57.5 %** Rest

* Source: Bank of Spain Sector data November 2022
(*) Includes assets removed in the foreclosure process

Outstanding ESG Risk Management

MORNINGSTAR | SUSTAINALYTICS

The Sustainalytics ESG rating agency has ranked Grupo Cooperativo Cajamar in the highest level thanks to its good risk management, based on six impact factors: Among others, it highlights the policies to address bribery, corruption and money laundering within its operations. It also indicates that the Code of Conduct covers the main business ethics risks. It concludes that the Group's management is above average.

Grupo Cooperativo Cajamar

Retail Banking (Spain)

8,4
Insignificant Risk

Insignif.	Low	Medium	High	Severe
5-10	10-20	20-30	30-40	>40

Impact Factors	Score	Insignif. 0-2	Low 2-4	Medium 4-6	High 6-8	Severe >8
Corporate Governance	1					
Data Security and Privacy	2.4					
Business Ethics	1.5					
ESG-Finance Integration	1.5					
Product Governance	1.2					
Human Capital	0.9					

The Agency has defined the robustness of ESG risk management through the analysis of six areas of action in our business: Data Security and Privacy; Business Ethics; ESG-Finance Integration; Product Governance; Corporate Governance and Human Capital

Moody´s ESG Solutions

Similarly, Grupo Cooperativo Cajamar has been rated in the most advanced level in the classification awarded by Moody´s ESG Solutions (formerly Vigeo Eiris).

The agency's report aims to reflect to what extent companies can assure and improve their value creation in the medium and long term through their willingness and capacity to integrate sustainability criteria in their strategy, risk management and operations.

ESG TOTAL SCORE: 62 / 100 — Advanced

Position in the sector	4/96
Position in the region	109/1618
Position in the universe	118/4911

ESG PERFORMANCE (/100)

	Group Performance	Average performance for the sector
Environment	66	40
Social	63	42
Governance	55	43

- From 0 to 29 > **WEAK**
- From 30 to 49 > **LIMITED**
- From 50 to 59 > **ROBUST**
- From 60 to 100 > **ADVANCED**

Both ESG rating agencies confirm the Group's upward trend in the improvement of its ESG risk management and highlight Grupo Cooperativo Cajamar's historic commitment to involve finances in sustainable development. Sustainability plays a key role in the Group's strategic area and its fulfilment is essential in order to maintain the ethical management system and its ties with the social economy.

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Customer Experience and responsible marketing

Commercial Transparency

Grupo Cooperativo Cajamar understands that advertising communication is a key element in the relationship with its members, customers, society in general, and in its marketing model of products and services. It practices responsible commercial communication through:

- The development and implementation of a commercial communications policy that aims to develop the criteria, principles, rules and procedures that the Group pledges to implement within its advertising activity, in accordance with the rules that regulate this matter in the financial field.
- Exercising comprehensive control over the broadcasting, frequency, and suitability of its advertising messages.
- Identifying and offering face-to-face and digital channels to expand and clarify any information.
- Helping to strengthen advertising self-regulation as an essential mechanism for protecting banking clientèle and trust in a cooperative entity.
- Developing its advertising activity in accordance with these principles and standards, which will be considered in a proportionate manner to the complexity of the product or service offered and the characteristics of the media used.

Principles of advertising activity

- **General**: legality, equality, transparency, objectivity and clarity
- **Ethics and internal regulations**: that govern the relationship with customers, business philosophy, and the ethical management system
- **Regulatory framework for action**: governing the development of content and the format of advertising messages for banking products and services

In-House Commandments for Good Practices in Communication

01 We shall not encourage excessive consumerism or irrational indebtedness among customers.

02 The characteristics and attributes of the products and services must be based on real and rational expectations of the target audience, promoting informative market advertising.

03 Based on the current needs of customers and not on the creation of new and unnecessary needs that do not lead to an improvement in their quality of life.

04 We shall not use images, messages or advertising arguments that imply the use of people as objects, as well as those that imply an attack on their dignity.

05 We shall ensure maximum transparency and quality, facilitating maximum knowledge and understanding of the offers.

06 We shall not target people who, due to their characteristics or personal conditions, cannot exercise responsible consumption.

07 We shall not use comparative advertising.

08 Promotional gifts, used for commercial requirements, shall not substantially distort or alter the main offer.

09 We shall promote the use of environmentally friendly materials, media, and channels.

10 We shall ensure that individual actions directed at customers are not intrusive in their daily lives and that any personal offers sent out genuinely suit their true needs and interests.

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Customer Protection

In accordance with Act 44/2002 of 22 November, regarding Reform Measures for the Financial System, Grupo Cooperativo Cajamar has an independent internal Customer Service Department to deal with and resolve complaints and claims that customers might present, related to their interests and rights, pertaining to contracts, the rules of transparency and customer protection, or good financial practices and customs. The competences of this service are defined in The Regulations for Customer Protection, available on the institutional website.

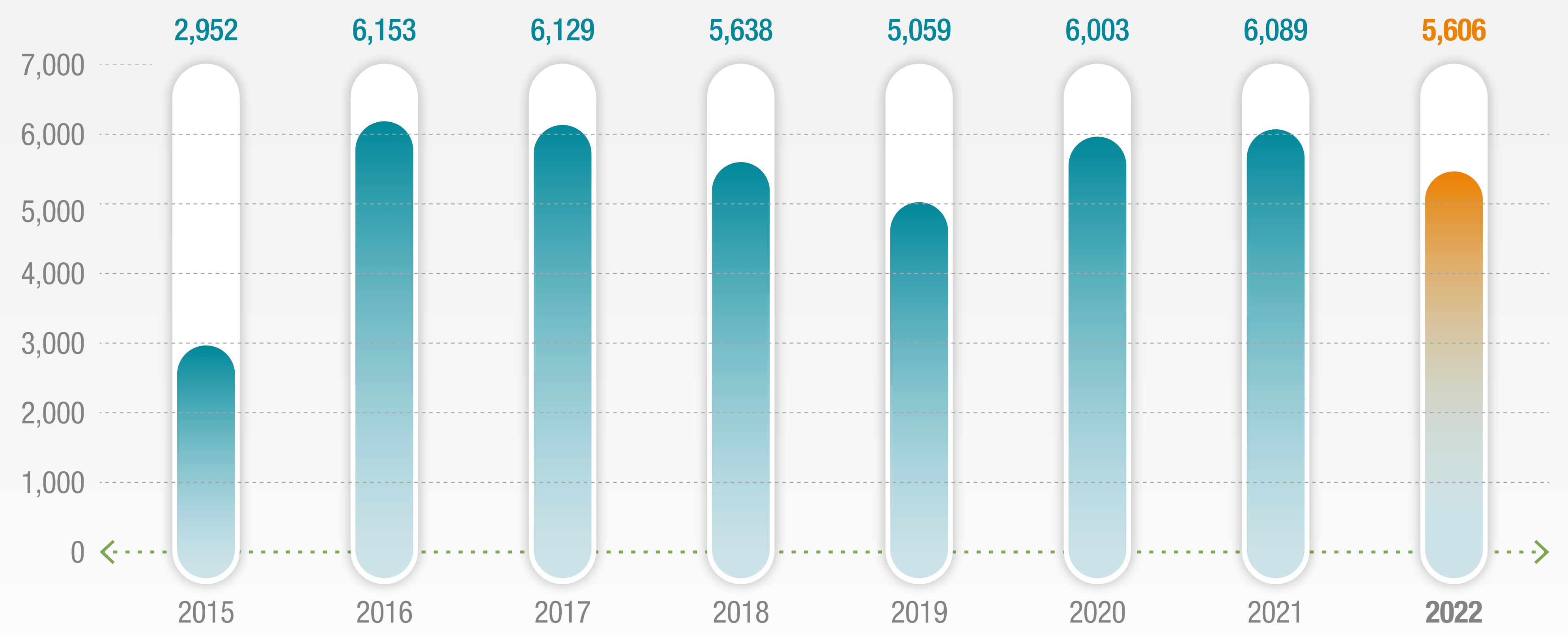
• Complaints received in 2022

5,606
Complaints received
An 8% decrease in the overall number of complaints (5,606 vs. 6,089)

- → **5,410** complaints received by customer service
- → **188** omplaints raised with the Bank of Spain, increased by 4% (188 vs. 180)
- → **8** complaints raised with the CNMV, increased by 167% (8 vs. 3)

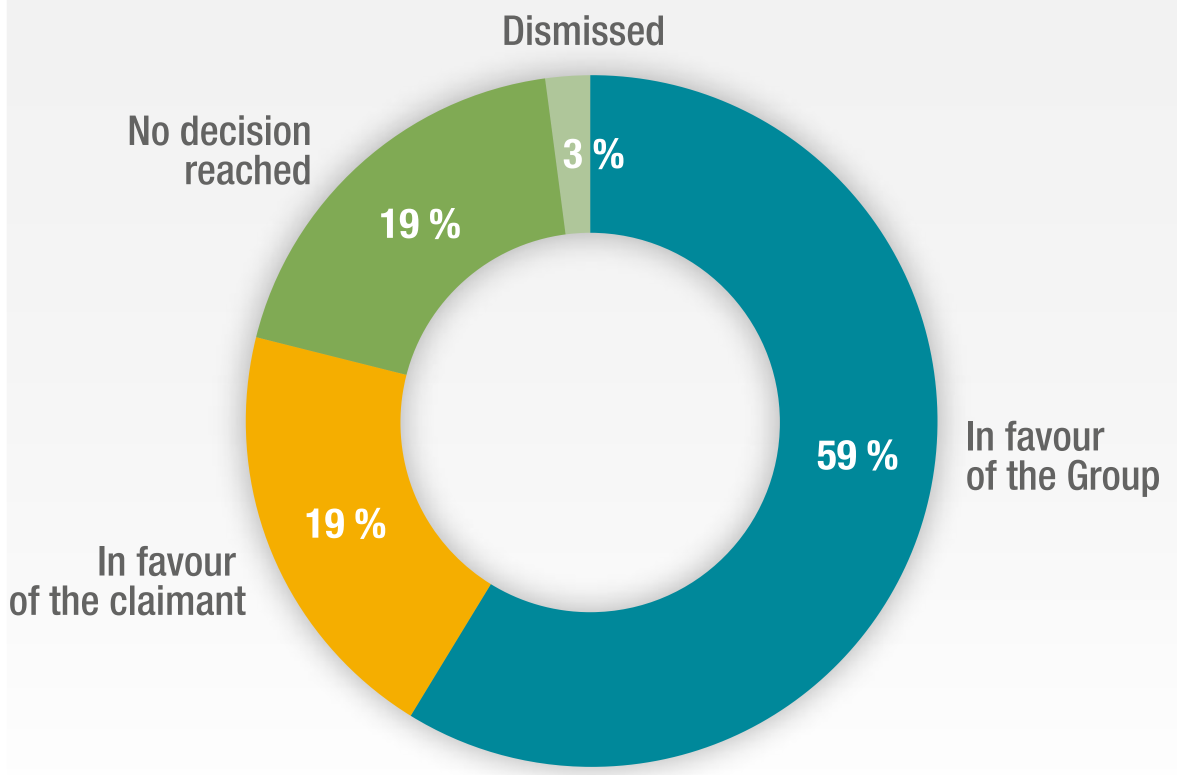
4,755
Declared admissible by Customer Service
(88% of complaints received)

• Complaints submitted 2022*



* As per previous years, statistical information for complaints relating to the charges clause has been not included on account of the volume of complaints made (1,538, including 7 to the Bank of Spain)

• Complaints resolved in 2022



Finally, excluding 21 cases regarding the expenses clause, 2 to the Bank of Spain, the number of outstanding complaints at the end of 2022 was 302, including 77 corresponding to the Complaints Department of the Bank of Spain (73) and the CNMV (4).

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Customer experience and overall satisfaction

Causes of satisfaction level | Overall Satisfaction | Effects of satisfaction level

Grupo Cooperativo Cajamar proposes a way of banking that places people at the centre of its business and makes meeting the needs of its members and customers a fundamental pillar within its corporate culture.

In order to achieve this objective, the Group monitors and tracks the opinions of its customers as well as their level of satisfaction through the *BMK-FIN* report drawn up by Stiga. This report establishes a common benchmarking framework for measuring the satisfaction and experience of universal banking customers in Spain.

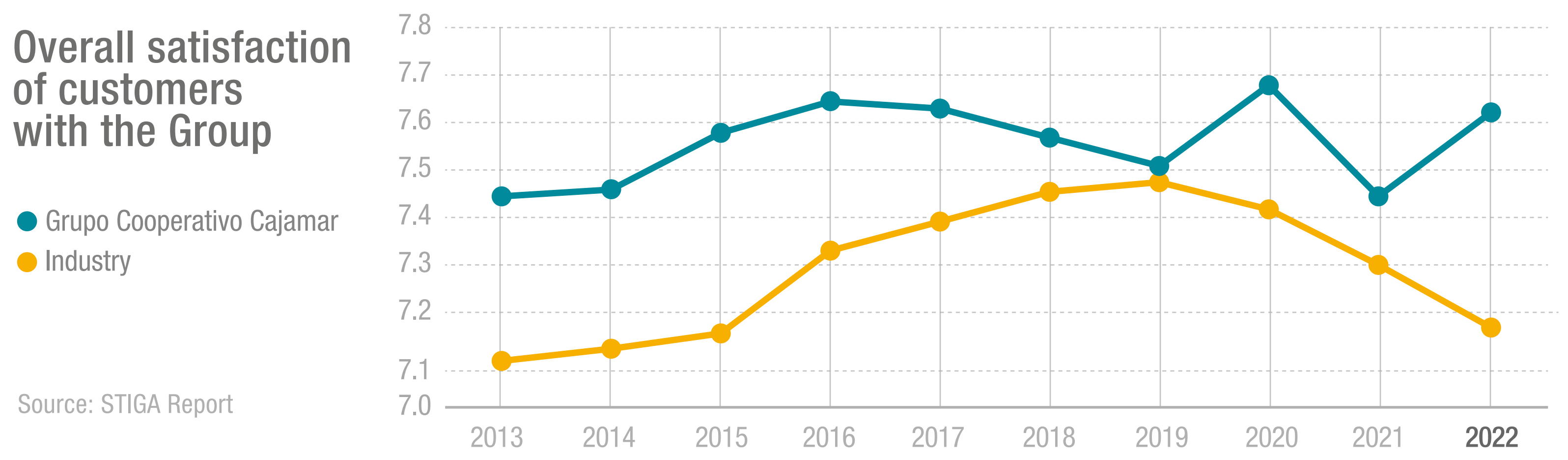
Causes

Causes of satisfaction level	Grupo Cooperativo	Variation Year on year	Sectors
Branch Overall Satisfaction and Usage	8.11	+0.09	7.7
Manager	8.6	+0.30	8.26
Phone Banking	7.91	+0.20	7.75
Internet	8.01	+0.11	7.91
Mobile banking	8.14	+0.11	8
ATM	7.78	+0.02	7.28
Information for customers	7.51	0	7.49
Incidents (Responsiveness and commission)	4.69	-0.47	4.51
Offer and Price: Satisfaction with the range of products, fees and interest applied to assets and liabilities	5.93	+0.08	5.73
Relationship Intangibles: Transparency, trust, and customisation	7.06	+0.07	6.45
Brand Intangibles: Strength and solvency, Modernity and Social commitment	7.57	+0.07	7.22

After 6 years of positive evolution, the sector initiated a negative trend in 2020. Among the causes of the decline in customers' assessment of service quality in the sector are: brand intangibles, relationship intangibles, and a decline in the evaluation of the commercial offer. The overall customer satisfaction rating of Grupo Cooperativo Cajamar has always remained above the industry average.

Customer satisfaction

Overall satisfaction of customers with the Group



Source: STIGA Report

The table shows the rating achieved by the Group vs the average of the sector.

Group: **7.63**
Changes: +0.17

Industry: **7.17**
Evolución: -0.13

Effects

Effects of satisfaction level	Grupo Cooperativo	Sectors
Engagement(1)	71.60 %	72.10 %
Buy again (2)	7.14	6.62
Continuity (3)	7.46	6.89
Recommendation (4)	7.3	6.74

(1) % of customers who consider the entity their main bank
(2) Intention to take out services/products with the entity again
(3) Intention to remain customers the entity
(4) Willingness to recommend the entity

An engaged customer is one who would definitely buy again, remain a customer, and recommend.

Group: **33.8 %** (variation: +4 %)
Industry: **23.5 %** (variation: -1,2 %)

Would definitely buy again + Would definitely remain a customer + Would definitely recommend : Engaged customer

The Group tracks monitoring NPS

	Grupo Cooperativo Cajamar	Sector Average
NPS (*Net Promoter Score*)	13.3 % (10.10 % in 2021)	-3.2 % (0.20 % in 2021)
NPS (% Promoters)	44.2 % (41.5 % in 2021)	34.5 % (35.8 % in 2021)
NPS (% Detractors)	30.8 % (31.4 % in 2021)	37.7 % (35.6 % in 2021)

The Net Promoter Score is an index created on the basis willingness to recommend a service provider, on a scale from 0 to 10.
Based on their responses, customers are classed as Promoters (ratings between 9 and 10) and those classed as Detractors (rating between 0 and 6). NPS= % Promoters - % Detractors. The scale of the indicator is from -100 to +100.

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Cybersecurity and data confidentiality

Corporate Governance

The Group has a cybersecurity and information security policy and strategy in place, in addition to a technology risk management policy, and an operational resilience policy and strategy, approved, reviewed, and updated by the Board of Directors.

The Group also has:

Cybersecurity and Operational Resilience Committee,to spearhead all Cyber Resilience and Information Security Strategic Plan initiatives, which are monitored and reported periodically to the Board of Directors (cyber intelligence report, risk map, and business continuity report). The Director of Cyber Resilience (CISO) is responsible for ensuring that data comply with the established safety standards. In addition, the Regulatory Compliance Manager, as the Group's *Data Protection Officer* (DPO), is responsible for ensuring the privacy of data.

The Data Protection Committee, is responsible for organising, coordinating, ensuring, and overseeing the proper performance of Data Protection Officer (DPO) duties by the departments responsible for each of them.

Regulatory framework

The Cybersecurity and Information Security Policy, Security Regulations, and the Cyber Resilience Strategic Plan are drawn up in reference to the continuous evolution of the technological context, the entity's Business Strategy, as well as the regulatory framework (NIST 800-53, DORA, GDPR, PSD2, EBA).

The Group also has a Data Protection Policy, which outlines how personal data are obtained, processed and protected, so that customers may determine freely and voluntarily whether they wish to provide their personal data and, if they do, they can understand how these data are processed.

Pillars of the Cyber Resilience Strategy

- **Pillar 1** — Strengthen digital operational resilience and ICT risk management
- **Pillar 2** — Cyber Resilience as a facilitator of digital transformation

Updating of protection and forecasting systems

The Group implements a whole series of measures and actions for the prevention of cyberattacks and fraud, which place it at the strongest level in the banking sector.

We work with public and private organisations to foster knowledge sharing and collaboration in cybersecurity, promoting a robust ecosystem.

isms forum spain · DSN · FS-ISAC · incibe INSTITUTO NACIONAL DE CIBERSEGURIDAD · CNPIC

Group security certifications in force in 2022

- CERTIFICACIÓN DE CONFORMIDAD CON EL ens Esquema Nacional de Seguridad — Categoría BÁSICA — RD 311/2022
- PCI Security Standards Council — PCI-DSS standard as MP Service Provider
- PCI Security Standards Council Payment Card Industry (PCI) PIN Security — VISA PIN SECURITY standard
- SWIFT Customer Security Programme (CSP) — CSP (Customer Security Programme) de Swift

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Awareness and training for employees, customers, and suppliers

All employees of the Group are required to know and comply with the Cyber Resilience and Information Security Policy, as well as the associated body of legislation, which is available to all employees. A continuous awareness programme is also in place at all levels of the organisation.

The Group's website has a communication and training channel where it provides customers with warnings and relevant information, as well as an information panel on fraud, security tips, types of fraud, and useful links. In addition, the Grupo has a whistleblowing channel available to its employees.

The Group ensures that service-level agreements and contracts with the supplier (outsourcing provider, group entity, or external supplier) include appropriate and proportional data objectives and measures of cybersecurity, business continuity, and data privacy, to ensure service provision and alignment with the different current regulations and good practice guidelines and possible new future compliance guides such as the new Digital Operational Resilience Act (DORA). In addition, and in line with the Group's commitment to sustainability, the entity is incorporating ESG criteria into its supplier validation strategy.

The Group delivers mandatory training in Cyber Security, which provides awareness, good practices and advice to branch and central services staff, technology and operations personnel, management, governing bodies, and the Board.

Grupo Cooperativo Cajamar has a highly qualified team based in a multi-location environment

24 hours / 7 days
Internal SOC *(Security Operation Centre)*

+21 % vs. 2021
Increased staff cybersecurity/cyber Resilience

During 2022, progress was made in initiatives to improve cybersecurity in the Group

+25
Employee *phishing* campaigns

73 %
Users with 0-clicks in phishing drills (+13 % compared to 2021)

Updating of protection and forecasting systems

Cybersecurity attacks and defence technologies are continuing to evolve rapidly. The Group regularly develops its defences to address current and emerging threats, and strengthens its efforts and capacities in prevention and monitoring.

The Group is making improvements to its business continuity and technology plans and, in general, crisis management plans, which coordinate with recovery and resolution plans, also covering emerging risks and factors (ESG).

In 2022, the Group was rated in the highest category in terms of cybersecurity, according to the prestigious *agency BitSight*.

Average 2022 (*December 2022*)		
BCC GRUPO CAJAMAR	810	*ADVANCED* 740-900
Figures for Spanish Financial Institutions Data	736	*INTERMEDIATE* 640-740
		BASIC 250-640

207-2
FS1
FS14

Digital Transformation

Change management within Grupo Cooperativo Cajamar is based on three pillars: financial inclusion, value creation, and digital transformation. The current digital context we are facing and the accelerated changes occurring in this area are also having a presence among consumers, stakeholders, customers, and our employees.

One of the main pillars of the Group's strategic plan is the process of digital transformation, integrating digital technology in all areas of the Group, adopting innovative techniques in its strategy. It also incorporates leaders who advocate this change in the Group as an essential way to overcome challenges since there are many opportunities and threats posed by these new scenarios, where digital skills are becoming core requirement in all organisations.

The Group's philosophy is based on constant improvement, approaching this process from three key areas: people, information, and digital communication. That is why the Group aligns employee goals with the strategic goals of the company creating so-called agents of change, proactive and motivated people capable of leading the Group into the future.

It has also been a year in which the *Switch On/Off Training Sessions* have become very important. The last sessions held included a sign language interpreter. Another major milestone is the roll-out of 5G. Thanks to this new technology, which connects remote and rural places, the group has promoted communication with another target audience focusing on older people, through 60.0 talks, which help older people access the Group's channels, disseminating digital and financial knowledge to this group.

SalesNavigator users

Network of employees who engage customers and create new sales opportunities online through the professional social network LinkedIn-Salesnavigator.

This has allowed the Group not only to create new business opportunities through digital channels, but also to reduce our carbon footprint in terms of travel as well as overcome the limits imposed on us by the physical distance between customers who could not be reached using traditional sales methods, and make the working time of users with a *Salesnavigator* license more efficient.

100
Licenses for the tool *Salesnavigator*

17
New customers

3
Talks given to users of the tool

19
New users with ongoing mentoring provided for all of them

TRANSFORMACIÓN DIGITAL
#CULTURA.DIGITAL

Corporate Ambassadors

They are in charge of implementing all the necessary actions to advance towards digitalisation. They must convey positive sensations to the rest of the team, awakening interest in the use of technologies. The annual meeting of the Group's corporate ambassadors was an opportunity to learn about technological and digital trends.

The chosen setting for this meeting was the Cajamar Experimental Station in Las Palmerillas, with various actions related to sustainability, talks and debates on climate change and finding out first hand about the major technologies used in the agricultural sector by visiting the experimental station's greenhouses.

INTERNAL COLLABORATIVE NETWORK
Composed of 93 employees from central services, the branch network, holdings, and other Group entities

3
Pilot projects on new features and digital services of the Entity

8
We.Are sessions plus **1** face-to-face event with more than 30 digital and corporate themes

10
Dissemination challenges and **5** 60.0 talks to associations of retirees

FS14

Lines of Action

Digital events

SENIOR MANAGEMENT TALKS	A meeting place for the Group's senior executives and corporate ambassadors to reflect, debate, and ponder the Group's corporate culture.
WE.ARE MEETINGS	Space to deal with digital, sustainable, and corporate themes incorporating leisure spaces such as the opening and closing of the corporate ambassadors programme.
MONTHLY WE.ARE	A space to provide quality training on digital, sustainable, and corporate issues that enrich the vision of the corporate ambassador regarding corporate culture and the digital age in which society is immersed.
PÍLDORAS switch onoff	Address issues related to new technologies and the current digitalisation process to know the impact they have on society and find answers to the questions we ask ourselves every day.
JÓVEN:ES	Discuss, debate and visualise issues that interest young people and have an impact on society and the new digital age.
switch onoff	Invite reflection on the social, economic, and cultural changes brought about by new technologies in the Group's customers and in society in general.
Charla 60.0	Enable older people to access the Group's channels and disseminate digital and financial knowledge.

Figures:

9 Switch OnOff Training sessions
Metaverse, smart cities, blockchain, cybersecurity and service robots.

5 60.0 talks
Digitalisation of banking: Connected and relating.

3 JÓVEN:ES, Ready, set, go!
First gatherings to deal with issues that generate repercussion and interest among young people.

8 Digital Things
Business data, customer communication, open banking, web browsing, products, commitment 65.0.

1 Switch OnOff: 5G
A technological revolution?

Digital Financial Observatory

Created with the aim of improving the digital competitiveness of the Group's digital services and channels through the technique of Benchmarking.

Know, analyse, inspire, anticipate, position and… **IMPROVE.**

Figures:

- **4** Analytical reports
- **7** Periodic reports
- **5** Working documents
- **9** Technical reports
- **8** Digital showcases

Digital School

A school composed of three levels of learning (basic, intermediate, and advanced), established for the purpose of improving the transversal competencies of employees by equipping them with knowledge and new ways to connect, collaborate, and communicate through the use of new technologies. In addition to developing new digital skills, using collaborative tools, promoting new ways of working and achieving cultural change for digital training within the Group.

Figures:

- **1,436 employees** certified in the Digital School
- **15 recertification** Courses of the Digital School
- **14 modules** Within the School's basic level
- **10 modules** Within the School's intermediate level

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Promoting economic development and social progress

Grupo Cooperativo Cajamar creates great economic value within Spain by supporting the country's national economy in general and local economies in particular, accompanying its partners and customers in their economic development and encouraging social progress in the territories where it operates.

To calculate the positive effect generated by the Group within its operational territory, its major outputs and expenditures have been taken into account (wages, purchases from suppliers, cooperative returns, and payment of the most significant taxes).

CALCULATION MODEL FOR EC1 INDICATOR IN THE FINANCIAL SECTOR

[1] Calculated according to the GRI calculation protocol for EC1

[2] Approximation in line with payments made to third parties by way of purchases and services rendered, once taxes have been eliminated.

Calculation of the economic value generated, distributed and retained[1]

Economic value generated	
Gross Margin	1,074,148
Result of disposal of assets Gains/Losses Non-current	(31,143)
assets	(9,472)
Total Economic value generated	**1,033,532**
Economic value distributed	
Employees: Staff costs	349,123
Suppliers: General administration expenses	182,713
Public administrations: Corporate taxes	(6,777)
Cooperative members: Interest on contributions to capital	11,953
Community (excluding foundations)	13,448
Total economic value distributed	**550,461**
Total economic value distributed	
Commitment to society (Foundations)	6,741
Total economic value distributed	**557,201**
Economic value retained (EVG-EVD)	**476,331**

Calculation of Economic Added Value (EVA)[1] Break-down by stakeholder

Shareholders (if applicable)	
Interest on capital contributions	11,953
Employees	
Employees	349,123
Customers	
Interest and related charges[2]	141,899
Suppliers:	
Other general administration expenses[3]	182,713
Society	
Tax on profits	(6,777)
Resources assigned by the Group	-
Resources allocated by Foundations	6,741
Total Economic Value Added (EVA)	**685,651**

Figures in thousands of euros.

[1] Calculated following the GRI SPI model

[2] Interests and similar charges on financial activity. Does not include fees and commissions.

[3] Approximation in line with payments made to third parties by way of purchases and services rendered.

Scope: Grupo Cajamar and its foundations.

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Impact generated by Grupo Cooperativo Cajamar's activity

Based on the expenditure generated by the Group and considering the multiplier effect of monetary flows in the economy, the Group's impact can be estimated. Specifically, the impacts on production (turnover), income (value added) and employment have been calculated, using the input-output methodology and the last input-output* table for Spain published by the National Statistics Institute (INE).

• The Group's activity has a positive impact on the rest of the economy

183 M/€
Purchases from suppliers

361 M/€
Employee expenses
and interest paid to cooperative members

-6.8 M/€
Taxes

20 M/€
Community and Foundations

ECONOMIC IMPACT ON THE ECONOMY AS A WHOLE

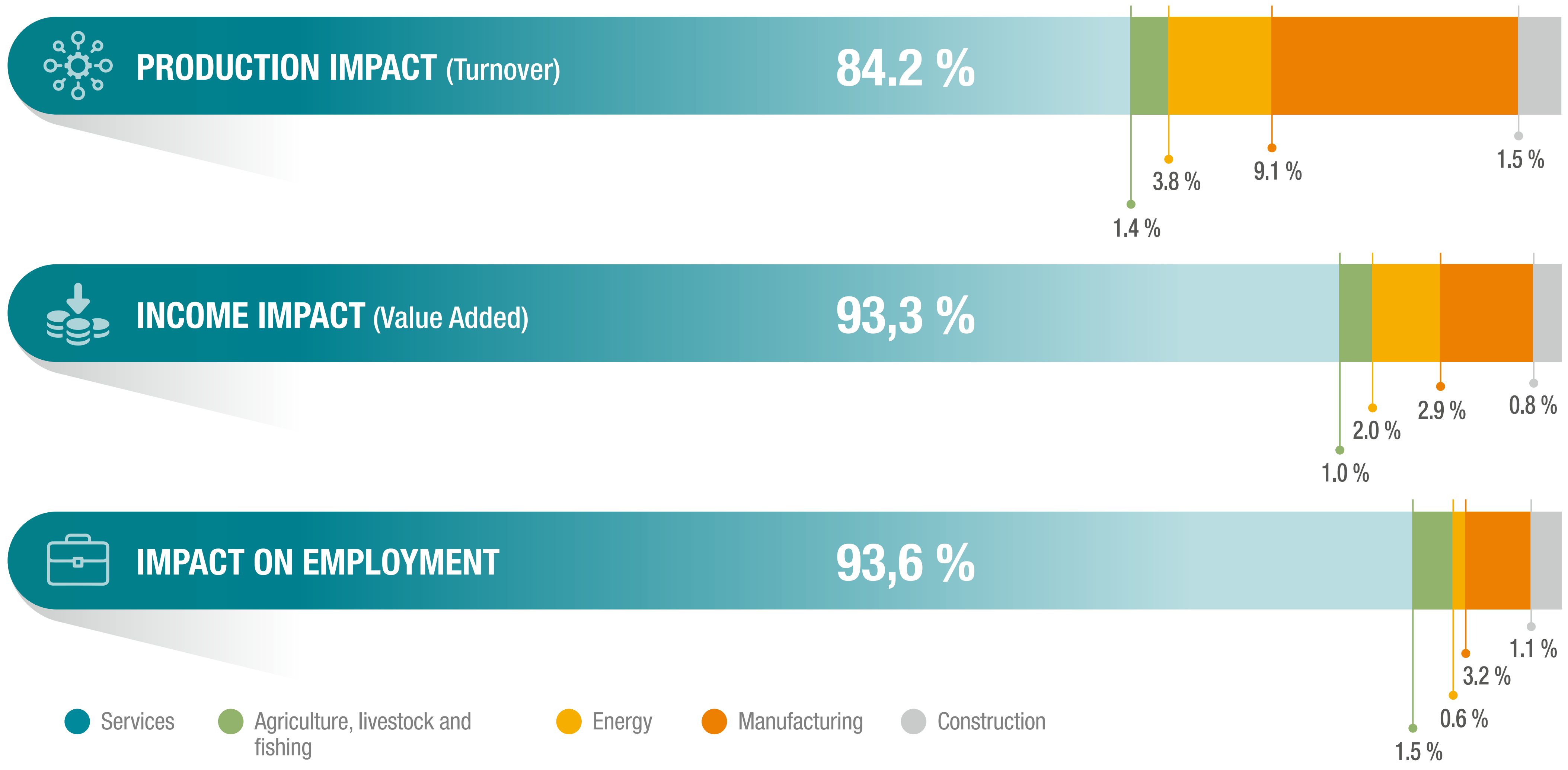
1,637 M/€
PRODUCTION IMPACT
(turnover)
1,040 M/€ – Indirect and induced **impact**
597 M/€ – Direct **impact**

873 M/€
INCOME IMPACT
(value added)
0.07 % of Spanish GDP
444 M/€ – Indirect and induced **impact**
429 M/€ – Direct **impact**

11,965
IMPACT ON EMPLOYMENT
Full-time equivalent 0.07 %
of Spanish employment
5,736 – **Jobs** Indirect and induced
6,229 – Direct **jobs**

* The input-output table lists the productive structure of an economy and quantifies the input requirements that a sector demands from all sectors to satisfy its production.

• Distribution of impacts by activity sectors



Impact of finance allocated by Grupo Cooperativo Cajamar

The loans granted by the Group to companies and households in 2022 also generated an impact on the Spanish economy through the investments and consumption they finance.

Productive finance to companies 8,056 M/€
(2.25% of the total finance granted in Spain in 2022)

21,819 M/€	9,128 M/€	153,813
PRODUCTION IMPACT (turnover)	INCOME IMPACT (value added)	IMPACT ON EMPLOYMENT (jobs)

Finance to households 2,014 M/€
(1.80% of the total finance granted in Spain in 2022)

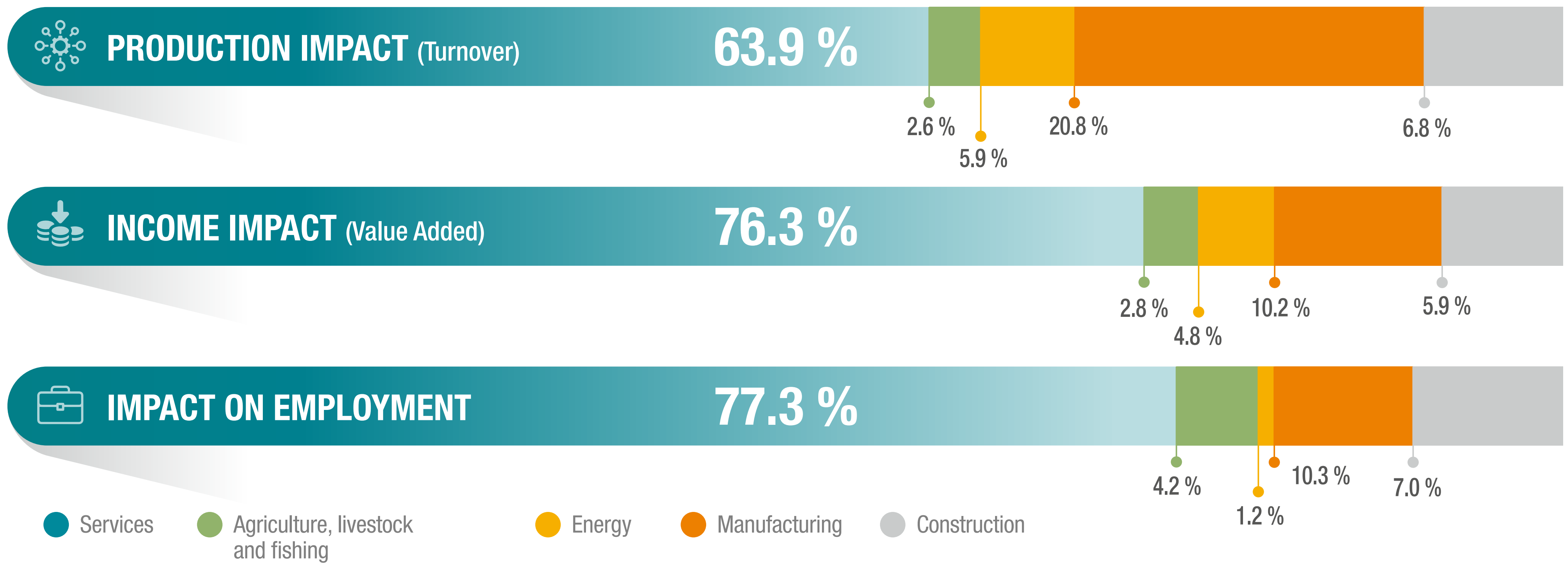
1,569 M/€ RESIDENTIAL PROPERTIES			444 M/€ CONSUMPTION AND OTHER PURPOSES		
737 M/€	321 M/€	5,360	1,164 M/€	498 M/€	8,357
PRODUCTION IMPACT (turnover)	INCOME IMPACT (value added)	IMPACT ON EMPLOYMENT (jobs)	PRODUCTION IMPACT (turnover)	INCOME IMPACT (value added)	IMPACT ON EMPLOYMENT (jobs)

• Distribution of impacts

BY TYPE

PRODUCTION IMPACT (turnover)		INCOME IMPACT (value added)		IMPACT ON EMPLOYMENT	
15,781 M/€	8,002 M/€	6,217 M/€	3,730 M/€	140,633	26,896
Indirect and induced impact	Indirect impact	Indirect and induced impact	Indirect impact	Jobs Indirect and induced	Direct jobs

BY SECTOR OF ACTIVITY



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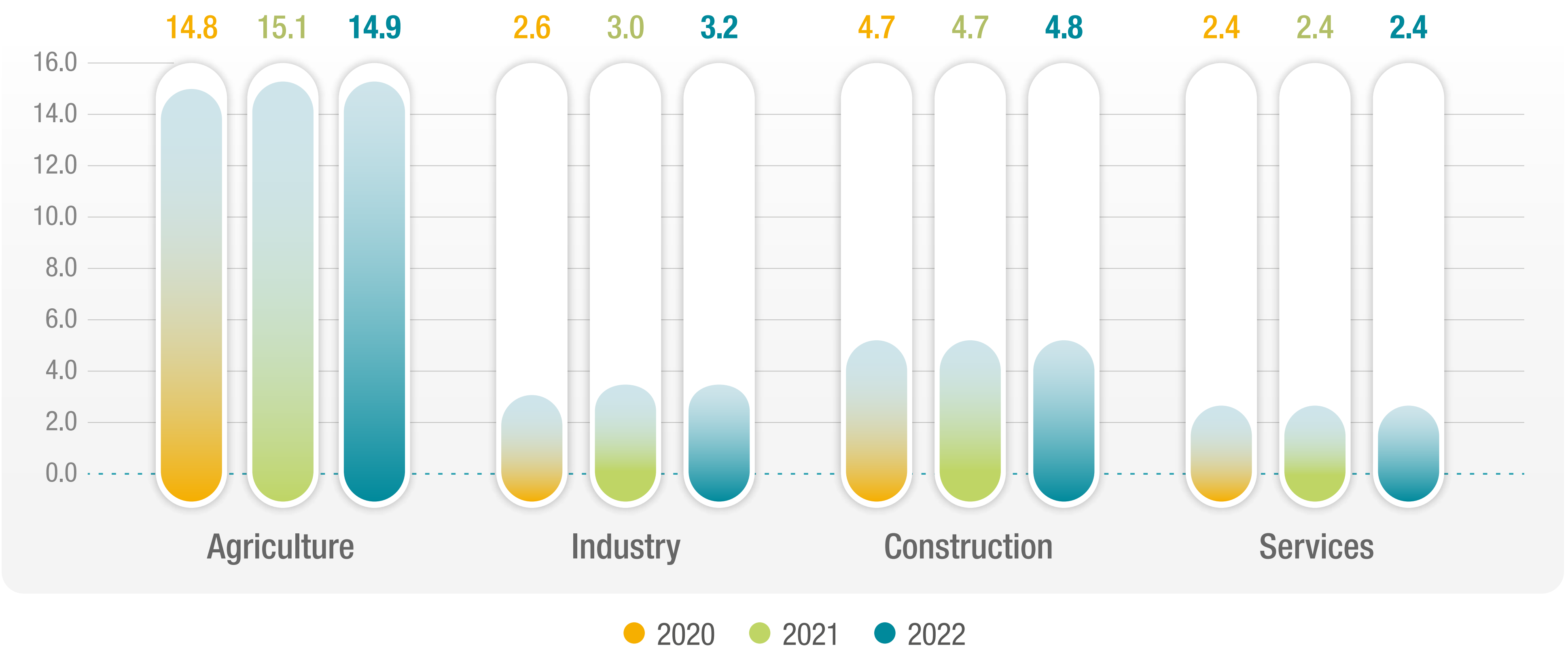
Financing of productive activities by Grupo Cooperativo Cajamar

The weight of the total finance provided by the Group to the different productive sectors has remained constant over the last few years, with a key role for the agro sector, contributing around 15% of the total finance granted by financial institutions.

This role played by the Group in financing the different sectors makes it the leading cooperative financial group in Spain by volume of assets, and a model of credit cooperativism in southern Europe.

• **Weight of the finance provided by the Group to productive sectors compared to the sector total in Spain (%)**



Productive Sector	Finance provided by financial institutions to productive sectors (M€)*	Weight in total productive activities in Spain (%)	Finance provided by Grupo Cajamar to productive sectors (M€)	Total weight of the financing of productive activities in Spain (%)
Agriculture	23,158	4,07	3,448	19.12
Industry	117,643	20,69	3,799	21.07
Construction	26,678	4,69	1,270	7.04
Services	401,072	70,54	9,515	52.77
Total	**568,553**	**100,00**	**18.,032**	**100.00**

* EUR million (data available at the end of this report on the finance provided by financial institutions to productive sectors in Bank of Spain).

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Social Performance

Responsible procurement

Responsible procurement is one of the pillars of the **Group's Ethical Management System**, helping it to manage resources efficiently and responsibly. Specifically, the Group views responsible procurement as the promotion and transfer of the Entity's principles and values to the whole supply chain; promoting the efficient, responsible, and sustainable management of the chain in an environment of equity, co-responsibility, and mutual benefits.

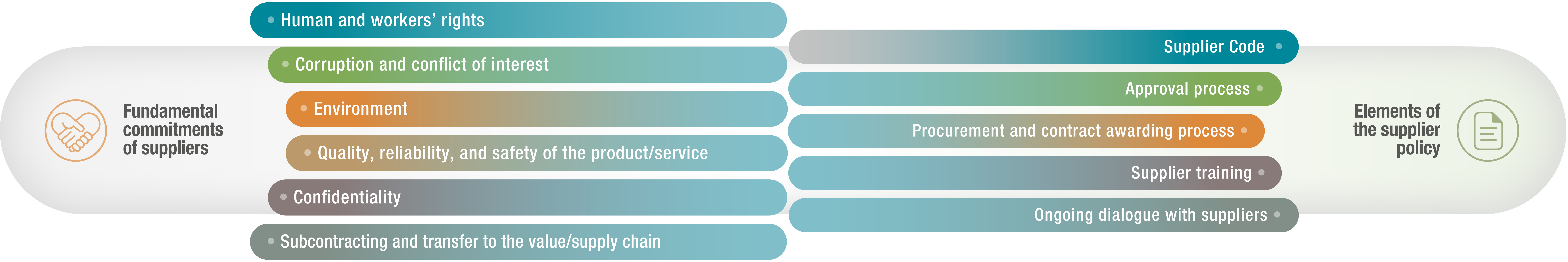
In its relationship with suppliers, the Group promotes a commercial relationship based on respect, honesty, and transparency, integrating ethical, social, and environmental factors throughout the value chain.

Code of ethics and good practices for suppliers, collaborators, and subcontractors

Through the Code of ethics and good practices for suppliers, collaborators, and subcontractors, the Group aims to establish and preserve stable relationships of trust and mutual benefit, sharing principles, values, and good professional and socially responsible practices.

Supplier Policy

The fundamental objective of the supplier policy is to contribute to the continuous improvement of the economic-financial, social, and environmental performance of the whole value and supply chain in which it is involved.



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Classification of Grupo Cooperativo Cajamar suppliers

The Group monitors the supply chain in order to identify its socio-environmental impact, actual costs, as well as risks in order to offer a quality service to its members and customers.

Perimeter/Partnerships	Supplier with whom capital structures or formal strategic alliances are shared
Essential	Provider of a service whose deficiency or anomaly may significantly affect the ability of the entity to permanently comply with the conditions and obligations arising from its authorisation and the regime established by current regulations that apply to its activity as a credit institution or in the provision of investment services; or which might affect its financial results, solvency, soundness, or continuity of its activity
Critical	Provider of a service whose deficiency or anomaly may affect business continuity
Unique	Supplier of a service that is difficult to replace in terms of access or costs (monopoly, oligopoly, entry/exit barriers, etc.)
Strategic	Relevant supplier for the achievement of the Group's strategic objectives
Significant	Supplier that due to its recurrence or turnover has a significant link for the Group

Supplier billing detail

218,143 (thousand euros)
Resident billing

2,659 (thousand euros)
Non-resident billing

220,802 (thousand euros)
Total billing

98.8 %
Resident billing

Supplier Outsourcing Policy

This sets out the applicable criteria and guidelines when the provision of a service is outsourced to a third party in order to assess, monitor, and manage the risks inherent in outsourcing in order to mitigate them and ensure that the supplier complies with the Group's policies and codes.

General principles of the outsourcing policy

- Principle of integrity
- Principle of efficiency and control
- Principle of proportionality

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FS1

Supplier approval process

The objective of the supplier approval process is to establish optimum levels to ensure that a supplier meets the quality and suitability requirements established by the Group, as well as the principles and values contained in the Ethical Management System and the Code of Ethics and Good Practices for Suppliers, Collaborators, and Subcontractors, in order to certify that the company is in a position to supply services to the Group.

Documentation and information provided by the supplier ensures (among others) compliance with the principles of the Global Compact, compliance with the Code of Conduct, and respect for the environment.

Evaluation of the Group's suppliers in terms of sustainability

As part of its commitment to the Sustainable Development Goals, the Group is encouraging its suppliers to develop their activity in accordance with best practices in ethical, social, and environmental matters, as well as good corporate governance. In this sense, the Group has incorporated into its process of supplier approval and annual renewal of approval an analysis and evaluation of the sustainability of its essential suppliers based on the information available from them.

This purpose of this assessment is to apply due diligence in its procurement process and supplier management to prevent and mitigate potential risks arising from this relationship. The result of this evaluation is shared with the supplier so they are made aware of potential areas for improvement, materialising the Group's commitment to support and contribute to Sustainable Development.

