Auditor's Report on Banco de Crédito Social Cooperativo, S.A. and Subsidiaries

(Together with the consolidated annual accounts and consolidated directors' report of Banco de Crédito Social Cooperativo, S.A. and entities forming Grupo Cajamar (Grupo Cooperativo Cajamar) for the year ended 31 December 2024)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Independent Auditor's Report on the Consolidated Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Banco de Crédito Social Cooperativo, S.A.

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of Banco de Crédito Social Cooperativo, S.A. (the "Bank") and its subsidiaries that, together with the Bank, form Grupo Cooperativo Cajamar (hereinafter the "Group"), which comprise the consolidated balance sheet at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of recognised income and expense, consolidated statement of total changes in equity and consolidated cash flow statement for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Paseo de la Castellana, 259 C - 28046 Madrid

On the Spanish Official Register of Auditors ("ROAC") with No. S0702, and the Spanish Institute of Registered Auditors' list of companies with No. 10.
Reg. Mer Madrid, T. 11.961, F. 90, Sec. 8, H. M -188.007, Inscrip. 9
N.I.F. B-78510153

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans and advances to customers See notes 3 and 8.6 to the consolidated annual accounts	
Key audit matter	*How the matter was addressed in our audit*
The Group's portfolio of loans and advances to customers, classified as financial assets at amortised cost, reflects a net balance of Euros 37,792,989 thousand at 31 December 2024, while allowances and provisions recognised at that date for impairment total Euros 567,105 thousand. For the purposes of estimating impairment, financial assets measured at amortised cost are classified into three categories (Stage 1, 2 or 3) according to whether a significant increase in their credit risk since initial recognition has been identified (Stage 2), whether the financial assets are credit-impaired (Stage 3) or whether neither of the foregoing circumstances apply (Stage 1). For the Group, establishing this classification is a relevant process inasmuch as the calculation of allowances and provisions for credit risk varies depending on the category in which the financial asset has been included. Impairment of the portfolio of loans and advances to customers is calculated based on expected loss models, which the Group estimates on both an individual and a collective basis. This calculation entails a considerable level of judgement as this is a significant and complex estimate. Allowances and provisions for credit risk determined individually consider estimates of future business performance and the market value of collateral provided for credit transactions. In the case of allowances and provisions calculated collectively, expected losses are estimated using internal models that use large databases, different macroeconomic scenarios, parameters to estimate allowances and provisions, segmentation criteria and automated processes, which are complex in their design and implementation and require past and present information and future forecasts to be considered. The Group periodically conducts recalibrations and tests of its internal models in order to improve their predictive capabilities based on actual historical experience.	Our audit approach in relation to the Group's estimate of impairment of loans and advances to customers due to credit risk mainly consisted of assessing the methodology applied to calculate expected losses, particularly as regards the methods and assumptions used to estimate exposure at default, probability of default and loss given default; and determining the future macroeconomic scenarios. We also assessed the mathematical accuracy of the calculations of expected losses and the reliability of the data used. To this end, we brought in our credit risk specialists. Our procedures related to the control environment focused on the following key areas: – Identifying the credit risk management framework and assessing the compliance of the Group's accounting policies with the applicable regulations. – Evaluating the appropriateness of the classification of the loans and advances to customers portfolio based on credit risk, in accordance with the criteria defined by the Group, particularly the criteria for identifying and classifying refinancing and restructuring transactions. – Assessing the relevant controls relating to the monitoring of transactions. – Evaluating whether the internal models for estimating both individual and collective allowances and provisions for credit risk, and for the management and valuation of collateral, are functioning correctly. – Assessing whether the aspects observed by the Internal Validation Unit in its periodic reviews and in the tests of the models used to estimate collective allowances and provisions for impairment have been taken into consideration. – Evaluating the integrity, accuracy and updating of the data used and of the control and management process in place.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Impairment of loans and advances to customers

See notes 3 and 8.6 to the consolidated annual accounts

Key audit matter	*How the matter was addressed in our audit*
The consideration of this matter as a key audit matter is based both on the significance of the Group's loans and advances to customers portfolio, and thus of the related allowance and provision for impairment, as well as on the relevance of the process for classifying financial assets for the purpose of estimating impairment thereon and the subjectivity and complexity of calculating expected losses.	Our tests of detail on the estimated expected losses included the following: – With regard to the impairment of individually significant transactions, we evaluated the appropriateness of the discounted cash flow models used by the Group. We also selected a sample from the population of significant transactions and assessed the appropriateness of both the credit risk classification and the corresponding allowance and provision recognised. – With respect to the allowances and provisions for impairment estimated collectively, we evaluated the methodology used by the Group, assessing the integrity and accuracy of the input balances for the process and whether the calculation engine is functioning correctly by replicating the calculation process, taking into account the segmentation and assumptions used by the Group. – Regarding whether the loans and advances to customers portfolio has been appropriately classified based on credit risk, in accordance with the criteria defined by the Group, we selected a sample and assessed the appropriateness of the accounting classification by credit risk. – We evaluated the methods and assumptions used to estimate exposure at default, probability of default and loss given default. – We considered the macroeconomic scenario variables used by the Group in its internal models to estimate expected losses. – We assessed the appraisals of a sample of collateral associated with loan transactions, with the involvement of our specialists in real estate appraisals. We also evaluated the competence, capacity and objectivity of the experts engaged by the Group for the valuation of the aforementioned collateral. Likewise, we analysed whether the disclosures in the notes to the consolidated annual accounts were prepared in accordance with the criteria set out in the financial reporting framework applicable to the Group.

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Recoverability of deferred tax assets See note 15 to the consolidated annual accounts	
Key audit matter	*How the matter was addressed in our audit*
At 31 December 2024, the Group held deferred tax assets amounting to Euros 1,098,255 thousand, of which the recovery of Euros 504,167 thousand is not guaranteed through the monetisation mechanisms established in Royal Decree-Law 14/2013 and article 130 of the Spanish Corporate Income Tax Law, as their recovery is dependent on obtaining future taxable profits. The recognition of deferred tax assets entails a high level of judgement in assessing the probability and sufficiency of future taxable profits, future reversals of existing taxable temporary differences and tax planning opportunities. The financial projections of future taxable profits have taken into consideration the impact of the current geopolitical and macroeconomic scenario. Due to the significance of the amount of deferred tax assets and the uncertainty associated with their recovery, we have considered this a key audit matter.	Our audit procedures mainly include the following: – Analysing and evaluating the control environment of the process for recognising and assessing the recoverability of deferred tax assets. – Assessing the arithmetical accuracy of management's calculations in the tax projections. – Evaluating, with the involvement of our tax specialists and our specialists in financial projections, the methodology and key assumptions considered by the Group to estimate the recovery period for deferred tax assets. We analysed the main economic, financial and tax assumptions used by the Group to estimate future taxable profits, performing a sensitivity analysis thereon. – Contrasting the forecast tax base used as the premise for recognising deferred tax assets in prior years with the Group's actual tax base. We analysed whether the disclosures in the notes to the consolidated annual accounts are appropriate, in accordance with the criteria set out in the financial reporting framework applicable to the Group.

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Risks associated with information technology	
Key audit matter	*How the matter was addressed in our audit*
The Group's operations are based on a complex technological environment that is constantly evolving, and which must reliably and efficiently meet business requirements and ensure that the financial information is processed correctly. In this regard, correctly assessing whether the IT applications and systems used to prepare the financial information are being correctly maintained, as well as an evaluation of how these systems and applications are used and an assessment of the appropriateness of the physical and logical security of the information, are particularly relevant. We have therefore considered this a key audit matter.	With the help of our information systems specialists, we performed tests relating to internal control over the IT applications and systems involved in generating the financial information, in the following areas: – Understanding of the information flows and identification of the key controls that ensure the processing of the financial information. – Testing of the key automated processes that are involved in generating the financial information. – Testing of the controls over the applications and systems related to accessing and processing the information and those related to the security settings of those applications and systems. – Testing of the controls over the operation, maintenance and development of applications and systems.

Other Information: Consolidated Directors' Report

Other information solely comprises the 2024 consolidated directors' report, the preparation of which is the responsibility of the Bank's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors' report is defined in the legislation regulating the audit of accounts, as follows:

a) Determine, solely, whether the consolidated non-financial information statement has been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.

b) Assess and report on the consistency of the rest of the information included in the consolidated directors' report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2024, and that the content and presentation of the report are in accordance with applicable legislation.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Directors' and Audit Committee's Responsibility for the Consolidated Annual Accounts

The Bank's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Bank's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Bank's Audit Committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.

Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Bank's Directors.

- Conclude on the appropriateness of the Bank's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

- Plan and execute the audit of the Group to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units of the Group as the basis to form an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and review of the work performed for the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Bank's Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Bank's Audit Committee with a statement that we have complied with the ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, safeguarding measures adopted to eliminate or reduce the threat.

From the matters communicated to the Bank's Audit Committee, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Additional Report to the Bank's Audit Committee

The opinion expressed in this report is consistent with our additional report to the Bank's Audit Committee dated 5 March 2025.

Contract Period

We were appointed as auditor of the Group by the shareholders at the ordinary general meeting on 28 May 2024 for a period of one year, for the year ended 31 December 2024.

Previously, we had been appointed for a period of three years, by consensus of the shareholders at their ordinary general meeting, and have been auditing the annual accounts since the year ended 31 December 2020.

KPMG Auditores, S.L.
On the Spanish Official Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Pedro González Millán
On the Spanish Official Register of Auditors ("ROAC") with No. 20,175

5 March 2025

**BANCO DE CRÉDITO SOCIAL COOPERATIVO, S.A.
AND ENTITIES FORMING GRUPO CAJAMAR
(GRUPO COOPERATIVO CAJAMAR)**

Consolidated Annual Accounts and Consolidated Directors' Report

(Year 2024)

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails

BANCO DE CRÉDITO SOCIAL COOPERATIVO, S.A.
AND ENTITIES FORMING GRUPO CAJAMAR
Consolidated Balance Sheets at
31 December 2024 and 2023

Assets

	Notes	Thousands of Euros 2024	2023(*)
Cash, cash balances at central banks and other demand deposits	7	**3,852,853**	**3,670,850**
Financial assets held for trading	8.2	**447**	**814**
Derivatives		447	814
Equity instruments		-	-
Debt securities		-	-
Loans and advances		-	-
Memorandum: loaned or delivered as collateral with a sale or pledge right		-	-
Non-trading financial assets mandatorily at fair value through profit or loss	8.3	**454,080**	**484,391**
Equity instruments		1,788	2,692
Debt securities		486	41,560
Loans and advances		451,806	440,139
Customers		451,806	440,139
Memorandum: loaned or delivered as collateral with a sale or pledge right		-	-
Financial assets designated at fair value through profit or loss	8.4	**-**	**-**
Debt securities		-	-
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Memorandum: loaned or delivered as collateral with a sale or pledge right		-	-
Financial assets at fair value through other comprehensive income	8.5	**151,901**	**886,057**
Equity instruments		149,416	137,972
Debt securities		2,485	748,085
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Memorandum: loaned or delivered as collateral with a sale or pledge right		-	*393,936*
Financial assets at amortised cost	8.6	**52,233,373**	**49,281,999**
Debt securities		13,076,120	12,183,806
Loans and advances		39,157,253	37,098,193
Central banks		-	-
Credit institutions		1,364,264	1,047,757
Customers		37,792,989	36,050,436
Memorandum: loaned or delivered as collateral with a sale or pledge right		*5,466,954*	*4,622,662*
Derivatives – Hedge accounting	9	**2,660,778**	**2,957,536**
Fair value changes of the hedged items in portfolio hedge of interest rate risk		**-**	**-**
Investments in joint ventures and associates	11	**93,635**	**87,814**
Joint ventures		-	-
Associates		93,635	87,814
Tangible assets	12	**901,985**	**888,907**
Property, plant and equipment		780,922	760,312
For own use		779,137	758,318
Assigned under operating lease		-	-
Assigned to social projects (savings banks and credit co-operatives)		1,785	1,994
Investment property		121,063	128,595
Of which: assigned under operating lease		-	-
Memorandum: acquired under finance lease		*21,648*	*26,852*
Intangible assets	13	**331,824**	**264,321**
Goodwill		2,817	2,817
Other intangible assets		329,007	261,504
Tax assets	15	**1,158,403**	**1,157,808**
Current tax assets		60,148	34,299
Deferred tax assets		1,098,255	1,123,509
Other assets	16	**136,732**	**151,541**
Insurance contracts linked to pensions		-	-
Inventories		43,167	47,229
Other assets		93,565	104,312
Non-current assets and disposal groups of assets classified as held for sale	10	**227,753**	**324,404**
TOTAL ASSETS		**62,203,765**	**60,156,442**

(*) For comparison purposes only, the Financial Statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

Liabilities

	Notes	Thousands of Euros 2024	2023
Financial liabilities held for trading	**8.2**	**419**	**751**
Derivatives		419	751
Short positions		-	-
Deposits		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
Financial liabilities designated at fair value through profit or loss		**-**	**-**
Deposits		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
Memorandum: subordinated liabilities		-	-
Financial liabilities at amortised cost	**8.7**	**57,084,050**	**55,239,173**
Deposits		49,444,831	48,460,255
Central banks		-	969,302
Credit institutions		2,137,505	3,771,027
Customers		47,307,326	43,719,926
Debt securities issued		4,523,421	3,400,179
Other financial liabilities		3,115,798	3,378,739
Memorandum: subordinated liabilities		*601,120*	*600,619*
Derivatives – Hedge accounting	**9**	**88,955**	**141,993**
Fair value changes of the hedged items in portfolio hedge of interest rate risk		**-**	**-**
Liabilities under insurance and reinsurance contracts		**-**	**-**
Provisions	**14**	**204,878**	**78,480**
Pensions and other post-employment defined benefit obligations		3,712	2,693
Other long-term employee benefits		68	325
Pending legal issues and tax litigation		-	-
Commitments and guarantees given		15,079	10,199
Other provisions		186,020	65,263
Tax liabilities	**15**	**92,905**	**84,239**
Current tax liabilities		39,037	31,331
Deferred tax liabilities		53,868	52,908
Capital repayable on demand		**-**	**-**
Other liabilities	**16**	**384,641**	**603,047**
Of which: assigned to social projects (savings banks and credit co-operatives)	*17*	*6,264*	*4,297*
Liabilities included in disposal groups classified as held for sale		-	-
TOTAL LIABILITIES		**57,855,848**	**56,147,683**

Equity

	Notes	Thousands of Euros 2024	2023
Equity	**18**	**4,367,300**	**4,043,494**
Capital	**18**	**1,059,028**	**1,059,028**
Paid-up capital		1,059,028	1,059,028
Unpaid capital which has been called up		-	-
Memorandum: uncalled capital		-	-
Share premium		-	-
Equity instruments issued other than capital	**18**	**3,541,278**	**3,451,398**
Equity component of compound financial instruments		-	-
Other equity instruments issued		3,541,278	3,451,398
Other equity		-	-
Retained earnings	**18**	**392,427**	**342,388**
Revaluation reserves	**18**	**45,214**	**45,395**
Other reserves	**18**	**36,287**	**24,227**
Reserves of entities accounted for using the equity method		24,833	29,241
Other		11,454	(5,014)
(-) Treasury shares	**18**	**(977,699)**	**(977,349)**
Profit or loss attributable to owners of the Parent	**18**	**326,260**	**126,947**
(-) Interim dividends	**18**	**(55,496)**	**(28,541)**
Accumulated other comprehensive income	**20**	**(19,384)**	**(34,735)**
Items that will not be reclassified to profit or loss		**3,248**	**(448)**
Actuarial gains or (-) losses on defined benefit pension plans		(7,124)	(6,071)
Non-current assets and disposal groups of assets classified as held for sale		-	-
Changes in the fair value of equity instruments at fair value through other comprehensive income		10,372	5,623
Ineffectiveness of hedges of fair value of equity instruments at fair value through other comprehensive income		-	-
Changes in the fair value of equity instruments at fair value through other comprehensive income [hedged item]		-	-
Changes in the fair value of equity instruments at fair value through other comprehensive income [hedging instrument]		-	-
Changes in the fair value of financial liabilities designated at fair value through profit or loss attributable to changes in credit risk		-	-
Items that may be reclassified to profit or loss		**(22,633)**	**(34,287)**
Hedge of net investments in foreign operations [effective portion]		-	-
Foreign currency translation		-	-
Hedging derivatives. Cash flow hedges [effective portion]		(6,707)	(9,085)
Changes in the fair value of debt instruments at fair value through other comprehensive income		(11,915)	(17,994)
Hedging instruments [undesignated items]		-	-
Non-current assets and disposal groups of assets classified as held for sale		-	-
Share of other recognised income and expense of investments in joint ventures and associates		(4,012)	(7,208)
TOTAL EQUITY		**4,347,916**	**4,008,759**
TOTAL EQUITY AND LIABILITIES		**62,203,765**	**60,156,442**

Memorandum Accounts

	Notes	Thousands of Euros 2024	2023
MEMORANDUM: OFF-BALANCE SHEET EXPOSURES			
Loan commitments given	**22**	5,381,559	5,287,936
Financial guarantees given	**22**	380,501	378,620
Other commitments given	**22**	1,428,100	998,058
TOTAL MEMORANDUM ACCOUNTS		**7,190,160**	**6,664,614**

Consolidated Statements of Profit or Loss

	Notes	Thousands of Euros 2024	2023(*)
Interest income	**26**	2,212,586	1,876,214
Financial assets at fair value through other comprehensive income		4,319	5,914
Financial assets at amortised cost		1,818,009	1,540,161
Other interest income		390,258	330,139
(Interest expenses)	**26**	(997,284)	(812,643)
(Expenses on capital repayable on demand)	**26**	-	-
A) NET INTEREST INCOME		**1,215,302**	**1,063,571**
Dividend income	**26**	5,488	4,724
Profit/(loss) of entities accounted for using the equity method	**26**	44,213	45,423
Fee and commission income	**26**	352,881	321,124
(Fee and commission expenses)	**26**	(44,744)	(49,646)
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	**26**	(27,430)	(13,275)
Financial assets at amortised cost		(25,847)	(13,473)
Other financial assets and liabilities		(1,583)	198
Gains or (-) losses on financial assets and liabilities held for trading, net	**26**	(17)	123
Other gains or (-) losses		(17)	123
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	**26**	12,078	11,524
Other gains or (-) losses		12,078	11,524
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	**26**	-	-
Gains or (-) losses from hedge accounting, net	**26**	264	(110)
Exchange differences [gain or (-) loss], net	**29**	1,824	1,160
Other operating income	**26**	33,124	38,441
(Other operating expenses)	**26**	(40,743)	(91,843)
Of which: mandatory contributions assigned to social projects (savings banks and credit co-operatives)		*(21,341)*	*(9,094)*
B) GROSS INCOME OR LOSS		**1,552,241**	**1,331,216**
(Administrative expenses)	**26**	(649,952)	(577,936)
(Staff expenses)		(417,888)	(370,046)
(Other administrative expenses)		(232,064)	(207,890)
(Amortisation and depreciation)	**26**	(83,004)	(74,516)
(Provisions or (-) reversal of provisions)	**26**	(199,363)	(72,943)
Impairment of (-) reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes	**26**	(199,791)	(258,337)
Financial assets at fair value through other comprehensive income		(4,546)	-
Financial assets at amortised cost		(195,245)	(258,337)
Impairment or (-) reversal of impairment of investments in joint ventures and associates		-	-
Impairment or (-) reversal of impairment on non-financial assets	**26**	2,960	(101,310)
Tangible assets		3,083	(14,780)
Intangible assets		9	265
Other		(132)	(86,795)
Gains or (-) losses on derecognition of non-financial assets, net	**26**	(3,555)	(14,933)
Negative goodwill recognised in profit or loss		-	-
Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	**26**	(30,812)	(88,925)
C) PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS		**388,724**	**142,316**
Tax expense or (-) income related to profit from continuing operations	**15**	(62,464)	(15,369)
D) PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS		**326,260**	**126,947**
Profit or (-) loss after tax from discontinued operations		-	-
E) PROFIT FOR THE PERIOD		**326,260**	**126,947**
Attributable to minority interests (non-controlling interests)		-	-
Attributable to the owners of the Parent		326,260	126,947

Earnings per share at 31 December 2024 and 31 December 2023 were €0.31 and €0.12, respectively (Note 18.1.5)

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

Consolidated Statements of Recognised Income and Expense

	Thousands of Euros	
	2024	**2023**
Profit/(loss) for the period	**326,260**	**126,947**
Other comprehensive income	**15,350**	**30,755**
Items that will not be reclassified to profit or loss	**3,695**	**2,624**
Actuarial gains or (-) losses on defined benefit pension plans	(1,423)	(820)
Non-current assets and disposal groups held for sale	-	-
Share of other recognised income and expense of investments in joint ventures and associates	-	-
Changes in the fair value of equity instruments at fair value through other comprehensive income	5,324	3,447
Gains or losses from hedge accounting of equity instruments at fair value through other comprehensive income, net	-	-
Changes in the fair value of equity instruments at fair value through other comprehensive income (hedged item)	-	-
Changes in the fair value of equity instruments at fair value through other comprehensive income (hedging instrument)	-	-
Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in credit risk	-	-
Income tax relating to items that will not be reclassified	(205)	(3)
Items that may be reclassified to profit or loss	**11,655**	**28,131**
Hedge of net investments in foreign operations [effective portion]	**-**	**-**
Valuation gains or (-) losses taken to equity	-	-
Transferred to profit or loss	-	-
Other reclassifications	-	-
Foreign currency translation	**-**	**-**
Translation gains or (-) losses taken to equity	-	-
Transferred to profit or loss	-	-
Other reclassifications	-	-
Cash flow hedges [effective portion]	**3,173**	**7,177**
Valuation gains or (-) losses taken to equity	3,173	7,177
Transferred to profit or loss	-	-
Transferred to initial carrying amount of hedged items	-	-
Other reclassifications	-	-
Hedging instruments [not designated elements]	**-**	**-**
Valuation gains or (-) losses taken to equity	-	-
Transferred to profit or loss	-	-
Other reclassifications	-	-
Debt instruments at fair value through other comprehensive income	**8,521**	**26,360**
Valuation gains or (-) losses taken to equity	8,521	26,360
Transferred to profit or loss	-	-
Other reclassifications	-	-
Non-current assets and disposal groups held for sale	**-**	**-**
Valuation gains or (-) losses taken to equity	-	-
Transferred to profit or loss	-	-
Other reclassifications	-	-
Share of other recognised income and expense of investments in joint ventures and associates	**3,196**	**3,413**
Income tax relating to items that may be reclassified to profit or (-) loss	**(3,235)**	**(8,819)**
Total comprehensive income for the period	**341,611**	**157,702**

Consolidated Statement of Total Changes in Equity at 31 December 2024

Thousands of Euros

	Equity													
	Capital	**Share premium**	**Equity instruments issued other than capital**	**Other equity**	**Retained earnings**	**Revaluation reserves**	**Other reserves**	**(-) Treasury shares**	**Profit or loss attributable to owners of the Parent**	**(-) Interim dividends**	**Accumulated other comprehensive income**	**Minority interests / Accumulated other comprehensive income**	**Minority interests / Other items**	**Total**
Opening balance at 31 December 2023	**1,059,028**	**-**	**3,451,398**	**-**	**342,388**	**45,395**	**24,227**	**(977,349)**	**126,947**	**(28,541)**	**(34,735)**	**-**	**-**	**4,008,759**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2024	**1,059,028**	**-**	**3,451,398**	**-**	**342,388**	**45,395**	**24,227**	**(977,349)**	**126,947**	**(28,541)**	**(34,735)**	**-**	**-**	**4,008,759**
Total comprehensive income for the period									**326,260**		**15,350**	**-**	**-**	**341,611**
Other changes in equity	**-**	**-**	**89,879**	**-**	**50,040**	**(180)**	**12,060**	**(350)**	**(126,947)**	**(26,955)**	**-**	**-**	**-**	**(2,454)**
Issuance of ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of preference shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of other equity instruments	-	-	89,879	-	-	-	-	-	-	-	-	-	-	89,879
Exercise or expiration of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt to equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or remuneration to shareholders)	-	-	-	-	(28,501)	-	-	-	-	(55,496)	-	-	-	(83,997)
Purchase of treasury shares	-	-	-	-	-	-	-	(350)	-	-	-	-	-	(350)
Sale or cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liability to equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers among components of equity	-	-	-	-	98,587	(180)	-	-	(126,947)	28,541	-	-	-	-
Equity increase or (-) decrease resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increase or (-) decrease in equity	-	-	-	-	(20,046)	-	12,060	-	-	-	-	-	-	(7,986)
Of which: discretionary contributions to social projects and funds (savings banks and credit co-operatives only)	-	-	-	-	(8,263)	-	-	-	-	-	-	-	-	(8,263)
Closing balance at 31 December 2024	**1,059,028**	**-**	**3,541,278**	**-**	**392,427**	**45,214**	**36,287**	**(977,699)**	**326,260**	**(55,496)**	**(19,384)**	**-**	**-**	**4,347,916**

Consolidated Statement of Total Changes in Equity at 31 December 2023

	Thousands of Euros													
	Equity													
	Capital	Share premium	Equity instruments issued other than capital	Other equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or loss attributable to owners of the Parent	(-) Interim dividends	Accumulated other comprehensive income	Minority interests / Accumulated other comprehensive income	Minority interests / Other items	Total
Opening balance at 31 December 2022	**1,059,028**	**-**	**3,345,089**	**-**	**288,784**	**45,395**	**25,034**	**(977,349)**	**75,737**	**(11,953)**	**(65,490)**	**-**	**-**	**3,784,276**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2023	**1,059,028**	**-**	**3,345,089**	**-**	**288,784**	**45,395**	**25,034**	**(977,349)**	**75,737**	**(11,953)**	**(65,490)**	**-**	**-**	**3,784,276**
Total comprehensive income for the period									**126,947**		**30,755**	**-**	**-**	**157,702**
Other changes in equity	**-**	**-**	**106,309**	**-**	**53,604**	**-**	**(807)**	**-**	**(75,737)**	**(16,588)**	**-**	**-**	**-**	**66,781**
Issuance of ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of preference shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of other equity instruments	-	-	106,309	-	-	-	-	-	-	-	-	-	-	106,309
Exercise or expiration of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt to equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or remuneration to shareholders)	-	-	-	-	(11,790)	-	-	-	-	(28,541)	-	-	-	(40,331)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liability to equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers among components of equity	-	-	-	-	68,048	-	-	-	(80,001)	11,953	-	-	-	-
Equity increase or (-) decrease resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increase or (-) decrease in equity	-	-	-	-	(2,655)	-	(807)	-	4,264	-	-	-	-	803
Of which: discretionary contributions to social projects and funds (savings banks and credit co-operatives only)	-	-	-	-	(3,365)	-	-	-	-	-	-	-	-	(3,365)
Closing balance at 31 December 2023	**1,059,028**	**-**	**3,451,398**	**-**	**342,388**	**45,395**	**24,227**	**(977,349)**	**126,947**	**(28,541)**	**(34,735)**	**-**	**-**	**4,008,759**

Consolidated Cash Flow Statements

	Thousands of Euros	
	2024	**2023**
A) CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	**246,881**	**212,538**
(+) Profit for the period	**326,260**	**126,947**
(+) Adjustments for determining cash flows from operating activities	**544,499**	**705,921**
Amortisation and depreciation	83,004	74,516
Other adjustments	461,496	631,405
(-) Net increase or (-) decrease in operating assets	**2,146,487**	**(2,087,372)**
Financial assets held for trading	-	-
Non-trading financial assets mandatorily at fair value through profit or loss	(30,311)	14,555
Financial assets designated at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	(740,437)	(794,706)
Financial assets at amortised cost	2,915,971	(1,238,705)
Other operating assets	1,263	(68,516)
(+) Net increase or (-) decrease in operating liabilities	**1,543,445**	**(2,707,169)**
Financial liabilities held for trading	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Financial liabilities at amortised cost	1,822,815	(2,701,245)
Other operating liabilities	(279,369)	(5,924)
(+) Income tax (paid)/received	**(20,838)**	**(533)**
B) CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	**(69,590)**	**(119,965)**
(-) Payments	**209,464**	**270,171**
Tangible assets	62,899	189,570
Intangible assets	94,474	73,334
Non-current assets and liabilities classified as held for sale	52,091	7,268
Other payments related to investing activities	-	-
(+) Collections	**139,874**	**150,206**
Tangible assets	22,138	101,624
Intangible assets	-	-
Investments in joint ventures and associates	37,181	48,583
Non-current assets and liabilities classified as held for sale	80,556	-
Other proceeds related to investing activities	-	-
C) CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	**4,712**	**65,499**
(-) Payments	**85,400**	**40,930**
Dividends	83,997	40,331
Subordinated liabilities	-	-
Cancellation of own equity instruments	-	-
Purchase of own equity instruments	350	-
Other payments related to financing activities	1,052	599
(+) Collections	**90,111**	**106,429**
Subordinated liabilities	232	120
Issuance of own equity instruments	89,879	106,309
Disposal of own equity instruments	-	-
Other proceeds related to financing activities	-	-
D) EFFECT OF EXCHANGE RATES CHANGES	**-**	**-**
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**182,003**	**158,072**
F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**3,670,850**	**3,512,778**
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**3,852,853**	**3,670,850**

A breakdown of cash and cash equivalents is provided in Note 7.

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1. Overview

1.1. Nature of the entity

The Parent of Grupo Cooperativo Cajamar is Banco de Crédito Social Cooperativo, S.A., which is responsible for management and oversight of the Group. It is responsible for laying down the management instructions to be followed by the Group entities and for providing them with support.

Banco de Crédito Social Cooperativo, S.A. is a duly registered private bank governed by the regulations on credit institutions and private banking. On 18 February 2014 it was entered in the Register of Banks and Bankers under code number 0240, with tax ID number A86853140. Currently, the Entity's registered office is at Paseo de la Castellana 87, 28046 Madrid (Spain). The Board of Directors of the Entity passed a resolution at its meeting held on 11 February 2025 to relocate the registered office to Calle Ciudad Financiera, number 1, Postal Code 04131, in the Science and Technology Park of Almería (PITA).

Banco de Crédito Social Cooperativo, S.A. was incorporated by the 32 founding shareholders in 2014 under a public deed executed before the Madrid notary Mr. José Enrique Cachón Blanco on 28 January 2014, filed as entry 293 in his records. The deed was also entered as Entry 1, Page M-573805, Folio 131, Volume 31,884 in the Madrid Companies Register on 10 February 2014. The shareholders that granted the deed were given the powers to do so by the Bank of Spain under an authorisation issued on 27 January 2014 by the Directorate General for Financial Regulation and Stability, in the terms laid down in Royal Decree 1245/1995 (repealed on 15 February 2015 by Royal Decree 84/2015, of 13 February 2015, which implements Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions).

In this regard, the Regulatory Agreement, and therefore the incorporation of the new Grupo Cooperativo Cajamar, was executed in a public deed in Madrid on 25 February 2014 before the notary public Mr. Enrique Cachón Blanco, under number 614 of his record. In this agreement, the signatory entities thereof established the regulations governing the consolidated cooperative group of credit institutions, with the Bank forming part of this group as its Parent and as Parent of the Institutional Protection Scheme (IPS). This Group's status as a consolidated group of credit institutions, and its classification as an IPS, was authorised by the Bank of Spain's Executive Committee at a meeting on 6 June 2014.

The current wording of the Regulatory Agreement was unanimously approved by the General Assembly of the Members of Grupo Cooperativo Cajamar on 12 December 2018 and executed in a public deed in Almería on 27 December 2019 before the notary public Mr. Lázaro Salas Gallego, under number 1,980 of his record, which was duly registered as Entry 223, Page M-573805, Section 8, Folio 78, Book 0, Volume 39,288 of the Madrid Companies Register and as Entry 116, Page AL-40338, Folio 2, Book 0, Volume 1,629 of the Almería Companies Register. It was also registered as Entry 30, Folio 5757, Volume LVIII in the Special Register of Cooperative Companies.

The Bank commenced operations on 1 July 2014, by virtue of the provisions of its By-laws and Deed of Incorporation, after obtaining the requisite authorisation from the Bank of Spain's Executive Committee.

The Bank, as Parent under the terms established in the aforementioned Regulatory Agreement of Grupo Cooperativo Cajamar, exercises all the powers delegated to it in the Group and issues mandatory instructions to all Members.

The Bank is essentially governed by Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions (Spanish Official State Gazette (BOE) 156 of 27 June 2014) and Royal Decree 84/2015, of 13 February 2015, which implements Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions, as well as relevant and supplementary regulations.

At 31 December 2024, the Bank's capital amounted to €1,059,028 thousand, fully subscribed and paid by its 66 shareholders (€1,059,028 thousand at 31 December 2023).

Grupo Cooperativo Cajamar

Cooperative groups are incorporated in accordance with Cooperative Act 27/1999, of 16 July 1999, which establishes a wide and flexible general framework through which to channel collaboration between and integration of cooperative societies, and particularly Article 78 of that Act which provides for the formation of so-called cooperative groups, understood for the purposes thereof as "*the group formed by several cooperative societies, of whatever class, and the parent of the group that exercises powers or issues mandatory instructions for the grouped cooperatives such that there is decision-making unity within such powers*".

The aforesaid legislation states that in the event that the parent of the group is not a cooperative society, the general commitments undertaken vis-à-vis the group must be formalised in a public deed. This is the case with Grupo Cooperativo Cajamar.

Similarly, Regulation (EU) 575/2013, transposed into Spanish law through Circular 2/2014 and Act 10/2014, determines the requirements for considering that an IPS exists, as well as the applicable exemptions.

On the basis of the aforementioned regulations and considerations, the resolution to establish Grupo Cooperativo Cajamar was approved on 25 February 2014 through the signing of the "Grupo Cooperativo Cajamar Regulatory Agreement" (hereinafter the "Regulatory Agreement"). Grupo Cooperativo Cajamar has been incorporated for legal purposes as a "cooperative group" in order to strengthen the Members and enable balance sheets to be consolidated and business strategies, management policies and risk control, solvency and liquidity to be shared.

