







# Sustainability Presentation

2022



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## ... 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

### PEOPLE



**1.7** Million MEMBERS

**3.7** Million CUSTOMERS

**6,224** EMPLOYEES



**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

### IDEAS

**2** Research CENTRES

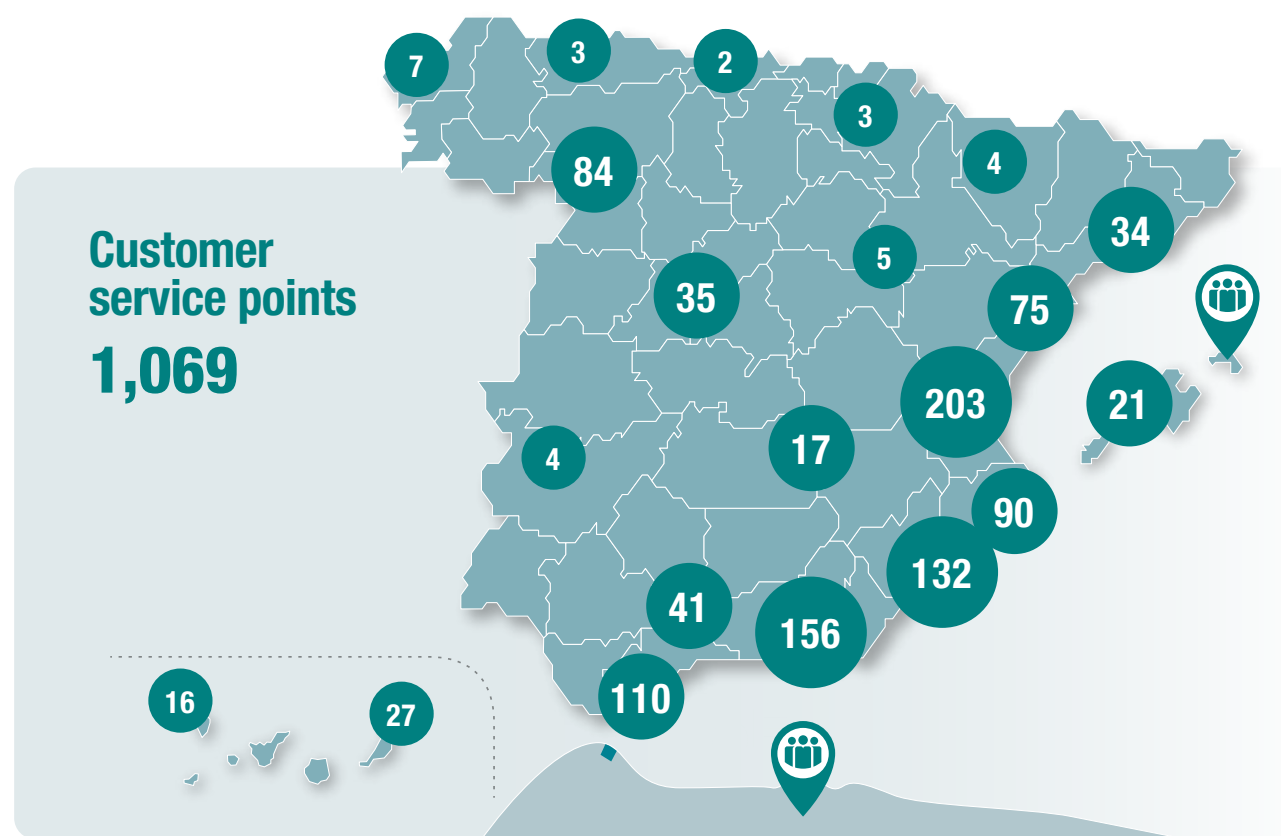
**1** Knowledge PLATFORM

**72** Research PROJECTS

**1 FOREST** planted to offset  
emissions in our region



### REGIONS



Customer  
service points  
**1,069**

**841** BRANCHES

**172** financial AGENCIES

**1,514** ATMS  
**14** ATMS without a branch

**5** VEHICLES  
providing a service to 42 villages



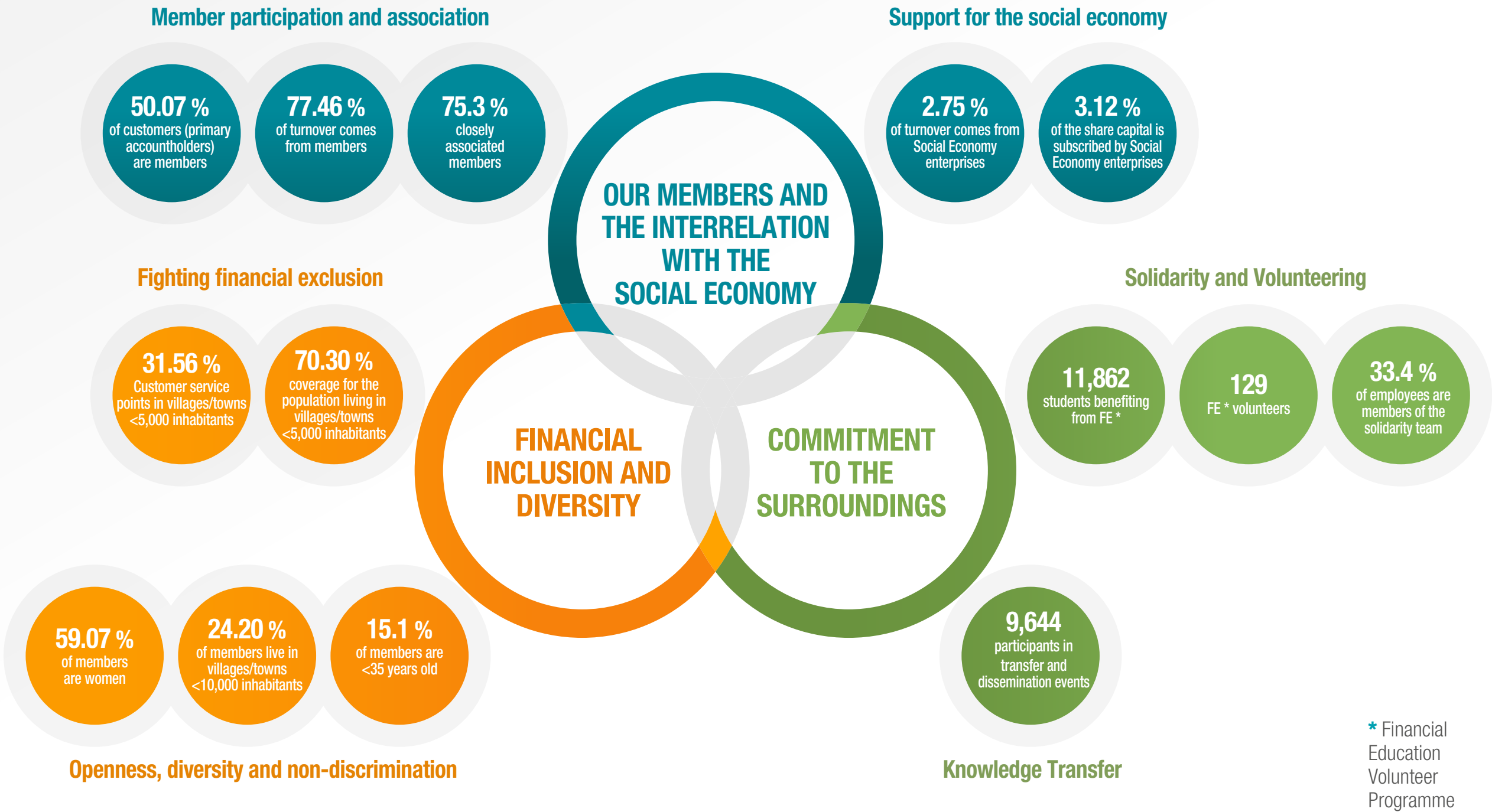
Offsetting of **100 %**  
of our CO<sub>2</sub> emissions, assigning  
the corresponding economic sum to  
Amazon Conservation projects in Madre de  
Dios (Peru).





# A differential banking model: cooperative banking

## Corporate performance indicators for the Group



# 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

Fundada en la profesionalidad, el rigor y el esfuerzo en el desempeño de su labor profesional, que está comprometida con valores fundamentales como la honradez, la equidad y el sentido de la responsabilidad.

### 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.



# 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.

• 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 issue favourably.



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 people management.

December





# Better together: main alliances and affiliations



**forética** | Clúster Cambio Climático

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



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.



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



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

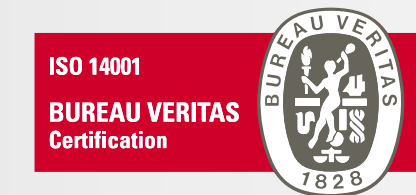
**RE100**

**CLIMATE GROUP** | **CDP**

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

COMUNIDAD  
**#PorElClima**

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



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.



**forética** | Clúster Impacto Social

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



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



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



Certificate granted to leading organisations in people management.



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.



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.



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



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.



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.



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.



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.



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



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.



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



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.



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



*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.





# 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.



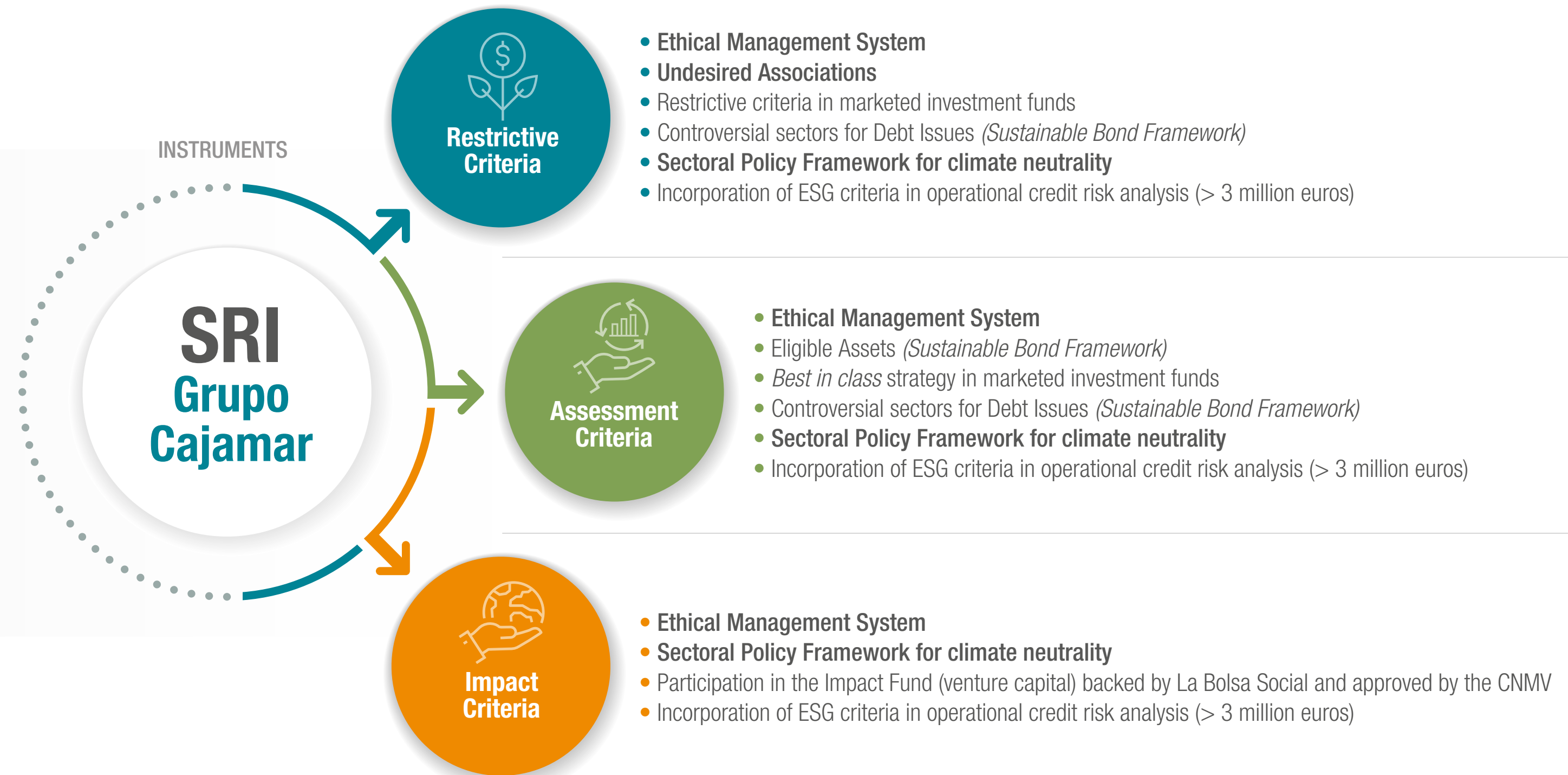
The value chain has been reviewed and the processes within it have been included to identify what is affected by the integration of ESG criteria. Therefore, the process map has been reviewed, identifying and updating those diagrams in which there is a link to ESG risk management.



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.