516
Number of approved suppliers

100 %
Approved suppliers who have signed their commitment to the Global Compact

GLOBAL SCOPE | GOVERNANCE | ETHICS AND TRANSPARENCY | STRATEGY | METRIC AND DISCLOSURE | GOALS

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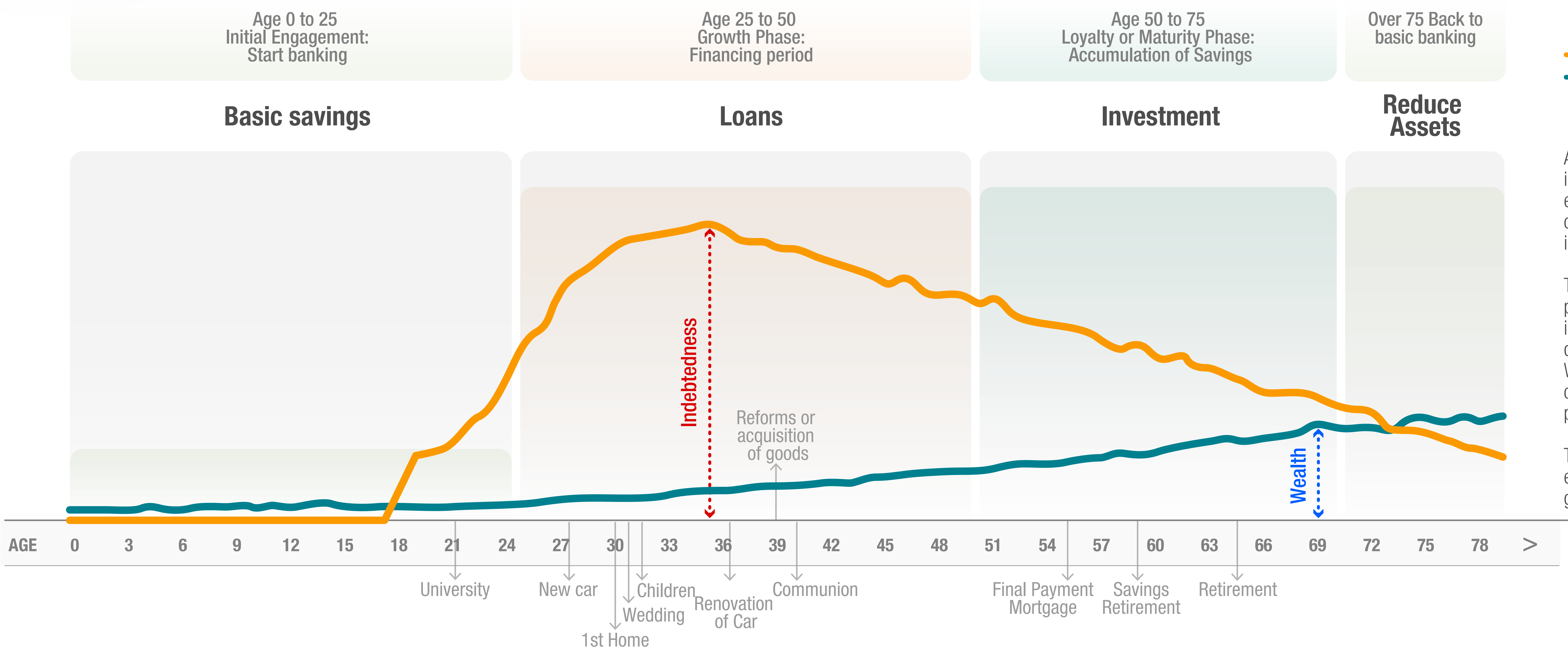
Financial solutions adapted to different life cycles

The Group's aspiration and purpose is to grow and develop in harmony with its surroundings and with its members and customers, accompanying them in the most important moments with financial solutions and helping to bring their projects and ambitions into being. To facilitate this work, it has several value-added solutions adapted to the life cycle of each person.



A customer is "born" when they open their first instant access account, and over the years, they experience periods of saving and investments in cycles. As well as times when they will need to insure themselves or their property.

The savings stages correspond to times when payment obligations are non-existent or do not impede economic returns. They usually take place during a customer's younger and older years. While during the middle section of adulthood, customers usually undertake large purchases or personal acquisitions: car, home, renovations, etc.

The latter determine the investment periods, the extent of which depends on the capacity to generate income and the capital formalised.

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The Group, committed to **supporting its customers throughout their entire life cycle**, offers financial solutions adapted to all these occasions. **In 2022, the following products were taken out:**

Finance

11,197 mortgages for the purchase of main home, **1,307,448*** €.
2,695 mortgage loans for second homes, **255,402*** €.
11,175 consumer loans to finance vehicle purchases, **114,384*** €.
28,422 other consumer loans, **283,110*** €.

Savings

55,108 investment funds for **24,603** customers.
40,602 cuentas de valores a **19,475** customers.
7,505 pension plans.

Insurance

5.677 car insurance.
22.474 home insurance.
12.018 funeral insurance.

The **life cycle of corporate customers**, on the other hand, obeys the financing needs of investments and liquidity. As well as their potential to generate business and the insurance of its goods and services.
In 2022, the Group arranged:

Finance

11,034 financing operations through investment loans, for **2,349,747*** €.
9,317 liquidity financing operations through circulating loans, for **2,432,791*** €.

Business solutions

738 lease contracts for **438** customers.

Insurance

1,311 commercial business insurance policies for **1,240** customers.
163 SME insurance policies for **151** customers.

In addition, as a result of its identification with and commitment to the national agri-food sector:

1,286 loans to the primary sector, worth **267,706*** €.
4,580 greenhouse and agro insurance for **3,151** customers.

* Thousands of euros.

In addition to the amounts granted in 2022, the Group has:

Mortgage loans with customers with low or moderate income**

3,657 operations (**3,259** are up to date with payments).
244,888 thousands of euros (**218,406** are up to date with payments).

** Estimated income <=15,000 €

Current Accounts (instant access and savings)

PERSONAL - 2,200,043 agreements with a balance of € **21,628,321***.
SMALL BUSINESS - 204,592 agreements with a balance of € **6,138,613***.
(**175** of which correspond to Free Basic Payment Accounts, meaning that all the holders are in a special situation of vulnerability or at risk of financial exclusion.)

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People management and adaptation to change

Based on the ethics of closeness and proximity, the people of Grupo Cajamar share the values of transparency, integrity, diversity, and responsibility. Through this culture, a commitment is created, with the mission of contributing to the economic and social development of members and customers, developed through a strategy based on the principles of cooperation, the social economy, and sustainable development.

That is why the management of people, their well-being and development, is a fundamental issue for Grupo Cooperativo Cajamar, since it allows the Group to create collaborative working environments that add value to its mission, facilitates the development of talent and the continuous adaptation and improvement of people's performance.

In order to assess the level of employee identification with the values and purpose of the Group, over the year we **monitor different indicators** through random surveys of permanent employees of the entity.

88.49 %
Knowledge of the mission.

8.50*
Identification with the purpose of the entity.

8.68*
Appreciation of commitment to values that facilitate the development of our principles/values.

* On a scale of 1 to 10.

Talent Management

The aim of talent management at Grupo Cooperativo Cajamar is not only to attract, motivate, retain and develop the professionals who are part of the Group, but to align people with the Group's purpose. This continuous search for the best version of people's talent is a competitive differential element to achieve the Group's objectives with maximum efficiency and in a manner consistent with the culture, principles, and values of the organisation.

One of the main objectives of the Human Resources Division is to provide Group entities with the resources, processes, and policies necessary to ensure that the organisation has the right people in a motivating, healthy, and highly engaging environment.

Attraction and selection of talent

The Group's selection policies are based on well-defined criteria, and the process continues as we monitor and support all new employees until they are fully integrated into their work area.

Staff selection criteria

Merit and ability	Equal opportunities	Knowledge and connection to the surroundings

Continuing Professional Development

At the same time, continuing professional development is an essential pillar in the training of the professionals who make up the Group and to help them adapt to change.

404,424 h. training received

97 % staff trained

61.81 h. Average training per employee

For more detailed information see Annex IV of this report.

Cultiva

Professional development

Cultiva is the Group's main talent management programme. It helps us to understand the potential of each employee through a model of conversations between collaborators and managers that promotes professional development within the organisation.

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Cultiva

Cultiva was created to be HR's global model of professional development, respecting the principles and values of Grupo Cooperativo Cajamar. A management model to promote the development and growth of all the Group's professionals.

1. **Completion of individual self-evaluation questionnaires** that reflect a double vision: personal perception and that of the rest of the team, both top down and bottom up.

Self-evaluation		Top down evaluation		Bottom up evaluation	
Completed	% of total	Completed	% of totalal	Completed	% of total
5,296	88.18 %	**5,620**	92.83 %	**10,416**	83.50 %

Participation data Cultiva 2021-2022 (21/09/2021 - 30/06/2022)

2. **Conversation between manager and team members.**
3. **Agreements for improvements** based on reflective evaluation, shared and compared with the team member, which facilitate the improvement of competencies in which their performance is not currently outstanding.

Area of improvement	No. of Commitments	Total
Values	1,231	11,571
Talent	7,832	
Commercial systematics	2,508	

4. **Construction of professional improvement pathways.** Drawing up a development plan according to the individual need to improve personal skills and qualifications.

The result obtained from the top-down evaluations that managers provide of employees positions each employee in the so-called Talent Bank, which groups together employees with similar abilities with a view to undertaking joint and/or individual actions.

TALENT BANK			POTENTIAL (P)			
			1	2	3	5
Valuation by section			Strongly disagree	Somewhat disagree	Strongly agree	Strongly agree
SECTION (T)	4	90-100	Competent 1		Expert 1	Star 1
	3	76-89	Competent 2		Expert 2	Star 2
	2	51-75	Competent 3		Development potential	
	1	0-50	Questionable			

Escuela Desarrollo Directivo

The plans developed with the aim of working with the highest scoring employees with real potential for growth according to their managers include a **School for Management Development**.

The mission of this school is to systematise the managerial development of Group employees, creating specific development pathways for each managerial post that will train and prepare employees to take on the responsibilities of said posts.

In the 2022/23 edition, 110 employees participated in the following pathways:

Pathways	Number of participants	Total
Junior Branch Manager	38 (55% women)	110
Aspiring Brand Manager	18 (61% women)	
Junior Branch Intervention	54 (67% women)	

According to the criteria of the Equality Plan, the pathways that prepare and train employees to take on positions of responsibility achieve and even exceed the 60-40 target marked by that Plan for the participation of men/women.

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Training that enhances the Group’s DNA

FORMACIÓN esg

In order to reinforce the intention for the whole Group to integrate management with ESG criteria within the framework of its strategy, a firm commitment is being made to staff training in this area. In addition, this training is the natural step to ensure the best possible support for the Group’s members and customers in the ecological transition process in which we are immersed.

The programme includes everything from basic training sessions to advanced ESG certification. Certain groups, such as risk analysts, are also offered more specialised training with more specific content.

- **855 people have completed specific ESG training.**
- **360 people have already obtained an Advanced ESG Certificate.**

ALIMENTA ESCUELA AGROALIMENTARIA

The School aims to further the expertise of any employee in contact with the agri-food sector, either when providing customer service in branches or through central services. In addition, the Alimenta programme was created with a view to becoming one of the best agri-food schools in the country, simultaneously responding to the training needs of the Group’s staff and of other stakeholders who wish to learn more about the agri-food sector.

This new school strengthens the Group’s commitment and business model based on advising clients and transferring knowledge in the agri-food sector.

- **In 2022, 147 employees received their Basic Level Alimenta certificate.**
- **172 people are currently studying for this or have signed up and are waiting for the start of a new edition.**

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Diversity and equality of rights and opportunities

The management of diversity incorporates a very important step in the integration of people with functional diversity as well as those from other cultural backgrounds.

Grupo Cooperativo Cajamar collaborates with various organisations such as ALARES, where 70% of the workforce has some kind of functional diversity, and assists in the organisation of activities and charity events aimed at helping groups who face greater difficulties in terms of social integration in different towns and villages.

Grupo Cooperativo Cajamar is committed to offering **work placements to young people** who are finishing their University and Vocational Training studies, to facilitate their initial contact with the world of work and their future professional development.

28
Nationalities

119
Employees with functional diversity

Pathways	No. of people in work placements 2022	Total
BANCO CRÉDITO COOPERATIVO	92	284
CAJAMAR CAJA RURAL, SCC	21	
ALL OTHER GROUP ENTITIES	1	
HOLDINGS	170	

A firm commitment to equality

The gender equality perspective is integrated as a cross-cutting element integrated into all the Bank's internal management processes, favouring change towards a culture of equality. Based on the cooperative values emanating from its own nature, the Group considers real and effective equality between men and women within the organisation to be a top priority. To this end, it establishes policies, measures, and instruments that guarantee equal treatment, rights and opportunities and are regulated under its Equal Opportunities Framework Policy which applies to all rural banks that are part of Grupo Cooperativo Cajamar.

The Human Resources Division ensures compliance with the various plans, agreements and measures as well as compliance with the Equality Act itself, while encouraging a good work-life balance for employees of the Group. In this regard, the Group guarantees the right to disconnect from work and from digital media, and negotiations are being held in accordance with the law to ensure effective policies and measures are in place in this regard.

In support of WOMEN'S EMPOWERMENT PRINCIPLES	Initiative to support the Women's Empowerment Principles, promoted by the United Nations for Gender Equality, UN Women, and the United Nations Global Compact.
TARGET GENDER EQUALITY	The Group adheres to Target Gender Equality, a gender equality acceleration programme for companies participating in the UN Global Compact. The initiative addresses gender equality barriers and sets corporate objectives for equal representation and leadership of women in business.

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Office for Equality

53.72 % of promotions in 2022 were awarded to women

Working permanently to reduce the employment gap

* In 2022 two new equality plans were approved in the Group: the **I Caixa Rural Torrent Equality Plan and the I BCC Infrastructures Equality Plan**, in place from 2022 to 2026.

IGUALDAD EN LA EMPRESA

COMMITMENT AND EQUALITY FRAMEWORK POLICY

Commitment of the Human Resources Division

Framework policy and equality plans of Grupo Cooperativo Cajamar

Badge of Equality that recognises the Group's work with regard to gender equality

Framework policy and equality* plans of Grupo Cooperativo Cajamar

Badge of Equality that recognises the Group's work with regard to gender equality

CATALOGUE OF MEASURES TO ENSURE A HEALTHY WORK/LIFE BALANCE

WORK/LIFE BALANCE AND CO-RESPONSIBILITY

Guide for parents

Maternity guide (suspension of contract on account of the birth and care of the child by someone other than the biological mother)

Plan CONCILIA (WORK/LIFE BALANCE Plan)

Decalogue of Co-Responsibility for Egalitarian Men.

Pacto de Estado contra la violencia de género

PREVENTION OF GENDER HARASSMENT AND VIOLENCE

Protocol for the prevention of workplace harassment, sexual harassment and gender violence

Gender violence

The Equality Commission responsible for overseeing equality and the work/life balance. Made up of equal numbers of company and union representatives

Harassment Protocol Team

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Employee Experience

In Grupo Cooperativo Cajamar, people are our biggest priority. That's why we work to build the best place to develop a career and anticipate the needs of employees, improving their experience and contributing to their well-being, and this also impacts the commitment and motivation of staff to participate in the Group's objectives and achievements.

Measuring employee satisfaction and confidence through periodic surveys at important points in the employee's career, listening to feedback and suggestions from the entire workforce, and helping develop action plans and implement measures to improve the experience of all employees.

As a result of this effort to improve employee experience every day and work together to build the best possible place to work, over the past financial year, Grupo Cooperativo Cajamar has been certified as a great place to work by the consultancy firm Great Place to Work for the third year in a row. In addition, the Group obtained the Top Employer certification in 2022, which positions it as one of the best companies to work for in Spain.

Both certifications accredit Grupo Cooperativo Cajamar as an excellent organisation to work in and endorse its commitment to the excellence of its professional team and the implementation of best practices in its Human Resources policies.

Certification as a 'Great Place to Work', awarded by the Great Place to Work® consultancy, market leader in identifying and certifying excellent places to work, is the most prestigious award, both nationally and internationally, in the field of people management and business strategy, presented annually to the best employers in the world. This certification accredits the Group as a financial organisation with a strong culture of trust based on respect, recognition and professional development, capable of attracting and retaining talent.

The Top Employers Institute programme certifies organisations through the results recorded in the analyses it periodically performs based on topics such as professional people management, work environment, talent acquisition, learning, wellness, and diversity and inclusion.

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Health and Safety in the Workplace

Grupo Cooperativo Cajamar prioritises the promotion of health and well-being at work as necessary and fundamental elements for the well-being of the workers themselves and the Group as a whole. To achieve this goal, we are focused on a solid preventive culture that transcends the legal framework through a Health and Safety in the Workplace Management System based on continuous improvement.

Since obtaining the OHSAS 18001 quality certification in 2015, voluntary external audits have been carried out annually, maintaining this certification until 2021, when work was carried out to migrate to the new international standard ISO 45001 for the management of health and safety in workplace systems.

As a result, **two objectives** have been achieved:

- Ensuring continuity in the Health and Safety Management System implemented since 2015, in line with an internationally renowned standard.
- Ensuring the same health and safety conditions for all employees of Grupo Cajamar, including subsidiaries.

Grupo Cajamar Health and Welfare Committee

Set up in 2022, this is an interdepartmental committee based on the Healthy Enterprise Model of the National Institute for Health and Safety at Work (INSST). Its main objective is to manage the health and well-being of employees by means of a comprehensive and integrated approach, as well as to publicise, promote, and monitor the actions of the Health and Wellbeing Promotion Programme "Queremos cuidarte" (We want to take care of you).

With this new milestone, we are continuing to work towards the challenge of being a health generating company, promoting healthy habits and, above all, a culture based on well-being in all its aspects.

Throughout this year, numerous actions have been developed in each of the following areas:

1. Food plays a fundamental role, which is why the consumption of fruit is encouraged to replace other less healthy snacks, and we encourage our employees to improve their eating habits through resources, workshops and competitions, such as the I Halloween Cooking Challenge and distribution of seasonal fruit to staff members during the grape harvest.

2. Physical activity. One of the most important pillars of the "Queremos Cuidarte" (We want to take care of you) project is to promote active and healthy living habits among employees as part of a common business philosophy. In this sense, following the success of the two previous editions, in collaboration with the Biwel platform, "Oh, Europe 2022!" was launched, a new physical activity challenge, which consists of a virtual trip through different European cities, with the aim of promoting physical activity, well-being, and team cohesion.

3. Individual Health. Feeling fine does not necessarily mean you are in good health. Therefore, through the annual medical examination, the annual flu vaccination campaign, and other preventive health campaigns, it is possible to anticipate certain diseases. Several glaucoma prevention campaigns were carried out this year.

4. Emotional Well-being. Through psychosocial risk assessments, as well as other actions, the aim is to improve the working climate, motivation, and participation of all employees. In 2022, the Wellbeing 10 Programme was launched, based on the principles of positive psychology. Its goal is to encourage personal improvement and growth so that we not only move further away from suffering but also closer to a full and happy life. 15 people participated.

5. Social. Grupo Cooperativo Cajamar collaborates with the community in order to improve people's quality of life. The Group participates with actions ranging from offers to customers, sponsorship of schools and sporting events, donations to associations dedicated to fighting diseases, blood donation campaigns, talks and workshops promoting health, the creation of cardio-safe spaces, etc.

• Sustainable and healthy mobility

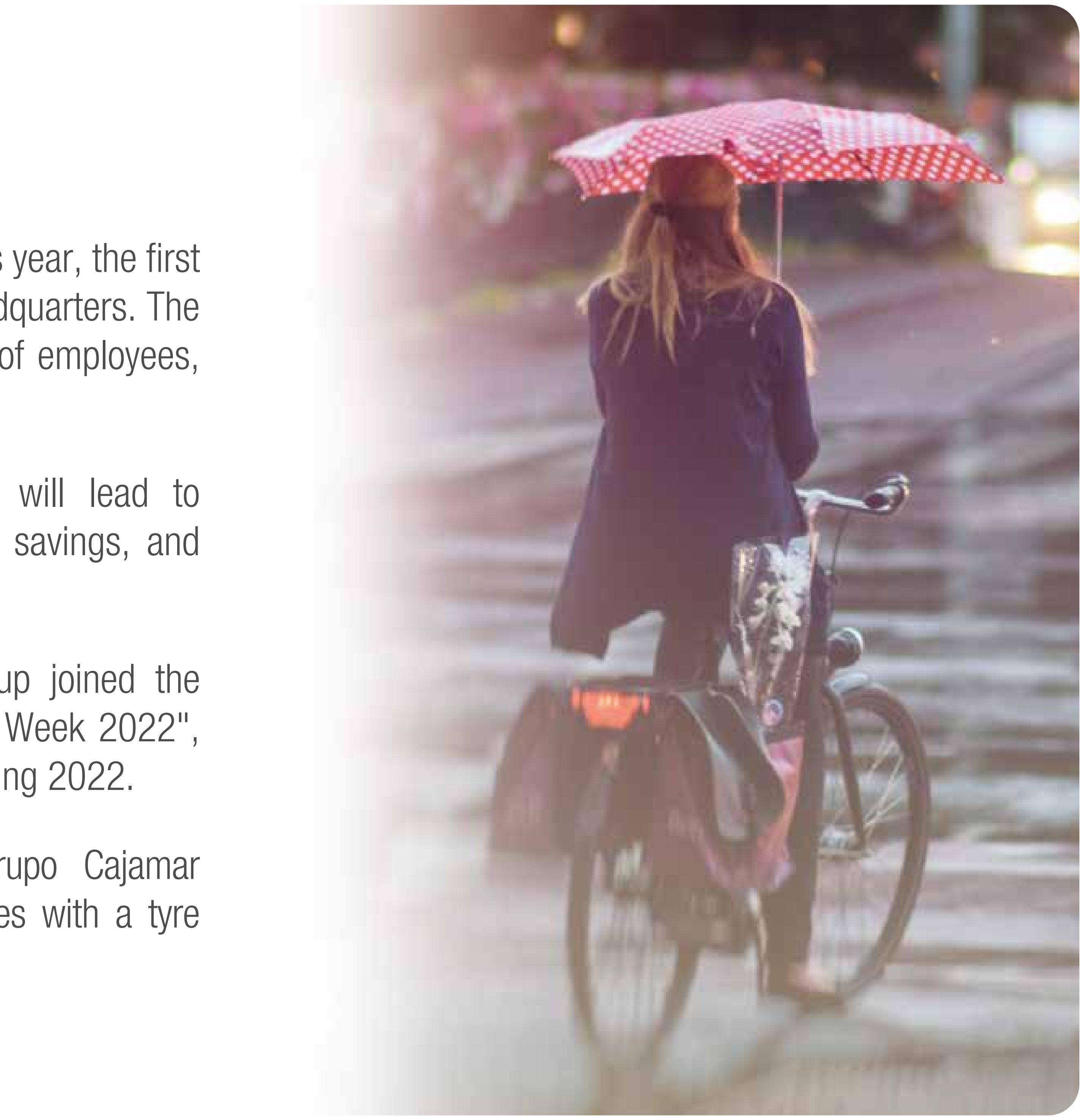
Grupo Cajamar is strongly committed to sustainable and healthy mobility.

In collaboration with Mobility by Cycling Friendly, this year, the first commuting plan was developed at our Valencia headquarters. The hope is that this plan will improve the road safety of employees, promoting efficient, safe, and sustainable travel.

A change in the dynamics of commuting that will lead to improvements in the health of workers, economic savings, and direct reduction of CO2 emissions.

In addition, for the first time this year, the Group joined the "Mobility Actions" campaign of "European Mobility Week 2022", recording the good mobility practices developed during 2022.

Also, to commemorate World Car-Free Day, Grupo Cajamar presented all those who use its bike storage spaces with a tyre puncture repair kit.



Other recognitions in the field of health and safety in the workplace

It received an award at the XX edition of the "Antonio Baró" MC Mutual Awards for health and safety in the workplace, with a special prize for our commitment to safety, health and well-being, at work.

First prize in the category "Walking to well-being" at the IX Zaldivar Scholastic Awards presented by Fraternidad Muprespa. This award recognises the effort, work, sensitivity, and commitment to health and safety in the workplace.

VISION ZERO

Grupo Cajamar is the first **Spanish financial institution to join the "Vision Zero"** campaign, a global campaign run by the International Social Security Association (ISSA) in favour of zero accidents, diseases and injuries at work, which also encompasses EU-OSHA, the European Agency for Safety and Health at Work.

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Financial accessibility and inclusion

The Group believes 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 gives character to its cooperative banking model by enhancing the transformative power of the social economy, sustainability, and the transition to a more environmentally friendly ecological model.

That is why the Group's activity is determined by these environmental and social challenges that require a banking institution to be close and committed to the territory.

With the aim of reinforcing and consolidating these social objectives of environmental development and the creation of shared value:

- **The Group adheres to the Principles of Responsible Banking as one of the founding signatories.**
- **It is a member of the Spanish Business Council for Sustainable Development.**
- **It is a member of the Forética Social Impact Cluster.**

Protection of the most vulnerable groups

- **Protective measures for groups at the greatest risk of financial exclusion**

Financial inclusion is a key factor in helping to reduce poverty and promote prosperity. The Group supports those at the greatest risk of financial exclusion protecting this client profile through regulatory compliance and the individualised and specific analysis of each personal situation, to adapt the best solution in each case.

It adheres to the Code of Good Practices set out in Royal Decree Law 6/2012 and, with the enactment of RDL 19/2022, to the new Code of Good Practices to alleviate the rise in interest rates on mortgages on primary residences.

80 properties allocated to the social housing fund

264 purchase-sale operations/dations in payment (housing) 159 of these operations with rent

Commitment to older people and other groups with special needs

Committed to pursuing closeness with people and encouraging their progress, the Group is sensitive to the need of its members and customers in the digital transformation, especially those who may have difficulties due to age, education, capacity, access to networks, or for any other reason.

Aware of this situation, within the framework of the agreements reached in the Financial Sector Employers' Association to strengthen the social and sustainable commitment of banking, the Group has created the +65 programme, which aims to enhance the service provided to this group.

+65 Preferential service

Personalised service	Dedicated service desk, adequately signposted	No time restriction	Dedicated free customer service line
Telephone assistance and remote management	Adaptation of channels: Online Banking, App, and ATMs	60.0 Talks Digitalisation of banking Digital Transformation Cybersecurity Consultations	"Acompaña" Employee training session

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Presence in Rural Areas

The rural population's risk of financial exclusion is one of the most important threats to social cohesion in Spain. In light of this, the Group maintains its ties and commitment to rural areas, bringing financial services to many of these small municipalities.

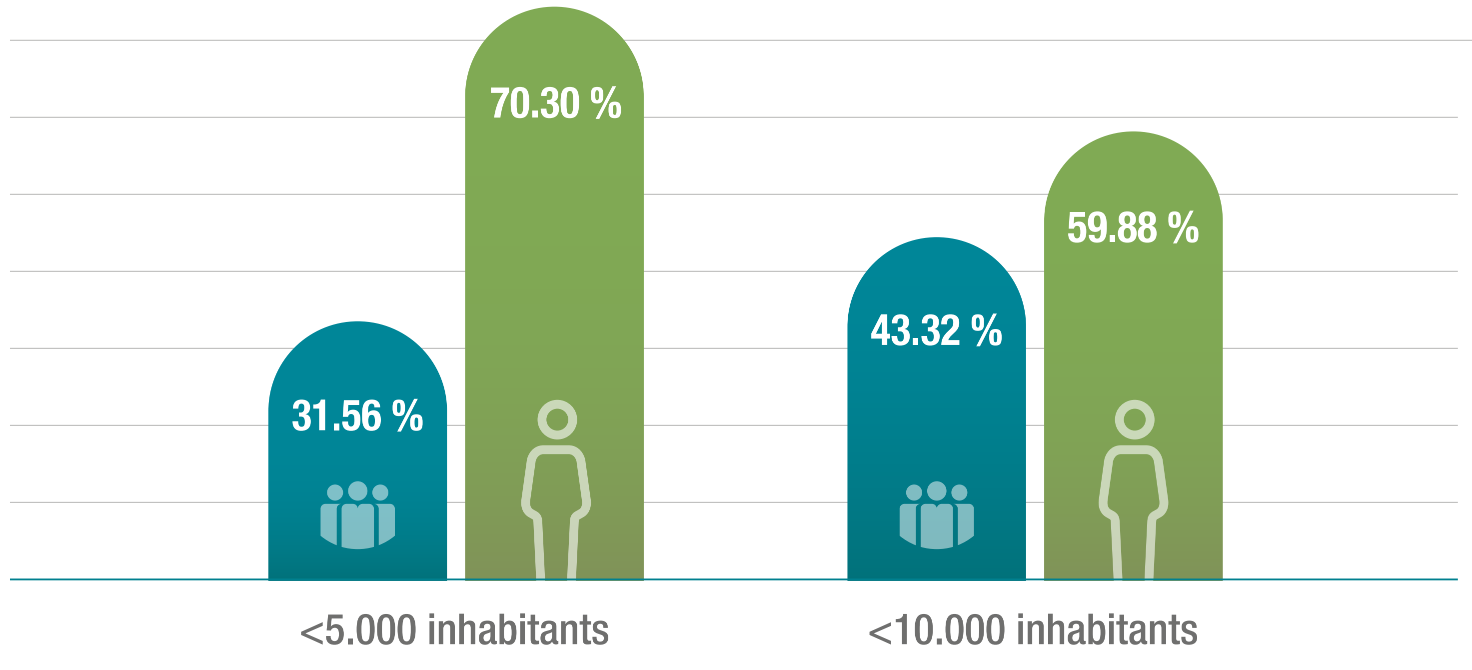
The Grupo Cooperativo Cajamar branch model, deeply rooted in the territory, enables economic-financial efficiency and sustainability to be reconciled with its social and founding commitment to the development of rural communities, contributing to retaining the population in the territory, fighting depopulation, creating jobs and fostering local sustainable development.

- **The Group seeks innovative formula** to manage the business in sparsely populated municipalities.

- **Reconciles** the search for higher levels of efficiency, demanded by the market and the Regulator, with measures to fight financial exclusion.

- Universal branch.
- Correspondent offices (rural windows), financial agents and remotely assisted management systems.
- Mobile branches and ofibuses.

Presence of Grupo Cooperativo Cajamar in 2022



% Customer Service Points   % Customers over the total population in these towns/villages

11.24 %
Cover ratio for populations at risk of social exclusion

Total population in municipalities with <5,000 inhabitants where the Group has customer service points compared to the total population of all municipalities with <5,000 inhabitants.

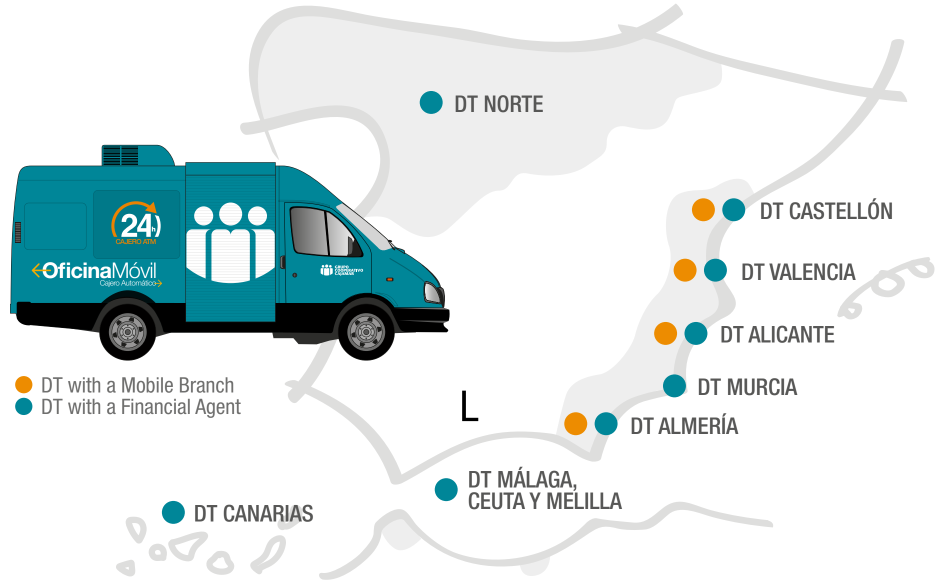
→ **Note:** Customer service points include: branches, correspondent offices, agencies and mobile branches. For customers, only branches. The customer figures are not allocated to correspondent offices, agencies or mobile branches, but only to the main branch that oversees all of these other customer service points.

→ **Source:** Grupo Cooperativo Cajamar and INE

174
Associated agencies
164
to towns/villages
with 300 to 8,000 inhabitants

5
Mobile units with an ATM
42
Towns/villages
28,458
inhabitants
The average population is 726 inhabitants, located mainly in the provinces of Almería, Alicante and Valencia

23
Displaced ATMs
in towns/villages where there is not a branch



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Social, cultural, and volunteering action

Contribution to the Cooperative Education and Promotion Fund

The rural banks that make up the Group allocate at least ten percent of their profits from each financial year to the Cooperative Education and Promotion Fund (FEP). This Fund, designed to enforce and enhance the values and principles on which the cooperative model is based, is compulsory for cooperative entities. The aim is to train members and workers in cooperative principles and techniques, to promote inter-cooperative relations, raise awareness about cooperativism, and foster the cultural, professional, and social promotion of the local environment or the community in general.

THE AMOUNT APPLIED FROM THE FEP BY CAJAS RURALES IN THE GROUP IN 2022

6,740,653 €

In the case of the Group, these funds are managed by the Steering Committee of each member entity and they have a direct impact in favour of the development of local communities.

- **Social and cultural action**

€129,000 CONTRIBUTED FOR SOCIAL AND CULTURAL ACTION

Increase of 13.27% compared to the previous year

28,786 INDIRECT BENEFICIARIES

68,651 TOTAL BENEFICIARIES

39,865 DIRECT BENEFICIARIES

During 2022, **€129,000** was allocated through the FEP to the cultural promotion and social development of communities where the Group is present, both directly and in collaboration with other organisations for social purposes.

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• Corporate volunteering

Over the past financial year, the Group continued to promote corporate volunteering as a valuable mechanism to mobilise the talent and social sensitivity of its own employees. The two fundamental instruments that facilitate this active participation of employees in the transmission of its values are: **Corporate Volunteering Programme (Provoca)**, which started in 2006, and the Solidarity Team, an initiative revolving around micro-donations made by employees to jointly and democratically support social, welfare, and environmental projects.

Corporate Volunteering Programme

615
members

Programme "Suma en Positivo"

Solidarity Ranking:
the number of hours dedicated by each volunteer is recorded.

Every 5th December, coinciding with International Volunteer Day, the Group recognises its 2 most active employees, who are rewarded with a contribution to finance a charity or humanitarian trip or make a donation to a social cause.

Mobilisation for solidarity campaigns

Km of Need campaign:
For every km completed by the employees themselves, the Group makes a donation of €3 to the Cruz Roja, to buy basic food and essential products for people in situations of extreme vulnerability.

Provoca
GRUPO COOPERATIVO CAJAMAR
Programa de Voluntariado de Empleados

Solidarity Team

2,171
Members
33.41%
of employees

35,480 €
Amount raised in 2022

548,117.68 €
Accumulated amount raised (2008-2022):

49
beneficiary projects (2008-2022)

Equipo Solidario
TEAMING

This initiative has managed to generate a direct impact on different SDGs, since its inception in September 2015.

With **10,758** direct beneficiaries.

SDG	Amount
1 No poverty	€ 18,220.50
2 Zero hunger	€ 18,220.50
3 Good health and well-being	€ 132,294.35
4 Quality education	€ 62,357.34
5 Gender equality	€ 1,846.00
8 Decent work and economic growth	€ 535.00
9 Industry, innovation and infrastructure	€ 4,166.66
10 Reduced inequalities	€ 5,064.19
11 Sustainable cities and communities	€ 535.00
16 Peace, justice and strong institutions	€ 4,346.00
17 Partnerships for the goals	€ 2,201.66

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Financial Education

Finance That Allows You to Grow

A financial education programme developed in house, which focuses on Sustainability and Financial Health. Aimed at **teenagers aged 14-16**, designed in accordance with ethical and responsible criteria, and in full harmony with the United Nations Agenda 2030, in which **877 employee volunteers** have participated since the programme was launched in 2015, delivering **2,644 sessions in 472 schools to a total of 46,533 young people.**

PROGRAMME SCOPE (2021-2022)

	VII Edition 2021-2022	Total All Editions
Students	11,862	**46,533**
Schools	72	**472**
Volunteers	129	**877**
Face-to-face + *online* sessions	481	**2,644**

Satisfaction VII Edition:
(1 was the lowest score and 5 was the highest)

Pupils	4.33
Schools	5
Team of volunteers	4.84

Session 1

Focused on encouraging students to review their habits and become aware in a practical and coherent way of the importance of saving, education, and hard work, as well as achieving financial balance that provides stability to their economic situation. A culture of savings is a fundamental prerequisite to combat consumerism and promote a much more sustainable society.

Session 2

Focused on encouraging students to become aware that intrinsically loans are neither good nor bad, as well as highlighting the need for training and information to protect both money and personal data from fraud attempts and scams by cybercriminals, especially in a context increasingly marked by the promotion of new technologies and the digitisation of services.

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FS16

FUTURANDO

Futurando (Futuring) is a commitment to the future. This is an in-house training programme based on ethical and sustainability criteria that focuses on the intra and inter-personal emotional intelligence of teenagers.

This training is aimed at children of our employees. Through different workshops, it seeks to complement their school education by providing them with resources and tools that allow them to face challenges they might come across in their everyday life, connecting with everything that allows them to grow and evolve, improving their well-being and encouraging their personal development and intuition by promoting values such as equality and commitment.

The Futuring programme is here to stay and has the firm backing of our bank and our employees, who deliver 100% of the training.

During the 2021-2022 school year, we ran this activity from October to June, benefiting a total of 36 young people from around Spain, thanks to the solidarity and involvement of 22 employees who trained our team of volunteers, delivering a total of 22 sessions.

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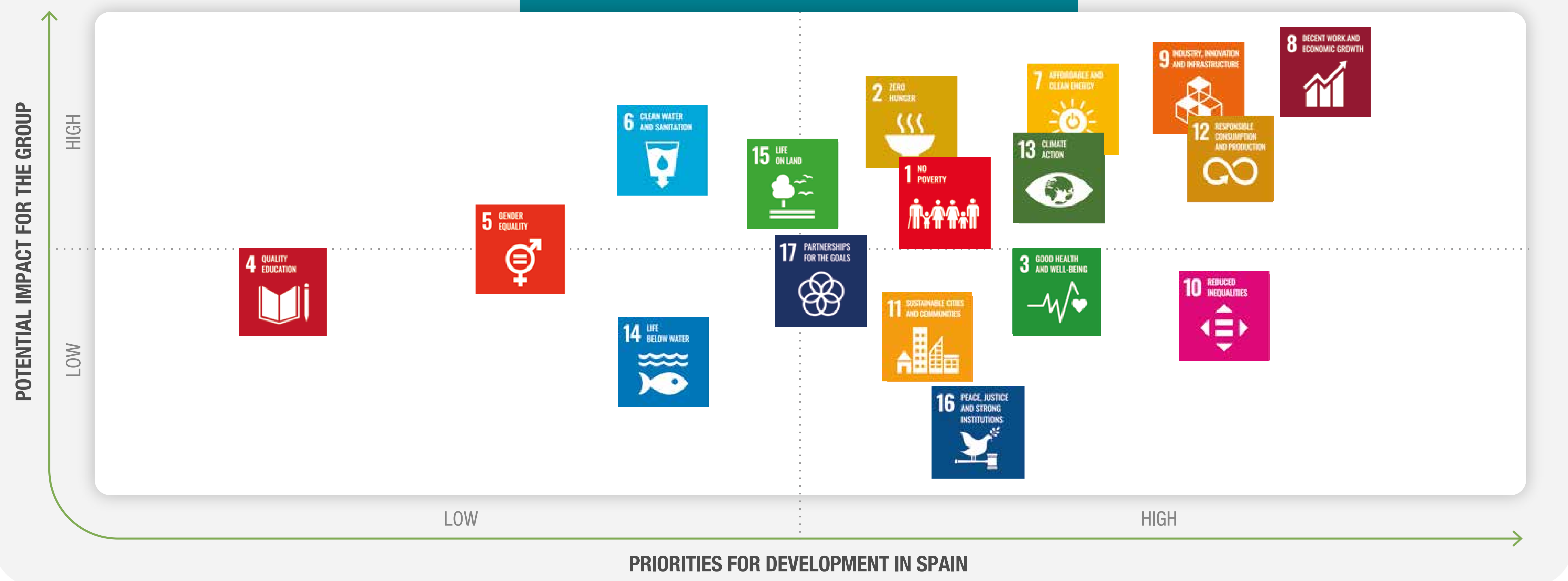
FS16

Contribution to the Sustainable Development Goals

In 2015, the UN adopted the 2030 Agenda on Sustainable Development, which represents the opportunity for societies to embark on a new path to improve different areas of the environment such as climate change, education, women's equality and the design of cities, among others.

Within the framework of the 2030 Agenda, 17 Sustainable Development Goals (SDGs) were adopted, including 169 economic, social, and environmental targets.

SDG MATERIALITY MAP



The Group integrates all **17 SDGs** into its sustainability strategy, contributing by means of a cross-cutting approach.

In order to identify its priorities so that targets can be set, a materiality map has been developed, identifying which SDGs the Group can influence most, considering the scope of its action.

This matrix has been drawn up on the basis of the Group's evaluation of its potential impact and relevance in its business model for each SDG, evaluating strategic priorities within its scope of action (Spain), based on the Progress Report 2022 for the Sustainable Development Strategy 2030 prepared by the Government Spain and the evaluation of Spain's performance presented by the United Nations in its 2022 report *(SDG Index and Dashboards)*.

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Thanks to its activity, vocation and cooperative nature, as part of the social economy, the Group works with its stakeholders to integrate and align the Sustainable Development Goals set out in its strategy, defining its business model. In its commitment to the Agenda 2030, the Sustainable Development Goals (SDG) are priority in which it can have a greater impact:

6 CLEAN WATER AND SANITATION | 15 LIFE ON LAND

WATER
as an essential player in our history

21 operations and, in 2022 alone, the Group has granted more than **€ 130 M** in funding to increase irrigation efficiency, whereby the main beneficiary is the agri-food sector.

Since the pioneering Cajamar Innova initiative, incubator of high-tech water companies, **62 companies have been accompanied**, **36** projects incubated and **32** projects are being accelerated.

The Group's Experimental Stations are the base for knowledge transfer to producers and technicians, among which better irrigation efficiency can be highlighted The research projects in this field are divided into:

- **18 projects** aimed at combating desertification
- **26 projects** aimed at reducing the degradation of natural habitats

1 NO POVERTY | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 8 DECENT WORK AND ECONOMIC GROWTH

FINANCIAL INCLUSION
as an instrument in the empowerment of society

The Group contributes to the Spanish economy by generating **11,965** jobs , contributing **€ 873 M** to the GDP (based on the distributed economic value), **€ 8.056 M** (based on the production sectors funded).

In 2022, the Group created the +65 programme, which aims to boost and spread digital knowledge within this age group, offering personalised service.

The Group joined the extension of the Code of Good Practices and the new Code, hence contributing to facilitate access to homes for members and customers in territories of origin and areas of action.

The Group's commitment to the integration of the Strategic Protocol in its ices to strengthen the bank's Social and Sustainable Commitment.

7 AFFORDABLE AND CLEAN ENERGY | 13 CLIMATE ACTION

CLIMATE CHANGE
Priority to fulfil the objectives of the Paris Agreement

The Group has been committed to 100% consumption of electricity from renewable sources since **2015**.

In 2022, 436 operations were granted and more than **€ 61 M** were allocated to increasing energy efficiency and the installation of photovoltaic self-consumption.

After joining the SBTi initiative in 2021, the decarbonisation objectives in line with the Paris Agreement were presented in 2022 in order to reach net zero emissions no later than 2050.

In 2022, the Group signed up to the Net Zero Banking Alliance (NZBA) initiative.

2 ZERO HUNGER | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

FOOD
The challenge of sustainable food

Through its Experimental Stations, the Group has developed 73 agri-food innovation projects, of which **18 projects** are related to new genetic varieties and super intensive techniques with an impact on Target 2.4 (ensuring the sustainability of the food production systems and applying resilient agricultural practices).

Since the initiative developed by the Group known as Plataforma TIERRA, its objective is to contribute to the digitalisation and sustainability of the agri-food sector.

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Related SDGs

Through the direct impact of its activity and its investment in the community, the Group participated in the following SDGs.

3 GOOD HEALTH AND WELL-BEING

In 2022, the Group has maintained the protection measures to protect its employees against Covid-19.

Welfare 10 Programme
This is a structured programme, based on the principles of Positive Psychology, the main aim of which is to foster personal development and growth.

OH Europe Challenge 2022
This is the third programme backed by the Group to foster physical activity among the workforce.

4 QUALITY EDUCATION

"Finances that make you grow" corporate volunteer programme has reached its 7th edition in the 2021-2022 academic year.

EAB and Junior Achievement "Your Finances, Your Future" Programme.

Extension of the internal training programmes with Executive Development programmes, Financing and Saving Schools and ESG Programme.

Specialised training programmes for the whole agri-food sector through Plataforma Tierra.

5 GENDER EQUALITY

In 2022, the Group has had its **"Equality in the Company"** (DIE) seal, awarded by the Spanish Government's Ministry of Equality, renewed for a further three years, in recognition of the equal opportunities measures in the workplace conditions of its professional workforce, in its organisation models.

3rd Equal Opportunities Plan for Men and Women (2020-2023), which includes the protocol against sexual or gender-based harassment, among others.

10 REDUCED INEQUALITIES

Transfer of homes to the Social Fund.

Mobile branches and agreements with financial agents to fight against financial exclusion in rural areas.

Employee participation in the Solidarity Team, contributing a total of €35,480 to social promotion and healthcare projects.

11 SUSTAINABLE CITIES AND COMMUNITIES

The construction of the **new central services in Almeria** will introduce the highest standards of environmental sustainability, energy A certification, and the LEED and WELL seals.

Energy efficiency and savings measures in the Group's installations (LED lighting, presence sensors, twilight switch, timed push buttons, solar filtered glass, etc.).

14 LIFE BELOW WATER

In its concern for marine biodiversity, the Group published the study on **The marine biodiversity. Risks, threats and opportunities.**

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

The Group has an **Anti-corruption Policy** to prevent all forms of corruption, including extortion and bribery.

Code of Good Tax Practices promoted by the Spanish Tax Agency.

17 PARTNERSHIPS FOR THE GOALS

The Group has been a member of the **Spanish network of the UN Global Compact** since 2006.

The Group is a founding signatory of the **Principles of Responsible Banking**, UN Programme for the Environment, representing yet another example of its commitment to aligning its business with the SDGs and the Paris Agreement on Climate Change.

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Environmental Performance

Commitment to the environment

Since its origins, the Group has always been committed to the social, economic, and environmental surroundings with which it interacts. Hence, although the nature of its activity generates a minimum environmental impact, its commitment to sustainable development is framed within its business model that includes not only the direct impacts, but also the indirect impacts generated as a result of its financing activities, its asset management, and the management of its supply chain. All of this is reflected in the Environmental Policy, which defines the Group's environmental management system, promoting energy efficiency through its employees and making a rational and moderate use of economic and financial resources, especially those that have the greatest impact on the environment. All this is defined in the Group's Eco-Efficiency Plan.

Grupo Cooperativo Cajamar's commitment goes beyond legal obligations, taking on voluntary commitments by implementing an Environmental and Energy Management system, as well as developing environmental principles and good practices in all its activities.

The Environment Committee, through the Sustainability Committee, is responsible for defining, supervising and monitoring the implementation, dissemination, maintenance, update and, therefore, ensuring the proper functioning of the Environmental Management System in accordance with ISO 14001 and the Energy Management System in accordance with ISO 50001 .

ISO 14001 BUREAU VERITAS Certification

The Group certifies that its Central Services management system has been audited in accordance with the requirements of the standard, demonstrating the Group's commitment to improving its environmental performance.

The Group certifies that its management system has been audited in accordance with the requirements of the standard, providing a solid framework in the management and improvement of the Group's energy consumption and efficiency.

forética | Clúster Cambio Climático

The Group heads up the Forética Climate Change Cluster, Spain's leading business platform on climate change.

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Eco-efficiency plan

Grupo Cooperativo Cajamar implements and systematically updates an environmental management system, promoting energy efficiency through its facilities and employees. Similarly, it makes rational and moderate use of economic and financial resources, especially those with the greatest impact on the environment.

ENERGY SAVING AND EFFICIENCY PLAN

CONSUMPTION OF PAPER, PRINTER INK AND OTHER CONSUMABLES

WATER CONSUMPTION

MANAGING OUR CARBON FOOTPRINT

The Group has defined an Eco-Efficiency Plan, which aims to contribute to environmental sustainability by optimising the use of materials and energy efficiency. The aims pursued by this Eco-Efficiency plan 2021-2023 are to make the Group more competitive by reducing costs and minimising the negative environmental impacts of its activity. The 4 pillars of the Eco-Efficiency Plan are energy savings and efficiency, the consumption of paper, printer ink and other materials, water consumption, and the management of its carbon footprint.