The contractual agreements entered into by all the Members of Grupo Cooperativo Cajamar state that the Group's Parent is Banco de Crédito Social Cooperativo, S.A. and therefore its Board of Directors is the Group's maximum decision-making body, which entails the senior management and supervision of the Group's activities. The following powers are assigned to it on an exclusive basis: strategic management; external representation; internal coordination; issuance of equity instruments; establishment of risk policies and regulations; control and audit; cash management and coverage of the minimum capital ratio; approval of business plans; defining of commercial, pricing and distribution policies; the geographical expansion policy; defining of technological and information platforms; the personnel policy; defining of the remuneration framework for capital contributions by the savings banks to the Group; and decisions on the distribution and application of results.

The Regulatory Agreement stipulates the rights and obligations of Group Members and the competencies delegated by them to the Parent, Banco de Crédito Social Cooperativo, S.A., waiving their own decision-making powers in the Bank's favour to ensure the existence of a single decision-making unit. As Banco de Crédito Social Cooperativo, S.A. oversees and manages the Group's policies and has been granted the necessary powers, its instructions are mandatory for all Grupo Cooperativo Members.

Under the Regulatory Agreement and also in accordance with the requirements laid down in the aforementioned Regulation (EU) 575/2013 and in Circular 2/2016, solvency commitments are established which are reciprocal, direct and unconditional. They are designed to avoid situations of insolvency on the one hand, and to assess the Group's capital requirements on a common basis and set a solvency objective for the Group that all Members undertake to fulfil, on the other. Additionally, a mandatory capitalisation plan and/or support plans is/are established for Group Members in the event any of them report a shortfall in funds with respect to the agreed objective.

Similarly, the Regulatory Agreement includes a liquidity commitment and, in the event any members have insufficient liquidity, a liquidity plan and financial assistance plans in order to return to normality.

All of the aforementioned commitments, as well as the pooling of profits and losses, do not represent an obstacle, in accordance with the legislation on which the Regulatory Agreement is based, for each of the Members to retain full legal status; have their own management, administration and governance structures (except where such activities are delegated to the Group's Parent), governing and management bodies, employees and employment framework and brand; and manage their Education and Development Fund.

In addition and pursuant to the Regulatory Agreement, Banco de Crédito Social Cooperativo, S.A. is responsible for monitoring the solvency and liquidity of the Group and all Members, and for agreeing any support measures to be adopted in order to help any Member. In such an event, Banco de Crédito Social Cooperativo, S.A.'s Board of Directors would issue binding instructions aimed at ensuring the solvency and liquidity of the Group and the Members, if so required by the Bank of Spain or the single European supervisor in accordance with prevailing legislation. The entities belonging to Grupo Cooperativo Cajamar – as members – as well as their dates of incorporation approved by their general assemblies and the dates they were authorised to join the Group by the Bank of Spain Executive Committee are detailed as follows:

Entity	Meeting date	Bank of Spain authorisation date
Banco de Crédito Social Cooperativo, S.A	28/01/2014	06/06/2014
Cajamar Caja Rural, Sociedad Cooperativa de Crédito	28/11/2013	06/06/2014
Caixa Rural Altea, Cooperativa de Credit Valenciana	27/11/2013	06/06/2014
Caja Rural San José de Burriana, Coop. de Crédito V.	28/11/2013	06/06/2014
Caixa Rural de Callosa d´En Sarriá, Cooperativa de Crédito Valenciana	28/11/2013	06/06/2014
Caixa Rural San José de Nules, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural de Cheste, Sociedad Cooperativa de Crédito	28/11/2013	06/06/2014
Caja Rural de Alginet, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural San Jaime De Alquerías Niño Perdido, Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural de Villar, Coop. de Crédito V.	28/11/2013	06/06/2014
Caixa Rural San Josep de Vilavella, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural San Roque de Almenara, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural La Junquera de Chilches, Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural San Isidro de Vilafamés, Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural Católico Agraria, Coop. de Crédito V.	28/11/2013	06/06/2014
Caixa Rural Sant Vicente Ferrer de la Vall D´Uixo, S. Coop. de Crédit V.	28/11/2013	06/06/2014
Caja de Crédito de Petrel, Caja Rural, Cooperativa de Crédito Valenciana	29/11/2013	06/06/2014
Caixa Rural de Turís, Cooperativa de Crédito Valenciana.	28/11/2013	06/06/2014
Caixa Rural de Torrent, Cooperativa de Crédit Valenciana	28/11/2013	06/06/2014

The fundamental objectives of Grupo Cooperativo Cajamar are to:

- Contribute towards meeting the financial needs of the partners of Members having the legal form of credit cooperatives, with maximum effectiveness, efficiency and robustness, through improved management and use of centralised services, which enable conversion costs to be reduced and margins improved;
- Define, on a consistent basis, common strategic policies that will guide the actions of the Members, without prejudice to each of their separate legal personalities;
- Act in the market as a reliable operator competing with peers and, with this objective: develop a common brand for the Group with respect to individual brand names; achieve a single rating which recognises the potential of the Group as a financial operator; and achieve a greater presence in the retail and wholesale markets, so that Members may offer new, better and broader services to their partners and customers, and access financing channels;
- Protect the Members' financial stability in order to guarantee their solvency and liquidity without this limiting the obligation that falls to each of them to maintain their own solvency and liquidity, and to comply with the regulations applicable to them;
- Act as sole representative of Members before the regulatory and supervisory bodies and represent and defend, on a coordinated basis, their common interests in any field;
- Establish and coordinate a common internal system of monitoring, audit and control, and diversify the risks inherent in the business of Members; and
- Offer Members' staff a framework for secure, broad and appropriate professional development, based on selection and promotion by merit, by means of comprehensive training aimed at establishing their professional careers.

The Group is governed by principles of solidarity, cooperation and subsidiarity, and at all times the Group's interests take priority over those of its individual Members.

Only Banco de Crédito Social Cooperativo, S.A. and the legally recognised credit cooperatives that have been duly incorporated in accordance with applicable legislation, have received all legally requisite authorisations, and assume the commitments set out in the Regulatory Agreement to both the Group and the other Members, can become Members of Grupo Cooperativo Cajamar.

Members may not cede their position in the Group to any third party, nor the rights and obligations of any nature arising from such membership.

Duration of Grupo Cooperativo Cajamar and rules governing separation from the Group

The Group was created with the aim of being a stable organisation, in accordance with its basic principles as per the cooperative credit system. In this respect, the duration of the Group is unlimited although a mandatory minimum period of ten consecutive years is laid down as from the date of incorporation of each Member into the Cooperative Group and its associated institutional protection scheme regulated by the Group Regulatory Agreement.

During the six months prior to this mandatory minimum period elapsing and having obtained authorisation from the supervisory authorities, Members may submit a formal request to the Parent to voluntarily withdraw from the Group. This withdrawal will take effect within two years from the date on which the mandatory minimum membership period elapses.

Once the mandatory minimum membership period has elapsed without a Member applying for voluntary withdrawal from the Group, new ten-year mandatory minimum membership periods will commence immediately. Members will still be entitled to apply for voluntary withdrawal as per the procedure and minimum periods described in the previous paragraph.

As an exception, the Member, Cajamar Caja Rural, Sociedad Cooperativa de Crédito, assumes the indefinite character of the Cooperative Group and undertakes not to request its voluntary separation from the Group or to exercise the right of separation at any time without first obtaining the prior express authorisation of the Parent.

During the transitional period from notice being given of voluntary withdrawal and the date on which this actually takes effect, the Member concerned will lose all their voting rights as a Member of the Group and the voting and dividend rights attached to the shares representing the Bank's capital held by the Member. The Member's obligations to contribute own funds to the Group and its solvency commitments will remain.

If so decided by the Parent, the Member must sell and transfer the shares it owns to the Parent or other Members (as decided by the Parent), free of all charges and encumbrances and with all related voting and dividend rights at a price equal to the lower of (i) the fair value of the shares at the time of transfer or (ii) the acquisition price of the shares.

Each of the Members recognises that it does not hold any rights, if it exits the Group, to the assets or liabilities that might figure on the balance sheet of the Parent or to the Bank's business performed by the Parent.

Voluntary separation from the Group is penalised by way of damages in an amount equivalent to 2% of the total average assets of the Member requesting separation. Additionally, the voluntary separation of a Member must also be authorised by the Bank of Spain.

Any amendment of certain aspects of the Agreement will result in the right of the Group Members to apply for separation, provided this is authorised by the Bank of Spain, with the same effects as described above for voluntary separation. The right of separation may only be exercised on an absolutely extraordinary and exceptional basis. Specifically, separation may be requested in the event of an amendment to the Agreement which the Member in question had voted against, and which necessarily involved a significant increase in the powers delegated by Members to the Parent, provided that this does not result from a regulatory change or is not supported by at least half of the Group Members other than the Parent.

The forced departure of Members will occur when they cease to meet the requirements for Group membership, subject to approval by the Parent's Board of Directors, or a very serious breach occurs that, given its nature, results in expulsion from the Group. In this event they will be required to sell and transfer their shares in the Parent, free of all charges and encumbrances and with all related voting and dividend rights, for an overall price of €1 and will bear an additional penalty for damage and loss equivalent to 5% of their average total assets, whatever the grounds for their expulsion from the Group.

Membership of Grupo Cooperativo Cajamar, holding and transfer of shares

Admission of a credit cooperative as a new Group Member must be preceded by an application approved by its governing bodies, and will involve a necessary acquisition of the Parent's capital, either by subscribing shares in a capital increase or by purchasing shares from one of the Parent's shareholders.

Members are required at all times to retain full ownership of their shares in the Parent and any preferential subscription rights they may hold, free of charges and encumbrances and with all relevant dividend and voting rights.

Members may only transfer their shares in the Parent to other Members and third parties with the prior consent of the Parent. In this event, an adjustment must be agreed and made to the corporate governance rules included in the Regulatory Agreement based on the new percentage holdings in the Parent's capital.

Powers delegated by Members to the Group Parent

In accordance with the Regulatory Agreement, Members have delegated the following functions and competencies to the Parent:

- Strategic management of the Group;
- Preparation of budgets;
- Decisions concerning the issuance of instruments qualifying as own funds, except contributions to Members' capital by their partners;
- Risk controls, policies and procedures;
- Cash management;
- Business plan;
- Geographical expansion and determining the size of the network;
- Internal control and audit;
- Personnel policy, including all aspects of the fixed and variable remuneration policy and, if appropriate, the possible existence of senior management contracts, the terms of their dismissal and pension or similar commitments;
- Information and technology platforms and levels of in-house and out-of-house services ("Service Level Agreements");
- Establishment of the remuneration framework for capital contributions;
- Decisions on the distribution or application of results.
- Indication of agreements Members must adopt through their respective and pertinent governing bodies to comply with any obligatory instructions issued by the Parent on the date special powers are delegated.

The Parent may also agree at any time that Members have to obtain authorisation from the Parent before redeeming capital contributions, so as to safeguard the Group's liquidity and/or solvency.

In this regard, it should be mentioned that Cajamar has delegated powers to the Parent to authorise the redemption of capital contributions in order to safeguard the Group's solvency.

The Parent must lay down guidelines and, where appropriate, issue mandatory instructions in the above areas.

Grupo Cooperativo Cajamar's Parent

The Parent will exercise all the powers delegated to it in the Group and issue mandatory instructions to all Members.

The Parent is responsible for drawing up the consolidated accounts for all Group Members in accordance with applicable legislation. It also represents the Group in dealings with the competent administrative authorities in each area.

Additionally, the Parent is responsible for the following:

- Drawing up and authorising for issue the consolidated annual accounts and directors' report of the Group as well as preparing the individual accounts for each Member, without prejudice to their having to be authorised for issue and approved by the competent governing bodies of each Member.
- Filing the Group's consolidated annual accounts and directors' report, and the auditor's report, with the relevant registries, as required by law.
- Complying with all the reporting obligations affecting all Group Members in accordance with Law 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions and other applicable regulations.
- Preparing the Group's Pillar III Report, in compliance with the reporting requirements established in Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, or any requirements that might replace them, or any other reports that might be required under the relevant legislation.
- Preparing the Internal Capital Adequacy and Liquidity Report for the Group.
- Indicating the agreements Members must adopt through their respective and pertinent governing bodies to comply with any obligatory instructions issued by the Parent assuming, as per the terms and conditions of the Agreement in force, all the consequences deriving from the implementation of the measures agreed on the date special powers are delegated.
- Appointing the auditors of the consolidated annual accounts.
- Accepting a credit cooperative as a new Group Member, as per the conditions established in Clause 4.2 of the Regulatory Agreement.
- Assuming the duties arising from relations with supervisors, such as preparing and submitting documentation and information relating to the Group or its Members, meeting the requirements and facilitating the inspection activities of the supervisor, and other requirements envisaged in applicable legislation.
- Representing the Group and each of its Members before the single European supervisor, the Bank of Spain and the Spanish National Securities Market Commission (CNMV), other supervisory authorities, competent resolution authorities, administrative authorities and any other related entities such as auditors or credit rating agencies.
- Defining the remuneration policy for company directors, executives and staff, applicable in the Members as a whole, as provided in applicable regulations and best corporate governance practices.
- Establishing common rules on expense authorisation for all Group entities and monitoring compliance therewith.
- Issuing the mandatory prior report on the appointment or dismissal of the general manager of a Group Member. If the report does not support said appointment, it must also be binding.

- Ensuring the implementation, fulfilment and continuous improvement of corporate governance standards in the Group in line with best practices.
- Exercising all the powers delegated by the Members.

The Group Parent is responsible for monitoring the solvency and liquidity of the Group and each of the Members; it must also act, at all times, under the principles of independence, impartiality, professionalism and technical rigour, and it is subject to a duty of confidentiality with the exception of the obligation to report to the supervisory authorities.

Finally, the Parent, by delegation of the other Members, is the ultimate decision-making body, outranking the governing bodies of the various entities with respect to the following matters:

- The winding-up of a Group Member.
- The merger, spin-off or transformation of a Group Member.
- While both these decisions are the responsibility of each entity's assembly, they may not be implemented without the express, prior, unconditional authorisation of the Parent's Board of Directors.
- Remuneration framework for contributions and distribution of the Members' profits.

In addition, Cajamar Caja Rural, Sociedad Cooperativa de Crédito has delegated powers to the Parent to authorise the redemption of capital contributions that are requested in order to safeguard the Group's solvency.

The directors opted to apply the provision included in Article 43 of the Spanish Code of Commerce and file the consolidated annual accounts of the Group Parent (Banco de Crédito Social Cooperativo, S.A.). The consolidated annual accounts for 2023 were authorised for issue on 5 March 2024 and are filed in the Madrid Companies Register.

Profit and loss pooling

The pooling of profit and loss is a mechanism for Group integration in order to strengthen economic unity, which is the basis of the Group's consolidation. Positive amounts derived from such pooling are recorded on the statement of profit or loss under "Other operating income – Other recurring income". If the result is negative, it is recognised under "Other operating expenses – Other items". The current pooling mechanism is as defined in the current wording of the Regulatory Agreement unanimously approved in the General Assembly of Group Members on 12 December 2018. The key aspects of the mechanism are as follows:

a) General pooling rules

Each year the credit institutions making up the Group will contribute 100% of their Adjusted Gross Result to build a fund which will be distributed between entities in proportion to the interest of each of them in the Group's own funds. The following definitions apply in this regard:

I. Gross Result: This is the profit or loss generated in the financial year or calculation period by each Member as per its separate financial statements, before tax, excluding: (i) amount recognised for previous pooling in the same calculation period; (ii) dividends or any other type of partner remuneration for holding an equity stake in another Group entity; (iii) impairment losses on equity stakes in Group entities; (iv) mandatory contributions to the Education and Development Fund; (v) losses from penalties imposed under the penalty system set out in the current agreement; and (vi) losses that entities are required to assume individually to comply with the obligations established by the Parent on the date special powers were delegated or as a result of other Members contributing, for nothing in return, to the own funds of a Member in accordance with the Regulatory Agreement.

II. Adjustments to the Gross Result to Guarantee Maximum Internal Fairness in the Group:

- Any income that is exempt from corporate income tax and non-deductible expenses vis-à-vis corporate income tax, arising from circumstances where one or several Members assume 100% of the burden that the Group as a whole should bear. For example, but not exhaustively: (i) tax-free dividends received by an entity as a result of holding an equity stake on behalf of the Group; (ii) non-deductible write-downs of equity stakes in holding companies; and (iii) the impacts on results with no tax effect of goodwill or negative goodwill generated in business combinations and any other impact with similar effects.

- Any direct impacts on an entity's equity not recognised through profit or loss and therefore never pooled. For example, but not exhaustively: (i) payment of interest on any AT1 instruments issued to bolster the Group's solvency; and (ii) gains/losses on disposal of equity instruments at fair value through other comprehensive income and any other similar impacts.

  The affected entity's Gross Result will be adjusted to obtain a result that is as close as possible to that which would have been obtained if the event giving rise to the adjustment had been allocated among all Group entities as per their pooling share.

  Adjustments to the Gross Result may be deferred over the year taking into account any known adjustments and their expected impact, provided they reflect the true picture at year-end.

  The Parent is expressly authorised to make any necessary adjustments as set out in this section.

III. Adjusted Gross Result: is the result of applying the adjustments to the Gross Result described in point ii) to the Gross Result stipulated in point i).

IV. Pooling Fund: this will be established using the sum of the Adjusted Gross Result of all the Group Members.

V. Member Own Funds: amount shown under the same heading in the public financial statements of each Member, less the carrying amount of equity interests held in any other Member.

VI. Group Own Funds: sum of the own funds of all Group entities, as defined above.

The pooling rate applicable to each Member is calculated annually following the end of the financial year and is effective and applicable during the following year. However, this calculation period may be shortened in the event that, within a financial year, the following takes place:

- A variation in the Group's own funds due to:
  - The incorporation or separation of a Member.
  - A business combination between a Member and a non-member.
  - An increase or reduction in the Parent's capital, unless this is recognised against other equity line items.
- A change in the Parent's ownership structure affecting at least one Member.

The calculation period will not be reduced due simply to the merger of two or more Members, because the entity resulting from the merger will automatically, as from the effective date of the merger for accounting purposes, be allocated the share resulting from the sum of the shares pertaining to the merged entities.

If any of the events leading to the reduction in the frequency of calculation take place, the Parent will recalculate the pooling shares in accordance with the above indications. These shares will be applied as per the effective date for accounting purposes of the event giving rise to the calculation period reduction:

- If the accounting effects of an event occur between days 1 and 15 of the month, both inclusive, the recalculated shares will be effective from the first day of said month until year-end or, if applicable, until one of these events reoccurs.
- If the accounting effects of an event occur from day 16 of the month onwards, the recalculated shares will be effective from the first day of the following month until year-end or, if applicable, until one of these events reoccurs.

The pooling process is ongoing and calculations and settlements can be made at any time if requested by the Parent. In general, though, calculations are performed at the same time as the monthly closes, and settlements (on the same date) are made through the Parent's cash pooling accounts with the other entities.

The Parent may, due to unforeseen circumstances, delay the deadline for pooling any amounts that are immaterial to the Group as a whole, to avoid having to restate the annual accounts or resend the confidential returns to the supervisory authorities. In such circumstances, the amount will be pooled in the subsequent pooling period.

b) Pooling rules in the event of an accumulation of losses

If a Group Credit Cooperative's equity falls to below its capital as a result of the pooling of accumulated losses on applying the general pooling rules, pooling adjustments for the year must be recalculated to ensure the accumulated losses are allocated as follows:

- Losses will be allocated to each Member proportional to the percentage of their reserves relative to the total reserves of Members in the pooling scheme. This allocation criterion will be applied until all the Members' reserves are exhausted.

- If the losses to be pooled exceed the total reserves of Members in the pooling scheme, the surplus losses will be allocated as per the percentages applicable under the general pooling rules. This allocation criterion will be applicable for losses exceeding total reserves and until the own funds of all Members are used up.

- If any losses remain unallocated, they will be assigned based on the percentage of lowest-ranking debt each entity still holds, as defined in Act 11/2015, in Royal Decree 1012/2015, of 6 November 2015, implementing Act 11/2015, of 18 June 2015, in the Cooperatives Act, in Royal Decree-Law 1/2020, of 5 May 2020, approving the recast text of the Insolvency Act (the "Insolvency Act"), and any other legislation implementing or replacing the aforementioned, until this lowest-ranking debt is used up. In such cases, the percentages of next lowest-ranking debt will be used and so on, until the remaining losses have been fully allocated.

Appendix I to the accompanying consolidated annual accounts shows the pooling shares of each Member at 31 December 2024 and 31 December 2023.

At 31 December 2024, the Parent's pooling share is 27.27% (28.39% at the 2023 close).

Group liquidity commitment

Members agree to make all their liquidity available to the Group's Parent through treasury accounts or any other liquidity mechanism established in the Group.

Members may not obtain wholesale funding, unless expressly authorised by the Parent.

The Group's Parent is responsible for providing liquidity to all Members through treasury accounts or any other liquidity mechanism established in the Group.

The Group's Parent is responsible for ensuring the Group's liquidity and guaranteeing complete compliance with the liquidity requirements and thresholds established internally and by the regulatory and supervisory authorities.

In order to meet these internal and external requirements, the Parent may:

- Raise finance on wholesale markets;
- Call on any Member to realise assets, carry out securitisations, transfer assets within or outside the Group or implement any other measures it deems necessary;
- Manage liquidity for the whole Group, establishing, where necessary to achieve the required values at consolidated level, internal liquidity objectives at individual level that must be met.

All Members provide each other with mutual guarantees to ensure the liquidity of each institution at all times.

The Parent will be responsible for centrally managing all the treasury services needed to ensure the Group can perform properly, especially minimum capital ratio management.

The Parent will open treasury accounts with each Group Member in each of the currencies in which each entity has to operate.

All settlements deriving from the management of treasury services and any other dealings between Group Members and the Parent will be made through the treasury accounts, unless the Parent defines another mechanism for this purpose.

Interest on the treasury accounts will be determined by the Parent's Assets and Liabilities Committee (ALCO).

Group solvency commitment

Members make up a consolidated group of credit institutions with direct, reciprocal and unconditional commitments to provide capital injections to avoid any non-fulfilment of any mercantile or prudential capital adequacy requirements, on the one hand, and to evaluate their capital needs on a common basis, on the other.

The Parent is responsible for the Group's capital planning. It establishes the capital target for the Group and is able to determine the individual requirements for each Member.

The Parent is also responsible for ensuring compliance with the Group's minimum capital requirements laid down in applicable legislation and internally established capital targets.

In order to meet these internal and external requirements, the Parent may:

- Obtain instruments eligible as own funds, directly or through another Member;
- Establish capitalisation plans for Members;
- Establish plans to dispose of assets and/or transfer the business, calling on the collaboration of Members.

The Parent must ensure that Members individually comply with the own fund requirements established in company law and any other individual internal and external capital adequacy requirements that may exist.

If a Member is unable or expects to be unable to fulfil a statutory or individual capital adequacy requirement, the Group's Parent must put a recapitalisation plan in place for that entity.

Compliance with this recapitalisation plan will be obligatory and it may include:

- Where possible, subscription of capital by other Group Members, who will be required to obtain a percentage of the new capital equal to their share in the pooling mechanism balance after stripping out the affected entity's result;
- Transfer of assets within or outside the Group, at fair value;
- Merger by way of absorption of the entity by another Group Member.
- Any other measures that are feasible and appropriate given the entity's position. Depending on the nature of the action to be taken, the Parent will establish a reasonable criterion for allocation among the other Members.

If a recapitalisation plan is required for a Member, the Parent may establish restrictions on how the affected entity's results can be distributed.

If a Member is in a position or expects to be in a position where its equity is less than its capital, the Parent may decide that the other Members will have to make a capital injection, without receiving anything in return, or that other appropriate and feasible steps be taken to redress the affected Member's equity including, for information purposes but not restricted to, the transfer of assets or merger by absorption of the affected entity. Members will be required to participate if contributions are deemed necessary, and these will be calculated based on their share in the pooling mechanism after stripping out the affected entity.

All Members provide each other with mutual guarantees to ensure the solvency of each institution at all times.

Mutual guarantee

The Group guarantees the solvency and liquidity of Members in the terms set out in the Regulatory Agreement. To achieve this, Members are mutual joint and several guarantors.

The mutual guarantee implies that the entire Group (and therefore each of its individual components) must meet, if necessary, any of the Members' payment obligations towards any of their creditors, in any circumstances, fully and without restriction.

Responsibility for honouring payment obligations with third parties and for the finance each Group entity acquires is joint and several. Members expressly waive the benefits of exclusion, seniority and division. In particular, if any events triggering delegation of special powers occur, all the Group Members' partners and creditors will be subject to the general principle of equal treatment, irrespective of the Group entity to which the direct creditors or partners pertain.

Members' commitments and obligations on the date of delegation of special powers

Grupo Cooperativo Cajamar Members have full legal status and their own management, administration and governance structures, except where such activities are delegated to the Group's Parent.

In particular and without limitation, the Parent shall be delegated all the powers included in the Regulatory Agreement and, in particular, those indicated in clause 12, in the event that: (i) the Parent's Board of Directors has approved the activation of the recovery plan drawn up in accordance with Act 11/2015, of 18 June 2015, on the recovery and resolution of credit institutions and investment firms (hereinafter, "Act 11/2015"); or (ii) the Group fails or is expected to fail to comply with prudential requirements under the applicable regulations; or (iii) the Parent considers that there is objective evidence that it is reasonably foreseeable that the necessary circumstances exist or may exist in the near future for the opening of a resolution process pursuant to Article 19 of Act 11/2015, of one or more Members or of the Group itself; or (iv) a resolution process of the Group is opened pursuant to Article 19 of Act 11/2015; or (v) the competent supervisor so decides, as a preventive measure, pursuant to Article 9 of Act 11/2015 on early action measures once the necessary conditions are met pursuant to Article 8 of Act 11/2015; or (vi) the opening of an insolvency proceeding is foreseen, or such proceeding is effectively declared, for any of the Group entities.

The occurrence of any of the events in the preceding paragraph will activate the "Date of Delegation of Special Powers", starting a period which will last for as long as the situation that gave rise to its activation continues to exist.

On the Date of Delegation of Special Powers, all Group entities shall be obliged to face all the consequences deriving from the execution of the measures that may be agreed by the Parent, and shall be irrevocably bound to comply with all the decisions adopted, whatever measures may be agreed by the Parent for such purposes.

In order to fulfil their obligations imposed by the Parent, Members undertake to adopt such agreements as may be necessary for the effective performance of the aforementioned obligations and the Parent shall have full powers to enforce these agreements on the Date of Delegation of Special Powers.

In particular and without limitation, on the Date of Delegation of Special Powers, the Parent shall have the delegated powers to establish internal recapitalisation or loss absorption formulae, to agree mergers of Group entities, to agree and directly execute full or partial spin-offs of assets and liabilities, to agree and execute transfers of assets or liabilities or the sale of the business of the Group Member or Members, as well as to agree any other structural modification it deems appropriate.

The decisions adopted by the Parent on the Date of Delegation of Special Powers are considered to be of essential importance by all Group Members and are obligatory and inexcusable for all of them, and the Members assume the commitment whereby their competent governing bodies in each case, where appropriate, are to adopt resolutions and take such decisions as may be necessary to execute the instructions received from the Parent.

In applying these special powers, the Parent shall apply the general principle of equal treatment of the Group's partners and creditors, irrespective of the Group entity of which they are direct creditors or partners. For this purpose it shall apply the following general criteria:

1. For the allocation of losses by the Parent, the provisions of the mutualisation clause shall apply.

2. For loss absorption:

   a. The mutualisation system ensures that losses are first allocated to institutions with reserves until they are exhausted. As a result, in the event of loss absorption at the individual level, losses will be assigned first to the Group's reserves.

   b. If losses exceed the Group's reserves, the same rule applies to capital.

   c. In the event that the losses exceed capital, mutualisation will involve assigning the remaining losses to each Member based on the percentage of lowest-ranking debt each Member still has as defined in Act 11/2015, in Royal Decree 1012/2015, of 6 November 2015, implementing Act 11/2015, of 18 June 2015, in the Cooperatives Act, in Act 22/2003, of 9 July 2003 ("Insolvency Act"), and any other legislation implementing or replacing the aforementioned.

3. For total or partial disposals, transfers of assets or liabilities, and for disposals or sales of businesses, the Parent shall define general and objective criteria for selecting and measuring the items to be transferred and shall apply these criteria uniformly.

4. For any other decision, general, objective and homogeneous criteria shall be established to ensure the principle of equal treatment of the partners and creditors of all the Group entities, as well as the ranking set out in the aforementioned legislation.

In the event that one of the events referred to above takes place and consequently the so-called Special Delegation of Powers Date is activated, none of the Group's Members may exercise the right to voluntary withdrawal until the event giving rise to the said special delegation of powers has been satisfactorily overcome. This stipulation is to ensure that the impacts and consequences of any type of measure being implemented by the Parent or the competent authorities affect all Members, with no Member evading such impact.

The individual balance sheets, statements of profit or loss, statements of recognised income and expenses, statements of changes in equity, and cash flow statements of Banco de Crédito Social Cooperativo, S.A. (hereinafter, "BCC"), as the Group's Parent, for the years ended 31 December 2024 and 2023, prepared in accordance with the accounting standards and policies and measurement standards established in applicable legislation (Note 2.5) are shown below.