## 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).



**spainsif** The Group is a member of Spainsif; the leading SRI platform in Spain



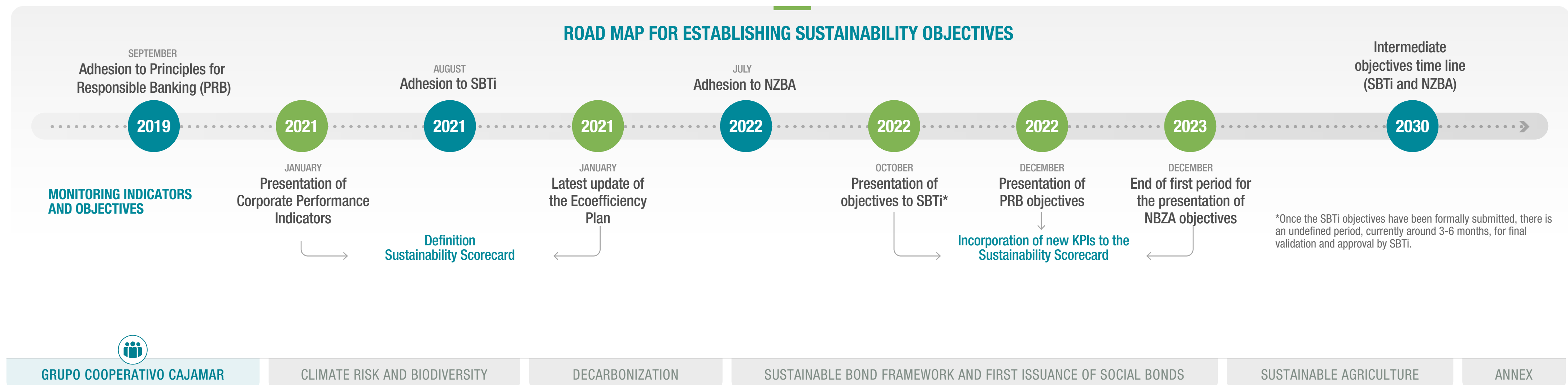
# Group objectives for sustainable, social and responsible banking

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 Cooperativo 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.





## 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.



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

Alinear la cartera de préstamos e inversión del Grupo acompañando a sus socios y clientes en todo el proceso de transición hacia una economía baja en carbono.



### 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.



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:



### WATER as an essential player in our history

21 operations and, in 2022 alone, the Group has awarded 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



### 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.



### 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.



### 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.





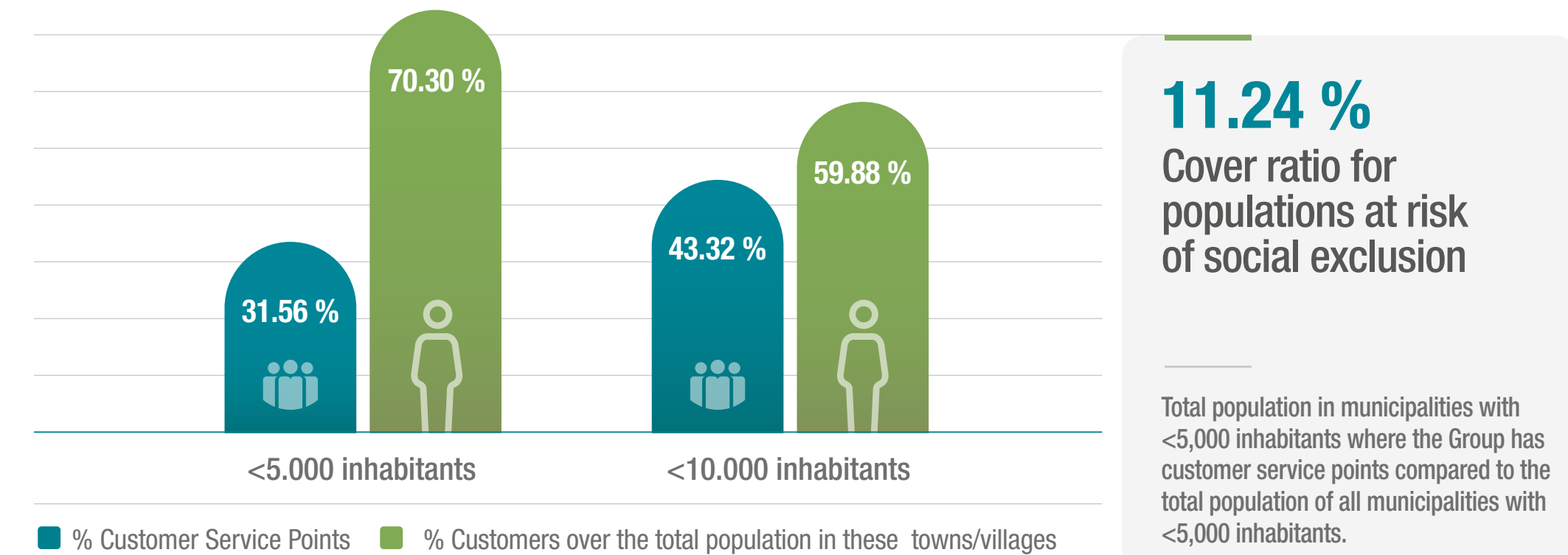
## Presence in Rural Areas

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.

### • Presence of Grupo Cooperativo Cajamar in 2022



→ 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





## Main ESG regulations and challenges

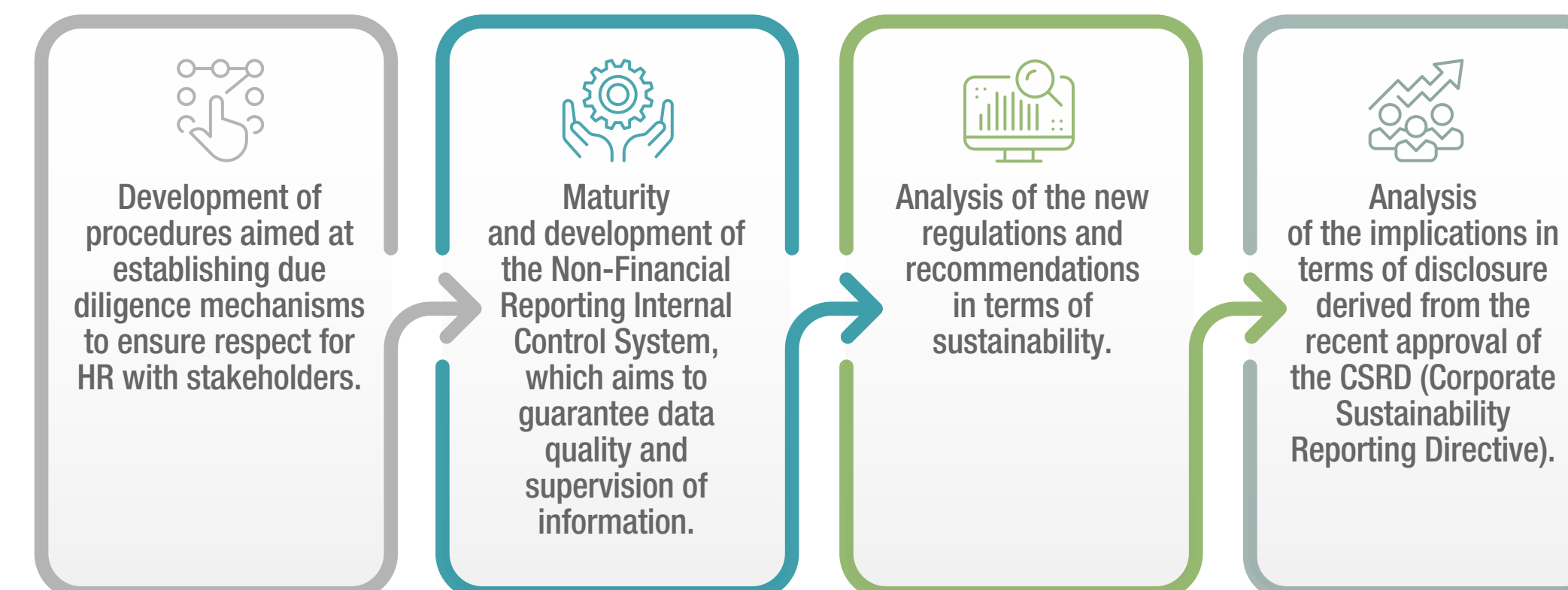
Alignment with ESG regulatory legislation is one of the main regulatory challenges facing Grupo Cooperativo Cajamar in the coming years. In the field of ESG transparency and reporting, the Group will continue aligning its actions with the regulatory recommendations. In 2022, the first climate stress 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 in 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)

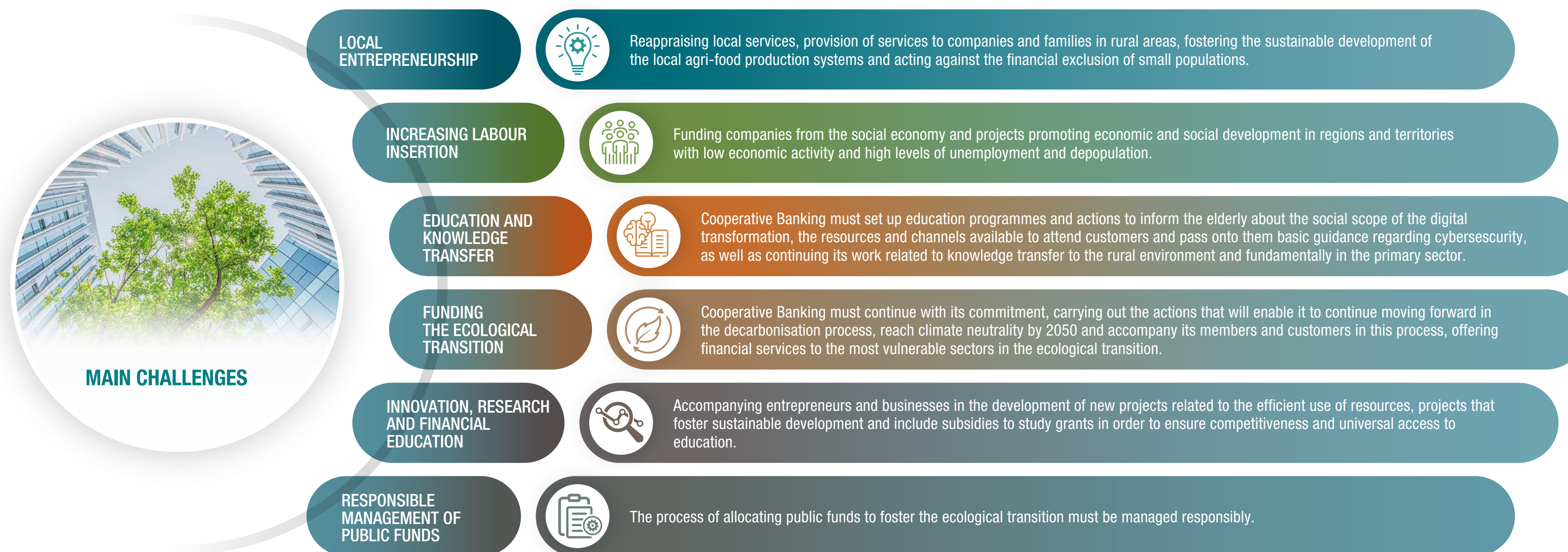
### 2023 challenges for Grupo Cooperativo Cajamar



## 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.





## Related SDGs

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



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.



“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.



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.



### 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.



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.)



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



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.



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.