• Objectives of the Eco-Efficiency Plan 2021-2023

	TARGET	INDICATOR	2021	2022	2023
CARBON FOOTPRINT	Carbon neutral	% reduced emissions	3 %	3 %	3 %
		% emissions off-set[1]	100 %	100 %	100 %
	Employee travel	% reduction in employee travel in private vehicles, trains, and planes	10 %	10 %	10 %
		% hybrid vehicles (leased vehicles)[2]	60 %	63 %	64 %
	Use of renewable energy	% renewable energy consumed	100 %	100 %	100 %
INTERNAL ENERGY CONSUMPTION	Implantación de acciones de eficiencia energética	% Reduction in energy consumption	3 %	3 %	3 %

→ 1 Target set in relation to the emissions identified and calculated in the 2021-2023 Eco-Efficiency Plan (not including the emissions from the Group's loan and investment portfolio).

→ 2 Cumulative objective between 2021 and 2023.

In 2022, no fines or penalties were recorded for failure to comply with laws or regulations that relate to environmental aspects, performance in society, or the supply and use of products and services, which may be significant in relation to assets, financial situation and consolidated results.

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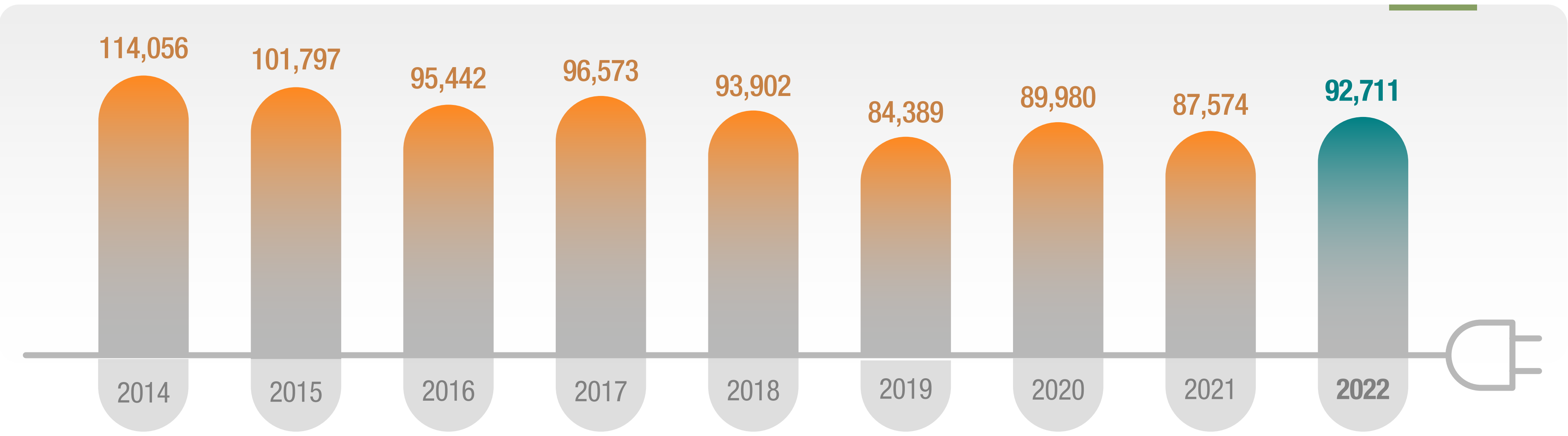
Energy Saving and Efficiency Plan

Energy savings and efficiency are an important pillar to reduce emissions, so for several years the Group has been developing different projects and initiatives that reduce the consumption of electricity. Furthermore, 100% of the energy consumed by the Group comes from renewable sources, which has meant savings of more than 6,600 t de CO_2e.

Every year, the Group invests in three major projects to reduce total energy consumption. For years, the Group has implemented different measures aimed at improving energy efficiency related to air conditioning, lighting, and improving the efficiency of IT equipment.

• Evolution of internal energy consumption (GJ)



• Evolution of energy consumption (GJ)

Evolution of internal energy consumption	2021	2022	Variation
Electricity	87,574	92,711	+5.87 %
Total electricity / employee*	14.06	14.88	+5.83 %
Total	87,574	92,711	+5.87 %

* Calculated based on the number of employees at 31/12/2022

Evolution of external energy consumption	2021	2022	Variation
Fuel (vehicle fleet)	5,219	5,884	+12.74 %
Fuel (employee travel)*	4,283	5,385	+25.73 %
Fuel (business trips)**	2,672	6,258	+134.20 %
Total	12,174	17,527	+43.97

* Travel by car

** Travel by train and plane

• Investment and energy savings 2022

Eco-Efficiency plan

Energy saving lines	Annual (unit)	Investment (€)	Savings (GJ/year)
Air conditioning	20	168,145	169
LED technology	30	47,886	209
Installation of automatons	26	100,7506	129
Total	**76**	**316,781**	**507**

• Investment and energy savings forecast 2023

Eco-Efficiency plan

Energy saving lines	Annual (unit)	Investment (€)	Savings (GJ/year)
Air conditioning	30	420,000	253
LED technology	100	150,000	696
Installation of automatons	30	108,000	149
Total	**160**	**678,000**	**1,098**

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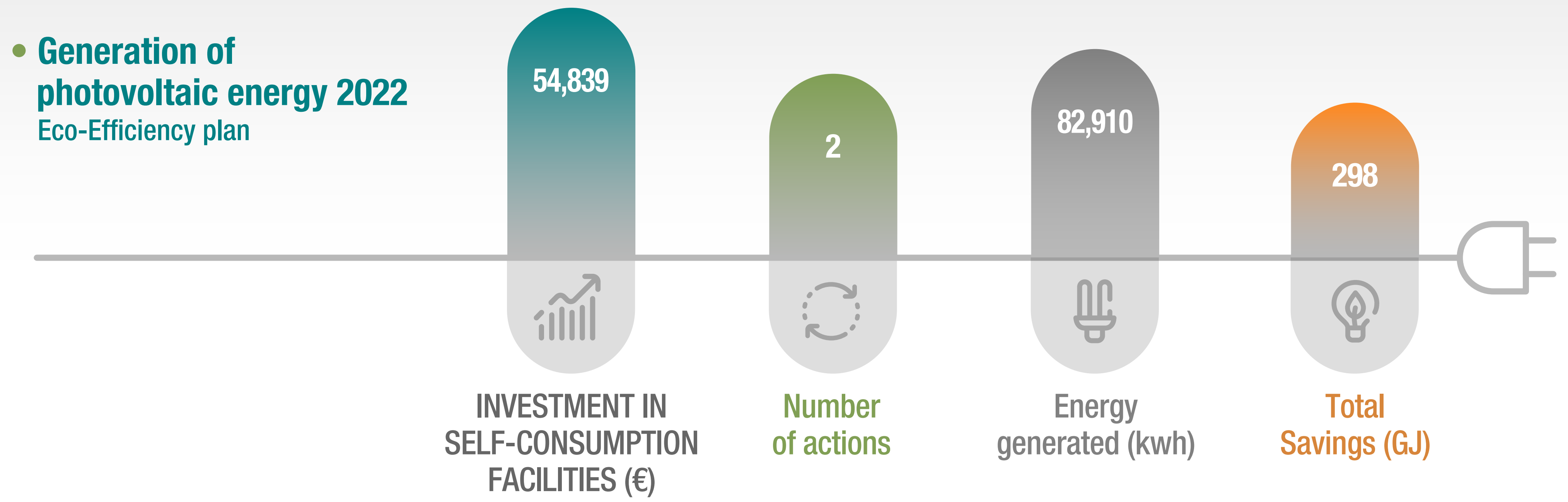
Photovoltaic power generation by Grupo Cooperativo Cajamar

100% of the electricity consumed by the Group comes from renewable energy sources, as certified by the certificate of guaranteed origin issued by the certifying company.

In order to continue moving towards a responsible and sustainable banking model, the Group invests in photovoltaic installations, generating energy for self-consumption, avoiding CO_2 emissions into the atmosphere and issuing certificates of origin for use by third parties currently purchased on the market. In particular, the Group has 18 centres in which its facilities are located. Furthermore, within the energy efficiency projects implemented, the Group is in the process of building new photovoltaic installations and studying the possibility of further facilities that will allow it to continue generating and consuming the energy produced in the centres where they are located.

For next year, the Group has planned a project to build and operate two photovoltaic parks with its own resources for self-consumption that will reinforce its Strategic Plan 2022-2025. The project will promote the use of renewable energies to continue advancing in the energy transition, reducing dependence on fossil fuel-based energies and consequently improving energy efficiency and savings. Furthermore, the project will not only generate green energy for self-consumption, but will also make it possible to provide certificates of guaranteed origin for any surplus generated and issue them in the market.

All of this helps cut emissions of polluting gases and consequently facilitates the achievement of environmental targets in the fight against climate change.



• **Photovoltaic power generation forecast 2023**

Energy saving lines	Annual (Units)	Investment (€)	Energy saving (GJ)
Photovoltaic installations for self consumption	6	1,523,594	10,593

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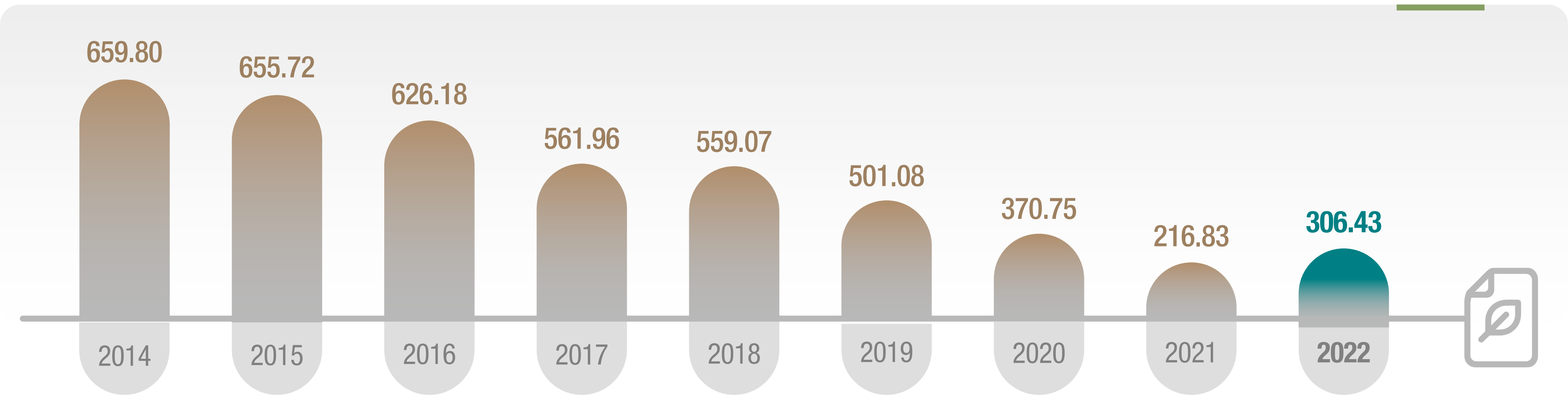
Consumption of paper, printer ink and other consumables

One of the pillars established in the Group's Eco-Efficiency Plan is to reduce the use of paper, printer ink, and other consumables. In relation to paper, actions such as the "paperless mentality" and campaigns such as the "Paperless Office" are still being promoted, which allows the Group to reduce its environmental impact as well as improve economic efficiency in order to have more resources that allow the Group to continue streamlining its transformation process. Other noteworthy initiatives include the plan to replace old printers in branches as well as the centralisation of printers in central services, requiring two-sided printing for certain documents such as e-mails, and implementing the signature digitalisation process in branches (among others). In addition, the Group's commitment extends to the management of all natural resources and any raw material that has a negative impact on the environment, striving to respond in accordance with the same principles of sustainability and efficiency.

- **Evolution of paper consumption (t)**



- **Paper consumption (t)**

	2021	2022	Variation (%)
Paper consumption* (t)	216.83	306.43	+41.32
Recycled paper consumption (%)	99.24	34.00	-65.24

* The consumption of recycled paper has been reduced due to the lack of raw materials as a result of the post-pandemic situation

- **Hazardous waste managed**

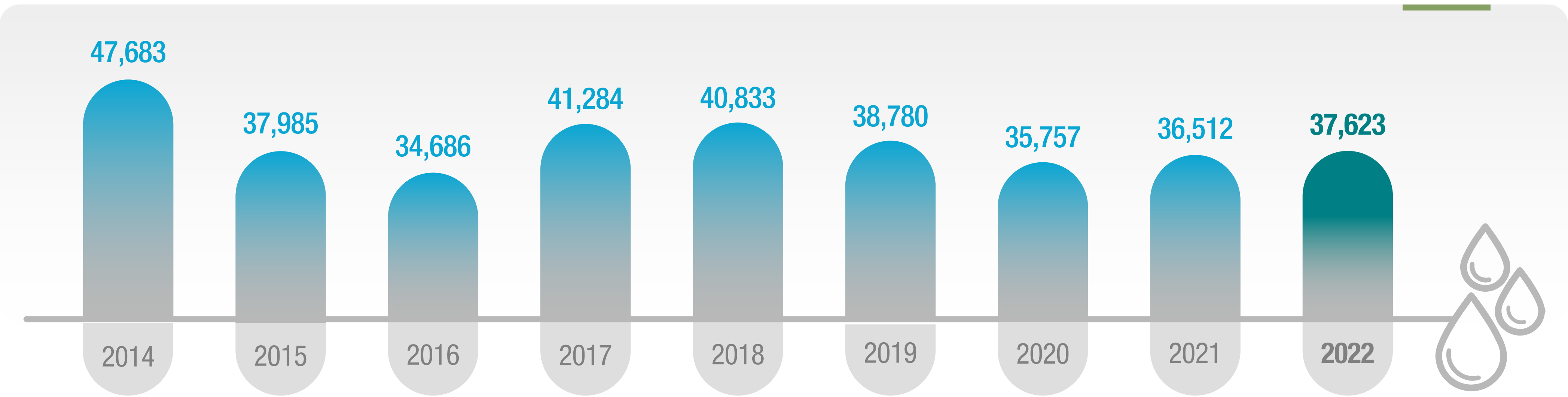
	2022	% recycled
Printer cartridges (units)	10,112	63[2] %
Electrical equipment[1] (kg)	70.39	100 %
Tubes and bulbs[1] (kg)	170.28	100 %
Electronic Equipment (kg)	6,462	100 %

→ 1 Centre data required by ISO 14001 certification
→ 2 Printer cartridges recycled/consumed

Water consumption

Within the actions implemented in the Eco-Efficiency Plan, the Group internally reviews and implements efficiency measures related to water management in existing systems and facilities in order to optimise their daily use. Some examples of the savings measures implemented are the installation of water-saving devices, the progressive replacement of conventional toilet cistern for dual flush models, as well as awareness campaigns aimed at saving water use.

- **Evolution of water consumption (m³)**



- **Water consumption (m³)**

	2021	2022	Variation (%)
Water consumption (m^3)	36,512	37,623	+3.04
Water consumed/used* (m^3)	5.83	6.04	+3.60

* Consumption has been calculated based on the number of employees at 31/12/2022

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Carbon Footprint Management.

Grupo Cooperativo Cajamar has been calculating its carbon footprint since 2014 in order to implement measures to continue reducing it and to try to offset it. The calculation of the Group's carbon footprint is verified externally in accordance with the International Standard on Assurance Engagements 3410 (ISAE 3410). The footprint is measured in accordance with each of the three Scopes, taking *The Greenhouse Gas Protocol* international standard as a reference. The emissions identified and calculated for the Group's activity in 2022 were provided by emission sources and classified according to the three scopes.

Grupo Cooperativo Cajamar Operational Footprint 2022

Total emissions: 1,972 t CO_2e

Total emissions: 633.24 t CO_2e

Total emissions: 0 t CO_2e

Total emissions:: 1,338.40 t CO_2e

Scope 1
Direct emissions

440.53 t CO_2e
Vehicle Fleet

192.71 t CO_2e
Coolant Gases

CO_2	CH_4	N_2O	HFC	Total t CO_2e
435.71	0.45	4.37	192.71	633.24

→ Scope Emissions by type of gas

Scope 2
Indirect emissions

0 t CO_2e
Electricity Consumption

t CO_2e	Total t CO_2e
0	0

→ Scope Emissions by type of gas

Scope 3
Indirect emissions (t CO_2e)

5.61
Water

262.9
Paper

72.46
Tóner

1.41
IT Equipment

172.57
Transport and Distribution Services

41.86
Waste

781.59
Business Travel

CO_2	CH_4	N_2O	Total t CO_2e
774.92	0.19	6.48	781.59

→ Scope Emissions by type of gas corresponding to business travel

* For the calculation of the operational footprint, the emission factors published by the *Department for Business, Energy & Industrial Strategy* (DEFRA 2022) were used.

• Emissions derived from the leakage of coolant gases in 2022

Coolant gases	Recharges (Kg)	t CO_2e*
R407C	13.8	22.44
R410A	88.5	170.27
Total	**102.3**	**192.71**

* For the calculation, the gas equivalences from PCA AR5 (Fifth IPCC Assessment Report) have been used.

• Intensity of tCO²e emissions in 2022 over the number of employees

	t CO_2e*
Direct Scope 1	0.10
Indirect Scope 2	0
Indirect Scope 3	0.22
Total emissions:	**0.32**

* Calculation based on the number of employees at 31/12/2022

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Footprint financed by Grupo Cooperativo Cajamar

In accordance with the agreements and regulations developed in recent years, and thanks to its reputation within the sector regarding its responsibility to the environment and communities, Grupo Cajamar has shown its firm commitment to becoming a climate neutral entity by 2050. For this reason, it has worked on the definition and subscription of intermediate objectives (taking the time line of 2030 as a reference), which will serve as a guide and reference to reach the final goal.

As a result of this commitment, the Group has joined two of the main and most renowned initiatives in this field. *The Science Based Targets initiative (SBTi)* led by the Global Compact and CDP, among others, and, more recently, the United Nations *Net-Zero Banking Alliance (NZBA)*. Both initiatives require intermediate objectives to be set, which are coherent with the final objective of achieving climate neutrality by 2050, and here lies the relevance of the calculation of emissions derived from the Group's loans and investment portfolio.

That's why the Group has calculated its financed emissions using the *PCAF (Partnership for Carbon Accounting Financials)* methodology, measuring the financed emissions from the different types of asset, as set out in the methodology (Annex VIII to this report).

- **Emissions from Grupo Cooperativo Cajamar loans and investment portfolio in 2022**

	Absolute tCO^2e emissions
Loans to companies	2,820,652
Loans for commercial assets	1,111,918
Mortgages	4,561,532
Loans for motor vehicles	7,018
*Project finance**	899
Corporate bonds	205,139
Sovereign debt	2,267,994
Stakes in listed and unlisted companies	5,432
Total	**10,980,584**

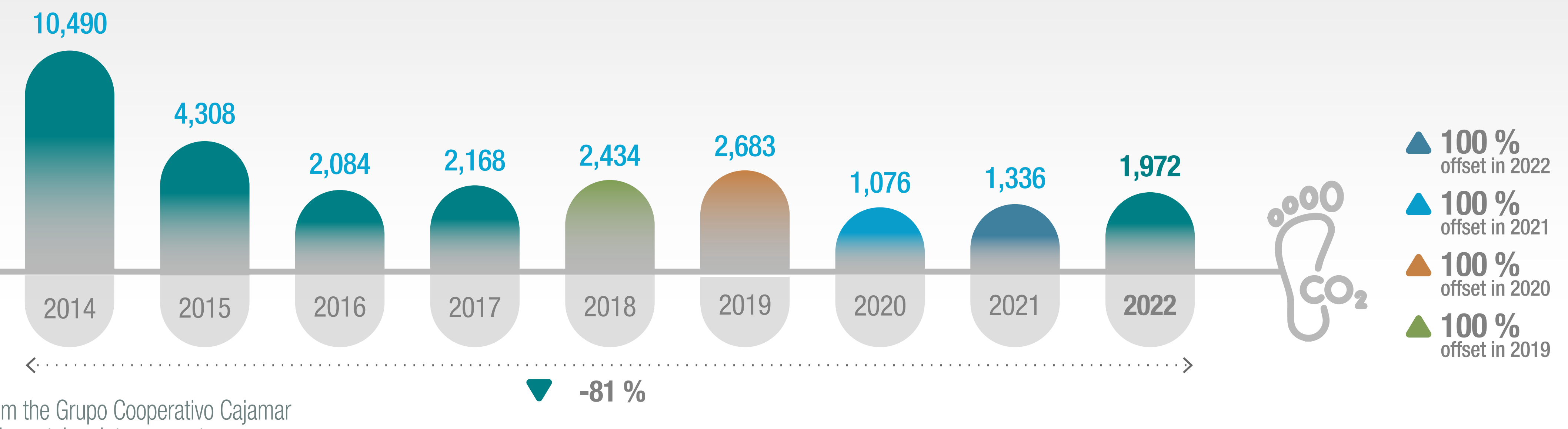
The Group's emissions have been calculated based on the gross sum in the books at 31/12/2022

* For the calculation of the emissions of the *financed projects*, the risk at 31/12/2022 has been taken into account, following the recommendations set out in the methodology.

Evolution of the Grupo Cooperativo Cajamar carbon footprint

Every year, the Group makes an inventory of its emissions to reach climate neutrality by focusing on the measurement, reduction and offsetting of the unavoidable emissions, as set out in the Group's Ecoefficiency Plan. In order to reduce them, the Group has reduced its emissions in recent years by 81% through a reduction in energy consumption, purchase of renewable energy, increased energy efficiency, as well as fostering the use of video-conferences through collaborative tools implemented by the entity.

• **Evolution of the Grupo Cooperativo Cajamar operating carbon footprint 2022 (tCO2e)**



For comparison purposes, emissions from the Grupo Cooperativo Cajamar loans and investment portfolio have not been taken into account.

	2021	2022	% Variation vs 2021
Scope 1 tCO_2e	633.82	633.24	-0.09
Scope 2 tCO_2e	0	0	0
Scope 3 tCO_2e	702.6	1,338.40	+90
Total tCO_2e	**1,336**	**1,972**	**+48**

In 2022, the Group has continued developing methodologies to measure new categories or extend details of others, incorporating some categories (IT equipment, transport and distribution of services, toner) for the first time in the calculation of Scope 3, which means that the number of emissions is higher. Some of the categories (business travel and paper) have been increased by the return to normality after the pandemic.

Offsetting of CO_2e emissions

In 2022, the Group has yet again offset 100% of its operating emissions, more specifically, the 1.336 t of CO_2e emitted and identified in 2021 through the "Conservación de Madre de Dios en Perú" project, reducing deforestation in the area (deforestation avoided), allowing for sustainable forest management and generating benefits for local communities. The forest where the project is located is extremely important in terms of biodiversity conservation. From the social point of view, the project contributes to the sustainable development of rural producers and indigenous communities that live in the project's areas of influence.

The project has been validated in accordance with two of the most prestigious standards on the Voluntary Carbon Market: the *Verified Carbon Standard (VCS)* and the *Climate Community and Biodiversity Standard (CCBS)*. The first standard validates the number of CO_2 removals generated by the project (carbon credits), whilst the *CCBS* validates the project's contribution to improving social and environmental aspects in the area. Its contribution to the sustainable development of the area has earned this project the *CCBS "Gold Rating"*. Furthermore, to guarantee transparency, the project is registered in the *Market Environmental Registry*. In recent years, a total of 7,529 tCO_2e have been offset. Therefore, as proof of our commitment to sustainable development, a reforestation project has commenced, which will enable the Group's carbon footprint to be partially offset, among other things.

Seal granted by the Ministry for Ecological Transition, which distinguishes organisations that calculate their carbon footprint and have a plan to reduce their emissions.

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Promoting biodiversity

Grupo Cooperativo Cajamar Reforestation Project

The Group has always been interested in supporting the sustainable development of the territories in which it operates. Proof of this is the implementation of a reforestation projects called **"mardeoxígeno"** which will contribute to the development of environmental, social and economic impact actions, as well as the fight against climate change.

The space chosen for the reforestation project is in the province of Almeria, a Natural Park since 1987 and a reference for family leisure and use, whereby it is one of the few remaining old forest in Europe and its peculiarities have led it to become the subject of numerous studies to observe its reaction to climate change. The area where the project is located has an enormous biodiversity, approximately **1,200 plant taxa** have been described, of which they are endemic and exclusive.

It also has a large diversity of birds, with **more than 100 species** inhabiting the area either temporarily or permanently. More specifically, the reforestation project will be carried out on an area for agricultural use.

mardeoxígeno

The **project's main** aim is to recover the tree cover of the area of the estate for agricultural use.

Some of the project's secondary benefits: The restoration of a fountain, where the origin of the water allows for a pond that has traditionally been used and hence seeing how the maintenance of meadows favours wild fauna.

mardeoxígeno will reduce erosive risks, reduce the run-off, eliminate soil loss, improve the natural establishment of endemic flora and fauna, increase the biodiversity and improve the soil structure and organic matter. It will also increase the ecological, landscape and tourist value of the area in order to satisfy the environmental and social needs of the territory and remain resilient to climate change.

Project Benefits:

- The volume of absorptions will partially offset the Group's carbon footprint.
- Environmental and ecological impact.
- Social impact generating direct employment as a result of the reforestation tasks and subsequent maintenance.
- Local impact aligned with the Group's philosophy to create wealth and be committed to the territory as a result of society's growing call for ecosystem services that help to improve the environment, mitigate climate change and enable nature to be enjoyed for leisure and free time.
- Foster collaborative activities related to reforestation and this type of initiatives in the banking and business sectors.

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Sustainable Finance

The proposals put forward in the Agenda 2030, along with the Sustainable Development Goals and the Paris Agreement to combat climate change, must be used to face one of the greatest threats that we have ever had to face.

To move towards a decarbonised and digitalised economy, the banking sector is going to be a key agent for the reorientation of capital flows. In this respect, the European Commission has drawn up an Action Plan for the European Commission and a series of regulator expectations that make up the reference framework of sustainable finance for the financial sector.

Through the Sustainable Finance Master Plan, drawn up in 2021, Grupo Cajamar has laid the foundations for its contribution to the decarbonisation of the economy (2021-2050) through four main pillars: governance, strategy, metrics and disclosure. This Plan has served to integrate these elements into the daily management of the different areas involved, pushing forward the different initiatives that serve to fulfil the Group's own ambition and that of the regulatory bodies.

Pillars of the Grupo Cajamar *Sustainable Finance Master Plan*

DEVELOPMENT IN THE SUSTAINABLE FINANCE MASTER PLAN

INFORMATION	• Creation of the **ESG internal certification Advanced Level.** • **Training of analysts in climate risks** and other ESG aspects.	SECTORAL FRAMEWORK POLICY	• Following its approval by the savings bank, it is currently in the deployment phase, integrated in the information systems and the sustainability policy associated with each borrower.	BUSINESS MODEL AND STRATEGY	• **Definition of decarbonisation objectives** based on the PCAF methodology
MATERIALITY ANALYSIS	• **Approval of the materiality analysis** that includes the potential impact of the climate factor on conventional risks.	SUSTAINABLE BOND FRAMEWORK	• **First issue of social debt**, under the Sustainable Bond Framework.	MODEL FOR THE CALCULATION OF DECARBONISATION COSTS	• Development of the **model for the calculation of the decarbonisation costs** of the Group's borrowers.
CLIMATE FACTORS IN STRESS TEST	• Definition of the **climate scenarios and stress test.**	INCLUSION OF RAF SUSTAINABILITY INDICATORS	• Incorporation of the **Sustainalytics Rating**. • Work is being carried out on the **incorporation of other metrics**.	INTERNAL AUDIT OF ESG RISKS	• Creation of the **ESG Risks Audit Office**
GOVERNANCE	• **Allocation of functions and roles** to all organisational units that are involved in the management of ESG aspects. • **Incentives**. The carbon footprint reduction percentages involved in the management of ESG aspects have been incorporated for the calculation of the variable remuneration of the entire workforce.	SUSTAINABILITY REPORT IN LARGE OPERATIONS	For all operations > € 3 Million: • **Homogenisation of the risk** reports and incorporation of new indicators into the analysis. • **Individual analysis of each customer** and consideration of specific performance in ESG terms.	QUALITY AND PROCESSING OF ESG DATA	• **Development of the methodology for the measurement of the carbon footprint** and extension of the categories included in their disclosure. • **Development and implementation of the Sustainability Datamart (DM)** for the systematic input of ESG data in corporate information systems.

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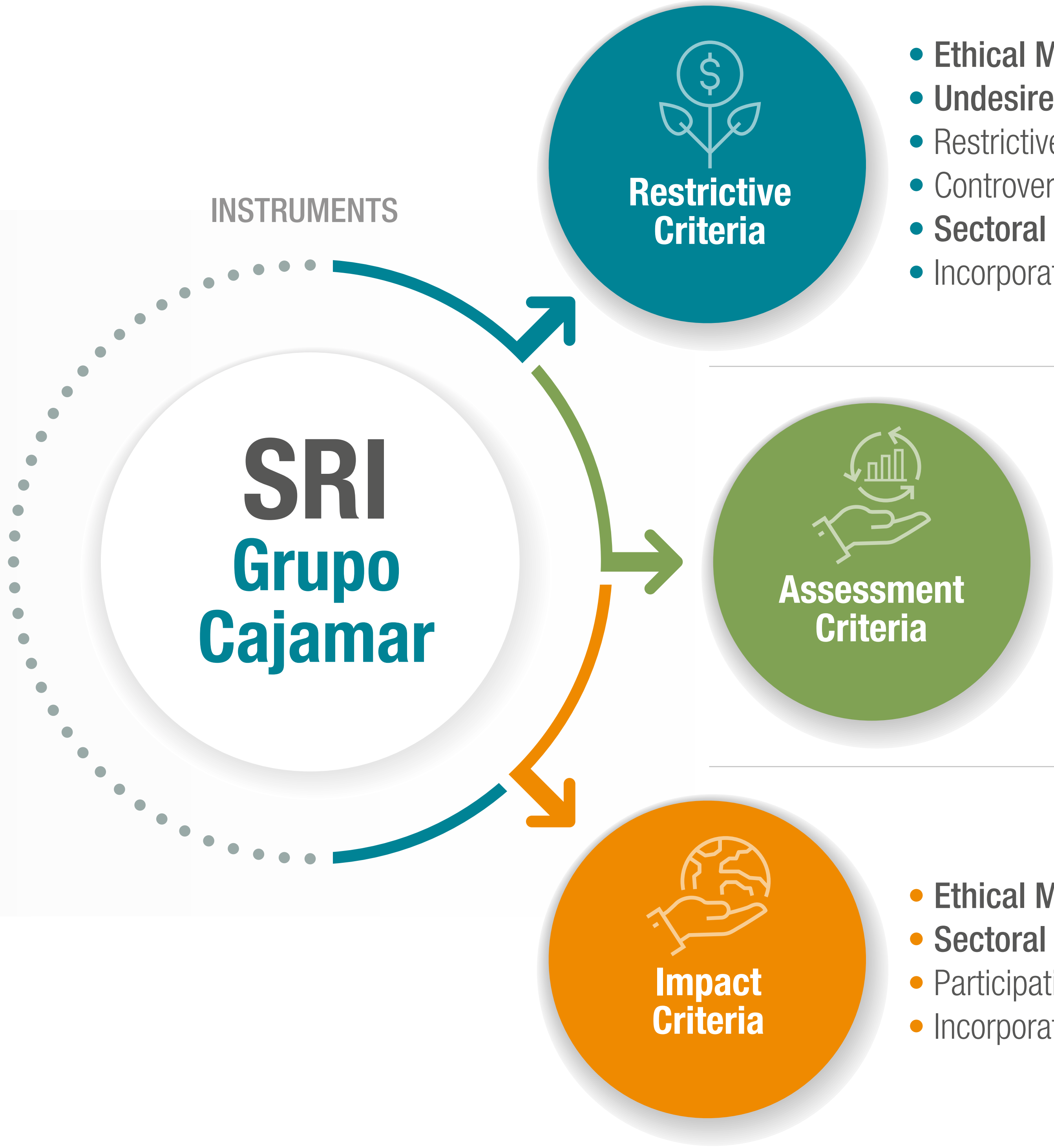
Socially Responsible Investment Strategy (SRI)

Practically all of the Group's equity managed in investment funds take SRI into account, through its leading manager (TREA AM), and through the application of assessment and excluding strategies. More than 25% of its catalogue is also recognised in the application of SFDR legislation*, such as Article 8 or 9 (promoting social and environmental initiatives or with explicit and measurable sustainable investment objectives).



Restrictive Criteria

- **Ethical Management System**
- **Undesired Associations**
- Restrictive criteria in marketed investment funds
- Controversial sectors for Debt Issues *(Sustainable Bond Framework)*
- **Sectoral Policy Framework for climate neutrality**
- Incorporation of ESG criteria in operational credit risk analysis (> 3 million euros)

Assessment Criteria

- **Ethical Management System**
- Eligible Assets *(Sustainable Bond Framework)*
- *Best in class* strategy in marketed investment funds
- Controversial sectors for Debt Issues *(Sustainable Bond Framework)*
- **Sectoral Policy Framework for climate neutrality**
- Incorporation of ESG criteria in operational credit risk analysis (> 3 million euros)

Impact Criteria

- **Ethical Management System**
- **Sectoral Policy Framework for climate neutrality**
- Participation in the Impact Fund (venture capital) backed by La Bolsa Social and approved by the CNMV
- Incorporation of ESG criteria in operational credit risk analysis (> 3 million euros)

spainsif The Group is a member of Spainsif; the leading SRI platform in Spain

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Undesirable Links

Also related to the Group's commitment to the promotion of the SRI is our policy governing Undesirable Links. With this self-imposed requirement, the Group pledges not to finance companies and/or projects related to controversial activities bearing in mind fundamental principles in the field of sustainability, the international standards and agreements and the entity's Ethical Management System, all in accordance with the principles of precaution, prevention, and relative importance.

NUCLEAR ENERGY

We do not finance projects associated with the production of nuclear energy; we support companies that produce renewable energy. Distribution in industry, large enterprises and SMEs would not be excluded.

COAL

We will not finance activities that aim to produce electrical energy, thermal energy or automotive energy through the combustion of coal, as the most polluting fossil fuel with the highest impact on climate change. Distribution in industry, large enterprises and SMEs would not be excluded.

EXPLORATION AND/OR EXTRACTION OF HYDROCARBONS

We will not finance projects that directly engage with the exploration and/or extraction of hydrocarbons, especially fracking.

CONTROVERSIAL WEAPONS

We will not finance organisations that produce and/or distribute controversial weapons, including anti-personnel mines, chemical weapons, biological weapons, nuclear weapons, scatter or cluster bombs, and weapons that use depleted uranium.

PORNOGRAPHY AND PROSTITUTION

We will not finance activities involving the production and/or distribution of images featuring sexual content, or other activities that promote and/or profit through the exercise of sexual practices in exchange for money or other economic remuneration.

GAMBLING

We will not finance activities that promote gambling or betting: casinos, betting houses, bingo, etc. The main controversy lies in the negative effects these activities can have on health, associated with the different forms of gambling addiction. SMEs, the activity of state lottery and betting bodies and charitable organisations shall not be subject to exclusion.

LOCATED IN TAX HAVENS

We will not finance companies or organisations whose headquarters are located specifically for the purposes of tax avoidance or evasion. Countries included on the OECD grey list are classed as tax havens.

MULTI-LEVEL PYRAMID SCHEMES

We will not finance companies or organisations whose revenues and/or profits derive directly from new members (partners, distributors, etc.). We include in this category companies or organisations with multilevel schemes that can be equated with pyramid schemes through ad hoc analysis.

AT RISK OF CONTROVERSY

We will not finance companies or organisations, including their administrators, in respect of which the opening of an oral hearing in criminal proceedings has been agreed, as well as those about which controversial cases in social, environmental and/or ethical/governance issues are known following an ad hoc analysis.

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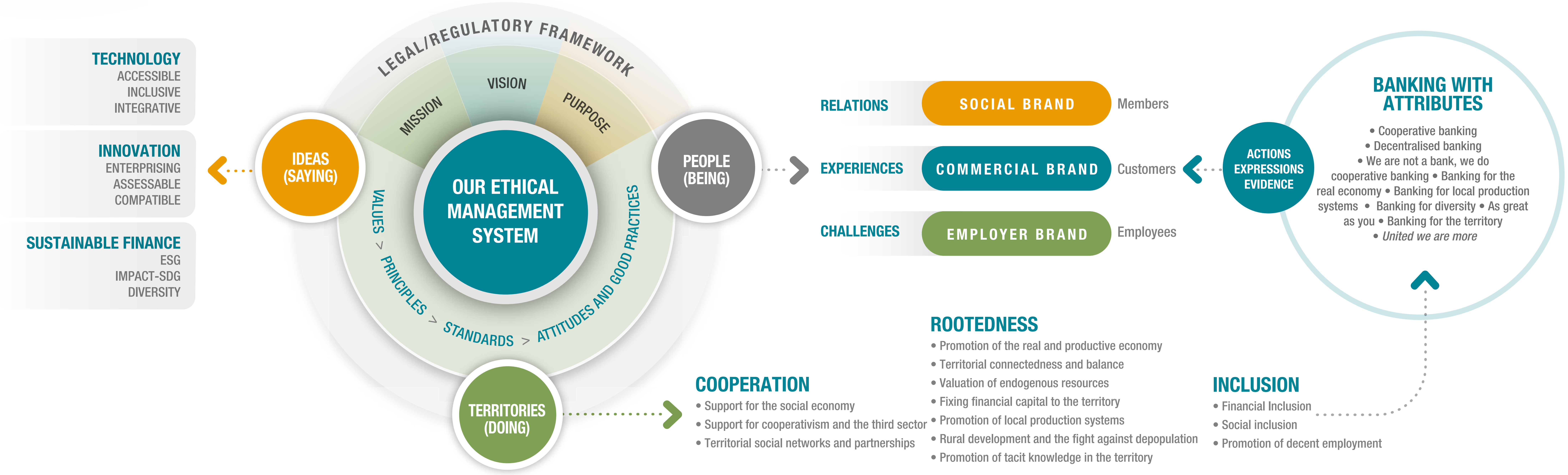
Ethical management system

The Ethical Management System (EMS) is at the centre of Grupo Cooperativo Cajamar's corporate culture map and is one of the main instruments with which it articulates the policies, measures, and instruments that promote responsible business, socially responsible investment, and long-term relationships with its customers and suppliers.

For the Group, the Ethical Management System (EMS) is defined as the set of ethical-social values, principles, and standards, consistent with each other, which govern the behaviour of the Group in each and every one of its fields of action, encouraging and strengthening compliance with the legal system, respect for human dignity, and corporate social responsibility.



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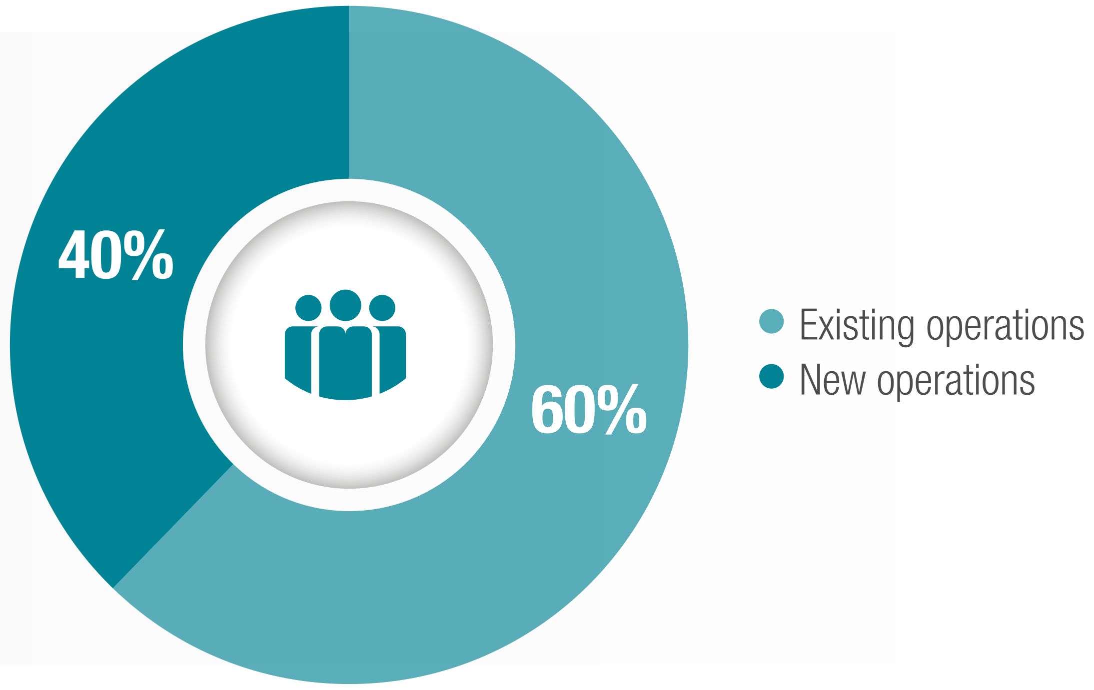
Grupo Cooperativo Cajamar releases its first issue of social bonds

On 13/09/2022, **Grupo Cooperativo Cajamar issued social** bonds, under the BCC sustainable bonds framework published in December 2021, with a Second Party Opinion by **Vigeo Eiris**.

The issue was for a volume of **€500 million over a period of 4 years** with 22/09/2022 as the settlement date.

It is an issue of Senior Preferred Social Debt, eligible as MREL, whose ratio is approximately 2 p.p., enabling the Group to get ahead by one year in the linear construction calendar until reaching the final binding ratio on 1st January 2025.

Distribution in the allocation of Funds



Distribution of the social issue		Beneficiaries	Sustainable Development Goals
	Social Economy (1)	Cooperatives, labour companies, mutual associations, associations of fishermen, special job centres and insertion companies.	
	Low performance populations (2)	Families, self-employed workers and companies located in these territories.	

(1) SOCIAL ECONOMY
Category made up of operations granted to companies in the social economy, as per Law 05/2011, of 2nd March, on Social Economy.

(2) LOW PERFORMANCE POPULATIONS
Category made up of operations associated with projects and/or the acquisition of business assets identified by the regions and territories affected by the low economic performance, unemployment and depopulation. These territories are identified as provinces with a population density of 25 inhabitants/km^2 or less and /or municipalities of less than 10,000 inhabitants located in provinces with an unemployment rate above the Spanish average.

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Risks and opportunities arising from climate change

In recent years, climate change has become a key driver in the development of a sustainable economy. The climate reports of organisations used to focus on the impact of companies on their environment. However, climate change is causing disruption with potential short, medium, and long term impacts on the natural environment that will directly affect business, so we need to analyse and consider how the environment impacts businesses and assets involving risks and opportunities.

In this regard, Grupo Cooperativo Cajamar has incorporated into its strategy the management of risks associated with climate change following the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). The objective is to define policies, measures and instruments of governance, strategy, metrics and disclosure that enable the identification, measurement, assessment, and management of risks arising from climate change, both in terms of physical impact and in terms of transition.

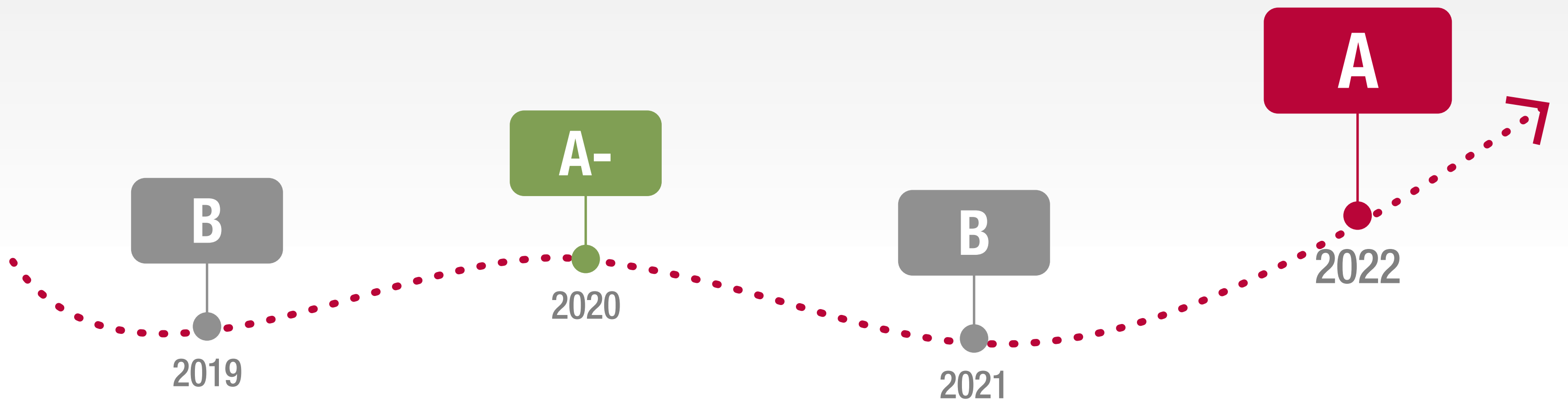
The focus has been on the banking sector, since it plays a crucial role as a catalyst in the process of ecological transition through the development of sustainable finance. The sector is now internalising this risk, which is systemic and therefore not diversifiable, by analysing its impact on traditional banking risks.

Rating awarded by CDP to Grupo Cooperativo Cajamar

CDP DISCLOSURE INSIGHT ACTION
A LIST 2022
CLIMATE

The Carbon Disclosure Project (CDP) has assessed the implementation of financial initiatives for the measurement and management of risks arising from climate change, their impact on the credit portfolio, as well as others aimed at transparency and management of the carbon footprint, in response to new methodological requirements for assessment and disclosure.

According to CDP, in 2022 Grupo Cooperativo Cajamar was ranked as a leader in terms of its corporate transparency and performance with regard to climate change. This is yet another example of the Group's commitment to the transition to a green economy that mitigates the impact of climate change on the activity of members and customers, as well as society in general.



Source: CDP

Measurement and impact of risks associated with climate change

Grupo Cooperativo Cajamar has historically conveyed its concern about sustainability risks, turning the spotlight on climate risks in recent years. The increasing level of demand has accelerated the development of new measurement tools to analyse and monitor environmental risks and their implications in economic and financial terms.

The need to identify the risks to which our economic activity is exposed and the correct management of them is fundamental. It entails the development of a certain set of indicators and metrics that facilitate the monitoring and control of risks in different scenarios.

Main indicators and metrics

Concentration Metrics

• Indicator of concentration in carbon intensive sectors

1.11 %

INCLUDED IN THE RAF

It expresses the proportion of the portfolio linked to economic or professional activities with a high intensity emissions rating. Looking at the CO_2e/VAB emissions ratio, according to INE data, each CNAE sector is assigned an emissions rating in five categories, ranging from Low to High.

In 2022, the indicator fluctuated between 1.22% and 1.11%, whereby such variations are not significant. The majority of the Group's portfolio is concentrated in low emission sectors (around 72%).

• Indicator of concentration in sectors depending on environmental risks (Ecorating)

5.39 %

INCLUDED IN THE RAF

This is an indicator included in the RAF, which, under expert criteria, assigns each CNAE a vulnerability rate to climate and environmental risks. On a scale from 0 to 100, four risk classification ranges are established: low, medium-low, medium-high, high.

More specifically, this metric measures the percentage of exposure of business and professional activities from retail and corporate sectors that is concentrated in a medium-high and high environmental risk level, which gives the Group exposure to the transition risk portfolio.