Individual Balance Sheets of Banco de Crédito Social Cooperativo, S.A.:

	Thousands of Euros	
	2024	2023
Cash, cash balances at central banks and other demand deposits	**3,119,946**	**2,986,547**
Financial assets held for trading	**232,430**	**321,484**
Derivatives	232,430	321,484
Non-trading financial assets mandatorily at fair value through profit or loss	**15,257**	**15,890**
Equity instruments	1,788	2,692
Debt securities	13,469	13,198
Financial assets designated at fair value through profit or loss	**-**	**-**
Financial assets at fair value through other comprehensive income	**137,458**	**719,461**
Equity instruments	137,458	126,103
Debt securities	-	593,358
Memorandum: loaned or delivered as collateral with a sale or pledge right	-	*393,936*
Financial assets at amortised cost	**24,308,544**	**21,741,195**
Debt securities	10,868,338	9,782,306
Loans and advances	13,440,206	11,958,889
Credit institutions	2,916,971	3,153,932
Customers	10,523,235	8,804,957
Memorandum: loaned or delivered as collateral with a sale or pledge right	*5,466,954*	*4,622,662*
Derivatives - Hedge accounting	**2,509,727**	**2,772,030**
Fair value changes of the hedged items in portfolio hedge of interest rate risk	**-**	**-**
Investments in subsidiaries, joint ventures and associates	**122,543**	**121,832**
Subsidiaries	47,563	46,852
Associates	74,980	74,980
Tangible assets	**152,402**	**113,403**
Property, plant and equipment	152,402	113,403
For own use	152,402	113,403
Memorandum item: acquired under finance lease	*2,058*	*4,535*
Intangible assets	**322,481**	**254,545**
Other intangible assets	322,481	254,545
Tax assets	**74,773**	**84,985**
Current tax assets	10,012	7,321
Deferred tax assets	64,762	77,664
Other assets	**12,599**	**7,590**
Rest of other assets	12,599	7,590
Non-current assets and disposal groups of assets classified as held for sale	**-**	**-**
TOTAL ASSETS	**31,008,159**	**29,138,962**

	Thousands of Euros	
	2024	**2023**
Financial liabilities held for trading	**232,407**	**321,433**
Derivatives	232,407	321,433
Financial liabilities designated at fair value through profit or loss	**-**	**-**
Financial liabilities at amortised cost	**29,361,891**	**27,493,743**
Deposits	23,798,087	22,249,150
Central banks	-	969,302
Credit institutions	23,797,737	21,279,362
Customers	351	486
Debt securities issued	2,786,037	2,277,833
Other financial liabilities	2,777,767	2,966,760
Memorandum: subordinated liabilities	*601,120*	*600,619*
Derivatives – Hedge accounting	**5,001**	**2,996**
Fair value changes of the hedged items in portfolio hedge of interest rate risk	**-**	**-**
Provisions	**242,191**	**188,650**
Pensions and other post-employment defined benefit obligations	669	398
Commitments and guarantees given	12,983	16,407
Other provisions	228,539	171,845
Tax liabilities	**7,670**	**8,786**
Current tax liabilities	2,894	4,562
Deferred tax liabilities	4,777	4,224
Capital repayable on demand	**-**	**-**
Other liabilities	**38,760**	**31,246**
Liabilities included in disposal groups of assets classified as held for sale	**-**	**-**
TOTAL LIABILITIES	**29,887,921**	**28,046,854**

	Thousands of Euros	
	2024	**2023**
Equity	**1,124,627**	**1,105,329**
Capital	**1,059,028**	**1,059,028**
Paid-up capital	1,059,028	1,059,028
Share premium	**-**	**-**
Equity instruments issued other than capital	**-**	**-**
Other equity	**-**	**-**
Retained earnings	**47,473**	**43,135**
Revaluation reserves	**-**	**-**
Other reserves	**(10,584)**	**(11,172)**
(-) Treasury shares	**-**	**-**
Profit (loss) for the year	**77,710**	**38,338**
(-) Interim dividends	**(49,000)**	**(24,000)**
Accumulated other comprehensive income	**(4,389)**	**(13,221)**
Items that will not be reclassified to profit or loss	**(4,389)**	**(8,842)**
Actuarial gains or (-) losses on defined benefit pension plans	(5,169)	(4,946)
Changes in the fair value of equity instruments measured at fair value through other comprehensive income	780	(3,896)
Items that may be reclassified to profit or loss	**-**	**(4,379)**
Changes in the fair value of debt instruments at fair value through other comprehensive income	-	(4,379)
TOTAL EQUITY	**1,120,238**	**1,092,108**
TOTAL EQUITY AND LIABILITIES	**31,008,159**	**29,138,962**

Individual Statements of Profit or Loss of Banco de Crédito Social Cooperativo, S.A.:

	Thousands of Euros	
	2024	**2023**
Interest income	1,067,623	865,137
Financial assets at fair value through other comprehensive income	387	1,268
Financial assets at amortised cost	715,819	560,977
Other interest income	351,417	302,892
(Interest expense)	(1,132,282)	(949,155)
A) NET INTEREST INCOME	**(64,659)**	**(84,018)**
Dividend income	47,693	54,355
Fee and commission income	17,161	17,457
(Fee and commission expenses)	(19,933)	(17,250)
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	(2,442)	(520)
Financial assets at amortised cost	(2,442)	(725)
Other financial assets and liabilities	-	205
Gains or (-) losses on financial assets and financial liabilities held for trading, net	(7)	135
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	1,225	(203)
Gains or (-) losses from hedge accounting, net	254	(125)
Exchange differences [gain or (-) loss], net	(37)	(25)
Other operating income	501,106	496,190
(Other operating expenses)	(1,803)	(10,233)
B) GROSS INCOME OR LOSS	**478,559**	**455,763**
(Administrative expenses)	(260,337)	(223,790)
(Staff expenses)	(81,142)	(74,060)
(Other administrative expenses)	(179,195)	(149,730)
(Amortisation and depreciation)	(37,610)	(27,954)
(Provisions or (-) reversal of provisions)	(64,806)	(96,545)
Impairment or (-) reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes	(1)	(38,230)
(Financial assets at amortised cost)	(1)	(38,230)
(Impairment or (-) reversal of impairment on investments in joint ventures and associates)	(2,215)	(1,443)
Gains or (-) losses on derecognition of non-financial assets, net	-	460
C) PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	**113,589**	**68,261**
(Tax expense or (-) income related to profit or loss from continuing operations)	(35,879)	(29,923)
D) PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	**77,710**	**38,338**
Profit or (-) loss after tax from discontinued operations	-	-
E) PROFIT OR (-) LOSS FOR THE YEAR	**77,710**	**38,338**

Individual Statements of Recognised Income and Expense of Banco de Crédito Social Cooperativo, S.A.:

	Thousands of Euros	
	2024	**2023**
Profit/(loss) for the period	**77,710**	**38,338**
Other comprehensive income	**8,832**	**16,090**
Items that will not be reclassified to profit or loss	**4,454**	**3,090**
Actuarial gains or (-) losses on defined benefit pension plans	(317)	(191)
Changes in the fair value of equity instruments at fair value through other comprehensive income	5,228	3,459
Income tax relating to items that will not be reclassified	(458)	(178)
Items that may be reclassified to profit or loss	**4,379**	**13,000**
Hedge of net investments in foreign operations [effective portion]	**-**	**-**
Foreign currency translation	**-**	**-**
Cash flow hedges [effective portion]	**-**	**-**
Hedging instruments [not designated elements]	**-**	**-**
Debt instruments at fair value through other comprehensive income	**6,255**	**18,571**
Valuation gains or (-) losses taken to equity	6,255	18,571
Non-current assets and disposal groups held for sale	**-**	**-**
Income tax relating to items that may be reclassified to profit or (-) loss	**(1,877)**	**(5,571)**
Total comprehensive income for the year	**86,542**	**54,428**

Individual Statements of Total Changes in Equity of Banco de Crédito Social Cooperativo, S.A.:

Thousands of Euros

	Capital	Share premium	Equity instruments issued other than capital	Other equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or loss attributable to owners of the Parent	(-) Interim dividends	Accumulated other comprehensive income	Total
Opening balance at 31 December 2023	**1,059,028**	**-**	**-**	**-**	**43,135**	**-**	**(11,172)**	**-**	**38,338**	**(24,000)**	**(13,221)**	**1,092,108**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2024	**1,059,028**	**-**	**-**	**-**	**43,135**	**-**	**(11,172)**	**-**	**38,338**	**(24,000)**	**(13,221)**	**1,092,108**
Total comprehensive income for the year									**77,710**	**-**	**8,832**	**86,542**
Other changes in equity	**-**	**-**	**-**	**-**	**4,338**	**-**	**588**	**-**	**(38,338)**	**(25,000)**	**-**	**(58,412)**
Issuance of ordinary shares	-	-			-	-	-					-
Issuance of preference shares	-	-	-		-	-	-					-
Issuance of other equity instruments			-		-	-	-					-
Exercise or expiration of other equity instruments issued			-		-	-	-					-
Conversion of debt to equity	-	-	-	-	-		-	-				-
Capital reduction	-	-	-		-	-	-	-	-			-
Dividends (or remuneration to shareholders)	-	-	-	-	(10,000)	-	-	-		(49,000)		(59,000)
Purchase of treasury shares					-	-	-	-				-
Sale or cancellation of treasury shares					-	-	-	-				-
Reclassification of financial instruments from equity to liability	-	-	-	-								-
Reclassification of financial instruments from liability to equity	-	-	-	-								-
Transfers among components of equity			-	-	14,338	-	-		(38,338)	24,000	-	-
Equity increase or (-) decrease resulting from business combinations	-	-	-	-	-	-	-	-			-	-
Share-based payments	-	-	-	-			-	-			-	-
Other increase or (-) decrease in equity			-	-	-	-	588	-	-	-	-	588
Of which: discretionary contributions to social projects and funds (savings banks and credit co-operatives only)					-		-					-
Closing balance at 31 December 2024	**1,059,028**	**-**	**-**	**-**	**47,473**	**-**	**(10,584)**	**-**	**77,710**	**(49,000)**	**(4,389)**	**1,120,238**

	Thousands of Euros											
	Capital	**Share premium**	**Equity instruments issued other than capital**	**Other equity**	**Retained earnings**	**Revaluation reserves**	**Other reserves**	**(-) Treasury shares**	**Profit or loss attributable to owners of the Parent**	**(-) Interim dividends**	**Accumulated other comprehensive income**	**Total**
Opening balance at 31 December 2022	**1,059,028**	**-**	**-**	**-**	**39,729**	**-**	**(12,645)**	**-**	**13,997**	**(10,590)**	**(29,312)**	**1,060,207**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2023	**1,059,028**	**-**	**-**	**-**	**39,729**	**-**	**(12,645)**	**-**	**13,997**	**(10,590)**	**(29,312)**	**1,060,207**
Total comprehensive income for the year									**38,338**		**16,090**	**54,428**
Other changes in equity	**-**	**-**	**-**	**-**	**3,406**	**-**	**1,473**	**-**	**(13,997)**	**(13,410)**	**1**	**(22,527)**
Issuance of ordinary shares	-	-			-	-	-					-
Issuance of preference shares	-	-	-		-	-	-					-
Issuance of other equity instruments			-		-	-	-					-
Exercise or expiration of other equity instruments issued			-		-	-	-					-
Conversion of debt to equity	-	-	-	-	-	-	-	-				-
Capital reduction	-	-		-	-	-	-	-	-			-
Dividends (or remuneration to shareholders)	-	-	-	-	-	-	-	-		(24,000)		(24,000)
Purchase of treasury shares					-	-	-	-				-
Sale or cancellation of treasury shares					-	-	-	-				-
Reclassification of financial instruments from equity to liability	-	-	-	-								-
Reclassification of financial instruments from liability to equity	-	-	-	-								-
Transfers among components of equity			-	-	3,406	-	-		(13,997)	10,590	1	-
Equity increase or (-) decrease resulting from business combinations	-	-	-	-	-	-	-	-			-	-
Share-based payments	-	-	-	-		-	-	-				-
Other increase or (-) decrease in equity			-	-	-	-	1,473	-	-	-	-	1,473
Of which: discretionary contributions to social projects and funds (savings banks and credit co-operatives only)					-		-					-
Closing balance at 31 December 2023	**1,059,028**	**-**	**-**	**-**	**43,135**	**-**	**(11,172)**	**-**	**38,338**	**(24,000)**	**(13,221)**	**1,092,108**

Individual Cash Flow Statements of Banco de Crédito Social Cooperativo, S.A.:

	Thousands of Euros	
	2024	**2023**
A) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	**340,092**	**65,200**
(+) Profit (loss) for the year	**77,710**	**38,338**
(+) Adjustments for determining cash flows from operating activities	**216,614**	**313,421**
Amortisation and depreciation	37,610	27,954
Other adjustments	179,004	285,467
(-) Net increase or (-) decrease in operating assets	**1,798,901**	**(223,598)**
Financial assets held for trading	-	-
Non-trading financial assets mandatorily at fair value through profit or loss	(634)	(81)
Financial assets designated at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	(591,057)	(795,496)
Financial assets at amortised cost	2,386,211	565,896
Other operating assets	4,381	6,083
(+) Net increase or (-) decrease in operating liabilities	**1,870,429**	**(492,935)**
Financial liabilities held for trading	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Financial liabilities at amortised cost	1,879,610	(485,665)
Other operating liabilities	(9,181)	(7,270)
(+) Income tax (paid)/refunded	(25,760)	(17,221)
B) CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	**(147,471)**	**(139,468)**
(-) Payments	**147,471**	**140,098**
Tangible assets	49,976	67,107
Intangible assets	94,569	71,745
Investments in subsidiaries, joint ventures and associates	2,927	1,246
Non-current assets and liabilities classified as held for sale	-	-
Other payments related to investing activities	-	-
(+) Collections	**-**	**631**
Tangible assets	-	631
Intangible assets	-	-
Non-current assets and liabilities classified as held for sale	-	-
Other proceeds related to investing activities	-	-
C) CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	**(59,222)**	**(24,133)**
(-) Payments	**59,222**	**24,133**
Dividends	59,000	24,000
Subordinated liabilities	-	-
Cancellation of own equity instruments	-	-
Purchase of own equity instruments	-	-
Other payments related to financing activities	222	133
(+) Collections	**-**	**-**
Subordinated liabilities	-	-
Issuance of own equity instruments	-	-
Disposal of own equity instruments	-	-
Other proceeds related to financing activities	-	-
D) EFFECT OF EXCHANGE RATE CHANGES	**-**	**-**
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**133,399**	**(98,400)**
F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**2,986,547**	**3,084,947**
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**3,119,946**	**2,986,547**

Appendix III details the main headings of the individual balance sheets and statements of profit or loss of the entities making up Grupo Cooperativo Cajamar at 31 December 2024 and 31 December 2023, prepared in accordance with the accounting standards laid down in the IFRS-EU and Bank of Spain Circular 4/2017.

1.2. Corporate purpose

The Group's corporate purpose is to engage in all kinds of activities, operations and services in the banking business in general, which are in accordance with applicable law, including the provision of investment services and ancillary services, in the terms laid down in Securities Market regulations. Its corporate purpose includes the following activities:

- The performance of all manner of transactions in relation to securities and credit documents, without prejudice to the provisions of securities market and collective investment legislation.
- The provision and receipt of all manner of credit and guarantees, for its own account or for the account of third parties.
- The acquisition and transfer, for its own account or for commission, of shares, bonds and other public or private securities, whether Spanish or foreign, as well as bank notes and coins of all countries, and the issuance of public offers to purchase or sell securities.
- The taking and holding of cash, transferable securities and all other kinds of securities on deposit or under management. The Bank will not be considered authorised to dispose in any way of assets held in custody.
- The performance of all manner of transactions with current accounts, term accounts or any other kind of account.
- The acceptance and assignment of mandates to act as administrator, representative, delegate, commission holder or agent or perform other tasks on behalf of users of the Bank's services.
- The performance of all other activities permitted to private banks under applicable legislation.

The activities that make up its corporate purpose may be performed wholly or partly indirectly, in any form permitted by law and, in particular, through the ownership of shares or interests in companies whose corporate purpose is identical or analogous, accessory or complementary to such activities.

When administrative authorisation or public registration is required for the provision of investment services and ancillary services, such activities may not commence until all administrative requirements have been fulfilled under applicable regulations.

The Credit Cooperatives participating in Grupo Cooperativo have the corporate purpose to serve the financial needs of their partners and third parties, performing the activities of a credit institution. To this end they may carry out any lending or deposit-taking activity, provide banking or quasi-banking services, and perform any investment services or ancillary services that credit institutions are authorised to perform under securities market legislation, prioritising the financial demands of partners. They may lend to non-partners up to the legally applicable limits.

1.3. Registered office

The registered office of Grupo Cooperativo's Parent is currently located at Paseo de la Castellana 87, 28046 Madrid, Spain, and it may establish branches, agencies and representative offices anywhere in Spanish territory and abroad, in accordance with applicable legislation. The Board of Directors of the Entity passed a resolution at its meeting held on 11 February 2025 to relocate the registered office to Calle Ciudad Financiera, number 1, Postal Code 04131, in the Science and Technology Park of Almeria (PITA).

The Parent has various work and operating centres although at present there are no branches open to the public or its clientele in general. It carries out its activities within the framework of Grupo Cooperativo Cajamar, of which it is the Parent. However, the other Group entities operate a network of branches across the country, as explained in Appendix II to these consolidated annual accounts.

1.4. Legal matters

As the Group is a financial institution, it is subject to certain legislation that regulates, among other things, the following:

- Maintaining a minimum percentage of resources on deposit at the national central bank of a country participating in the European Monetary Union to cover the minimum reserve ratio, which was established at 1% of qualifying liabilities at 31 December 2024 (Note 7).
- For the Parent, dividend payments and shareholder remuneration in general are subject to the legislation governing credit institutions having the status of private banks.
- For the Group's Credit Cooperatives, distributing at least 20% of the available surplus obtained during the year to the Mandatory Reserve Fund, that serves the purpose of consolidating and guaranteeing Grupo Cooperativo, and 10% to the Education and Development Fund (Note 3.13).
- Keeping a minimum level of capital and reserves (Notes 3.15 and 19).
- Making an annual contribution to the Deposit Guarantee Fund to provide a further guarantee, in addition to the Group's own funds, to its creditors and customers (Note 3.17).
- Contributing to the National Resolution Fund and Single Resolution Fund (Note 3.28).

The credit institutions pertaining to Grupo Cooperativo Cajamar are members of the Credit Cooperative Deposit Guarantee Fund, which provides up to €100 thousand in guarantees to each depositor (Note 3.17).

Grupo Cooperativo Cajamar is subject to the following general legislation, among other regulations, governing credit institutions:

- Corporate Enterprises Act, the recast text of which was approved by Legislative Royal Decree 1/2010, of 2 July, as well as subsequent amendments, the most recent being the amendment introduced by Royal Decree-Law 5/2023, of 28 June.

- Organic Law 2/2024, of 1 August, on equal representation and balanced presence of women and men.

- Act 11/2018, of 28 December 2018, amending the Spanish Code of Commerce, the recast text of the Corporate Enterprises Act approved by Royal Decree-Law 1/2010, of 2 July 2010, and Audit Act 22/2015, of 20 July 2015, on non-financial and diversity disclosures.

- Royal Decree 716/2009, of 24 April 2009, implementing certain aspects of Act 2/1981, of 25 March 1981, regulating the mortgage market and other financial and mortgage system rules.

- Bank of Spain Circular 2/2022, of 15 March 2022, on standards for submitting payment statistics to the Bank of Spain by payment services providers and payment system operators.

- Bank of Spain Circular 1/2024, of 26 January, to banks, credit cooperatives and other supervised institutions, regarding information on capital structure and amending Circular 1/2009, of 18 December 2009, to credit institutions and other supervised institutions, regarding information on capital structure and equity quotas of credit institutions and their branches.

- Regulation (EU) 2021/378 of the European Central Bank of 22 January 2021 on the application of minimum reserve requirements.

- Law 27/2014, of 27 November, on corporate income tax.

- Law 6/2023, of 17 March, on securities markets and investment services.

- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, and the associated legislation.

- Royal Decree-Law 19/2022, of 22 November 2022, establishing a Code of Good Practice to alleviate interest rate rises on mortgages on primary residences, as amended by the Resolution of 27 December 2023, of the State Secretariat for the Economy and Business Support, publishing the Resolution of the Council of Ministers of 27 December 2023, amending the Code of Good Practices for urgent measures for mortgage debtors at risk of vulnerability.

- Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.

- Royal Decree-Law 6/2024, of 5 November, adopting urgent response measures to the damage caused by the Isolated Depression at High Levels (DANA) in different municipalities between 28 October and 4 November 2024.

The Group's consolidated annual accounts at 31 December 2024 were prepared in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU), and taking into consideration Bank of Spain Circular 4/2017, of 27 November 2017, on credit institutions' public and confidential financial reporting rules and financial statement formats, and subsequent amendments thereto. The circular and the amendments thereto adapt and implement the IFRS-EU for the sector comprising Spanish credit institutions. The Group's consolidated annual accounts were prepared in accordance with all applicable mandatory accounting principles and standards and measurement bases, so as to give, in all respects, a true and fair view of the consolidated equity and financial position of the Group at 31 December 2024 and of its consolidated results and cash flows during the financial year then ended.

The main changes to the International Financial Reporting Standards applied and/or pending application are set out below:

a) Standards and interpretations issued by the International Accounting Standards Board (IASB) that came into force in 2024

The following amendments to IFRS or interpretations of IFRS (IFRIC) adopted by the European Union that are of mandatory application took effect on 1 January 2024 but have not had a material impact on the Group:

- **Commission Regulation (EU) 2023/2822 amending Regulation (EU) 2023/1803 as regards International Accounting Standard 1 (IAS 1 Presentation of Financial Statements).**

  Retrospective amendments to the manner of presentation of certain financial disclosures relating to current and non-current assets and liabilities.

- **Commission Regulation (EU) 2023/2579 amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 16 (IFRS 16 Leases).**

  The amendments specify the way in which a seller-lessee must subsequently value sale and leaseback transactions.

- **Commission Regulation (EU) 2024/1317 amending Regulation (EU) 2023/1803 as regards International Accounting Standard 7 and International Financial Reporting Standard 7, with respect to supplier finance arrangements.**

  The purpose of the amendments is to provide information to evaluate the possible impact of supplier finance arrangements on both liabilities and cash flows. These amendments are applied retrospectively.

The entry into force of the aforementioned standards has not had a significant impact on the Group.

Additionally, on 31 May 2024, **Regulation (EU) 2024/1623, amending Regulation (EU) No 575/2013** as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor, was approved and is applicable from 1 January 2025.

b) Standards and interpretations issued by the International Accounting Standards Board (IASB) that will come into force in 2025

At the date of authorisation for issue of the accompanying consolidated annual accounts, the following most significant standards and interpretations had been published by the IASB but had not taken effect, either because the effective date was after the date of the consolidated annual accounts or because they had yet to be adopted by the European Union:

- **Amendment to IAS 21.**

  The Effects of Changes in Foreign Exchange Rates. The amendment will require entities to apply a consistent approach to determine whether a currency is exchangeable into another currency.

c) Standards, amendments and interpretations of existing standards that have not been adopted by the European Union at the date of authorising these annual accounts for issue

At 31 December 2024, the following standards and interpretations that could be applicable to the Group had been published by the IASB and/or IFRS Interpretations Committee but were not yet in force, either because their effective date is after the date of the consolidated annual accounts or because they have not yet been approved by the European Union. The Group evaluated the impact of their application and has decided not to execute the option of early application, where this is available, due to the immateriality thereof.

- **Amendments to IFRS 9 and IFRS 7 – "Amendments to the Classification and Measurement of Financial Instruments" and "Contracts Referencing Nature-dependent Electricity".**

- **Annual improvements to IFRS, including corrections and minor amendments aimed at improving consistency in the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its application guidance, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows.**

- **Application of IFRS 18 Presentation and Disclosure in Financial Statements, replacing IAS 1, with the aim of improving the quality of financial information.**

- **Application of IFRS 19 Subsidiaries without Public Accountability: Disclosures.**

Except for the potential impact on presentation and disclosures arising from the adoption of IFRS 18, the Group estimates that the adoption of the IASB's issued but not yet effective amendments will not have a significant impact.

d) Standards, amendments and interpretations of existing standards that have been adopted by the European Union at the date of authorising these annual accounts for issue

The following standards, amendments to IFRS or interpretations of IFRS (IFRIC) adopted by the European Union that are of mandatory application took effect in 2023 but have not had a significant impact on the Group.

- **Directive (EU) 2022/2464 of the European Parliament and of the Council (Sustainability reporting).**

  Amending Regulation (EU) 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.

- **Commission Regulation (EU) 2022/1392 as regards International Accounting Standard 12 Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction).**

  Commission Regulation (EU) 2022/1392 of 11 August 2022 amending Regulation (EU) 1126/2008 as regards International Accounting Standard 12. Clarifies that the exemptions for the initial recognition of assets and liabilities do not apply for transactions that give rise to equal taxable and deductible temporary differences.

- **Commission Regulation (EU) 2023/2468 as regards International Accounting Standard 12 (Amendments to IAS 12).**

  Concerning the Pillar Two rules of the international tax reform.

- **IFRS 17 – Insurance Contracts**

  On 1 January 2023, IFRS 17 came into force, replacing IFRS 4 "Insurance Contracts", which modifies the principles for the recognition, measurement, presentation and disclosure requirements for insurance contracts in the interests of greater homogeneity and comparability between entities.

  As a result of the above, the Group has applied IFRS 17 and IFRS 9 (in the insurance business) from 1 January 2023. These standards entail changes to, respectively, the accounting for insurance and reinsurance contracts and the accounting for financial instruments linked to the insurance activity (see Note 3.25 "Insurance contracts").

  Based on an analysis of the aforementioned standard, it has been concluded that the financial institutions forming Grupo Cooperativo Cajamar, and its subsidiaries whose activity is not insurance, either do not currently market products that may be defined as insurance contracts or else meet the requirements for exemption under the new IFRS 17.

1.5. Contracts in force between Group entities

At 31 December 2024, Banco de Crédito Social Cooperativo, S.A. ("BCC") was party to a number of contracts with Group entities signed during the year, as described below:

- <u>Agency agreement between the Parent and Cajamar Caja Rural, Sociedad Cooperativa de Crédito.</u>

  On 1 September 2016, the Parent formalised an agency agreement with Cajamar Caja Rural, Sociedad Cooperativa de Crédito, which will remain in force as long as the latter retains its stake in the capital of the former. The agreement would be terminated should it lose its shareholder status for any reason, without prejudice to the grounds for early termination contained in the agreement itself.

In accordance with the terms and conditions established in the agreement, the Parent appointed Cajamar Caja Rural, Sociedad Credit Cooperativo as its credit institution agent for the whole of Spain. The latter will act as its independent intermediary, in the promotion, negotiation and formalisation, in the name and on behalf of the Parent, of the operations comprising its business, specifically of those products and financial services detailed in Annex I of the agreement.

- Agency agreement between the Parent and each of the remaining rural savings banks in Grupo Cooperativo Cajamar (with the exception of Caja Rural San Isidro de Vilafamés, S. Coop. de Crédito V).

  In 2020, the Parent formalised an agency agreement with each of the remaining rural savings banks in Grupo Cooperativo Cajamar (with the exception of Caja Rural San Isidro de Vilafamés, S. Coop. de Crédito V.), which will remain in force as long as, respectively, each rural savings bank retains its stake in the capital of the Parent. The agreement would be terminated should the rural savings bank lose its shareholder status for any reason, without prejudice to the grounds for early termination contained in the agreement itself.

  In accordance with the terms and conditions established in the agreement, the Parent appointed the contracting rural savings bank as its credit institution agent for the whole of Spain. The latter will act as its independent intermediary, in the promotion, negotiation and formalisation, in the name and on behalf of the Parent, of the operations comprising its business, specifically of those products and financial services detailed in Annex I of the agreement.

- Contract for the provision of services by Banco de Crédito Social Cooperativo, S.A. ("BCC" or "the Bank") to the other Grupo Cooperativo Cajamar entities: (i) between BCC and the Group entities and (ii) for the provision by BCC to said entities of multidisciplinary business management support services: financial, IT, information, HR and other ancillary internal audit services, as well as risk management, accounting, legal and tax advisory and strategic planning services.

  In relation to this contract, BCC has concluded with the other Grupo Cooperativo Cajamar entities a data processing contract dated 1 July 2014 related to the service of reporting to the Bank of Spain's Risk Information Office (CIR) on those entities' risks with third parties, and for requesting reports from the CIR.

- Property non-residence lease agreement: (i) between BCC and Cajamar Caja Rural, Sociedad Cooperativa de Crédito (Cajamar) and (ii) the purpose of which is the leasing by BCC to Cajamar of certain buildings owned by it which are detailed in the contract.

- Trademark licence contract: (i) between Cajamar and BCC and (ii) the purpose of which is the granting, by Cajamar and for the benefit of BCC, of an exclusive licence for the exploitation of the distinctive signs owned by it described in the contract.

- Trademark sub-licence contract: (i) between BCC and the entities that comprise Grupo Cooperativo (with the exception of Cajamar) and (ii) by which BCC grants to the rest of the entities an exclusive sublicence for the exploitation of the distinctive signs licensed by Cajamar that are described in the contract.

- Service-level agreement with BCC Gestión Integral de Infraestructuras, A.I.E.: (i) between BCC Gestión Integral de Infraestructuras, A.I.E and BCC and (ii) by which BCC Gestión Integral de Infraestructuras, A.I.E. agrees to provide to BCC the services specified in the contract, relating to the following areas: infrastructure and security services, works services, technical office services, general and facilities maintenance services, operating asset services, R&D&i efficiency management, central procurement services and logistics centre services.

- Service-level agreement with Cajamar Tecnología, A.I.E.: (i) between Cajamar Tecnología A.I.E. and BCC and (ii) by which Cajamar Tecnología A.I.E. agrees to provide to BCC services related to the following areas: administration and management of technology infrastructure, maintenance and development of computer applications, management and development of technology projects and support for payment services, and IT management and cybersecurity services.

- Service-level agreement with BCC Recursos Humanos y Contact Center, S.L.: between this latter entity and BCC to manage GCC human resources administration, personnel training, scholarship management and personnel selection.

- Service-level agreement with BCC Operaciones y Servicios Administrativos, S.L.: between this latter company and BCC, by which BCC Operaciones y Servicios Administrativos, S.L. agrees to: (i) provide to all Grupo Cooperativo Cajamar entities certain cash, securities and accounting administration services; payment services; operational centre services; digital support, settlement and exchange services; back office cash management; administration of working capital, foreign trade, asset transactions; and mortgage loan monitoring; and (ii) perform certain associated transactions that previously were carried out by BCC personnel but are thus transferred to BCC Operaciones y Servicios Administrativos, S.L.

- Service-level agreement with Sunaria Capital SLU.: between this latter entity and BCC for the provision of certain general services concerning controller and administration tasks; portfolio analysis and valuation; monitoring and control of non-performing assets; and remuneration deriving from the non-financial agency agreement with GCC Consumo.

- Service-level agreement for CAP subsidies with BCC Operaciones y Servicios Administrativos, S.L.U.: between this latter company and Cajamar Caja Rural, S.C.S. for (i) the provision of services for managing CAP subsidies, including handling applications and incidents, compliance and submission of basic payment rights notices and face-to-face and telephone customer services.

- Contract for the provision of insurance marketing services:

    - The insurance products of Cajamar Seguros Generales, S.A. de Seguros y Reaseguros (hereinafter, “Cajamar Seguros Generales”) are marketed by Grupo Cooperativo Cajamar member entities under an agency contract, currently in force, between Cajamar Seguros Generales and Cajamar Mediación, Operador de Banca-Seguros Vinculado, S.L.U. (hereinafter, “Cajamar Mediación”). In turn, each Grupo Cooperativo Cajamar member entity has entered into a service agreement with Cajamar Mediación under which it makes its distribution network available to Cajamar Mediación for the insurance brokerage activity through which Cajamar Seguros Generales’ insurance products are marketed.

    - The insurance products of Cajamar Vida, S.A. de Seguros y Reaseguros (hereinafter, “Cajamar Vida”) are marketed by Grupo Cooperativo Cajamar member entities under agency agreements between Cajamar Vida, Cajamar Caja Rural, Sociedad Cooperativa de Crédito, Banco de Crédito Social Cooperativo, S.A. and Cajamar Mediación, Operador de Banca-Seguros Vinculado, S.L.U. (the latter, hereinafter, “Cajamar Mediación”). In turn, each Grupo Cooperativo Cajamar member entity has entered into a service agreement with Cajamar Mediación under which it makes its distribution network available to Cajamar Mediación for the insurance brokerage activity through which Cajamar Vida’s insurance products are marketed.

  In relation to the aforementioned insurance contracts, both agreements were novated in 2023 with a view to carrying out, between 2023 and 2025 inclusive, a project, called “Online Insurance Space” (ESO), for which purpose the parties intend to establish a committee (in addition to the one established in clause 8.5. of the Agency Agreement) to work towards that objective and thus boost the sales and retention rate of the insurance business.

Similarly, a number of annexes to the aforementioned agreements were signed for the purpose of: (i) enhancing portfolio management through so-called CGS, (ii) driving the distribution of Cajamar Seguros Generales products through the distribution network linked to the Agency Agreement, (iii) signing a new agreement to amend the Agency Agreement without terminating it.

- Contract for the provision of marketing and brokerage services for the sale and lease of real estate.

  Entered into on 22 May 2023 between, on the one hand, (i) BCC, on its own behalf and as representative of all the other Grupo Cooperativo Cajamar entities, (ii) Cimentados3, S.A.U., (iii) Cim-Med I, S.A.U., (iv) Cimenta Desarrollos Inmobiliarios, S.A.U., (v) Inmuebles Alameda 34, S.L.U. and (vi) Alquileres Alameda 34, S.L.U., as clients; and, on the other hand, Cimenta2 Gestión e Inversiones, S.A.U., as supplier, for the provision by the supplier to the clients of marketing and brokerage services for the sale and lease of real estate owned by the clients.

1.6. Other service-level agreements and management contracts

- ***Contract for the sale of the asset management and service business***

  Until 30 June 2024, the Group had a contract in force that was entered into in 2014 for the provision of real estate asset management services and mortgage, non-mortgage and securitised loans, which was carried out directly by Haya Real Estate, S.A. without the existence of a vehicle or instrumental company to carry out such activity. On that date the contract between Cimenta2 Gestión e Inversiones, S.A. Sociedad Unipersonal, as client, and BCC, on its own behalf and as representative of all the other Grupo Cooperativo Cajamar entities, as suppliers, came into force for the provision by the suppliers to the client of marketing and brokerage services for the sale and lease of all types of real estate owned by the client, or by third parties where applicable.

- ***Business incorporation agreement to sell consumer credit products***

  In March 2015, the Parent and Banco Cetelem, S.A. reached an agreement to set up a joint venture to engage in selling consumer credit products in Spain, so as to launch and develop a business in which the products are offered, granted and sold to individuals, exclusively through the distribution network, i.e. through Grupo Cooperativo Cajamar entities, under a non-financial agency agreement.

  The company owned by both entities was incorporated as a specialised lending institution. It is entered in the Bank of Spain Register of Entities as GCC Consumo, Establecimiento Financiero de Crédito, S.A. The Group's Parent contributed 49% of its initial capital and Banco Cetelem, S.A. the remaining 51%.

  This agreement has undergone several amendments since its inception, with the purpose of promoting the marketing of Cajamar Consumo Establecimiento Financiero de Crédito S.A. products through the retail commercial network of Grupo Cooperativo Cajamar. The last amendment was made in March 2024.

- ***Commercial agreement to sell mutual funds***

  On 6 November 2015, Banco de Crédito Social Cooperativo, S.A., in its capacity as Parent of Grupo Cooperativo Cajamar, and Trea Asset Management S.G.I.I.C., S.A. entered into an exclusive 15-year agreement (duly authorised by Spain's securities market regulator, the CNMV) covering the distribution and sale of mutual funds invested in Spanish and international fixed-income assets, equities, or a mix.

- **Custodian assignment agreement**

  In 2017 the Group's Parent signed an agreement with Cecabank, S.A. appointing the latter as the custodian of the mutual funds sold by Grupo Cajamar, which were previously deposited with Banco Inversis, S.A.

- ***Pension fund custodian assignment agreement***

  During 2018, the Group formalised an agreement to assign the pension fund custodian business to Cecabank.

1.7. Macroeconomic environment, and the management and impacts of the economic and social situation

Macroeconomic, financial and geopolitical environment

In 2024, global economic activity advanced at a stable and relatively robust pace. This growth was primarily driven by the services sector, in contrast to the widespread weakness in manufacturing. Among the major economies, the strong economic performance of the United States was unexpectedly positive. Meanwhile, the eurozone economy remained sluggish, with growth below 1%. In this regard, the ECB's projections point to a gradual recovery in the coming years, supported by a rebound in consumption due to labour market resilience and lower inflation.

In Spain, economic activity performed better than expected, driven by domestic demand, reaching year-on-year growth of 3.2%, according to the preliminary Quarterly National Accounts report. The carry-over effect, combined with favourable indicators observed in the second half of 2024, has led the Bank of Spain and other institutions to revise their forecasts for 2025 upwards. Similarly, the labour market continues to show strength, and job creation is expected to persist in the coming years. By the end of 2024, the unemployment rate stood at 10.61%, according to the Labour Force Survey (EPA).

Meanwhile, the reduction in inflationary pressures is consolidating globally, although service sector inflation remains somewhat persistent. Major institutions estimate that inflation will continue to decline gradually, approaching the ECB's 2% target by the end of 2025. In December 2024, the annual variation in the Consumer Price Index (CPI) stood at 2.8%, while core inflation was 2.6%.

Regarding monetary policy, most global economies are following a path of easing. In Europe, the ECB Governing Council implemented four reductions in the deposit facility rate from June 2024, bringing it down to 3%, a decrease of 100 basis points over the year.

However, considerable uncertainty persists regarding the geopolitical situation due to ongoing armed conflicts. Additionally, new risk factors are emerging, such as political instability, threats to global trade, and economic weakness in some European countries. The Group estimates that the overall impact has not been significant at the Group level and neither, therefore, on its financial statements.

Development of financial support measures related to the DANA

On Tuesday 29 October, an Isolated Depression at High Levels (DANA) event affected the Iberian Peninsula, causing severe flooding in dozens of municipalities, cutting off roads and railways, devastating homes and businesses, and destroying personal belongings and public and private infrastructure. According to the Valencia Chamber of Commerce, the DANA severely impacted 65 municipalities in the Valencia region, affecting 54,289 companies (one in three businesses in the province), 123 business parks and industrial estates, and over 354,000 workers. The effects of the DANA have disrupted all types of economic activities, from agriculture to industry and services.