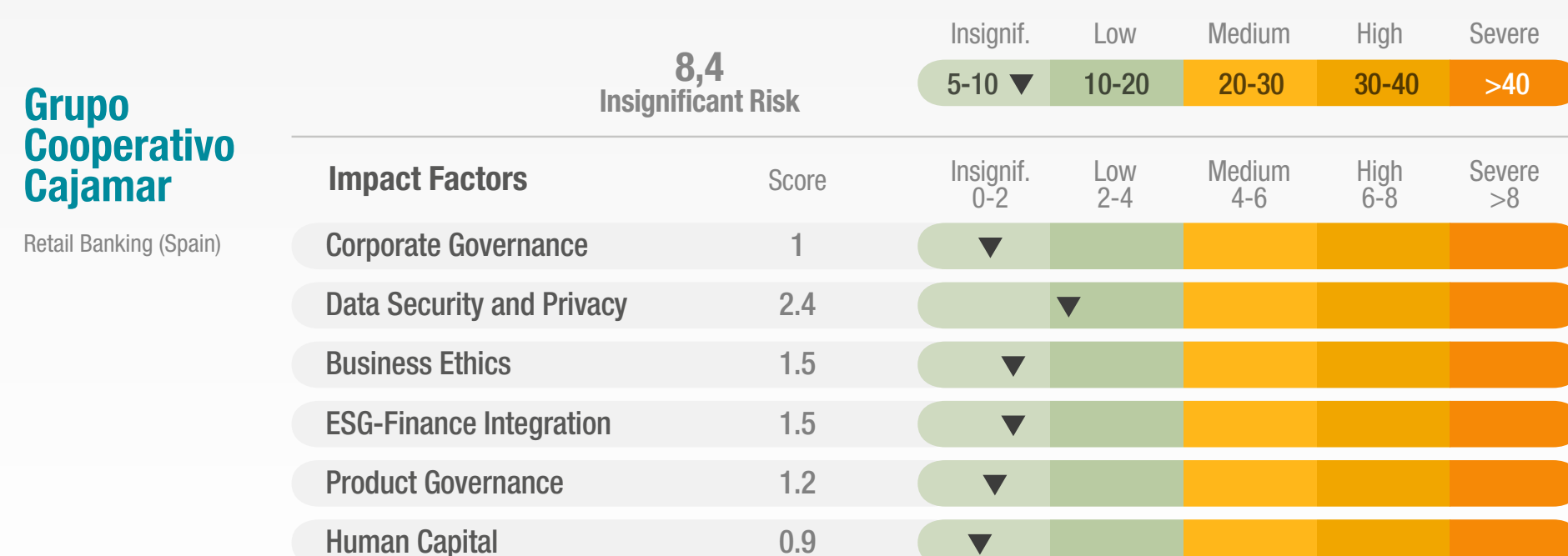




## Outstanding ESG Risk Management

### 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.

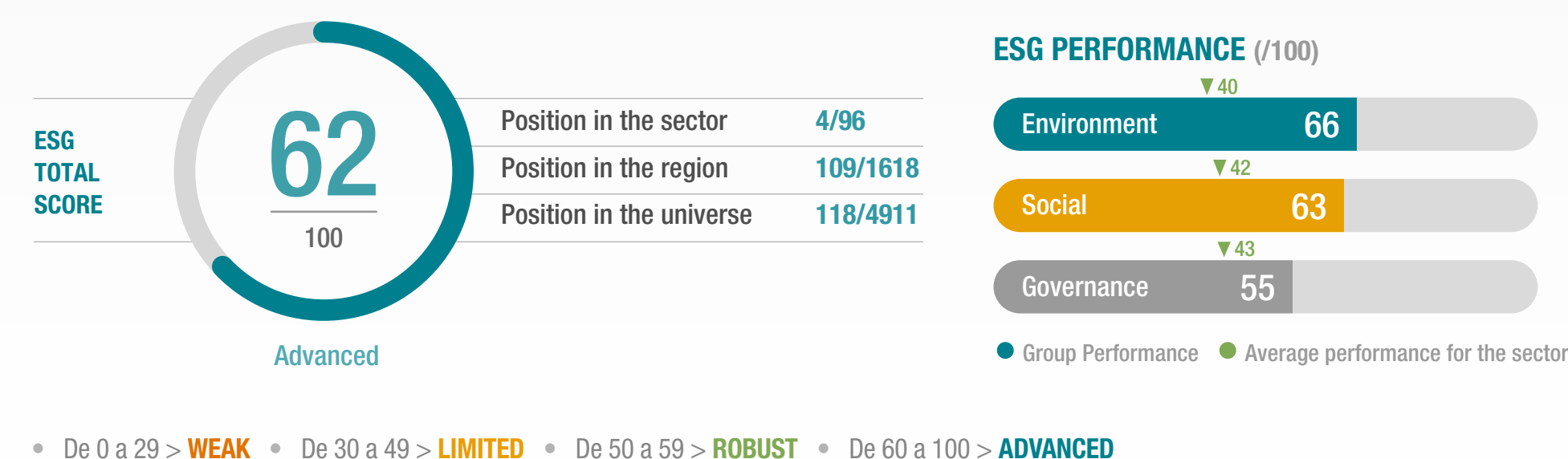


The Agency has defined the robustness of ESG risk management through the analysis of six areas of action in our business: Data Security and Privacy; Business Ethics; ESG-Finance Integration; Product Governance; Corporate Governance and Human Capital

### 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.



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.

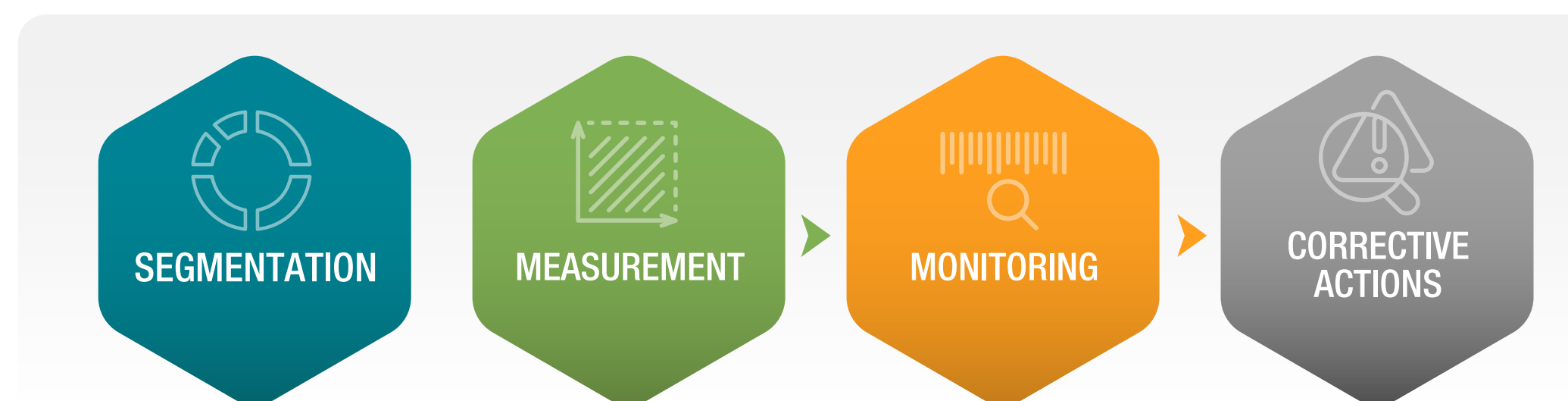
- **Monitoring and control of environmental risks**

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:

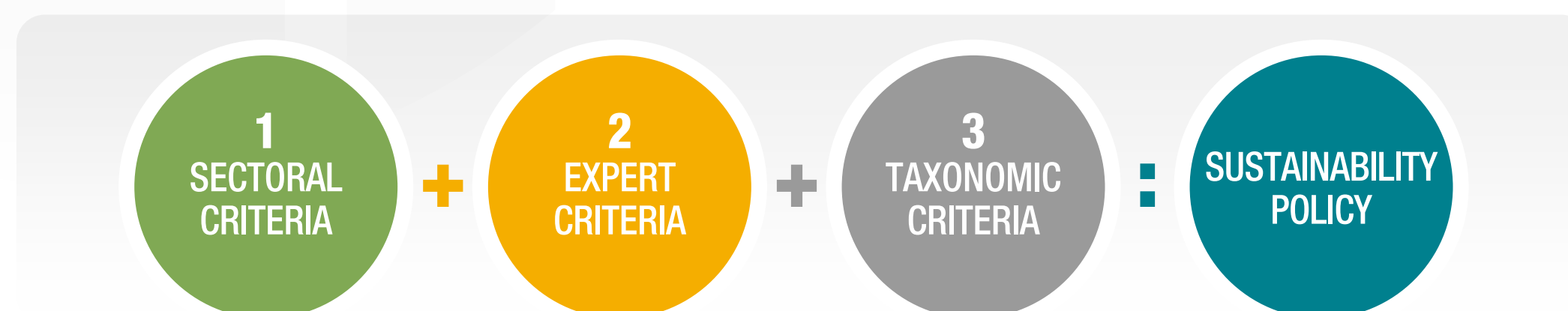
- The Sustainability Policy defined for a borrower is an instrument designed to facilitate the reorientation of investments to more sustainable projects in order to accelerate the decarbonisation of its portfolio. Its application is the result of the combination of 3 different criteria.

**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.



**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.



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.





## Main indicators and metrics

### Concentration Metrics

- Indicator of concentration in carbon intensive sectors

**1.11 %**  
It expresses the proportion of the portfolio linked to economic or professional activities with a high intensity emissions rating. Looking at the CO<sub>2</sub>e/VAB emissions ratio, according to INE data, each CNAE sector is assigned an emissions rating in five categories, ranging from Low to High.

Durante 2022, el indicador ha oscilado entre 1,22% y 1,11%, por lo que sus variaciones no son significativas. El grueso de la cartera del Grupo se concentra en sectores con intensidad de emisión baja (en torno al 72 %).



- Indicator of concentration in sectors depending on environmental risks (Ecorating)

**5.39 %**  
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.



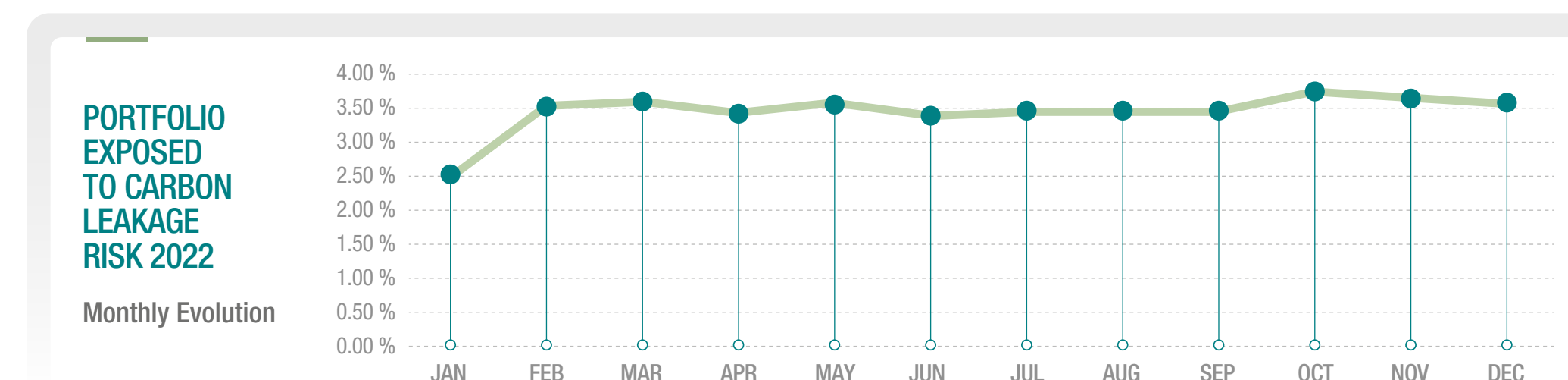
- Indicator of concentration in critical sectors

**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%.



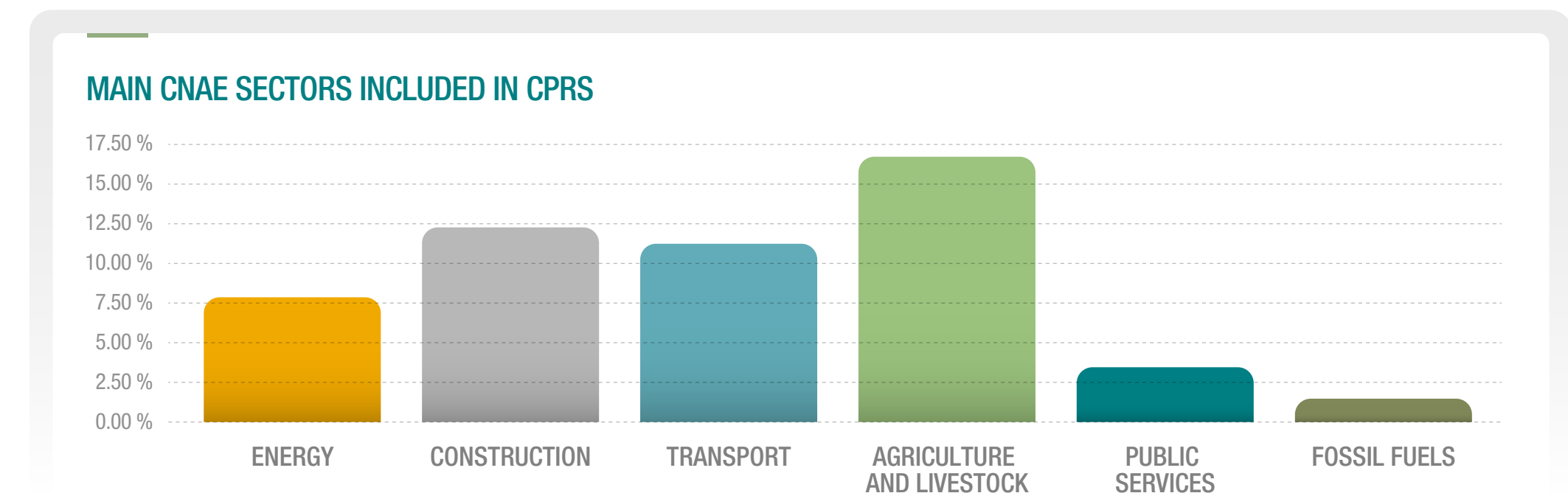
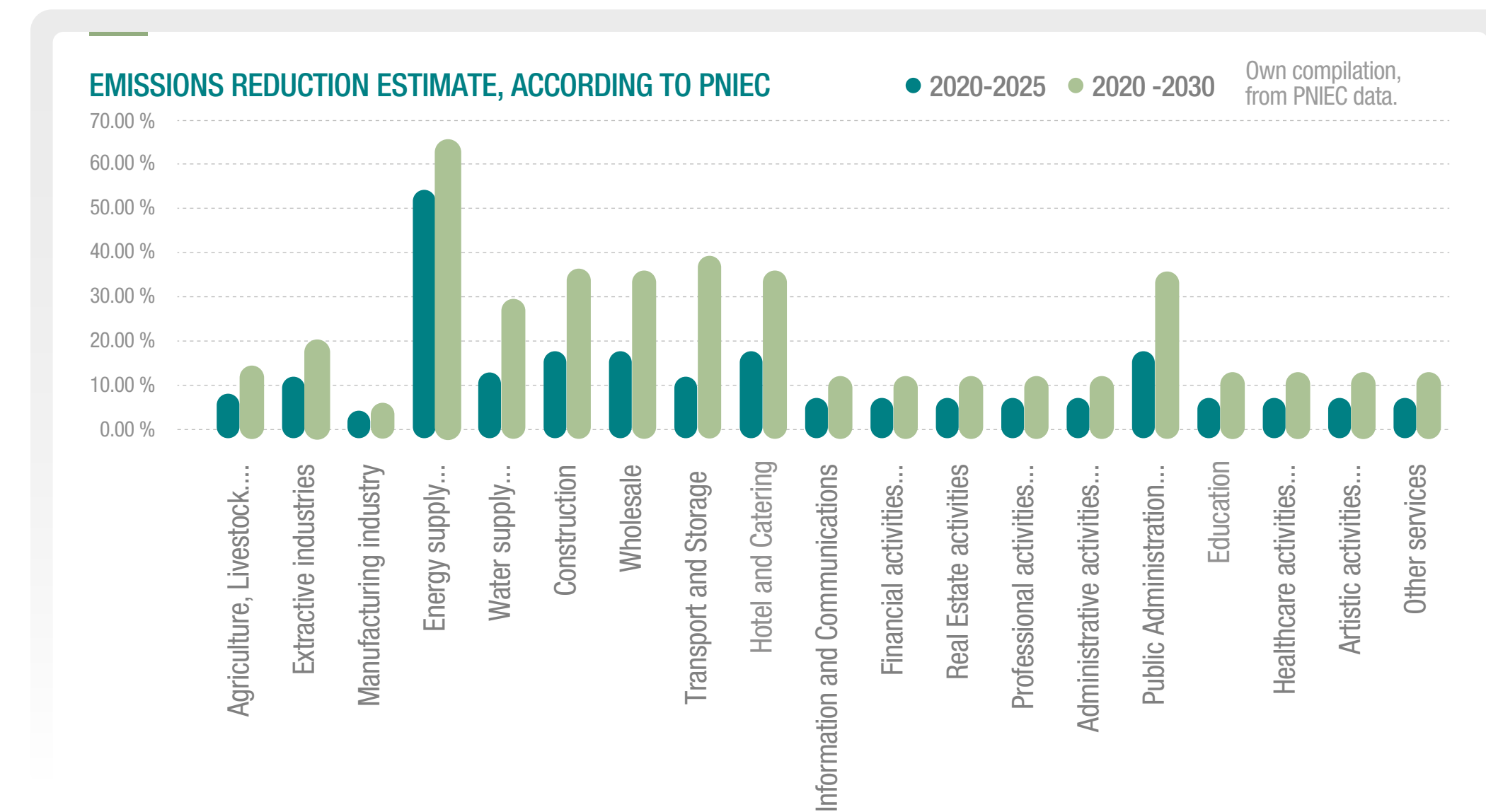
## Sectoral Impact and Portfolio Metrics