• Indicator of concentration in critical sectors

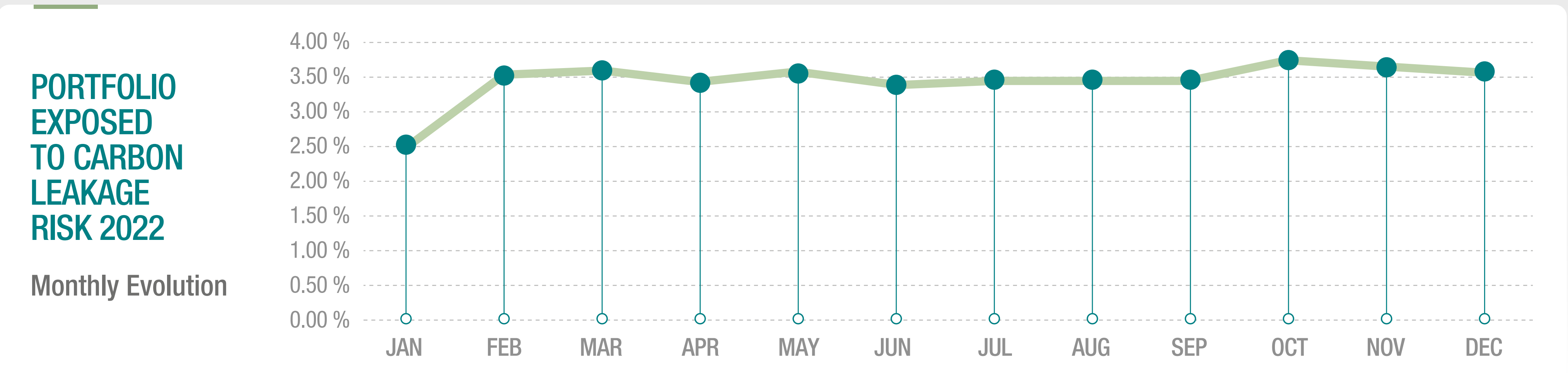
1.94 %

This metric indicates the concentration level of the business loans portfolio which, due to their economic activity, are considered to be critical in accordance with the Sectoral Policy Framework for climate neutrality.

Based on the characterisation of the loan portfolio, the Group can minimise risks on one hand, and maximise the opportunities presented by the ecological transition, on the other hand, enabling it to accompany its members and customers in their transition towards a low carbon economy.

• Indicator of concentration in activities at risk of carbon leakage

Additionally, the concentration in the portfolio of activities that are considered to have a significant risk of carbon leakage will be monitored, according to the public list (Commission Delegated Decision (EU) 2019/708). In 2022, the Group's exposure has fluctuated between 2.48% and 3.75%.



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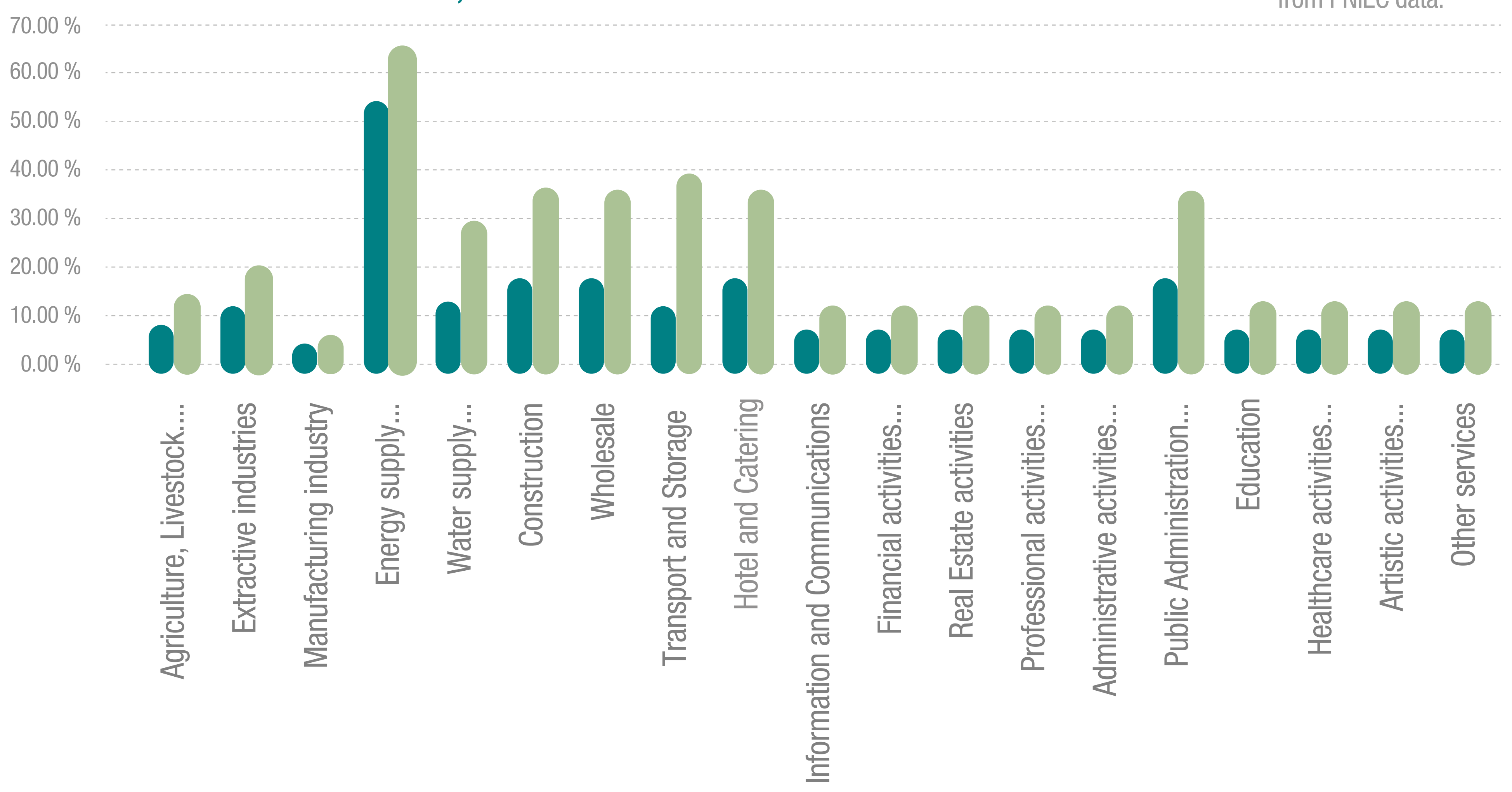
Sectoral Impact and Portfolio Metrics

• Indicator of decarbonisation intensity in the ecological transition

Ratio related to the economic efforts by the borrowers bearing in mind the sector to which they belong and the decarbonisation time line set out in the PNIEC. Depending on the sector in question and bearing in mind the market price of carbon emissions, the borrower must face economic effort in the energy transition process.

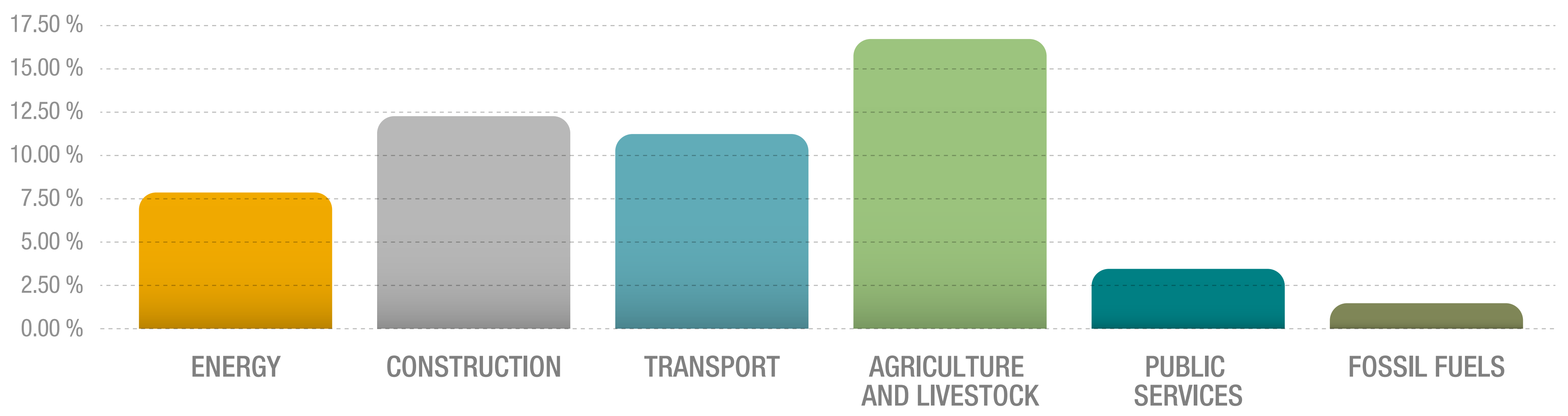
EMISSIONS REDUCTION ESTIMATE, ACCORDING TO PNIEC



• Climate Policy Relevant Sectors (CPRS)

This indicates the concentration of the portfolio linked to activities considered to be relevant for the climate policy as proposed by S. Battiston et al (2017) and updated in September 2022. In the second half of 2022, the ratio stood at around 52.84%. The sectors with the greatest impact on the portfolio are agriculture, construction and transport.

MAIN CNAE SECTORS INCLUDED IN CPRS



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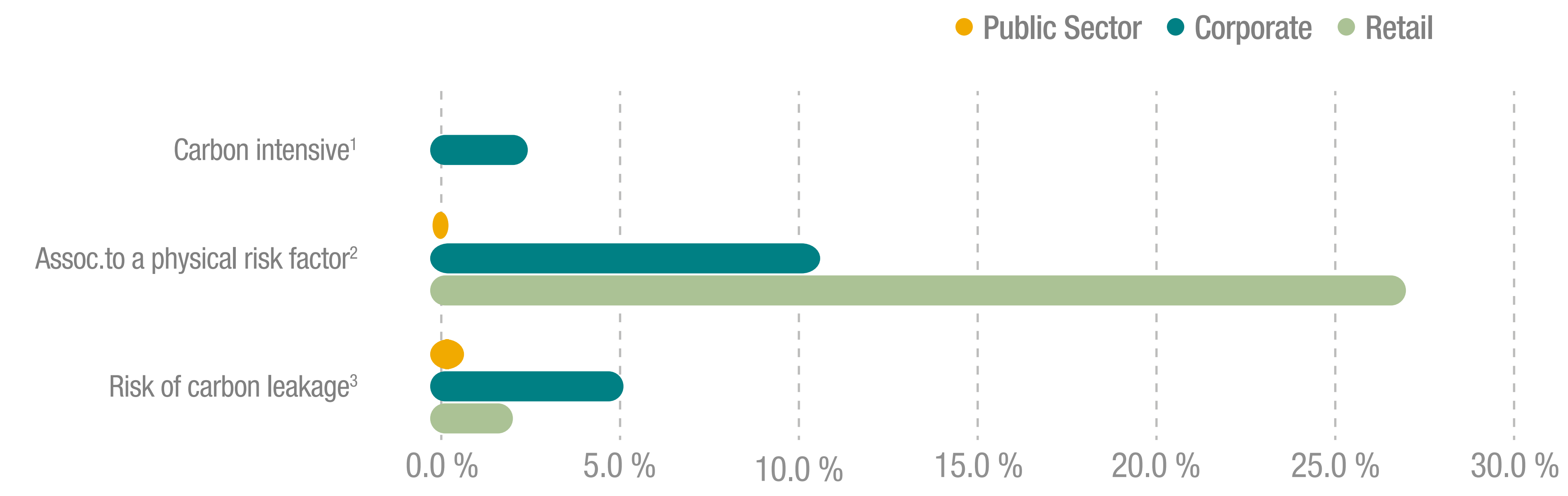
Distribution of the portfolio according to environmental criteria

The adaptation and transition towards a low carbon economy should be a path to be followed by all agents in society. The Group considers it relevant to identify the environmental risks that apply to each business segment, whereby they are characterised by three major portfolios.



[1] Classification based on the sectors identified by the INE as intensive in the use of fossil fuels. The intensity level is calculated in the Group, listing the emissions for each unit of gross added value generated.

[2] Classification based on the CNAE according to the TAXONOMY published by the European Union *Technical Expert Group on Sustainable Finance* in June 2019

[3] Classification based on the CNAE according to the Commission Delegated Decision (EU) 2019/708 for the period 2021-2030.

Indicators of the EU Environmental Taxonomy Regulation (climate change mitigation and adaptation)

Pursuant to Article 8 of Regulation 2020/852, and as a financial entity required to publish non-financial information, Grupo Cooperativo Cajamar includes the way and extent to which the Group's activities are associated with eligible economic activities, from an environmental point of view, in its sustainability report. It therefore responds to the recommendations set out in the Commission's Delegated Regulation of 6th July 2021, both in quantitative and qualitative aspects, and reports the eligibility ratios of its consolidated assets, according to the Taxonomy.

ELIGIBILITY RATIOS OF GRUPO COOPERATIVO CAJAMAR CONSOLIDATED ASSETS,ACCORDING TO ART. 8 TAXONOMY

Eligibility Ratios	% Total Assets
Taxonomy-eligible economic activities	21.95 %
Taxonomy-non-eligible economic activities	49,59 %
Central administrations, central banks and supranational issuers	28,45%
Derivatives	5.10 %
Non-financial entities not required to report to non-financial information	22.82 %
Trading portfolio	0.0032 %
Interbank call loans	0.0596 %

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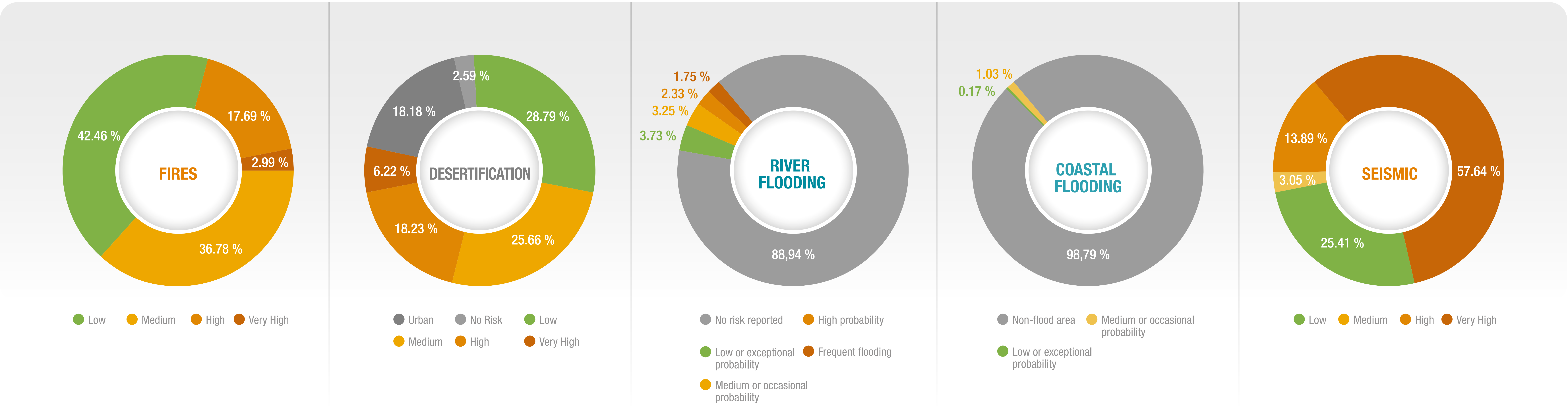
Physical Risk Metrics

• Exposure to physical risks in collateral

Grupo Cajamar is conscious of the identification of physical risks given that they are the result of the increase in the frequency of extreme weather phenomenons. The Group has been working on the classification of these risks associated with exposure to credit and market risk and homes with collateral, since 2021.

To estimate them, pursuant to the Sectoral Agreement that includes the AEB (Spanish Banking Association), CECA (Banking Confederation of Savings Banks) and UNACC (Union of Credit Cooperatives) and in collaboration with the Appraisal Company, Grupo Cooperativo Cajamar has identified the extent to which the mortgage portfolio is exposed to different physical risks that are listed below:



1) In the process of identifying the Group's mortgage portfolio, 69 % were reported, whereby the remainder are pending for different reasons.
2) Physical risks are determined by MITECO (Ministry for Ecological Transition) and have been evaluated by an external provider of appraisal services (Appraisal Company). With respect to the entity's mortgage portfolio, these were: severe risks: river flooding and fire; chronic risks: coastal flooding and desertification; other risks: seismic activity.

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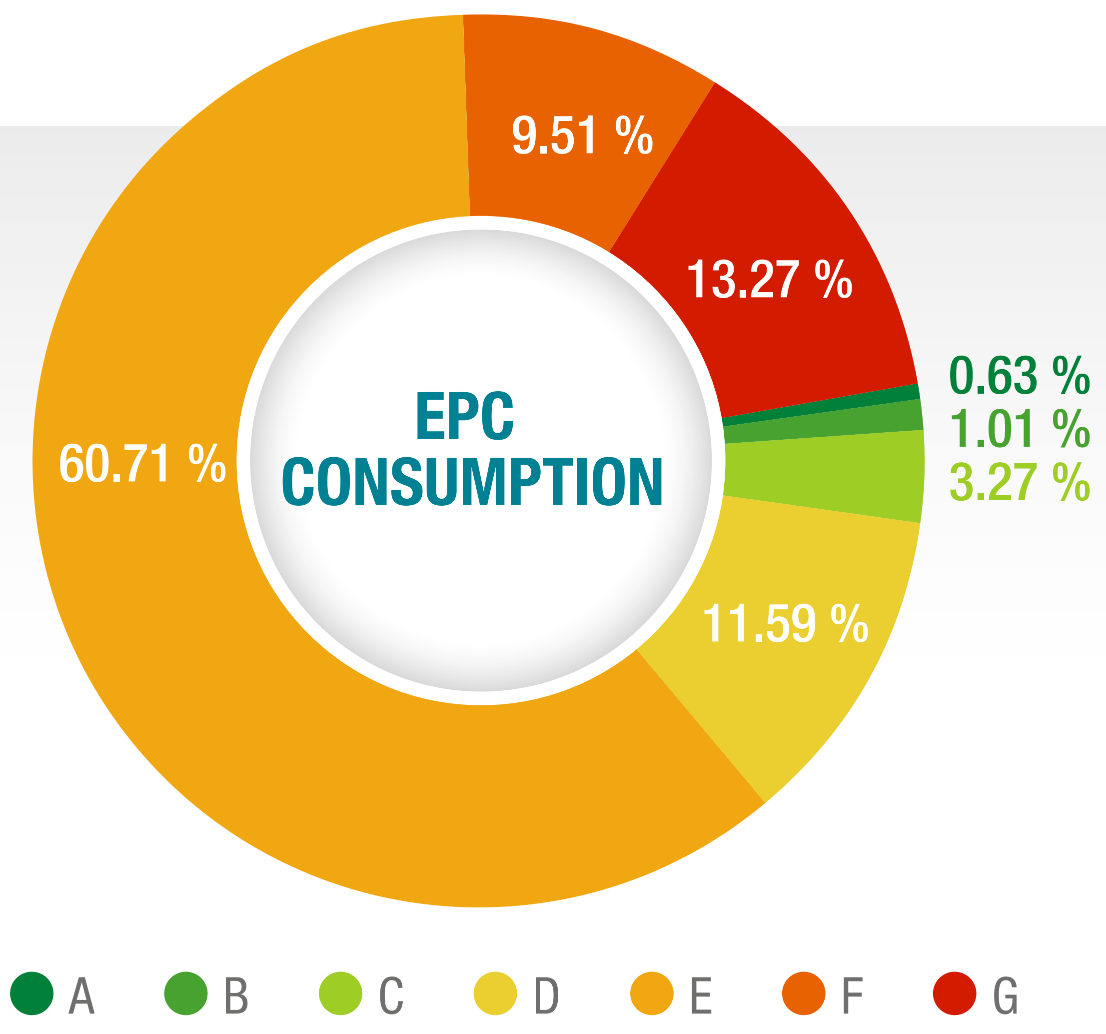
Transition Risk Metrics

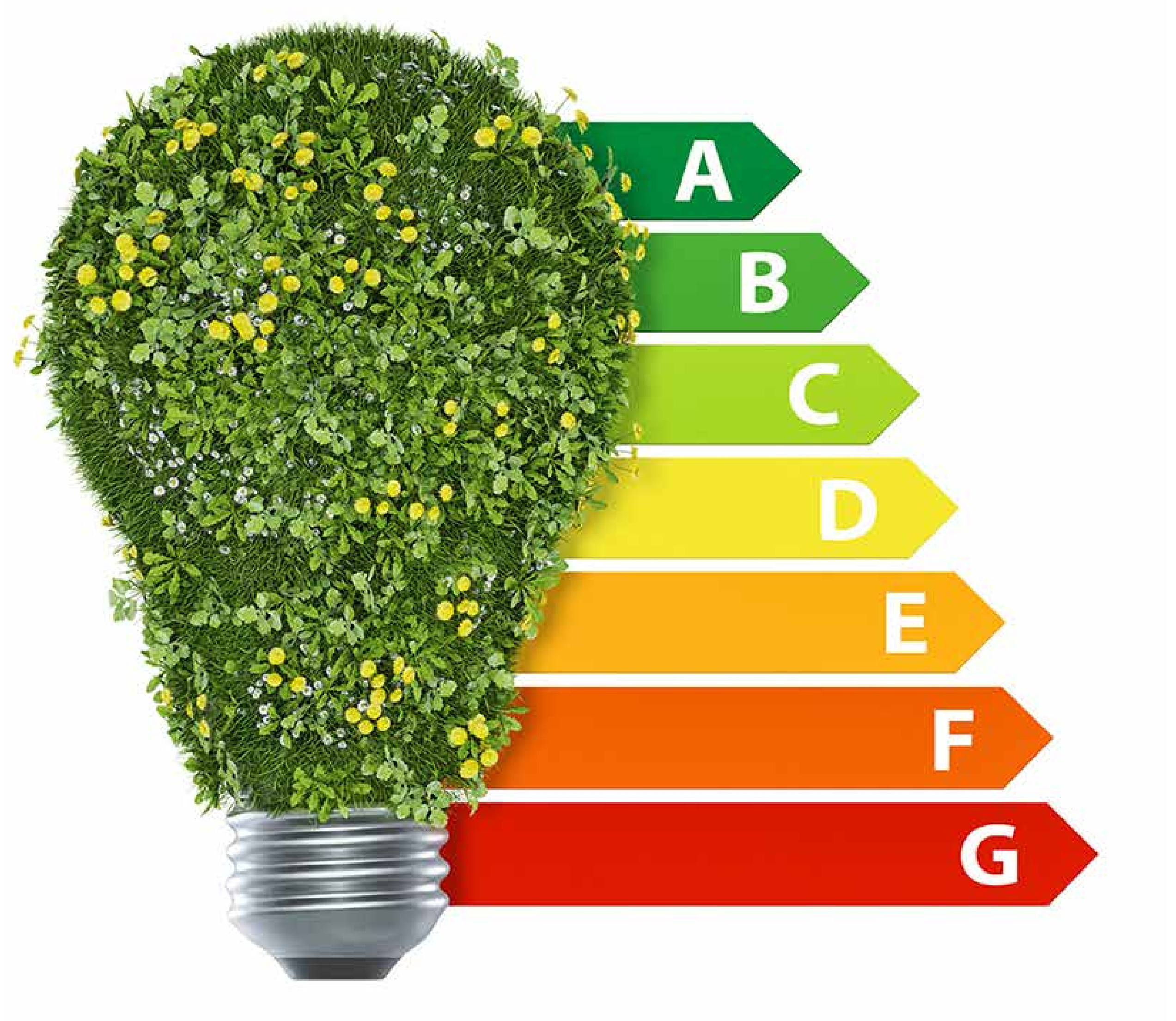
- **Concentration according to the energy efficiency rating of the property**

This represents the concentration level of the mortgage-backed loan portfolio with collateral in the different levels defined for the energy rating of properties.



In the process of identifying the Group's mortgage portfolio, 69 % were reported, whereby the remainder are pending for different reasons.

The Group has a rating issued by an approved appraiser which has rated the residential mortgage portfolio on a scale ranging from "A" to "G", whereby A is the most energy efficient and recognised by the EU Taxonomy. The energy rating is based on exact data of 24% an estimation model of 42% and a similar figure in the building of 34%.



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Future challenges and opportunities for the sector associated with climate change

The latest results of the Inter-governmental Panel on Climate Change (IPCC) show that human activity affects the concentration of greenhouse gases and therefore the rise in temperature. Law 7/2021 on climate change and the energy transition seeks to ensure a sustainable model, within environmental limits, not only from an environmental point of view, but also from an economic and social perspective (improving the quality of life of citizens).

The Just Transition Strategy is one of the pillars of the Strategic Energy and Climate Framework, approved by the Spanish Government. In this context, as an exponent of cooperative banking, Grupo Cooperativo Cajamar has an opportunity to reaffirm its commitment to the rural environment, as a structural element that generates wealth and quality employment.

MAIN CHALLENGES

LOCAL ENTREPRENEURSHIP: Reappraising local services, provision of services to companies and families in rural areas, fostering the sustainable development of the local agri-food production systems and acting against the financial exclusion of small populations.

INCREASING LABOUR INSERTION: Funding companies from the social economy and projects promoting economic and social development in regions and territories with low economic activity and high levels of unemployment and depopulation.

EDUCATION AND KNOWLEDGE TRANSFER: Cooperative Banking must set up education programmes and actions to inform the elderly about the social scope of the digital transformation, the resources and channels available to attend customers and pass onto them basic guidance regarding cybersecurity, as well as continuing its work related to knowledge transfer to the rural environment and fundamentally in the primary sector.

FUNDING THE ECOLOGICAL TRANSITION: Cooperative Banking must continue with its commitment, carrying out the actions that will enable it to continue moving forward in the decarbonisation process, reach climate neutrality by 2050 and accompany its members and customers in this process, offering financial services to the most vulnerable sectors in the ecological transition.

INNOVATION, RESEARCH AND FINANCIAL EDUCATION: Accompanying entrepreneurs and businesses in the development of new projects related to the efficient use of resources, projects that foster sustainable development and include subsidies to study grants in order to ensure competitiveness and universal access to education.

RESPONSIBLE MANAGEMENT OF PUBLIC FUNDS: The process of allocating public funds to foster the ecological transition must be managed responsibly.

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Knowledge Transfer

Grupo Cajamar's agri-food training programme, which is free and open to all, aims to foster the professional training of members, customers and other stakeholders through academic specialists and renowned professional experts.

Two types of event were organised: technical conferences or on-line sessions (webinars) aimed at professionals from the production sector, and business meetings, focusing primarily on the world of management and marketing, in which the two major challenges that the sector must face are addressed from different perspectives: the ecological transition and the digital transformation.

The Group's experts in agronomy and the agri-food business collaborated in their design and implementation along with the leading sectoral companies and organisations from the local, regional and national sphere, resulting in one of the most extensive, dynamic and diverse ranges in thte sector.

2022 was the year of the definitive consolidation of the Group's on-line agri-food training model via the Plataforma Tierra. In total, 102 events were organised, of which almost half (50) were webinars, with an accumulated total of 12,734 registered participants in the different types. The attendance rate for on-line calls was 62.5 %, which is higher than the figure of 55 % for 2021 and 51 % for 2020.

On the other hand, once the restrictions imposed to the health crisis were lifted, the Group's experimental centres organised 147 guided visits in which 2,025 people participated.

• EVENTS I On-line and In-person

	Number	Registered	Attendees	Collaborations
Webinars	50	8,022	5,018	31
In-person	43	1,610	1,884	
On-line courses	4	2,742	2,742	
Total 2022	**97**	**12,374**	**9,644**	
Total 2021	102	14,367	8,063	
Variation 2022/2021	-5 %	-14 %	20 %	

• VISITS I Experimental Centres

	Organised Visits	Visitors
Cajamar Experimental Station (Almería)	106	1,140
Cajamar Experiences Centre (Valencia)	51	885
Total 2022	**157**	**2,025**
Variation 2022/2021	15 %	17 %

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Studies and Publications

The Grupo Cajamar editorial collection is one of the most important agri-food libraries in Spain, with an extensive catalogue of references that can be accessed in digital format and free of charge via the website. Sectoral studies, irrigation management and sustainable crop management are the main cross-cutting themes in the catalogue. The purpose of these specialised publications is to pass on the most innovative technical developments and the latest reflections on market structures and prospects to the sector as a whole.

Publications 2022 — 7 Monographs

The two formats of the observatory on the national and regional agri-food sector have become consolidated as a reference since their first edition in 2018, offering a global diagnosis of the value chain ranging from production to marketing, including new sections on the level of investment in innovation and the environmental impact of the activity.

In 2022, "Sustainability Indicators in the Agri-food Sector" was presented, which is a new title to add to the analysis of the sustainability of food production, which aims to foster the design of new policies and public strategies within the context of the Agenda 2030.

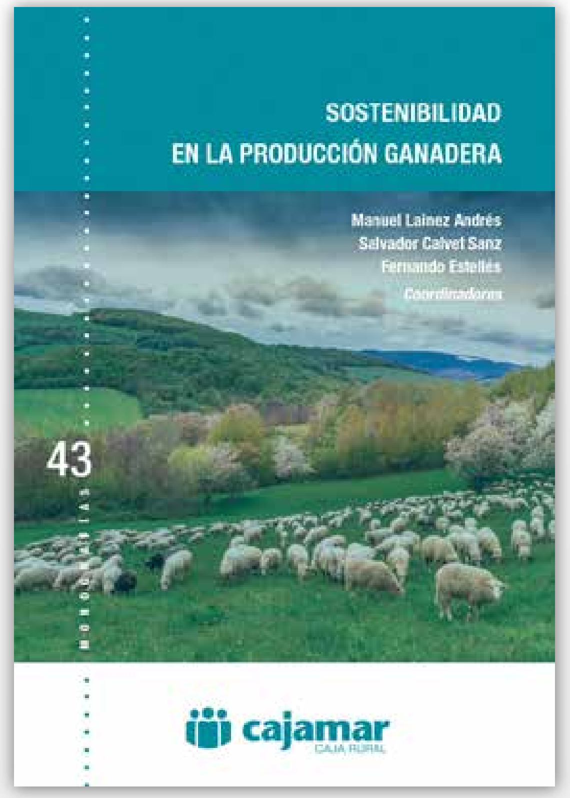
Sustainability indicators in the agri-food sector

The dairy sector in Spain

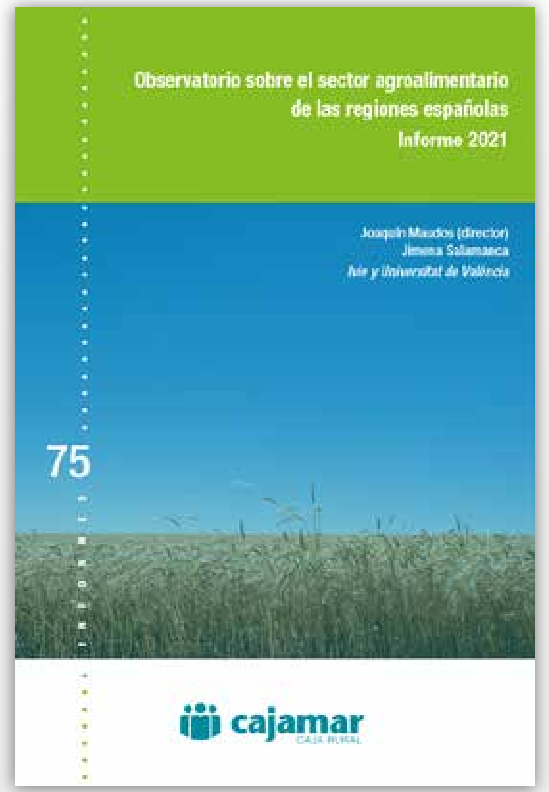
Observatory for the Digitalisation of the agri-food sector

Observatory on the Spanish agri-food sector in the European context. Report 2021

Analysis of agri-food exports 2021



Sustainability in livestock production



Observatory on the agri-food sector of the Spanish regions. Report 2021

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Observatory of Digitalisation in the Spanish Agrifood Sector

In 2022, the first results of the Observatory of Digitalisation in the Spanish Agri-Food Sector, promoted by the Department of Agriculture, Fisheries, and Food and coordinated by Grupo Cajamar, were made public, through an online publication 'Diagnosis and Analysis of the Starting Situation of Digitalisation in the Spanish Agrifood Sector', describing the raft of new digital technologies available and their degree of implementation in primary production and food processing. This document offers the first comprehensive exploration of the current state of digital transformation in agriculture, livestock, and the agri-food industry in our country.

Likewise, the Observatory has conducted a mass online survey to evaluate the transformation of agents in the value chain at the present time from a triple perspective: by territory, by sub sector, and by technical-economic orientation of the activities. Specifically, we want to explore in depth the level of training possessed by the various agents in new technologies, their digital skills, technologies adopted, as well as the enabling elements and barriers to digitalisation.

The creation of an Observatory is one of the actions contemplated in the II Action Plan defined as part of the Digitalisation Strategy for the Agri-Food and Rural Sector, and its implementation has been included in the Recovery, Transformation, and Resilience Plan (PERTE), with a budget of EUR 1 million. Additionally, this action has been incorporated into the second priority area for the Digitalisation of the Agri-Food Sector within the Agri-Food PERTE plan.

Its mission is to lead the field in the analysis and monitoring of digitalisation in the agri-food sector, with the ultimate aim of improving its competitiveness and promoting its digital transformation, by creating a system of indicators, as well as research, development, the recording and analysis of realities, public policies and trends in sector digitalisation, providing the competent administrations and the sector itself with complete, simple, clear, and up-to-date information.

Support for innovation and research

Promoting innovation and the technological development of the agri-food sector

For almost forty years, Grupo Cajamar has had its own structure for the development of applied research services and training activities for professionals, companies and agri-food cooperatives, resulting in an innovation ecosystem specialised in knowledge transfer and technology.

At present, this task is developed through the Department for **Agri-Food Innovation**, which reports to the Sustainable Development Division. To do this, there are four strategic units that support implementation and dissemination: **Plataforma Tierra, Cajamar Innova, Agri-analysis** and **Experimental Centres**.

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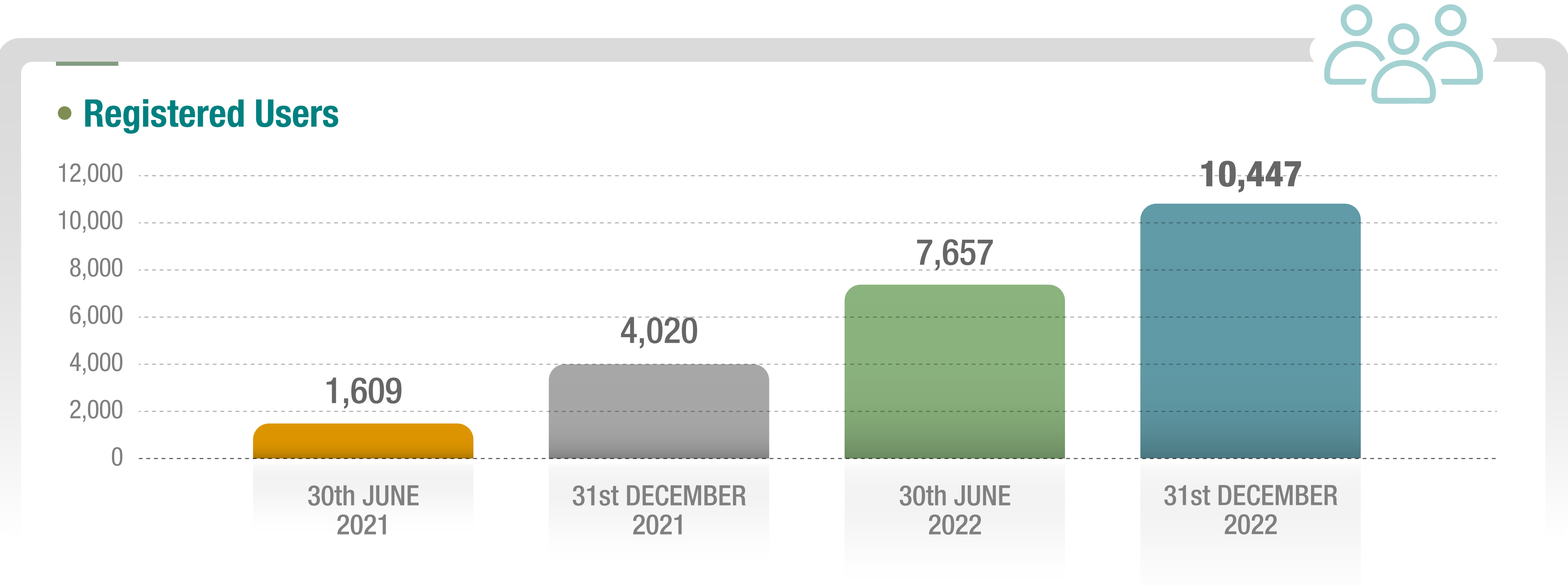
Plataforma Tierra: a Digital Knowledge Community

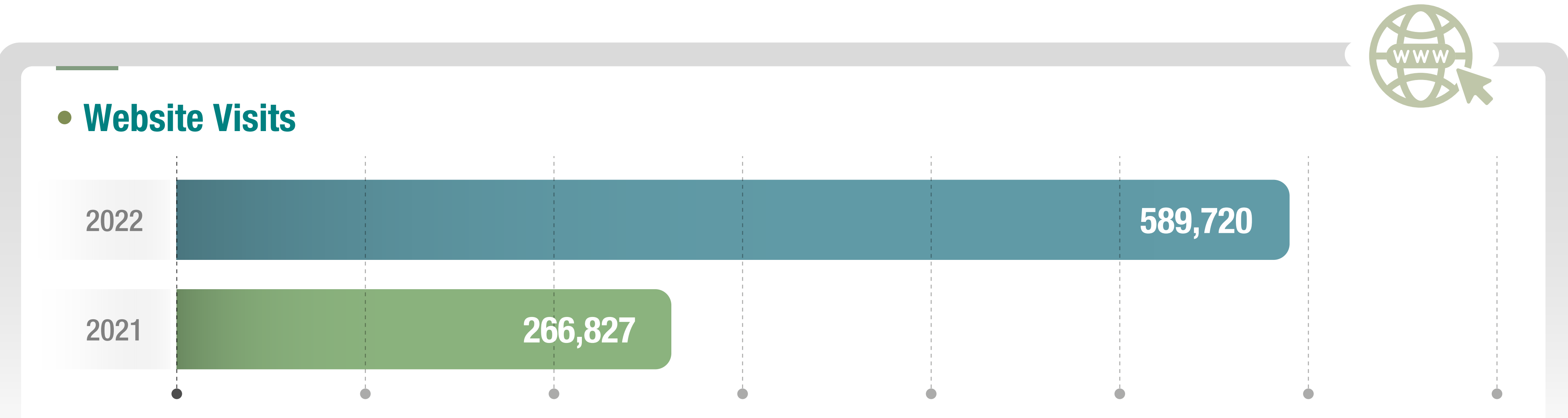
TIERRA | https://www.plataformatierra.es

Plataforma Tierra is Grupo Cajamar's **Agri-food Digital Knowledge Community** which was developed to facilitate the digital transformation and competitiveness of the entire value chain. To do so, it has brought together all of its activity as a reference entity for agri-food companies and professionals in a single website: analysis, new, innovation, entrepreneurship, publications, events, training and digital tools to continue moving towards a more efficient, profitable and sustainable sector.

The website received more than 589,000 visits throughout 2022 and has accumulated more than 10,400 registered users since it was launched in February 2021, who are able to access specific sectoral information (production, prices and markets), courses and training events, digital tools and publications and situation reports.

Accumulated Collection	In 2022
738 market reports (articles and books)	**302 publications** — 292 articles, 10 books
75 market reports	**48 market reports**





Cajamar Innova

CAJAMAR INNOVA https://cajamarinnova.es

Cajamar Innova is an incubator and accelerator for start-ups specialised in water technologies. It aims to capture talent and accompany entrepreneurs in the design of prototypes and viable business plans, with the support of the strategic experts and members of the Grupo Cajamar innovation ecosystem, made up of specialists in agronomy at two reference experimental centres in Mediterranean agriculture in Almeria and Valencia.

It is one of the 17 initiatives of the Network of High Tech Incubators to Foster Innovation and Technology Transfer to Micro-SMEs, backed by the INCYDE Foundation and co-funded by the European Regional Development Fund.

Its incubation, acceleration and business training activity began in 2021 and since then, it has tutored the development of 68 national and international entrepreneurial start-up projects in the field of efficient risk management, digitalisation of production processes and wastewater treatment and re-use.

Our Start-ups Map

62 Companies

Incubation and Acceleration Programmes

- Israel
- Netherland
- Portugal
- France
- Germany
- Colombia

	Projects Supported	Incubation	Acceleration
First Call (2021)	11	7	4
Second Call (2022)	29	14	15
Third Call (2023)	28	15	13

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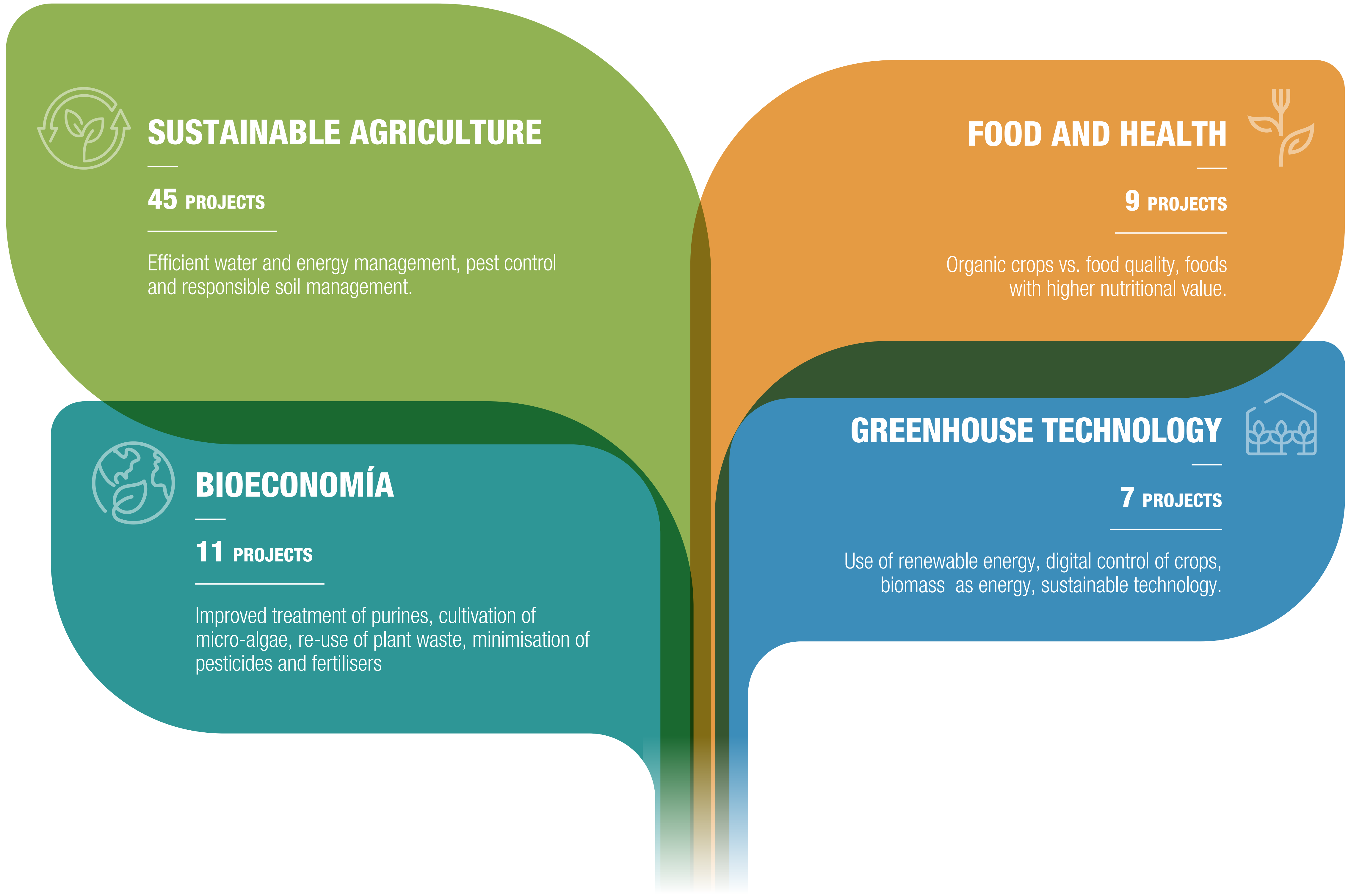
Experimental Centres

The Cajamar Experimental Centres in Almeria and Valencia, references in Mediterranean intensive agriculture, address applied research projects and the development of new integrated production technologies, paying special attention to the transfer and dissemination of the results obtained.

The to facilities stand on more than 20 hectares in which the demands of producers, applied scientific-technical knowledge and the new business developments in the real economy all converge in order to establish and consolidate the necessary relations to foster the development of the agri-food sector as a whole.

From an initial specialisation in Mediterranean horticulture, a broader, multi-sectoral approach with a greater repercussion on numerous local production systems has been consolidated in recent years.

Looking towards the future, the Group's interest is focused on questions related to the intensive use of technology, the generation of added value, efficiency in the use of the available resources, particularly water and soil, the sustainability of agricultural ecosystems and commercial differentiation as a first rate competitive tool in the global market.



R&D projects in 2022

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Agri-analysis

Grupo Cajamar's Agri-Food Technical Office has a team of professionals with extensive experience dedicated to monitoring technological additions that take place in agricultural businesses and in marketing and manufacturing companies.

The information they obtain and process is used to respond to the financing needs of members and customers, both to undertake new investment projects and to meet their cash flow requirements.

CAP subsidy management	2022*
Applications managed	4.653
Amount (millions of euros)	42,0
Applications paid by direct deposit	39.739
Amount (millions of euros)	229,1
Number of CAP Agreements	89
Number of applications received through the CAP agreement	11.531

**Amounts received at 31/12/2022.

AGROUp!

To this end, Grupo Cajamar created the 'AgroUp!' application exclusively for internal use and developed by merging thousands of real data that allow us to estimate with remarkable precision the investment needs and the volume of production and income, among many other parameters, of a typical agri-food company. It is a unique tool, generated from the knowledge accumulated through our direct relationship with the sector and fundamental for both risk assessment and commercial decision making.

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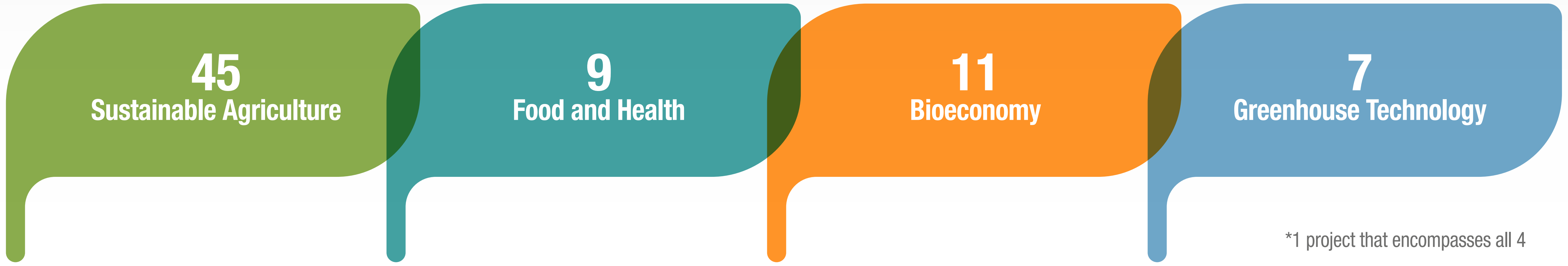
R&D projects that foster a sustainable development model

Grupo Cooperativo Cajamar's ties with the agri-food sector have historically been related to research activity, an essential reason to forge the resilience of the sector to climate change and the main environmental challenges, including combining production efficiency with reducing the environmental impact of the agricultural activity. For this reason, research activity at the Grupo Cooperativo Cajamar Experimental Centres is relentless, fostering a whole series of projects aligned with the best practices recommended by national and international institutions.