As a result, the DANA has led to a reclassification of credit operations from Stage 1 to Stage 2 – Special Monitoring, in an amount of €113,947 thousand, though this has not had a significant impact on the Group's financial statements.

In response, the Government has issued a package of measures under Royal Decree-Law 6/2024 of 5 November, addressing the damage caused by the DANA in various municipalities, particularly in the Valencia region. The measures include direct financial aid and grants for businesses and self-employed workers, as well as tax deferrals and mortgage moratoriums. Additionally, civil protection mechanisms have been strengthened, and economic recovery is being promoted through tax incentives and infrastructure rehabilitation measures.

The amount of loans with repayment holidays at 31 December 2024 is as follows:

	Cumulative data		
	31 December 2024		
	TOTAL	**Suspension of interest and principal payment obligations for loans and credits with mortgage collateral**	**Suspension of interest and principal payment obligations for loans and credits without mortgage collateral**
Number of requests for suspension by debtors	**1,519**	**783**	**736**
Suspension requests granted	1,434	736	698
Suspension requests refused	60	39	21
Suspension requests pending analysis	25	8	17
Number of beneficiaries of suspension	**2,287**	**1,516**	**771**
Debtors	1,509	1,050	459
Employees	884	745	139
Self-employed (entrepreneurs or professionals)	399	251	148
Legal persons	226	54	172
Endorsers	778	466	312
Employees	505	364	141
Self-employed (entrepreneurs or professionals)	217	76	141
Legal persons	56	26	30
Number of loans for which payment has been	**1,434**	**736**	**698**
Breakdown of the number of debtors (self-employed and legal persons) benefiting from the suspension by CNAE (National Economic Activities Code)	**625**	**305**	**320**
Agriculture, forestry and fishing	109	44	65
Manufacturing	72	29	43
Electricity, gas, steam and air conditioning supply	5	2	3
Water supply	6	-	6
Construction	32	15	17
Wholesale and retail trade	122	61	61
Transportation and storage	56	20	36
Accommodation and food service activities	70	42	28
Information and communication	3	1	2
Financial and insurance activities	6	3	3
Real estate activities	32	22	10
Professional, scientific and technical activities	22	14	8
Administrative and support service activities	12	8	4
Education	9	6	3
Human health and social work activities	19	12	7
Arts, entertainment and recreation	15	6	9
Other service activities	35	20	15
Outstanding balance repayable, in thousands of euros, payment of which is suspended at the suspension date	**101,240**	**74,322**	**26,918**

2. Accounting standards and basis of presentation of the consolidated annual accounts

2.1. *True and Fair View*

The consolidated annual accounts have been prepared in accordance with the accounting records of each of the companies and credit institutions making up the Cooperative Group. They include all adjustments and reclassifications necessary to uniformly apply the accounting and presentation criteria, and they are presented in accordance with: International Financial Reporting Standards adopted by the European Union (IFRS-EU), taking into account Bank of Spain Circular 4/2017, of 27 November 2017, and subsequent amendments thereto; the Spanish Code of Commerce; Royal Decree-Law 1/2010, of 2 July 2010, approving the recast text of the Corporate Enterprises Act, repealing the Spanish Public Limited Companies Act and the Spanish Limited Liabilities Companies Act; Royal Decree 6/2010, on measures to encourage economic recovery and employment, with respect to the legal regime to be applied to Institutional Protection Schemes (SIP); and other applicable Spanish legislation, such that they give a true and fair view of the Group's equity and financial position at 31 December 2024, and the consolidated results of its operations and consolidated cash flows generated during 2024.

The accompanying 2024 consolidated annual accounts, authorised for issue by the Board of Directors, will be submitted for the approval of the shareholders at the General Assembly, which is expected to be obtained without any modification being necessary.

The Group's consolidated annual accounts for 2023 were approved by the shareholders at the General Assembly held on 28 May 2024.

When preparing the consolidated annual accounts, the generally accepted accounting principles described in this and the following note have been applied. No mandatory accounting principle or standard that has a significant effect on the consolidated annual accounts has been omitted.

Unless otherwise stated, these annual accounts are presented in thousands of euros.

2.2. *Going concern principle*

The information in these consolidated annual accounts has been prepared with the consideration that the Group will continue as a going concern in the future and therefore the accounting policies have not been applied with the objective of determining the net asset value for the purposes of its full or partial transfer or any hypothetical liquidation.

2.3. *Accrual basis of accounting*

These consolidated annual accounts have been prepared on the basis of the real flow of goods and services, irrespective of the date of payment or collection.

2.4. *Offset of balances*

Only receivables and payables arising in transactions that, under contract or legislation, provide for possible offset and are to be settled at their net amount, or simultaneously realised and paid, are offset and therefore presented on the consolidated balance sheet at their net amount.

2.5. *Comparative information*

The Board of Directors of the Parent presents, for comparative purposes, for each of the figures in the present annual accounts, in addition to the figures for 2024 those relating to 2023.

Likewise, certain amounts corresponding to 2023 have been reclassified in these consolidated annual accounts to facilitate comparison with the current period. The reclassifications made are as follows:

- €230,162 thousand was reclassified from the "Other Assets – Inventories" heading to the "Non-current assets and disposal groups of assets classified as held for sale" heading in the consolidated balance sheet.

- €50,270 thousand was reclassified from "Impairment or (-) reversal of impairment on non-financial assets – Other" to "Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" in the consolidated statement of profit or loss.

- €12,231 thousand was reclassified from "Gains or (-) losses on derecognition of non-financial assets, net" to "Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" in the consolidated statement of profit or loss.

The consolidated balance sheet and the consolidated statement of profit or loss have been restated accordingly, the impact on the affected financial statements being reflected in the columns.

Consolidated assets

	Thousands of Euros		
	31/12/2023	Adjustment	Restated balance at 31/12/2023
Cash, cash balances at central banks and other demand deposits	3,670,850	-	3,670,850
Financial assets held for trading	814	-	814
Non-trading financial assets mandatorily at fair value through profit or loss	484,391	-	484,391
Financial assets at fair value through other comprehensive income	886,057	-	886,057
Financial assets at amortised cost	49,281,999	-	49,281,999
Derivatives – Hedge accounting	2,957,536	-	2,957,536
Investments in joint ventures and associates	87,814	-	87,814
Tangible assets	888,907	-	888,907
Intangible assets	264,321	-	264,321
Tax assets	1,157,808	-	1,157,808
Other assets	381,703	(230,162)	151,541
Non-current assets and disposal groups of assets classified as held for sale	94,242	230,162	324,404
TOTAL ASSETS	60,156,442	-	60,156,442

Consolidated statement of profit or loss

	Thousands of Euros		
	31/12/2023	Adjustment	Restated balance at 31/12/2023
Interest income	1,876,214	-	1,876,214
(Interest expenses)	(812,643)	-	(812,643)
A) NET INTEREST INCOME	**1,063,571**	**-**	**1,063,571**
Dividend income	4,724	-	4,724
Profit/(loss) of entities accounted for using the equity method	45,423	-	45,423
Fee and commission income	321,124	-	321,124
(Fee and commission expenses)	(49,646)	-	(49,646)
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	(13,275)	-	(13,275)
Gains or (-) losses on financial assets and liabilities held for trading, net	123	-	123
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	11,524	-	11,524
Gains or (-) losses from hedge accounting, net	(110)	-	(110)
Exchange differences [gain or (-) loss], net	1,160	-	1,160
Other operating income	38,441	-	38,441
(Other operating expenses)	(91,843)	-	(91,843)
B) GROSS INCOME OR LOSS	**1,331,216**	**-**	**1,331,216**
(Administrative expenses)	(577,936)	-	(577,936)
(Amortisation and depreciation)	(74,516)	-	(74,516)
(Provisions or (-) reversal of provisions)	(72,943)	-	(72,943)
Impairment of (-) reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes	(258,337)	-	(258,337)
Impairment or (-) reversal of impairment on non-financial assets	(151,581)	50,270	(101,311)
Gains or (-) losses on derecognition of non-financial assets, net	(27,163)	12,231	(14,932)
Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	(26,424)	(62,501)	(88,925)
C) PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	**142,316**	**-**	**142,316**
Tax expense or (-) income related to profit from continuing operations	(15,369)	-	(15,369)
D) PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	**126,947**	**-**	**126,947**
E) PROFIT FOR THE PERIOD	**126,947**	**-**	**126,947**
Attributable to the owners of the Parent	126,947	-	126,947

2.6. Use of judgements and estimates when preparing the financial statements

The preparation of these consolidated annual accounts requires the Group's Board of Directors to use judgements and estimates based on assumptions that affect the application of the accounting policies and standards and the amounts recognised under assets, liabilities, income, expenses and commitments. The most significant estimates used when preparing these annual accounts were:

- Impairment losses affecting financial assets (Notes 3.1.a, 3.1.c, 3.3, 8.3.2, 8.3.3, 8.5.1, 8.5.2, 8.6.1, 8.6.2.3 and 8.6.4).
- The assumptions used in the actuarial calculations to evaluate the liabilities and commitments for post-employment benefits (Note 3.20).
- Impairment losses and the useful life of tangible and intangible assets (Notes 3.7, 3.8, 3.9, 3.10, 10, 12 and 13).
- The fair value of certain financial assets not listed on official secondary markets and variable collection rights from transactions with third parties (Notes 3.1 and 3.27).
- Losses on future obligations deriving from contingent risks (Notes 3.3 and 3.12).
- The reversal period for temporary differences and the recoverability of tax credits for tax loss carryforwards (Note 3.18).
- The fair value of certain guarantees linked to the collection of assets.
- Provisions for liabilities classed as probable due to the possibility of having to meet payment obligations (Note 14).

Although the estimates and assumptions used are based on past experience and on other factors that have been considered the most reasonable at the present time and are reviewed periodically, it may be that events occurring in the future require them to be modified in the coming years, which would be carried out prospectively in accordance with IAS 8, recognising the effects of any such change in estimate on the corresponding consolidated statement of profit or loss for the years in question.

The Group applies additional adjustments to the results of its credit risk models, known as Post Model Adjustments (PMA) or Overlays, to account for the impact that certain risk factors could have on future losses when such impact is not sufficiently captured in risk parameters, due to the absence of historical data reflecting the new factor. These adjustments are temporary in nature and are maintained until the reasons justifying them no longer exist or until their effect can be incorporated into risk parameters. The implementation of these adjustments is subject to the governance principles established in the Group.

Since mid-2023, inflation has waned, and as a result, central banks have eased their monetary policies, including successive interest rate cuts by the European Central Bank throughout 2024. Consequently, the risks associated with inflation and high interest rates may no longer lead to a potential further deterioration in the credit quality of the portfolio or the loss given default of the exposures. Following the continuous review of portfolio valuation, the additional adjustment the Group maintained for these risks was reassessed at the end of the first half of 2024 and again at 31 December 2024, at which time it was concluded that the additional risks from inflation or interest rate hikes were adequately captured in the parameters, and the adjustment was fully removed (€75,000 thousand as of 31 December 2023).

Additionally, the Group closely monitors the performance of the sectors and individual borrowers most exposed to different risks, in order to adjust its credit risk allowances and provisions in response to various potential scenarios.

It is well known that climate change is a global phenomenon with profound and diverse effects on the environment and society. Recent studies highlight several key aspects, including rising global temperatures, glacier melting, impacts on biodiversity, agriculture, human health and the economy. These changes have led to an increase in extreme weather events such as droughts, floods and wildfires, which could to some extent impact debt recovery through collateral values. For this reason, during 2024, the Group established an overlay of €2,058 thousand to cover physical risks arising from adverse weather events within the scope of the Grupo Cooperativo Cajamar portfolio that is considered vulnerable. The main transmission channel for these risks in the near term is the potential increase in the loss given default, partly due to the depreciation of collateral values in areas of higher exposure.

Similarly, the emergence of certain geopolitical tensions, such as the escalation of specific armed conflicts, uncertainty surrounding the political landscape in France and Germany ahead of their elections, or the impact on global trade of the policies implemented by the new U.S. administration, raises concerns of uncertainty in global economic developments. These geopolitical tensions could destabilise global supply chains or increase commodity and energy prices, leading to higher costs and lower competitiveness for business activities. While it is true that collective expected loss models are designed as the best possible estimate of credit losses based on historical data and macroeconomic projections, the uneven outlook for economic sectors in light of these geopolitical tensions has led to the estimation of additional expected losses arising from these risks. The Group has quantified this geopolitical overlay at €3,865 thousand, in addition to reclassifying exposures with a gross carrying amount of €65,426 thousand from Stage 1 to Stage 2 – Special Monitoring due to this factor.

2.7. *Consolidation principles*

These consolidated annual accounts have been prepared using the full and proportionate methods of consolidation and the equity method of accounting, as stipulated in the aforementioned legislation, including the following companies at 31 December 2024 and 31 December 2023:

		2024		2023	
		% shareholding		% shareholding	
Company	**Domicile**	**Direct**	**Indirect (a)**	**Direct**	**Indirect (a)**
Group companies					
Cajamar Caja Rural, S.C.C.	Plaza Puerta Purchena, 10. Almería.	-	-	-	-
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V.	Plaza del Centro, 4. La Vall D'Uixo. Castellón.	-	-	-	-
Caixa Rural Vila-Real, S.C.C.	Plaza Mayor, 10. Villarreal. Castellón.	-	-	-	-
Caja Rural de Torrent, S.C.C.	Avda. Al Vedat, 3. Torrent. Valencia.	-	-	-	-
Caixa Rural Altea, S.C.C.V.	Placeta del Convent, nº 2. Altea. Alicante.	-	-	-	-
Caixa Rural de Callosa de Sarria, C.C.V.	Avda. Jaume I, 1. Callosa d'en Sarria. Alicante.	-	-	-	-
Caixa Rural Sant Josep de Vilavella, S.C.C.V.	C/ Cova Santa, 11. La Vilavella. Castellón.	-	-	-	-
Caja Rural de Alginet, S.C.C.V.	C/ Valencia, 13. Alginet. Valencia.	-	-	-	-
Caja Rural de Cheste, S.C.C.	Plaza Doctor Cajal, 2. Cheste. Valencia.	-	-	-	-
Caja Rural de Villar, C.C.V.	C/ Las Cruces, 33. Villar del Arzobispo. Valencia.	-	-	-	-
Caja Rural la Junquera de Chilches, C.C.V.	Plaza España, 6, Chilches. Castellón.	-	-	-	-
Caja Rural San Isidro de Vilafamés, C.C.V.	Avda. Barcelo, 6. Vilafames. Castellón.	-	-	-	-
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V.	C/ Jaime Chicharro, 24. Alquerias del Niño Perdido. Castellón.	-	-	-	-
Caja Rural San Jose de Burriana, C.C.V.	Plaza el Pla, 1. Burriana. Castellón.	-	-	-	-
Caja Rural San José de Nules, S.C.C.V.	C/ Mayor, 66. Nules. Castellón.	-	-	-	-
Caja Rural San Roque de Almenara, S.C.C.V.	C/ Doctor Berenguer, 4. Almenara. Castellón.	-	-	-	-
Caja de Crédito de Petrel, Caja Rural, C.C.V.	C/ San Bartolomé, 2. Petrer. Alicante.	-	-	-	-
Caixa Rural de Turís, C.C.V.	Plaza de la Constitución, 2. Turis. Valencia.	-	-	-	-
Alquileres Alameda 34, S.L. (b)	Paseo Alameda, 34. Valencia.	-	100.00%	-	100.00%
BCC Gestión Integral de Infraestructuras, A.I.E.	C/ Ciudad Financiera, 1 (PITA). Almería.	98.00%	2.00%	98.00%	2.00%
BCC Operaciones y Servicios Administrativos, S.L.U. (c)	C/ Ciudad Financiera, 1 (PITA). Almería.	-	100.00%	-	100.00%
BCC Recursos Humanos y Contact Center, S.L.U. (c)	Avda. De la Innovación, 1 (PITA). Almería.	-	100.00%	-	100.00%
Cajamar Mediación Op. Banca Seg. Vinculado, S.L.U. (b)	C/ Ciudad Financiera, 1, Almería.	-	100.00%	-	100.00%
Cajamar Tecnología, A.I.E.	Avda. De la Innovación, 1 (PITA). Almería.	99.00%	1.00%	99.00%	1.00%
Cimenta2 Gestión e Inversiones, S.A.U. (b)	C/ Ciudad Financiera, 1 (PITA). Almería.	-	100.00%	-	100.00%
Cimentados3, S.A.U.	C/ Ciudad Financiera, 1 (PITA). Almería.	100.00%	-	100.00%	-
Cimenta Desarrollos Inmobiliarios, S.A.U.	C/ Ciudad Financiera, 1 (PITA). Almería.	100.00%	-	100.00%	-
Cim-med I, S.A.U.	Paseo de la Castellana, 87. Madrid.	100.00%	-	100.00%	-
Eco Energía de Cubiertas I, S.L.U.	C/ Ciudad Financiera, 1 (PITA). Almería.	100.00%	-	100.00%	-
FV La Cañada de Tabernas, S.L.U.	C/ Ciudad Financiera, 1 (PITA). Almería.	100.00%	-	100.00%	-
FV Turrillas Matanegra, S.L.U.	C/ Ciudad Financiera, 1 (PITA). Almería.	100.00%	-	100.00%	-
Inmuebles Alameda 34, S.L. (b)	Paseo Alameda, 34. Valencia.	-	100.00%	-	100.00%
Plataforma Tierra, S.A.U.	Puerta Purchena, 10, Edificio de las Mariposas. Almería.	100.00%	-	100.00%	-
Sunaria Capital, S.L.U.	C/ Ciudad Financiera, 1 (PITA). Almería.	100.00%	-	100.00%	-
Associates					
Balsa de Insa, S.L.(d)	C/ de la Lluna, 3. Castellón.	-	24.50%	-	24.50%
Biocolor, S.L. (c)	Carretera de Ronda, 11, 1º. Almería.	-	22.19%	-	22.19%
Cajamar Seguros Generales, S.A. de Seguros y Reaseguros	C/ Ciudad Financiera, 1, Almería.	49.99%	-	49.99%	-
Cajamar Vida, S.A. de Seguros y Reaseguros	C/ Ciudad Financiera, 1, Almería.	49.99%	-	49.99%	-
GCC Consumo Establecimiento Financiero de Crédito, S.A.	Paseo de los Melancólicos, 14. Madrid.	49.00%	-	49.00%	-
Giesmed Parking, S.L. (b)	Calle Almagro, 3, 5º izquierda. Madrid.	-	20.00%	-	20.00%
Habitat Utiel, S.L. (e)	C/ Pascual y Genil, 17. Valencia	-	25.00%	-	25.00%
Murcia Emprende S.C.R., S.A. (b)	C/ Alfaro, 1. Murcia.	-	22.06%	-	22.06%
Parque Científico-Tecnológico de Almería, S.A. (b)	Avda. De la Innovación, 15, Edf Pitágoras (PITA). Almería.	-	30.18%	-	30.11%
Promontoria Jaguar, S.A. (b)	Calle Serrano, 26, planta 6. Madrid	-	20.00%	-	20.00%
Renovables la Unión, S.C.P. (f)	C/ Mar,22. Valencia.	-	40.00%	-	40.00%

(a) Application of control by Banco de Crédito Social Cooperativo, S.A. as the parent of the Group.
(b) Indirect interest through Cajamar Caja Rural, S.C.C.
(c) Indirect interest through Sunaria Capital, S.L.U.
(d) Indirect interest through Caja Rural Vila-Real, S.C.C.
(e) Indirect interest through Cimenta2 Gestión e Inversiones, S.A.U.
(f) Indirect interest through Caja Rural Sant Vicent Ferrer de la Vall D´Uixo, S.C.C.V.

Changes in equity investments during 2024 affecting the scope of consolidation are as follows:

Acquisitions or increases in interests in subsidiaries, joint ventures and/or in associates at 31 December 2024

Name of the acquired or merged entity (or business arm)	Category	Transaction date	Cost (net) of combination (a) + (b) (Thousands of euros): Amount (net) paid for acquisition + other costs directly attributable to the combination (a)	Cost (net) of combination (a) + (b) (Thousands of euros): Fair value of equity instruments issued to acquire the entity (b)	% voting rights acquired	% total voting rights in entity after the acquisition
Parque Científicio-Tecnológico de Almería, S.A.	Associate	10/12/2024	1,835	-	0.08%	30.18%

Decrease in interests in subsidiaries, joint ventures and/or investments in associates and similar at 31 December 2024

Name of the entity (or business arm) disposed of, spun off or derecognised	Category	Transaction date	% of voting rights disposed of or derecognised	% total voting rights in entity after the disposal	Gain/(loss) generated (thousands of euros)
-	-	-	-	-	-

During 2023, a 100% stake in the company Eco Energía de Cubiertas I, S.L.U. was acquired through the purchase of shares.

Information on subsidiaries, joint ventures and associates is attached in Appendix I..

Subsidiaries

Subsidiaries are those companies over which the Group has control and that comprise a decision-making unit. It is presumed that a decision-making unit exists when the Parent holds a majority of voting rights, it has the power to appoint or remove the majority of the members of the governing body, and may have, by virtue of agreements reached with other shareholders, the majority of voting rights or has exclusively designated the majority of the members of the governing body.

At the time a subsidiary is acquired, the assets, liabilities and contingent liabilities are calculated at fair value at the acquisition date. The positive differences between the acquisition cost and the fair values of the identifiable net assets are recognised in the account “Goodwill” under the heading “Intangible assets” on the consolidated balance sheet. Negative differences are taken to results at the acquisition date.

The financial statements of the “subsidiaries” are consolidated with those of the Bank using the full consolidation method and therefore all the significant balances and transactions between the consolidated entities have been eliminated during the consolidation process. The own funds and results of subsidiaries relating to non-controlling interests are recognised under the Group’s equity and under the headings “Minority interests [non-controlling interests]” and “Profit or loss for the year attributable to minority interests [non-controlling interests]”, respectively, on the consolidated balance sheet and consolidated statement of profit or loss, respectively (Notes 11, 21 and 26).

The results of subsidiaries acquired during the year are included in the consolidated statement of profit or loss from the date of acquisition to year-end. Results generated by companies sold during the year are consolidated taking into account only the amounts for the period running from the beginning of the year to the date of sale.

Subsidiaries are also considered to be those credit institutions that have joined Grupo Cooperativo Cajamar (Note 1.1), which are consolidated using the full consolidation method and their assets and liabilities are integrated into the Group's equity.

Joint ventures

"Joint ventures" are considered to be those that are not subsidiaries but are jointly controlled by two or more companies, including the Bank or another Group entity.

The annual accounts of those investees classified as "joint ventures" are consolidated with those of the Bank using the proportionate method such that the inclusion of balances and subsequent eliminations takes place only in the proportion to which the Bank holds a stake in the capital of those companies.

Associates

"Associates" are considered to be those in which the Bank, individually or together with the remaining Group entities, has a significant influence and which are not a subsidiary or joint venture. To determine the existence of a significant influence the Bank considers, among other factors, representation on the board of directors or equivalent management body at the investee, participation in the process of establishing policies, including those relating to dividends and other distributions, the existence of significant transactions between the Bank and the investees, and the exchange of senior management personnel and supply of essential technical information.

There may be companies in which the Parent holds an interest of less than 20%, which are classified under the heading "Investments" due to the existence of significant influence; there is also a series of companies classified as "Investments" accounted for using the equity method even though a 50% stake is held due to the fact that the requirements for considering that joint management exists are not met.

In the consolidated annual accounts, associates are measured at cost at the acquisition date and subsequently using the equity method as defined in IAS 28, i.e. based on the percentage of equity that the Group's shareholding represents in the associate's capital, taking into consideration dividends received and other equity eliminations. At the time of acquisition, the cost of the shareholding is assigned to its assets, liabilities and contingent liabilities, taking into consideration their fair values. The positive differences between the cost of acquisition and the aforementioned fair value (Goodwill – Notes 3.9 and 13), are recorded under the heading "Investments" in the account "Associates" on the consolidated balance sheet as an increase in the stake held.

The results generated by transactions between the associate and the Group entities are eliminated based on the percentage of equity that the Group's shareholding represents in the associate's capital.

The results obtained during the year by the associate, after the elimination referred to in the preceding section, increase or decrease, as appropriate, the value of the shareholding on the consolidated financial statements. The amount of these results is recorded under the heading "Profit/(loss) of entities accounted for using the equity method" on the consolidated statement of profit or loss (Note 26).

Changes in the valuation adjustments of the associate, subsequent to the acquisition date, are recorded as an increase or decrease in the value of the shareholding. The amount of these changes is recorded under the heading "Accumulated other comprehensive income (Items that may be reclassified to profit or loss)" in consolidated equity (Note 8.5.4).

Consolidated structured entities

A structured entity is an investee that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate only to administrative tasks and the relevant activities are directed by means of contractual arrangements.

This type of entity is intended to provide customers with access to certain investments, to transfer risks and for other purposes. The Group holds stakes in this type of entity through the "Asset securitisation funds" in which it is the originator. These funds are consolidated when analysis shows the Group controls them. The following circumstances are considered to determine whether control is held:

- The entity's purpose is to cover the Group's specific needs;
- The Group has sufficient decision-making powers to obtain the majority of the entity's rewards or, alternatively, the entity runs on "autopilot" to the Group's benefit;
- The Group obtains most of the entity's rewards and therefore, is exposed to its risks; and/or
- The Group retains for itself the majority of the typical or residual risks and rewards of the entity or its assets.

For practically all the "Asset securitisation funds", the Group has subordinated finance, investor positions in equity tranches, credit enhancements through derivative instruments or liquidity facilities. It was therefore decided that loans to the aforesaid funds cannot be written off the Group entities' balance sheets, while the units issued by the securitisation funds are recognised as liabilities on both the Group entities' balance sheets and the Group's consolidated balance sheet.

2.8. Other general principles and environmental information

The consolidated annual accounts have been prepared on an historical cost basis, adjusted for the revaluation, where appropriate, of land and buildings (carried out during first-time application of IFRS-EU), available-for-sale financial assets and financial assets and liabilities (including derivatives) at fair value.

Given the principal activity of the Group entities and the Parent, they have no environmental liabilities, expenses, assets, provisions or contingencies that could be significant with respect to the Group's equity, financial position and results. Therefore, no specific environment-related disclosures are included in the notes to the accompanying consolidated annual accounts. The Directors' Report accompanying these Annual Accounts includes the Group's Sustainability Report, which contains more details on these aspects.

Climate-related risks to which the financial sector is exposed include those associated with climate change, a loss of biodiversity, an increase in extreme climate events and decarbonisation of the economy.

For several years Grupo Cooperativo Cajamar has included climate change among the key risks and opportunities affecting its business and performance, especially given the importance of the primary sector's impact and its contribution to finding possible solutions to this global problem.

The main financial risks associated with climate change are physical risks deriving from the deterioration of assets caused by climate change, the risks of transitioning and adapting to new market dynamics, and risks of litigation concerning legal responsibilities assumed under new climate change legislation.

The Group's risk appetite includes a series of indicators measuring the degree of concentration of the loan book in sectors classified by the EU as posing a risk of carbon leakage, and the portion of the loan book exposed to a physical risk factor or in sectors included in the EU Taxonomy.

2.9. Agency contracts

At 31 December 2024, the Group does not have any financial agents for customer acquisition or for the promotion and marketing of operations and services.

3. Accounting policies and criteria applied

3.1. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and to a financial liability or equity instrument of another entity. The financial instruments issued by the Group, as well as their components, are classified as financial assets or liabilities at the date of initial recognition, in accordance with their financial substance when this is different to their legal form.

A financial asset is any contract that consists of cash, an equity instrument in another entity, a contractual right to receive money or another financial asset from a third party or to exchange financial assets or liabilities with third parties under potentially favourable conditions.

A financial liability is any commitment that gives rise to a contractual obligation to provide cash or another financial asset from a third party or to exchange financial assets or liabilities with third parties under potentially unfavourable conditions.

A derivative is a financial instrument whose value changes in response to changes in an observable market variable (sometimes called an underlying asset) that does not require an initial investment, or the investment is very small with respect to other financial instruments with a similar response to changes in market conditions, and which is settled at a future date.

The Group issues hybrid financial instruments that include a host contract that is different from a derivative and a derivative financial contract, called an embedded derivative. These embedded derivatives are segregated from those host contracts and are treated independently for accounting purposes if the following conditions are met: (i) the financial characteristics and risks of the embedded derivative are not closely related to those of the host contract that is not a derivative; (ii) a different instrument with the same conditions as the derivative would comply with the definition of a derivative; (iii) the hybrid contract is not measured at fair value through profit or loss.

The initial value of embedded derivatives that are separated from the host contract and treated as options is obtained based on their own characteristics, and those that are not treated as options generally have an initial value of zero. When the Group is unable to reliably estimate the fair value of an embedded derivative, its value is estimated as the difference between the fair value of the hybrid contract and the host contract, provided that both securities may be considered to be reliable. If this is not possible either, the Group does not segregate the hybrid contract and treats the hybrid financial instrument for accounting purposes as included in the portfolio of financial instruments designated at fair value through profit or loss. A host contract that is not a derivative is treated independently for accounting purposes.

Financial instruments are recognised on the consolidated balance sheet only when the Group becomes party to the relevant contract, in accordance with the terms of that contract. The Group recognises debt instruments such as loans and deposits in cash as from the date on which the legal right to receive or the legal obligation to make payment of the cash and financial derivatives is generated. In addition, transactions carried out in the currency market are recorded at the settlement date; and financial assets traded on Spanish secondary security markets, if equity instruments, will be recognised at the trade date and, if debt securities, at the settlement date.

The financial assets and liabilities with which the Group normally operates are:

- Finance granted to and received from other credit institutions and customers, regardless of the legal form they take.
- Both debt instruments (debentures, bonds, promissory notes, loans and credit facilities, etc.) and equity instruments (shares).
- Derivatives, in order to provide a profit or loss that allows, if certain conditions are met, part or all of the financial risks associated with the Group's balances and transactions to be eliminated.

Financial assets and liabilities are offset and presented at their net amount on the consolidated balance sheet when there is a legally enforceable right that provides for possible offset and the Group's intentions are to settle assets and liabilities at their net amount, or simultaneously realise and pay said assets and liabilities. This legally enforceable right should not be contingent on future events and must be enforceable in the ordinary course of business, and in case of default, insolvency or bankruptcy of the company or the counterparty.

a) Financial assets

Among others, financial assets are considered to be cash balances, deposits at central banks and credit institutions, loans and advances to customers, debt securities, equity instruments acquired, except for those in subsidiaries, joint ventures or associates, and trading and hedging derivatives.

The Group initially measures all its financial assets at fair value. Any subsequent change in value is calculated based on: (i) the business model for managing the financial assets; and (ii) the contractual cash flow characteristics of the financial assets.

<u>Business model for managing financial assets and contractual cash flow characteristics</u>

The Group understands by business model the way in which it manages its financial assets to collect cash flows. Business models are determined considering how certain groups of financial assets are jointly managed to achieve a specific objective, i.e. business models do not depend on the Group's plans for a specific instrument, rather they are determined for a group of financial instruments.

The Group has more than one business model for managing its financial assets. The Group has defined the following business models:

- Business model, the management objective of which is to hold financial assets in order to collect contractual cash flows. This does not mean the Group has to hold all the financial instruments associated with this model until maturity; the business model is evaluated based on scenarios the Group expects will reasonably pan out and not on adverse scenarios. If the Group expects to sell in an adverse scenario, this scenario does not affect the evaluation of the business model insofar as these assets are concerned. The business model in scenarios that are reasonably expected based on information available at the time of the evaluation is compatible with the future outcome of sales of instruments managed using the model. The Group recognises "at amortised cost" all assets managed using this model.

- Business model whose objective combines collecting contractual cash flows and selling the financial assets. Compared to the model to hold financial assets solely to collect contractual cash flows, this model typically involves greater frequency and value of sales. In this business model, asset sell-offs are essential not incidental. The assets associated with this business model are recognised "at fair value through other comprehensive income" in equity.

- Other business models: in which the contractual cash flows are collected sporadically or coincidentally, the financial assets can be held for trading, and flows are obtained from the active sale and purchase of financial assets. The Group recognises the assets associated with this business model "at fair value through profit or loss".

As indicated above, financial assets are recognised according to whether they are classified in a specific business model and fulfil the SPPI (solely payments of principal and interest) test. SPPI tests are performed to determine if a financial instrument has non-basic characteristics and must be measured at fair value rather than at amortised cost. In such tests, the Group analyses the characteristics of contractual cash flows of the financial assets along with any other merely qualitative aspects (modification of repayment schedules, option of modifying flows, early repayment clauses, etc.) regarding the different types of assets acquired or originated by the Group, and which could alter the collection of expected flows and affect their classification and measurement.

The principal of a financial asset is its fair value on initial recognition; this amount may change over the life of the financial asset. Interest is the sum of consideration for the time value of money, for lending and structuring costs, and for the credit risk associated with the principal amount outstanding during a particular period of time, plus a profit margin.

The time value of money is simply the consideration for the passage of time. In order to evaluate if the interest includes any consideration other than that for the passage of time, the Group uses professional judgement and considers relevant factors such as the currency in which the financial asset is denominated and the interest rate period.

Classification of financial assets

Given the above, the Group classifies its financial assets in the following portfolios based on the business model used to manage them and the characteristics of the contractual cash flows:

- "Financial assets at amortised cost":

  A financial asset is recognised at amortised cost when it is managed to collect contractual cash flows accrued on specific dates and comprising principal and interest payments.

  Based on its business model, the Group classifies the following as financial assets at amortised cost:

  - Investments in debt securities that are traded on an active market with fixed maturity dates and cash flows of a fixed or determinable amount, and for which the Group initially had, and continues to have, both the intention and demonstrated financial capacity to hold them until maturity.

  - "Loans and advances": these include financial assets that are not traded in an active market and are not required to be measured at fair value, whose cash flows are of a fixed or determinable amount, and in which all the disbursement made by the Group is expected to be recovered, excluding reasons attributable to the debtor's solvency. This category includes both investments arising out of typical lending activity, including cash amounts drawn down on loans and yet to be repaid by customers or deposits placed with other institutions, regardless of how they are legally arranged, and unlisted debt securities, as well as the debt contracted by buyers of goods or users of services, which are part of the Group's business.