- **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 PNI EC. 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.

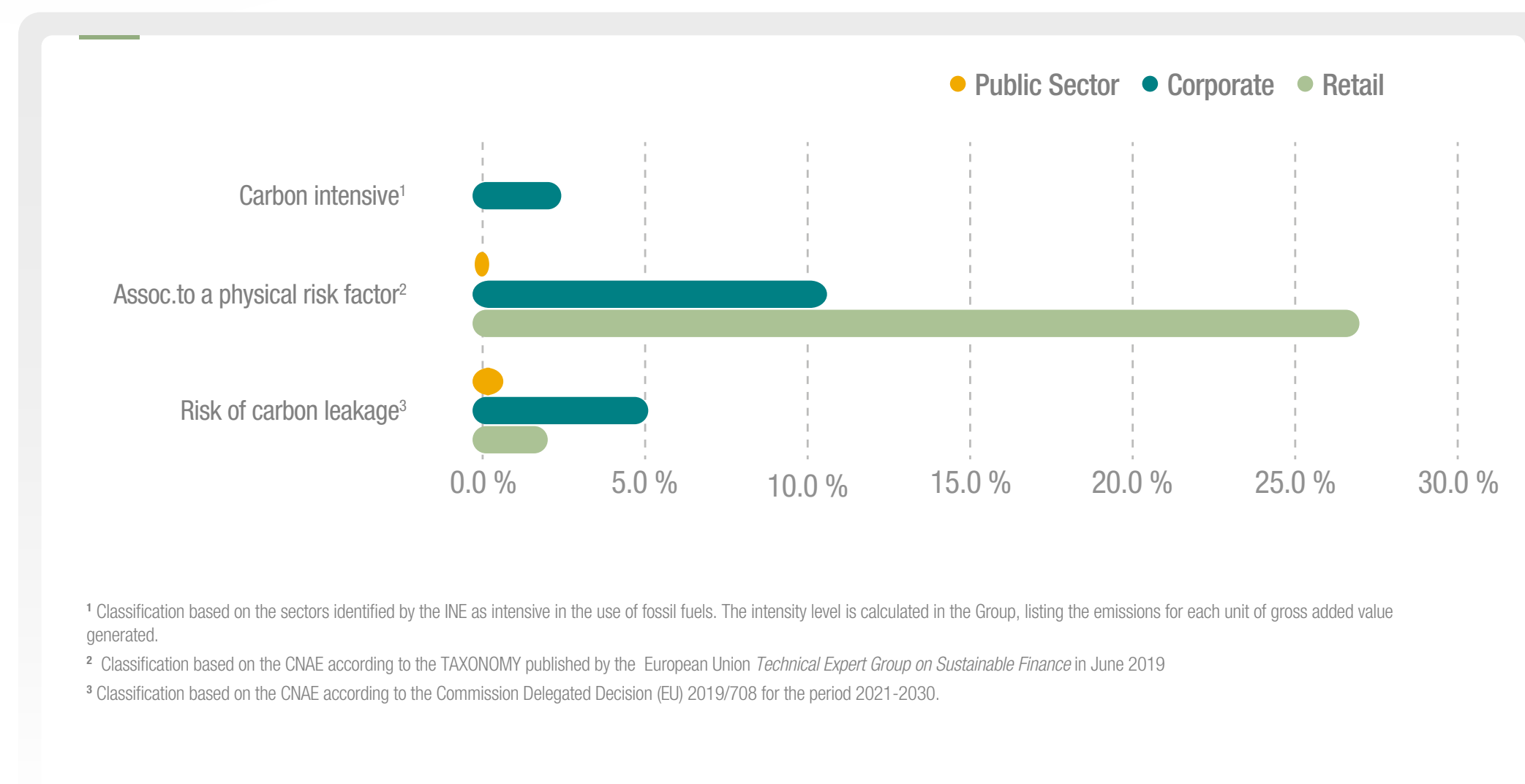
- **Climate Policy Relevant Sectors (CPRS)**

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.



• **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.



**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 %

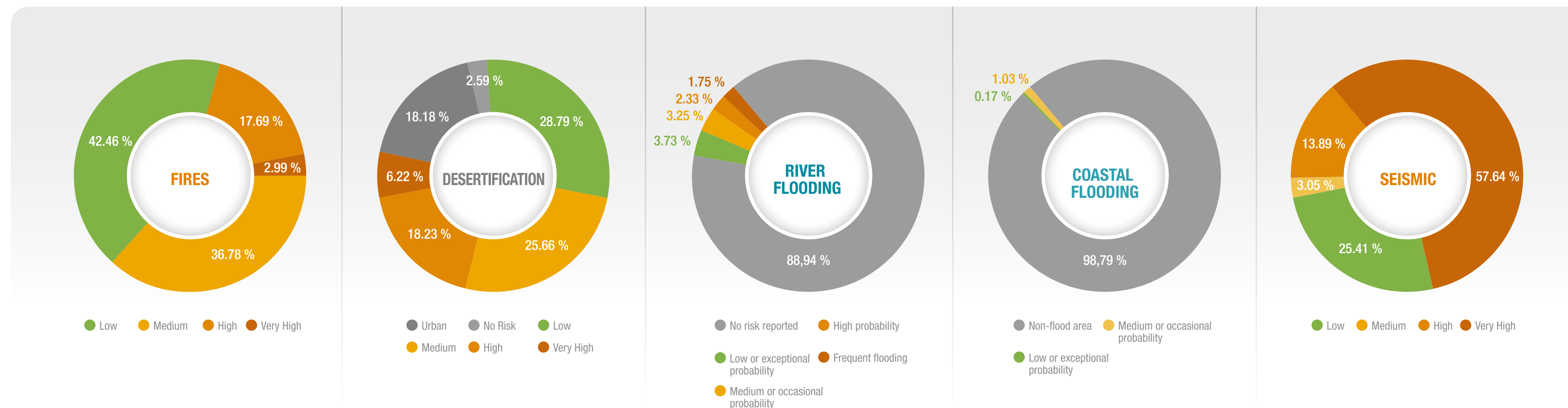


## Physical Risk Metrics

### • 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 phenomena. 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:

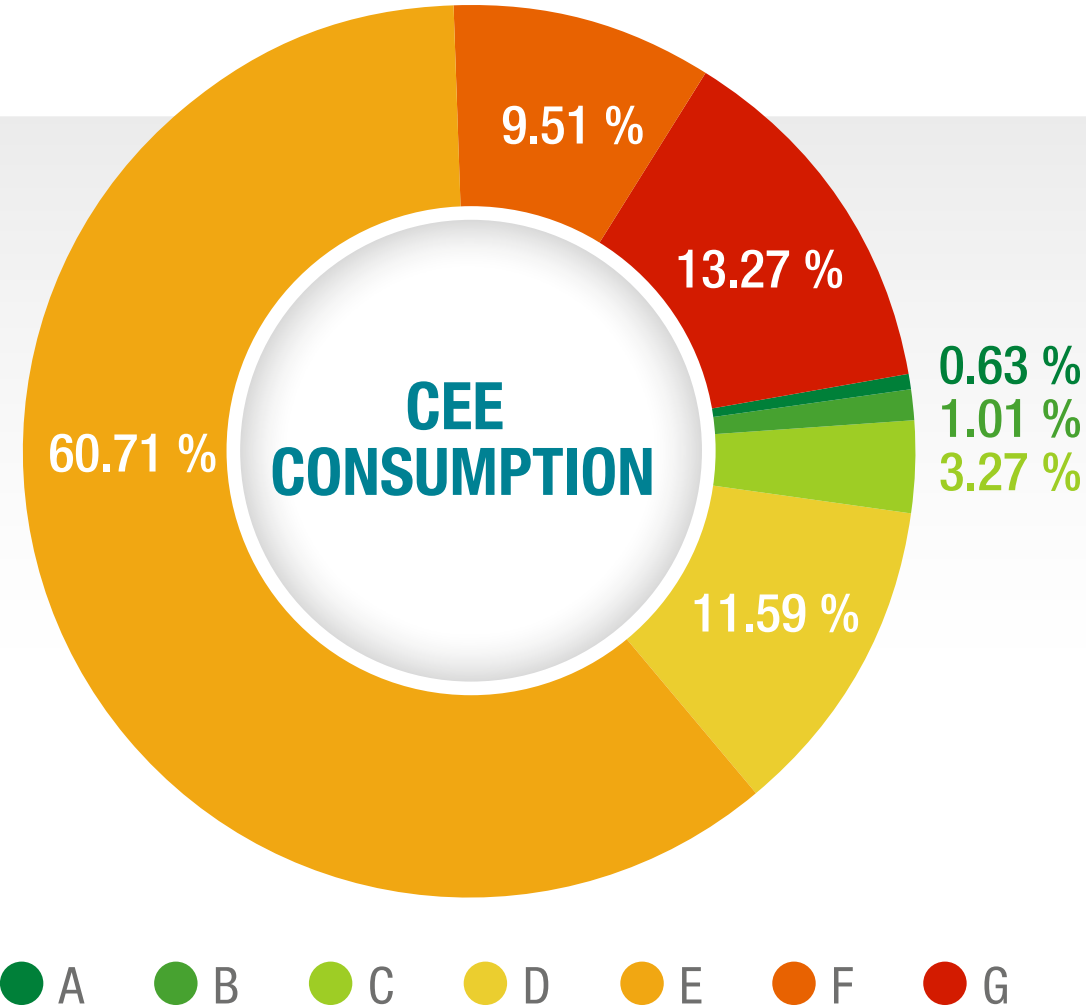


1) In the process of identifying the Group's mortgage portfolio, 69 % were reported, whereby the remainder are pending for different reasons.  
2) Physical risks are determined by MITECO (Ministry for Ecological Transition) and have been evaluated by an external provider of appraisal services (Appraisal 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.