- **By "Study Lines"**



*1 project that encompasses all 4

In 2022, Fundación Cajamar has upheld a total of 73 projects grouped into four lines of study which implement actions in order to adapt to climate change, increase efficiency in the consumption of natural resources, reduce pollution or protect biodiversity.

Greenhouse crops are a clear example of sustainable agriculture, enabling the activity to be controlled and maximising the production performance without affecting the quality of the food.

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In accordance with the framework established by the United Nations, the projects developed have had an impact on 9 of the 17 Sustainable Development Goals. It is worth highlighting that the initiatives aligned with the targets contemplated in Goal 2, avoid compromising the quality and safety of the food chain whilst favouring the subsistence of the small producer and maintaining the socio-economic balance at a local level. Similarly, aspects like the protection of the biodiversity, efficient management of water resources or the circular economy are clearly set out in the projects, having an impact on SDG 6, 12 or 15.

- **By "Impact of the projects on the UN Sustainable Development Goals (SDG)"**

2 ZERO HUNGER	45
3 GOOD HEALTH AND WELL-BEING	1
4 QUALITY EDUCATION	1
6 CLEAN WATER AND SANITATION	3
8 DECENT WORK AND ECONOMIC GROWTH	7
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	2
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	6
13 CLIMATE ACTION	7
15 LIFE ON LAND	1

European institutions promote all practices aligned with the environmental objectives of the EU Taxonomy, something that has historically been promoted by Grupo Cooperativo Cajamar, not only through a financial boost, but also through knowledge transfer. In this way, we are participants and accompany our stakeholders towards a just ecological transition. In 2022, the projects related to climate change mitigation and adaptation and the reduction of the pollutant load concentrated around 75% of the initiatives.

- **By "Environmental Objectives of Taxonomy"**

CLIMATE CHANGE MITIGATION AND ADAPTATION	36 projects
CIRCULAR ECONOMY	8 projects
PROTECTION OF WATER RESOURCES	4 projects
POLLUTANT LOAD	18 projects
LOSS OF BIODIVERSITY	6 projects

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Future outlook

Letter from the CEO

A cooperative social banking model for a different future

GRUPO COOPERATIVO CAJAMAR

Future outlook

Manuel Yebra Sola
BCC-Grupo Cooperativo Cajamar CEO

The banking industry has understood and accepted the social mandate to facilitate economic and productive changes to tackle major environmental, social, and governance (ESG) challenges. In this regard, the financial sector has been placed in the very centre of the *playing field* in the fight against climate change and its effects, as well as the financial management of the main socio-environmental risks we must face.

On the one hand, the aim is to prevent the climate crisis from triggering a financial crisis, with the worrying consequences that it could entail for economic and productive activity. And, on the other hand, to channel monetary and financial flows towards a greener and, in general, more sustainable economy.

We accept the social interest of these objectives. But we are aware that this is not enough, at least in terms of the level of demand we have imposed on ourselves as a Group when it comes to incorporating ESG criteria into strategy, risk management, commercial development, and the definition of roles and processes. Because the mitigation of and adaptation to climate change is not only a matter of determination and goal setting. One key element is missing: method. That is, we have to develop the appropriate methodology and metrics that allow us to quantify, manage, and measure compliance. So, in this, as in almost everything, we have to work side by side with science, and science is the epitome of *object and method*.

In this regard, in our Group, we are closely monitoring the institutional reports that provide scientific support to the sector and society as a whole when defining the methodology and metrics required to meet the targets set by the Paris Agreement of 2015, in addition to the commitments made in terms of Sustainable Development Goals, Principles of Responsible Banking, and the Global Compact, among others. Hence, we very closely follow organisations such as the Intergovernmental Panel on Climate Change (IPCC), the Network for Greening the Financial System (NGFS), the Net-Zero Banking Alliance, and the Science Based Targets Initiative (SBTI). On this basis, we commit to global and intermediate targets based on scientific knowledge, in order to achieve climate neutrality by 2050, in line with the approach of the European Union and the expectations of society as a whole.

Achieving this challenge, and with such a level of demand, will not be easy. We will have to make major changes in the way we have been seeing and doing things. We must continue to review our strategy and our business model to meet these unavoidable commitments that are so necessary if we wish to pass on a better world to the generations to come. Of course, without falling into the trap of obsessing over change. We understand that there are many things that need to change, but also many things we need to strengthen and consolidate, and, of course, we will often need to retrace our steps, if we want to develop our activity with long-term planning that is consistent with the climate targets set, reduce the chronic uncertainty that surrounds us, and generate enough trust in our stakeholders. All of these are essential aspects to promote a just ecological transition that allows for greater prosperity all round, without leaving anyone behind. In addition, with these premises, we will have more tools to face other challenges and changes rooted in the current complex economic context, which, after the pandemic, entails a shift in the financial paradigm as experienced in the early 1970s: a period that was also characterised by an energy crisis, cost-push inflation, and the propensity for economic stagnation.

The social and corporate basis of our Group, made up of shareholders aware of the positive transformative power of the social economy, as well as cooperative members involved in multiple productive activities, is the safeguard of our business model, which is not merely compatible with sustainability, it is inherent to it. The social economy cannot be understood without sustainability, without knowledge of and a connection to the territory and its main socio-economic agents. Because we are convinced of the capacity of cooperativism and the social economy to *draw and fix* financial capital to the territory, by promoting sustainable local development, quality agriculture compatible with the achievement of the SDGs and with the criteria of sustainability, as well as the promotion of local production systems as suitable ecosystems for innovation, the generation of quality employment, and the development of small and medium enterprises.

Future outlook

This way, we are contributing to territorial diversity and social inclusion in Spain and Europe, as well as the preservation of natural capital in terms of water, biodiversity, forests and ecosystems. And the best way that banks can do this, especially those that are very close to the territory as a differentiating element, is by accompanying and supporting our companies to make an ecological transition that involves risks, but also important opportunities. Risks and opportunities that can be mitigated and exploited, respectively, by generating trust between our shareholders, members, and customers, and always thanks to the support of the entire team of people that make up this great Group.

Manuel Yebra Sola
BCC-Grupo Cooperativo Cajamar CEO

A cooperative social banking model for a different future

Challenges for inclusive, restorative, and sustainable globalisation from a local logic

Macro trends	SECTOR TRENDS	Cooperative Social Banking Model
DIGITALISATION	Fintech Collaborative finance Sustainable finance	A cooperative social banking model capable of integrating sustainable finance with inclusive technologies through innovation and the generation of **IDEAS** that contribute to accessibility, to the inclusion and well-being of **PEOPLE**, as well as the sustainable and even connectedness of **TERRITORIES** through cooperative formulas.
DECARBONISATION	Responsible finance Inclusive finance Solidarity finance	A cooperative social banking model that is aware of the transformations that climate change implies in terms of production, facilitating entrepreneurship and innovative **IDEAS** capable of fixing the population and capital to **TERRITORIES**, favouring the decarbonisation of the economy.
DEMATERIALISATION	Cooperative finance Decentralised finance	A social banking model based on proximity, closeness, the social economy and local development, capable of generating a positive and tangible impact on the scale of **PEOPLE**, **IDEAS** and **TERRITORIES**, contributing to the growth of natural capital.

UNCERTAINTY — Towards a just and inclusive ecological transition based on people, knowledge, and territorial development — TRUST

Contents of the Report

Contents of the Report

Category	Management Approach	Corporate material aspect	Coverage	Scope
Impact of products and services	Impact of products and services	E.4, E.6, S.2, A.3, A.5	Mixed	GCC
	Audit	E.1, A.1	Mixed	GCC
	Active ownership	E.1, E.6, S.5	Mixed	GCC
	Product and Service Labelling	E.4, S.4	Mixed	GCC
Economic dimension	Economic performance	E.2, E.3, S.3	Internal	GCC
	Presence in the market	E.1, S.3	Mixed	GCC
	Indirect economic consequences	E.2, E.6, S.2, S.4, S.5, S.6, A.3	Mixed	GCC
	Procurement Practices	E.6	Mixed	GCC
Environmental dimension	Materials	A.1	External	GCC
	Energy	A.1	External	GCC
	Water	A.1	External	GCC
	Biodiversity	S.2, A.5	Mixed	GCC
	Emissions	A.1	External	GCC
	Effluents and Waste	A.1	External	GCC
	Environmental Compliance	A.1	External	GCC
	Environmental assessment of suppliers	E.6	Mixed	GCC
Labour practices and decent work	Employment	S.3	Internal	GCC
	Employee-company relations	S.3	Internal	GCC
	Health and safety at work	S.3	Internal	GCC
	Education and Training	S.3	Internal	GCC
	Diversity and Equal Opportunities	S.3	Internal	GCC
	Evaluation of suppliers' labour practices	E.6	Mixed	GCC

Category	Management Approach	Corporate material aspect	Coverage	Scope
Human Rights	Evaluation of human rights	E.1	Mixed	GCC
	Non-discrimination	S.2, S.4	External	GCC
	Freedom of association and collective bargaining	S.3	Internal	GCC
	Child labour	No material	Non material	Non material
	Forced labour	No material	Non material	Non material
	Security measures	No material	Non material	Non material
	Rights of the indigenous population	No material	Non material	Non material
Society	Social assessment of suppliers	E.6	Mixed	GCC
	Local communities	S.4, S.5, S.6	External	GCC
	Anti-corruption	E.1	Mixed	GCC
	Public Policy	E.1	Mixed	GCC
	Unfair Competition	E.1	Mixed	GCC
	Socio-economic compliance	E.1	Mixed	GCC
	Social assessment of suppliers	E.6	Mixed	GCC
Responsibility Regarding products	Health and safety of customers	E.4	Mixed	GCC
	Labelling of products and services	E.4	Mixed	GCC
	Marketing Communications	E.1, E.4	Mixed	GCC
	Customer Privacy	E.1, E.4	Mixed	GCC
	Regulatory Compliance	E.1, E.4	Mixed	GCC

International framework for integrated reporting

- Aspects included in the integrated report, according to IIRC content requirements

	Aspects requested	Pages
Description of the organisation and environment.	General Description	12
	Vision, mission, and values	16
	Structure	4
	Positioning in the financial sector	12
	Description of the environment	59, 60
Corporate Governance	Governing bodies and mechanisms	27-32
	Decision-making process	27-31
	Reflection of culture in the use of capital and its effect	21-25
	Remuneration and value creation	23, 32
Business model	Value chain	89-91
	Materiality	7-9
	Stakeholders: identification, selection and management	7
	Shared Value Creation	23
Opportunities and risks	Identification of opportunities and risks	38-57
	Likelihood of occurrence and opportunity for improvement	52-53
Strategy and resource allocation: performance	Objectives and actions taken to achieve them	61-62
	Allocation of resources	62,63, 67
	Measuring achievements and goals	21,64-66
Future outlook	Expectations of the organisation regarding its surroundings and effect of the organisation	145-146
	Readiness of the organisation with respect to the future outlook	147

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3-3

Table of contents - *Sustainability Accounting Standards Board* (SASB)

In its Sustainability Report 2022, Grupo Cooperativo Cajamar included information based on the Sustainability Accounting Standards Board (SASB), following its edition "Industry Standards Version 2018-10".

The standards listed in the following table are those linked to the Retail Banking industry which is the only material based on the activities developed by the Group. The data and descriptions with which we respond to these indicators correspond to the same consolidation perimeter (Consolidated Group) established for the 2022 Annual Accounts.

• Disclosure of sustainability and accounting parameters

	Accounting parameter	Code	Response
Data security	Number of data breaches, percentage involving personally identifiable information (PII), number of account holders affected	FN-CB-230a.1	No such incidents of this kind were recorded in 2022.
	Description of the approach taken to identifying and addressing data security risks	FN-CB-230a.2	See the following sections of our Sustainability Report 2022: Cybersecurity and data confidentiality (pages 81-82).
Creation of financial inclusion and capacity	Number and amount of outstanding loans qualified for programmes designed to promote small businesses and community development	FN-CB-240a.1	See the following sections of our Sustainability Report 2022: Financial solutions adapted to different life cycles (pp. 93).
	Number and amount of overdue and unproductive loans qualified for programmes designed to promote small businesses and community development	FN-CB-240a.2	See the following sections of our Sustainability Report 2022: Financial solutions adapted to different life cycles (pp. 93).
	Number of free current accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	See the following sections of our Sustainability Report 2022: Financial solutions adapted to different life cycles (pp. 93).
	Number of participants in financial education initiatives for unbanked, underbanked or underserved customers	FN-CB-240a.4	See the following sections of our Sustainability Report 2022: Social, cultural and volunteering action (pp. 107-108).
Incorporation of environmental, social, and governance factors into credit analysis	Commercial and industrial credit exposure, by sector	FN-CB-410a.1	See the following sections of our Sustainability Report 2022: Promoting economic development and social progress (pp. 86-88).
	Description of the approach taken to incorporating environmental, social and governance (ESG) factors into credit analysis	FN-CB-410a.2	See the following sections of our Sustainability Report 2022: Risk Management (pp. 38-57), Risk control and diversification (pp. 74-77), Risks and Opportunities of Climate Change (pp. 126-133).

... Table of contents *Sustainability Accounting Standards Board* (SASB)

	Accounting parameter	Code	Response
Business ethics	Total amount of monetary losses resulting from court proceedings relating to fraud, insider trading, antitrust, unfair competition, market manipulation, malpractice or other related laws or regulations of the financial industry	FN-CB-510a.1	See the following sections of our Sustainability Report 2022: Transparency, compliance and control (pp. 69-72), GRI Table 205-3 and 206-1 (pp. 158).
	Description of the policies and procedures for reporting irregularities	FN-CB-510a.2	See the following sections of our Sustainability Report 2022: Transparency, compliance and control (pp. 69-70).
Management of systemic risk	Score in the Global Systemically Important Bank Assessment (G-SIB), by category	FN-CB-550a.1	See the following sections of our Sustainability Report 2022: Neither Grupo Cooperativo Cajamar nor any of its member entities are included in the 2022 List of Global Systemically Important Banks (G-SIBs).
	Description of approach for incorporating mandatory and voluntary stress test results into capital adequacy planning, long-term corporate strategy, and other business activities	FN-CB-550a.2	See Prudential Relevance Report 2022.

• Disclosure of sustainability and accounting parameters

Accounting parameter	Code	Response
(1) Number and (2) Value of current and savings accounts by segment: (a) personal and (b) small businesses	FN-CB-000.A	See the following sections of our Sustainability Report 2022: Financial solutions adapted to different life cycles (page 93).
(1) Number and (2) Value of loans by segment: (a) personal, (b) small businesses, and (c) corporate	FN-CB-000.B	See the following sections of our Sustainability Report 2022: Risk control and diversification (page 75).

Correspondence between non-financial reporting legislation and GRI

Aspects included in the integrated report on the basis of Act 11/2018, of 28 December, amending the Code of Commerce, the revised Capital Corporations Act approved by Royal Legislative Decree 1/2010, of 2 July, and the Accounts Auditing Act 22/2015, of 20 July, regarding non-financial reporting and diversity.

	Aspects requested	Correspondences with GRI Standards/Reporting Criteria	Pages
General information	**Brief description of the Group's business model** Business environment, organisation, structure, markets in which it operates, objectives and strategies, and the main factors and trends that may affect its future evolution, principle of materiality.	2-1, 2-6, 2-22, 3-1,3-2,3-3	4-6, 7-14, 19, 21-25, 59-67
Information on environmental issues	**Environment** Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety, environmental assessment or certification procedures; resources dedicated to the prevention of environmental risks, application of the principle of precaution, quantity of provisions and guarantees for environmental risks.	2-23, 3-3, 201-2 , 308-1	27-28, 40-44, 52-55,112, 126-133
	Pollution and Contamination Measures to prevent, reduce or repair the carbon emissions that seriously affect the environment; taking into account any form of specific air pollution generated by an activity, including noise and light pollution.	3-3, 301-1 , 301-2, 301-3, 302-1 , 302-2 , 302-3 , 302-4, 302-5, 305-1, 305-2 , 305-3 305-4 , 305-5 , 306-2, 307-1, FS8	113-119
	Circular Economy and prevention and management of waste Measures of prevention, recycling, reuse, other forms of recovery and disposal of waste, actions to combat food waste.	3-3, 306-1, 306-2	116
	Sustainable use of resources: water consumption and water supply in accordance with local constraints Consumption of raw materials and measures taken to improve direct and indirect efficiency consumption and use, measures taken to improve energy efficiency and the use of renewable energies.	301-1, 302-1, 303-5, 303-1, 3-3, 201-2	113-116
	Climate change The important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces; the measures taken to adapt to the consequences of climate change; the reduction targets set voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose.	201-2, 3-3, 305-1, 305-2, 305-3, 305-4, 305-5	117-119

	Aspects requested	Correspondences with GRI Standards/Reporting Criteria	Pages
Information on environmental issues	**Protection of biodiversity** Measures taken to preserve or restore biodiversity; impacts caused by activities or operations in protected areas.	3-3, 304-2, 304-3	56,57,120
Information on social and personnel-related issues	**Employment** Total number and distribution of employees by gender, age, country and occupational classification; total number and distribution of types of employment contract, average annual permanent contracts, temporary contracts and part-time contracts by gender, age and occupational classification, number of dismissals by gender, age and occupational classification; the average pay and its evolution disaggregated by gender, age and occupational classification or equal value; wage gap, the remuneration of equal or average jobs in society, the average remuneration of directors and executives, including variable remuneration, allowances, indemnities, payments into long-term retirement savings and any other amounts received, disaggregated by gender, implementation of work disconnection policies, employees with disabilities.	2-7, 3-3, 405-1, 405-2, 401-1	32,174-183,185, 190-192
	Organisation of working time Number of hours of absenteeism; measures to facilitate a work/life balance and to encourage joint parental responsibility.	3-3, 401-3, 403-9	99,186-188
	Health and safety Health and safety conditions in the workplace; accidents at work, in particular their frequency and severity, as well as occupational diseases, disaggregated by gender.	3-3,403-2 ,403-9, 403-10	100, 186-188
	Social Relations Organisation of social dialogue, including procedures for informing and consulting staff and negotiating with them; percentage of employees covered by collective bargaining agreements by country; the balance of collective agreements, particularly in the field of health and safety at work, mechanisms and procedures through which the company promotes employee involvement in company management, in terms of information, consultation, and participation.	3-3, 2-30, 403-4	100,101, 198
	Training Policies implemented in the area of training; total number of hours by professional category.	3-3, 404-1, 404-2	94-97, 194-197
	Universal accessibility of persons with disabilities	3-3	103,104
	Equality Measures taken to promote equal treatment and opportunities between women and men; equality plans (Chapter III of Organic Law 3/2007, of 22 March, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility of persons with disabilities; the policy against all forms of discrimination and, where appropriate, the management of diversity.	3-3, 405-1, 405-2, 406-1	32,98,99,179-185

	Aspects requested	Correspondences with GRI Standards/Reporting Criteria	Pages
Information on respect for human rights	Implementation of due diligence procedures in the field of human rights; prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses; complaints of human rights violations; promotion and enforcement of the provisions of the fundamental Conventions of the International Labor Organization relating to respect for freedom of association and the right to collective bargaining; elimination of discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour.	2-23, 2-26, 3-3, 406-1, 407-1, 408-1, 409-1, 410-1, 412-1, 412-2, 412-3	35,36, 89-91
Information relating to anti-corruption and bribery	Measures taken to prevent corruption and bribery; anti money laundering measures, contributions to foundations and non-profit organisations.	2-23, 2-26, 2-28, 3-3, 201-1, 205-1, 205-2, 205-3, 415-1	71
Other relevant information about society	**The company's commitments to sustainable development** The impact of the company's activity on employment and local development; the impact of the company's activity on local populations and the territory; relationships with local agents and types of dialogue held with them; actions of association or sponsorship.	2-29,3-2, 3-3, 201-1, 203-2, 204-1, 413-1, 413-2, FS13, FS16	24,64, 78, 103-108
	Subcontracting and suppliers Incorporation of social issues, gender equality and environmental concerns into procurement policy; consideration of social and environmental responsibility in relations with suppliers and subcontractors; supervision systems and audits, and the results of these.	2-6, 3-3, 308-2, 414-1,414-2, FS1; FS3 y FS9.	89-91
	Consumers Measures for the health and safety of consumers; claims systems, complaints received and their resolution.	3-3, 416-1, 418-1,	78,79
	Fiscal Information Profits by country; taxes on profits paid and public subsidies received.	3-3, 201-1,201-4,207-4,	12, 73, 77,123, 201
Taxonomy	**Taxonomy** Environmentally eligible economic activities. Information, both quantitative and qualitative, and disclosure of the eligibility ratios of consolidated assets according to the taxonomy.	EU Regulation 2020/852	130, 216-218

Index of GRI Contents

Declaration of Use	Grupo Cooperativo Cajamar has prepared the report in accordance with GRI standards for the period from 01/01/2022 to 31/12/2022.
GRI 1 used	GRI 1: Foundations, 2021

GRI | CONTENT INDEX ESSENTIALS SERVICE 2023

Material aspects related to GRI

E.1 Transparency, compliance and control

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	69-72
GRI 205 Anti-Corruption, 2016	205- 1 Operations evaluated for risks related to corruption	69-71
GRI 205 Anti-Corruption, 2016	205- 2 Communication and training on anti-corruption policies and procedures	69-71
GRI 207 Taxation, 2019	207-1 Fiscal approach	69-71
GRI 207 Taxation, 2019	207-2 Fiscal governance, control and risk management	69-71

E.2 Strengthen the business model and financial soundness

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	73
GRI 207 Taxation, 2019	207-4 Country-by-country reporting	73

E.3 Risk control and diversification

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	74-77
GRI 201 Economic performance, 2016	201-1 Direct economic value generated and distributed	77
GRI 203 Indirect Economic Impacts, 2016	203-2 Significant Indirect Economic Impacts	77
GRI 205 Anti-Corruption, 2016	205-1 Operations evaluated for risks related to corruption	74
GRI 207 Taxation, 2019	207-2 Fiscal governance, control and risk management	74-76

E.4 Customer Experience and responsible marketing

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	78-80
GRI 416 Health and safety of customers, 2016	416-2 Cases of non-compliance related to health impacts and product and service category safety	Footnote 161**
GRI 417 Marketing and Labelling, 2016	417- 1 Requirements for information and labelling of products and services	78
GRI 418 Customer Privacy, 2016	418-1 Complaints based on customer privacy violations and loss of customer data	In 2022, no incidents of this kind were registered,156

E.5 Cybersecurity and data confidentiality

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	81-82
GRI 205 Anti-Corruption, 2016	205- 2 Communication and training on anti-corruption policies and procedures	81
GRI 207 Taxation, 2019	207-2 Fiscal governance, control and risk management	82

E.6 Digital transformation

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	83,84
Impact of products and services	FS5 Interactions with Customers/Holdings/Business Partners in relation to environmental and social risks and opportunities	84
Local Communities	FS14 Initiatives to improve access for people with disabilities and impairments	83,84
Labelling of products and services	FS15 Fair marketing policies for financial products and services	84

E.7 Promoting economic development and social progress

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	85-88
GRI 201 Economic performance, 2016	201-1 Direct economic value generated and distributed	85
GRI 203 Indirect economic impacts, 2016	203-1 Investments in infrastructure and services supported	86-88
GGRI 203 Indirect Economic Impacts, 2016	203-2 Significant Indirect Economic Impacts	85-88
GRI 207 Taxation, 2019	207-4 Country-by-country reporting	85

For the Content Index - Essentials Service GRI Service, checked that the GRI content index is presented in a clear and consistent manner with the standards, and that the references for disclosures 2-1 through 2-5, 3-1 and 3-2 are aligned with the proper sections in the body of the report

S.1 Responsible procurement

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	89-91
GRI 204: Procurement practices, 2016	204-1 Proportion of expenditure on local suppliers	90, 91
GRI 308 Environmental assessment of suppliers, 2016	308- 1 New suppliers that have passed evaluation and selection filters in accordance with environmental criteria	89-91
	308-2 Negative environmental impacts on the supply chain and measures taken	89-91
GRI 402 Employer-Employee relations, 2016	402-1 Minimum notice periods for operational changes	89-91
GRI412 Evaluation of human rights, 2016	412- 1 Operations subject to reviews or impact assessments on human rights	89-91
	412- 3 Significant investment agreements and contracts with clauses on human rights or subject to human rights assessment	89-91
GRI 414 Social evaluation of suppliers, 2016	414-1 New suppliers that have passed selection filters according to social criteria	90, 91
	414-2 Negative social impacts on the supply chain and measures taken	90, 91

S.2 Financial solutions adapted to different life cycles

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	92-93
GRI 203 Indirect Economic Impacts, 2016	203- 1 Investments in infrastructure and services supported	92-93

S.3 People management and adaptation to change

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Issues	94-102
GRI 401 Employment, 2016	401-2 Benefits for full-time employees not given to part-time or temporary employees	99
GRI 401 Employment, 2016	401-3 Parental Leave	99
GRI 403 Health and safety At work, 2018	403-1 Health and safety management system at work	100,101
	403-2 Hazard identification, risk assessment and accident investigation	100
	403-3 Occupational health services	100,101
	403-4 Workers' participation, consultations and communication on health and safety at work	100,101,192,193
	403-5 Employees' training on health and safety at work	100,203
	403-6 Promotion of workers' health	100,102,192,193
	403-7 Prevention and mitigation of health impacts and the safety of workers directly linked to commercial relations	100
	403-8 Coverage of the health and safety management system at work	100
GRI 404 Training and teaching, 2016	404-2 Programmes to improve employee skills and facilitate transition	97
	404-3 Percentage of employees receiving periodic evaluation and professional development	95-97

S.4 Financial accessibility and inclusion

GRI Standard	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	103, 104
GGRI 413 Local Communities, 2016	413- 1 Operations involving the local community, impact assessments and development programmes	104
GRI 413 Local Communities, 2016	413- 2 Operations with significant negative impacts - real and potential - on local communities	104

S.5 Social, cultural and volunteering action

GRI Standard	Content	Pages
GRI 3: Material Issues 202	3-3 Management of Material Topics	105-108
GRI 413 Local Communities, 2016	413- 1 Operations involving the local community, impact assessments and development programmes	105-108

S.6 Contribution to the Sustainable Development Goals

GRI Estandar	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	109-111
GRI 201 Economic Performance, 2016	201-1 Direct economic value generated and distributed	110,111
GRI 201 Economic Performance, 2016	201-2 Financial implications and other risks and opportunities arising from climate change	110,111

A.1 Commitment to the environment

GRI Estandar	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	112-120
GRI 301 Materials, 2016	301-1 Materials used by weight or volume	116
GRI 301 materials, 2016	301-2 Recycled inputs	116
GRI 301 Materials, 2016	301-3 Reused products and packaging materials	116
GRI 302 Energy, 2016	302-1 Energy consumption within the organisation	112-115
GRI 302 Energy, 2016	302-2 Energy consumption outside the organisation	112-114
GRI 302 Energy, 2016	302-3 Energy intensity	114
GRI 302 Energy, 2016	302-4 Reduction of energy consumption	113-115
GRI 302 Energy, 2016	302-5 Reduction of energy requirements for products and services	115
GRI 303 Water and Effluents, 2018	303-5 Water consumption	116
GRI 201 Economic Performance, 2016	201-2 Financial implications and other risks and opportunities arising from climate change	120
GRI 304 Biodiversity, 2016	304-3 Protected or restored habitats	120

A.2 Sustainable Finance

GRI Estandar	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	121-125
GRI 201 Economic performance, 2016	201-2 Financial implications and other risks and opportunities arising from climate change	121-125

A.3 Risks and opportunities arising from climate change

GRI Estandar	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of material issues	126-133
GRI 201 Economic Performance, 2016	201-2 Financial implications and other risks and opportunities arising from climate change	126-133

A.4 Knowledge transfer

GRI Estandar	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	134-136
Impact of products and services	FS5 Interactions with Customers/Holdings/Business Partners in relation to environmental and social risks and opportunities	134-136
Labelling of products and services	FS16 Initiatives to expand financial culture, broken down by types of beneficiaries	134-136

A.5 Support for innovation and research

GRI Estandar	Content	Pages
GRI 3: Material Issues 2021	3-3 Management of Material Topics	137-143
GRI 203 Indirect Economic impacts	203- 1 Investments in infrastructure and services supported	137-143, 205-211
	203- 2 Significant indirect economic impacts	137,142,143
GRI 303 Water and Effluents, 2018	303-1 Interaction with water as a shared resource	142,143
GRI 413 Local Communities, 2016	413- 1 Operations involving the local community, impact assessments and development programmes	137,142,143

General basic contents

GRI Estandar			Content	Pages/Omission	Scope
	GRI 1	Foundation, 2021		156-162, 166-170	
The organisation and its reporting practices	GRI 2	General Contents, 2021	2-1 Organisational Details	12-14,21,22,25	GCC
			2-2 Entities included in sustainability reporting	4	
			2-3 Reporting period, frequency and point of contact	3, 220	
			2-4 Updating information	3	
			2-5 External verification	3,220	
Activities and workers	GRI 2	General Contents, 2021	2-6 Activities, value chains and other business relationships	4,12,13,21,22,25,86-91	GCC
			2-7 Employees	12,95-103,105-106,180-204	
			2-8 Workers who are not employees	184	
Governance	GRI 2	General Contents, 2021	2-9 Governance structure and composition	27-34,38,39	GCC
			2-10 Designation and selection of the highest governing body	27,28	
			2-11 Chair of the highest governing body	27,29-31	
			2-12 Role of the highest governing body in monitoring impact management	15,23,24,27,28,67,69-71,74,81,126	
			2-13 Delegation of responsibility for managing impacts	27-31,33,34,38,39	
			2-14 Role of the highest governing body in sustainability reporting	27,28	
			2-15 Conflicts of interest	27,28,78	
			2-16 Communication of Critical Concerns	7,8,27,28,50,67,109	
			2-17 Collective knowledge of the highest governing body	27,28	
			2-18 Performance evaluation of the highest governing body	27,28	
			2-19 Remuneration policies	28,32,192	
			2-20 Process for determining remuneration	28,67	
			2-21 Total annual compensation ratio	190-192	
Strategy, policies, and practices	GRI 2	General Contents, 2021	2-22 Declaration on the sustainable development strategy	11,19,23,36,42,52-55,59,60-67,72,109,125,126,145-147	GCC
			2-23 Commitments and policies	12,16,27,28,69,70,73,81,124	
			2-24 Incorporation of commitments and policies	35,36,122,123	
			2-25 Processes to remedy negative impacts	79-80	
			2-26 Mechanisms for requesting advice and raising concerns	16,27,28,50,78	
			2-27 Compliance with Laws and Regulations	113,nota a pie de página 161***	
			2-28 Affiliation to associations	12,17,18,64-66,69,70,73,126	
Stakeholder participation	GRI 2	General Contents, 2021	2-29 Approach to stakeholder participation	36,64-67	GCC
			2-30 Collective bargaining agreements	198	
Contents on material issues	GRI 3	Material issues, 2021	3-1 Determination of material issues	3,7-9,43,44,59,60,67,150	GCC
			3-2 List of material issues	7,8,67	
			3-3 Management of material issues	9,11,12,19,23,24,27,33-36,50,60-67,72,80,84,94,98,103,109,121,125,137,149,150,180-204	

Economic dimension

GRI Estandar			Content	Pages/Omission	Scope
Economic performance	GRI 201	Economic Performance, 2016	201-1 Direct economic value generated and distributed	40,-42-44, 49-55,77,85,110,111	GCC
			201-2 Financial implications and other risks and opportunities arising from climate change	56,57,110,111,120-123,125-133,178,179,212	
			201-3 Obligations of defined benefits plan and other retirement plans	199	
			201-4 Financial assistance received from the government	201,202	
Presence in the market	GRI 202	Presence in the market, 2016	202-1: Wage ratio of standard initial category by gender compared to local minimum wage	196,198	GCC
			202-2: Proportion of senior executives recruited from the local community	183,186,190	
Indirect economic impacts	GRI 203	Indirect economic impacts, 2016	203-1: Investments in infrastructure and services supported	86-88,92,93,137-143, 205-211	GCC
			203-2: Significant indirect economic impacts	77,85-88,137,142,143	
Procurement Practices	GRI 204	Procurement practices, 2016	204-1: Proportion of expenditure on local suppliers	90-91	GCC
Anti-corruption	GRI 205	Anti-corruption, 2016	205-1: Operations evaluated for risks related to corruption	69-70,74	GCC
			205-2: Communication and training on anti-corruption policies and procedures	69-70,81	
			205-3: Confirmed cases of corruption and measures taken	In 2022, no indications of corruption were detected in the organisation,159	
Unfair Competition	GRI 206	Unfair competition, 2016	206-1: Legal actions related to unfair competition and monopolistic practices and against free competition	In 2022, no incidents of this type were reported,159	GCC
Taxation	GRI 207	Taxation, 2019	207-1 Fiscal approach	69-71	GCC
			207-2 Fiscal governance, control and risk management	69-71,74,75,76,82	
			207-3 Stakeholder participation and management of concerns in fiscal matters	201	
			207-4 Country-by-country reporting	73,85	

Environmental dimension

GRI Estandar			Content	Pages/Omission	Scope
Materials	GRI 301	Materials, 2016	301-1: Materials used by weight or volume.	116	GCC
			301-2: Recycled Inputs	116	
			301-3: Reused products and packaging materials	116	
Energy	GRI 302	Energy, 2016	302-1: Energy consumption within the organisation	112-115	GCC
			302-2: Energy consumption outside the organisation	112-114	
			302-3: Energy intensity	114	
			302-4: Reduction of energy consumption	113-115	
			302-5: Reduction of the energy requirements of products and services	115	
Water	GRI 303	Water and Effluents, 2018	303-1: Interaction with water as a shared resource	142,143	GCC
			303-5 Water consumption	116	
Biodiversity	GRI 304	Biodiversity, 2016	304- 2 Significant impacts of activities, products and services on biodiversity	56,57	
			304- 3 Habitats protected or restored	120	GCC

Environmental dimension

GRI Estandar		Content	Pages/omission	Scope
Emissions	GRI 305 emissions, 2016	305-1: Direct GHG emissions (scope 1)	117,119	GCC
		305-2: Indirect GHG Emissions when generating energy (scope 2)	117,119	
		305-3: Other indirect GHG emissions (scope 3)	117-119	
		305-4: Intensity of GHG emissions	117,119	
		305-5: Reduction of GHG emissions	119	
Effluents and Waste	GRI 306 Waste, 2020	306-2: Waste by type and method of disposal	116	GCC
Environmental assessment of suppliers	GRI 308 Environmental assessment of suppliers, 2016	308-1: New suppliers that have passed evaluation and selection filters in accordance with environmental criteria	89-91	GCC
		308-2: Negative environmental impacts in the supply chain and measures taken	89-91	

Social dimension

GRI Estandar		Content	Pages/omission	Scope
Employment	GRI 401 Employment, 2016	401-1: New employees and staff turnover	185,186,188	GCC
		401-2: Benefits for full-time employees not given to part-time or temporary employees	99,199	
		401-3: Parental leave	99,195	
Employer-Employee relations	GRI 402 Employer-Employee relations, 2016	402-1: Minimum notice periods on operational changes	89-91,204	GCC
Health and safety at work	GRI 403 Health and safety at work, 2018	403-1 Health and safety management system at work	100,101	GCC
		403-2 Hazard identification, risk assessment and accident investigation	100	
		403-3 Occupational health services	100,101	
		403-4 Workers' participation, consultation and communication on health and safety at work	100,101,192,193,204	
		403-5 Employees' training on health and safety at work	100,203	
		403-6 Promotion of workers' health	100,102,192,193	
		403-7 Prevention and mitigation of health impacts and the safety of workers directly linked to commercial relations	100	
		403-8 Coverage of the health and safety management system at work	100	
		403-9 Injuries due to work accidents	192,193,194	
		403-10 Occupational ailments and diseases	192,194	
Education and Training	GRI 404 Education and Training, 2016	404-1: Average hours of training per year per employee	200-203	GCC
		404-2: Programmes to improve employee skills and to facilitate transition	97,200-203	
		404-3: Percentage of employees who receive periodic performance reviews and professional development	95-97	
Diversity and equal opportunities	GRI 405 Diversity and Equal Opportunities, 2016	405-1: Diversity among governing bodies and employees	32,191,196	GCC
		405-2: Ratio between the basic salary and remuneration of women versus men	196-198	
Non-discrimination	GRI 406 Non Discrimination, 2016	406-1: Cases of discrimination and corrective actions taken	In 2022, there were no incidents of this type,160	GCC

• Social dimension

GRI Estandar		Content	Pages/omission	Scope
Freedom of association and collective bargaining	GRI 407: Freedom of association and collective bargaining, 2016	407-1: Operations and suppliers whose right to freedom of association and collective bargaining may be at risk	204	GCC
Local communities	GRI 413 Local Communities, 2016	413-1: Operations involving the local community, impact assessments and development programmes	104-108,137,142,143	GCC
		413-2: Operations with significant negative impacts - real and potential - on local communities	104	
Social assessment of suppliers	GRI 414 Social assessment of suppliers, 2016	414-1: New suppliers that have passed selection filters in accordance with social criteria	90,91	GCC
		414-2: Negative social impacts in the supply chain and measures taken	90,91	
Public Policy	GRI 415 Public Policy, 2016	415-1: Contributions to political parties and/or political representatives	Footnote*	GCC
Health and safety of customers	GRI 416 Health and safety of customers, 2016	416-2: Cases of non-compliance related to impacts on health and safety of the categories of products or services	Footnote**	GCC
Marketing and Labelling	GRI 417 Marketing and Labelling, 2016	417-1: Requirements for information and labelling of products and services	78	GCC
		417-2: Cases of non-compliance related to information and the labelling of products and services	In 2022, there were no incidents of this type,161	
		417-3: Cases of non-compliance related to Marketing Communications	In 2022, there were no incidents of this type,161	
Customer privacy	GRI 418 Customer Privacy, 2016	418-1: Substantiated complaints concerning violations of customer privacy and loss of customer data	In 2022, there were no incidents of this type,161	GCC

* Grupo Cooperativo Cajamar does not have any finance operations in place nor does it offer any special conditions more favourable than market conditions to political parties.

** Sanctioning proceedings 5484/2022, initiated by Government Sub-Delegation in Malaga on 24.03.2022 for events related to article.59.1.f) of Law 5/2014 of 4 April on Private Security, related to an ATM moved without security measures. On 30.05.2021, the voluntary payment of the penalty was made, for an amount of 12,000.60 euros, ending the aforementioned proceedings.

Sanctioning proceedings DS63801E0001688A2022 On 12.05.2022, a reduced penalty payment of €180 was made for a minor infraction, due to the lack of proper anchoring of the safe in "Cajamar" branch number 1302.

*** Sanctioning Proceedings Nº CO 167/2022 Directorate General of Consumer Affairs, Government of the Balearic Islands: Regarding the introduction of an abusive clause in the mortgage loan contract. The proposed sanction amounts to 19,500.01 euros, and arguments were presented. Awaiting ruling.

Sanctioning Proceedings Nº 47R001/15/2022 of the Government of Castilla y Leon, for failing to comply with art. 21 TRLFDCU, the proposed sanction is 4,000 euros, and arguments have been presented without any subsequent notification.

In 2021, a sanction proposal was received from the Government of the Balearic Islands for € 28,500 for introducing unfair clauses in mortgage loan contracts and not attending to claims from the customer regarding the modification of the interest rate and repayment of amounts claimed. Last known procedure in this regard, an appeal filed on 31.05.2022.

Sanctioning proceedings: 04-000064-20-P. Filed with the Consumer Service of the Territorial Delegation of Health and Families in Almeria for introducing unfair clauses in contracts. Letter of payment was received for the amount of 505,900.98 euros, issued by the Provincial Management in Almeria of the Regional Government of Andalusia, which was paid on 9/03/2022.

Specific contents of the financial sector

GRI Estandar		Content	Pages/omission	Scope
Impact of products and services	FS1	Policies with specific environmental and social aspects applied to lines of business	27,28,82,89-91,94,112,122,124,125	GCC
	FS2	Procedures for the evaluation and monitoring of social and environmental risk in lines of business	38-42,45-55,57,64-66,74,77,122,124,126-133,178, 179, 212, 213, 217	
	FS3	Processes to monitor customer implementation of social and environmental requirements included in contracts or transactions	40-42,45-55,57,74,122,124,125	
	FS4	Processes to improve the competence of employees to implement environmental and social policies and procedures in lines of business	103,122,125	
	FS5	Interactions with Customers/Holdings/Business Partners in relation to environmental and social risks and opportunities	21,22,61-64,67,78-81,84,85,134-143	
	FS6	Percentage of the portfolio for lines of business	75,76	
	FS7	Monetary value of the products and services designed to provide a specific social benefit for each business line, broken down according to purpose	92-93,111,137	
	FS8	Monetary value of the products and services designed to provide a specific environmental benefit for each business line, broken down according to purpose	92-93,111,121	
Audit	FS9	Scope and frequency of audits to assess the implementation of social and environmental policies and risk assessment proceduressee	note (a)	GCC
Active ownership	FS10	Percentage and number of companies within the Group’s portfolio with which the organisation has interacted in relation to environmental and social issues	90,121	GCC
	FS11	Percentage of assets subject to environmental or social controls both positive and negative	128-130	
	FS12	Voting policies on environmental or social matters in holdings in which the organisation has the right to vote or voting recommendation	122,see note (b)	
Local communities	FS13	Access to financial services in unpopulated/disadvantaged areas by type of access	104	GCC
	FS14	Initiatives to improve access for people with disabilities and impairments	78,82-85,103,104	
Product labelling and services	FS15	Fair marketing policies for financial products and services	78,84,85	GCC
	FS16	Initiatives to expand financial culture, broken down by types of beneficiaries	78,104-108,134	

(a) Not currently available - Grupo Cooperativo Cajamar is working to identify social and environmental risks, and to develop actions aimed at auditing and assessing these risks. In the medium term, the Group shall establish procedures to provide this information.

(b) In relation to the voting intention of Grupo Cooperativo Cajamar regarding environmental issues, any decisions to be taken, internally, and within the Group’s entities and holdings, will continue to be guided by the guidelines for action set out by the Group's Environmental Policy.

Global Compact and GRI Sustainability Reporting Standards

Banco de Crédito Cooperativo, as the head of Grupo Cooperativo Cajamar, signed up to the United Nations Global Compact in 2006 and is committed to implementing ethical, social responsibility, and sustainability principles, as well as to report annually on its performance in relation to the ten principles.

Through this report, Grupo Cooperativo Cajamar responds to the reporting requirements set out in the Progress Report for 2018.

• Aspects included in the integrated report, according to IRC content requirements

	Management Approach	Equivalence in GRI Sustainability Reporting Standards
Human Rights	**Principle 1 - Business and Human Rights** Businesses should support and respect the protection of internationally proclaimed human rights	406-1, 407-1, 408-1, 409-1, 413-1
	Principle 2 - Business and Human Rights Abuses Business should make sure that they are not complicit in human rights abuses	406-1, 407-1, 408-1, 409-1
Labour	**Principle 3 - Business and freedom of association** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	2-30, 402-1, 407-1
	Principle 4 - Businesses and forced labour and coercion Businesses should uphold the elimination of all forms of forced and compulsory labour	409-1
	Principle 5 - Elimination of Child Labour Businesses should uphold the elimination of child labour	408-1
	Principle 6 - Discrimination in employment Businesses should uphold the elimination of discrimination in respect of employment and occupation	2-7, 2-8, 406-1, 414-1, 414-2
Environment	**Principle 7 - Business and Environment** Businesses should support a precautionary approach to environmental challenges	2-27, 301-1, 301-3, del 302-1 al 302-5, 303-1, del 304-1 al 304-2, del 305-1 al 305-5,del 306-1 al 306-2, 308-1, 308-2
	Principle 8 - Initiatives to respect the environment Businesses should undertake initiatives to promote greater environmental responsibility	2-27, 301-1, 301-3, from 302-1 to 302-5, 303-1, from 304-1 to 304-2, from 305-1 to 305-5,from 306-1 to 306-2, 308-1, 308-2
	Principle 9- Diffusion of environmentally friendly technologies Businesses should encourage the development and diffusion of environmentally friendly technologies	2-27, 301-1, 301-3, from 302-1 to 302-5, 303-1, from 304-1 to 304-2, from 305-1 to 305-5,from 306-1 to 306-2, 308-1, 308-2
Anti-corruption	**Principle 10 - Business and corruption, extortion and bribery** Businesses should work against corruption in all its forms, including extortion and bribery	205-1 to 205-3, 415-1

3-1
3-3

Sustainable Development Goals and GRI Sustainability Reporting Standards

Banco de Crédito Cooperativo, as the head of Grupo Cooperativo Cajamar, signed up to the United Nations Global Compact in 2006 and is committed to implementing ethical, social responsibility, and sustainability principles, as well as to report annually on its performance in relation to the ten principles.

Through this report, Grupo Cooperativo Cajamar responds to the reporting requirements set out in the Progress Report for 2018.

• Goals and correspondences with GRI Sustainability Reporting Standards

Goals	Correspondences with GRI Sustainability Reporting Standards
1 FIN DE LA POBREZA	202-1, 203-2, FS3, FS6, FS7, 413-1, 201-1
2 HAMBRE CERO	201-1, 203-1, 203-2, 413-1
3 SALUD Y BIENESTAR	203-2, 305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 403-2, 404-1
4 EDUCACIÓN DE CALIDAD	2-17, 403-3, 404-1
5 IGUALDAD DE GÉNERO	2-9,2-10, 201-1, 202-1, 203-1, 406-1, 401-1, 401-3, 403-1, 404-1, 404-3, 405-1, 405-2, 414-1
6 AGUA LIMPIA Y SANEAMIENTO	2-27,303-1, 306-2
7 ENERGÍA ASEQUIBLE Y NO CONTAMINANTE	201-1, 203-1, 302-1, 302-2, 302-3, 302-4, 302-5
8 TRABAJO DECENTE Y CRECIMIENTO ECONÓMICO	2-7, 2-8, 2-30, 201-1, 202-1, 202-2, 203-2, 301-1, 301-2, 301-3, 302-1, 302-4, 302-5, 303-3, 401-1, 401-2, 401-3, 402-1, 403-1, 403-2, 403-3, 403-4, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 407-1, 412-1, 412-2, 412-3, 414-1, 414-2, 413-1, 413-2, FS6, FS7
9 INDUSTRIA, INNOVACIÓN E INFRAESTRUCTURA	201-1, 203-1, FS7, FS8
10 REDUCCIÓN DE LAS DESIGUALDADES	203-2, FS1, FS2, FS3, FS4, FS5, FS7, FS10, FS11, FS15, FS16
11 CIUDADES Y COMUNIDADES SOSTENIBLES	203-1, 301-2, 301-3, 302-4, 304-3, 305-5, 306-1, 308-1, 413-1, 414-1, FS7, FS8, FS11, FS13
12 PRODUCCIÓN Y CONSUMO RESPONSABLES	301-1, 301-2, 301-3, 302-1, 302-2, 302-3, 302-4, 302-5, 303-3, 304-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7, 413-1, 414-1, 417-1, FS7, FS8, FS10, FS11, FS13
13 ACCIÓN POR EL CLIMA	201-2, 301-2, 301-3, 302-1, 302-2, 302-3, 302-4, 302-5, 303-1, 305-1, 305-2, 305-3, 305-4, 305-5, 306-2, 308-1, FS8
14 VIDA SUBMARINA	305-1, 305-2, 305-3, 305-4, 305-5
15 VIDA DE ECOSISTEMAS TERRESTRES	305-1, 305-2, 305-3, 305-4, 305-5
16 PAZ, JUSTICIA E INSTITUCIONES SÓLIDAS	2-9, 2-10, 2-11, 2-12, 2-15, 2-20 , 2-23, 2-26, 2-27, 102-37, 205-1, 205-2, 206-1, 307-1, 406-1, 408-1, 401-1, 414-1, 414-2, 415-1, 416-2, 417-2, 417-3, 418-1, 419-1
17 ALIANZAS PARA LOGRAR LOS OBJETIVOS	2-22, 2-28, 2-30, 203-2

Annexes

Annex I > Index of report on UNEP FI Principles of Responsible Banking

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, and as expressed in the Sustainable Development Goals, the Paris Climate Agreement and the relevant national and regional frameworks.