- "Financial assets at fair value through other comprehensive income":

  A financial asset is recognised at fair value through other comprehensive income when it is managed to collect contractual cash flows accrued on specific dates and comprising principal and interest payments, and there are put options on the assets.

  The Group includes in this portfolio debt securities not included in other categories and equity instruments relating to companies that are not subsidiaries, associates or joint ventures and are not included in other categories, as per the business model described in the previous paragraph.

- "Financial assets mandatorily at fair value through profit or loss":

  A financial asset is classified mandatorily at fair value through profit or loss when its business model does not enable it to be classified in any of the other two portfolios. This portfolio therefore includes financial assets originated or acquired to realise them in the near term or those forming part of a group of instruments managed jointly for this purpose. This portfolio also includes derivative instruments that do not comply with the definition of a financial guarantee contract and which have not been designated as hedging instruments, including those segregated from hybrid financial instruments.

  The Group classifies the following at fair value through profit or loss:

  - "Financial assets held for trading": financial assets originated or acquired with the intention to realise them in the near term, or which form part of a portfolio of identified financial instruments managed jointly and for which there is evidence of recent action to obtain short-term gains. This portfolio also includes derivative instruments that do not meet the definition of a financial guarantee contract and which have not been designated as hedging instruments, including those segregated from hybrid financial instruments.

  - "Other financial assets at fair value through profit or loss": these being financial assets designated as such at initial recognition, whose fair value may be reliably estimated. This designation may be made for: (i) hybrid financial assets whose embedded derivatives cannot be reliably measured separately, and must be separated; (ii) hybrid financial assets as a whole, designated as such at initial recognition, unless the embedded derivatives do not significantly change the cash flows that would otherwise have been generated by the instrument or when the hybrid instrument is first examined it is evident that separation of the embedded derivatives is prohibited; (iii) financial assets for which more relevant information is obtained because this information eliminates or significantly reduces a recognition or measurement inconsistency (also called an accounting mismatch) that would arise on the measurement of the assets or liabilities, or by the recognition of gains or losses, using different criteria; (iv) financial assets for which more information is obtained due to the fact that there is a group of financial assets, or financial assets and liabilities, that are managed and their performance is evaluated on a fair value basis, in accordance with the documented risk management or investment strategy and information regarding that group is also provided on a fair value basis to key management personnel.

Nonetheless, the Group may elect, on initial recognition and irrevocably, to include as financial assets at fair value through other comprehensive income, investments in equity instruments that cannot be classified as financial assets held for trading and that would be classified as financial assets mandatorily at fair value through profit or loss. This option must be exercised instrument by instrument. The Group may also choose, on initial recognition and irrevocably, to designate any financial asset at fair value through profit or loss if this significantly reduces or eliminates any inconsistency in measurement or recognition (accounting mismatch).

Measurement of financial assets

At initial recognition on the consolidated balance sheet, financial assets are stated at fair value. For financial instruments not designated at fair value through profit or loss, the fair value is adjusted by adding or deducting the transaction costs that are directly attributable to the acquisition or issuance of the instruments. For financial instruments designated at fair value through profit or loss, transaction costs are recognised directly in profit or loss.

Fair value is the amount at which an asset could be transferred, or a liability settled, between knowledgeable, willing parties in a transaction carried out at arm's length. If the fair value on initial recognition differs from the transaction price, the difference is recognised as follows:

- Immediately in profit or loss for financial instruments classified in Level 1 of the fair value hierarchy (Notes 3.27 and 8.1).

- In other cases, the difference is treated as a fair value adjustment and is deferred and taken to profit or loss over the transaction term.

Following initial recognition, the Group measures financial assets at amortised cost either at fair value through other comprehensive income, at fair value through profit or loss or at cost:

- Trade receivables and trade credits are measured at amortised cost. Amortised cost is the amount at which the financial instrument was initially measured, adjusted for the repayment of the principal and plus or minus, as appropriate, the part of the difference between the initial amount and the repayment value at maturity taken to consolidated profit or loss through the effective interest rate method, and less any impairment losses directly recognised as a decrease in the amount of the asset or through a value adjustment account.

- Financial assets comprising equity instruments other than interests in subsidiaries, joint ventures and associates are measured at fair value.

- In the separate financial statements, equity instruments comprising investments in subsidiaries, joint ventures and associates are measured at cost less any estimated valuation adjustments.

Financial assets that have been designated as hedged items, or as hedging instruments, are measured in accordance with the provisions described in Note 3.4 to the accompanying consolidated annual accounts.

The best evidence of the fair value of a financial instrument is the price that would be paid in an organised, transparent and deep market (“quoted price” or “market price”). When a certain financial instrument lacks a market price, its fair value is estimated on the basis of recent transactions involving similar instruments or, failing this, using valuation techniques that are acceptable to the international financial community, taking into account the specific features of the instrument to be measured and, above all, the different types of associated risks.

The fair value of standard derivatives included in the trading portfolios is the same as their daily quotation price and if, in exceptional circumstances, the price cannot be established on a given date, they are measured using similar methods to those applied to OTC derivatives. The fair value of OTC derivatives is the same as the sum of the future cash flows originating from the instrument, discounted at the measurement date (“present value” or “theoretical closing”), and the measurement process uses methods recognised by financial markets such as “net present value”, models for calculating option prices, etc.

The effective interest rate is the discount rate that brings the initial value of a financial instrument exactly into line with total estimated cash flows throughout its residual life. For fixed interest financial instruments, the effective interest rate is calculated based on the contractual interest rate established at the time of purchase plus, if appropriate, the fees which may, by nature, be similar to an interest rate. In the case of floating interest rate financial instruments, the effective interest rate is the current rate of return for all concepts until the first revision of the reference interest rate takes place.

<u>Derecognition of financial assets</u>

Financial assets are written off the Group’s consolidated balance only when one of these circumstances arises:

- When the contractual rights to the cash flows have expired.

- When the contractual rights to the cash flows are transferred, provided that the transfer includes substantially all risks and rewards or, even if there is no substantial transfer or retention of those items, control over the financial asset is transferred. In the latter case, when control over the asset is not transferred, it will continuing to be recognised based on the continuing involvement, i.e. in an amount equal to the Bank's exposure to the changes in the value of the transferred financial assets.

<u>**Impairment losses on financial assets**</u>

The carrying amount of financial assets is adjusted by the Group against profit or loss when there is objective evidence that there are impairment losses. The following criteria are used to calculate said losses:

- **Impairment losses on debt instruments and other exposures resulting in credit risk (off-balance sheet exposures):**

  There is objective evidence of the impairment of debt instruments, understood as loans and advances and debt securities, when, following their initial recognition, there is an event that has a negative impact on the future cash flows. In the case of other exposures giving rise to off-balance sheet credit risk, evidence of impairment exists when expected flows are less than the contractual cash flows, in the case of loan commitments given, or the payments to be made, in the case of financial guarantees given.

  Objective evidence of impairment is determined on an individual basis for significant debt instruments and on an individual and collective basis for groups of instruments that are not individually significant. Impairment losses on debt instruments for the period are expensed. Impairment losses on debt instruments at amortised cost are recognised against a value adjustment account reducing the carrying amount. Those at fair value through other comprehensive income are recognised against "Accumulated other comprehensive income" in equity on the consolidated balance sheet. Impairment allowances for exposures that give rise to credit risk other than debt instruments, such as loan commitments, financial guarantees and other commitments given, are recognised as a provision under liabilities on the consolidated balance sheet. Subsequent reversals of previously recognised impairment allowances are taken immediately to income on the consolidated statement of profit or loss for the period.

  In accordance with the criteria established by IFRS 9 and taking Annex 9 of Bank of Spain Circular 4/2017 into account, the Group classifies transactions on the basis of their credit risk attributable to insolvency, using the following categories:

  - Performing exposures (Stage 1): all transactions whose credit risk has not increased significantly since initial recognition. Impairment allowances are equal to 12-month expected credit losses. Interest income from these transactions is calculated by applying the effective interest rate to the transaction's gross carrying amount.

  - Performing exposures under special monitoring (Stage 2): transactions that, while not meeting the criteria for individual classification as non-performing or total write-off, present weaknesses that may lead to the occurrence of losses greater than those on other similar transactions classified as performing exposures. Impairment allowances are equal to lifetime expected credit losses. Interest income from these transactions is calculated by applying the effective interest rate to the transaction's gross carrying amount.

    The Group first takes into account the following indications regarding the counterparty's circumstances when performing this identification:

    – High debt levels and/or adverse changes in financial position.

    – Declines in income or, in general, recurring cash flows.

    – Tightening of operating margins or available recurring income.

The Group also classifies as performing exposures under special monitoring any transactions included in a special debt sustainability agreement, among others, provided that certain conditions are met that identify them as having been rolled over or renegotiated.

- Non-performing exposures (Stage 3): those transactions that are credit-impaired, i.e. there has been a default event. Impairment allowances are equal to lifetime expected credit losses. Interest income from these transactions is calculated by applying the effective interest rate to the transaction's amortised cost.

  The total exposure will be considered when classifying transactions in this category. Guarantees associated with the various transactions will not be factored in when analysing a transaction to determine if it should be classified as non-performing.

  The non-performing exposure group is in turn split into two categories:

  - Non-performing exposures as a result of borrower arrears: consist of the amount of debt instruments, whosoever the borrower and whatever the guarantee or collateral, any part of whose principal, interest or contractually agreed expenses is more than 90 days past due, unless such instruments should be classified as write-off. This category will also include guarantees given if the guaranteed party has fallen into in arrears in the guaranteed transaction.

    This category shall include the amounts of all a borrower's transactions if the transactions with amounts more than 90 days past due exceed 20% of outstandings.

    Non-performing transactions due to arrears in which simultaneously there are other circumstances for classifying them as non-performing shall be classified as non-performing due to arrears.

  - Non-performing exposures for reasons other than borrower arrears: include debt instruments, whether past due or not, which are not classifiable as total write-offs or non-performing due to borrower arrears, but for which there are reasonable doubts about their full repayment (principal and interest) under the contractual terms. Also included are off-balance-sheet exposures not classified as non-performing due to borrower arrears where payment is likely but full recovery is doubtful, and where none of the arrears are for greater than 90 days.

    This category will include, inter alia, transactions whose borrowers are in situations that represent a deterioration in their solvency, have negative equity, incur continuous losses, or suffer a significant contraction in turnover.

    Refinancing, refinanced or restructured transactions are analysed to determine whether or not they should be classified in the non-performing exposure category. As a general rule, refinancing, refinanced or restructured transactions that are based on an inadequate payment plan or which include contractual clauses that delay the repayment of the transaction through regular instalments are classified as non-performing exposures for reasons other than arrears.

- Total write-offs: this category includes debt instruments, whether due or not, for which the entity, after analysing them individually, considers the possibility of recovery to be remote due to manifest and irreversible deterioration of the solvency of the transaction or borrower. Classification in this category entails the write-off of the full gross carrying amount of the transaction and its total derecognition from assets.

Debt instruments classified as non-performing with respect to which specific allowances and provisions have been made, estimated individually or collectively, shall be reported as impaired assets and the remaining debt instruments as non-impaired assets, even though they form part of groups of assets.

Individual or collective allowances and provisions for non-performing exposures as a result of arrears should not be lower than the general allowances and provisions that would be applicable if the transactions were classified as performing exposures under special monitoring.

Estimation of impairment losses

To cover this insolvency risk attributable to customers, the Group recognises the following types of allowances for transactions not designated at fair value through profit or loss:

- Specific credit loss allowances for financial assets, estimated on an individual basis: the cumulative amount of allowances recognised for non-performing assets individually estimated.
- Specific credit loss allowances for financial assets estimated on a collective basis: the cumulative amount of collective impairment recognised for debt instruments classified as non-performing, collectively estimated and with no significant amounts. These instruments are individually impaired using a statistical method.
- General allowances to cover losses incurred but not reported: the cumulative amount of collective impairment of debt instruments, the value of which has not been impaired individually. These general allowances are calculated for those instruments classified as performing exposures or performing exposures under special monitoring.

The Group has established regular procedures for checking the reliability and coherence of the results of its collective credit loss estimation models which take the form of backward-looking tests that assess their accuracy by comparing the losses estimated with the actual losses subsequently observed on the related transactions. Should these procedures detect significant differences, pertinent changes will be made to ensure the estimates reflect the best possible estimate at any given time.

The Group recognises expected credit losses from transactions when booking impairment losses, taking the following into consideration:

a) Credit losses: these correspond to the difference between all the contractual cash flows owed to the entity in accordance with the financial asset’s contract and all the cash flows that it is due to receive, discounted at the original effective interest rate or, for purchased or originated credit-impaired financial assets, discounted at the credit-adjusted effective interest rate.

   In the case of loan commitments given, the outstanding contractual cash flows are compared to the cash flows that it would expect to receive if the commitment were drawn down. In the case of financial guarantees given, the payments that the Group expects to receive less the cash flows that are expected to be received from the guaranteed holder are considered.

   The Group estimates the cash flows of the transaction during its expected life taking into account all the contractual terms and conditions of the transaction. However, when it is not possible to reliably estimate the expected life of the transaction, the Group uses the remaining contractual term of the operation, including extension options. The cash flows taken into account include those deriving from the sale of collateral and other credit enhancements that form an integral part of the contractual conditions, such as financial guarantees received.

b) Expected credit losses: these are the weighted average of the credit losses, using as weighting the respective risks of default events. The Group makes the following distinctions:

   - 12-month expected credit losses: the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (Stage 1).

- Lifetime expected credit losses: these are the expected credit losses that result from all possible default events over the expected life of the transaction (Stages 2 and 3).

The Group calculates loss allowances according to whether there has been a significant increase in credit risk since the transaction's initial recognition, and whether a default event has occurred (Note 3.3). Consequently, impairment losses from transactions are equal to:

- 12-month expected credit losses, when there has been no significant increase in the risk of a default event since initial recognition.
- Lifetime expected credit losses, when there has been a significant increase in the risk of a default event since initial recognition.
- Expected credit losses, when there has been a default event in the transaction.

For all purposes, the Group determines that the future cash flows from a debt instrument are all the amounts (principal and interest) that the Group considers it will obtain over the expected life of the instrument. When estimating future cash flows from instruments secured by guarantees, the Group takes into account the flows that would be obtained from their sale, less the amount of the necessary costs for their acquisition, holding and subsequent sale.

When estimating the present value of future cash flows, the Group uses the transaction's original effective interest rate as the discount rate or, in the case of purchased or originated credit-impaired financial assets, it uses the credit-adjusted effective interest rate determined on initial recognition.

The original effective interest rate is determined as per the original contractual terms and conditions and, therefore, is that calculated on initial recognition of the transaction if the contractual rate is fixed or on the date of the financial statements if it is floating.

When the contractual cash flows of a financial asset are modified or the financial asset is replaced with another, and the modification or exchange does not cause it to be derecognised from the balance sheet, the Group recalculates the gross carrying amount of the financial asset and recognises any difference that emerges as a modification gain or loss in profit or loss for the period. The gross carrying amount of the financial asset shall be recalculated as the present value of the modified contractual cash flows that are discounted at the financial asset's original effective interest rate, taking into account any directly attributable transaction costs.

The Group estimates expected credit losses from a transaction so that these losses reflect: i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes based on certain macroeconomic scenarios; ii) the time value of money; and iii) reasonable and supportable information available at the reference date about past events, current conditions and forecasts of future economic conditions.

Irrespective of whether it is highly unlikely, the possibility of a credit loss event occurring or not occurring is reflected in the estimate of expected credit losses.

Nonetheless, details of the classification criteria used by the Group for debt instruments and the methods followed to determine associated impairment losses are provided in Note 3.3 to the accompanying consolidated annual accounts.

- **Impairment losses on equity instruments**

Objective evidence of the impairment of equity instruments exists when after initial recognition there is an event, or a combination of events, that suggest the carrying amount will not be recovered. The Group therefore uses all the information at its disposal on the performance and transactions of each investee to determine if there is objective evidence of impairment. The Group uses the following indications, among others, to perform this evaluation:

- The existence of significant financial difficulties and/or the disappearance of an active market for the instrument in question due to the issuer's financial difficulties;
- Significant changes in the issuer's results and/or technical objectives;
- Significant changes in the market, global economy or the economic environment in which the equity instrument issuer operates;
- Significant changes in the technological or legal environment in which the issuer operates;
- Significant changes in the results of comparable entities or in the valuations implied by the overall market;
- Internal problems of the investee such as fraud, commercial disputes, litigation, changes in management or strategy; and
- The existence of objective evidence that the issuer has filed or is likely to file for insolvency.

The Group considers that a decrease in an instrument's fair value to below its carrying amount may be an indicator of impairment, although it is not necessarily objective evidence that an impairment loss has been incurred. In this instance, it is considered there is objective evidence of impairment when there is a significant or prolonged decline in an instrument's fair value below its carrying amount. Objective evidence of impairment also exists when the issuer has filed or is likely to file for insolvency.

In the case of equity instruments measured at fair value and included in the "Financial assets at fair value through other comprehensive income" portfolio, any impairment loss is calculated as the difference between the acquisition cost and fair value, less any previously recognised impairment losses. The Group considers objective evidence of impairment affecting the assets in this portfolio to consist of a significant or prolonged decline in fair value.

In the case of equity instruments constituting ownership interests in joint ventures and associates, the Group estimates the amount of impairment losses by comparing their recoverable amount with their carrying amount. These impairment losses are taken to profit or loss for the period in which they occur and subsequent recoveries are recognised on the consolidated statement of profit or loss of the recovery period.

The Group recognises impairment allowances immediately as an expense on the consolidated statement of profit or loss for the period in which impairment losses are detected. Subsequent reversals of previously recognised impairment allowances are taken immediately to income on the consolidated statement of profit or loss for the period.

b)Financial liabilities

A financial liability is any commitment that gives rise to a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity, or a contract that will or may be settled in the entity's own equity instruments.

The Group considers as financial liabilities, among others, deposits from central banks and credit institutions, customer deposits, marketable securities, trading and hedging derivatives, subordinated liabilities and short securities positions.

Classification of financial liabilities

For measurement purposes, financial liabilities are classified into one of the following categories:

- “Financial liabilities held for trading”: financial liabilities issued with the intention of repurchasing them in the short term. This portfolio consists of short securities positions, financial liabilities that form part of a portfolio of identified financial instruments that are managed jointly, and for which there is evidence of recent action to obtain short-term gains, derivative instruments that do not meet the definition of a financial guarantee contract and which have not been designated as hedging instruments, including those segregated from hybrid financial instruments and those arising on the outright sale of financial assets acquired under reverse repurchase agreements or those received as loans. The fact that a financial liability is used to finance assets held for trading does not necessarily mean that it is included in this category.

- “Financial liabilities designated at fair value through profit or loss”: are financial liabilities designated as such at initial recognition, whose fair value may be reliably estimated. This designation may be made for: (i) hybrid financial liabilities, the embedded derivatives of which cannot be reliably measured separately, and must be separated; (ii) hybrid financial liabilities as a whole, designated as such at initial recognition, unless the embedded derivatives do not significantly change the cash flows that would otherwise have been generated by the instrument or when the hybrid instrument is first examined it is evident that the separation of the embedded derivatives is prohibited; (iii) financial liabilities for which more relevant information is obtained because this information eliminates or significantly reduces a recognition or measurement inconsistency (also called an accounting mismatch) that would arise on the measurement of the assets or liabilities, or the recognition of gains or losses, using different criteria; (iv) financial liabilities for which more information is obtained due to the fact that there is a group of financial liabilities, or financial assets and liabilities, that are managed and their performance is evaluated on a fair value basis, in accordance with the documented risk management or investment strategy and information regarding that group is also provided on a fair value basis to key management personnel.

- “Financial liabilities at amortised cost”: this category includes financial liabilities not included in any of the above categories.

Measurement of financial liabilities

At initial recognition on the consolidated balance sheet, financial liabilities are stated at fair value. After initial recognition, all financial liabilities are measured at amortised cost, except for:

- Those included in the category “Financial liabilities designated at fair value through profit or loss”, which will be measured at fair value, unless they are derivatives that have equity instruments as the underlying asset and whose fair value cannot be reliably estimated, in which case they will be measured at cost.

- Financial liabilities arising from the transfer of assets that do not qualify for derecognition of the asset from the transferor’s balance sheet, since the transferor retains control over the financial asset and the risks and rewards are neither substantially transferred nor retained.

- Financial liabilities designated as hedged items, or as hedging instruments that meet the criteria and standards established in Note 3.4.

Derecognition of financial liabilities

Financial liabilities are written off the Group’s consolidated balance sheet when they have been extinguished or are acquired. The difference between the carrying amount of the extinguished financial liability and the consideration paid is recognised immediately on the consolidated statement of profit or loss.

An exchange of debt instruments between the Group and the relevant borrower, provided that the instruments have substantially different conditions, will be recognised as an elimination of the original financial liability and the consequent recognition of a new financial liability. Similarly, a substantial modification of the current conditions for a financial liability or of a part of that liability will be recognised as a cancellation of the original financial liability and the consequent recognition of a new financial liability.

Conditions will be substantially different if the present value of the discounted cash flows under the new conditions, including any commission paid net of any commission received, and discounted at the original effective interest rate, differs by at least 10% from the discounted present value of the cash flows that remain pending with respect to the original financial liability. If an exchange of debt instruments or a modification of the conditions is recorded as an extinguishment, the costs or fees incurred will be recognised as part of the gain or loss on the extinguishment. If the aforementioned exchange or modification is not recognised as an extinguishment, the costs and fees will adjust the carrying amount of the liability and will be amortised over the remaining life of the modified liability.

c) Gains and losses in the value of financial instruments

Gains and losses on financial instruments are recognised depending on the portfolio in which they are classified, in accordance with the following criteria:

Income and expenses associated with financial instruments in the "**Amortised cost**" portfolio are recognised as per the following criteria:

- Accrued interest calculated is recognised on the consolidated statement of profit or loss in accordance with the effective interest rate method.

- Gains and losses due to changes in value are recognised as income or expenses on the accompanying consolidated statement of profit or loss when the financial instrument is derecognised or reclassified, or in the case of financial assets, where impairment losses are incurred or gains are generated from the subsequent recovery thereof. When determining the gains and losses on disposal, the amortised cost is identified specifically for the financial asset in question, except for groups of identical financial assets, in which case the weighted average cost is used.

Income and expenses associated with financial instruments at "**Fair value through profit or loss**" are recognised as per the following criteria:

- Changes in fair value are recognised directly on the consolidated statement of profit or loss, making a distinction for instruments that are not derivatives between the portion attributable to accrued returns of the instrument (which is recorded as interest or as dividends in accordance with the nature thereof), and the rest (which is recorded as results obtained from financial transactions in the relevant item).

- Accrued interest calculated is recognised on the consolidated statement of profit or loss in accordance with the effective interest rate method.

- The Group recognises the changes in value of a financial liability designated at fair value through profit or loss as follows:

  - Any variation in a financial liability's fair value due to changes in the credit risk associated with this liability is recognised under "Other comprehensive income" in equity. When the liability is derecognised, the gain or loss recognised in accumulated other comprehensive income is transferred directly to a reserve account.

– Other amounts related with changes in the fair value of financial liabilities are recognised on the consolidated statement of profit or loss. In the case of financial liabilities other than financial guarantees or loan commitments, the entire amount of the change in fair value is taken to profit or loss if fulfilment of the established criteria could create or exacerbate an accounting mismatch with other financial instruments at fair value through profit or loss.

Income and expenses associated with financial assets at "**Fair value through other comprehensive income**" are recognised as per the following criteria:

- Accrued interest calculated is recognised on the consolidated statement of profit or loss in accordance with the effective interest rate method.
- Dividends accrued are recognised on the consolidated statement of profit or loss where applicable.
- Exchange differences are recognised on the consolidated statement of profit or loss for monetary financial assets, and in other comprehensive income for non-monetary financial assets.
- Impairment losses on debt instruments or gains on the recovery thereof are recognised on the consolidated statement of profit or loss.
- Other changes in value are recognised in other comprehensive income in equity.
- The amounts taken to profit or loss for the period in connection with debt instruments at fair value through other comprehensive income will be the same as those applicable if the instruments were measured at amortised cost.
- When a **debt instrument** at fair value through other comprehensive income is derecognised from the balance sheet, the gain or loss accumulated in equity is reclassified to profit or loss for the period. Conversely, when an **equity instrument** at fair value through other comprehensive income is derecognised from the balance sheet, the gain or loss recognised in other comprehensive income is not reclassified to profit or loss, but rather to a reserve account.
- The criteria for reclassification between financial instrument portfolios described in Note 3.1.d to the accompanying consolidated annual accounts will be considered when recognising gains or losses previously recognised under accumulated other comprehensive income in equity.

Irrespective of the portfolio into which the financial assets generating interest and dividends are classified, the Group recognises such interest and dividends on the consolidated statement of profit or loss as per the following criteria:

- Interest falling due prior to the date of initial recognition and not yet received is added to the carrying amount of the debt instruments.
- Where the right to collect a dividend has been announced prior to initial recognition and such dividends have not yet been received, the dividends are not added to the carrying amount of the equity instruments or taken to income. Instead, they are recognised as financial assets that are separate from the equity instrument.
- Interest falling due after the date of initial recognition of a debt instrument is added to the gross carrying amount of the instruments until it is received.
- Subsequent to initial recognition, dividends from equity instruments are taken to income on the statement of profit or loss when the right to collect the pay-out is declared. If the distribution corresponds unequivocally to results generated by the issuer prior to the date of initial recognition, dividends are not taken to income but are deducted from the instrument's carrying amount because they represent a recovery of part of the investment made. Among other cases, the generation date is taken as falling before initial recognition when the amounts distributed by the issuer since initial recognition exceed its profit over the same period.

d) Reclassification between financial instrument portfolios

Reclassifications between financial instrument portfolios are only performed when the Group changes its business model for managing financial assets, in which case all the affected financial assets are reclassified. Such reclassification is performed prospectively from the reclassification date, without the need to restate any previously recognised gains, losses or interest.

In general, changes in business model must be very infrequent and must be performed as per the following:

- The fair value of a debt instrument at the reclassification date must be estimated before reclassifying it from the amortised cost portfolio to the fair value through profit or loss portfolio. Any gain or loss arising from the difference between the previous amortised cost and fair value is taken to profit or loss.
- If a debt instrument is reclassified from the fair value through profit or loss portfolio to the amortised cost portfolio, the asset's fair value on the reclassification date becomes its new gross carrying amount.
- The fair value of a debt instrument at the reclassification date is estimated before reclassifying it from the amortised cost portfolio to the fair value through other comprehensive income portfolio. Any gain or loss arising from the difference between the previous amortised cost and fair value is taken to other comprehensive income. The effective interest rate and estimate of expected credit losses are not adjusted as a result of the reclassification.
- If a debt instrument is reclassified from the fair value through other comprehensive income portfolio to the amortised cost portfolio, the financial asset is reclassified at its fair value on the reclassification date. Any gain or loss accumulated at the reclassification date under accumulated other comprehensive income in equity is cancelled against the balancing entry comprising the asset's carrying amount at the reclassification date. The debt instrument is measured on the reclassification date as if it had always been at amortised cost. The effective interest rate and estimate of expected credit losses are not adjusted as a result of the reclassification.
- If a debt instrument is reclassified from the fair value through profit or loss portfolio to the fair value through other comprehensive income portfolio, the financial asset continues to be measured at fair value, without any modifications to the accounting of any previously recognised changes in value.
- If a debt instrument is reclassified from the fair value through other comprehensive income portfolio to the fair value through profit or loss portfolio, the financial asset continues to be measured at its fair value. Any gain or loss accumulated beforehand under "Accumulated other comprehensive income" in equity is transferred to profit or loss for the period on the reclassification date.
- No financial liabilities will be reclassified.

When an investment in a subsidiary, joint venture or associate is no longer classified as such, any investment retained is measured at fair value at the date of reclassification; any gain or loss arising from the difference between its carrying amount prior to reclassification and said fair value is recognised in profit or loss or other comprehensive income depending on the subsequent valuation of the retained investment.

The retained investment – which cannot be considered as a subsidiary, joint venture or associate – is included in the financial assets mandatorily at fair value through profit or loss portfolio unless the entity exercises at that time the irrevocable election to include it in the financial assets at fair value through other comprehensive income portfolio. This irrevocable election is not available for investments in joint ventures or associates that prior to being classified as such were measured at fair value through profit or loss.

Interests in an entity prior to it being classified as a subsidiary, joint venture or associate are measured at fair value until control, joint control or significant influence is obtained. At that time, the Group estimates the fair value of the prior interest, recognising any gain or loss arising due to the difference between its carrying amount prior to reclassification and said fair value in profit or loss or other comprehensive income, as applicable. Any gain or loss accumulated under accumulated other comprehensive income in equity is retained until the investment is derecognised, at which point it is reclassified to a reserve account.

Changes deriving from the following circumstances are not treated by the Group as reclassifications:

- When an item that was previously a designated and effective hedging instrument in a cash flow hedge or in a hedge of a net investment in a foreign operation no longer fulfils the requirements to be treated as such.
- When an item is classified as a designated and effective hedging instrument in a cash flow hedge or in a hedge of a net investment in a foreign operation.
- When there are changes in the value of financial instruments because they are designated or stop being designated at fair value through profit or loss.

3.2. Capital

Banco de Crédito Social Cooperativo, S.A.'s shares are represented by indivisible registered share certificates, which may be single or multiple. Shareholders are entitled to receive, free of charge, both single and multiple share certificates. If a multiple certificate is delivered, shareholders are entitled to request, after annulling those they submit for this purpose, the issuance of as many single certificates as the shares they hold or one or more multiple certificates representing a number of shares which is different from that of the certificates the annulment of which is requested.

The Bank shall keep a duly legalised ledger of registered shares for the purposes stipulated by law.

Partly paid up shares, if any, must be paid in full when so required by the Board of Directors, pursuant to Article 8 of the Bank's By-laws. The form and other details of payment are as provided in the resolution to increase capital, which may provide that the payments can be made through monetary and non-monetary contributions.

The shares are transferable by all lawful means. Transfers of the Company's shares are governed by the following terms and conditions contained in Article 13 of its By-laws.

Banco de Crédito Social Cooperativo, S.A. may issue:

- Non-voting shares for a nominal amount not exceeding half of the capital. Non-voting shares shall confer upon their holders the rights established in the issue resolution, in accordance with current legislation.
- Redeemable shares for a nominal amount not exceeding one quarter of the capital stock. Redeemable shares shall confer upon their holders the rights established in the issue resolution, in accordance with current legislation and by means of the requisite amendment to the By-laws.
- Shares that confer a privilege over ordinary shares in the legally established terms, in compliance with the formalities prescribed for the amendment of the By-laws.

Contributions to the capital of the Credit Cooperatives comprising Grupo Cooperativo are recognised as equity when there is an unconditional right to waive reimbursement or there are any legal or by-law prohibitions against making such reimbursement. If the reimbursement prohibition is partial, the reimbursable amount above the prohibition is recorded in a specific heading and is considered to be a financial liability. The contributions for which there is a remuneration obligation, even if subject to the condition of the cooperative obtaining a surplus, are treated as financial liabilities. Remuneration for contributions is recorded as a finance cost for the year if the contributions are recorded as financial liabilities; and directly in equity, as part of the distribution of results obtained by the cooperative, if not.

The By-laws of the credit cooperatives belonging to Grupo Cooperativo are consistent with the recommendations of Spanish and international supervisors on solvency and capital, such that any reimbursement of capital contributions requires the prior approval of the Governing Board (Note 18.1.3).

The current text of the By-laws establishes that the remuneration to capital is optional and is to be determined each year by the General Assembly, which may delegate the task to the Governing Board, subject to the limits and under the terms it deems fit.

Consequently, the reimbursement of capital contributions requires prior, specific approval from the Governing Board and remuneration to capital is set annually by the General Assembly on a non-mandatory basis.

Regulation (EU) No 575/2013, of 26 June 2013, and subsequent amendments, on prudential requirements and the calculation of minimum own funds for credit institutions, stipulates that contributions to the capital of credit cooperatives, independent of their accounting classification as a financial liability or as equity, will be part of Tier 1 capital until 31 December 2012, and after that date, in accordance with the amendments included in the aforementioned Circular through Bank of Spain Circular 4/2011, of 30 November 2011, only contributions recognised as equity will be considered as own funds. As indicated above, all the Group's capital contributions meet the requirements to be computed as Tier 1 capital at both 31 December 2024 and 31 December 2023.

Capital contributions of other credit institutions included in Grupo Cooperativo are classified under "Other equity instruments issued" in equity.

3.3. Method for calculating impairment due to credit risk for debt instruments and off-balance sheet exposures that share credit risk, and real estate assets foreclosed or received in payment of debt

Debt instrument portfolios (loans, advances other than loans, and debt securities) and off-balance sheet exposures (loan commitments, financial guarantees and other commitments given), irrespective of the holder, arrangement or guarantee, are analysed in order to determine the credit risk to which the Group is exposed and estimate impairment allowances (Note 3.1). In order to draw up the financial statements, the Group classifies its transactions on the basis of credit risk, analysing separately the insolvency risk attributable to each customer and the country risk to which, if appropriate, they may be exposed.

- **Insolvency risk attributable to the customer**

  Debt instruments not designated at fair value through profit or loss and off-balance sheet exposures are classified based on two factors: (i) the existence or not of a significant increase in risk; and (ii) whether or not there has been a default event. The combination of both factors determines the classification in different categories or stages:

  Classification categories:

  - **Stage 1 or performing:** all loans whose credit risk has not increased significantly since initial recognition.
  - **Stage 2 or performing under special monitoring:** loans where there has been a significant increase in default risk since initial recognition, although there are no doubts about their full repayment.
  - **Stage 3 or non-performing:** loans where there is reasonable doubt regarding their full repayment as per the contractually agreed terms and conditions, which may give rise to:
    - The objective existence of impairment due to customer arrears
    - Because there is evidence that expected cash flows will be negatively affected, putting into question whether the entire loan will be repaid as per the contractually agreed terms and conditions.