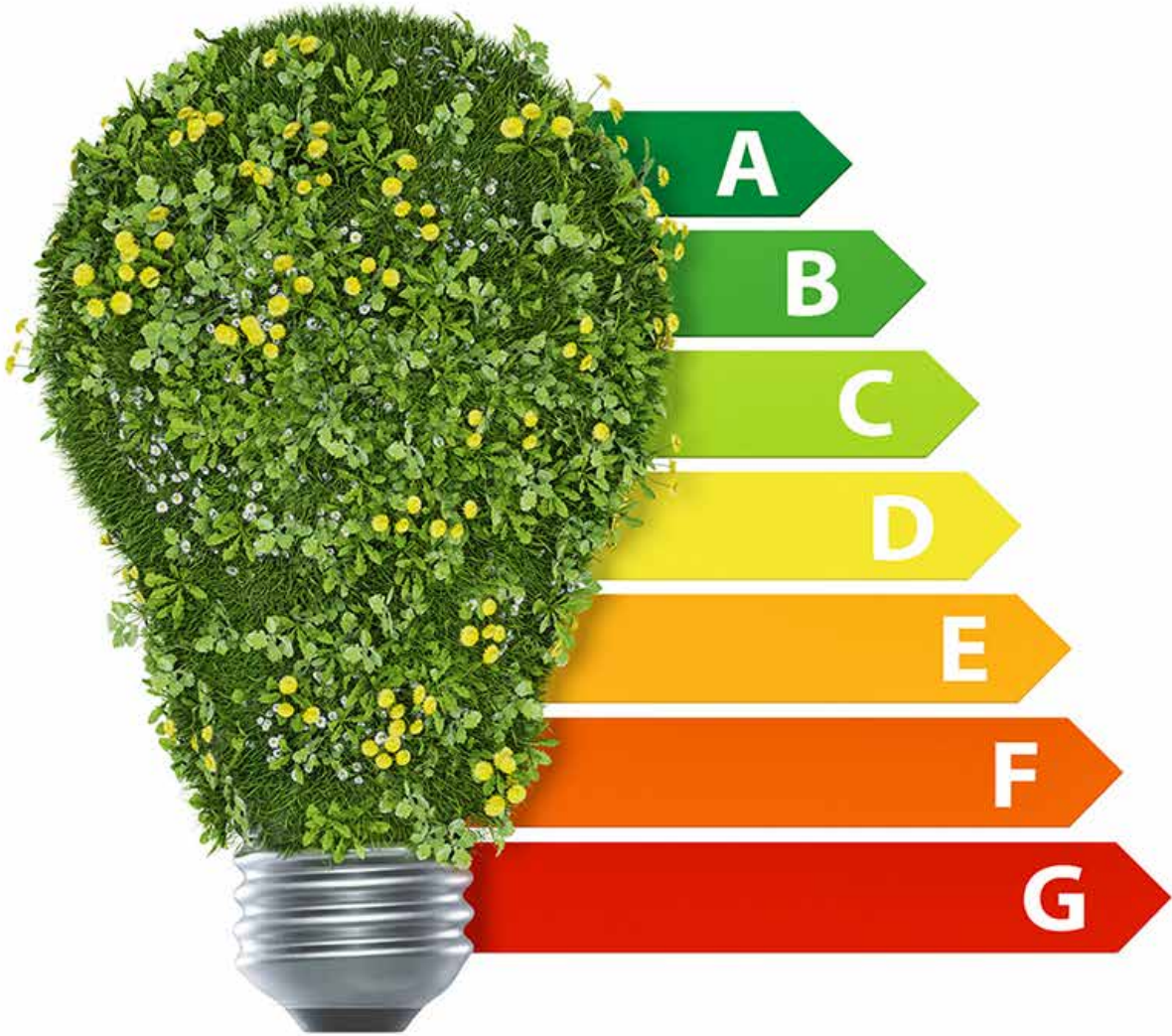
### Transition Risk Metrics

- 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.



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%.



In the process of identifying the Group's mortgage portfolio, 69 % were reported, whereby the remainder are pending for different reasons.



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

One of the human activities most affected by the increase in certain phenomena 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.

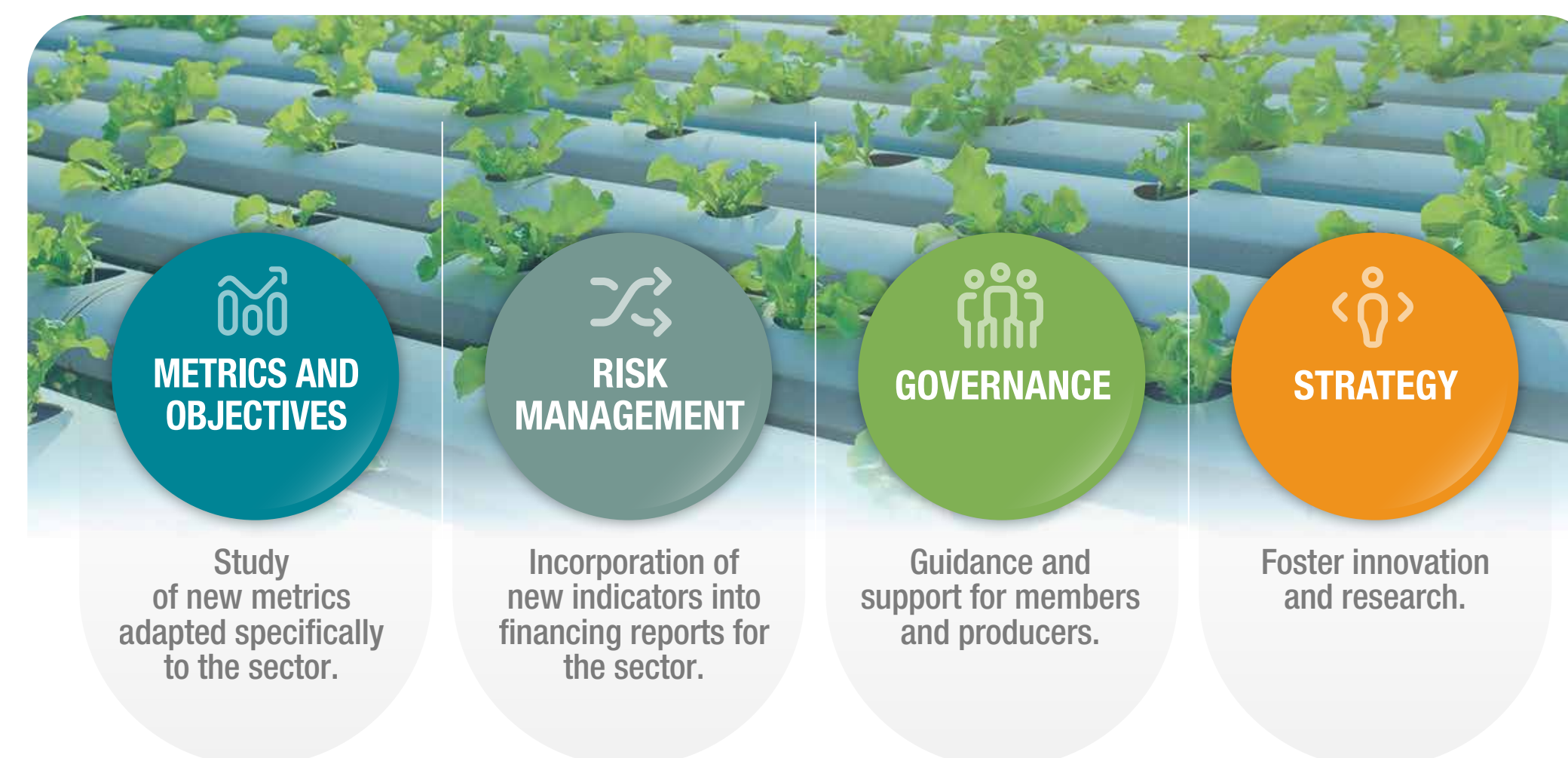
The agri-food sector, one of the driving forces of the Spanish economy, accounting for a significant part of the GDP, is one of the five sectors with the highest export volume. For Grupo Cooperativo Cajamar, this sector is considered strategic, as it has close ties to it and is one of the leading and 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.

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.

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.



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.

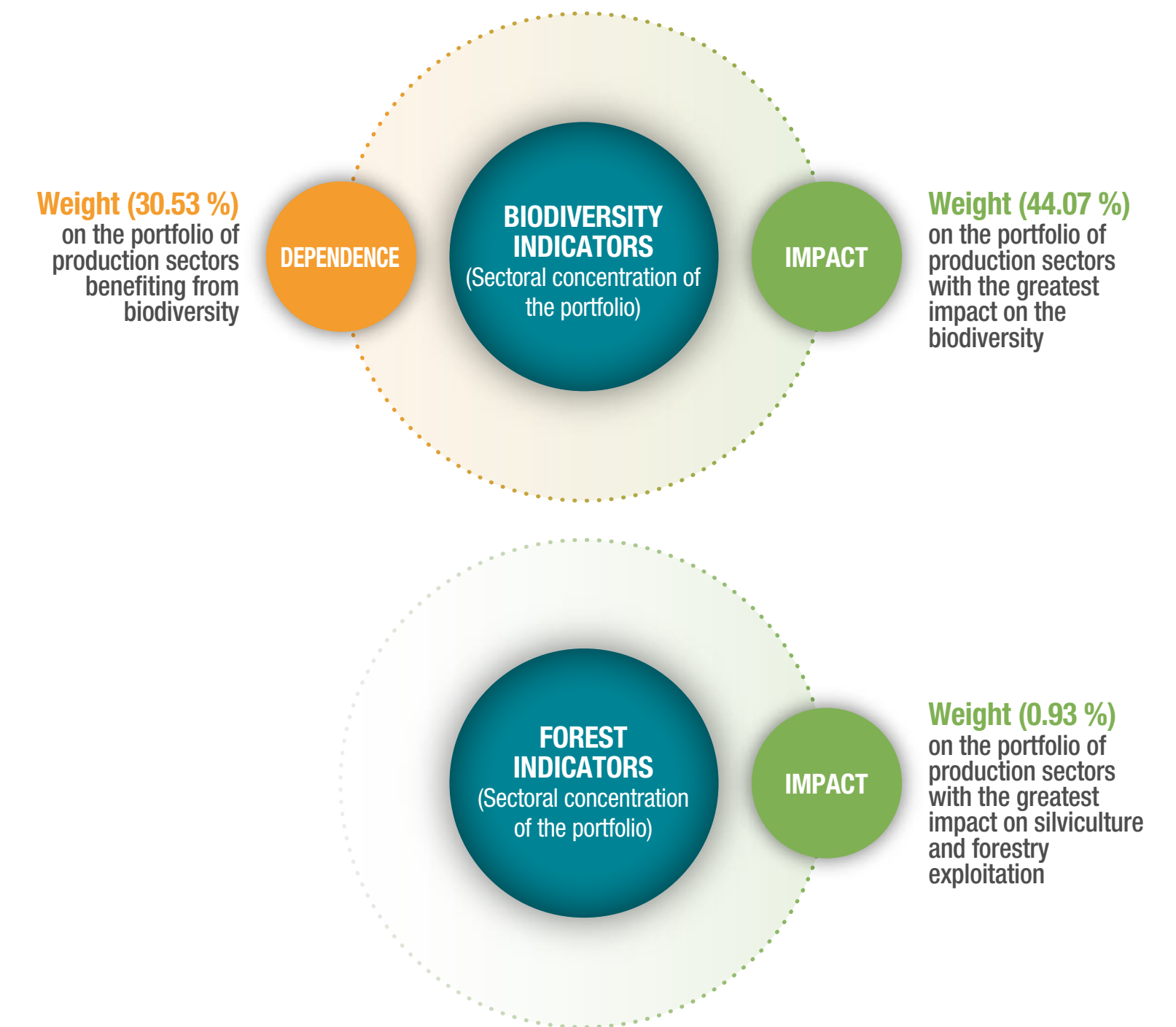


## Biodiversity model and metrics

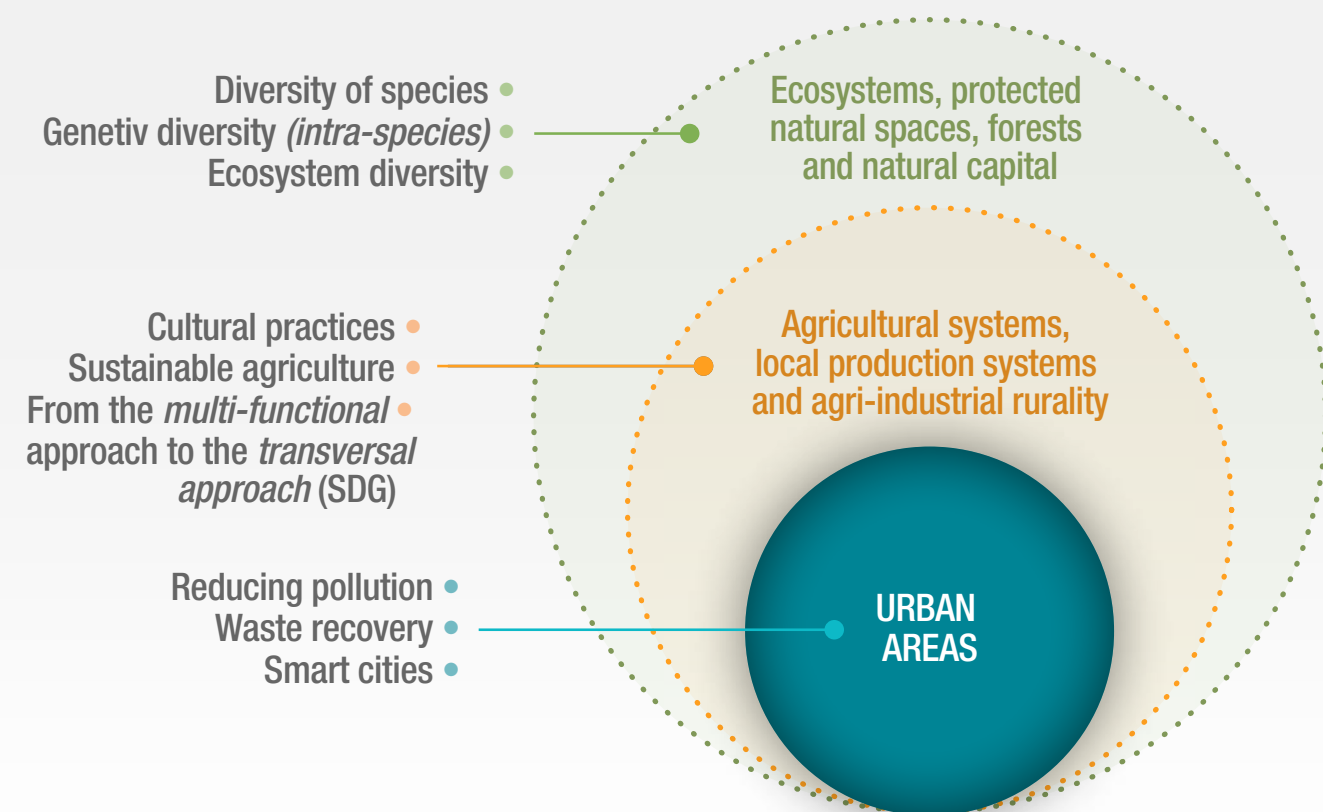
The link between biodiversity and the economic sectors may be established by two channels: by their dependence on it or by the impact on them of its loss. Some economic sector, in particular, are critically linked to the biodiversity through two channels: dependence and impact. A clear example of this 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.