1.1 Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Grupo Cooperativo Cajamar is characterised by its cooperative nature, which facilitates its commitment to the surrounding environment. Its presence ensures that a model of banking by and for people is available to the communities where it is present, concerned to provide close financial assistance to its members and customers.

The Group is present in all Spain's self-governing regions and cities, and has strong roots in its territories of origin, where the Group's financial activity and social performance offer outstanding benefits to the community, while the Group continues to grow day by day with the aim of extending, consolidating, and modernising its cooperative banking model as a financial instrument serving the most sustainable economy. Therefore, it develops its financial activity based on its direct knowledge of the socio-economic environment in which it is present and its ethical code based on the values and principles of cooperative banking.

The Group is synonymous with cooperative social banking, a unique institution in the financial system, both because of its origin and social nature as well as its specialisation, governance and internal functioning: members of credit unions are owners and participate in decision-making. Likewise, the Group's business model has a particular mission and way of understanding the banking business whose corporate purpose is to continue to ensure the well-being and progress of PEOPLE cooperating to generate IDEAS and innovation that contribute to the sustainable connectedness of TERRITORIES.

The agro sector is part of its origin and essence, representing a strategic priority for the Group. In particular, the Group holds a significant market share in the total finance provided to the agro sector (the agricultural sector represents 19.39% of the Group's total financing of productive activities in Spain).

The Group is committed to the rural environment and the economic activities carried out there. Its leadership position demonstrates the industry's confidence and recognition of a business model focused on meeting the needs of our members, helping to increase industry productivity and supporting it in the process of ecological transition. Furthermore, through its presence in the rural world, the Group improves the quality of life and opportunities of its population, contributing to financial inclusion in semi-rural habitats, promoting agro-industrial rurality, local productive systems and the agri-food industry; and in urban environments, facilitating the generation of resources to improve quality of life in cities.

Links and references

Perimeter of the Consolidated Group: Page 4

Grupo Cooperativo Cajamar: Pages 11-19

1.2 Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

☒ Yes ☐ No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional framewor.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

☐ United Nations Guiding Principles on Business and Human Rights International Labour
☐ Organization fundamental conventions
☒ United Nations Global Compact
☐ United Nations Declaration on the Rights of Indigenous Peoples
☒ Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones:

The Group continues to align its actions with regulatory recommendations: CNMV Code of Good Governance, EBA Sustainable Finance Action Plan, EBA Credit Origination Guide, Supervisory Expectations ECB, TCFD, Climate Change Law. Furthermore, in 2022 the first climate stress test was conducted, and the implementation and development of the Sustainable Finance Disclosure Regulation (SFDR), and the Taxonomy Regulation have led to some of the most relevant actions undertaken by the Group.

☐ Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones.
☐ None of the above

Grupo Cooperativo Cajamar uses strategy to define how it will achieve what it wants to become, in accordance with its mission, vision, and values. Successful achievement of this begins with identifying the needs and interests of its stakeholders, studying the strengths and weaknesses presented by the organisation in terms of meeting those expectations, and identifying the risks and opportunities that arise from contextual analysis. One of the fundamental elements on which the strategy of Grupo Cooperativo Cajamar is designed is sustainability, present in every aspect at all times, with the purpose of promoting the creation of shared value and positively impacting those communities where it is present.

The Group has a Sustainable Finance Master Plan to respond to regulatory expectations and as a roadmap for decarbonisation. Its main objective is to achieve a reduction in CO2 emissions in the atmosphere down to zero net emissions by 2050. The plan sets out the actions that will enable the Group to assist its members and customers in the transition, minimising risks and maximising the opportunities identified, as well as facilitating integration into the strategy of its commitment to align it finance portfolio with the scenarios compatible with the Paris Agreement. Contribution to the Sustainable Development Goals is also included in the identification of the Group's material issues.

Links and references

Materiality analysis: Pages 7-9

Strategy: Pages 58-67

Principle 2: Impact and goal setting

We will continually increase our positive impacts, while we reduce negative impacts and manage the risks to people and the environment result from our activities, products and services. To this end, we will establish and publish objectives where we could have the most significant impact.

2.1 Impact Analysis (Key Step 1)
Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):
a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Grupo Cooperativo Cajamar carries out a materiality analysis every year with the aim of identifying the economic, social, and environmental issues that are priorities for its stakeholders and for its business. To this end, it maintains ongoing constructive dialogue with society as a whole and with local communities. The methodology culminates with the generation of a materiality matrix, selecting stakeholders, identifying expectations, and prioritising material issues. In parallel, the Group has used *UNEP FI's* portfolio impact analysis tool to identify the most significant impact areas within the Group's scope.	**Links and references** Analysis and materiality: Pages 7-9 Group objectives for Sustainable, Social, and Responsible Banking: Pages 64-66

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition your portfolio globally and per geographical scope
i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
ii) by products & services and by types of customers for consumer and retail banking portfolios.
If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

In 2022, through the materiality analysis conducted, 18 material issues were identified and integrated into the Group's Strategic Plan. One of the material issues identified is the contribution to the development goals. Specifically, the Group has integrated all 17 SDGs into its sustainability strategy, periodically drawing up a materiality map. Specifically, the Group identifies the SDGs on which the Group has the greatest impact and relevance in its business model, taking as a reference the 2022 progress report for the 2030 Sustainable Development Strategy prepared by the government of Spain and Spain's performance assessment presented by the United Nations in its 2022 report (*SDG Index and Dashboards*). Also, and in relation to the most significant areas of impact identified with the help of the impact analysis of the portfolio tool made available by *UNEP FI*, data describing the portfolio of members and customers as well as Group products were conveyed, which has allowed the Group to identify the most significant areas of impact and identify priorities, thus laying the foundations for the development of strategies and the establishment of objectives taking into account the country where the Group develops its activity (Spain) as well as the areas of greatest impact for the country.	**Links and references** Analysis and materiality: Pages 7-9 Group objectives for Sustainable, Social, and Responsible Banking: Pages 64-66

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.
This step aims to put your bank's portfolio impacts into the context of society's needs.

By means of the materiality analysis and as indicated, the Group identifies expectations through exhaustive document analysis of different sources of information, both primary and secondary, so that it takes into account the strategies and priorities of the Group, recommendations of global initiatives such as the Global Compact, Agenda 2030, Principles of Responsible Banking, TCFD, European Commission Action Plan, GRI, SASB; analysis, trends, and best practices, customer satisfaction surveys, suggestion boxes, complaints and claims filed by different stakeholders, social and traditional media, regulatory expectations, feedback from employees and customers, surveys of managers of different areas; as well as experts external to the organisation. Furthermore, material issues are validated and prioritised through internal and external consultations to establish priorities based on relevance for the Group's business and for the different stakeholders. To do this, the organisation's executives complete surveys in order to identify the relevance for the Group's business, and various CSR experts are also consulted to ensure the adequate representation of all stakeholders.	**Links and references** Materiality analysis: Pages 7-9

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy?

Based on the portfolio impact analysis tool made available by *UNEP FI*, the Group analysed the results obtained by type of product and service offered to members and customers and classified the areas of greatest impact and greatest need for the country (both positive and negative impacts). The analysis identified 4 areas of positive impact for the Group with the greatest impact for the country (employment, inclusive and healthy economies, housing, and mobility) and 3 areas of negative impact and with a high need for impact in the country (inclusive and healthy economies, efficiency, and security of resources and climate). In addition, the Group analysed the proportion of the Group's portfolio (companies), contemplating the largest areas of impact for the country in which the Group operates. The analysis identified 3 areas of positive impact and with greater need in the country (food, housing, employment) as well as areas of negative impact (waste, climate, efficiency and security of resources, in addition to water availability). As a result of identifying the different areas of impact, the Group has promoted and strengthened its commitment and has identified the four relevant areas that allow it to establish the targets aligned with the Sustainable Development Goals, the objectives of the Paris Agreement, and other relevant national, regional, and international frameworks.	**Links and references** Group objectives for sustainable, social and responsible banking: Pages 64-66

d) For these (minimum two priority impact areas): Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context. In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.
The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

Because of its activity, its vocation and its nature as a cooperative institution, part of the social economy, the Group works in collaboration with its stakeholders to integrate and align with the Sustainable Development Goals established in its strategy, defining its business model. In its commitment to the 2030 Agenda, the Sustainable Development Goals (SDGs) are priorities through which it can have the greatest positive impact, so as a result of the different tools studied, the Group has identified 4 areas of impact: climate, water, food. In addition, financial inclusion has been added due to its relevance to the Group and the sector.

Climate: priority to achieve the objectives of the Paris Agreement.

- Group's historic commitment: since 2015, 100% of electricity consumption has been provided by renewable energy sources.
- In 2022, the Group approved 436 operations and allocated more than €61M to improving energy efficiency and the installation of photovoltaic panels for self-consumption.
- Following its adherence to the Science Based Targets Initiative (SBTI), in 2022 the Group presented decarbonisation targets in line with the Paris Agreement and pledged to achieve net zero emissions by 2050 at the latest.
- In 2022, the Group made a pledge to the Net-Zero Banking Alliance (NZBA) initiative .

Water: as a crucial element in the history of the Group.

- In 2022, the Group arranged more than €130 million in financing to improve irrigation efficiency, the main beneficiary being the agri-food sector.
- Through its pioneering initiative Cajamar Innova, the business incubator for high-tech water companies, the Group has fully supported 65 companies, 36 incubated projects and 32 projects in acceleration.
- The Group's experimentation stations are the basis of knowledge transfer to food producers and technicians, including the improvement of irrigation efficiency. Research projects in this field can be divided into:
    - ·18 projects aimed at combating desertification.
    - ·26 projects aimed at reducing degradation of natural habitats.

Food: the challenge of sustainable food.

- Through its experimentation stations, the Group has developed 73 agri-food innovation projects, of which 18 projects are related to new genetic varieties and super-intensive techniques with an impact on goal 2.4 (ensure sustainability of food production systems and implement resilient agricultural practices).
- TIERRA platform which aims to contribute to the digitisation and sustainability of the agri-food sector.

Financial Inclusion: as an instrument in the empowerment of society.

- The Group contributes to the Spanish economy with 11,965 jobs generated, €873 million contribution to GDP (based on economic value distributed), € 8,056 million (based on the production sectors financed).
- In 2022, the Group created the +65 programme, which aims to enhance and expand the digital knowledge of this group through personalised customer service.
- The Group's adherence to the expanded Code of Good Practices and the new Code, thereby contributing to facilitating access to housing in its territories of origin and areas of action.
- The Group's Commitment to integrate the Strategic Protocol to Strengthen the Social and Sustainable Commitment of Banking into its banking practices.

Links and references

Contribution to the Sustainable Development Goals: page 109-111

a) Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

Scope:	☒ Yes	☐ In progress	☐ No
Portfolio composition:	☒ Yes	☐ In progress	☐ No
Context:	☒ Yes	☐ In progress	☐ No
Performance measurement:	☒ Yes	☐ In progress	☐ No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, **financial health & inclusion**, human rights, gender equality, decent employment, water, pollution, other: **climate and agriculture**

How recent is the data used for and disclosed in the impact analysis?

☐ Up to 6 months prior to publication
☐ Up to 12 months prior to publication
☒ Up to 18 months prior to publication
☐ More than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: (optional)

2.2 Targets setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.
You can build upon the context items under 2.1.

The current climate emergency is driving a process of transition to a circular, low-carbon economy that carries risks and opportunities for the economy and financial institutions. The European Central Bank (ECB) is confident of the important role that financial institutions can play in this process, and hopes that they will adopt a prospective and comprehensive approach to climate and environmental risks. To foster this, the ECB has articulated a broad regulatory repertoire that is in addition to other European and international recommendations that entities must follow. In this regard, and in order to respond to regulatory expectations in this area, the Group has implemented a Master Plan as a roadmap for decarbonisation. Its main objective is to achieve a reduction of CO_2 emissions in the atmosphere down to zero net emissions by 2050. The plan establishes the actions that will allow the Group to help its members and customers in the transition, minimising risks and maximising the opportunities identified, as well as facilitating integration into the strategy of its commitment to align it finance portfolio with the

Links and references

Estrategia: páginas 59-67
Contribución a los objetivos de desarrollo sostenible: 109-111

scenarios compatible with the Paris Agreement. One of the actions established in the Master Plan is related to target setting.

Likewise, the Agenda 2030 and the Paris Agreement represent an ambitious plan that seeks to achieve prosperity that is respectful of the planet and its inhabitants and which is therefore fully aligned with the vocation and mission of the rural savings banks that make up Grupo Cooperativo Cajamar.

The Group has been very proactive in recent years in relation to climate and the environment. It has reaffirmed its commitment to fight climate change and become a climate neutral organisation by 2050. As proof of this, it currently adheres to two of the biggest and most widely recognised initiatives that exist in this regard. The *Science Based Targets Initiative* (SBTI) led among others by the Global Compact and CDP, and the *Net-Zero Banking Alliance* (NZBA) initiative promoted by the United Nations. Both initiatives call for the establishment of intermediate targets (usually based on the time horizon of 2030) that are consistent with the ultimate goal of achieving climate neutrality by 2050. This would affect three of the four impact areas identified (climate, water and food).

Financial inclusion has also been added due to its relevance for the Group as a cooperative bank. Financial inclusion is considered to be an element that facilitates the achievement of 7 of the 17 Sustainable Development Goals, and the World Bank considers financial inclusion to be a key enabler to reduce inequalities and promote inclusion.

Finally, the matrix drawn up on the basis of the Group's evaluation of the potential impact and relevance of its business model for each SDG, evaluating strategic priorities within its scope of action (Spain), based on the Progress Report 2022 for the Sustainable Development Strategy 2030 prepared by the Government of Spain and the evaluation of Spain's performance presented by the United Nations in its 2022 report (*SDG Index and Dashboards*). The identified impact areas relate to the following SDGs; Climate (SDG 7, SDG 13), Water (SDG 6, SDG 15), Food (SDG 2, SDG 12) and Financial inclusion (SDG 1, SDG 8, SDG 9).

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Area of impact	Indicator code	Response
Climate	Indicators related to Climate Impact	All the information can be found in the following sections of the Group's sustainability report: • Committed to the future, climate neutrality by 2050 page 19 • Integration of sustainability in governance: page 33 • Risk management: pages 37-56 • Strategy: pages 59-67 • Environmental performance: pages 112-120 • Risks and opportunities arising from climate change: pages 126-133

Area of impact	Indicator code	Response
Financial Inclusion	Indicators related to financial inclusion	All the information can be found in the following sections of the Group's sustainability report: • Financial solutions adapted to different life cycles: page 92- 93 • Accessibility and financial inclusion: pages 103-104 • Financial education: page 107

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

The Group continues to promote and strengthen its commitment by implementing actions and adhering to relevant initiatives in the area of sustainability. As evidence of its ambition, the four areas of impact identified allow the Group to establish targets aligned with the Sustainable Development Goals, the objectives of the Paris Agreement, and other relevant national, regional and international frameworks.

Specifically, the baseline targets for each of the identified impact areas are detailed below:

• Climate: the Group's goal is to reduce net greenhouse emissions to zero by 2050.
• Water: the Group's goal is to contribute to improving water use efficiency and reducing consumption the agri-food industry, in particular, and society as a whole.
• Food: the Group's goal is to achieve healthier, sustainable and affordable food for the population.
• Financial Inclusion: the Group's goal is to promote financial inclusion by generating a positive impact on the Group's surroundings and the communities where it is present.

In all cases, monitoring is carried out annually, as detailed in section "d" of question 2.1. In addition, in the case of the climate and target setting linked to the Group's loan and investment portfolio, the baseline year of 2019 has been established as a result of the Group's adherence to the Science Based Targets Initiative (targets pending approval).

Links and references
Contribution to the Sustainable Development Goals: page 109-111

c) SMART targets including performance indicators (KPIs): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Below are the targets set for each of the impact areas identified:

- Climate
  - Group's target: to reduce net greenhouse emissions to zero by 2050.
  - Details of the target: align the Group's loan and investment portfolio, supporting its members and customers throughout the transition process towards a low carbon economy.

With regard to decarbonisation targets, the Group has worked to set intermediate climate targets to continue advancing towards the achievement of climate neutrality by 2050, focusing its efforts on reducing emissions from both its operational footprint and its financed footprint associated with its loan and investment portfolio. This will provide greater robustness to the de-carbonisation route undertaken, supporting its members and customers throughout the transition process towards a low-carbon economy.

- Water
  - The Group's goal is to contribute to improving water use efficiency and reducing consumption in the agri-food industry, in particular, and society as a whole.
  - Details of the goal: to transfer experience and knowledge to ensure water availability in quantity and quality, being more efficient in its use and enabling sustainable development for the conservation of the planet.
- Food
  - The Group's goal is to achieve healthier, sustainable, and affordable food for the population.
  - Details of the goal: to promote and actively contribute to the sustainable, economic, and environmental development of the sector, being a role model and leader in the financial sector for the agri-food sector in Spain.
- Financial Inclusion
  - The Group's goal is to promote financial inclusion by generating a positive impact on the Group's surroundings and the communities where it is present.
  - Details of the goal: to remove barriers and promote access to a range of products and services that are adapted, reliable and high quality, for different segments of the population.

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Climate:

- Since 2015, the Group has been developing an Eco-efficiency Plan, which aims to contribute to environmental sustainability by optimising the use of materials and energy efficiency. In the latest Plan implemented (2021-2023), a series of targets have been established (among others) to reduce the Group's carbon footprint.
- Sustainable Finance Master Plan which primarily seeks to consolidate and strengthen the culture around sustainability, respond to regulatory bodies and contribute to establishing the decarbonisation roadmap to reduce CO_2 emissions, reaching net zero emissions by 2050, and support its members and customers throughout the process of a just ecological transition.
- The Group adheres to the *Science Based Targets* Initiative to reduce emissions. The Group is also committed to setting a long-term target to achieve net emissions by 2050, as well as setting intermediate targets in all relevant areas and in line with the criteria and recommendations of the *Science Based Targets Initiative* (SBTI) .
- The Group has established a Strategic Plan for the period 2022-2024, in which sustainability is a cross-cutting element woven into all the other strategic priorities.
- In August 2022, the Group joined the United Nations *Net-Zero Banking Alliance for the Environment (UNEP FI)*, pledging to achieve net zero emissions by 2050 in line with the 1.5°C target, and establish a decarbonisation target for the most polluting portfolio by 2030.

Water:

- The Group has implemented new management and governance models.
- The Group has implemented new irrigation systems.
- The Group develops technological innovation through financing.
- The Group develops technological innovation by generating knowledge for transfer and promoting the continuous transformation of the companies and productive sectors with which the Group works.
- Through Cajamar Innova, the Group supports and helps entrepreneurs to transform their ideas around the use and management of water into competitive services and products that favour value creation, employment, and sustainable territorial development.

Food:

- The Group provides financial solutions for agriculture and the food industry.
- The Group generates knowledge for farmers and companies in the sector through experimentation centres, promoting applied research projects and developing new production technologies in the agri-food sector.
- The Group collaborates with universities, public research centres, companies and start-ups; promoting the culture of innovation and cooperation between the different agents of the agri-food chain.
- Through the publication of books, journals, newsletters, reports, and studies, the Group facilitates the dissemination of ideas and knowledge.
- Through the TIERRA platform, the Group promotes the digitalisation of the agri-food sector, offering new solutions, favouring the productivity of the sector, and ensuring its sustainability.

Links and references

Group objectives for sustainable, social and responsible banking: Pages 64-66

Financial Inclusion:

- The Group designs products and services suitable for the different segments of the population based on experience and knowledge of the market and the needs and expectations of users.
- The Group designs product and price policies that offer satisfactory value for money.
- The Group innovates in distribution channels that allow it to maintain a sustainable presence in rural areas.
- The Group develops financial literacy, education, and capacity initiatives.
- The Group develops and implements lending methodologies and processes that prevent over-indebtedness.
- The Group develops viable second chance mechanisms for debtors who have acted in good faith.
- The Group promotes multichannel banking.
- The Group eliminates architectural barriers and encourages the creation of technological interfaces that facilitate interaction with users with disabilities.
- The Group continuously improves the design and operation of customer protection mechanisms and instruments, especially those with a lower level of financial education.

Self-Assessment Summary:
Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing

	First area of most significant impact: Climate	Second area of most significant impact: Water	If you are setting targets in more impact areas) …your third most significant area Agriculture
Alignment	☒ Yes ☐ In progress ☐ No	☒ Yes ☐ In progress ☐ No	☒ Yes ☐ In progress ☐ No
Reference	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No	☐ Yes ☒ In progress ☐ No
SMART Targets	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No	☐ Yes ☒ In progress ☐ No
Action plan	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No	☐ Yes ☒ In progress ☐ No

2.3 Targets implementation and monitoring (Key Step 2)

For each target separately:
Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

As in the previous year, performance during the year has been satisfactory. We have also expanded target setting in line with the identified impact areas. Below is the progress made in each of the integrated impact areas aligned with the Sustainable Development Goals.

Climate: priority to achieve the objectives of the Paris Agreement.

- Group's historic commitment: since 2015, 100% of electricity consumption has been provided by renewable energy sources.
- In 2022, the Group approved 436 operations and allocated more than €61M to improving energy efficiency and the installation of photovoltaic panels for self-consumption.
- Following its adherence to the Science Based Targets Initiative (SBTI), in 2022 the Group presented decarbonisation targets in line with the Paris Agreement and to achieve net zero emissions by 2050 at the latest.
- In 2022, the Group made a pledge to the Net-Zero Alliances (NZBA) initiative .

Water: as a crucial element in the history of the Group.

- In 2022, the Group arranged more than €130 million in financing to improve irrigation efficiency, the main beneficiary being the agri-food sector.
- Through its pioneering initiative Cajamar Innova, the business incubator for high-tech water companies, the Group has fully supported 65 companies, 36 incubated projects and 32 projects in acceleration.
- The Group's experimentation stations are the basis of knowledge transfer to food producers and technicians, including the improvement of irrigation efficiency. Research projects in this field can be divided into:
  - 18 projects aimed at combating desertification.
  - 26 projects aimed at reducing degradation of natural habitats.

Food: the challenge of sustainable food.

- Through its experimentation stations, the Group has developed 73 agri-food innovation projects, of which 18 projects relate to new genetic varieties and super-intensive techniques with an impact on goal 2.4 (ensure sustainability of food production systems and implement resilient agricultural practices).
- TIERRA platform which aims to contribute to the digitisation and sustainability of the agri-food sector.

Links and references
Contribution to the Sustainable Development Goals: page 109-111

Financial Inclusion: as an instrument in the empowerment of society.

- The Group contributes to the Spanish economy with 11,965 jobs generated, € 873 million contribution to GDP (based on economic value distributed), € 8,056 million (based on the production sectors financed).
- In 2022, the Group created the "+65 programme" which aims to provide specialist customer service to this group.
- The Group's adherence to the expanded Code of Good Practices and the new Code, thereby contributing to facilitating access in its territories of origin and areas of action.
- The Group's Commitment to integrate the Strategic Protocol to Strengthen the Social and Sustainable Commitment of Banking into its banking practices.

Principle 3: Customers and consumers

We will work responsibly with our customers and our consumers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

☒ Yes ☐ In progress ☐ No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

☒ Yes ☐ In progress ☐ No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

Grupo Cooperativo Cajamar currently has 3.7 million customers, and its mission is to contribute financial solutions to the economic development and social progress of its members, customers, and the context in which Grupo operates, through a unique strategy based on the principles of cooperation, the social economy, and sustainable development.

To articulate the whole set of ethical-social values, principles and norms that govern the Group's conduct in each of its fields of action, it has an Ethical Management System that represents the most complete expression the Group's corporate culture.

The Ethical Management System is the framework of action for the development and implementation of a whole series of policies, measures, and instruments that safeguard our customers' interests and ensure adequate levels of transparency and quality in the products and services offered. The Group's Code of Conduct that guides the daily work and behaviour of employees, executive agents, and management bodies within the Group. Globally, the Sustainability Policy sets out the purposes governing sustainability in the Group. One such purpose, having linked it with the impact areas identified, is to promote adequate risk management, to promote inclusive finance and financial education, thus promoting sustainable agriculture.

The Group's sectoral policy is also important in this regard. The main objective is to promote segmentation of the investment portfolio based on two variables - relevance in the strategy of each sector and its level of decarbonisation - in order to establish different segmentation areas to define different measures and criteria for admission, concession, commercial and monitoring, so as to lay the foundation for implementing the decarbonisation strategy for the Group's credit portfolio and facilitate the reorientation of investments towards more sustainable projects. As a result, a matrix of materiality is established in the pursuit of climate change mitigation and adaptation, so for each of the sectors identified, the Group has established a strategy

Links and references

Sustainability policy of Grupo Cooperativo Cajamar

Ethical management system

Sectoral policy

Climate and environmental risk management: pages 50-51

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services , information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

The Group has implemented its strategic plan for the period 2022-2024, which aims to guide the Group towards a new phase of positioning and significant development of its capabilities in an increasingly changing competitive environment. This Plan is underscored by a series of structural options in terms of its ambition and the type of organisation it aspires to be: Underlying the whole Plan is a commitment to sustainability as a driving concept, with a Sustainable Finance Master Plan in place, focusing particularly on fighting climate change and exploring the risks and opportunities that derive from it.

Links and references

From global and emerging risks to the impact of climate factors at the local level: page 44

With regard to opportunities, as part of its commitment to supporting customers throughout their entire life cycle, the Group offers financial solutions adapted to all these occasions. Related to climate change, in 2022, a total of 436 operations were approved and more than €61M allocated to improving energy efficiency and the installation of photovoltaic panels for self-consumption. Furthermore, the Sustainable bond framework has been defined, as a reference framework for social and sustainable green bond issues. As part of its commitment to channel and promote funds towards social and green investments, the Group has defined a series of eligible categories aligned with the Sustainable and Material Development Goals in its field of action. In 2022, the Group carried out its first sustainable bond issue.

The agri-food sector is strategic to the Group. The Group has defined different lines of action to identify the effects that climate change will have on agricultural production and know the extent to which agriculture and livestock can be affected in different scenarios. Such as the study of new metrics tailored specifically to the sector, the incorporation of new risk indicators in the reports of financing operations for the sector, the advice and support for members and food producers through the usual channels of knowledge transparency such as the Tierra Platform, publications, training sessions; as well as the promotion of innovation and research, mainly in lines that favour the mitigation and adaptation of the agri-food sector to climate change through the two experimentation centres in Almeria and Valencia; leaders in intensive Mediterranean agriculture, and a meeting place for companies, farmers, universities and technology centres. In 2022, 45 sustainable agriculture projects (efficient water and energy management, pest control, and responsible soil management) were carried out, 9 food and health projects (organic crops vs. food quality, more nutritious foods), 11 projects related to the bioeconomy (improvement of slurry treatment, microalgae cultivation, reuse of plant waste, minimisation of pesticides and fertilisers), and 7 projects related to greenhouse technology (renewable energy, digital control cultivation, biomass as energy as well as sustainable technology).

With regard to water, in 2022, the Group arranged more than €130M in finance to improve irrigation efficiency, with the main beneficiary being the agri-food sector. Furthermore, through Cajamar Innova, the business incubator for high-tech water companies, the Group has fully supported 11 companies. Likewise, through the Experimentation Centres, 18 projects have been carried out aimed at combating desertification and 26 projects aimed at reducing the degradation of natural habitats.

Finally, the generation of shared value and financial inclusion are values inherent to cooperativism, so from the outset the Group has been a very close entity, committed to the local territory as one of its defining features. To guarantee this commitment, the Group offers financial services to groups that are most vulnerable to financial exclusion ensuring that those with difficulties in accessing finance, products and banking services find solutions to their problems, regardless of their socio-economic status. In addition, the Group maintains its commitment to supporting groups with greater exposure to financial exclusion, protecting them through regulatory compliance and analysing in an individual way the personal situation of each customer. The Group implements protection measures for groups with the greatest exposure to financial exclusion. Furthermore, in relation to older people and groups with special needs, the Group has created the "+65 programme" which aims to enhance the customer service provided to this group, as well as the Financial Education Programme "Finance that allows you grow" aimed at young people between 13 and 15 years old in order to promote financial inclusion and capacity.

Links and references

- Sustainable Bond Framework: page 50
- Sustainability as a cross-cutting element in the entity's strategy: page 61
- Sustainable Finance Master Plan: pages 62-63
- Financial solutions adapted to the different life cycles: Pages 92-93
- Accessibility and financial inclusion pages 103-104
- Transparency of knowledge: pages 134-140

Principle 4: Stakeholders

We will proactively and responsibly consult, engage, and partner with stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?

☒ Yes ☐ In progress ☐ No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

The Group carries out a materiality analysis every year with a view to identifying the economic, social, and environmental issues that are priorities for its stakeholders and for its business. To achieve this, it is essential to maintain ongoing dialogue with society in general and with local communities. As a result, a materiality matrix is drawn up, which includes different phases: stakeholder selection (considering institutions or groups of people who interact with the entity in the course of its business), identification of expectations (through an exhaustive document analysis of different sources of information, both primary and secondary), validation, and prioritisation of material issues (through internal and external consultations that serve to define priorities based on relevance to the Group's business).

7 material economic issues, 6 material social issues and 5 material environmental issues have been identified through the matrix. Material issues are integrated into the bank's strategy, as well as in the Sustainable Finance Master Plan through their expectations.

Likewise, one of the Group's strategic priorities is the agri-food sector, which is one of the most cross-cutting sectors within the SDGs. As a result of its commitment to the agri-food world and the risks and opportunities surrounding it, the Group continues to provide advice and support through conferences or online sessions (webinars). The Group's experts in agronomy and agri-food business collaborate with leading local, regional, and national companies in the design and delivery of these events. In 2022, 102 events were organised with a total of 12,734 registered participants. Furthermore, the experimentation centres opened their doors to 147 guided tours for 2,025 people. The incubator and accelerator of start-ups specialising in water technologies (Cajamar Innova) was another focus of activity. Its objective is to attract talent and support entrepreneurs in the design of prototypes and viable business plans, with the support of experts and strategic partners within Grupo Cajamar's innovation ecosystem, made up of agronomy specialists from two leading experimentation centres in Mediterranean agriculture in Almeria and Valencia. In 2022, it oversaw the development of 29 business projects of national and international start-ups in the field of efficient irrigation management, the digitisation of production processes, and the treatment and reuse of wastewater.

The Group is actively involved in this activity, as a sign of its strong commitment to Sustainability, consolidating its working strategy with stakeholders. This is illustrated by the Group's membership of the Spanish Business Council for Sustainable Development, its adherence to *Target gender equality*, allowing it to contribute to the SDGs, the United Nations Global Compact, *UNEP FI*, RE100, and the *Science Based Targets* initiative as a demonstration of the Group's ambition to contribute to sustainable development, as is the Group's adherence to the *Net Zero Banking Alliance*, and its leadership of Forética's social impact and climate change cluster.

Links and references

- Materiality analysis: Pages 7-9

Principle 5: Governance and culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

5.1 Governance structure for the application of the Principles
Does your bank have a governance system in place that incorporates the PRB?

☒ Yes ☐ In progress ☐ No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about:

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as,
- remuneration practices linked to sustainability targets.

The Group's Ethical Management System represents the broadest expression of its corporate culture. It is the ethical framework of action that regulates all the Group’s activities based on the set of ethical-social values, principles and norms, which are consistent with each other, and which govern the Group's conduct in all areas of action.

In line with the different governance processes previously approved since the Group's accession to the Principles of Responsible Banking, it has continued to develop processes of governance, which contribute to the implementation of the Principles of Responsible Banking.

Grupo Cooperativo Cajamar has developed a governance structure that allows it to comply with the best practices of corporate governance in terms of sustainability, maintaining the appropriate framework for risk management and control.

There are fundamentally three pillars in the ESG governance structure:

- The Board of Directors has a committee specialised in sustainability: the Strategy and Sustainability Committee.
- The Sustainable Development Division reports to the director with executive functions regarding sustainability and is represented on the bank’s Steering Committee.
- The Sustainability Committee chaired by the Director with executive functions in the area of sustainability. This is a senior-level committee that meets on a quarterly basis, and promotes within the Group’s main strategic lines measures and instruments related to ethics and sustainability, understood in its triple component: economic-financial, social, and environmental.

Links and references

Integrating sustainability into governance: page 33

Below are the major milestones achieved in 2022:

- Progress in the Sustainable Finance Master Plan.
- Grupo Cooperativo Cajamar’s Sustainability Committee approved the document defining ESG roles and responsibilities in the Group’s organisational structure. Based on that document, all the functions of the units were reviewed.
- Specific climate-related criteria have been incorporated into the definition of incentives for the entire workforce, in addition to other mandatory sustainability targets for senior management, including executive directors. These objectives are directly linked to reaching a specific score in indicators that take into account aspects related to corporate governance, data security and privacy, business ethics, integration of environmental, social and corporate governance criteria, product governance, and human capital.

The Sustainable Finance Department (part of the Sustainable Development Division) is responsible for designing the implementation plan for the Principles for Responsible Banking, promoting the actions established to implement each of the principles, analysing the impacts generated and writing a regular follow-up report. This report is forwarded to the top level Sustainability Committee chaired by an Executive Director and composed of members of the entity’s senior management (body responsible for supervision in the field of Sustainability) to monitor progress.

The Group will continue to analyse the results achieved in the implementation of the Principles of Responsible Banking, as well as the fulfilment of and progress made in targets related to the areas of impact identified.

5.2 Promoting a culture of responsible banking
Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

The Group implements its annual training plan through which, in addition to courses required in accordance with regulatory compliance, as a sign of its commitment to promote the Group’s culture, it regularly runs courses related to the code of conduct and conflict of interest. In 2022, 99.81% of employees received certificates in relation to the code of conduct and 98.45% for conflict of interest.

The Group also implements its internal Sustainable Finance training plan. Specifically, in order to reinforce the intention for the whole Group to integrate management with ESG criteria within the framework of its strategy, a firm commitment is being made to staff training in this area. In addition, this training is the natural step to ensure the best possible support for the Group’s members and customers in this ecological transition process. The programme includes everything from basic training sessions to advanced ESG certification. Certain groups, such as risk analysts, are also offered more specialised training with more specific content. In 2022, 855 employees completed specific ESG training, and 360 people have already obtained the Advanced Level ESG Certificate.

Links and references

Integrating sustainability into governance: page 33

Digital Transformation: 83-84

Training that enhances the Group’s DNA: page 97

A school was also set up - "Alimenta" - to further the expertise of any employee in contact with the agri-food sector (relevant sector for the Group) either when providing customer service in branches or through central services. In addition, the Alimenta programme was created with a view to becoming one of the best agri-food schools in the country, simultaneously responding to the training needs of the Group's staff and of other stakeholders who wish to learn more about the agri-food sector. This new school strengthens the Group's commitment and business model based on advising customers and transferring knowledge in the agri-food sector. In 2022, 147 employees were certified at the basic level.

The Group also conveys values pertaining to its corporate culture through the "Finanzas que te hacen crecer" (Finance that Allows You to Grow) programme (Agenda-2030 and SDGs 1 (End Poverty), SDG 3 (Health and Welfare), SDG 4 (Quality Education), SDG 5 (Gender Equality), ODS 12 (Production and Responsible Consumption), ODS 13 (Climate Action) and ODS 17 (Partnerships to Achieve the Goals) where volunteer employees run sessions in schools to contribute to the financial culture of young people under the premises of responsibility, solidarity, and social and environmental commitment. In 2022, 129 volunteer employees delivered sessions to 11,862 students.

Through the figure of the Group's corporate ambassadors, employees voluntarily act as drivers of change within the organisation. In particular, they are in charge of implementing all the necessary actions to advance towards digitalisation. They must convey positive sensations to the rest of the team, sparking interest in the use of technologies.

Incentives have been defined all staff members, incorporating specific climate-related criteria, in addition to other mandatory sustainability targets for senior management, including executive directors. These objectives are directly linked to reaching a specific score in indicators that take into account aspects related to corporate governance, data security and privacy, business ethics, integration of environmental, social and corporate governance criteria, product governance, and human capital.

Links and references

Financial Education: 107

Staff training: pages 195-197

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

The Group monitors and controls environmental risks. In this regard, in terms of monitoring environmental risk, the Group periodically performs the following tasks:

- Every quarter, the Control Division submits a report to the Risk Committee, which includes a specific section on exposure to climate risk.
- A monthly report is drawn up to monitor the Risk Propensity Framework.
- A Sustainability Scorecard is compiled every six months, reporting to the Sustainability Committee the main indicators that verify the Group's exposure to ESG risks and the exposure of its loans portfolio.

In addition to segmenting, measuring, and properly monitoring and controlling the risks faced by any organisation, it must also seek to reduce the potential threats or risks to which it is exposed. To achieve this, corrective and mitigation actions should be designed as part of an appropriate and capable framework, which aims to reduce the probability of occurrence of the risk or reduce the impact it may cause. With this objective, the Group develops different lines of action, including:

The sustainability policy defined for an accredited organisation is an instrument designed to facilitate the reorientation of investments towards more sustainable projects in order to accelerate the decarbonisation of its portfolio.

An automatic alert has been designed for the new Sustainability Risk Reporting Model, which strengthens the due diligence process in all operations likely to have any relationship to Undesirable Links (UDL) approved by BCC's Board of Directors.

Also in the field of climate risk strategy and management, the Group is committed to and has initiated the development of different lines of action that will allow it to achieve climate neutrality by 2050, thus helping to mitigate the climate risks that may affect the Group. In this regard, the Group has signed up to the *Science Based Targets Initiative (SBTI)*, and decarbonisation targets have been defined under the *PCAF* methodology, aligned with the Paris Agreement and pending validation by SBTI. The methodology also contemplates monitoring KPIs to ensure compliance. With this same intention, the Group continues to work to achieve the target setting for the *Net-Zero Banking Alliance (NZBA).*

The Group's Human Rights Policy is implemented through four specific lines and one cross-cutting line for due diligence. The four specific lines are prevention policy, training, the creation of alert mechanisms, and the whistleblowing channel. The joint aim of all these lines is to strengthen organisational culture in terms of respect, protection, and promotion of human rights.

The implementation of the Human Rights Policy involves the application of appropriate human rights due diligence processes with third-party representatives and partners with respect to whom the Group may be supplementarily responsible for actions and practices related to respect and protection of human rights. Likewise, within the scope of its policy governing socially responsible investment and undesirable links, the Group pledges not to finance companies and organisations of which it has reliable knowledge of human rights violations.

Links and references

Grupo Cooperativo Cajamar's commitment to human rights: pages 35-36

Climate and environmental risk management: pages 45-55

a) Self-assessment summary:

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

☒ Yes ☐ No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

☒ Yes ☐ No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

☒ Yes ☐ In progress ☐ No

Principle 6: Transparency and accountability

We will periodically review our individual and collective implementation of these principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

☒ Yes ☐ Partially ☐ No

If applicable, please include the link or description of the assurance statement.

The Principles of Responsible Banking have been verified by an independent auditor.

Links and references

KPMG Audit Report: Page 221

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

☒ GRI
☒ SASB
☒ CDP
☒ IFRS Sustainability Disclosure Standards (to be published) TCFD
☒ TCFD
☒ Other: TCFD, PCAF, SDG

The Group's sustainability report compiles relevant financial and non-financial information in accordance the most important international standards and frameworks.

Both the non-financial information and information related to the principles of responsible banking have been verified by an independent auditor, KPMG, according to the terms of the latter's verification report.

In addition, in accordance with the recommendations of the Financial Stability Board, the Group published its second report on the risks and opportunities of climate change in 2022 in accordance with the recommendations established by the *Task Force on Climate-related Financial Disclosure (TCFD).*

Links and references

Presentation of the report: page 03

Sustainability Accounting Standards Board (SASB): pages 151-152

Correspondence between non-financial information legislation and the GRI. 153-155

GRI: pages 156-162

Global Compact and GRI: page 163

Development goals and GRI: page 164

TCFD Report: page 178

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis , target setting and governance structure for implementing the PRB)? Please describe briefly.

Over the past year, Grupo Cooperativo Cajamar continued to make progress in implementing the Principles thanks to the Implementation Plan established. The Group has strengthened its commitment by identifying the most significant areas, establishing the basis for the development of strategy, and setting targets along with the objectives defined as a result of the commitment acquired through the Science Based Targets Initiative. In 2022, the general objectives of the four impact areas identified were presented. By 2023, the Group must expand and detail the monitoring KPIs for each of the impact areas. In addition, the Group will continue to make progress in establishing sectoral targets aligned with the Group's Sectoral Policy and with the Net-Zero Banking Alliance (NZBA) initiative as well as continue to make progress in establishing specific targets and action plans for each of the impact areas identified.

Links and references

Committed to the future, climate neutrality by 2050: Page 19

Group objectives for Sustainable, Social, and Responsible Banking: Pages 64-66

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

- ☐ Embedding PRB oversight into governance
- ☐ Gaining or maintaining momentum in the bank
- ☐ Getting started: where to start and what to focus on in the beginning
- ☐ Assessing negative environmental and social impacts
- ☐ Choosing the right performance measurement methodology/ies
- ☐ Customer engagement
- ☐ Commitment to stakeholders
- ☒ Availability of data
- ☒ Stakeholder engagement
- ☐ Data availability
- ☒ Data quality
- ☐ Access to resources
- ☐ Reporting
- ☐ Assurance
- ☐ Prioritizing actions internally
- ☐ Other

Annex II > Grupo Cooperativo Cajamar TCFD Report

The Financial Stability Board created the Task Climate Climate-related Financial Disclosure (TCFD) in 2015, a working group to encourage companies to inform their Investors about climate change risks and how they manage them. As a sign of its commitment to Sustainability and as an exercise in transparency, we present the progress made by Grupo Cooperativo Cajamar in the 4 pillars of TCFD: Governance Model, Strategy, Risk Management and Climate Change Metrics and Objectives.

The following table summarises the progress made by the Group in implementing the recommendations made by the TCFD:

TCFD recommendations		Summary	Pages
Corporate Governance	Supervision by the Board of Directors regarding the risks and opportunities arising from climate change. Role of management in the evaluation and management of risks and opportunities.	• The Board of Directors of Banco de Crédito Cooperativo, as the parent company of Grupo Cooperativo Cajamar, is the Group's highest governing body. The management of climate change risks and opportunities and the main lines related to sustainability, especially climate and environmental, is the responsibility of the Sustainable Finance Department, part of the Sustainable Development Division. • The Sustainable Development Division reports to the Board of Directors directly or through one of its delegated committees, in this case the Strategy and Sustainability Committee. The Sustainability Committee (delegated committee of the Sustainable Development Division) promotes and/or formulates within the Group's main strategic lines, policies, guidelines, measures and instruments related to ethics and sustainability, understood in its triple component: economic-financial, social, and environmental. • The Group also has an Environment Committee (second level committee under the Sustainability Committee). Among its main responsibilities are aspects related to Environmental Policy, the Environmental Management System, the Ecoefficiency Plan, as well as management of the carbon footprint. • The Group has included ESG aspects in the definition of objectives for senior management including Executive Directors.	54
Strategy	Description of short-, medium- and long-term risks and opportunities. Impact of risks and opportunities on lines of business, strategy, and financial planning. Proof of the resilience of the organisation's strategy contemplating different scenarios related with climate change, including a scenario of 2°C or less.	• In 2021, the Group implemented a Sustainable Finance Master Plan as a roadmap for decarbonisation. Its main objective is to achieve a reduction of CO2 emissions in the atmosphere down to zero net emissions by 2050. The plan sets out the actions that will enable the Group to assist its members and customers in the transition, minimising risks and maximising the opportunities identified, as well as facilitating integration into the strategy of its commitment to align its finance portfolio with the scenarios compatible with the Paris Agreement. • The Group has studied the scenarios proposed by the *Network of Central Banks and Supervisors for Greening the Financial System* (NGFS). According to the plans contained in its Strategic Plan and Sustainable Finance Master Plan, the Group develops its decarbonisation strategy in the net zero scenario. • The Group analyses the main impacts of climate change risks and their implications for the risks managed by the Group in terms of probability and severity. • The Group has a Sustainable Bond Framework, which aims to serve as a framework for green, social, and sustainable bond issues. In 2022, the Group issued bonds with a social format, within the sustainable bond framework, with a second opinion evaluation provided by Vigeo Eiris.	25-27 42-44, 47 45-46 187 109-111

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TCFD recommendations		Summary	Pages
Corporate Governance	Identification and evaluation of risks and opportunities. Management of climate change risks and opportunities. Identification, evaluation and management of risks in the overall risk management of the organisation.	• The Group has approved the Sectoral Policy Framework for Climate Neutrality (Group's credit portfolio decarbonisation strategy); defining a materiality matrix for climate change mitigation and adaptation that will optimise risks and maximise opportunities arising from the ecological transition, as well as facilitate the reorientation of investments towards more sustainable projects. • The Group has developed a map interrelating global and emerging risks and risks managed by the Group itself. • The Group has developed and evolved new tools, processes, and metrics that allow it to assess the threats and impacts of environmental risks on its business environment. • The climate indicators included in the RAF have evolved and are permanently monitored. If any of them is surpassed, this will be reported. • Through its policy on undesirable links, the Group establishes previous filters in the concession process to exclude companies or projects that could compromise the ecological transition. • The Group evaluates all borrowers according to climate change metrics and incorporates these metrics into its ESG risk analysis that must accompany all finance applications in excess of €5 million.	54
Strategy	Metrics and targets used to evaluate risks and opportunities according to its strategy and risk management process. Report Scope 1.2, and if applicable Scope 3 of greenhouse gas emissions and related risks. Report on the targets set for the management of risks and opportunities related to climate change and the results achieved.	• Grupo Cooperativo Cajamar has defined various metrics that will allow it to manage risk in the processes of decarbonisation of the economy and the ecological transition. Metrics have been established for: environmental risk measurement, sector concentration metrics, sector impact metrics, physical and transition risk metrics, and economic metrics. • Within the framework of the *Science Based Targets initiative*, in 2022, the Group presented decarbonisation targets in line with the Paris Agreement and achieving zero net emissions by 2050. • In 2022, the Group signed up to the *Net Zero Banking Alliance* (NZBA) initiative. • Grupo Cooperativo Cajamar calculates its Carbon Footprint, taking as a reference **The Greenhouse Gas Protocol** developed by the *World Business Council for Sustainable Development and the World Resources Institute.* • The Group has calculated the financed emissions in its loan and investment portfolio through the *Platform for Carbon Accounting Financials* (PCAF) methodology, measuring the emissions financed for different types of assets.	25-27

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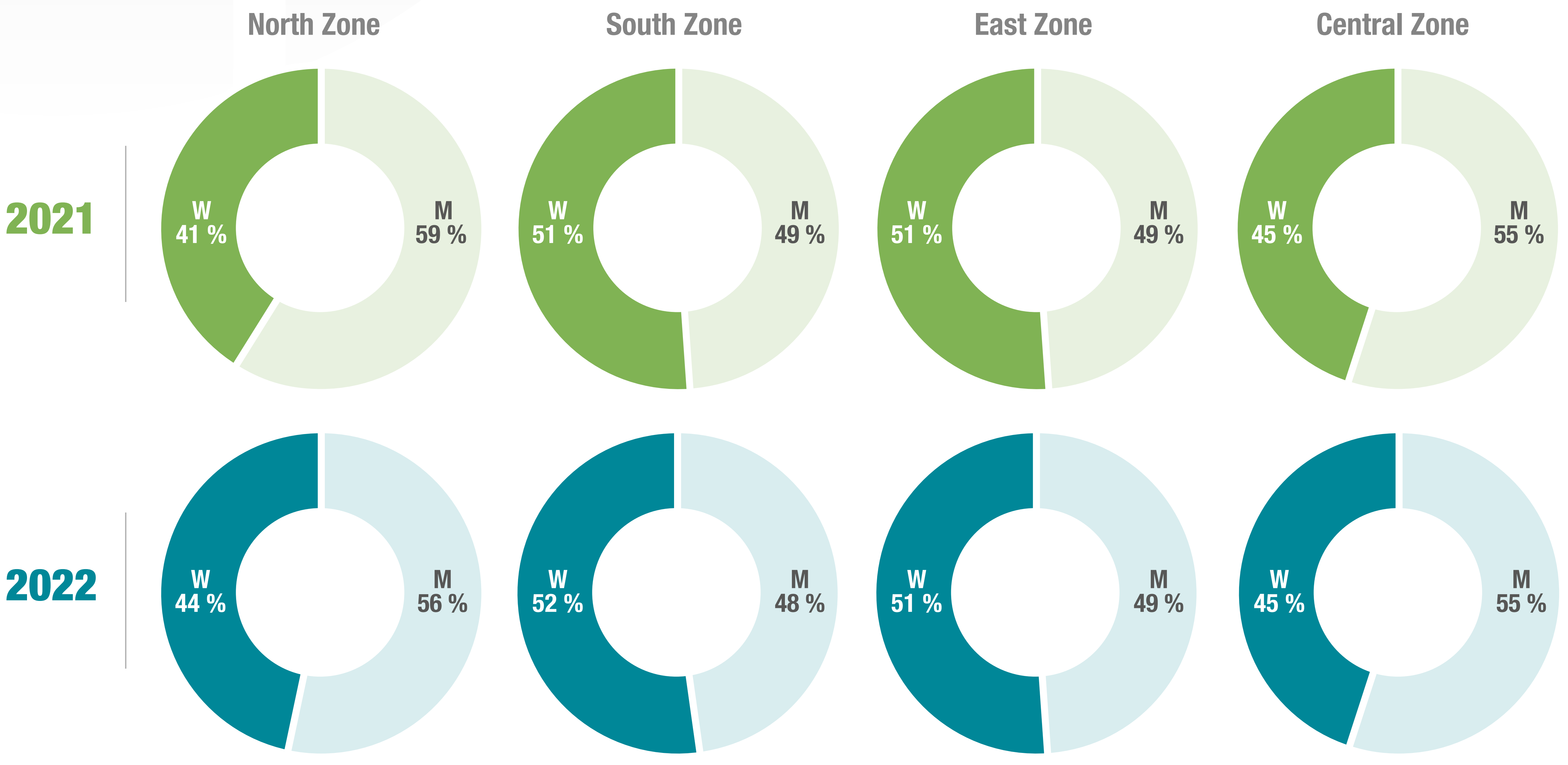
Annex III > Staff Profile

Grupo Cooperativo Cajamar Staff Profile



North Zone: Galicia, Asturias, Cantabria, País Vasco and Navarra.