- **Stage 4 or total write-off:** loans that are deemed to be irrecoverable. Where recovery is deemed remote, the loans are written off the balance sheet.

Significant increase in risk or the existence of a default event can be determined either collectively or individually.

Collective classification criteria:

Stage 2: Exposures fulfilling one of the following conditions are classified in this category:

- If the transaction has amounts over 30 days but less than 90 days past due.

- If it is a debt restructuring operation. These exposures are classified in Stage 2 for a probation or expiry period so that they must meet all the following requirements to no longer be considered as restructured and see their classification improve:
  - Following a review of the borrower's financial and equity position it has been concluded that it is not foreseeable that the borrower will encounter financial difficulties.
  - A minimum of 24 months have has elapsed since the later of the date of entry into the restructuring or the date the exposure was classified in Stage 2.
  - The transaction is in the repayment period and principal and interest has been paid equal to the amount past due at the time of the restructuring.
  - The borrower does not have any other transactions with the Group with amounts more than 30 days past due.

- Due to an increase in the probability of default measured by comparing the probability of default at the time of assessment with the probability of default when the transaction is formalised. If this difference exceeds certain thresholds, it is treated as evidence of a significant increase in risk.

- If the customer's credit quality is significantly impaired, as measured by the early warning system.

- Because, in the case of mortgage loans, the LTV ratio is over 80 points lower than the previous LTV ratio after the appraisal value of the collateral has been revised.

- Because a customer has been declared subject to bankruptcy proceedings and is faithfully performing the creditors' agreement, has no other borrowings with amounts more than 30 days past due, the exposures affected by the bankruptcy proceedings in the Group are in the principal repayment period and the customer has repaid at least 25% of the principal, or if two years have elapsed since the order approving the creditors' agreement was filed in the Companies Register.

Stage 3: Objective evidence of impairment leading to a loan being classified in this stage can be:

As a result of borrower arrears:

- Transactions, any part of which (principal, interest or contractually agreed expenses) is more than 90 days past due, unless they should be classified as being written off. When the outstandings become less than 90 days past due, the transaction is moved out of Stage 3.

- Transactions of borrowers with other transactions with amounts more than 90 days past due that as a whole exceed 20% of the borrower's total exposure.

For reasons other than arrears:

- Transactions without amounts over 90 days past due but showing objective evidence of impairment:

    - Off-balance-sheet exposures whose payment by the Group is likely but whose recovery is doubtful.

    - Restructured transactions in which grace periods of more than 24 months are granted, refinancing transactions classified in Stage 3 at the time of restructuring or that comprise a second or subsequent restructuring. Restructured transactions in the probation period with amounts more than 30 days past due are also included provided they were in Stage 3 before the probation period.

    - Restructured transactions following a haircut and/or debt relief and transactions where the obligor has been granted a haircut and/or debt relief on another associated account.

    The classification of the restructured transactions classified in this stage is improved provided they pass the test to move restructured transactions out of this stage, meeting the following criteria:

    - That one year has elapsed since the later of the refinancing or restructuring date and the last date of being classified in Stage 3.

    - That the transactions are in the principal repayment period and principal and interest have been repaid in an amount equal to the past-due exposure at the later of the restructuring date and the date on which the exposure was classified as non-performing.

    - That the borrower does not have any other transactions with amounts more than 90 days past due.

- There are significant indicators raising doubts about whether the loan will be repaid, such as the borrower having negative equity, a generalised delay in payments or insufficient cash flow to settle debts, or an inadequate economic or financial structure.

- The borrower's financial position has deteriorated, putting the repayment of the loan into question, setting off an alert based on predictive models that reflect the customer's situation.

- Transactions of borrowers that have been declared to be in bankruptcy proceedings without applying for liquidation that do not meet the criteria to be classified in Stage 2.

Total write-off: Includes transactions that are not covered by effective collateral securing at least 10% of the gross carrying amount of the transaction and that fulfil any of the following requirements:

- Transactions of borrowers in bankruptcy proceedings for which the liquidation phase has been declared.

- Transactions with arrears in this category for more than four years.

- Transactions that have been covered by an allowance or provision of 100% for over two years.

- Transactions for which it is considered, after expert analysis, that the possibility of recovery is remote due to manifest and irreversible deterioration of the solvency of the transaction or borrower.

Individual classification criteria:

Certain borrowers deemed to be significant given their exposure to default and borrowers that are not associated with a homogeneous risk group which could be classified using collective procedures are classified based on individual criteria, i.e. on a case-by-case basis. A team of specialist analysts analyse the various triggers indicating a significant increase in risk or objective evidence of impairment, and also determine if this has an impact on the cash flows that are expected to be recovered.

Methodology for calculating allowances and provisions for credit risk losses attributable to insolvency

For the purpose of calculating impairment losses due to credit risk, the Group follows the criteria established in Bank of Spain Circular 4/2017 to calculate the impairment of its loan portfolio, and therefore complies with the criteria set forth in International Financial Reporting Standard 9 (IFRS 9) for financial instruments and International Accounting Standard 37 (IAS 37) for financial guarantees and irrevocable loan commitments.

The criteria for calculating allowances and provisions depend on a transaction's classification, therefore 12-month expected losses are calculated for Stage 1, lifetime expected losses for Stage 2, and cash flows expected to be recovered for Stage 3.

The methodologies applied to determine loan loss allowances and provisions use the following criteria:

- **Individual estimation of allowances and provisions (expert analysis):**

For transactions classified in Stage 2 or Stage 3 of borrowers deemed to be individually significant, transactions or borrowers for which collective calculation methods cannot be used, or transactions deemed to have negligible risk classified in Stage 3.

Transactions with negligible risk are those whose borrower is:

- A central bank;
- A government of a European Union country, including transactions deriving from reverse repurchase agreements on government debt securities;
- A general government of a country classified in group 1 for the purpose of country risk; a deposit guarantee fund or resolution fund, provided its credit quality is such that it is equivalent to those of the European Union;
- A credit institution or specialised lending institution from a country of the European Union and, in general, from a country classified in group 1 for the purpose of country risk;
- A Spanish reciprocal guarantee company or government agency or enterprise from another country classified in group 1 for the purpose of country risk whose main activity is credit insurance or guarantees;
- A non-financial corporation considered to belong to the public sector.
- This category also includes advances on the following month's pensions or wages, provided the paying entity is a government agency and the wage or pension is direct credited to the Group, and advances other than loans.

The following assumptions are used to calculate allowances and provisions using case-by-case methods:

- **Going concern**: It is assumed that the business of the corporate borrower or individual borrower will continue and therefore the borrower will have regular cash flows to service its debt.

- **Business in liquidation:** This assumption is made when the estimate of the contractual flows receivable from borrowers or guarantors is subject to high uncertainty or is deemed not to be viable, with the cash flows from the activity being interrupted. In this case, allowances and provisions are calculated by estimating the recoverable amounts of the effective collateral received when the credit arrangement was formalised.

- **Mixed approach:** Considers the borrower's ability to generate cash flows and also the existence of non-operating assets.

- **Collective estimation of allowances and provisions**

Used for transactions that cannot be evaluated individually. Based on models developed internally to estimate the allowances and provisions needed as per the Group's existing portfolio, taking into account past experience and a range of possible scenarios: baseline, pessimistic and optimistic. These scenarios factor in various macroeconomic variables such as GDP, unemployment rate, changes in the CPI, and house prices, and are based on projections over three financial years. These scenarios are defined in house by the Group (baseline, pessimistic and optimistic scenarios) and are weighted using weightings determined by the Finance Department.

The Group also takes into account the prevailing rules on non-performing exposures when calculating these allowances and provisions:

- The ECB's guidance to banks on non-performing loans, known as the ECB's NPL Guidance, published in March 2017.

- The Addendum to the ECB's NPL Guidance to banks on non-performing loans published in March 2018, which sets out the supervisory expectations for prudential provisioning of non-performing exposures.

- The supervisory expectations for provisioning of existing non-performing exposures announced in the ECB's 11 July 2018 press release.

The Group's estimated macroeconomic scenarios are updated each year, based on the information available, including the probability of occurrence. A baseline scenario, an optimistic scenario and a pessimistic scenario are defined to reflect a certain range of outcomes due to improvement or deterioration in the economic situation. Probabilities are assigned to each scenario using a statistical methodology that specifies a probability of 50% for the baseline scenario, 30% for the optimistic scenario and 20% for the pessimistic scenario.

The three scenarios are summarised below:

- **Baseline scenario:** For 2025, the outlook generally anticipates slower economic growth, an improvement in inflationary pressures and a decline in the unemployment rate.

  In this context, economic growth is expected to slow in 2025, with year-on-year GDP growth of 2.4%, followed by 1.7% in 2026 and 1.6% in 2027. Meanwhile, the labour market is expected to remain strong, with the unemployment rate declining throughout the forecast period, reaching 11.0% in 2025, before falling to 10.7% in 2026, and 10.3% in 2027. Inflation (CPI) is projected to approach the ECB's 2% target, reaching 2.2% in 2025 and 2.1% in 2026, with a slight uptick to 2.4% in 2028.

Interest rates are expected to stabilise over the projection horizon, following their decline in the second half of 2024.

However, significant uncertainty remains, stemming from ongoing armed conflicts and political instability.

- **Pessimistic scenario:** This scenario assumes a sharper economic slowdown in 2025, inflation deviating from the 2% target, and a higher unemployment rate compared to the baseline scenario.

  Here, economic growth is expected to slow more severely, though Spain's economy would continue to expand, with year-on-year GDP growth of 2.2% in 2025, 1.6% in 2026, and 1.5% in 2027. Inflation would remain above the 2% target, with the CPI at 2.5% in 2025, 2.4% in 2026, and increasing to 2.7% in 2027. This would lead to a rise in interest rates, which would return to levels above 3% throughout the period. Meanwhile, the unemployment rate would stand at 11.3% in 2025, following a downward trend to 10.9% in 2026 and 10.5% in 2027.

- **Optimistic scenario:** This scenario assumes strong economic growth in 2025, alongside lower inflationary pressures and a declining unemployment rate.

  Under this scenario, GDP is projected to grow by 2.6% in 2025, followed by 1.9% in 2026 and 1.7% in 2027. Inflation is expected to decline more rapidly, with the CPI at 1.9% in 2025, and stabilising around 2% in 2026 (1.8%) and 2027 (2.0%). However, interest rates would rise slightly compared to the baseline scenario due to stronger demand. The labour market would continue to show resilience, with the unemployment rate decreasing over the 2025–2027 period (10.7% in 2025, 10.4% in 2026, and 10.0% in 2027).

The allowance and provision thus estimated is defined as the average expected loss depending on the various scenarios, the value of which is obtained using the following formula:

$$\textit{Lifetime expected credit loss} = \sum_{K=0}^{M} \frac{\mathbf{PD\ (k) x\ EAD\ (k) x\ LGD\ (k)\ x\ Survival\ rate\ (k)}}{(\mathbf{1+EIR})^{\mathbf{k}}}$$

Where:

- **PD:** The probability of default over a time horizon of one year. Calculated for the whole transaction term starting with the 12M PD and projected PDs for the portfolio, thus including forward-looking information collated through the scenario projection models.
- **EAD:** Maximum loss the entity could incur in a transaction should the counterparty default and assuming that none of the guarantees associated with the transaction are recovered. Calculated for the entire transaction term, taking repayments into account.
- **LGD:** The loss in the event of a default. Based on projected estimates per portfolio to include forward-looking information drawn from the projection models used.
- **Survival rate:** Accumulated probability of survival.
- **EIR:** Discounting of cash flows to present value using the effective interest rate.
- **M:** Maximum period considered for transaction term in years. A value of zero is used for loans in Stages 1 and 3.

It should also be noted that lifetime expected credit losses for Stage 2 exposures are calculated using the contractual repayment schedule for each transaction and estimates of the prepayment rates of the different products and segments based on historical observation.

The Group has methodologies for backtesting or comparing the losses estimated using the internal models and actual losses. If any material differences are detected using these methodologies, they are modified internally to ensure the best possible estimates are generated.

Accrual of interest on transactions classified as non-performing exposures

The Group calculates the interest accrued on transactions classified as non-performing exposures, taking it to the consolidated statement of profit or loss, using the effective interest rate applied to the amortised cost of the transactions, i.e. adjusted by any valuation adjustment for impairment losses. Delay interest and risk-weighted interest rates are not factored in when calculating the effective interest rate.

Country risk

Similarly, debt instruments not designated at fair value through profit or loss and off-balance sheet exposures, irrespective of the customer, are analysed to determine the credit risk attributable to country risk.

Country risk is understood as the risk attaching to customers resident in a specific country due to circumstances other than normal business risk.

In order to calculate allowances and provisions for country risk, the Group first classifies the counterparty's country of residence into different groups according to its political situation, economic performance, ability to pay and repayment track record.

These allowances and provisions are estimated in addition to the allowances and provisions for credit risk, such that any risk not covered by the recoverable amount of effective collateral or allowances and provisions for insolvency risk is covered by the allowances and provisions for country risk. The latter is obtained by applying the percentages of coverage stipulated in Bank of Spain Circular 4/2017 for the group into which the country in question has been classified and based on the credit risk classification.

Collateral and guarantees

The Group considers that collateral and personal guarantees are effective guarantees provided they are shown to be valid as a means of mitigating credit risk. No collateral or guarantees whose effectiveness depends substantially upon the credit quality of the debtor shall be deemed valid.

Based on the foregoing, pledges or mortgages on the following items are considered to be effective collateral and guarantees:

- Buildings and finished constructions, distinguishing between:
  - Housing
  - Offices, retail units and multi-use facilities
  - Other buildings, such as single use premises and hotels
- Urban land and regulated building land
- Rural properties, distinguishing between:
  - Intensive horticulture operations
  - Other agricultural operations
- Other properties, such as:
  - Buildings under construction
  - Components of buildings under construction
  - Other land
- Pledges of financial instruments

- Other collateral, such as moveable assets pledged as collateral, second and subsequent mortgages on properties when these are effective
- Personal guarantees provided they cover the total amount of the transaction and direct and joint and several liability falls on the guarantor.

These guarantees and collateral are appraised in accordance with the requirements set forth in prevailing legislation, using appraisal firms listed in the Bank of Spain's Official Register of Appraisal Companies, after being approved by the Group as being independent from the Group.

Real estate collateral securing credit transactions and properties are appraised when the credit is awarded or the assets are recognised on the balance sheet following their acquisition, foreclosure or dation in payment. They are subsequently re-appraised as per minimum frequencies of appraisal:

- In the event of significant drops in value.
- Annually for assets classified in Stage 2 or 3 and assets foreclosed or received in payment of debt.
- Every three years for high-value assets in transactions classified in Stage 1.

Re-appraisals may be performed using annual statistical valuations or direct appraisals, depending on the asset's classification, the type of collateral and time elapsed since the last direct appraisal.

In order to estimate allowances and provisions for credit risk losses, internal methodologies have been developed to calculate the recoverable amount of real estate collateral, which adjust appraisal values using discounts that factor in potential falls in value up to the time of foreclosure and sale, plus foreclosure costs, maintenance costs and costs to sell.

Real estate assets foreclosed or received in payment of debt

The Group recognises assets received in payment of debt at the lower of the carrying amount of the financial assets applied, i.e. their amortised cost less estimated impairment, and their fair value at the date of foreclosure or receipt of the asset (using full individual appraisals), less estimated costs to sell. The net amount of both items is considered to be the initial cost of the asset received.

The Group calculates the difference between the carrying amount of the foreclosed asset and its fair value less costs to sell when determining the amount of impairment at a date after foreclosure or receipt in payment of debt. A new appraisal of the asset is obtained to determine its fair value. Following an expert review, additional coverage may be required.

Impairment losses are recognised in "Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" on the statement of profit or loss, calculated individually for those that continue to be held after the deadline initially established for their sale.

In order to estimate allowances and provisions for losses on assets foreclosed or received in payment of debt, internal methodologies for determining the recoverable amount have been developed that adjust the value of these assets until they are sold.

3.4. Hedge accounting

A hedge is a financial technique through which one or more financial instruments – known as hedging instruments – are designated to hedge a specifically identified risk that can have an impact on the recognition of income and expenses as a result of variations in the fair value or cash flows of the hedged items.

The Group uses financial derivatives traded on organised markets or traded bilaterally with the counterparty over the counter, using interest rates, certain indexes, the prices of certain securities, the exchange rate for certain currencies or other similar references as the underlying.

Financial derivatives are used to trade with customers who request them in order to manage the risks attaching to the Group's own positions (hedging derivatives) or in order to leverage changes in the prices thereof. Financial derivatives that cannot be considered hedges are regarded as derivatives held for trading.

The conditions under which a financial derivative may be regarded as a hedge are as follows:

- The financial derivative should cover (i) the risk of changes in the value of assets and liabilities due to fluctuations in the interest rate and/or exchange rate (fair value hedges); (ii) the risk of changes in estimated cash flows resulting from financial assets and liabilities, highly probable forecast commitments and transactions (cash flow hedges); or (iii) the risk of a net investment in a foreign operation (hedging of net investment in foreign operations).

- The financial derivative should effectively eliminate any risk attaching to the component or position hedged over the entire expected hedging period. This means that since the trade date the expectation is that it will be highly effective (prospective effectiveness) and there is sufficient evidence that the hedge has been effective during the life of the hedged asset or position (retrospective effectiveness). This evidence is obtained when the results of the hedge have ranged between 80% and 125% compared with the result of the hedged item.

  The Group ensures the prospective and retrospective effectiveness of its hedges by performing the relevant effectiveness test using the regression method. Regression analysis is a statistical technique used to analyse the relationship between variables. A simple linear regression may demonstrate, based on past data, that a derivative instrument is (retrospective evaluation) or probably will be (prospective evaluation) highly effective at offsetting changes in the fair value of the flow of the hedged item.

- Proper documentary evidence must be kept to show that the financial derivative was contracted specifically as a hedge for certain specific balances or transactions, as well as of the way in which such effective hedging was intended to be achieved and measured, as long as the method used is consistent with the Group's management of its own risks.

Hedges of interest rate risk may be applied to individual items or balances or to portfolios of financial assets and liabilities exposed to this risk. In the latter case, the set of financial assets or liabilities to be hedged must share a common type of risk, this requirement being understood to be fulfilled when the sensitivity of the individual hedged items to interest rate changes is similar.

The Group classifies its hedges, based on the type of hedged risk, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations, as per the following criteria:

- Fair value hedges: hedges of exposure to changes in the fair value of recognised financial assets and liabilities or unrecognised firm commitments, or a component of these items, that is attributable to a particular risk and could affect profit or loss for the period.

  The gain or loss that arises from the fair value measurement of hedging instruments as well as that attributable to the hedged risk is immediately recognised on the consolidated statement of profit or loss, even when the hedged item is measured at amortised cost or it is a financial asset included in the available-for-sale financial assets category.

  When the hedged item is measured at amortised cost, its carrying amount is adjusted by the amount of the gain or loss recognised on the consolidated statement of profit or loss as a result of the hedge. Once this item ceases to be hedged against changes in its fair value, the amount of the adjustment is recognised on the consolidated statement of profit or loss using the effective interest rate method recalculated at the date on which it ceases to be adjusted, and it must be fully amortised at the maturity date of the hedged item.

- Cash flow hedges: hedges of the exposure to variability in cash flows attributable to a particular risk associated with a recognised financial asset or liability or component thereof (such as all or one of the future interest payments on a floating rate debt), or a highly probable forecast transaction, provided that it may affect profit or loss for the period.

  The gain or loss that arises from measuring the fair value of a hedging instrument (on the effective portion of the hedge) is recognised temporarily under "Accumulated other comprehensive income" in equity. The value of the instrument relating to the ineffective portion of the hedge is recorded immediately on the consolidated statement of profit or loss.

  Accumulated gains and losses on hedging instruments recognised under "Accumulated other comprehensive income" in equity remain in that account until recorded on the consolidated statement of profit or loss in the periods in which the items designated as hedges affect that account, unless the hedge relates to a forecast transaction that ends in the recognition of a non-financial asset or liability, in which case the amounts recorded in equity are included in the cost of the asset or liability when it is acquired or assumed. If all or part of a loss temporarily taken to equity is not expected to be recovered in the future, its amount is immediately reclassified to the consolidated statement of profit or loss.

  When the hedge is discontinued, the accumulated result of the hedging instrument recognised under "Accumulated other comprehensive income" in equity while the hedge was effective continues to be recorded under that heading until the hedged transaction takes place, at which time the criteria indicated in the preceding paragraph are applied, unless the expectation is that the transaction will not take place, in which case it is immediately recognised on the consolidated statement of profit or loss.

- Hedges of net investments in a foreign operation: the gain or loss that arises from measuring the fair value of a hedging instrument (on the effective portion of the hedge) is recognised directly under "Valuation adjustments" in consolidated equity. The rest of the gain or loss on the instrument is immediately recognised on the consolidated statement of profit or loss.

Gains and losses on hedging instruments recognised directly in equity remain in that account until they are disposed of or are written off the consolidated balance sheet, at which time they are taken to consolidated profit or loss.

The Group uses hedge accounting, primarily, to hedge its exposure to changes in the fair value of its financial instruments as a result of the following underlyings:

- Interest rate: fundamentally certain liabilities pegged to a fixed interest rate.

- Market: certain structured liabilities for which the remuneration is linked to index performance.

The instruments used to apply these hedges are fundamentally interest rate swaps, equity swaps and index options (Note 9). Note 6 describes the policies established by the Group to manage the risks to which it is exposed.

3.5. Transfers and derecognition of financial assets

A financial asset will be written off the Group's consolidated balance sheet only when one of these circumstances arises:

- When the contractual rights to the cash flows it generates have expired.

- When all the contractual rights to receive the cash flows it generates are transferred, or even when retaining these rights, a contractual obligation exists to pay the cash flows to the assignees.

- When, even if the risks and rewards are neither substantially transferred nor retained, control over the financial asset is transferred following an evaluation of the risks and rewards as described below.

The term transferred financial asset is used to describe all or part of a financial asset or group of similar financial assets.

Transfers of financial instruments are recognised taking into account the manner in which the risks and rewards associated with the financial instruments are transferred, on the basis of the following:

- If substantially all the risks and rewards are transferred to third parties, such as in unconditional sales, sales under repos at fair value on the repurchase date, sales of financial assets with a call option acquired or put option issued that is deeply out of the money, and asset securitisations in which the assignor retains no subordinated financing and does not grant any type of credit enhancement to the new holders, the financial instrument transferred is written off the consolidated balance sheet and at the same time any right or obligation retained or created as a result of the transfer is recognised.

- If substantially all the risks and rewards associated with the financial instrument being transferred are retained, as in the case of sales of financial assets with buy-back agreements at a set price or for the sale price plus interest, securities lending agreements where the borrower is required to return the same or similar assets, and transfers in which the Group retains subordinated financing that substantially absorbs expected losses, the financial instrument transferred is not written off the consolidated balance sheet and continues to be measured using the same criteria used before the transfer. Nonetheless, the associated financial liability is recognised for accounting purposes for an amount equal to the consideration received, which is measured subsequently at amortised cost, together with the income from the financial asset transferred but not written off and the expenses relating to the new financial liability.

- If some, but not substantially all, of the risks and rewards associated with the financial instrument are transferred, as in the case of sales of financial assets with call and put options that are neither deeply in nor deeply out of the money, securitisations of assets where the assignor assumes subordinate financing or any other kind of credit enhancement for a part of the asset transferred, a distinction is made between the following:

    - The Group does not retain control of the transferred financial instrument, in which case it is written off the consolidated balance sheet and any right or obligation retained or created as a result of the transfer is recognised.

    - The Group retains control of the transferred financial instrument, in which case it continues to recognise it for an amount equal to its exposure to changes in value and recognises a financial liability associated with the transferred financial asset. The net amount of the asset transferred and the associated liability will be the amortised cost of the rights and obligations retained if the asset transferred is measured at amortised cost, or the fair value of the rights and obligations retained if the asset transferred is measured at fair value.

Therefore, financial assets are only written off the consolidated balance sheet when the cash flows that they generate have been extinguished or when substantially all implicit risks and rewards have been transferred to third parties.

Similarly, financial liabilities are only written off the consolidated balance sheet when the obligations arising therefrom have been extinguished or when they are acquired with the intention of cancelling them or placing them again.

The Group has applied the requirements described above to all transactions entailing derecognitions of financial assets and liabilities, other than derivative instruments, for years commencing on or after 1 January 2004. Financial assets and liabilities arising from transactions conducted before 1 January 2004, other than derivative instruments, written off as a result of the above rules, are not recognised unless they must be recorded as a result of a subsequent transaction or event. The allowances and provisions recognised to cover the contributions to securitisation funds, subordinated securities, financing and credit commitments of any kind that, upon liquidation of those funds, rank below unsubordinated securities in the order of creditors, will be released in proportion to the redemption of the financial assets, unless there is any new evidence of impairment, in which case the allowances and provisions necessary to cover them are made.

3.6. Financial guarantees, loan commitments and other commitments given

The contracts under which the Group undertakes to pay specific amounts for a third party in the event of non-payment by the latter are considered to be financial guarantees, irrespective of their legal form, including, inter alia, a deposit, financial guarantee and irrevocable documentary credit issued or confirmed by the Group, insurance policies and credit derivatives in which the Group acts as a seller of protection.

Financial guarantees are classified on the basis of the insolvency risk attributable to the customer or transaction, and, if appropriate, the need for provision is estimated through the application of criteria similar to those indicated in Notes 3.1 and 3.3 for debt instruments measured at amortised cost.

When the Group issues this type of contract, they are recognised under the heading “Financial liabilities at amortised cost – Other financial liabilities” on the liability side of the consolidated balance sheet at fair value, plus transaction costs that are directly attributable to their issue (Note 8.7.5) and, at the same time, under the heading “Loans and advances” (Note 8.6.2) at the present value of the future cash flows to be received by using, for both items, a discount rate similar to that for financial assets granted by the Group to a counterparty with a similar term and risk.

Subsequent to their issue, the value of the contracts recognised under “Loans and advances – Customers” will be updated, recognising the differences as finance income, and the fair value of the guarantees recognised under “Financial liabilities at amortised cost – Other financial liabilities” will be attributed on a straight-line basis over their useful life to fee and commission income.

In the event that a provision needs to be recognised for financial guarantees, any unpaid fees and commissions recorded under “Financial liabilities at amortised cost – Other financial liabilities” on the liability side of the accompanying consolidated balance sheet are reclassified to the corresponding provision.

Loan commitments are irrevocable commitments, or revocable only in the case of a significant adverse change, to provide financing under certain previously stipulated terms and conditions, such as balances drawable by third parties within limits pre-established by the Group. Loan commitments given are recognised at fair value, i.e. the value of the consideration received, unless: (i) they meet the definition of a derivative because they can be settled net, in cash or by delivering or issuing another financial instrument; or (ii) they are contracts that are classified as financial liabilities designated at fair value through profit or loss.

Other commitments given are off-balance sheet exposures that do not meet the definition of a loan commitment or financial guarantee. These exposures include non-financial guarantees. Non-financial guarantees are deposits or guarantee contracts under which the Group is obligated to compensate a beneficiary in the event of non-compliance with a specific obligation other than a payment obligation by a specific debtor of the beneficiary, such as the cash bonds provided to ensure the participation in auctions and public tenders, or the proper completion of a project or transaction or any other type of technical guarantee, including irrevocable formal undertakings to provide bank guarantees and letters of guarantee when required by law.

3.7. Non-current assets and disposal groups of assets classified as held for sale

This consolidated balance sheet heading includes the carrying amount of the individual items included in a disposal group or which are part of the business unit that is intended to be sold (discontinued operations) that do not form part of operations, where there is a high probability that the sale will be made, under the conditions in which said assets are currently to be found, within one year from the reporting date. This applies unless, due to circumstances or events beyond the institution’s control, the time frame needed to effect the sale has to be extended and there is sufficient evidence that the institution still intends to go ahead with the plan to sell the asset.

Therefore the carrying amount of these items, which may be financial and non-financial in nature, will presumably be recovered through the price obtained on their disposal and not through their continuing use.

The real estate assets or other non-current assets received by the Group from debtors in full or partial payment of their debt are classified as non-current assets held for sale, unless the Group has decided to use these assets on an ongoing basis.

Furthermore, “Liabilities included in disposal groups of assets classified as held for sale” include the payables deriving from the Group’s disposal groups and discontinued operations.

Assets classified as “Non-current assets and disposal groups of assets classified as held for sale” are generally measured at the lower of the carrying amount at the time of their consideration as such and fair value less estimated costs to sell. While they are classified as “Non-current assets and disposal groups of assets classified as held for sale”, non-current assets and disposal groups of assets classified as held for sale are not amortised.

If the carrying amount of the assets exceeds their fair value less estimated costs to sell, the Group adjusts the carrying amount of the assets by the amount of the excess with a charge to “Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations” on the consolidated statement of profit or loss. If the fair value of such assets subsequently increases, the Group reverses the losses previously recognised and increases the carrying amount of the assets without exceeding the carrying amount prior to the impairment, with a credit to “Profit or (-) loss from non-current assets held for sale not qualifying as discontinued operations” on the consolidated statement of profit or loss.

The results in the year of those components of the Group classified as discontinued operations are recorded under “Profit or loss after tax from discontinued operations” on the consolidated statement of profit or loss both if the Group component has been derecognised from assets and if it is still included under assets at year-end.

When, exceptionally, the sale or handover to owners is expected to take place in a period of more than one year, the institution measures the costs to sell or distribution costs in revalued terms, recognising the increase in value due to the passage of time under “Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations” on the statement of profit or loss.

Assets foreclosed or received in payment of debt

Assets foreclosed or received in payment of debt are assets the institution receives from its borrowers or other debtors in full or partial payment of financial assets representing rights to collect from them.

The fair value of the real-estate assets foreclosed or received in payment of debt at the time of the foreclosure or when they are received must be estimated using as a reference the market value of the assets obtained from a full individual appraisal, in compliance with the requirements established in Bank of Spain Circular 4/2017.

3.8. Tangible assets

Tangible assets include the amounts for buildings, land, furnishings, vehicles, data-processing equipment and other installations owned by the Group or acquired under finance leases. Tangible assets are classified based on their use as: property, plant and equipment for own use, other assets assigned under operating leases, property, plant and equipment linked to the Education and Development Fund and investment property.

Tangible assets for own use include mainly offices and bank branches, both built and under construction, in the Group’s possession.

The cost of tangible assets includes the payments made, both at the time of their acquisition and production, and subsequently if there is any expansion, replacement or improvement, if it is considered likely that future profits will be obtained from their use. In accordance with the provisions of IFRS 1 and section B).6 of Transitional Provision One of Bank of Spain Circular 4/2004 and the amendments thereto, regarding the first-time application of this circular, the cost of acquisition of unrestricted property, plant and equipment for own use includes their fair value at 1 January 2004, which is their deemed cost at that date. That fair value at 1 January 2004 was obtained based on independent expert valuations. Tangible assets deriving from business combinations are stated at fair value at the date of the combination, and this is their new deemed cost (Note 3.23).

For foreclosed assets included under property, plant and equipment, the acquisition cost is the net amount of the financial assets delivered in exchange for the foreclosure.

The acquisition or production cost of tangible assets, except for plots of land (which are considered to have an indefinite life and therefore are not depreciated), net of their residual value is depreciated on a straight-line basis over their estimated useful lives.

	Useful life (years)	**Annual depreciation rate**
Buildings	50-75	2%-1,33%
Furnishings	3-15	33%-6,6%
Plant	5-20	20%-5%
Data-processing equipment	3-8	33,3%-12,5%
Vehicles	6-9	17%-11%

At least at the end of the year the Group reviews the estimated useful lives of property, plant and equipment for own use in order to detect significant changes in the same which, if any, are adjusted through the relevant adjustment to the amount recorded in future consolidated statements of profit or loss in respect of the depreciation charge in accordance with the new estimated useful life.

Repair and maintenance expenses that do not extend the asset's useful life are charged to the consolidated statement of profit or loss for the year in which they are incurred.

Finance costs incurred on the financing of the acquisition of tangible assets do not increase the acquisition cost and are recorded on the consolidated statement of profit or loss for the year in which they accrue, except for tangible assets that require more than one year to be readied for use, for which the acquisition price or production cost includes the finance costs that had accrued before the assets entered into operation or have been charged by the supplier or relate to external financing directly attributable to the acquisition.

Assets acquired under deferred payment arrangements are recognised at an amount equal to the cash price and a liability is recorded for the same amount that has yet to be paid. In cases where the deferral exceeds the normal deferral period (180 days for buildings and 90 days for all others), the expenses deriving from the deferral are discounted from the acquisition cost and are taken to the consolidated statement of profit or loss as a finance cost.

Tangible assets are written off the consolidated balance sheet when they are disposed of, even when assigned under a finance lease or when permanently withdrawn from use and no economic benefits are expected to be received in the future for their disposal, assignment or abandonment. The difference between the sale price and the carrying amount is recognised on the consolidated statement of profit or loss in the period in which the asset is derecognised.

The Group regularly determines whether or not there is any internal or external indication that an item of property, plant and equipment could be impaired at the reporting date. It estimates the recoverable amount of the asset, which is understood to be the higher of: (i) fair value less costs to sell and (ii) value in use. If the recoverable amount determined in this manner is less than the carrying amount, the difference is recognised on the consolidated statement of profit or loss, reducing the carrying amount of the asset to its recoverable amount.

The main accounting policies applied to assets assigned under operating leases, non-current assets and disposal groups of assets classified as held for sale, and assets linked to the Education and Development Fund coincide with those described for property, plant and equipment for own use referred to in this note.

Capital expenditures on property, plant and equipment correspond to the net values of the land, buildings and other constructions the Group holds to lease out or to earn a capital gain on their sale as a result of future increases in their respective market prices.

3.9. Intangible assets

Intangible assets are non-monetary assets, which are identifiable but have no physical substance. Intangible assets are considered identifiable when they may be separated from other assets because they may be sold, leased or disposed of individually or they derive from a contract or other type of legal business. An intangible asset is recognised when, in addition to conforming to the above definition, the Group considers the flow of economic benefits from that asset probable and its cost may be reliably estimated.