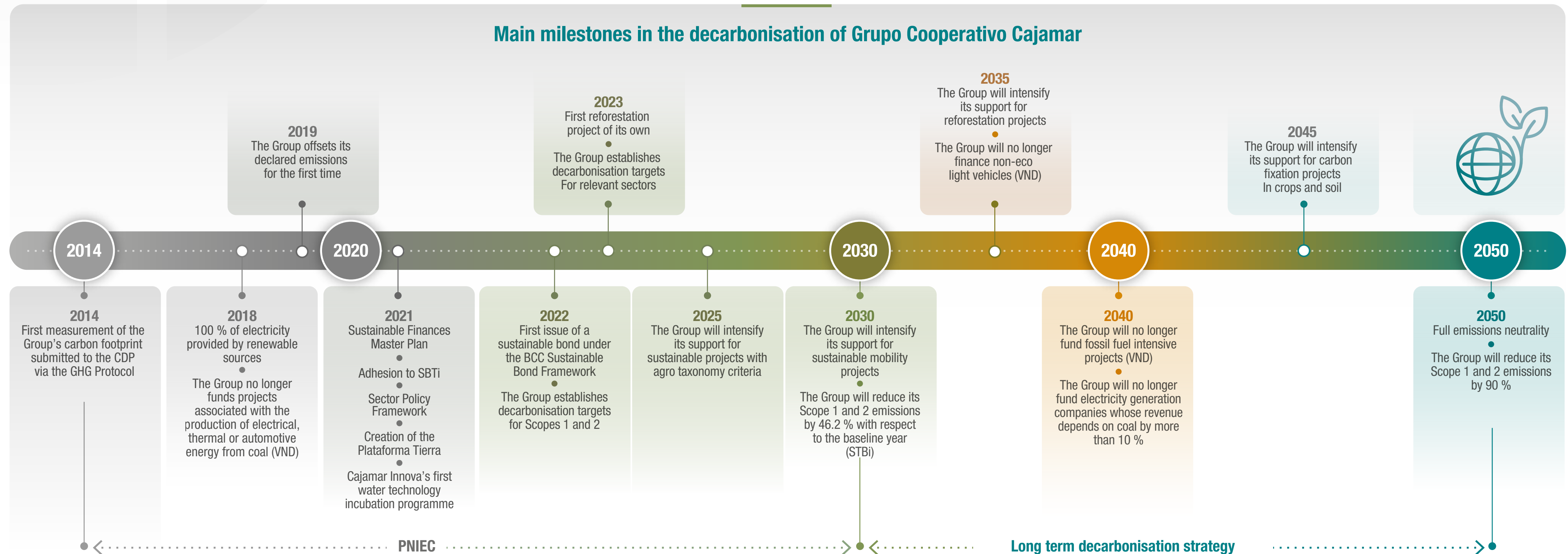
#### GRUPO CAJAMAR BIODIVERSITY MODEL

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).



# Committed to the future: climate neutrality by 2050

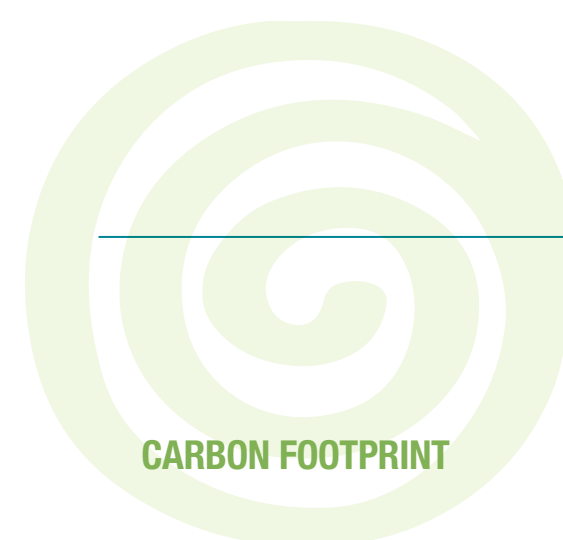
## Main milestones in the decarbonisation of Grupo Cooperativo Cajamar



## 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 neutral	% emissions reduced	3 %	
	% emissions offset <sup>1</sup>	100 %	
Employee travel	% reduction in employee travel using their own vehicles, trains and planes	10 %	
	% hybrid vehicles (leased vehicles) <sup>2</sup>	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



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	
<b>Scope 1 and 2</b>	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.	% portfolio covered by the objective
<b>Scope 3</b>	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	
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 3.16°C of its baseline to 2.40°C by 2030. The Group undertakes to align the temperature of its Scope 1.2 and 3 portfolio from 3.2°C of its baseline to 2.56°C by 2030.	67%

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



# Sustainable Finances Master Plan

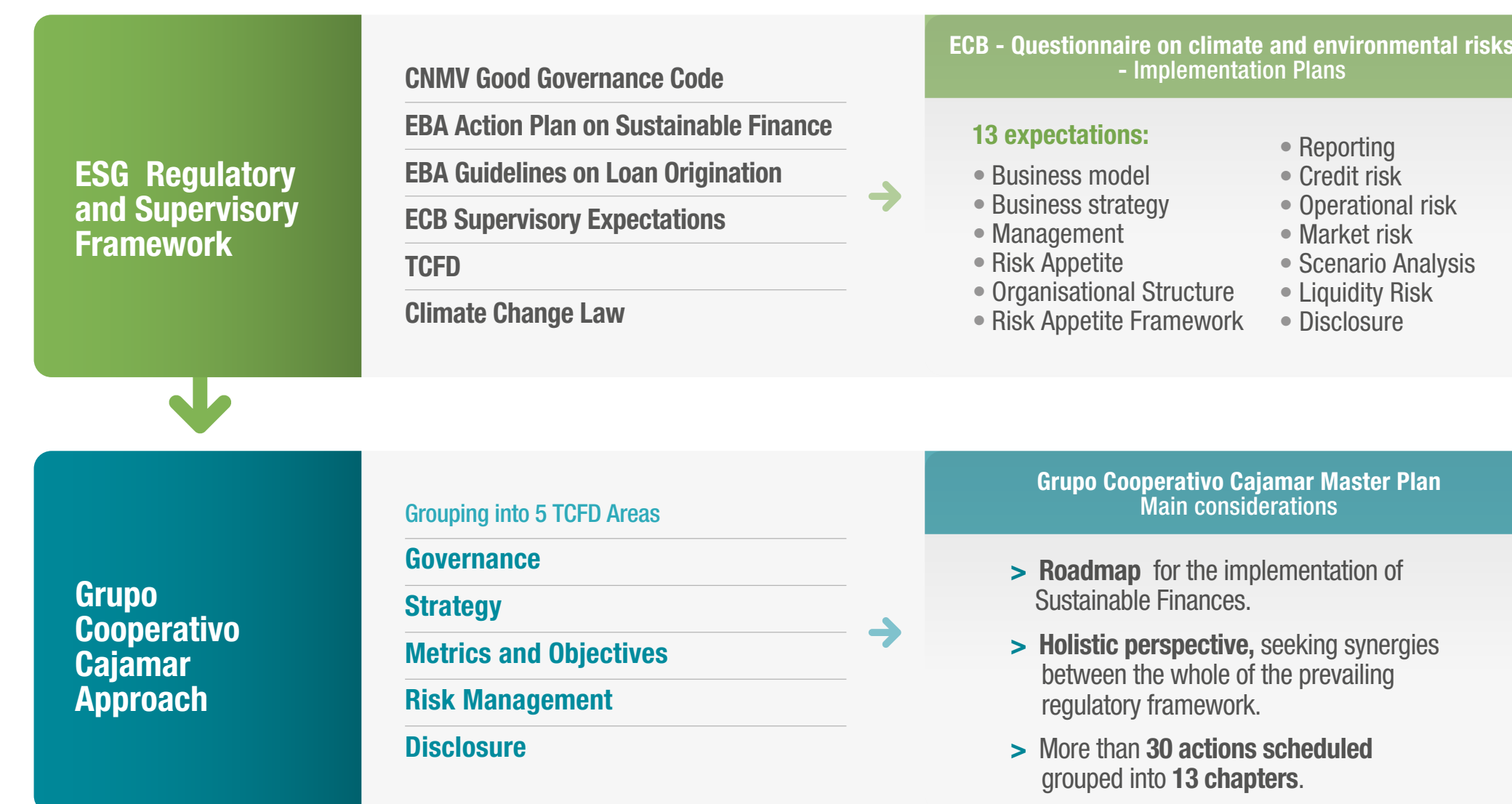
For Grupo Cooperativo Cajamar and the rural savings banks that form part of it, sustainability is the backbone of their activity, intrinsically linked to their origins and the vocation with which each of them was set up.

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<sub>2</sub> 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



The sustainable finances regulation seeks to generate an impact on the real economy through the financial system 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.



## 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 decarbonisation 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

# 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



<b>INFORMATION</b>	<ul style="list-style-type: none"> <li>Creation of the <b>ESG internal certification Advanced Level</b>.</li> <li><b>Training of analysts in climate risks</b> and other ESG aspects.</li> </ul>	<b>SECTORAL FRAMEWORK POLICY</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<b>BUSINESS MODEL AND STRATEGY</b>	<ul style="list-style-type: none"> <li><b>Definition of decarbonisation objectives</b> based on the PCAF methodology</li> </ul>
<b>MATERIALITY ANALYSIS</b>	<ul style="list-style-type: none"> <li><b>Approval of the materiality analysis</b> that includes the potential impact of the climate factor on conventional risks.</li> </ul>	<b>SUSTAINABLE BOND FRAMEWORK</b>	<ul style="list-style-type: none"> <li><b>First issue of social debt</b>, under the Sustainable Bond Framework.</li> </ul>	<b>MODEL FOR THE CALCULATION OF DECARBONISATION COSTS</b>	<ul style="list-style-type: none"> <li>Development of the <b>model for the calculation of the decarbonisation costs</b> of the Group's borrowers.</li> </ul>
<b>CLIMATE FACTORS IN STRESS TEST</b>	<ul style="list-style-type: none"> <li>Definition of the <b>climate scenarios and stress test</b>.</li> </ul>	<b>INCLUSION OF RAF SUSTAINABILITY INDICATORS</b>	<ul style="list-style-type: none"> <li>Incorporation of the <b>Sustainalytics Rating</b>.</li> <li>Work is being carried out on the <b>incorporation of other metrics</b>.</li> </ul>	<b>INTERNAL AUDIT OF ESG RISKS</b>	<ul style="list-style-type: none"> <li>Creation of the <b>ESG Risks Audit Office</b></li> </ul>
<b>GOVERNANCE</b>	<ul style="list-style-type: none"> <li><b>Allocation of functions and roles</b> to all organisational units that are involved in the management of ESG aspects.</li> <li><b>Incentives</b>. 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.</li> </ul>	<b>SUSTAINABILITY REPORT IN LARGE OPERATIONS</b>	<p>For all operations &gt; € 3 Million:</p> <ul style="list-style-type: none"> <li><b>Homogenisation of the risk</b> reports and incorporation of new indicators into the analysis.</li> <li><b>Individual analysis of each customer</b> and consideration of specific performance in terms of ESG.</li> </ul>	<b>QUALITY AND PROCESSING OF ESG DATA</b>	<ul style="list-style-type: none"> <li><b>Development of the methodology for the measurement of the carbon footprint</b> and extension of the categories included in their disclosure.</li> <li><b>Development and implementation of the Sustainability Datamart (DM)</b> for the systematic input of ESG data in corporate information systems.</li> </ul>