South Zone: Andalucía, Canarias, Ceuta and Melilla.

East Zone: Cataluña, Valencia, Alicante, Castellón, Murcia and Baleares.

Central Zone: La Rioja, Aragón, Castilla y León, Madrid, Castilla-La Mancha and Extremadura.

Number of people

2021		6,229
2022		6,224

Job stability

	2021	2022
Employees with a permanent contract	98.43 %	99.20 %
Full-time employees	97.98 %	98.18 %

Grupo Cooperativo Cajamar maintains its firm commitment to providing stable and quality employment, generating net employment during 2022.

Geographical distribution[1] of Grupo Cajamar staff

	2021		2022	
Zone[1]	M	W	M	W
North	36	25	36	28
South	1,336	1,383	1,320	1,412
East	1,385	1,434	1,360	1,424
Centre	347	283	356	288
Total	6,229		6,224	

[1] 1 North Zone: Galicia, Asturias, Cantabria, Basque Country and Navarra / East Zone: Catalonia, Valencia, Alicante, Castellon, Murcia, and the Balearic Islands. Central Zone: La Rioja, Aragon, Castilla y Leon, Madrid, Castilla-La Mancha and Extremadura / South Zone: Andalusia, Canary Islands, Ceuta and Melilla.

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• Staff numbers broken down by age group, sex, and geographical area

2021	35 and under			36 to 55			> 55 years of age			Total		
Zone	M	W	Total	M	W	Total	M	W	Total	M	W	Total
North	2	8	10	34	17	51	0	0	0	36	25	61
South	129	180	309	1,101	1,166	2,267	106	37	143	1,336	1,383	2,719
East	30	68	98	1,234	1,325	2,559	121	41	162	1,385	1,434	2,819
Centre	27	28	55	291	250	541	29	5	34	347	283	630
Total	**188**	**284**	**472**	**2,660**	**2,758**	**5,418**	**256**	**83**	**339**	**3,104**	**3,125**	**6,229**

2022	35 and under			36 to 55			> 55 years of age			Total		
Zone	M	W	Total	M	W	Total	M	W	Total	M	W	Total
North	3	7	10	32	21	53	1	0	1	36	28	64
South	115	187	302	1,059	1,165	2,224	146	60	206	1,320	1,412	2,732
East	30	53	83	1,152	1,299	2,451	178	72	250	1,360	1,424	2,784
Centre	32	26	58	289	257	546	35	5	40	356	288	644
Total	**180**	**273**	**453**	**2,532**	**2,742**	**5,274**	**360**	**137**	**497**	**3,072**	**3,152**	**6,224**

• Staff distribution by employment contract and sex

	2021		2022	
Sex	Permanent	Temporary	Permanent	Temporary
Men	3,063	41	3,054	18
Women	3,068	57	3,119	33
Total	**6,131**	**98**	**6,174**	**50**

• Distribution by type of working day

	2021		2022	
Sex	Full time	Part time	Full time	Part time
Men	3,077	27	3,054	18
Women	3,026	99	3,057	95
Total	**6,103**	**126**	**6,111**	**113**

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3-3

• Staff breakdown by professional classification, age, and sex

2021	35 and under				36 to 55				> 55 years of age				Total			
Jobs	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board (with contract)	0	0.0%	0	0.0%	2	100.0%	0	0.0%	5	100.0 %	0	0.0%	7	100.0%	0	0.0%
Senior management	0	0.0%	0	0.0%	23	79.3%	6	20.7%	7	100.0 %	0	0.0%	30	83.3%	6	16.7%
Type 1 Executive	1	100.0%	0	0.0%	123	75.5%	40	24.5%	19	86.4 %	3	13.6%	143	76.9%	43	23.1%
Type 2 Executive	16	53.3%	14	46.7%	702	67.9%	332	32.1%	27	90.0 %	3	10.0%	745	68.1%	349	31.9%
Middle managers	18	35.3%	33	64.7%	406	42.9%	540	57.1%	27	71.1 %	11	28.9%	451	43.6%	584	56.4%
Other	153	39.2%	237	60.8%	1,404	43.3%	1,840	56.7%	171	72.2 %	66	27.8%	1,728	44.6%	2,143	55.4%
Total	**188**	**39.8 %**	**284**	**60.2 %**	**2,660**	**49.1 %**	**2,758**	**50.9 %**	**256**	**75.5 %**	**83**	**24.5 %**	**3,104**	**49.8 %**	**3,125**	**50.2 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Jobs	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board (with contract)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	7	100.0%	0	0.0%	7	100.0%	0	0.0%
Senior management	0	0.0%	0	0.0%	14	73.7%	5	26.3%	7	100.0%	0	0.0%	21	80.8%	5	19.2%
Type 1 Executive	2	66.7%	1	33.3%	128	74.9%	43	25.1%	28	90.3%	3	9.7%	158	77.1%	47	22.9%
Type 2 Executive	20	64.5%	11	35.5%	715	66.1%	367	33.9%	58	89.2%	7	10.8%	793	67.3%	385	32.7%
Middle managers	13	32.5%	27	67.5%	332	39.8%	503	60.2%	28	57.1%	21	42.9%	373	40.4%	551	59.6%
Other	145	38.3%	234	61.7%	1,343	42.4%	1,824	57.6%	232	68.6%	106	31.4%	1,720	44.3%	2,164	55.7%
Total	**180**	**39.7 %**	**273**	**60.3 %**	**2,532**	**48.0 %**	**2,742**	**52.0 %**	**360**	**72.4 %**	**137**	**27.6 %**	**3,072**	**49.4 %**	**3,152**	**50.6 %**

2-7
3-3

• Staff numbers broken down by sex, age and professional classification according to the different types of contract and working day

• Full-time permanent (ordinary)

2021	35 and under				36 to 55				> 55 years of age				Total			
Jobs	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
Board (with contract)	0	0.0%	0	0.0%	2	100.0%	0	0.0%	5	100.0%	0	0.0%	7	100.0%	0	0.0%
Senior management	0	0.0%	0	0.0%	23	79.3%	6	20.7%	7	100.0%	0	0.0%	30	83.3%	6	16.7%
Type 1 Executive	1	100.0%	0	0.0%	123	75.5%	40	24.5%	19	86.4%	3	13.6%	143	76.9%	43	23.1%
Type 2 Executive	16	53.3%	14	46.7%	702	67.9%	332	32.1%	27	90.0%	3	10.0%	745	68.1%	349	31.9%
Middle managers	18	35.3%	33	64.7%	406	42.9%	540	57.1%	27	71.1%	11	28.9%	451	43.6%	584	56.4%
Other	125	39.3%	193	60.7%	1,396	43.3%	1,826	56.7%	166	71.9%	65	28.1%	1,687	44.7%	2,084	55.3%
Total	**160**	**40.0 %**	**240**	**60.0 %**	**2,652**	**49.1 %**	**2,744**	**50.9 %**	**251**	**75.4 %**	**82**	**24.6 %**	**3,063**	**50.0 %**	**3,066**	**50.0 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Jobs	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
Board (with contract)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	7	100.0%	0	0.0%	7	100.0%	0	0.0%
Senior management	0	0.0%	0	0.0%	14	73.7%	5	26.3%	7	100.0%	0	0.0%	21	80.8%	5	19.2%
Type 1 Executive	2	66.7%	1	33.3%	128	74.9%	43	25.1%	28	90.3%	3	9.7%	158	77.1%	47	22.9%
Type 2 Executive	20	64.5%	11	35.5%	715	66.1%	367	33.9%	58	89.2%	7	10.8%	793	67.3%	385	32.7%
Middle managers	13	32.5%	27	67.5%	332	39.8%	503	60.2%	28	57.1%	21	42.9%	373	40.4%	551	59.6%
Other	137	39.9%	206	60.1%	1,343	42.5%	1,820	57.5%	222	67.9%	105	32.1%	1,702	44.4%	2,131	55.6%
Total	**172**	**41.2 %**	**245**	**58.8 %**	**2,532**	**48.0 %**	**2,738**	**52.0 %**	**350**	**72.0 %**	**136**	**28.0 %**	**3,054**	**49.5 %**	**3,119**	**50.5 %**

• Staff numbers broken down by sex, age and professional classification according to the different types of contract and working day

• Temporary and other types of contract

2021	35 and under				36 to 55				> 55 years of age				Total			
Other positions*	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
Full-time (casual)	7	30.4 %	16	69.6 %	4	57.1 %	3	42.9 %	0	0.0 %	0	0.0 %	11	36.7 %	19	63.3 %
Full-time (interim)	5	27.8 %	13	72.2 %	1	50.0 %	1	50.0 %	0	0.0 %	0	0.0 %	6	30.0 %	14	70.0 %
Other types of contract	16	51.6 %	15	48.4 %	3	23.1 %	10	76.9 %	5	83.3 %	1	16.7 %	24	48.0 %	26	52.0 %
Total	**28**	**38.9 %**	**44**	**61.1 %**	**8**	**36.4 %**	**14**	**63.6 %**	**5**	**83.3 %**	**1**	**16.7 %**	**41**	**41.0 %**	**59**	**59.0 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Other positions*	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
Full-time (casual)	0	0.0 %	10	100.0 %	0	0.0 %	2	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	12	100.0 %
Full-time (interim)	8	30.8 %	18	69.2 %	0	0.0 %	1	100.0 %	0	0.0 %	0	0.0 %	8	29.6 %	19	70.4 %
Other types of contract	0	0.0 %	0	0.0 %	0	0.0 %	1	100.0 %	10	90.9 %	1	9.1 %	10	83.3 %	2	16.7 %
Total	**8**	**22.2 %**	**28**	**77.8 %**	**0**	**0.0 %**	**4**	**100.0 %**	**10**	**90.9 %**	**1**	**9.1 %**	**18**	**35.3 %**	**33**	**64.7 %**

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• Changes in recruitment

	2021		2022	
New recruits that stay	137	80.12 %	151	84.36%
New recruits that stop working	34	19.88 %	28	15.64%

• Number and percentage of new recruits compared to the total number of employees distributed by age, sex, and geographical area

2021	35 and under				36 to 55				> 55 years of age				Total			
Zone	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
North	1	50.0 %	1	50.0 %	5	71.4 %	2	28.6 %	0	0.0 %	0	0.0 %	9	64.3 %	5	35.7 %
South	42	51.9 %	39	48.1 %	16	51.6 %	15	48.4 %	0	0.0 %	0	0.0 %	81	62.3 %	49	37.7 %
East	10	47.6 %	11	52.4 %	7	77.8 %	2	22.2 %	0	0.0 %	0	0.0 %	9	45.0 %	11	55.0 %
Centre	6	66.7 %	3	33.3 %	9	81.8 %	2	18.2 %	0	0.0 %	0	0.0 %	11	78.6 %	3	21.4 %
Total	**59**	**52.2 %**	**54**	**47.8 %**	**37**	**63.8 %**	**21**	**36.2 %**	**0**	**0.0 %**	**0**	**0.0 %**	**96**	**56.1 %**	**75**	**43.9 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Zone	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
North	2	66.7 %	1	33.3 %	1	25.0 %	3	75.0 %	0	0.0 %	0	0.0 %	3	42.9 %	4	57.1 %
South	24	38.7 %	38	61.3 %	28	66.7 %	14	33.3 %	1	100.0 %	0	0.0 %	53	50.5 %	52	49.5 %
East	9	39.1 %	14	60.9 %	5	45.5 %	6	54.5 %	1	100.0 %	0	0.0 %	15	42.9 %	20	57.1 %
Centre	11	64.7 %	6	35.3 %	9	64.3 %	5	35.7 %	0	0.0 %	1	100.0 %	20	62.5 %	12	37.5 %
Total	**46**	**43.8 %**	**59**	**56.2 %**	**43**	**60.6 %**	**28**	**39.4 %**	**2**	**66.7 %**	**1**	**33.3 %**	**91**	**50.8 %**	**88**	**49.2 %**

Those with temporary contracts that were not active as of 31/12/2022 or new staff members with a permanent contract have been classified as new recruits.
In addition, in 2022, a total of 51 people with permanent contracts who were not active as at 31/12/2021 also re-joined the staff.

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• Breakdown of recruitment by sex, age, and professional classification

• Permanent full-time

2021	35 and under				36 to 55				> 55 years of age				Total			
Jobs	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board (with contract)	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Senior management	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Type 1 Executive	0	0.0 %	0	0.0 %	1	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	1	100.0 %	0	0.0 %
Type 2 Executive	1	100.0 %	0	0.0 %	5	55.6 %	4	44.4 %	0	0.0 %	0	0.0 %	6	60.0 %	4	40.0 %
Middle managers	1	100.0 %	0	0.0 %	3	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	4	100.0 %	0	0.0 %
Other	16	72.7 %	6	27.3 %	19	82.6 %	4	17.4 %	0	0.0 %	0	0.0 %	35	77.8 %	10	22.2 %
Total	**18**	**75.0 %**	**6**	**25.0 %**	**28**	**77.8 %**	**8**	**22.2 %**	**0**	**0.0 %**	**0**	**0,0 %**	**46**	**76.7 %**	**14**	**23.3 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Jobs	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board (with contract)	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Senior management	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Type 1 Executive	0	0.0 %	1	100.0 %	2	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	2	66.7 %	1	33.3 %
Type 2 Executive	2	100.0 %	0	0.0 %	5	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	7	100.0 %	0	0.0 %
Middle managers	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Other	16	53.3 %	14	46.7 %	32	64.0 %	18	36.0 %	2	66.7 %	1	33.3 %	50	60.2 %	33	39.8 %
Total	**18**	**54.5 %**	**15**	**45.5 %**	**39**	**68.4 %**	**18**	**31.6 %**	**2**	**66.7 %**	**1**	**33.3 %**	**59**	**63.4 %**	**34**	**36.6 %**

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• Breakdown of recruitment by sex, age, and professional classification

• Temporary and other types of contract

2021	35 and under				36 to 55				> 55 years of age				Total			
Other positions*	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Full-time (casual)	11	40.7 %	16	59.3 %	4	57.1 %	3	42.9 %	0	0.0 %	0	0.0 %	15	44.1 %	19	55.9 %
Full-time (interim)	11	39.3 %	17	60.7 %	2	66.7 %	1	33.3 %	0	0.0 %	0	0.0 %	13	41.9 %	18	58.1 %
Other types of contract	19	55.9 %	15	44.1 %	3	25.0 %	9	75.0 %	0	0.0 %	0	0.0 %	22	47.8 %	24	52.2 %
Total	**41**	**46.1 %**	**48**	**53.9 %**	**9**	**40.9 %**	**13**	**59.1 %**	**0**	**0.0 %**	**0**	**0.0 %**	**50**	**45.0 %**	**61**	**55.0 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Other positions*	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Full-time (casual)	8	33.3 %	16	66.7 %	2	25.0 %	6	75.0 %	0	0.0 %	0	0.0 %	10	31.3 %	22	68.8 %
Full-time (interim)	15	39.5 %	23	60.5 %	1	50.0 %	1	50.0 %	0	0.0 %	0	0.0 %	16	40.0 %	24	60.0 %
Other types of contract	5	50.0 %	5	50.0 %	1	25.0 %	3	75.0 %	0	0.0 %	0	0.0 %	6	42.9 %	8	57.1 %
Total	**28**	**38.9 %**	**44**	**61.1 %**	**4**	**28.6 %**	**10**	**71.4 %**	**0**	**0.0 %**	**0**	**0.0 %**	**32**	**37.2 %**	**54**	**62.8 %**

* In Grupo Cajamar, all new management recruits were recruited with a full-time permanent contract (previous page).

• Number and percentage of staff departures compared to the total number of employees distributed by age, sex, and geographical area

2021	35 and under				36 to 55				> 55 years of age				Total			
Zone	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
North	0	0.0 %	1	100.0 %	3	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	3	75.0 %	1	25.0 %
South	10	50.0 %	10	50.0 %	24	52.2 %	22	47.8 %	14	73.7 %	5	26.3 %	48	56.5 %	37	43.5 %
East	2	66.7 %	1	33.3 %	33	57.9 %	24	42.1 %	8	61.5 %	5	38.5 %	43	58.9 %	30	41.1 %
Centre	6	85.7 %	1	14.3 %	5	50.0 %	5	50.0 %	4	100.0 %	0	0.0 %	15	71.4 %	6	28.6 %
Total	**18**	**58.1 %**	**13**	**41.9 %**	**65**	**56.0 %**	**51**	**44.0 %**	**26**	**72.2 %**	**10**	**27.8 %**	**109**	**59.6 %**	**74**	**40.4 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Zone	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
North	1	33.3 %	2	66.7 %	1	100.0 %	0	0.0 %	0	0.0 %	0	0.0 %	2	50.0 %	2	50.0 %
South	20	51.3 %	19	48.7 %	33	67.3 %	16	32.7 %	19	76.0 %	6	24.0 %	72	63.7 %	41	36.3 %
East	4	30.8 %	9	69.2 %	18	40.0 %	27	60.0 %	25	71.4 %	10	28.6 %	47	50.5 %	46	49.5 %
Centre	3	50.0 %	3	50.0 %	10	66.7 %	5	33.3 %	2	50.0 %	2	50.0 %	15	60.0 %	10	40.0 %
Total	**28**	**45.9 %**	**33**	**54.1 %**	**62**	**56.4 %**	**48**	**43.6 %**	**46**	**71.9 %**	**18**	**28.1 %**	**136**	**57.9 %**	**99**	**42.1 %**

Employee Turnover Rate: 3.76 % This figure is calculated as the total number of staff departures / average number of employees in the year, which is 6,242.

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- **Breakdown of staff dismissals by professional classification, age and sex**

2021	35 and under				36 to 55				> 55 years of age				Total			
Jobs	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board (with contract)	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Senior management	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Type 1 Executive	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Type 2 Executive	0	0.00 %	0	0.00 %	7	100.00 %	0	0.00 %	0	0.00 %	0	0.00 %	7	100.00 %	0	0.00 %
Middle managers	0	0.00 %	0	0.00 %	1	50.00 %	1	50.00 %	0	0.00 %	0	0.00 %	1	50.00 %	1	50.00 %
Other	0	0.00 %	0	0.00 %	10	58.82 %	7	41.18 %	2	100.00 %	0	0.00 %	12	63.16 %	7	36.84 %
Total	**0**	**0.00 %**	**0**	**0.00 %**	**18**	**69.23 %**	**8**	**30.77 %**	**2**	**100.00 %**	**0**	**0.00 %**	**20**	**71.43 %**	**8**	**28.57 %**

2022	35 and under				36 to 55				> 55 years of age				Total			
Jobs	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Board (with contract)	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Senior management	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Type 1 Executive	0	0.00 %	0	0.00 %	1	50.00 %	1	50.00 %	0	0.00 %	0	0.00 %	1	50.00 %	1	50.00 %
Type 2 Executive	0	0.00 %	0	0.00 %	3	100.00 %	0	0.00 %	0	0.00 %	0	0.00 %	3	100.00 %	0	0.00 %
Middle managers	0	0.00 %	0	0.00 %	2	50.00 %	2	50.00 %	1	100.00 %	0	0.00 %	3	60.00 %	2	40.00 %
Other	2	33.33 %	4	66.67 %	11	73.33 %	4	26.67 %	3	75.00 %	1	25.00 %	16	64.00 %	9	36.00 %
Total	**2**	**33.33 %**	**4**	**66.67 %**	**17**	**70.83 %**	**7**	**29.17 %**	**4**	**80.00 %**	**1**	**20.00 %**	**23**	**65.71 %**	**12**	**34.29 %**

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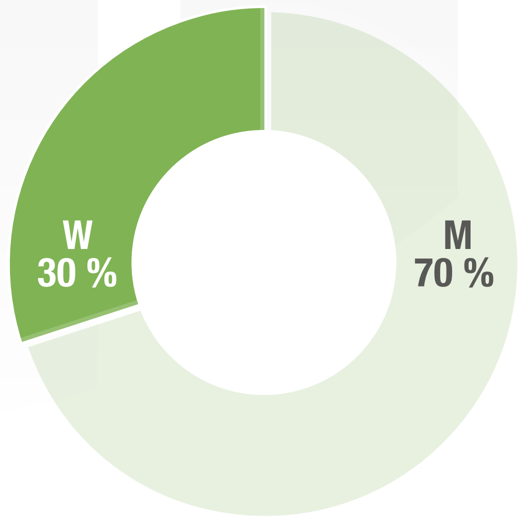
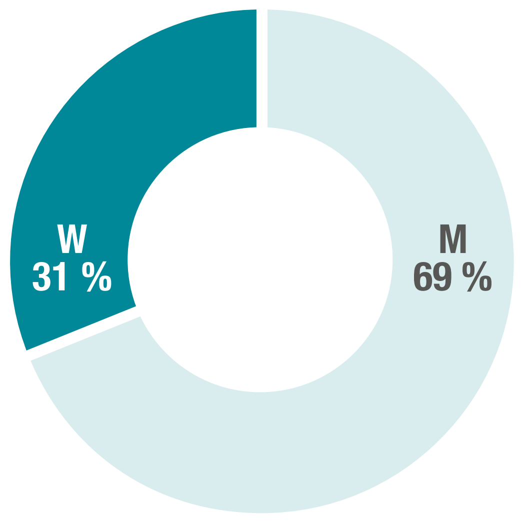
• Diversity management and equal opportunities

Women executives **2021**



Women executives **2022**



	2021		2022	
Sex	**Number**	**Rate**	**Number**	**Rate**
Men	925	70 %	979	69 %
Women	398	30 %	437	31 %
Total Managers	1,323	100.00 %	1,416	100.00 %

The functions of Board, Senior Management and Type 1 and 2 Executives have been taken into account.

Appointments	2021				2022			
Jobs	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
Board (with contract)	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Senior management	1	100.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Type 1 Executive	17	70.83 %	7	29.17 %	18	72.00 %	7	28.00 %
Type 2 Executive	42	45.65 %	50	54.35 %	51	43.97 %	65	56.03 %
Middle managers	60	46.88 %	68	53.13 %	44	35.20 %	81	64.80 %
Total	**120**	**48.98 %**	**125**	**51.02 %**	**113**	**42.48 %**	**153**	**57.52 %**

Terminations	2021				2022			
Jobs	**M**	**Rate**	**W**	**Rate**	**M**	**Rate**	**W**	**Rate**
Board (with contract)	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
Senior management	1	50.00 %	1	50.00 %	1	100.00 %	0	0.00 %
Type 1 Executive	6	66.67 %	3	33.33 %	15	88.24 %	2	11.76 %
Type 2 Executive	35	49.30 %	36	50.70 %	55	59.14 %	38	40.86 %
Middle managers	38	45.24 %	46	54.76 %	43	41.75 %	60	58.25 %
Total	**80**	**48.19 %**	**86**	**51.81 %**	**114**	**53.27 %**	**100**	**46.73 %**

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Other indicators of workforce diversity

Staff members from other nationalities

	2021						2022					
Jobs	M	Rate	W	Rate	Total	Rate	M	Rate	W	Rate	Total	Rate
Board (with contract)	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Senior management	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Type 1 Executive	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Type 2 Executive	3	0.4 %	4	1.2 %	7	0.7 %	5	0.6 %	4	1.1 %	9	0.8 %
Middle managers	4	0.8 %	2	0.3 %	6	0.6 %	3	0.7 %	3	0.5 %	6	0.6 %
Other	12	0.7 %	21	1.0 %	33	0.9 %	12	0.8 %	26	1.2 %	38	1.0 %
Total	**19**	**1.9 %**	**27**	**2.5 %**	**46**	**2.1 %**	**20**	**0.6 %**	**33**	**1.1 %**	**53**	**0.9 %**

Staff members with functional diversity (only companies with more than 50 employees in Grupo Cajamar)

	2021						2022					
Jobs	M	Rate	W	Rate	Total	Rate	M	Rate	W	Rate	Total	Rate
Board (with contract)	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Senior management	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Type 1 Executive	1	0.7 %	0	0.0 %	1	0.6 %	1	0.7 %	0	0.0 %	1	0.5 %
Type 2 Executive	10	1.4 %	3	0.9 %	13	1.3 %	11	1.5 %	4	1.1 %	15	1.3 %
Middle managers	10	2.3 %	7	1.3 %	17	1.7 %	7	1.9 %	4	0.8 %	11	1.3 %
Other	34	2.0 %	55	2.7 %	89	2.4 %	37	2.2 %	55	2.7 %	92	2.5 %
Total	**55**	**1.8 %**	**65**	**2.2 %**	**120**	**2.0 %**	**56**	**1.9 %**	**63**	**2.1 %**	**119**	**2.0 %**

Alternative measures put in place with the company Alares are still in force.

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• Medical check-ups carried out within Grupo Cooperativo Cajamar entities

Number of check-ups	2021	2022
Total	3,530	3,568

• Accidents in the workplace broken down by sex and region

2021	Men					Women					
	North	South	East	Centre	Total	North	South	East	Centre	Total	Total
Total Accidents	0	6	17	3	**26**	0	16	27	5	**48**	**74**
Accidents without leave	0	3	12	0	**15**	0	10	12	1	**23**	**38**
Accidents with leave	0	3	5	3	**11**	0	6	15	4	**25**	**36**
Total days lost through leave	0	135	172	74	**381**	0	98	550	77	**725**	**1,106**

2022	Men					Women					
	North	South	East	Centre	Total	North	South	East	Centre	Total	Total
Total Accidents	0	10	17	8	**35**	1	16	25	3	**45**	**80**
Accidents without leave	0	6	11	4	**21**	0	9	11	2	**22**	**43**
Accidents with leave	0	4	6	4	**14**	1	7	14	1	**23**	**37**
Total days lost through leave	0	22	156	158	**336**	14	106	346	4	**470**	**806**

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Although information on compensation ratios is included, it would be necessary to adapt the response to the requirements of GRI, which calls for the ratio of the percentage increase of total annual compensation

• Staff leave due to Covid broken down by sex and region

2021	Men					Women					Total
	North	South	East	Centre	Total	North	South	East	Centre	Total	
Staff leave due to Covid	8	200	236	55	**499**	5	230	306	72	**613**	1.112
Total days lost through leave	43	1,651	2,136	518	**4,348**	22	1,891	2,201	618	**4,732**	9,080

2022	Men					Women					Total
	North	South	East	Centre	Total	North	South	East	Centre	Total	
Staff leave due to Covid	14	239	350	88	**691**	11	427	473	98	**1,009**	1,700
Total days lost through leave	75	1,489	2,070	584	**4,218**	72	2,732	3,145	625	**6,574**	10,792

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• Volume and typology of employee absenteeism by sex and region

2021	Men					Women					
	North	South	East	Centre	Total	North	South	East	Centre	Total	Total
Total temporary incapacity	17	422	484	118	**1,041**	9	635	681	171	**1,496**	2,537
New temporary incapacity	16	402	446	108	**972**	9	588	615	157	**1,369**	2,341
Reincorporation after temporary incapacity	13	366	424	103	**906**	9	580	606	143	**1,338**	2,244
Total days lost	284	7,851	10,838	2,150	**21,123**	55	12,437	14,122	4,301	**30,915**	52,038
Rate of accidents0	0.000	0.004	0.012	0.009	**0.008**	0.000	0.012	0.019	0.018	**0.015**	0.012
Index of days lost due to accidents1	0.000	0.000	0.000	0.001	**0.000**	0.000	0.000	0.001	0.001	**0.001**	0.001
Absenteeism index[2]	0.032	0.022	0.028	0.023	**0.025**	0.009	0.035	0.038	0.060	**0.038**	0.031
Total staff working days	8,744	360,588	385,904	91,781	**847,017**	6,460	355,336	372,676	71,792	**806,264**	1,653,281

2022	Men					Women					
	North	South	East	Centre	Total	North	South	East	Centre	Total	Total
Total temporary incapacity	20	522	683	166	**1,391**	16	925	992	207	**2,140**	3,531
New temporary incapacity	16	468	622	151	**1,257**	16	869	917	181	**1,983**	3,240
Reincorporation after temporary incapacity	19	496	656	163	**1,334**	16	890	937	203	**2,046**	3,380
Total days lost	130	8,703	9,775	1,917	**20,525**	118	14,690	15,995	3,627	**34,430**	54,955
Rate of accidents0	0.000	0.008	0.013	0.022	**0.011**	0.036	0.011	0.018	0.010	**0.014**	0.013
Index of days lost due to accidents1	0.000	0.000	0.000	0.002	**0.000**	0.002	0.000	0.001	0.000	**0.001**	0.000
Absenteeism index[2]	0.015	0.024	0.026	0.021	**0.025**	0.018	0.041	0.044	0.051	**0.043**	0.034
Total staff working days	8,651	356,764	377,155	92,097	**834,667**	6,706	354,441	365,803	71,406	**798,356**	1,633,023

[0] Number of accidents / number Area Staff.
[1] Days lost due to accidents/ number of staff working days in the area.
[2] Total working days lost/ number of staff working days in the area.

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• **Grupo Cajamar staff members entitled to childbirth and child care leave**

	2021		2022	
	Men	Women	Men	Women
Number of people entitled to leave	94	113	94	95
Number of people who exercised that right	94	113	94	95
Number of people still on leave	15	26	16	24
Number of people who, after their statutory leave, are on a leave of absence	2	19	0	22
Number of people who, after their statutory leave finished, returned to work	77	68	78	49
Percentage of staff members who returned to work after taking statutory leave	**97.47 %**	**78.16 %**	**100.00 %**	**69.01 %**

• **Grupo Cooperativo Cajamar Staff Retention percentage after maternity or paternity leave, broken down by sex**

	2021		2022	
	Men	Women	Men	Women
Maternity/paternity leave taken previous year	140	133	94	113
Number of people who returned to work	126	72	92	109
No. of employees who are still working in the bank 12 months later	137	122	84	105
Retention percentage	**97.86 %**	**91.73 %**	**89.36 %**	**92.92 %**

To ascertain employees' working situation 12 months later, the date taken into account is 31 December of each year.

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2021

6.78 % Median wage gap

6.82 % Median wage gap (fixed remuneration)

2022

7.0 % Median wage gap

6.45 % Median wage gap (fixed remuneration)

The fixed remuneration of women in Grupo Cooperativo Cajamar improved over the course of 2022. However, if we consider total remuneration, the gap has increased. This is due to the effect of incentives paid this year (in 2021 no incentives were paid) on overall remuneration, as there is no parity in positions of greater responsibility - occupied mostly by men - where theoretical bonuses are higher.

• Equal pay between women and men

• Wage gap by professional category and entity

2021	BCC			Cajamar Caja Rural			Other financial entities			Holdings		
Jobs	Gap	Seniority		Gap	Seniority		Gap	Seniority		Gap	Seniority	
	%	M	W	%	M	W	%	M	W	%	M	W
Senior management	19.18%	19.31	15.41	-	24.46	-	12.13%	26.59	23.13	-	-	-
Type 1 Executive	18.21%	20.22	20.38	21.21%	21.79	21.15	-	24.41	-	14.13%	20.05	25.63
Type 2 Executive	6.82%	20.13	17.86	7.01%	19.10	18.24	4.26%	21.69	22.65	19.77%	19.74	15.91
Middle managers	13.98%	22.10	18.71	4.62%	19.77	18.39	-1.44%	21.78	23.23	4.65%	17.01	18.52
Other	5.69%	18.58	16.47	6.54%	20.65	18.20	3.48%	21.23	21.13	9.00%	12.91	14.69

2022	BCC			Cajamar Caja Rural			Other financial entities			Holdings		
Jobs	Gap	Seniority		Gap	Seniority		Gap	Seniority		Gap	Seniority	
	%	M	W	%	M	W	%	M	W	%	M	W
Senior management	0.00%	21.29	25.00	-	15.00	-	10.33%	27.00	23.50	-	-	-
Type 1 Executive	20.81%	19.86	19.64	19.47%	22.11	20.73	-	25.00		12.11%	20.20	23.33
Type 2 Executive	9.46%	19.10	18.24	9.34%	19.00	18.38	4.24%	22.37	23.15	3.64%	16.08	15.50
Middle managers	9.86%	24.34	18.62	3.55%	19.92	18.52	-0.03%	22.23	23.11	3.29%	20.58	21.82
Other	5.07%	18.19	16.62	6.21%	20.64	18.28	3.66%	21.04	20.93	12.64%	13.40	14.17

Analysis of the wage gap shows the direct relationship between the number of years employed in the professional category, with a higher average number of years employed among men versus women, especially in posts of greater responsibility.
Calculations of these figures have taken into account the total number of active staff at 31/12/2022, except for pre-retirees and directors.

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• Total average remuneration broken down by sex, age, and professional classification

• Fixed and variable remuneration

2021	35 and under			36 to 55			> 55 years of age			Total		
Jobs	**M**	**W**	**Gap**	**M**	**W**	**Gap**	**M**	**W**	**Gap**	**M**	**W**	**Gap**
Senior management	-	-	.	135,138.7	96,821.4	28.35%	155,481.3	-	-	139,885.3	96,821.4	30.79%
Type 1 Executive	46,766.8	-	.	72,284.2	61,080.0	15.50%	84,562.4	64,970.2	23.17%	73,737.1	61,351.4	16.80%
Type 2 Executive	42,347.4	41,741.4	1.43%	50,315.4	47,164.9	6.26%	57,633.3	53,117.5	7.84%	50,409.5	46,998.5	6.77%
Middle managers	33,507.4	33,903.4	-1.18%	42,610.5	40,251.2	5.54%	50,987.1	47,062.9	7.70%	42,748.7	40,020.4	6.38%
Other	24,971.1	25,161.6	-0.76%	37,900.6	36,532.2	3.61%	43,716.1	40,308.5	7.79%	37,290.1	35,385.9	5.11%
Total	**27,383.1**	**26,994.7**	**1.42 %**	**44,333.8**	**39,027.9**	**11.97 %**	**52,593.3**	**42,613.6**	**18.98 %**	**43,943.4**	**38,026.0**	**13.47 %**

2022	35 and under			36 to 55			> 55 years of age			Total		
Jobs	**M**	**W**	**Gap**	**M**	**W**	**Gap**	**M**	**W**	**Gap**	**M**	**W**	**Gap**
Senior management	-	-	-	154,055.2	111,609.2	27.55%	133,766.7	-	-	147,292.4	111,609.2	24.23%
Type 1 Executive	64,462.1	46,762.4	27.46%	83,445.8	69,591.1	16.60%	89,401.0	71,573.5	19.94%	84,260.8	69,231.9	17.84%
Type 2 Executive	44,183.7	44,637.8	-1.03%	56,533.2	52,188.1	7.69%	66,609.8	61,716.1	7.35%	56,959.3	52,145.4	8.45%
Middle managers	38,794.3	36,857.1	4.99%	45,516.1	43,771.2	3.83%	49,918.6	49,020.1	1.80%	45,612.1	43,632.7	4.34%
Other	26,522.1	25,402.2	4.22%	40,282.3	38,468.8	4.50%	45,202.2	42,428.0	6.14%	39,755.6	37,253.8	6.29%
Total	**29,810.7**	**27,403.1**	**8.08 %**	**48,364.4**	**41,897.4**	**13.37 %**	**55,930.3**	**45,101.3**	**19.36 %**	**48,126.6**	**40,785.2**	**15.25 %**

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• Distribution of people who received a promotion, broken down by sex

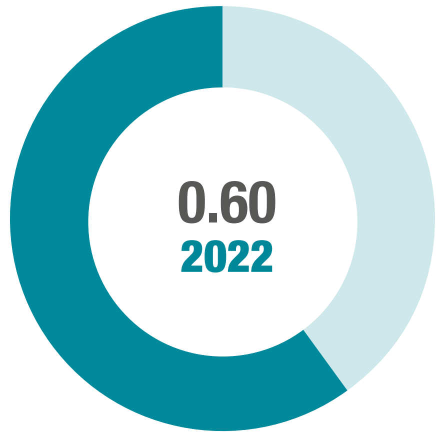
	2021				2022			
	Staff		Promotions		Staff		Promotions	
Sex	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Men	3,104	49.83 %	325	38.28 %	3,072	49.36 %	342	46.28 %
Women	3,125	50.17 %	524	61.72 %	3,152	50.64 %	397	53.72 %
Total staff	**6,229**	**100.00 %**	**849**	**100.00 %**	**6,224**	**100.00 %**	**739**	**100.00 %**

Bearing in mind that 90% of Group staff members (including holdings) are covered by the Collective Agreement for Cooperative Credit Institutions, the standard initial salary for new employees set out in that Agreement is taken into consideration, since the salary for other employees not covered by the agreement would be € 15,521.69

2021			2022		
Starting standard salary for new members of staff	Minimum interprofessional	Ratio	Starting standard salary for new members of staff	Minimum interprofessional	Ratio
18,665.44 €	13,510.00 €	1.38	18,852.14 €	14,000.00 €	1.35

Total annual fixed remuneration for the best paid position within the Group is 14.57 times the average total annual fixed remuneration.

Ratio of percentage increase of total annual compensation



Ratio of the percentage increase in the total annual compensation of the highest-paid person in the organisation to the median percentage increase in the total annual compensation for all staff.

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• Social benefits

2022	Permanent (full time or part-time)	Temporary	Observations
Life Insurance	Yes	Yes	
Extension of agreed leave for childcare	Yes	Yes	
Incapacity or disability cover	Yes	Yes	
Pension fund*	Yes	Yes	
Shares/Holdings	Yes	Yes	Possibility of making contributions to the entity's equity capital as flexible remuneration
Study Grants	Yes	Yes	
Flexible remuneration	Yes	Yes (minimum one year working)	Health insurance, childcare voucher, and travel card
Training and Professional Development	Yes	Yes	
Holiday and leaves of absence (paid and unpaid)	Yes	Yes	
Flexible working day	Yes	Yes	
Social finance	Yes	No	Temporary staff members have access to credit cards and interest-paying accounts with expansion of salary corresponding to payroll
Corporate Culture	Yes	Yes	
Equality plan	Yes	Yes	
Plan to help employees whose children have disabilities	Yes	No	
"Queremos cuidarte" health and well-being programme	Yes	Yes	
"Concilia" work/life balance Programme	Yes	Yes	

* The Workplace Pension Plan Oversight Committee agreed as a mandate for the management of the Employment Fund to apply ethical, social, environmental and corporate governance criteria to corporate investment. In addition, the Fund must comply at all times with the UN's Principles for Responsible Investment. At 31 December 2022, the Pension Plan encompassed 7,228 members, 481 beneficiaries, and the total assets managed amount to €197,073,569.82. The plans offer defined benefits and defined contributions, including some groups with defined benefits only, and other mixed groups (defined contributions and benefits). All obligations are outsourced, either in the employment pension plan or through insurance policies.

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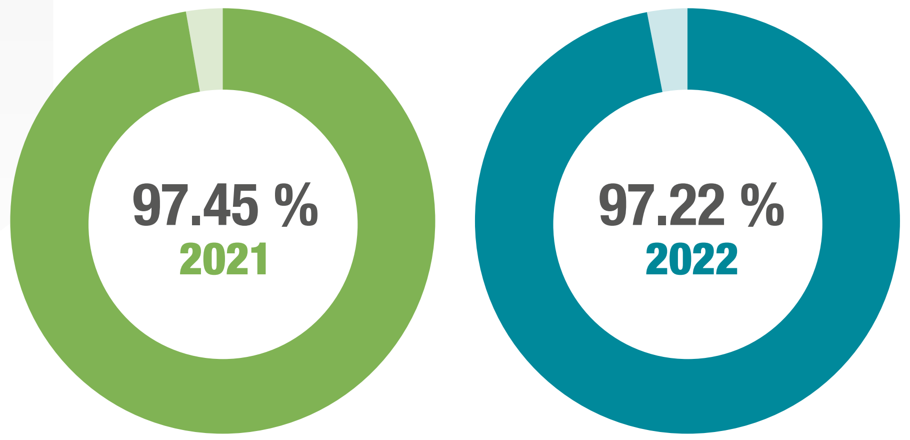
Annex IV > Staff Training

• General

Staff trained



• Hours of training delivered to Group employees broken down by professional category and sex

	Professional category (Number of employees)						Sex (Number of employees)		Training expenditure of PAT*
	Board members (with contract) + Senior management	Type 1 Executive	Type 2 Executive	Middle managers	Other	Training practices + Agents	Man	Woman	
Number of employees trained	24	212	1,250	1,021	4,004	298	3,252	3,291	
Hours received**	1,380.26	9,890.51	91,069.07	64,453	223,263	14,368	197,860	206,564	1.49 %
Average number of hours	58	47	73	63	56	48	61	63	

* **PAT:** Profits after tax.

** The total hours of training received was 451,843 in 2021 and 404,424 in 2022.

	2021				2022			
Training Method	Total T.A.*	Participants	People	Hours	Total T.A.*	Participants	People	Hours
Classroom	59	277	250	3.916	91	2,120	1,434	8,136
Virtual training	718	14,087	3,995	45,879	614	11,638	3,338	35,573
E-learning	2,671	133,818	6,500	402,048	3,194	140,144	6,526	360,714
Total	**3,448**	**148,182**	**6,529**	**451,843**	**3,899**	**153,902**	**6,543**	**404,424**

* T.A.: Training Action

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• FUNDAE Grants

Courses	2021	2022
Grants awarded (euros)	841,407.45	827,090.19
Grants spent (euros)	21,846.15	155,444.71
Training Actions	29	61
Students	119	2,003
Employees	75	1,166

• Number of employees trained in programmes for skills management and continuing professional development

	2021			2022		
Finance School (Savings)	People certified*	% of total*	People recertified	People certified*	% of total**	People recertified
EFF Savings-Basic level-MIFID II	41	88.06 %	1,120	32	88.93 %	1,072
EFF Savings - Intermediate level - MiFID II	150	93.03 %	2,455	89	95.20 %	2,559
EFF Savings - Advanced level - MiFID II	94	80.56 %	838	39	86.44 %	944

* No. of people certified refers to those who are awarded a Certificate by exam or have are certified by an External Body.
** % out of total eligible for certification: percentage of staff that meets the required training in EFF Savings.

	2021			2022		
Finance School (Finance)	People certified*	% of total*	People recertified	People certified*	% of total**	People recertified
EFF Savings-Basic level-MIFID II	84	90.89 %	123	100	92.43 %	115
EFF Savings - Intermediate level - MiFID II	128	90.43 %	560	122	93.47 %	935
EFF Savings - Advanced level - MiFID II	29	-	0	60	-	0

* *No. of people certified refers to those who are awarded a Certificate by exam or have are certified by an External Body.
** % out of total eligible for certification: percentage of staff that meets the required training in EFF Finance.

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Skills school	2021 Employees	2021 Hours received	2021 % of total*	2022 Employees	2022 Hours received	2022 % of total*
Generic skills	510	1,911	7.81%	420	1,302	6.42 %
Specialisation skills	115	526	1.76 %	129	375	1.97 %
Commercial Skills Campus	1,666	13,511	25.52 %	3,546	20,437	54.20 %
Management Skills Campus	1,144	8,565	17.52 %	706	4,446	10.79 %
Personal Skills Campus	88	302	1.35 %	74	180	1.13 %
Digital Skills Campus	1,470	14,236	22.51 %	2,781	26,634	42.50 %

* The ratio compared to the total number of employees has been calculated bearing in mind the number of employees who have received training (6,529 in 2021 and 6,543 in 2022), regardless of whether they Conciliar are still active staff members by the end of the year.

ESG	2021 Employees	2021 Hours received	2021 % of total*	2022 Employees	2022 Hours received	2022 % of total*
ESG	3	45	0.05 %	1,144	11,040	17.48 %

The ratio compared to the total number of employees has been calculated bearing in mind the number of employees who have received training (6,529 in 2021 and 6,543 in 2022), regardless of whether they Conciliar are still active staff members by the end of the year.

AGRO	2021 Employees	2021 Hours received	2021 % of total*	2022 Employees	2022 Hours received	2022 % of total*
Agri-Food School	62	681	0.95 %	217	8,681	3.32 %

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Main courses delivered regarding regulatory compliance

	2021				2022			
COURSES	People trained	% of total*	People certified	% of total**	People trained	% of total*	People certified	% of total**
Money Laundering	2,359	36.13%	6,282	97.90%	2,265	34.62%	6,310	98.04%
LOPD Data Protection Legislation	1,973	30.22%	6,294	98.18%	3,120	47.68%	6,293	97.88%
Market abuse	5,890	90.21%	6,246	97.52%	586	8.96%	6,310	98.21%
Code of Conduct	4,556	69.78%	6,282	97.90%	1,879	28.72%	6,314	99.81%
Conflict of interest	5,971	91.45%	6,271	97.72%	508	7.76%	6,336	98.45%
Security in branches	3,739	57.27%	4,084	95.13%	484	7.40%	4,091	97.31%
Criminal Risks**	3,426	52.47%	6,320	98.49%	456	6.97%	6,330	98.35%
Cyber Security	6,324	96.86%	6,247	97.35%	6,342	96.93%	6,231	96.81%
Health and Safety in the Workplace	1,227	18.79%	6,213	96.82%	2,892	44.20%	6,305	97.96%
Equal opportunities and work/life balance	345	5.28%	6,260	99.46%	200	3.06%	6,167	99.18%
Real Estate Credit Contracts Legislation	4,694	71.89%	4,350	95.58%	4,833	73.87%	4,370	96.92%
Insurance	4,772	73.09%	4,181	97.35%	4,837	73.93%	4,062	96.46%
Bank of Spain: Regulations, Bank Notes and Coins	344	5.27%			138	2.11%		
Security of Information	1,952	29.90%			3,100	47.38%		

* The ratio over the total number of employees has been calculated bearing in mind the number of people (employees and external) who have received training (6,529 in 2021 and 6,543 in 2022), regardless of whether they Conciliar are still active staff members by the end of the year.