The cost of an intangible asset with a finite useful life is amortised systematically over the asset's life with a charge to consolidated profit or loss, from the moment they are ready for use until they are derecognised. The Group has devised a methodology to determine the useful life of certain intangible assets (software acquired and software developed internally), comprising three key pillars: (i) individual examination and analysis to assign a useful life to each item of software using questionnaires; (ii) validation thereof and establishment of independent expert judgements; and (iii) calibration of useful lives by comparing them with certain external benchmarks.

Computer software acquired

Computer software acquired is initially recognised at cost and subsequently at cost less accumulated amortisation, when appropriate, and any impairment loss. The years of useful life and amortisation rates used by the Group are between 4 and 19 years and between 5.3% and 25%, respectively.

Computer software developed internally

Computer software developed internally is recognised as intangible assets when – among other requirements, basically the capacity to use them or sell them – those assets may be identified and their capacity to generate future economic benefits can be demonstrated. The expenses incurred during the research phase are recognised directly on the consolidated statement of profit or loss in the year incurred, and they cannot be subsequently taken to the carrying amount of the intangible assets. The years of useful life and amortisation rates used by the Group are between 4 and 19 years and between 5.3% and 25%, respectively.

Administrative concessions

Administrative concessions are initially recognised at cost and subsequently at cost less accumulated amortisation and any impairment loss. The years of useful life are established based on the term of the concession. The Group has estimated these assets to have a useful life of 35 years.

Goodwill

Goodwill represents the advance payment made by the Group for future economic benefits deriving from the assets of a company that has been acquired, which cannot be individually and separately identified and recognised. Goodwill is only recognised if it has been acquired for valuable consideration in a business combination.

Positive differences between the cost of investments in subsidiaries, joint ventures and associates and the underlying carrying amounts acquired, adjusted at the date of the first consolidation, are allocated as follows:

- If they are attributable to specific assets and liabilities of the entities acquired, they are assigned by increasing the value of the assets or reducing the value of the liabilities, the market value of which is higher or lower, respectively, than the carrying amounts in their consolidated balance sheets and whose accounting treatment is similar to that of the Group's same assets and liabilities, respectively.

- If they are attributable to specific intangible assets, they are allocated through their explicit recognition on the consolidated balance sheet provided that their fair value at the acquisition date may be reliably determined.

- The remaining differences that cannot be allocated are recorded as "Goodwill" that is attributed to one or more specific cash-generating units and in the case of associates they are recorded under the heading "Investments" as an increase in the equity-accounted value in the account "Associates" (Note 2.7) on the accompanying consolidated balance sheet.

At each accounting close the Group tests goodwill for any impairment that may have reduced its recoverable amount to below the carrying amount. In this case, goodwill is written down and a balancing entry is made in the heading "Impairment or (-) reversal of impairment on non-financial assets – Intangible assets" on the consolidated statement of profit or loss.

Impairment losses on goodwill cannot subsequently be reversed.

Negative differences between the cost of investments in subsidiaries, joint ventures and associates and the underlying carrying amounts acquired, adjusted at the date of the first consolidation, are allocated as follows:

- If they are attributable to specific assets and liabilities of the entities acquired, they are assigned by increasing the value of the liabilities or reducing the value of the assets, the market value of which is higher or lower, respectively, than the carrying amounts in their consolidated balance sheets and the accounting treatment of which is similar to that of the Group's same liabilities and assets, respectively.

- The remaining amounts that cannot be allocated are recorded under "Negative goodwill recognised in profit or loss" on the consolidated statement of profit or loss for the year in which capital is acquired.

The useful lives of other intangible assets may be indefinite, i.e. when, on the basis of analyses performed of the relevant factors, the conclusion is that there is no foreseeable limit to the period during which net cash flows are expected to be generated in favour of the Group, or finite. Intangible assets with an indefinite useful life are not amortised, although at each accounting close the Group reviews the remaining useful lives in order to ensure that they are still indefinite or, alternatively, take the relevant action. Intangible assets with a finite useful life are amortised at rates similar to those used for property, plant and equipment.

In any case, the Group records for accounting purposes any loss that may have arisen in the recognised value of these assets due to impairment with a balancing entry on the consolidated statement of profit or loss. The criteria for recognising impairment losses on these assets and, if appropriate, the reversal of impairment losses recorded in prior years are similar to those for property, plant and equipment.

At 31 December 2024, the Group has intangible assets with an indefinite useful life corresponding to goodwill arising on business combinations following the incorporation into the scope of consolidation of the companies FV La Cañada de Tabernas, S.L.U., FV Turrillas Matanegra, S.L.U. and Eco Energía de Cubiertas I, S.L.U., (Note 13).

3.10. Leases

At inception of a contract, it shall be assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises lease contracts according to the economic substance of the arrangement, irrespective of its legal form, initially classifying them as "Finance leases" or "Operating leases".

If, following recognition of the contract, the lessor and lessee agree to change the terms thereof leading to a change in its classification, the revised contract will be treated as a new lease for the remainder of the lease term.

- **Finance leases**

In the case of contracts classified as finance leases, the amounts to be recognised at the commencement of the lease term will be determined. The commencement date will, in all cases, be the date from which the lessee has the right to use the leased asset, i.e. when substantially all the risks and rewards incidental to ownership of the leased asset are transferred. This is normally when:

a) At the end of the lease term, ownership of the asset is transferred, or it is deduced that it will be transferred, to the lessee; in particular when there is an option to purchase the asset at a price that is notably lower than the fair value at the date the option is exercised.

b) At the inception date, the present value of the lease payments to be made, excluding contingent payments, for services and taxes amounts to at least substantially all of the fair value of the leased asset.

c) The lease term is for the major part of the economic life of the asset even if ownership of the asset is not transferred.

d) The leased asset is of such a specialised nature that only the lessee can use it without major modifications.

e) The lessee can cancel the lease, bearing the lessor's losses associated with the cancellation.

f) Gains or losses from the fluctuation in the fair value of the residual accrue to the lessee.

g) The lessee has the ability to continue the lease for a secondary period at a rent that is substantially lower than market rent.

The assets transferred under a finance lease are recognised on the lessor's balance sheet as credits to lessees at an amount equal to the net investment in the lease, which is equal to the discounted value of the balances the lessor is due to receive from the lessee over the lease term plus any residual value whose payment to the lessor has been guaranteed, directly or indirectly, excluding contingent payments.

Lease payments received, including those corresponding to guaranteed residual value, are discounted using the interest rate implicit in the lease using the fair value of the leased asset at the acquisition or production date, plus any initial direct costs borne by the lessor. The Group recognises finance income on the statement of profit or loss using the effective interest rate method, such that a constant return is obtained on the lessor's net investment.

As lessee and at the start of any finance leases, an asset is recognised on the balance sheet according to the nature of the underlying asset, along with a liability for the same amount, which is equal to the lower of:

a) The fair value of the leased asset, or

b) The discounted value of the payments to be made over the lease term, including the purchase option if the exercise price is expected to be lower than the asset's fair value at the exercise date, plus any sum guaranteed directly or indirectly by the lessee, excluding contingent payments and service costs and taxes passed on by the lessor.

The present value of these items is calculated using the interest rate implicit in the lease as the discount rate or, if this cannot be determined, the interest rate payable in a similar lease arrangement or, otherwise, the interest rate on the funds needed to purchase the asset in similar circumstances. Initial direct costs for the lessee are included at the amount initially recognised as an asset. The finance charges of discounting the payments included in the lease instalments are distributed over the term of the lease using the effective interest rate method, while contingent payments are expensed on an accruals basis. Any lease contracts that are not finance leases are classified as operating leases.

- **Operating leases**

Any lease contracts that are not finance leases are classified as operating leases.

Lessors recognise on their balance sheets the assets transferred through operating leases according to their nature and take the lease income to profit or loss on a straight-line basis over the lease term. On the other hand, initial direct costs assumed are added to the leased asset's carrying amount and expensed over the lease term using the same criteria used to recognise lease income. The depreciation charge for the leased asset is expensed as per the Group's general depreciation policy for similar assets according to the nature of the leased asset in question.

IFRS 16 requires a lessee to post almost all operating lease contracts on the balance sheet, recognising a right-of-use asset representing its right to use the leased asset and a lease liability representing its obligation to make lease payments. The only exceptions allowed under this standard are short-term leases of underlying assets of low value, the payments of which are expensed directly against profit or loss. The Group considers leases with a term of 12 months or less to be short-term leases, while low-value underlying assets include IT equipment and small items of office furniture.

Pursuant to this standard, operating lease assets and liabilities are initially measured at present value. Lease liabilities therefore include the present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;

- Variable lease payments that depend on an index or a rate;

- Amounts expected to be payable by the lessee under residual value guarantees;

- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, as well as payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group's incremental borrowing rate. Holding the liability will require subsequent measurement similar to that for a financial liability, and will therefore result in a finance expense. This expense will be taken to profit or loss during the lease term to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The interest expense will be recognised on a declining-balance basis.

On the other hand, right-of-use assets are measured at cost, comprising:

- The amount of the initial measurement of the lease liability;

- Any lease payments made at or before the commencement date, less any lease incentives received; and

- An estimate of any initial direct costs, and costs of dismantling, restoring or removing the underlying asset to meet the terms and conditions of the lease

Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life of the asset or the lease term.

Depending on the nature of the new right-of-use asset recognised under IFRS 16, the Group will use pertinent prudential treatment, i.e. if it concerns a right to use an underlying tangible asset, the risk weighting for the specific type of asset must be applied; in the case of a right to use an underlying intangible asset (as determined in article 36.1.b) of Regulation (EU) No 575/2013), a capital deduction must be made.

Assets transferred through operating lease agreements to Group entities are recognised in the Bank's separate financial statements as investment property, and as assets for own use in the consolidated financial statements.

The accounting treatment for impairment losses and derecognitions is described in Note 12 to the accompanying consolidated annual accounts.

3.11. Foreign currency transactions

The euro has been considered as the functional and presentation currency for the purpose of preparing the consolidated annual accounts. Foreign currency is any currency other than the euro.

At initial recognition, receivables and payables in foreign currency are converted to euro using the spot exchange rate. Subsequently, the following rules are applied to translate balances denominated in foreign currency to euro:

- Monetary assets and liabilities have been converted into euro using the average official spot exchange rates published by the European Central Bank at the closing date for each year.

- Non-monetary items valued at historical cost are converted at the exchange rate prevailing on the date of acquisition.

- Non-monetary items valued at fair value are converted at the exchange rate prevailing on the date on which the fair value is determined.

- Income and expenses are converted at the exchange rate on the transaction date.

- Amortisation and depreciation charges are converted at the exchange rate applied to the related asset.

Exchange differences arising from the translation of balances in foreign currency are recognised on the consolidated statement of profit or loss, except differences arising in non-monetary items at fair value. In this case, fair value adjustments are recognised in equity, breaking down the exchange rate component and the revaluation of the non-monetary item.

3.12. Other provisions and contingent liabilities

The Group makes a distinction between provisions and contingent liabilities. The Group's present obligations resulting from past events are considered provisions when their nature is clearly defined at the date of the consolidated financial statements but the amount or timing of settlement are not defined, and upon the maturity of which and in order to settle them the Group expects an outflow of resources which embody economic benefits. Such obligations may arise due to the following:

- A legal or contractual obligation;

- A tacit or implicit obligation deriving from the creation by the Group of a valid expectation on the part of third parties with regard to its discharge of certain responsibilities. Such expectations are created when the Group accepts responsibility publicly, and they derive from past conduct or business policies that are public knowledge;

- The virtually certain development of certain aspects of legislation, in particular, legislative bills which the Group will be unable to circumvent.

The Group's possible obligations resulting from past events, the existence of which is conditional on the occurrence or otherwise of one or more future events beyond the Group's control, are contingent liabilities. Contingent liabilities include present obligations, the settlement of which is unlikely to give rise to a decrease in resources that embody economic benefits or the amount of which, in extremely rare cases, cannot be sufficiently reliably quantified.

Provisions and contingent liabilities are classified as probable when the likelihood of occurrence is greater than that of non-occurrence, possible when the likelihood of occurrence is less than that of non-occurrence, and remote when their occurrence is extremely rare.

The Group includes in the consolidated annual accounts all significant provisions with respect to which it is considered more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the consolidated annual accounts. Instead, they are disclosed in the notes thereto, unless the possibility of their giving rise to an outflow of resources embodying economic benefits is considered remote.

Restructuring costs are recognised when the Group has a present obligation, whether legal or constructive, as a result of past events, it is probable that an outflow of resources will be necessary to settle the obligation and the amount may be reliably estimated. Provisions for restructuring include the amounts payable to employees as a result of the termination of employment contracts.

Provisions are quantified taking into account the best available information concerning the consequences of the event that originated them and are estimated at each accounting close. Provisions are only used for the specific expenditures for which they were originally recognised and they are reversed, in part or in full, when the originating obligations cease to exist or they diminish.

At 31 December 2024 and 31 December 2023, a number of legal proceedings and claims had been initiated against the Group, arising in the ordinary course of business. The Bank's legal advisors and its directors understand that the outcome of these proceedings and claims will not have a significant effect, in excess of any provision recognised, on the consolidated annual accounts for the years in which they are concluded (Notes 14.3 and 14.4).

3.13. Education and Development Fund

There may be two types of contributions that the Credit Cooperatives pertaining to Grupo Cooperativo Cajamar may make to the Education and Development Fund (EDF) or the Cooperative Development and Training Fund (CDTF), which are the names of the funds stipulated in national and Valencia region regulations, respectively:

- Mandatory contributions which are recognised as an expense for the year; and.

- Additional contributions which are recognised as an allocation of profit.

Grants, donations and other assistance related to the EDF and CDTF in accordance with the law or funds deriving from the levying of fines on members in relation to the Fund will be recognised as cooperative income and an appropriation will be made to the Fund in the same amount.

The expenses relating to the EDF and CDTF are presented on the consolidated balance sheet as a deduction from the heading “Other liabilities – Education and Development Fund”, and under no circumstances are they charged to the consolidated statement of profit or loss.

Tangible assets and liabilities associated with social projects are presented in separate headings on the consolidated balance sheet.

The creation and integration of entities in Grupo Cooperativo does not limit the operation and management of the EDF and CDTF to the Parent’s Board of Directors, or require its direct involvement, rather this responsibility falls to the governing board of each Group entity.

3.14. Exchanges of assets

Tangible and intangible asset swaps are acquisitions of assets of that nature in exchange for the delivery of other non-monetary assets or a combination of monetary and non-monetary assets, except for foreclosed assets that are treated as “Non-current assets and disposal groups of assets classified as held for sale”.

The assets received in an asset swap are recognised at the fair value of the asset delivered plus, if appropriate, the monetary consideration delivered in exchange unless there is clearer evidence of the fair value of the asset received.

3.15. Minimum capital requirement

As Parent of Grupo Cooperativo Cajamar, and being a Spanish credit institution, Banco de Crédito Social Cooperativo, S.A. is subject to Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (“CRD IV”), subsequently amended by Directive (EU) 2019/878 of 20 May 2019 (“CRD V”). Both have been transposed into Spanish law.

The rules governing the composition of eligible own funds and the levels of capital Grupo Cooperativo Cajamar is required to have are laid down in Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (“CRR”), as subsequently amended.

On 9 July 2024, the new banking package came into force, comprising Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 ("CRR III") and Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 ("CRD VI"), which amend their respective predecessor texts. The new rules will apply from 1 January 2025 and therefore have had no impact on the solvency figures presented in these annual accounts.

The key component of the European bank recovery and resolution framework is Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms ("BRRD"), subsequently amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 ("BRRD II"). These directives were transposed into Spanish law through Act 11/2015, of 18 July 2015, and Royal Decree 7/2021, of 27 April 2021.

These directives and the regulation, along with the various guidelines and implementing technical standards of the European Banking Authority (EBA) comprise the central regulatory solvency framework for credit institutions in the Spanish legal system.

This central regulatory solvency framework has a three-pillar structure:

- Pillar I, establishing minimum capital requirements:
    - Common Equity Tier 1 (CET1) ratio: 4.5%
    - Tier 1 Capital (T1) ratio: 6%
    - Total Capital ratio: 8%

  However, it should be noted that the regulators may exercise their powers under the new regulatory framework and require institutions to retain additional levels of capital (Note 19).

- Pillar II, defining the procedures for capital adequacy self-assessments and supervision.
- Pillar III, setting out the procedures for reporting to the market.

The Single Supervisory Mechanism, comprising the ECB and the competent national authorities, is one of the pillars of the Banking Union, together with the Single Resolution Mechanism and a harmonised deposit guarantee scheme. The three pillars are based on two sets of regulations applicable to all the Member States: capital requirements for credit institutions (Regulation (EU) No. 575/2013 and Directive 2013/36/EU) and the provisions on the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU).

Bank of Spain Circular 2/2016, of 2 February 2016, included a definition of competent authority, which will be the ECB or the Bank of Spain, as per the allocation and distribution of competences stipulated in Regulation (EU) No. 1024/2013 and completed by Regulation (EU) No. 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities.

3.16. Fees

The Group classifies the fees and commissions it pays or receives into the following categories:

- Lending fees and commissions: This type of fees and commissions, which form an integral part of the yield or effective cost of a financial transaction that is paid or received in advance, are recognised on the consolidated statement of profit or loss over the course of the expected term of the financing, net of the associated direct costs, as an adjustment to the effective cost or yield on the transaction. They comprise fees and commissions received for arranging or acquiring finance, fees and commissions agreed as compensation for the commitment to grant finance, and fees and commissions paid to issue financial liabilities at amortised cost.

- Non-lending fees and commissions: This type of fees and commissions arise from the rendering of financial services by the Group and they are recorded on the consolidated statement of profit or loss over the course of the period over which the service is executed or, if involving a service executed in a single transaction, at the time the transaction takes place.

3.17. Deposit Guarantee Fund

The Group forms part of the Deposit Guarantee Fund for Credit Institutions, regulated by Royal Decree-Law 16/2011, of 14 October 2011.

The legal regime governing the Deposit Guarantee Fund for Credit Institutions is developed in Royal Decree 2606/1996, of 20 December 1996, on deposit guarantee funds in credit institutions, as reworded by Royal Decree 1012/2015, of 6 November 2015, which implements Act 11/2015, of 18 June 2015, on the recovery and resolution of credit institutions and investment firms, amending Royal Decree 2606/1996, of 20 December 1996, on deposit guarantee funds for credit institutions.

Bank of Spain Circular 8/2015, to institutions and branches that are members of the Deposit Guarantee Fund for Credit Institutions, on information to determine contribution calculation bases, was published on 18 December 2015, establishing two compartments: "Deposit guarantee compartment", which will relate to deposits guaranteed under Royal Decree 2606/1996; and "Securities guarantee compartment", regulated by the same Royal Decree, the calculation base being 5% of guaranteed securities. Subsequently, Bank of Spain Circular 5/2016 was published on 27 May 2016 and amended the criteria for contributions to the categories indicated in the preceding paragraph, such that in accordance with Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014, the contributions made by member institutions must be based on the amount of covered deposits and the degree of risk exposure, taking into account indicators such as capital adequacy, the quality of the assets and liquidity.

The Management Committee of the Deposit Guarantee Fund for Credit Institutions has determined the annual contributions to be made by fund members for 2024, as provided for in article 6 of Royal Decree-Law 16/2011, of 14 October 2011, and article 3 of Royal Decree 2606/1996, of 20 December 1996, on deposit guarantee funds for credit institutions, as follows:

- No annual contribution to the deposit guarantee compartment of the Deposit Guarantee Fund.

- An annual contribution to the securities guarantee compartment equal to 2 per mille of 5% of the value, as of the last trading day of 2024, of the guaranteed securities, as defined in Article 4.2 of Royal Decree 2606/1996, held as of 31 December 2024.

- The Management Committee also agreed that the contributions calculated as explained in the previous points will be paid by the last business day in February 2024.

The amount guaranteed by the Deposit Guarantee Fund for Credit Institutions is established at €100 thousand per account holder and entity, in accordance with Royal Decree-Law 1642/2008, of 10 October 2008, which establishes the guaranteed amounts referred to by article 7.1 of Royal Decree 2606/1996, of 20 December 1996, and article 6.1 of Royal Decree 948/2001, of 3 August 2001, on investor indemnity systems.

When the Deposit Guarantee Fund's assets are sufficient to fulfil its purpose, the Ministry of Finance, at the proposal of the Bank of Spain, may resolve to reduce the contributions. In any event contributions will be suspended when the Fund's assets not committed to operations forming part of the Fund's objects are equal to or exceed 1% of the calculation base of forecast contributions.

In 2024 and 2023, the expense incurred in respect of contributions by the Group to the Fund is recognised under "Other operating expenses – Contribution to the Deposit Guarantee Fund" on the accompanying consolidated statement of profit or loss (Note 26).

3.18. Income tax

Income tax is determined by tax payable calculated with respect to the tax base for the year, taking into account the variations in accounting profit during that year deriving from temporary and permanent differences, deductions and allowances, and any tax losses.

Income tax expense is recognised on the consolidated statement of profit or loss except when it derives from a transaction recorded directly in consolidated equity, in which case the deferred tax is also recognised in equity as an additional equity line item.

In order for deductions, allowances and tax loss carryforwards to be effective they must meet the requirements established by current legislation.

The tax effect of any temporary differences is included in “Deferred tax assets” or “Deferred tax liabilities”, as applicable, on the accompanying consolidated balance sheet. These relate to those taxes that are expected to be payable or recoverable for the differences between the values of the assets and liabilities in the financial statements and the related tax bases, and are quantified by applying to the relevant temporary difference or credit the tax rate at which it is expected to be recovered or settled.

Grupo Cooperativo Cajamar entities applied the following tax rates at 31 December 2024 and 31 December 2023: the Bank and the non-financial corporations forming part of its tax consolidation group apply a rate of 30%; the Credit Cooperatives apply a rate of 25% for cooperative profits and a rate of 30% for non-cooperative profits; and the other non-financial corporations apply a rate of 25%.

In view of the projections based on the Group’s business plan, prepared using parameters similar to the ones included in the plan and in accordance with current legislation, the Group expects to recover the deferred tax assets within 20 years (currently no tax statute of limitations).

At each accounting close deferred tax assets and liabilities are reviewed to verify that they are still valid and to make the relevant adjustments.

With effect from 2022, taxpayers with a turnover of €20 million or more or who pay tax under the tax consolidation regime (regardless of turnover) will apply a minimum rate to the tax base, namely, 15% in general and 18% for credit institutions. In the case of cooperatives, the minimum net tax payable must not be less than 60 percent of the gross tax payable calculated in accordance with the provisions of Act 20/1990, of 19 December, on the Tax Regime for Cooperatives. Application of the minimum corporate income tax rate to taxable income has had no impact for the Group.

With effect for tax periods beginning in 2023, 2024 and 2025, the tax base of a tax group is to be determined by summing the positive tax bases and 50 percent of the individual negative tax bases of each and every one of the tax group’s members. In subsequent tax periods, the amount of any individual negative tax base not included in the tax base of the tax group will be included in the group’s tax base in equal parts over each of the first 10 tax periods commencing on or after 1 January 2024, 1 January 2025 or 1 January 2026, respectively, even if the entity with an individual negative tax base ceases to be a member of the group.

Grupo Cooperativo Cajamar has applied the exemption on recognising deferred tax assets and liabilities arising from the implementation of Act 7/2024 of 20 December 2024, which transposes into Spanish law Council Directive (EU) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups, known as the "Pillar II legislation".

The Group is not required to make any payments for 2023 and 2024 under the Pillar II legislation. However, it is currently analysing and assessing its potential exposure to the domestic top-up tax introduced to ensure a global minimum level of taxation for large-scale domestic groups.

3.19. Recognition of income and expenses

In general, income is recognised at the fair value of the consideration received or that will be received, less any discounts, credits or commercial rebates. When cash inflows are deferred over time, the fair value is calculated by discounting future cash flows.

Income and expenses arising from interest and similar items are generally calculated on an accruals basis using the effective interest rate method.

Dividends received from other companies are recognised as income when the right to receive them arises.

Subsequent to initial recognition, dividends from equity instruments are taken to income on the statement of profit or loss when the right to collect the pay-out is declared. If the distribution corresponds unequivocally to results generated by the issuer prior to the date of initial recognition, dividends are not taken to income but are deducted from the instrument's carrying amount because they represent a recovery of part of the investment made. Among other cases, the generation date is taken as falling before initial recognition when the amounts distributed by the issuer since initial recognition exceed its profit over the same period.

Financial service fees and commissions paid and received, however contractually denominated, are classified under "Lending fees and commissions" and "Non-Lending fees and commissions" (Note 3.16), which determines how they are recognised on the consolidated statement of profit or loss.

Income and expenses from commissions and similar fees are generally recognised on the consolidated statement of profit or loss based on the following criteria:

- Those related to financial assets and liabilities measured at fair value through profit or loss are recorded at the time of collection.

- Those that relate to transactions or services which are carried out over a period of time are recorded in the period in which such transactions or services take place.

- Those relating to a transaction or service performed in a single act are recorded when such act takes place.

Non-financial fee and commission income and expenses are recorded on an accrual basis.

Deferred collections and payments are carried at the amount resulting from discounting the expected cash flows at market rates.

3.20. Staff expenses and post-employment remuneration

<u>Short-term remuneration</u>

Short-term remuneration to employees comprises payments made within twelve months following the end of the year in which the employees have rendered services. This remuneration is measured, without discounting, at the amount payable for the services received, and recorded, in general, as staff expenses for the year and a liability accrual account is recorded for the difference between the total expense and the amount already paid.

Post-employment benefits

Post-employment remuneration (or pension commitments) is defined as remuneration paid to employees after the end of their period of employment. Post-employment benefits, including those covered by internal or external pension funds, are classified as defined contribution plans when pre-determined contributions are made to a separate entity, or defined benefit plans for which the Bank commits to making payment of an amount when the contingency arises. This classification is carried out based on the conditions of those obligations, taking into account all of the commitments assumed, both in accordance with and outside the terms formally agreed with employees.

- Defined contribution plan

  The Group recognises the contributions made to these plans by recording the expense under the heading "Staff expenses" on the accompanying consolidated statements of profit or loss and crediting the account "Pensions and other post-employment defined benefit obligations" under the heading "Provisions" on the accompanying consolidated balance sheets. Payments of the contributions are recorded as a charge against "Pensions and other post-employment defined benefit obligations".

- Defined benefit plan

  The Group calculates the present value of its legal and implicit obligations deriving from its defined benefit plan at the date of the financial statements, and deducts the fair value of the plan assets, including insurance policies, if the following conditions are met:

  - They are owned by a legally separate unrelated third party.
  - They are only available to pay or finance commitments to employees.
  - They cannot be returned to the Group except when the assets remaining in the plan are sufficient to cover all commitments to employees, or to reimburse the Group for benefits it has paid.
  - When the assets are held by an entity (or fund) that manages long-term post-employment benefits, such as a pension fund, they cannot be non-transferable financial instruments issued by the Group.

  The figure obtained as indicated above is recorded in the account "Pensions and other post-employment defined benefit obligations" under the heading "Provisions" on the accompanying consolidated balance sheets, if positive, or under "Other assets" if negative (Notes 14 and 16).

  In the event that the figure calculated is negative, the asset to be recognised will be the lower of that figure and the present value of any financial benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

  Changes in the provision/asset for post-employment remuneration from defined benefit plans are recorded as follows:

  - In the statement of profit or loss: the cost of employee service, including the current service cost and unrecognised past service costs, the net interest on the defined benefit provision/asset and the gains or losses on settlements.

    These items are recognised in the statement of profit or loss using the following criteria:

    - The current service cost is recognised within staff expenses.
    - The net interest on the provision is recognised as interest expense and similar charges.
    - The net interest on the asset is recognised as interest and similar income.
    - The past service cost is recognised as a charge to provisions (net).

- When the entity has recognised under assets a pension-related insurance contract, the expense for the year related to the defined benefit plan is recognised at the amount recognised in the year as reimbursable.
- In the statement of total changes in equity: the changes in the value of the provision/asset as a result of actuarial gains or losses, the return on plan assets, excluding the amount included in net interest on the provision/asset, and changes in the present value of the asset as a result of changes in the present value of the cash flows to which the entity is entitled, insofar as these are not included within net interest on the provision/asset. The amounts recognised on the statement of total changes in equity are not reclassified to profit or loss in subsequent years.

The valuation of all of the obligations deriving from defined benefit plans is carried out by a qualified actuary.

Other long-term employee benefits

The commitments assumed with early-retired personnel, length of service awards, widow(er) and disability commitments before retirement that depend on the time the employee has worked for the Group, and other similar items, will be treated for accounting purposes, where applicable, as established by the post-employment defined benefit plans, with the proviso that the entire past service cost and actuarial losses and gains be recognised immediately.

Termination benefits

Termination benefits are recorded under the heading “Staff expenses” on the accompanying statements of profit or loss and crediting the account “Pensions and other post-employment defined benefit obligations” under the heading “Provisions” on the accompanying balance sheets only when the Group is demonstrably committed to terminating the employment of an employee or group of employees before their normal retirement date, or to paying remuneration as a result of an offer made as an incentive for the voluntary resignation of the employees.

Pension commitments entered into by the Group

The pension commitments assumed by each institution corresponding to employees who provide their services thereto are specified in the prevailing collective bargaining agreement, the relevant resolutions of the board of the governing body, and the collective bargaining agreements signed by the institutions and their union representatives.

The employees of the Parent and Cajamar are covered by a pension plan governed by the Regulation dated 23 December 1993, adapted to Act 8/1987 on the Regulation of Pension Plans and Funds, called “Fondo Cajamar VI, Fondo de Pensiones”, with Cajamar Vida, S.A. de Seguros y Reaseguros as the management company and Cajamar as the custodian of the fund.

The plan was created in 2014 through the transformation of Cajamar’s pension plan into a multi-employer pension plan for both the Savings Bank and Banco de Crédito Social Cooperativo, and a group of participants subrogated to that plan as a result of the transfer of Cajamar’s Central Services to the Bank.

As of 1 January 2016 the rest of the savings banks pertaining to the Group joined the pension plan and therefore it was transformed into a multi-employer pension plan with 20 co-sponsors.

Additionally, the Group has taken out insurance policies with Generali and Cajamar Vida, S.A. de Seguros y Reaseguros to cover situations in which the required contribution is higher than the limit for pension funds. In addition, the commitments assumed with the Bank’s employees originating from various banking institutions from which the Group acquired a portion of their branch networks and certified to have been working for these institutions since before 8 March 1980 have been underwritten by the Bank with insurer Rural Vida, S.A. de Seguros y Reaseguros.

The Group has assumed defined contribution commitments for all employees that meet the requirements established in the Plan Regulations and the contribution varies based on the originating group and the length of membership in the plan. There are also certain supplementary contributions based on the participants' length of membership in the plan whose vested rights do not exceed an established minimum.

The defined benefit commitments envisaged by the Group are:

- A top-up over the social security pension, established as the difference between the amount of the latter and the ordinary wage during the last month of active service, for personnel taking up employment at the former Caja Rural de Almería, Sociedad Cooperativa de Crédito before 31 December 1984, and for employees joining the Group from a number of banking institutions from which the Group acquired a portion of their branch networks and who were entitled to such a top-up at their original institution.

- A top-up over the widow(er)s and orphans pension on the terms stipulated in the collective bargaining agreement and the pension plan rules for all Bank employees.

- Payments in the event of death or total disability (€27.11 thousand), workplace accident (€54.23 thousand) or certified major disability (€117.34 thousand) for all Group employees.

- Award for long service afforded to all Group employees with more than 20 years of service, in the event of retirement, death or disability, consisting of three months of ordinary wages.

The Group has assumed commitments to certain employees under early retirement agreements, to which end it has set up funds that cover the commitments undertaken with early retirees in terms of salaries and other social benefits from the date of early retirement until the date of official retirement and covering the remuneration top-up after the date of official retirement.

On 31 May 2023 and 8 March 2024, two new early retirement exit agreements were signed, for which the entity has set aside funds that cover the acquired commitments to the employees concerned for supplements and social security contributions.

At 31 December 2024 and 2023, actuarial studies have been carried out relating to the coverage of the main post-employment benefit obligations, using the projected unit credit calculation method. The main assumptions used in the actuarial studies, for serving, retired and early-retired personnel, are as follows:

Actuarial assumptions used by Grupo Cooperativo Cajamar

	2024		2023	
	Active employees	Early retirees	Active employees	Early retirees
Mortality tables	PER2020 1st order	PER2020 1st order	PER2020 1st order	PER2020 1st order
Invalidity tables (only for risk benefits)	Not applicable	Not applicable	Not applicable	Not applicable
Retirement age				
Pension plan	Earliest age	Earliest age	Earliest age	Earliest age
Bank collective	Earliest age	Earliest age	Earliest age	Earliest age
Technical annual effective interest rate:		2.73%		3.90%
Active (retirement benefits)	3.29%	-	3.98%	-
Retired (immediate benefits)	3.19%	-	3.92%	-
Length of service award	3.20%	-	3.91%	-
Return on assets		0.00%		0.00%
Active (retirement benefits)	3.29%	-	3.98%	-
Retired (immediate benefits)	3.19%	-	3.92%	-
Length of service award	3.20%	-	3.91%	-
Salary increase (including slippage)	3.00%	1.00% / 1.50% / 2.00%	3.00%	1.00% / 1.50% / 2.00%
Inflation (CPI)	2.00%	-	2.00%	-
Increases in pensions	75% salary increase	-	75% salary increase	-
Maximum Social Security pension (thousand euro) (**)	44.45	-	42.82	-
Annual revaluation of the maximum monthly Social Security pension (**)	2.00%	-	2.00%	-
Annual increases in Social Security contribution bases (**)	2.00%	-	2.00%	-

(*) Remunerated leave and partial retirement
(**) Calculated taking into account the maximum pension and the maximum contribution base for 2023

The expected return on plan assets is as follows:

	Expected return on assets	
	2024	2023
Active (retirement benefits)	3.29%	3.98%
Retired (immediate benefits)	3.19%	3.92%
Length of service award	3.20%	3.91%

The values of pension obligations and other long-term employee benefits could be affected if the main actuarial assumptions considered were to change. In a scenario where the discount interest rate fluctuates by +/- 25 basis points, the present value of the Group's post-employment obligations could vary by -2.34% and 2.43%, respectively. However, these variations would be partially offset by increases of 2.61% or decreases of -2.52%, respectively, in the fair value of the assets and pension-related insurance policies. This same scenario would give rise to a +/-0.06% change in other long-term employee benefits.