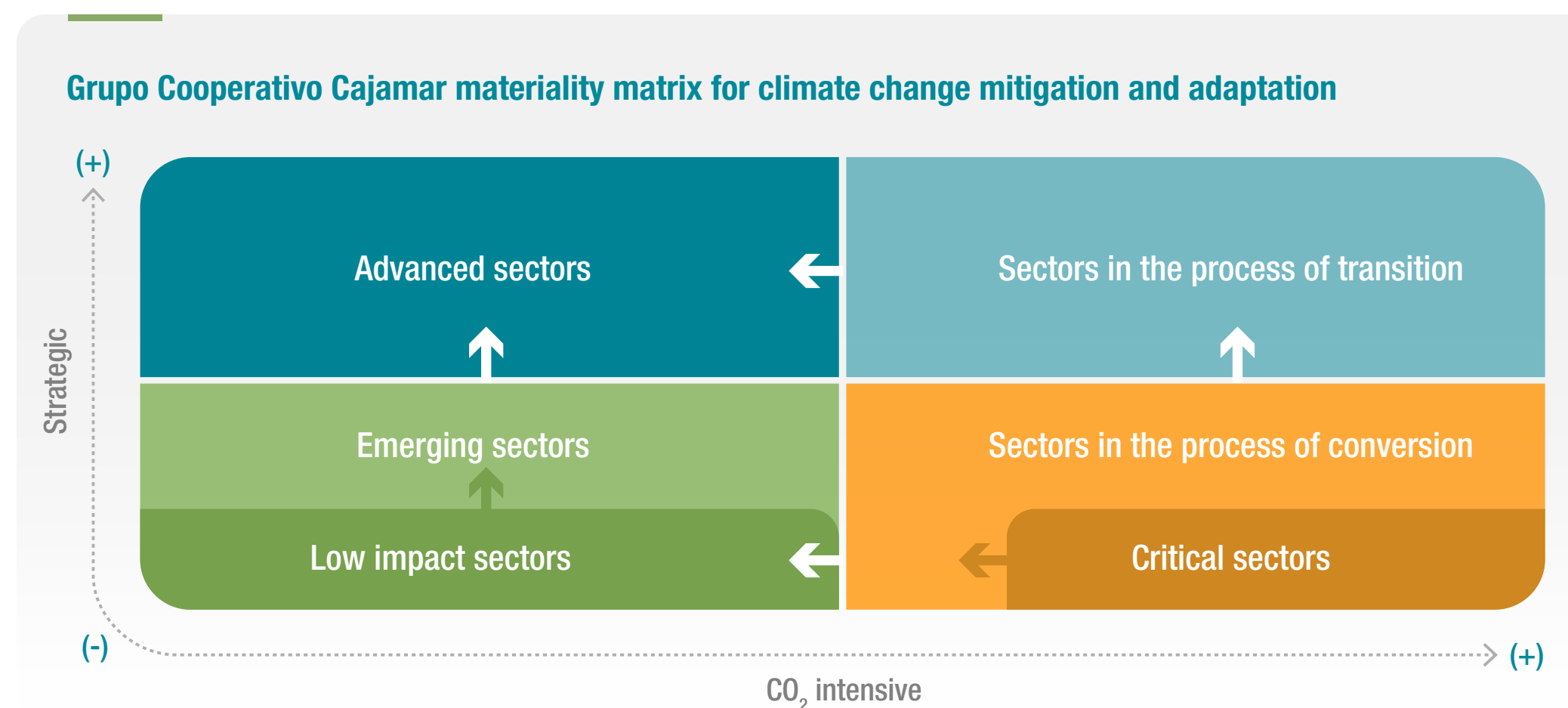


## Sectoral Policy

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.



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

	SCOPE	STRATEGY
<b>Advanced sectors</b>	This would include sectors that are strategic to the entity and have low carbon intensity ( <i>weighted average carbon intensity, WACI</i> ). 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 <i>green asset ratio</i> (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.
<b>Sectors in Transition</b>	This would include sectors that are strategic to the entity and have high carbon intensity ( <i>weighted average carbon intensity, WACI</i> ). 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 <i>green asset ratio</i> (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.
<b>Low Impact Sectors</b>	This would include sectors that are not de facto 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 strategic 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.
<b>Critical Sectors</b>	This would include sectors that are not de facto strategic to the entity, but which have high carbon intensity ( <i>weighted average carbon, WACI</i> ). 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.



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 (greenhouse 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 Taxonomia:** 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<sup>1</sup>, their association to at least one physical risk factor<sup>2</sup> and the classification as an activity at risk of carbon leakage<sup>3</sup>.

### 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.

<sup>1</sup> 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.

<sup>2</sup> Classification based on the CNAE according to the TAXONOMY published by the European Union *Technical Expert Group* on Sustainable Finance in June 2019

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



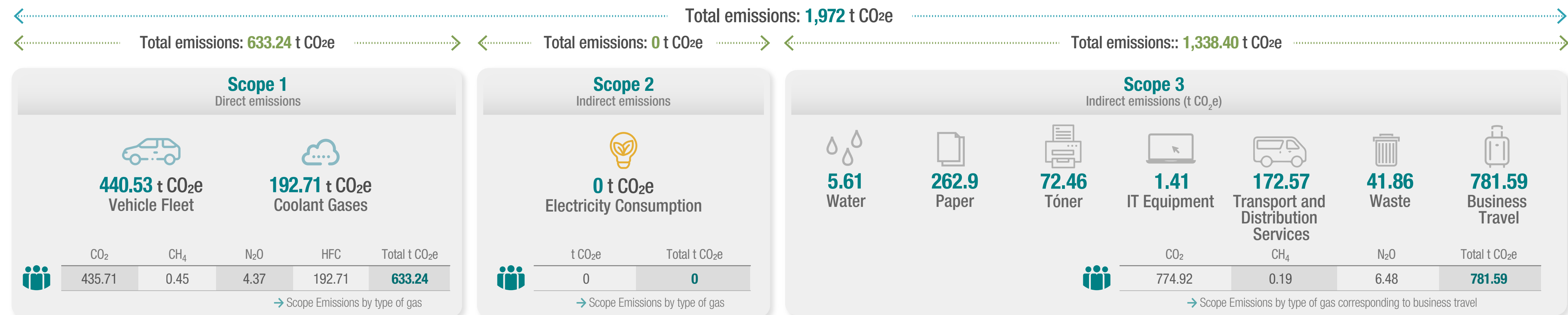


## Carbon Footprint Management.

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



\* 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 <sub>2</sub> e*
R407C	13.8	22.44
R410A	88.5	170.27
<b>Total</b>	<b>102.3</b>	<b>192.71</b>

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

#### • Intensity of tCO<sub>2</sub>e emissions in 2022 over the number of employees

	t CO <sub>2</sub> e*
Direct Scope 1	0.10
Indirect Scope 2	0
Indirect Scope 3	0.22
<b>Total emissions:</b>	<b>0.32</b>

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

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

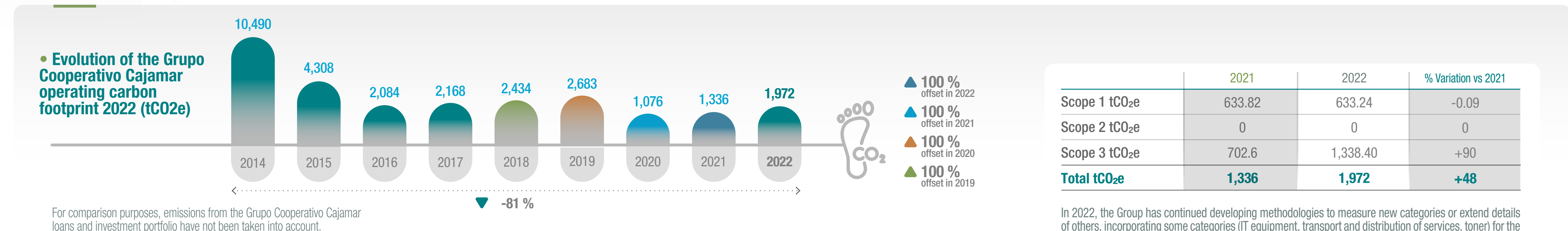
The Group's emissions have been calculated based on the gross sum in the books at 31/12/2022

\* 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.



## Offsetting of CO<sub>2</sub>e emissions

In 2022, the Group has yet again offset 100% of its operating emissions, more specifically, the 1.336 t of CO<sub>2</sub>e emitted and identified in 2021 through the Conservation of Madre de Dios in Peru 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<sub>2</sub> 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 t CO<sub>2</sub>e 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.







### 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).



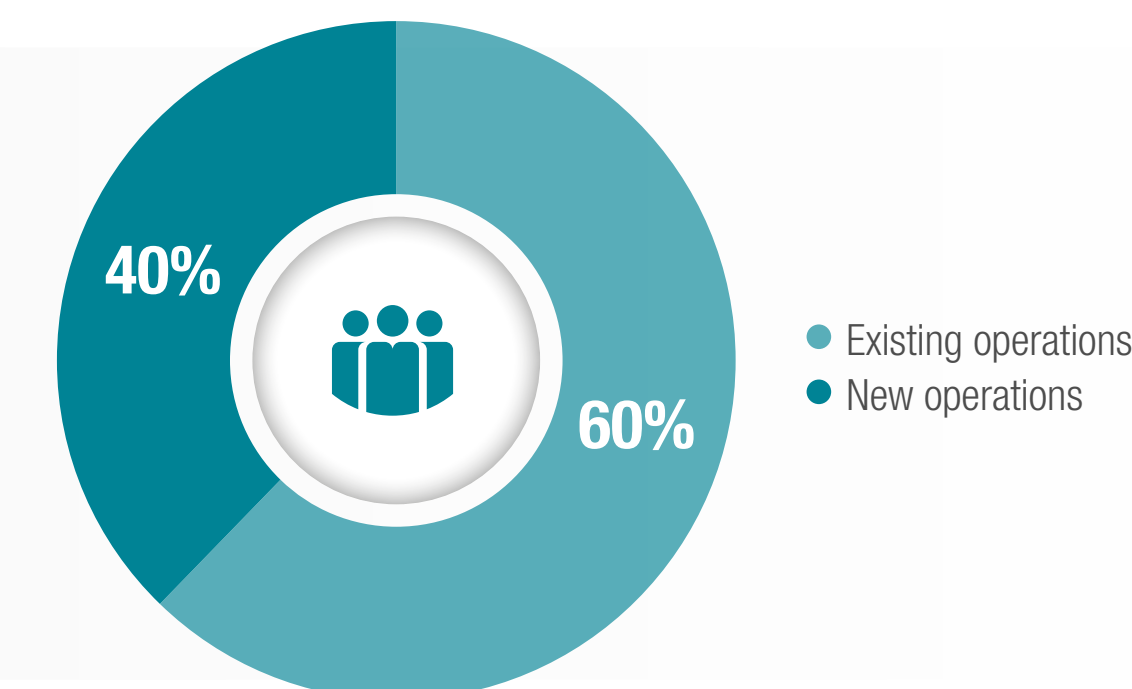
## Grupo Cooperativo Cajamar releases its first issue of social bonds

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

#### Social Economy <sup>(1)</sup>

#### Beneficiaries

Cooperatives, labour companies, mutual associations, associations of fishermen, special job centres and insertion companies.

#### Sustainable Development Goals



#### (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.

#### Low performance Populations <sup>(2)</sup>

Families, self-employed workers and companies located in these territories.



#### (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<sup>2</sup> or less and /or municipalities of less than 10,000 inhabitants located in provinces with an unemployment rate above the Spanish average.

# 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**.





# 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 the 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 | 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	
<b>Total 2022</b>	<b>97</b>	<b>12,374</b>	<b>9,644</b>	
Total 2021	102	14,367	8,063	
<b>Variation 2022/2021</b>	<b>-5 %</b>	<b>-14 %</b>	<b>20 %</b>	

## • VISITS | Experimental Centres

	Organised Visits	Visitors
Cajamar Experimental Station (Almería)	106	1,140
Cajamar Experiences Centre (Valencia)	51	885
<b>Total 2022</b>	<b>157</b>	<b>2,025</b>
<b>Variation 2022/2021</b>	<b>15 %</b>	<b>17 %</b>

## Studies and Publications

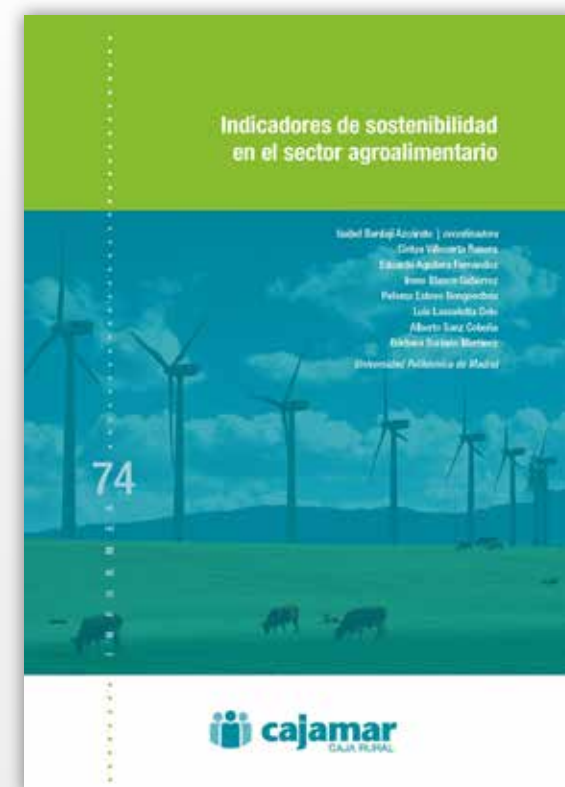
The Grupo Cajamar editorial collection is one of the most important agri-food libraries in Spain, with an extensive catalogue of references that can be accessed in digital format and free of charge via the website. Sectoral studies, irrigation management and sustainable crop management are the main cross-cutting 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.

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.