** Since each certification has its validity period (yearly or three-yearly), we provide the figures for people certified and the % of people who meet the training requirements in each subject, taking into account whether they are required for their position or not.

Training in criminal risks (corruption)

	2021	2022
PROFESSIONAL CATEGORIES	No. of people	No. of people
Board members (with contract) + Senior Management	15	0
Type 1 Executive	84	7
Type 2 Executive	657	43
Middle managers	723	17
Other	1,947	389

*The training is run every three years and so this year the training did not run, until 2024.

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Annex V > Trade Union Relations

Grupo Cooperativo Cajamar understands that freedom of association and labour representation are a right that needs to be preserved by ensuring that the functions of worker representation and defence can be carried out in an appropriate environment that facilitates, through negotiation, the improvement of working conditions through the approach of creating shared value. In this regard, the Human Resources Division provides all the information necessary for social agents to represent and defend the interests of Grupo Cooperativo Cajamar workers swiftly and effectively, through ongoing dialogue between the different entities that make up the Group and trade union representatives.

In accordance with labour regulations, employees are represented by unions and they are kept constantly informed of any changes and agreements made within the organisation itself. Equally, Grupo Cooperativo Cajamar provides union representatives with all the appropriate resources to carry out their activity. Furthermore, internal channels of communication are kept up to date so as to provide information to all the Group’s staff members.

At present, with regard to trade union representation, Grupo Cooperativo Cajamar has a structure comprising four group-wide union sections, empowered to represent and negotiate on behalf of any Group employee.

In terms of representative bodies, taking into account all the entities and companies that make up the Group as well as the parent company, BCC, there are a total of 288 workers’ representatives operating in 37 provinces, and sitting on 21 company committees present in 13 provinces, and 50 representative bodies with one staff representative, distributed in 37 provinces.

90.36% of Group staff members are covered by the XXII Collective Agreement for Cooperate Credit Unions and Institutions, published in BOE issue 10 of 12th January 2022, as well as by the labour agreements signed with union representatives in Group Cooperativo Cajamar, since social dialogue is taken into consideration at all times.

9.61% of the Group's workforce is regulated by the Almeria Branch and Office Agreement, published in the Almeria BOP Issue 17, of 26th January 2017, as well as the labour agreements signed with the trade union representation of each company.

0.03% of all Group staff members are covered by the Private Insurance Brokerage Agreement, published in the BOE, Issue 6, of 7th January 2020.

In 2022, there were no situations that jeopardised workers’ rights to freedom of association within the Group or within significant suppliers linked to the Group's activity.

Grupo Cooperativo Cajamar entities are members of the ASEMECC employers' organisation, an associative entity that represents and defends the interests of its members with regard to collective bargaining and labour relations. The social purpose of the association is to represent its members in collective bargaining and labour relations, and to carry out any complementary and related activities necessary for the achievement of this purpose.

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Annex VI > R&D Projects

Cajamar Foundation 2022

	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
AGRO-SUSTAINABILITY	HEL-OR System for detecting damage to citrus crops after frost.	Reduction of time and greater efficiency in the assessment of frost damage.	2	Climate change mitigation and adaptation
	HARNESSTOM (EUROPEAN).	Improve accessibility and strengthen the use and knowledge of genetic resources of tomatoes to address new consumer requirements and challenges related to climate change.	2	Climate change mitigation and adaptation
	CaquiArrels. Evaluation of patterns and non-astringent varieties of persimmon with regard to the challenges of sustainability and climate change in the Region of Valencia.	Cultivation of a selection of clonal patterns in the countryside. Evaluation of the agronomic behaviour of non-astringent varieties grafted on different patterns. Sustainable practices: cultural practices, pest control, and efficient water use.	2	Climate change mitigation and adaptation
	Biocidal plants. Studies on the influence of introducing biocidal plant crops on soil health and soil quality.	Avoid soil degradation.	2	Preventing pollution
	DSS-MULCH-CO2. Decision support system to improve the fertility and carbon sequestration capacity of agricultural soils in the Valencian Community by means of rice straw mulching.	Development of a DSS type tool to decide on the use of ground cover and rice straw mulching, which improves soil fertility and carbon sequestration capacity in woody crops in the Region of Valencia.	2	Preventing pollution
	Apricot. Study of new plant material resistant to the Sharka virus.	Incorporation of two new varieties of apricot from the CEBAS-CSIC genetic improvement programme for evaluation.	2	Loss of biodiversity
	AUTOMATION OF HORTICULTURAL IRRIGATION.	Evaluate potential water savings of irrigation automation, using pressure meters with magnets versus irrigation management by calculation of 100% etc. Two incubator companies (IKOs and BRIOAGRO) have been included to evaluate the sensorisation and information systems for irrigation.	6	Protection of water resources
	PLUSIVEG. STUDY OF IRRIGATION IN HORTICULTURAL CROPS UNDER DIFFERENT SEMI-FORCED CONDITIONS Improved efficiency in the use of water in outdoor vegetables.	Improve the efficiency of irrigation water use in different horticultural crops grown outdoors. Adjustment of KC under different outdoor semi-forced conditions for subsequent irrigation automation.	6	Protection of water resources
	Sustainability testing. Sustainability of outdoor horticultural crops.	Develop ecological and integrated production systems in horticultural crops that make the production of high quality crops compatible with minimal environmental impact. Determining carbon footprint, water and environmental impact.	2	Climate change mitigation and adaptation

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Cajamar Foundation 2022

	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
AGRO-SUSTAINABILITY	GranaRec. Monitoring and study of different rootstocks and varieties. Implementation of agro-ecological strategies for irrigation and pomegranate soil management.	Study different varieties with a view to covering a large period of time, for export. Analyse the possible interest of using rootstocks. Improve irrigation, using deficit irrigation strategies and mulches around plant cover as a formula for sustainability.	2	Climate change mitigation and adaptation
	Supersensitive, sustainable technique for soil-free cultivation of fruit and tropical species.	Development of an innovative and sustainable cultivation technique in specific climate conditions and under protected cultivation. Based on the formulation of a new substrate as a growing medium with novel properties, choosing a suitable growing medium. On the one hand, the optimisation and efficiency of fruit species production through super-intensive cultivation and, on the other, the application of sensorisation to adjust water and nutritional contributions to actual needs.	2	Climate change mitigation and adaptation
	Evaluation of pre line crosses to improve melons.	Evaluation test and crosses of pre-improvement lines of melon grown in greenhouses.	2	Climate change mitigation and adaptation
	GENBREEDMELO. Deciphering the genetic control of fruit morphology and reproductive barriers in Cucumis spp. and their exploitation in melon improvement.	This project focuses on clarifying the genetic basis of the most interesting agronomic traits in melons using exotic varieties and related species.	2	Loss of biodiversity
	AVI-INDEREN	Project to evaluate the feasibility of combining solar panels on certain crops or on the roof of greenhouse structures, thereby combining the production of photovoltaic energy with agricultural production.	13	Climate change mitigation and adaptation
	GO FITONET. Development of a digital environment and living laboratories to harness plant genetic resources of agricultural interest.	Project to establish a dynamic network to use plant genetic resources whereby the entire agri-food sector exchanges knowledge and needs and collaborates to obtain high quality, sustainable, profitable products.	2	Loss of biodiversity
	CUCRES. Resilience to climate change in Cucurbitaceae.	The general aim of this project is to identify accessions of cucurbitaceae that can tolerate drought, low nitrogen supply, heat and combined stresses, which will be the basis of improvement programmes to generate resistant cucurbitaceae cultivars.	2	Climate change mitigation and adaptation
	CE-COMMERCE. Innovative e-commerce platform to develop and establish short marketing chains through integration with smart tools for the evaluation of citrus on the tree and dynamic price prediction.	Development and validation of a TRL5 prototype of a new e-commerce platform focused on empowering small and medium-sized Spanish farmers by shortening the supply chains of citrus fruits (and more specifically, oranges), by developing, validating, and combining several innovative techniques based on Artificial Intelligence ranging from mathematical image processing to data mining, among others.	12	Circular economy
	Tests with sustainable water-soluble fertilisers.	Agronomic effectiveness test for a new technology based on the biostimulation of soil microbiota in the rhizospheric area of crops to increase the efficiency of nitrogen use.	2	Preventing pollution
	INTENSIFRUIT. Intensification of different fruit crops.	Development of a super-intensive, innovative and sustainable growing technique in specific climate conditions and under protected cultivation, based on the formulation of a new substrate as a growing medium, the choice of a suitable growing medium, as well as the efficiency and optimisation of fruit species production.	2	Preventing pollution
			2	Loss of biodiversity

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Cajamar Foundation 2022

	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
AGRO-SUSTAINABILITY	ESPECIALITYVEG. Specialities in outdoor and greenhouse horticultural crops.	Raise awareness within the sector of a wide range of specialities in different horticultural crops grown outdoors and in greenhouses. Once the most interesting ones have been selected, analyse production techniques that improve the product.	2	Loss of biodiversity
	SMARTPROTECT. Advanced methodologies and technologies for the protection of horticultural crops.	Technology for pest control.	2	Preventing pollution
	iGUESS-MED. Innovative support system for greenhouses in the Mediterranean region: Efficient fertigation and pest management through IoT-based climate control.	In relation to growing tomatoes in greenhouses in the Mediterranean Basin, develop a DSS to manage fertigation and irrigation, control pests and diseases, and improve climate conditions smartly, using climate data, IoT, and Artificial Intelligence (AI) to turn high-tech solutions into simple tools easily available at the operational (farm) level.	12	Preventing pollution
	CAJAMAR INNOVA.	Incubator for High Tech Companies specialising in Technological Innovation and Sustainable Water Management.	8	Protection of water resources
	FAIRshare. Digital innovation tools for agricultural consultancy detected and shared.	Promote the use of digital tools for a more sustainable and productive agriculture.	8	Climate change mitigation and adaptation
	Protected cultivation of fruit species: growing fruit trees in greenhouses.	Increase productivity and improve fruit quality using the tools and technologies developed in the greenhouse vegetable production model (papaya, dragon fruit, and passion fruit).	2	Climate change mitigation and adaptation
	Intensive and sustainable production of fruit species.	Development of new production systems that allow us to increase the yields and quality of healthy fruits in a sustainable way (avocado, table grapes, and citrus fruits).	2	Climate change mitigation and adaptation
	PITAYA NGS. Cultivation of dragon fruit in greenhouses with an NGS system.	Study the viability of growing dragon fruit in greenhouse in an NGS recirculating hydroponic system with self-compatible varieties.	2	Preventing pollution
	Evaluating an experimental tomato variety without glandular trichomes in terms of the establishment of auxiliary fauna and the biological control of pests.	Evaluate in semi-field conditions the establishment of phytoseiid mites in combination with Nesidiocoris tenuis in a tomato crop without trichomes.	2	Climate change mitigation and adaptation
	Test of organically managed aubergine rootstocks and cultivars.	Evaluate the productivity and quality of two organically managed aubergine crops.	2	Climate change mitigation and adaptation
	GO INV-DSS. Development and use of a digital irrigation/fertigation management tool in greenhouse horticultural crops.	Develop a commercial computer tool to determine the irrigation and fertigation needs of Mediterranean horticultural greenhouse crops based on crop demands.	8	Climate change mitigation and adaptation
	Testing the fine-tuning of a nanobubble injection system in a greenhouse crop.	Project to evaluate the effect of applying two-gas nanobubbles on a greenhouse tomato crop.	2	Climate change mitigation and adaptation

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Cajamar Foundation 2022

	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
AGRO-SUSTAINABILITY	Effect on cucumber of applying an oxygen enriched nutrient solution through nanobubbles.	Evaluation of the productive response of a cucumber crop in sandblasted soil grown in greenhouses to the application via fertigation of an oxygen enriched nutrient solution by means of nanobubble generation equipment, compared with a control treatment.	2	Climate change mitigation and adaptation
	"Study to assess biodegradability criteria for polymers used in EU fertilising products as coating agents or to increase the water retention capacity and/or wettability of mulch films".	"Study to evaluate the biodegradability criteria of polymers used in EU fertiliser products as coating agents or to increase water retention capacity and/or wettability of mulch films".	2	Circular economy
	Pollination tests in watermelons.	Evaluate the production and quality of a pollinated watermelon crop with diploid watermelons and disposable pollinating watermelons.	2	Climate change mitigation and adaptation
	Demonstration of horticultural specialities.	Demonstration of different horticultural specialities in greenhouses to show the diversity of different specialities of the main horticultural crops produced on the coast of Almeria: fruits and vegetables of different colours, types, shapes and sizes, etc., which are more attractive and different from traditional bulk production to meet the demand of an increasingly demanding and segmented sector.	2	Climate change mitigation and adaptation
	Fertilisation strategies for organic tomato production.	Improve the yields of an organic tomato crop, establish a strategy and application schedule.	2	Climate change mitigation and adaptation
	Application of microorganisms in a crop to improve the efficiency of conventional fertilisation in a courgette crop.	Reduction of chemical fertilisation and efficient use of chemical fertilisers.	2	Climate change mitigation and adaptation
	Sustainability. Analysis of the sustainability and profitability of different greenhouse horticultural production systems.	Efficient use of resources. Water management.	6	Protection of water resources
	BIOMERGENT. Biological control of emerging pests in horticultural crops.	Pest control to promote biodiversity.	2	Loss of biodiversity
	Agrodata 4 Prediction. Decision support system (DSS) based on the web-IoT.	Data control for prediction.	8	Circular economy
	Biodiversity in protected agriculture areas.	Recover some of the biodiversity lost in the greenhouse environment.	15	Loss of biodiversity
	Adaptation of the stone fruit sector to climate change.	Study to improve crop conditions in the face of climate change.	2	Climate change mitigation and adaptation
	Evaluation of the introduction of predatory mites in courgette crops.	Evaluate the introduction of predatory mites in courgette crops.	2	Climate change mitigation and adaptation
	Trial of reduced fertiliser management in courgette crops. Evaluation of a courgette cultivar that is tolerant to TYLNDCV.		12	Preventing pollution

Cajamar Foundation 2022

	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
FOOD AND HEALTH	Moresvia. New crops in the face of climate change: stevia and moringa.	New crops to adapt to climate change.	2	Climate change mitigation and adaptation
	S3 - Implementation of an integrated management system for high value intensively cultivated tomatoes.	Business consortium to seek a competitive advantage in organic tomato crops..	8	Preventing pollution
	VEGEPACK. Compostable packaging (FILM and MESH) functionalised with products from plant waste.	The main objective is to develop compostable packaging based on films and meshes with antimicrobial, antifungal and/or antigerminative properties, by including in the biopolymer matrix the functional additives obtained from the useful fractions the by-products of pepper, custard apple, and/or avocado.	9	Preventing pollution
	CRESCERE. Research into new applications for plant species and fungi to increase their added value.	The CRESCERE project is aligned with the European Farm-to-Fork strategy, pursuing the circular economy and sustainability in the production of protein and nutrients of high nutritional value from vegetables (plant based). To this end, it aims to increase the added value of vegetable crops (Brassica, Moringa, Carob, Sweet Lupins, Tiger Nug, and Bean) and fungi, and their applications. By optimising management strategies in the field and researching new biostimulants for cultivation, and new fungi fermentation technologies in bioreactors, it will be possible to increase and improve the protein fraction, as well as recover other useful compounds, to be reincorporated into the value chain.	2	Climate change mitigation and adaptation
	AGRO2CIRCULAR. Circular systematic solution for the treatment of waste in the agri-food sector.	The aim is to develop global models to generate circularity with the use of agro-food by-products.	9	Circular economy
	Fast and healthy eating. Development of new healthy food products for today's society.	Produce more efficient foods in human nutrition.	3	Circular economy
	Study to assess biodegradability criteria for polymers used in EU fertilising products as coating agents or to increase the water retention capacity and/or wettability of mulch films.	Biodegradation criteria that ensure the biodegradation of relevant polymers (such as coatings and formulation supplements) and currently used biodegradable mulching films will be evaluated and proposed taking into account polymer and environmental factors which affect open biodegradation process representative of major areas across the EU by prediction modelling. To complete the assessment, relevant testing methodologies to evaluate the biodegradation will be identified and proposed.	13	Preventing pollution
	Study of sustainable indicators of soil quality.	Establish controls for soil quality in the multinational GS to ensure sustainable indicators in its agronomic management.	12	Preventing pollution
	Alternative crops. Alternative and value crops.	Variety of crops to adapt to the Mediterranean climate. Implement cultivation techniques.	2	Climate change mitigation and adaptation

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Cajamar Foundation 2022

	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
BIOECONOMICS	DEVELOPMENT OF BIOSTIMULANT FORMULATIONS AND INNOVATIVE NATURAL BIO-FERTILISERS (CALBIO) FOR CONVENTIONAL AND ORGANIC AGRICULTURE.	Obtaining combinations of biostimulants with PGPR and combining biostimulants with mycorrhizae that offer the best result in soil experiments and completing development.	2	Climate change mitigation and adaptation
	BIODEGRADABLE PLASTICS. Study of new biodegradable plastic materials for use in agriculture.	Evaluating different biodegradable padding plastics in the experimental phase, versus a transparent polyethylene plastic, in an early cycle watermelon crop. The aim is to study the degradation and decomposition of different plastic padding and how they can act on other parameters such as the vigour or development of the plant, production, fruit quality, action on weeds, etc. the development of roots, and the presence of pests or diseases.	13	Preventing pollution
	URBIOFIN. PHA (polyhydroxyalkanoate) PLASTICS FOR AGRICULTURAL APPLICATIONS.	The aim is to study the degradation and decomposition of different plastic padding and how they can act on other parameters such as the vigour or development of the plant, production, fruit quality, action on weeds, etc. the development of roots, and the presence of pests or diseases.	13	Preventing pollution
	Compost for soil health.	Development of functional compost using different mixtures considering the use of pruned waste as structuring material.	13	Preventing pollution
	HORT-OBSER-TIC: ANDALUSIAN BIOECONOMY OBSERVATORY FOR THE AGRI-FOOD INDUSTRY.	Creation of a platform to gather all kinds of bioeconomic information related to the Andalusian horticultural sector (1st phase) and make this information publicly available, through this Web portal, offering support to the Andalusian Bioeconomy strategy.	4	Circular economy
	EFFECTS OF APPLYING DIFFERENT COMPOST ON THE SOIL AND PLANT.	Effects on both soil properties and crop development, in addition to analysing the behaviour of certain phytosanitary active substances that may contain the organic matter used.	12	Climate change mitigation and adaptation
	ALGAENAUTS. New eco-friendly and sustainable family of biopesticides based on microalgae via a circular economy approach.	Validate the pre-commercial industrial production of biopesticide and biostimulant products for agriculture using seawater and wastewater as a source of nutrients, based on microalgae strains with biopesticide and biostimulant activity.	2	Climate change mitigation and adaptation
	ALCERES. Circular economy for the production of biostimulant extracts of microalgae by means of residual nitrogen and phosphorus recovery.	Development of a novel biostimulant based on microalgae extracts, obtained from a circular economy process consisting of the use of purines and vegetable leachate for the recovery of nitrogen and phosphorus as nutrients for the production of microalgae, as well as the use of residual biomass from the process of obtaining microalgae extracts for the formulation of a growing medium, which enables the production of a Trichoderma characterised as a biopesticide with potent antifungal activity.	2	Climate change mitigation and adaptation
	Bioproducts. Evaluation and study of different bioproducts to improve crop sustainability and agricultural soil biology.	Improve the production process of algae for the agri-food industry.	2	Climate change mitigation and adaptation
	Improving the production processes of ornamental plants for a more efficient use of resources.	Improve the growing medium, look for alternatives to current substrates, and use raw materials from the recovery of waste such as compost, etc.	2	Climate change mitigation and adaptation
	Circular economy in agriculture. Study and evaluation of different agricultural production strategies within a circular economy.	Reuse of plant waste. Improve water use, pest control...	8	Circular economy

Cajamar Foundation 2022	Project	Purpose / Objectives	SDG Impact	Environmental Objectives of the EU Taxonomy
GREENHOUSE TECHNOLOGIES	Evaluation of a hydroponic system for intensive vertical cultivation.	Study the viability of this cultivation system with high planting density and reinforced with artificial light.	2	Climate change mitigation and adaptation
	TERRAX. Hydroponic cultures in urban applications, based on substrates with DAC (direct air capture for CO_2) systems.	Significant reduction of excess CO_2 in urban environments, specifically in sensitive spaces such as public infrastructures with high population concentration (airports, stations, shopping centres). Study the means of harnessing the underground (root) route of captured environmental CO_2 for plant growth in hydroponic crops.	13	Preventing pollution
	NGS GROWING SYSTEM. Leaf and condiment crops in NGS systems outdoors and in greenhouses.	Leaf and condiment crops in NGS systems outdoors and in greenhouses.	2	Preventing pollution
	INTERLIGHTING. ARTIFICIAL LIGHT. Climate and agronomic evaluation of the use of artificial light in greenhouse.s	Evaluate the feasibility of interlighting in the conditions of the south-east of the peninsula.	2	Climate change mitigation and adaptation
	GO INVERCONEC. Connected greenhouse. From crop to end consumer.	"Build a technological platform for the digitisation and complete control of greenhouse production, related to productivity, sustainability, optimal performance and traceability to improve the competitiveness of this production system and, at the same time, improve its sustainability, promoting entrepreneurship".	12	Circular economy
	Evaluating a plastic shade screen compared to an aluminised screen.	Evaluate the environmental conditions developed in each compartment and perform a comparative agronomic and economic evaluation between shade screens.	2	Climate change mitigation and adaptation
	BASF Evaluation of plastic materials for roofs of greenhouses exposed to chemicals.	Evaluate the durability of plastic films influenced by multiple factors, both intrinsic to the material, external before use, and external during use.	13	Preventing pollution
Cross-cutting project that includes all the lines of work	EDIH-Andalucía-Agrotech.	Agrotech DIH was formally created in 2017 as an instrument to accelerate, promote, and facilitate the digital transformation of the agri-food sector in Andalusia. Among its priorities, Agrotech DIH seeks to increase the competitiveness and growth of business in Andalusia, thus improving employment, as well as promoting innovation, entrepreneurship and the creation of added value as key principles for the development of the agri-food sector in the region.	8	Cross-cutting project that encompasses all the objectives

Annex VII > Methodology for calculating sustainability indicators within the RAF

Within its Risk Appetite Indicators Monitoring System, Grupo Cooperativo Cajamar defines the metrics of the Group's exposure to the various risks contained in the risk propensity statement, which are mainly quantitative and prospective.

The risks defined by the RAF are:

- Credit risk
- Concentration risks
- Real estate risks
- Sovereign risks
- Liquidity and financing risk
- Market risk
- Exchange rate risk
- Business risk
- Interest rate risk
- Operational risk
- Technological risk
- Reputational risk
- Capitalisation Level

Since 2021 - subsequently expanded in 2022 - the Group has three specific sustainability indicators included in the credit risk and reputational risk assessment. These are described below:

Credit Risk Sustainability Indicators

1. Carbon intensive sector concentration indicator

Purpose: his measures the concentration of the credit portfolio in sectors identified as being energy-intensive based on fossil fuels.

Monitored: monthly.

Calculation: Percentage of exposure of CNAE economic activities that make intensive use of fossil fuels according to the clarifications made by means of expert opinion, taking as a reference the INE publication on the CO_2 emissions for each branch of activity, out of the total exposure of business and professional activities.

2. Concentration indicator in sectors with a high and medium-high ECORating

Purpose: Measures the concentration of the credit portfolio in sectors with the highest environmental risk in terms of ecological transition.

Monitored: monthly.

Calculation: percentage of exposure identified by CNAE according to its classification in the ECORating tool as High and Medium High Environmental Risk, out of the total exposure of business and professional activities.

Reputational Risk Sustainability Indicators

3. Sustainalytics ESG Rating tracking indicator

Purpose: Measures the rating awarded by Sustainalytics, which is the result of the performance rating in terms of ESG in 6 areas: Data Security and Privacy; Business Ethics; ESG Integration in Finance; Product Governance; Corporate Governance and Human Capital.

Monitored: monthly.

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FS2
FS3

Annex VIII > Methodology for calculating the emissions derived from Grupo Cooperativo Cajamar's loan and investment portfolio

The Group is committed to transitioning to a green economy that mitigates the impact of climate change on the activity of its members, customers, and society as a whole. So, it has launched initiatives that allow it to make progress in the measurement and management of its carbon footprint, both in the emissions derived from its direct activity and in the emissions resulting from the finance granted to its members and customers.

The Group is committed to setting science-based targets to reduce greenhouse gas emissions in line with the Paris Agreement, until zero emissions are reached by 2050. As proof of this ambition, the Group calculates the issues derived from its loan and investment portfolio and has set decarbonisation targets for 2030 (pending approval).

Calculation methodology

The methodology developed by the *Partnership for Carbon Accounting Financials* (PCAF) has been used to calculate the financed emissions. This is an industry-driven initiative aimed at measuring and disclosing greenhouse gas emissions from the Group's financing activities in order to identify climate-related risks and transition opportunities; establishing emissions benchmarks to set targets in line with the Paris Agreement. For the calculation, the "Global Greenhouse Gas Accounting and Reporting Standard for the Financial Industry – Part A" has been used.

This standard has been revised by the *Greenhouse Gas Protocol* and complies with the requirements set out in the "Corporate Value Chain Accounting and Reporting Standard (Scope 3)" for category 3.15 investment activities that allows companies to assess the impact of their value chain and identify where to focus reduction activities.

The Standard provides detailed methodological guidance for asset classes extensively tested by banks and investors, allowing for emissions to be calculated associated with the following products: loans to companies, loans for commercial goods, mortgage loans, loans for motor vehicles, project finance, corporate bonds, sovereign debt as well as shares in listed and unlisted companies. In 2022, the calculation by asset type was extended.

Therefore, the emissions are calculated according to the following equation:

$$\text{Greenhouse gas emissions} = \sum_i \text{Attribution factor}_i \times \text{emissions}_i$$

Where "i" is the borrower or holding company.

Attribution factor is calculated according to the following formula:

$$\textit{Attribution factor}_i = \textit{Payment amount}_i / (\textit{Total own funds + debt})_i$$

Emissions can be established via:

- emissions reported by holding companies or borrowers through their public information
- emissions calculated using primary activity data or consumption or production data.
- emissions calculated from economic activity.

FS1
FS2
FS3

Methodology for calculating emissions by type of asset

Loans to companies

The emissions derived from loans to companies are calculated according to the sector to which they belong. Sectoral emission factors have been prepared based on emissions set out in the tables of accounts for atmospheric emissions by aggregation of branches of activity and the production expressed in euros obtained from the National Statistics Institute (INE). With this information, an input-output table has been developed, setting out emissions by sector for Spain.

Data quality: according to the *PCAF* standard , the average score is taken to be 4.14. The data are obtained on the basis of business revenue and sector emission factors *(score 4)*. For loans that do not have the complete information, a *score of 5* has been considered.

Loans for commercial goods

Financed emissions from commercial goods loans are calculated based on emission factors by size and the purpose of the commercial good. Emission factors have been obtained from the database provided by the *PCAF* standard, providing emission factors per m^2, energy label, and use for Spain. Likewise, factors are considered in the case of goods that do not have label information classified by use.

Data quality: according to the *PCAF* standard, the average score is taken to be 3.86. When the goods have an energy label, a *score of 3* is considered. For loans where only the use is known, a *score of 4* has been considered.

Mortgage loans

The financed emissions from mortgages are calculated on the basis of emissions by climate zone and energy label. For this purpose, the "energy efficiency rating of buildings" published by the Institute for Energy Diversification and Savings (IDAE) has been taken into account along with the "Number of primary places of residence by region according to type of building and tenure regime from the Continuous Household Survey (ECH)" of the National Statistics Institute (INE).

Data quality: according to the *PCAF* standard, the average score is taken to be 3.49. If the estimated energy consumption is available by floor area and type of energy efficiency of the building, a *score of 3* is considered. For loans in which the floor area of the property has been estimated as well as for loans where there is neither a label nor a location, a *score of 5* has been considered.

Loans for motor vehicles

The emissions derived from these loans to companies have been calculated according to the type of vehicle, differentiating between motorcycles, passenger cars, and vans. The annual "average mileage" has been taken from biographical sources of the "average mileage" used by each of the different types of vehicles. In addition, the distribution by fuel type for passenger cars and vans has been established based on European statistics and the emission factors provided by the *Department for Environment, Food & Rural Affairs* (DEFRA) for vehicles have been considered .

Data quality: according to the *PCAF* standard, the average score is taken to be 5, since there are no specific vehicle data available.

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FS1

Project finance

The emissions derived from *project finance* have been calculated considering the activity that has taken place during the year of calculation, including the operation of the facility. These activities have been associated with sectors based on emissions set out in the tables of accounts for atmospheric emissions by aggregation of branches of activity and the production expressed in euros obtained from the National Statistics Institute (INE).

Data quality: according to the *PCAF* standard, the average score is taken to be 3.48. The data is obtained based on the outstanding amount of the project, the total own funds plus the debt and the income of the project. If the sector's emission factors by revenue unit or similar projects are known a *score of 4* is considered. For electric projects where annual production is known, a *score of 3* is considered.

Corporate Bonds

For this calculation, emissions have been analysed through public information, taking data for *scope 1 and 2*, as well as *scope 3* (if the information is available). If emissions data have not been published, emissions have been calculated using an emission factor according to the sector to which they belong. Green bonds have not been considered as a specific methodology has not yet been developed.

Data quality: according to the *PCAF* standard, the average score is taken to be 1.79. If verified and unverified published emissions are available, a *score of 1 and 2*, respectively, is considered. If no published data are available, a *score of 4* is considered.

Sovereign debt

Emissions calculated based on emissions reported nationally. This calculation has considered emissions excluding land-use, land-use change, and forestry (LULUCF).

Data quality: in accordance with the PCAF standard, an average score of 1 is considered.

Holdings in in listed and unlisted companies

Holdings in listed companies are calculated based on the information published by the companies themselves, taking as a reference the published data of Scope 1 and 2 as well as Scope 3 (if available). If public information is not available, it is calculated on the basis of a sectoral emission factor drawn up from emissions listed in the tables of accounts for air emissions by aggregation of branches of activity and the production expressed in euros obtained from the National Statistics Institute (INE). In the case of funds, an emissions factor is established according to the sectoral factors and the sectoral % that make up each fund.

Holdings in unlisted companies are calculated according to the sector to which they belong. Sectoral emission factors have been prepared based on emissions set out in the tables of accounts for atmospheric emissions by aggregation of branches of activity and the production expressed in euros obtained from the National Statistics Institute (INE).

Data quality: for holdings in listed companies in accordance with the *PCAF* standard, an average *score* of 4.94 is considered. In the case of verified and unverified published emissions, a *score of 1 and 2*, respectively, is considered. When using a sectoral factor, a score of 5 is considered. With respect to holdings in unlisted companies in accordance with the *PCAF* standard, a score of 4 is considered . The data are obtained on the basis of revenue and sector emission factors.

Note: *PCAF* scores demonstrate the quality of the data used to calculate financed emissions (1 being the best score). As more non-financial information is published by companies and data availability increases from customers, the figures provided for financed emissions will be more comprehensive.

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FS1

Annex IX > Information relating to art. 8 of the EU Taxonomy Regulation

Pursuant to Article 8 of Regulation 2020/852, as a financial entity obliged to publish non-financial information, Grupo Cooperativo Cajamar includes in its consolidated non-financial statement information on the way and extent to which the Group's activities are associated with eligible economic activities, from an environmental point of view.

The Commission's Delegated Regulation of 6/7/2021 specifies the indicators which, from 1 January 2022 to 31 December 2023, financial companies must disclose:

- Proportion within total assets of exposures to eligible economic activities according to the taxonomy.
- Proportion within total assets of exposures to ineligible economic activities according to the taxonomy.
- Proportion within total assets of exposures to central administrations, central banks, and supranational issuers.
- Proportion within total assets of exposures to derivatives.
- Proportion within total assets of exposures to companies that are not required to publish non-financial information in accordance with Article 19 or 29 of Directive 2013/34/EU.
- Proportion of trading portfolio and on demand interbank loans with regard to total assets.
- Qualitative information in accordance with Annex XI.

Regarding the main indicator (exposures to eligible economic activities), Grupo Cooperativo Cajamar consider eligibility based on the following exposures:

- **Exposures to financial and non-financial companies required to disclose non-financial information (NFRD).** Proportion of loans and advances, debt securities or capital instruments that finance eligible economic activities according to the taxonomy in relation to climate change mitigation or climate change adaptation targets.

- **Household exposure:**
  - **Loans to households for to finance home purchase.** These funds are evaluated according to the criteria established for activity "7.7. Acquisition and ownership of buildings" in Annex I of the Delegated Regulation of economic activities of the TS for the environmental objective of climate change mitigation .
  - **Loans to households to finance housing renovations.** This finance is assessed on the basis of specific renovation activities under points 7.2., 7.3., 7.4., 7.5 and 7.6. of Annex I of the Delegated Regulation of economic activities of the TS for the environmental objective of climate change mitigation . In addition, Grupo Cooperativo Cajamar has opted for the manual identification of this finance item based on a selection criterion that deals with the internal purposes of the Group.
  - **Loans to households to finance the purchase of cars.** This finance is assessed as set out in Section 6.5. of Annex I of the Delegated Regulation on economic activities of the TS. It should be mentioned that, operations formalised after 01/01/2022 has been considered eligible.

- **Exposures to local administrations to finance housing.** These are loans granted to local administrations in order to finance the acquisition of residential housing for households, in the municipality. As deduced from the Delegated Regulation for Art. 8 of the TS, public housing financing is directly related to section 7.7. of Annex I of the Delegated Regulation on economic activities of the TS, of buildings whose purchase is financed by the credit institution. In addition, Grupo Cooperativo Cajamar identifies the financing of housing by local administrations through the internal purpose of the Group's systems operation.

- **Foreclosed:** Residential or commercial property held for sale. According to the indications established in the Delegated Regulation for Art. 8 of the TS, the following have been deemed to be eligible: residential and commercial real estate guarantees recovered and held for sale by the credit institution, motivated because these assets relate to section 7.7. of Annex I of the Delegated Regulation on economic activities of the TS for the purposes of the environmental goal of mitigating climate change.

Information about Grupo Cooperativo Cajamar is presented considering its prudential consolidation perimeter, determined in accordance with Regulation (EU) No 575/2013, Title II, Chapter 2, Section 2, as of 31/12/2022. The **results** are presented on a **mandatory basis**, strictly following the criteria defined by the Commission, and based on two premises. Firstly, the calculation of eligible assets is based on the individual analysis of each of the Group's financial instruments and other assets and not on overall estimates of certain items in this portion of the bank's balance sheet. Likewise, in this reporting period, eligibility data referring to financial and non-financial institutions is available, documented in accordance with a sectoral project. Secondly, the baseline data used for the composition of sustainability information are the same data used by Grupo Cooperativo Cajamar to prepare the consolidated statements it provides to the Bank of Spain and other competent authorities.

With respect to 2021, stability was observed in the main dimensions referred to by the indicators of the EU Taxonomy, not considering any deviations to be noteworthy.

RATIOS ART. 8 - Exposure	2021 % Total Assets	2022 % Total Assets
Economically eligible activities (total)	24.80%	21.95%
Central administrations, central banks and supranational issuers	31.78%	28.45%
Derivatives	1.0140%	5.10%
Non-financial companies not required to disclose non-financial information	21.12%	22.82%
Trading Portfolio	0.00189%	0.0032%
On demand interbank loans	0.03458%	0.0596%

As for the structure of the asset, it is mainly linked to lending to SMEs, families, and micro-enterprises. In this sense, it is worth highlighting the exposure to mortgage loans, currently eligible in its entirety, enabling the Group to take a wide range of actions in relation to households. In terms of activity sector, the Group concentrates the largest percentage of its loans and advances in agriculture, temporarily excluded from the Taxonomy, in manufacturing, wholesale and retail trade, transport, and construction.

A) Composition of exposure to eligible economic activities according to the EU taxonomy.
The eligible assets declared by Grupo Cooperativo Cajamar represent 21.95% of the Total Assets and are composed of:

Indicators of the EU Environmental Taxonomy Regulation (climate change mitigation and adaptation)	Gross book amount (€)	Proportion of Total Assets (A+B+C)	Proportion of assets included in the scope of the GAR (A+B)
A) Exposures to eligible economic activities according to the taxonomy	13,939.41	21.95 %	30.68 %
B) Exposures to economic activities not eligible according to the taxonomy	31,492.90	49.59 %	69.32 %
Total assets of derivatives exposures (hedging)	3,238.08	5.10 %	7.13 %
"Exposures to non-financial companies that are not required to publish non-financial information in accordance with article 19 or 29" Directive 2013/34/EU (EU and non-EU countries)	14,489.72	22.82 %	31.89 %
"Exposures of financial companies that are not required to publish non-financial information in accordance with article 19 or 29" Directive 2013/34/EU (EU and non-EU countries)	2,660.65	4.1898 %	5.86 %
On demand interbank loans in total assets	37.84	0.0596 %	0.08 %
All other ineligible exposures	11,066.61	17.43 %	24.36 %
Total Assets included in the scope of the GAR (A+B)	**45,432.31**	**71.54 %**	**100.00 %**
C) Exposures excluded from the scope of the GAR	18,070.41	28.46 %	-
Trading Portfolio	2.06	0.0032 %	-
Exposures to central administrations and supranational issuers	14,947.56	23.54 %	-
Exposures to central banks	3,120.79	4.91 %	-
Total Assets (A+B+C)	**63,502.72**	**100.00 %**	**-**

Monetary amounts in thousands of euros

FS1
FS2
FS3

- 93.04% for loans to households to finance home purchases.
- For loans to households to finance renovations and the purchase of cars (4.93% and 0.11%, respectively).
- Commercial and residential real estate foreclosed or received in payment classified as non-current assets for sale (0.77%).
- Generalist finance to financial institutions and non-financial companies required to publish non-financial information in accordance with Article 19 or 29 of Directive 2013/34/EU whose eligibility was based on the eligibility ratios published by companies (1.12 %).
- And, finally, finance provided to Local Administrations for the financing of public housing (0.03%).

(B) Composition of exposure to non-eligible economic activities according to the EU taxonomy.
The non-eligible exposures, included in the denominator only, represent 49.59% of the total assets measured in terms of their gross book amount, composed mostly of non-financial companies (46.01%) and "other assets" (34.02%). The remaining exposures are made up of derivatives (10.28%), financial companies (8.45%), cash-linked assets (1.12%) and on demand interbank loans (0.12%).

(C) Composition of exposures excluded from the scope of the GAR.
Exposures excluded from assets when calculating the green assets ratio (GAR) represent 28.46% of the total assets measured in terms of the gross book amount, of which 82.72% are made up of exposures to sovereign issuers and the remaining 17.27% are made up of exposures to central banks. The trading portfolio, composed mostly of trading derivatives, accounts for 0.01% of the excluded exposures.

The Group has drawn up a roadmap for decarbonisation that is reflected in its Sustainable Finance Master Plan, approved by the BCC Board of Directors in 2021. The main goal of this Plan is to achieve the reduction of CO_2 emissions into the atmosphere to net zero emissions by 2050, and is based on four main pillars: governance, strategy, metrics, and disclosure, facilitating the whole process of adaptation to the new Regulation and ESG requirements (Chapter 4).

The Group has defined a series of scenarios, strategies, and tools that are integrated into the management of its climate and environmental risks. This includes its sectoral policy, as an instrument of segmentation based on the strategic relevance of each sector and its level of carbonisation. Based on the combination of the two, different groups emerge to which the appropriate admission, concession, commercial and follow-up criteria are applied in each case.

This policy should facilitate the reorientation of investments towards more sustainable projects, as well as improve the support provided to members and customers in the ecological transition (Chapter 4).

The Group has also defined mitigation and corrective policies and actions aimed at reducing the likelihood of risk or reducing the impact it may cause. In this sense, the Group seeks to align its investment policy and its portfolio of business and professional activities with the Taxonomy Regulation, as mentioned in the Sustainability Report 2022 (Chapter 5).

Finally, the Group maintains its strong commitment to the agricultural sector by promoting research and innovation with the aim of facilitating the ecological transition and highlighting best practices recommended by national and international institutions (Chapter 6).

FS1
FS2
FS3

Annex X > Glossary of terms

AEPD: Spanish Data Protection Agency

ESG: Environmental, Social, Governance

BDE: Banco de España (Bank of Spain)

CACITI: Consejo Andaluz de Colegios Oficiales de Ingenieros Técnicos Industriales (Andalusia's Council of Official Associations of Technical Industrial Engineers)

CCBS: Climate Community and Biodiversity Standard

CDP: Carbon Disclosure Project

ECSC: Banking Confederation of Savings Banks

CNAE: National Classification of Economic Activities

CNMV: National Securities Market Commission

CPRS: Climate Policy Relevant Sectors

CSRD: Corporate Sustainability Reporting Directive

PED: Primary Energy Demand

DPO: Data Protection Officer

EACB: European Association of Co-operative Banks

EPC: Energy Performance Contracting

ESG: Environmental, Social and Governance

FEP: Cooperative Education and Promotion Fund

ICAAP: Internal Capital Adequacy Assessment Process

ILAAP: Internal Liquidity Adequacy Assessment Process

IIRC: International Integrated Reporting Council

IPCC: Intergovernmental Panel on Climate Change

SRI: Socially responsible investment

FATF: Financial Action Task Force

GAR: Green Asset Ratio

GHG: Greenhouse gases

GRI: Global Reporting Initiative

GSSB: Global Sustainability Standards Board

LEED: Leadership in Energy & Environmental Design

LOPD: Data Protection Law

MiFID: Markets in Financial Instruments

MREL Directive: Minimum Required Eligible Liabilities

SSM: Single Supervisory Mechanism

NGFS: Network for Greening the Financial System

NPS: Net Promoter Score

NZEB: Near Zero-Energy Building

NZBA: Net Zero Banking Alliance

OECD: Organization for Economic Cooperation and Development

SDG: Sustainable Development Goals

AML-CFT: Anti-Money Laundering-Counter Terrorist Financing

PRB: Principles of Responsible Banking

PCAF: Partnership for Carbon Accounting Financials

PNIEC: Integrated National Energy and Climate Plan

RAF: Risk Appetite Framework

CSR: Corporate Social Responsibility

SAC: Customer Service

SASB: Sustainability Accounting Standards Board

SBTI: Science Based Targets initiative

SCIIF: Internal control and risks management systems with regard to financial reporting

EMS: Ethical Management System

SFDR: Sustainable Finance Disclosure Regulation

SPO: Second Party Opinion

TCFD: Task Force on Climate-related Financial Disclosures

TNFD: Task Force on Nature-related Financial Disclosures

UNACC: Union of Credit Cooperatives

UNEP FI: United Nations Environment Programme Finance Initiative

GVA: Gross Value Added

VCS: Verified Carbon Standard

UD: Undesirable Links

WACC: Weighted Average Cost of Capital

WACI: Weighted Average Carbon Intensity

WBCSD: World Business Council for Sustainable Development

WRI: World Resources Institute

KPMG Audit Report

KPMG Asesores, S.L.
P.º de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on the Sustainability Report of Banco de Crédito Social Cooperativo, S.A. and subsidiaries for 2022

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Banco de Crédito Social Cooperativo, S.A.:

We have been engaged by Banco de Crédito Social Cooperativo, S.A. Management to perform a limited assurance review of the accompanying Sustainability Report (hereinafter, the Report) for the year ended 31 December 2022 of Banco de Crédito Social Cooperativo, S.A. (hereinafter, the Parent) and subsidiaries (hereinafter, the Group) for the year ended 31 December 2022, prepared in accordance with the Sustainability Reporting Standards (hereinafter, GRI Standards) and with the Financial Sector Supplement of Global Reporting Initiative, with the standards of the Sustainability Accounting Standards Board (hereinafter, SASB Standards) for the "Financials Industry - Commercial Banks" sector and with the UNEP FI Principles for Responsible banking.

In addition, pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review to evaluate whether the Consolidated Non-Financial Information Statement (hereinafter NFIS) included in the Report which forms part of the Group's consolidated Directors' Report for 2022, has been prepared in accordance with prevailing mercantile legislation and following the criteria of the selected GRI Standards, according to what is mentioned for each subject, in the table "Correspondence between non-financial reporting legislation and GRI" of the Report.

The Report includes additional information to that required by GRI standards, the Financial Sector Supplement of Global Reporting Initiative, the SASB standards for the "Financials Industry - Commercial Banks" sector, the UNEP FI Principles for Responsible banking and prevailing mercantile legislation governing non-financial information that has not been the subject of our assurance engagement. In this regard, our work was limited only to providing assurance on the information contained in the tables "Correspondence between non-financial information legislation and GRI", "Index of GRI Contents", "Table of contents Sustainability Accounting Standards Board (SASB)" and "Annex I: Index of report on UNEP FI Principles of Responsible Banking" of the accompanying Report.

Responsibility of the Parent's Directors and Management

Management of the Parent is responsible for the preparation and presentation of the Report in accordance with the GRI Standards, with the Financial Sector Supplement of Global Reporting Initiative, with the standards of the Sustainability Accounting Standards Board for the "Financials Industry- Commercial Banks" sector and with the UNEP FI Principles for Responsible banking, in accordance with each subject area in the tables "Index of GRI Contents", "Table of contents Sustainability Accounting Standards Board (SASB)" and "Annex I: Index of report on UNEP FI Principles of Responsible Banking" of the Report.

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N.I.F. B-82498650

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The Directors of the Parent are responsible for the contents and authorisation for issue of the NFIS included in the Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected GRI Standards based on each subject area in the "Correspondence between non-financial information legislation and GRI" table of the aforementioned Report.

The Directors and Management of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS and the Report was obtained.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the Report is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) 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 engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our review engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

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 consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of Parent´s Management, as well as of the different units and areas of the Group that participated in the preparation of the Report, reviewing the processes for compiling and validating the information presented in the Report and applying certain analytical procedures and sample review tests, which are described below:

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- Meetings with the Group's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the Report based on the materiality analysis performed by the Group and described in the "Materiality Analysis" section, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the Report for 2022.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the Report for 2022.
- Review of cooperative performance indicators related to the members.
- Analysis of the coherence between the information described in "Annex I: Index of report on UNEP FI Principles of Responsible Banking", the monitoring of the requirements and principles, the response given by the Group and the references of relevant information with the rest of the information of the Report under the requirements established by UNEP FI in its reporting and self-assessment template.
- Corroboration, through sample testing, of the information relative to the content of the Report for 2022 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.

Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that:

a.) The Sustainability Report of Banco de Crédito Social Cooperativo, S.A. and subsidiaries for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the GRI Standards and with the Financial Sector Supplement of Global Reporting Initiative, with the SASB Standards for the "Financials Industry - Commercial Banks" sector and with the UNEP FI Principles for Responsible banking, in accordance with each subject area in the tables "Index of GRI Contents", "Table of contents Sustainability Accounting Standards Board (SASB)" and "Annex I: Index of report on UNEP FI Principles of Responsible Banking" of the Report.

b.) The NFIS of Banco de Crédito Social Cooperativo, S.A. and subsidiaries for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the contents included in prevailing mercantile legislation and selected GRI Standards based on each subject area in the "Correspondence between non-financial information legislation and GRI" table of the Report.

Emphasis of Matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment stipulates the obligation to disclose information on how and to what extent the undertaking's investments are associated with Taxonomy-eligible economic activities.

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Additionally, certain information has been included in respect of which the Directors of the Parent have opted to apply the criteria that, in their opinion, best allow them to comply with the obligation, and which are those defined in the Annex IX section of the accompanying Report. Our conclusion is not modified in respect of this matter.

Use and Distribution

In accordance with the terms of our engagement letter, this Report has been prepared for Banco de Crédito Social Cooperativo, S.A. in relation to its 2022 Sustainability Report and for no other purpose or in any other context.

In relation to the Consolidated NFIS for the year ended 31 December 2022 of the Group, included in the Report, this report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

(Signed on original in Spanish)

Ramón Pueyo Viñuales

3 March 2023

GRUPO COOPERATIVO CAJAMAR

Sustainability Report 2022