### Publications 2022

### 7 Monographs



Sustainability indicators in the agri-food sector



The dairy sector in Spain



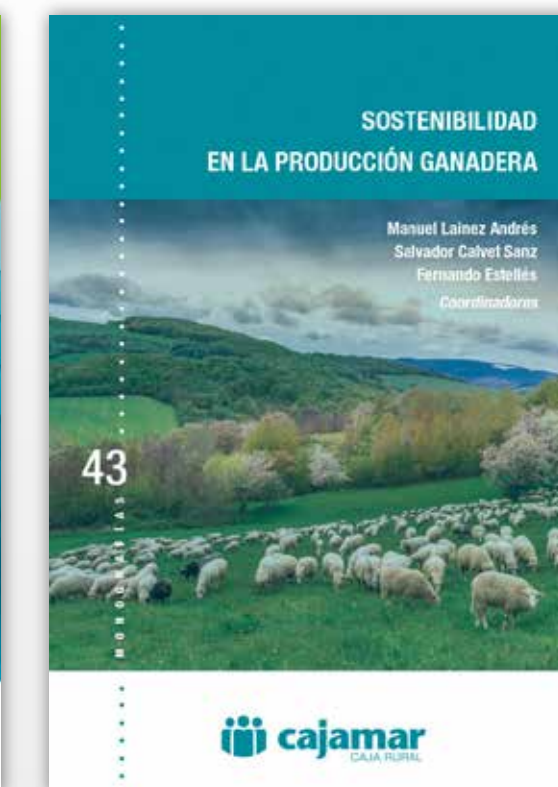
Observatory for the Digitalisation of the agri-food sector



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





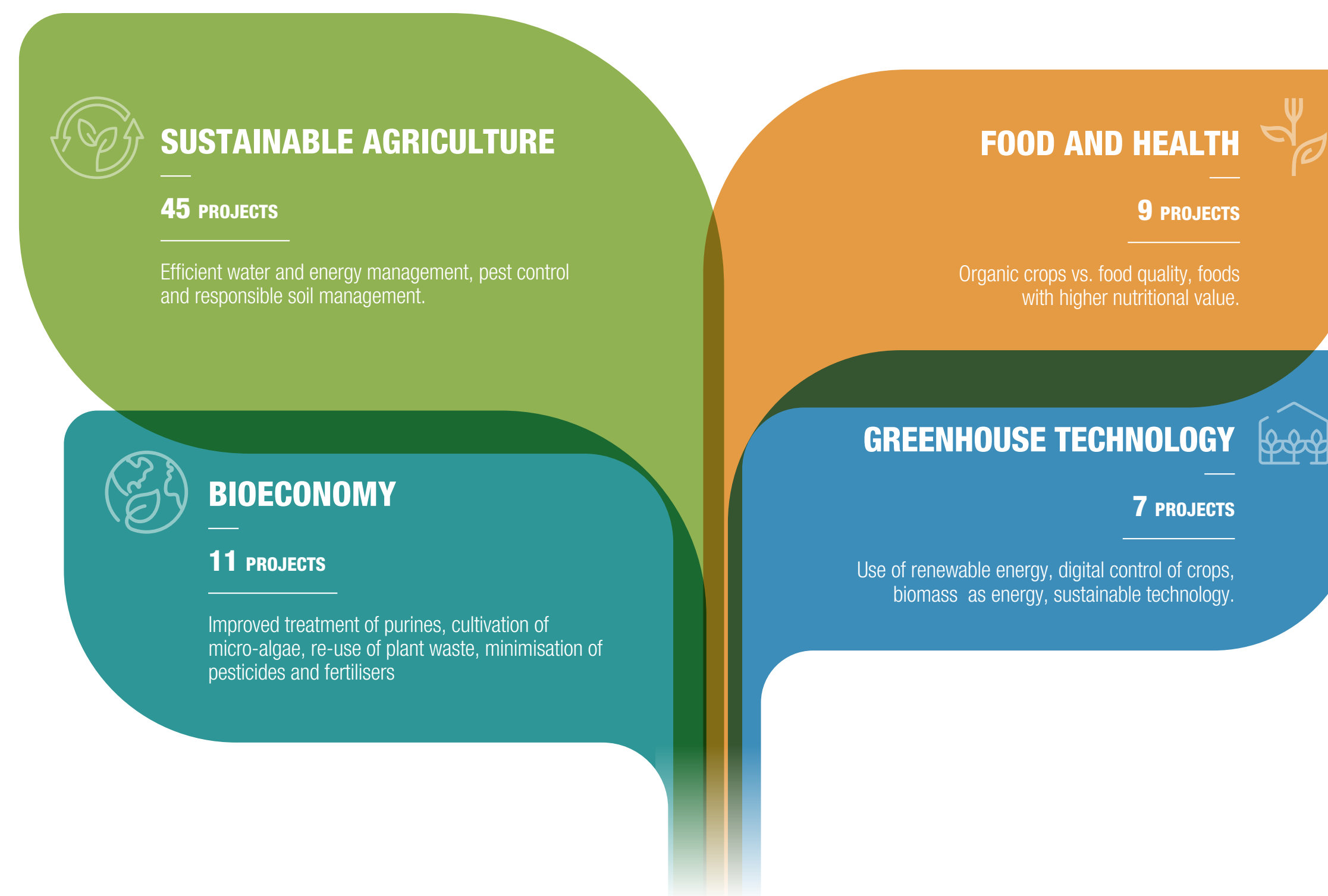
## Experimental Centres

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 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



## 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"



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.





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)”



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”





# Some research projects with participation of Cajamar

## Development of agricultural technologies to a more sustainable production

<b>DisEñ EN and PlantEN</b>	Advisory and help for the farmer to implant hedgerows with native plants to house an auxiliary fauna that keeps plagues at bay	
<b>Bioprim</b>	Development of innovative bio-based active ingredients for application in agriculture	
<b>Bacagro</b>	Production of bacteria for agricultural use as soil fertility improvers and protective agents against phytopathogens	
<b>Comfort</b>	Development and of functional composts equipped with properties of high agronomic value from agricultural waste from pruning and juice industry	

## Circular bioeconomy, internet, protein crops

<b>Biovege</b>	Higher value products made from vegetable agricultural waste	
<b>Biorefina</b>	Small-scale biorefinery for in situ application in rural environments with mixed agricultural and livestock activity	
<b>IoF</b>	Internet of Food and Farms 2020 aims to develop solutions for the Internet of Things for the agri-food sector	
<b>Alternative crops</b>	Search for new crops adapted to the climate of the Mediterranean arc, healthier for the consumer	



## Some ongoing research Projects

Working hard for a more sustainable agriculture



### Cosmocel1

Reduction in salinity  
and sodicity in soil



### Eurochem

Evaluation of the use  
of fertilizers with the  
nitrification inhibitor  
DMPP and  
biostimulants



### Circular economy in agriculture

Study and evaluation  
of different agricultural  
production strategies  
within a circular  
economy



### Bioproducts

Evaluation and study  
of different bioproducts  
on improving crop  
sustainability and  
agricultural soil biology



### Algae4Control

Production of  
biopesticides from  
cyanobacteria for use  
in agriculture



### Purasol

Optimisation of  
microalgae slurry  
treatment for the  
production of  
biofertilisers and  
aquaculture feed

## Most significant figures (I)

(EUR Thousands)	31/12/2022	30/09/2022	31/12/2021	y-o-y		q-o-q	
				Abs.	%	Abs.	%
<b>PROFIT AND LOSS ACCOUNT</b>							
Net interest income	702,878	496,437	672,414	30,464	4.5 %		
Gross Income	1,074,148	836,324	1,370,736	(296,588)	(21.6 %)		
Net Income before provisions	471,443	387,784	776,490	(305,047)	(39.3 %)		
Profit before tax	73,224	83,928	77,815	(4,591)	(5.9 %)		
Consolidated Net profit	80,001	78,862	62,626	17,376	27.7 %		
<b>BUSINESS</b>							
Total Assets	62,314,492	63,273,138	58,513,026	3,801,466	6.5 %	(958,646)	(1.5 %)
Equity	3,852,887	3,813,171	3,594,866	258,021	7.2 %	39,716	1.0 %
On-balance sheet retail funds	40,249,522	40,851,217	38,740,365	1,509,157	3.9 %	(601,695)	(1.5 %)
Off-balance sheet funds	6,445,716	6,161,068	6,404,843	40,873	0.6 %	284,648	4.6 %
Performing Loans	36,542,755	35,581,816	34,273,041	2,269,714	6.6 %	960,939	2.7 %
Gross Loans	37,556,634	36,677,596	35,584,965	1,971,669	5.5 %	879,038	2.4 %
<b>RISK MANAGEMENT</b>							
NPA ratio (gross) (%)	6.39 %	7.21 %	8.49 %	(2.10)		(0.82)	
NPA ratio (net) (%)	2.39 %	2.58 %	3.32 %	(0.93)		(0.19)	
NPA coverage (%)	64.20 %	65.93 %	63.03 %	1.17		(1.73)	
Non-performing loans	1,013,879	1,095,780	1,311,924	(298,045)	(22.7 %)	(81,901)	(7.5 %)
NPL ratio (gross) (%)	2.64 %	2.91 %	3.60 %	(0.96)		(0.27)	
NPL ratio (net) (%)	0.84 %	0.79 %	1.06 %	(0.22)		0.05	
NPL coverage ratio (%)	68.42 %	73.22 %	71.28 %	(2.86)		(4.80)	
Foreclosed assets (gross)	1,482,216	1,668,806	1,867,938	(385,722)	(20.6 %)	(186,590)	(11.2 %)
Foreclosed assets (net)	573,377	648,585	798,805	(225,429)	(28.2 %)	(75,209)	(11.6 %)
Foreclosed assets Coverage ratio (%)	61.32 %	61.13 %	57.24 %	4.08		0.18	
Texas ratio	48.52 %	52.30 %	59.92 %	(11.40)		(3.78)	
Cost of risk	0.87 %	0.94 %	1.41 %	(0.54)		(0.07)	
Cost of credit risk	0.60 %	0.59 %	0.88 %	(0.28)		0.01	




## Most significant figures (II)

(EUR Thousands)	31/12/2022	30/09/2022	31/12/2021	y-0-y		q-0-q		
				Abs.	%	Abs.	%	
<b>LIQUIDITY</b>								
LTD (%)	88.07 %	84.51 %	85.71 %	2.36		3.56		
LCR (%)	148.82 %	160.90 %	206.05 %	(57.23)		(12.08)		
NSFR (%)	128.50 %	139.03 %	138.12 %	(9.62)		(10.53)		
Commercial Gap position	4,910,847	6,477,719	5,695,785	(784,938)	(13.8 %)	(1,566,872)	(24.2 %)	
<b>BUSINESS</b>								
CET1 ratio (%)	13.50 %	13.12 %	13.29 %	0.21		0.38		
Tier 2 ratio (%)	2.41 %	2.40 %	2.42 %	(0.01)		0.01		
Capital ratio (%)	15.91 %	15.52 %	15.71 %	0.21		0.39		
Leverage ratio (%)	5.40 %	5.10 %	5.47 %	(0.07)		0.30		
<b>SOLVENCY FULLY LOADED</b>								
CET1 ratio (%)	13.25 %	12.89 %	12.78 %	0.47		0.36		
Tier 2 ratio (%)	2.41 %	2.40 %	2.42 %	(0.01)		0.01		
Capital ratio (%)	15.67 %	15.29 %	15.20 %	0.46		0.38		
Leverage ratio (%)	5.31 %	5.01 %	5.26 %	0.04		0.30		
<b>MREL</b>								
MREL ratio over TREA (%) (incl. 2.5% CBR)	20.47 %	20.06 %	18.24 %	2.23		0.41		
MREL over LRE (%)	8.19 %	7.79 %	7.51 %	0.68		0.40		
<b>PROFITABILITY AND EFFICIENCY</b>								
CET1 ratio (%)	0.13 %	0.17 %	0.11 %	0.02		(0.04)		
Tier 2 ratio (%)	0.32 %	0.42 %	0.26 %	0.06		(0.10)		
Capital ratio (%)	2.17 %	2.88 %	1.80 %	0.37		(0.71)		
Leverage ratio (%)	56.11 %	53.63 %	43.35 %	12.76		2.48		
<b>OTHER DATA</b>								
Cooperative members	1,659,650	1,630,923	1,559,101	100,549	6.4 %	28,727	1.8 %	
Employees	5,213	5,254	5,317	(104)	(2.0 %)	(41)	(0.8 %)	
Branches	843	868	873	(30)	(3.4 %)	(25)	(2.9 %)	






# Documents and Policies







## Sustainability

- Sustainability Report 
- Sustainable Bond Frameworkd and Second Party Opinion 
- ESG ratings 


## Environmental

- Environmental Policy 
- Sectorial Policy Framework for Climate Neutrality 
- Eco-efficiency plan 

## Governance and Responsible Finance

- Corporate Governance and Remuneration Policy 
- Corporate Social Responsibility Policy 
- Corporate Culture and Business Ethics (Ethical Management System) 
- Code of Conduct 
- Anti corruption Policy 
- Socially Responsible Investment – Unwanted Links (Exclusion Policy) 

## Social

- Labour Health and Safety Policy 

# Glossary

- **CCBS:** Climate Community and Biodiversity Standard
- **CDP:** Carbon Disclosure Project
- **CNMV:** Comisión Nacional del Mercado de Valores (National Securities Market Commission)
- **CPRS:** Climate Policy Relevant Sectors
- **EPC:** Energy Performance Certificate
- **ESG:** Environmental, Social and Governance
- **GRI:** Global Reporting Initiative
- **GBP:** Green Bond Principles
- **ICMA:** International Capital Market Association
- **NACE:** Nomenclature of Economic Activities
- **NPS:** Net Promoter Score
- **PCAF:** Partnership for Carbon Accounting Financials
- **NECP:** National Energy and Climate Plan
- **RAF:** Risk Appetite Framework
- **SBTi:** Science Based Targets initiative
- **SBG:** Sustainability Bond Guidelines
- **SBP:** Social Bond Principles
- **SDG:** Sustainable Development Goals
- **SFDR:** Sustainable Finance Disclosure Regulation
- **SPO:** Second Party Opinion
- **SRI:** Social Responsible Investment
- **TCFD:** Task- force on Climate- related Financial Disclosures
- **OHSAS:** Occupational Health and Safety Assesment Series
- **UNEP FI:** United Nations Environment Programme Finance Initiative
- **WACI:** Weighted Average Carbon Intensity

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