3.21. Off-balance sheet customer deposits

The Group uses memorandum accounts to recognise the fair value of third-party deposits placed for investment in investment funds and companies, pension funds, savings-insurance policies and discretionary portfolio management contracts, distinguishing between those managed by Group entities and those marketed by the Group but managed by outside parties.

In addition, the memorandum accounts also reflect the fair value or, in the event that there is no reliable estimate of the fair value, the cost of assets acquired on behalf of the Bank by third parties, and debt securities, equity instruments, derivatives and other financial instruments that are held in custody, as collateral or for collection by the Bank and for which it is liable.

The fees and commissions charged for providing these services are recorded under the heading "Fee and commission income" on the consolidated statement of profit or loss (Note 26).

3.22. Consolidated cash flow statement

The terms used in the consolidated cash flow statement have the meanings set out below:

- Cash flows: inflows and outflows of cash and cash equivalents, which understood as short-term investments, which are highly liquid and involve a low risk of changes in value.
- Operating activities: typical credit institution activities and other activities that may not be classified as investing or financing activities and interest paid for any financing received.
- Investing activities: means acquisition, sale or disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that give rise to changes in the size and composition of equity and of liabilities that do not form part of operating activities.
- Cash equivalents: highly liquid short-term investments that have a low risk of change in value, such as balances at central banks, short-term treasury bills and promissory notes, and demand balances at other credit institutions.

• *3.23. Business combinations*

Under IFRS as adopted by the EU (IFRS-EU) and taking into account Rule 44 of Bank of Spain Circular 4/2017, of 27 November, a business combination is the union of two or more entities or independent economic units within a single entity or group of entities. A business combination may occur as the result of the acquisition of:

- Equity instruments in another entity;
- All the assets and liabilities of another entity, as in a merger;
- A portion of the assets and liabilities of an entity that form an economic unit, such as a network of branches.

In any business combination an acquirer will be identified, this being the entity which on the acquisition date obtains control over another entity, or in the event of any doubt or difficulty in identifying the acquirer, the following factors, among others, will be taken into account:

- The size of the participating entities, regardless of their legal status, measured by the fair value of their assets, liabilities and contingent liabilities, in this case the acquirer will be the largest entity.
- The means of payment for the acquisition, in which case the acquirer will be the entity that pays in cash or with other assets.
- The persons charged with the management of the combined entity, in which case the acquirer will be the entity whose management team manages the combined entity.

In business combinations performed mainly through the exchange of equity instruments, the acquirer will normally be the entity that issues new equity instruments. However, where, as a result of a significant issue of equity instruments for delivery to the owners of another participating entity in exchange for ownership of the latter, one of the entities participating in the combination comes under the control of the former owners of the business acquired, sometimes known as "reverse acquisitions", the acquirer will be the entity whose former owners obtain control, unless it fails to meet the requirements to be classified as a business. In any event, when there is an exchange of equity instruments among the combined entities, the following situations and circumstances, inter alia, should also be taken into account:

- Relative voting rights in the combined entity following the business combination. The acquirer will be the combined entity whose owners as a group retain or receive the highest proportion of voting rights.
- The existence of a significant minority group when the combined entity has no majority controlling group. The acquirer will be the combining entity whose owners as a group have the largest minority interest.
- The Board of Directors, or equivalent body, of the combined entity. The acquirer will be the combining entity whose owners, as a group, have the ability to elect or appoint or to remove a majority of the members of the Board of Directors or equivalent body.
- The key management personnel of the combined entity. The acquirer will be the combining entity whose former key management personnel dominates the key management personnel of the combined entity.
- The conditions for exchanging equity instruments. The acquirer will be the entity that pays a premium over the fair value of the equity instruments, prior to the combination date, of the other combined entities.

At the acquisition date, i.e. when control is obtained over assets and liabilities:

- The acquiring company will include in its consolidated financial statements the assets, liabilities and contingent liabilities of the acquired company, including intangible assets not recognised by the latter, which on that date meet the requirements to be recognised as such, measured at fair value calculated in accordance with the valuation criteria indicated in the Bank of Spain Circular 4/2017, of 27 November 2017.
- The cost of the business combination will be the sum of the fair value of the assets delivered, the liabilities incurred, and any equity instruments issued by the acquirer, together with any costs directly attributable to the business combination, such as fees paid to legal advisors and consultants to carry out the combination. Arrangement and issue costs for the financial liabilities and equity instruments are not included.
- The acquirer will compare the cost of the business combination with the acquired percentage of the net fair value of the assets, liabilities and contingent liabilities recorded by the acquiree, and the difference resulting from this comparison will be recognised as follows:
    - When positive, as goodwill in assets, which will in no case be amortised, but rather will be tested for impairment on an annual basis as provided in Rule 30 of Bank of Spain Circular 4/2017, of 27 November 2017.
    - When negative, as income on the statement of profit or loss under "Negative differences on business combinations", after verification of the fair values assigned to all of the assets, liabilities and contingent liabilities and the cost of the business combination.

If the cost of the business combination or the fair values assigned to the identifiable assets, liabilities or contingent liabilities cannot be definitively calculated, the initial recognition of the business combination will be considered to be provisional and, in any event, the process must be completed within a maximum of one year after the acquisition date and taking effect on that date.

Deferred tax assets that at initial recognition do not satisfy the criteria for being recognised as such, but which do so at a subsequent date, will be recognised as income in accordance with Rule 42 of Bank of Spain Circular 4/2017 and, simultaneously, an expense will be recorded to reduce the carrying amount of goodwill to the amount that would have been recognised if the tax asset had been recorded as an identifiable asset at the acquisition date.

3.24. Inventories

This consolidated balance sheet heading records assets other than financial instruments that the Group:

- Holds for sale during the ordinary course of its business,
- Is in the process of making, building or developing for such purpose, or
- Plans to consume in the production process or in the provision of services.

The Group classifies as "Inventories" all assets foreclosed or received in payment of debt that meet the condition of being in the process of production, construction or development for this purpose.

Inventories are stated at the lower of cost, which includes all amounts paid to acquire and transform the inventories and all direct and indirect costs incurred to bring them to their present condition and location, and “net realisable value”. The net realisable value of inventories is their estimated selling price in the ordinary course of business, less the estimated cost of completing production and the estimated costs necessary to make the sale. The cost of inventories is increased for any directly attributable borrowing costs, provided the inventories require more than one year to be readied for sale. Borrowing costs will cease to be capitalised when all the tasks needed to ready the asset for sale have been substantially completed.

Decreases in and, if applicable, subsequent recoveries of the net realisable value of inventories, below their carrying amount, are recognised in the consolidated statement of profit or loss in the year they are incurred, under “Impairment or (-) reversal of impairment on non-financial assets – Other” (Note 26).

The carrying amount of inventories is derecognised and an expense recognised in the period when the related income from the sale of the inventories is recognised; i.e. on the date the customer takes control of the inventories.

As with the credit risk component, methodologies are in place to compare estimated and actual losses, which show that the real estate collateral for the current year is adequate. If any material differences are detected using these methodologies, they are modified internally to ensure the best possible estimates are generated.

3.25. Insurance policies

Insurance policies are deposits or guarantee contracts under which the Bank is obligated to compensate a beneficiary in the event of non-compliance with a specific obligation other than a payment obligation by a specific debtor of the beneficiary, such as the cash bonds provided to ensure the participation in auctions and public tenders, or the proper completion of a project or transaction or any other type of technical guarantee, including irrevocable formal undertakings to provide bank guarantees and letters of guarantee when required by law.

They are classified on the basis of the insolvency risk attributable to the customer or transaction, and, if appropriate, the need for provision is estimated through the application of criteria similar to those indicated in Notes 3.1 and 3.3 for debt instruments measured at amortised cost.

When providing a guarantee, the Group initially recognises the fair value of the guarantee plus transaction costs under “Other liabilities” on the consolidated balance sheet and this fair value is the amount of the premium received plus the present value of the cash flows to be received, if applicable (Note 16). Simultaneously, it recognises under assets the present value of the cash flows pending receipt.

Subsequent to initial recognition, the value of fees and commissions or premiums to be received for the guarantees recorded will be restated by recognising the differences on the consolidated statement of profit or loss as finance income and the value of the guarantees recorded under liabilities in “Other liabilities” that have not been classified as non-performing are taken to the consolidated statement of profit or loss on a straight-line basis over the expected life of the guarantee as fee and commission income.

The classification of a guarantee contract as non-performing means it will be reclassified to the heading “Provisions – Commitments and guarantees given”, which are measured in accordance with IFRS 17.

3.26. Consolidated statement of changes in equity

The consolidated statement of changes in equity presented in the accompanying consolidated annual accounts shows all changes in consolidated equity during the year. This information is broken down into two statements: the consolidated statement of recognised income and expense and the consolidated statement of total changes in equity.

The main characteristics of the information in both parts of the statement are as follows:

Consolidated statement of recognised income and expense

This statement presents the income and expenses generated by the Group as a result of its business activity in the year. A distinction is made between income and expenses recognised on the consolidated statement of profit or loss, on the one hand, and, on the other, income and expenses recognised directly in consolidated equity pursuant to prevailing laws and regulations.

Consolidated statement of total changes in equity

This statement presents all the changes in consolidated equity, including those deriving from changes in accounting criteria and the correction of errors. This statement therefore presents a reconciliation of the carrying amount at the start and end of the year for all the items making up consolidated equity, grouping the movements based on their nature in the following headings:

- Adjustments due to changes in accounting criteria and to correction of errors: this item reflects changes to consolidated equity as a result of the retroactive restatement of financial statement balances due to changes in accounting criteria or the correction of errors.

- Income and expenses recognised during the period: this item reflects the aggregate total of all the above-mentioned items recognised on the consolidated statement of recognised income and expense.

- Other changes in equity: this item contains the rest of the items recognised in equity, such as capital increases or reductions, distribution of profit or application of loss, operations with own equity instruments, transfers between components of equity, and any other increase or decrease in the Group’s consolidated equity.

3.27. Fair value of financial instruments

Fair value of financial assets

The fair value of “Debt securities” that are listed on active markets is calculated based on the market price. Barring exceptions, for those debt securities that are not listed on an active market the measurement is carried out in accordance with the zero coupon curve through the IRR, adjusted by a spread that will depend on the solvency of the issuer of the securities, specifically the sector, remaining term and the rating of the issue. The zero coupon curve used for any given issue will depend on the characteristics of that issue.

"Equity instruments" include investment funds and other investments listed on active markets whose measurement is carried out at fair value, i.e. using the market price on the last business day of the year. Other investments at the Group that are not listed on organised markets are measured using the discounted cash flow method, adjusted to the market yield rate for other securities with similar characteristics.

There are also other investments that are measured at cost, i.e. adjusting the Bank's equity for unrealised gains existing at the measurement date.

The fair values of "Loans and advances" have been brought into line with the present value of the cash flows that will be generated by those instruments by applying market interest rates to each maturity tranche and taking into consideration the manner in which the transaction is instrumented, as well as the guarantees in place.

"Hedging derivatives" are measured at fair value using the quoted price, the discounted cash flow method and other accepted measurement methods.

Fair value of financial liabilities

The measurement of the Group's financial liabilities has been carried out using the present value of future cash flows to be generated by those instruments, through the application of market interest rates.

"Hedging derivatives" are measured at fair value using the discounted cash flow method.

Measurement of financial instruments at fair value

The Group measures all positions that must be recorded at fair value using either available market prices for the same instrument or measurement models that employ observable market variables, or, if appropriate, they are estimated based on the best information available.

Note 8.1 provides details of consolidated assets and liabilities at fair value forming part of the Group's financial instruments at 31 December 2024 and 31 December 2023, broken down by class of financial assets and liabilities and into the following levels:

- Level 1: Financial instruments whose fair value has been determined taking into account their quoted prices on active markets without making any changes to those prices.

  The Group will treat financial instruments for which quoted prices are directly observable and readily accessible as Level 1 financial instruments. In this regard, this category will include all instruments having a Bloomberg (BGN) price or a value in active markets, including the European Stock Exchanges and the AIAF, SENAF and MEFF.

- Level 2: Financial instruments whose fair value has been estimated on the basis of quoted prices on organised markets for similar instruments or using other valuation techniques where all the inputs involved are based on directly or indirectly observable market data.

  The Group will treat as Level 2 assets any financial instruments measured using information that can be directly observed in the market but that do not fulfil the conditions to be classed as Level 1 assets.

  Level 2 assets will include:

  - Instruments for which internal or external valuations may be obtained, based solely on observable market inputs: interest-rate curves, credit risk spreads, yields, implied volatilities, etc. Examples of external valuations are Bloomberg's Bval and Bfv tools.
  - Instruments for which prices may be obtained for at least two contributors with sufficient market depth, other than the issuer, and that have bid/ask spreads of less than 500 bps.

- Level 3: Financial instruments whose fair value has been estimated using valuation techniques where a certain significant input is not based on directly or indirectly observable market data. An input is considered to be significant when it is important to the calculation of fair value as a whole.

  The Group will treat instruments the value of which cannot be obtained as described above for the measurement of Level 1 and Level 2 instruments as Level 3 financial instruments.

  Level 3 assets are measured applying the following or other similar procedures: issuer prices, comparable prices, custodian prices and internal prices.

3.28. National Resolution Fund and Single Resolution Fund

Act 11/2015, of 18 June 2015, on the recovery and resolution of credit institutions and investment firms and Royal Decree 1012/2015 implementing this act transpose into Spanish law Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, regulating the creation of a "National Resolution Fund", as one of the mechanisms for funding the measures stipulated in that act.

In order to determine the annual contribution, the Single Resolution Board applies the methods laid down in Article 70.6 of Commission Delegated Regulation (EU) 2015/63 supplementing Directive 2014/59/EU, Regulation (EU) No. 806/2014 and Council Implementing Regulation (EU) No. 2015/81. The methodology provided by these regulations requires institutions subject to the reporting obligation laid down therein to submit the required information using the official forms, through the FROB (Fund for Orderly Bank Restructuring).

Contributions are based on:

- A lump-sum contribution, or base annual contribution, calculated pro rata on the basis of the amount of the Group's liabilities, excluding own funds and covered deposits, with respect to total liabilities less own funds and covered deposits; and

- A risk-adjusted contribution based on the criteria stipulated in Article 103.7 of Directive 2014/59/EU.

The National Resolution Fund's financial resources will be raised by the FROB through ordinary contributions, as stipulated in Article 1.2.a) of Act 11/2015.

The expense for the Group's ordinary contributions to the Single Resolution Fund is recognised in the item "Other operating expenses – Contribution to the Deposit Guarantee Fund" on the accompanying consolidated statement of profit or loss. The Group was not subject to ordinary contributions for 2024. The expense for 2023 is specified in Note 26.

Council Implementing Regulation (EU) 2015/81 allows entities to use Irrevocable Payment Commitments ("IPCs") to meet part of their payment obligations for contributions to the Single Resolution Fund ("SRF"). IPCs are a mechanism through which the Group makes an irrevocable commitment to pay into the SRF a set proportion of the contribution for each cycle, backed by collateral assigned to the Single Resolution Board.

At 31 December 2024, the Group had used various IPCs, in a total amount of €9.994 thousand, for the contribution cycles from 2021 to 2024.

4. Errors and changes in accounting estimates and policies

During 2024 and up to the date the consolidated annual accounts were authorised for issue, there were no errors and no significant change in the Group's accounting policies of sufficient materiality to require their disclosure in the consolidated annual accounts prepared by the Board of Directors of the Parent.

When an error relating to one or more years is corrected, mention will be made, together with the nature of the error, of:

- The amount of the correction for each of the headings in the financial statements that are affected in each of the years presented for the purposes of comparison;
- The amount of the correction on the opening balance sheet in the earliest year for which information is presented; and
- The circumstances that make retroactive restatement impractical and a description of how and since when the error has been corrected.

The Group will indicate the nature and the amount of any change in an accounting estimate that affects this year or is expected to affect future years. When it is impractical to make an estimate of the effect in future years, this will be disclosed.

5. Distribution of profit

The proposal for the distribution of the Parent's 2024 profits that the Board of Directors of the Parent will submit to the Annual General Meeting for approval, together with the final distribution approved for 2023, is as follows:

	Thousands of Euros	
	2024	**2023**
Profit for the period	**77,710**	**38,338**
Distribution:		
Dividends	49,000	24,000
Supplementary dividend	20,000	10,000
Legal reserve	7,771	3,834
Other voluntary reserves	939	504
Total distributed	**77,710**	**38,338**

The proposal for 2023, and the subsequent distribution, was approved at the Group's Annual General Meeting on 28 May 2024.

The Board of Directors of the Parent has proposed to the General Meeting of Shareholders of the Group 6. that a complementary dividend of €20,000 thousand be paid out of the distributable profit for 2024.

6. Risk management policies and objectives

This section includes a description of the various financial risks faced by the Group, deriving from its banking activity as well as the objectives and policies relating to risk management, assumption, measurement and control, including the strategies and processes, the structure and organisation of the relevant risk management unit and hedging policies, broken down for each of the main types of financial instruments or planned transactions for which hedge accounting is used.

Irrespective of the fact that the General Investment Department performs risk acceptance, monitoring and recovery functions, risks are basically controlled by the Risk Control Department.

6.1 Corporate risk culture: general risk management principles

The Group has a clear retail banking focus and its main risks are typical retail banking risks, i.e. credit risk, liquidity risk and interest rate risk.

The following sections explain the basic principles of risk management in each case; to summarise, it will suffice to say that all risks are managed prudently so that (i) credit risk relates basically to financing granted to families and SMEs; (ii) liquidity ratios are high and dependence on wholesale markets is moderate; (iii) the vast majority of loans bear variable rates; (iv) operational losses are low and relate mostly to small operations; and (v) market risk exposure is moderate and instrumental, since financial instrument trading portfolios are restricted.

In the Group's risk control environment, the basic principle of functional independence is well implemented, as reflected above all in the existence of a General Control Department, reporting to the Parent's Board of Directors, the functions and organisational structure of which encompass all the above-mentioned risks, as explained below.

6.2. Credit risk and credit concentration risk

The Credit Risk Manual, which is updated regularly, regulates: (i) the principles and criteria that should guide credit policy; (ii) the credit risk management and control policies; (iii) the bodies responsible for these risk management and control duties; and (iv) the procedures in place for facilitating said management and control.

The most important sections of this Manual are extracted here to provide the reader with a better understanding of its contents and scope.

a) <u>Basic principles and guidelines for defining credit risk management and control policies</u>

a.1) The basic principles are established by the Parent's Board of Directors and underlie the credit policy. The six basic principles are as follows:

- **<u>Principle of independence:</u>** Credit risk decisions must always be taken on the basis of the established credit policy and must not be made conditional on the fulfilment of commercial objectives.

  In order to guarantee independent decisions, the lending activity must be tied to the following three pillars:

  - There must be a technical unit engaged solely in credit risk acceptance, monitoring and recovery processes, providing analytical support for the commercial function and expressing opinions when decisions are taken. Unit management must not report to Commercial Network management.
  - The system of powers delegated for the granting of loans must be hierarchical and must depend, among other factors, on an objective evaluation of credit quality, obtained either from a technical analysis or from the appraisal provided by the scoring and rating models in place.
  - A control unit must independently verify fulfilment of the credit policy in general and the individual and aggregate acceptance limits in particular, as well as ensuring the correct rating and coverage of credit risks.

- **<u>Principle of uniformity:</u>** This principle states that credit risk control and management criteria relating to policies, structures, tools, circuits and processes must be common throughout the Group and not depend on the Entity or on where the activity takes place.

In order to guarantee fulfilment of this principle, the Board of Directors has defined the limits of the regulation competencies contained in the Credit Risk Manual, reserving:

- For the Board of Directors, the establishment of criteria and policies for credit risk management and control.
- For the CEO, the definition of the bodies responsible for credit risk management and control, and for the management procedures.
- Lastly, for the General Control Department, the definition of procedures to control such risk.

- **Principle of consistency:** As one of the main credit portfolio management criteria is diversification, a common and consistent measure must be in place to quantify credit risk in transactions, together with uniform evaluation methods, irrespective of the segment, portfolio or sub-portfolio.

  In accordance with the Basel Committee's recommendations, the common measure that must be used to compare the size of credit risk assumed in each operation is the economic capital required in each case, i.e. the amount of capital that the entity must hold to cover its unforeseen losses.
  In order to reliably estimate economic capital and therefore guarantee the consistency principle, the Group requires:

  - Rating and scoring tools consistently incorporating the risk factors deemed relevant to each type of operation and providing an objective appraisal of the probability of default.
  - Periodic estimates of credit exposure and loss given severity values, in the event of default.
  - Adjustment of total credit portfolio loss distribution and periodic estimates of the amount of capital necessary to cover the losses, with a confidence level that is compatible with the Group's solvency objective.
  - A criterion for allocating the total economic capital required to each current or potential operation.

- **Principle of globality:** The Group's total credit risk is not the algebraic sum of the risk inherent in each of its operations, since risk may be mitigated or aggravated by diversification or concentration factors.

  A good approximation of risk incurred cannot be achieved through the Group's non-performing loan ratios either, since they only reflect obvious risks, while latent risks will impact ratios in the future.

  Therefore, the Group's credit risk management must not be limited to individual operations and customers; it must address the credit portfolio in aggregate terms, covering both the correlation between operations and overall non-compliance, and the evolution of credit value over time.

- **Principle of delegation:** The Parent's Board of Directors assumes its responsibility as the ultimate credit risk management and control body, which does not preclude reasonable delegation to subordinate bodies to favour rapid adaptation and response to changing circumstances and to customer demands.

  It delegates to its Delegated Committee the approval of credit operations that cannot be resolved by subordinate bodies but must be resolved before the next Board meeting.

The CEO has been delegated the authority to approve transactions raised by the Investment Committee and which, falling under the authority of the Delegated Committee, must be approved before the next meeting of the Board of Directors or the Delegated Committee. In these cases, the transactions will be presented during the first meeting of the Board of Directors or Delegated Committee that takes place, so that the matter may be heard and ratified and the delegated authority controlled.

The application of this delegation principle means that the Board of Directors of the Parent defines the following outline for the approval of amendments to the Credit Risk Manual:

Part of the Manual affected by the amendment	Competent body	Procedure
Preamble	BCC's Board of Directors	On its own initiative, or at the proposal of the CEO or Control Management
Chapter 1		
Chapter 2		
Chapter 3	CEO	Reasoned proposal from Investment Management. Opinion of Control Management. Report to the Board Risk Committee
Chapter 4		
Chapter 5	Global Risk Control Directorate	On its own initiative, communicating to Investment Management. Report to the Board Risk Committee

- **<u>Principle of effectiveness:</u>** The management of credit risk must be effective in terms of responding to the needs of the network and customers. The credit risk management processes will therefore attain a balance between ensuring strict risk selection practices and a quick and firm response for customers.

  The Parent will ensure the effectiveness of its processes, applying automation and standardisation to the procedures as much as possible while maintaining channels that allow exceptions to provide a flexible response to customer needs.

a.2) Guidelines are also issued by the Parent's Board of Directors establishing the rules that must be observed by all the subordinate bodies when defining the credit policy. They address each stage of the risk management cycle and related content, as summarised below:

- **Regarding the risk acceptance policy:**
  - <u>Diversification</u>. The Group's credit portfolio must be suitably diversified and show the lowest possible degree of correlation with overall default.
  - <u>Credit quality</u>. Criteria for approving operations must depend basically on the borrower's capacity to fulfil financial obligations in due time and form, based on income from a business or habitual source of income. Nonetheless, personal or real property guarantees must be sought to secure recovery as a secondary course of action when the primary procedure has failed.
  - <u>Operational security</u>. Loans must be arranged through a secure procedure which guarantees that agreements concluded have full legal effect and faithfully reflect the applicable terms and conditions.
  - <u>Yields</u>. Loans must have yields that match the inherent risk.
- **Regarding the credit loss oversight and prevention policy:**
  - <u>Materiality</u>. Actions to prevent loan losses must be graduated on the basis of the harm that could be caused to the Group's results by default, seeking a reasonable balance between the cost and benefits of the control procedure.

- Anticipation. Actions to prevent loan losses must be implemented sufficiently in advance in order to assess and optimise management of loan recovery options.

- **Regarding the past due loan collection policy:**
  - Resolute management. A default situation must be managed in a resolute manner so as to regularise the loan, propose a restructuring of the debt or initiate a claim in or out of court as soon as possible.
  - Economic effectiveness. A court claim for debts is not always the best recovery route. On occasions it is preferable to accept payment proposals comprising the dation of assets or reductions and/or deferrals; in other cases, the amount owed or the debtor's limited solvency make other forms of collection management more advisable.

- **Regarding the policy for appraising and restating real property guarantees:**
  - Objective valuation. As price formation in property markets is clearly imperfect, guarantees based on such assets must be valued as objectively as possible, since this determines the correct and rational management of the secured credit risk.
  - Efficient restatement of appraisals. The value of properties securing loans must be restated periodically both to take credit risk management decisions and to correctly calculate impairment and capital for the purposes of regulatory compliance. Nonetheless, restatement procedures must be efficient in terms of both frequency and the instruments employed.

b) Parameters defining the credit policy

b.1) Credit risk concentration limits

As diversification is one of the criteria guiding credit risk acceptance, the Group has established a limits structure to guarantee diversification; limits become more conservative when certain levels defined by the Supervisor are reached. The limits are explained below:

- **Limits on concentration by segment, credit portfolio and credit sub-portfolio**

  The Group has defined a set of precise criteria for segmenting its credit operations, giving rise to the segments, portfolios and sub-portfolios for which credit exposure limits are established, depending on overall portfolio exposure or RWAs, as shown in the following table:

Segment / Portfolio / Sub-portfolio	Exposure limits	RWAs limits
1. Retail	**80%**	**80%**
1.1. Home mortgage	**45%**	**36%**
Usual residence	45%	36%
Other uses	10%	8%
1.2. Other household financing	**10%**	**12%**
Consumer	5%	5%
Other household financing	10%	10%
1.3. Automatically renewable	**5%**	**8%**
Credit cards	5%	8%
Overdrafts	1%	2%
1.4. Small businesses	**20%**	**30%**
Self-employed	15%	23%
Micro-enterprises	15%	23%
Small retail	15%	23%
Medium retail	15%	23%
1.5. Retail agri-food	**20%**	**30%**
Greenhouse cultivation	15%	23%
Other agri-food sector	15%	23%
2. Corporate	**50%**	**88%**
2.1. Developers	**6%**	**18%**
Development	3%	9%
Land	2%	6%
Other developers	2%	6%
2.2. Corporate agri-food	**15%**	**30%**
Agri-food producer	15%	30%
Agri-food distributor	15%	30%
Agri-food auxiliary industry	15%	30%
2.3. SMEs	**15%**	**30%**
Small	10%	20%
Medium	10%	20%
2.4. Large companies	**30%**	**40%**
3. Public sector	**15%**	**6%**
Goverments	15%	6%
Public non-financial companies dependent on central government	15%	6%
Public non-financial companies dependent on other levels of government	15%	6%
4. Social economy	**5%**	**8%**
5. Financial intermediaries	**5%**	**8%**

- **Limits on leveraged finance**

  Leveraged finance, as defined in the ECB Guidance on leveraged transactions issued in May 2017, may not exceed 10% of the total exposure of the loan book, irrespective of the segment, portfolio or sub-portfolio it is part of.

- **Limits on geographical concentration**

  To ensure sufficient geographical diversification, credit exposure in the core provinces of Almería, Murcia, Málaga, Valencia, Alicante and Castellón must not exceed 75% of its total exposure.

- **Limits on sovereign risk concentration**

  Sovereign risk is understood as that taken in the form of fixed-income securities acquired on organised markets and any form of financing issued to public authorities and publicly owned companies. The following limits are applied (to sovereign debt outside Spain):

  - Maximum exposure to sovereign risk: 350% of eligible capital;
  - Maximum exposure to sovereign risk of non-EMU issuers: 10% of eligible capital;
  - Maximum sovereign exposure in terms of carrying amount as a proportion of eligible capital: 275%
  - Minimum rating of the sovereign debt issuer: Investment grade per a credit rating agency authorised to issue ratings on monetary policy matters. The aforementioned minimum rating requirement will not apply to sovereign exposures that are considered immaterial, defined as those that represent less than 1% of eligible capital;
  - Permitted currencies: euro. In the case of issuers outside the EMU, foreign currency issues may be contracted provided the interest rate risk is neutralised by means of appropriate hedging instruments;
  - The economic capital consumed by each sovereign issuer may not exceed 7% of CET1 capital.

- **Limits on borrower and risk group concentration**

  Concentration limits applied to individual borrowers and risk groups are considerably below the limits stipulated by the Bank of Spain:

	% of TIER 1
Total risk limit with a borrower or group	10%
Consideration of material exposure	4%
Sum material exposure limit	200%

- **Concentration limits applicable to specially-related companies**

  A distinction is made between companies that are controlled by the Entity and those that are not controlled; risks accepted with both sub-groups are subject to the following limits (expressed as a percentage of eligible capital):

Limits on % of TIER 1 of the Group		
Degree of control of GCC	Limit on risk accumulated with each company	Limit on sum of risks of all companies
Controlled	5%	10%
Not controlled	5%	50%

- **System of powers for the approval of lending operations**

  The empowerment system for the granting of loans is based on the principle of delegation and forms a hierarchical pyramid founded on two fundamental variables: (i) Exposure volume; and (ii) Counterparty credit quality: The essential features of this system are as follows:

  - Delegated bodies: Bodies to which powers are delegated. There are ten levels in the Group, from high to low.

    - BCC's Board of Directors / Delegated Committee:

- Investment Committee
- Non-performing Asset Committee
- General Investments Department
- Analysis Centres
- Savings Banks' Governing Board / Committee
- Central Business Committee
- Territorial Risk Teams
- Area and Territorial Business Committee
- Branch Management Committee

There are also specialised committees with powers to approve certain types of operations:

- Assets and Liabilities Committee, for financial market operations, the function of which is to approve, within its authorisation limits, increases in lines of credit assumed by the expert model for use in arranging financial market transactions, and to refer any exceeding these limits to the Delegated Committee.
- Employee Financing Committee, for transactions requested by employees under collective labour agreements and arrangements with personnel.

- Exposure volume limits: Each delegate body is assigned an overall limit, sublimits per operation and franchise limits.
- Credit quality models:

The internal credit risk models provide a reliable rating for the customer and the transaction. In particular, the credit risk models generate the following ratings:

- Green Policy – Favourable: There is scope for considering a possible increase in the level of exposure to the borrower. In all cases, any such increase in exposure will be subject to the credit approval procedure.
- Amber Policy – Hold / Secure Risk: Loans may be renewed and the current level of exposure may be maintained.
- Red Policy – Reduce Risk: The level of exposure to the borrower must be reduced, either by not renewing loans when they mature or by incorporating additional guarantees.
- Grey Policy – Reduce with Default: The level of exposure to the borrower must be reduced, either by not renewing loans when they mature or by incorporating additional guarantees. Mainly because the borrower has debts that are significantly past due.
- Black Policy – Extinguish / Recover Risk: The level of exposure to the borrower must be reduced or extinguished.
- Approve: The model concludes that there is an acceptable probability of default for the transaction and therefore recommends it be approved.
- Analyse: The model is not conclusive. Additional judgement is required before the transaction can be approved.
- Reject: The model concludes that the probability of default for the transaction is too high and therefore recommends it be rejected.

The limits of attributions of branches, areas and regions are adjusted depending on whether they are subject to model ratings, and in which case, the rating given to the customer and transaction. If a delegate body authorises a transaction against the contrary opinion of a binding credit rating model or of an analyst, the reasons for authorisation must be stated in the report.

- Assignment of risk lines vis-à-vis financial institutions

  In view of its specific nature, credit risk affecting the Treasury function is also managed specifically, using a risk limits system incorporated into the treasury application; this facilitates the automation of control processes and expedites daily operations.

  The limit assignment system is slightly different for Spanish entities and for foreign entities. The process is as follows for Spanish entities:

  - An initial limit is assigned based on parameters measuring the counterparty's size.
  - This limit is adjusted based on the counterparty's solvency and profitability.
  - The adjusted value is corrected based on the rating, providing an overall limit for the counterparty analysed.

  In the case of foreign entities, the adjustment for solvency and profitability is not applied, although the counterparty volume limit and rating correction are stricter.

  In both cases, as a measure to mitigate counterparty risk in uncertain situations, a number of reductions have been applied to the limits stipulated in the established methodology. These adjustments are summarised below:

  - Limit the maximum line granted to 10% of the Group's capital.
  - Do not open a counterparty line for entities that show a risk limit of below €5 million after applying the above-mentioned reductions.

b.2) Credit risk mitigation. Guarantee procurement policy

Irrespective of the fact that loans must be granted based fundamentally on the borrower's repayment capacity, the Group mitigates default losses by obtaining guarantees, which must be larger and more effective the longer the term of the loan and/or the lower the borrower's repayment capacity.

The risk accepted is deemed to be sufficiently secured in any of the following circumstances:

- The fair value of the assets owned by the borrower and the guarantors amount to more than twice the value of their debts.
- Through real estate collateral pledged in first lien (and subsequent lien) mortgage loans, provided they are duly arranged and show the bank as the beneficiary.

- The loan is secured by a pledge or a mortgage on certain assets (basically buildings, lands, deposits and securities) and the ratio of the debt to the asset's value does not exceed the values stated in the following table:

Asset used as collateral	LMB
1. Buildings and finished constructions	
1.1. Borrower's primary home address	80%
1.2. Housing, other uses	70%
1.3. Offices, retail units and multi-use facilities	70%
1.4. Other buildings, such as single-use premises, hotels, etc.	70%
2. Urban land and building land	**50%**
3. Rural properties	
3.1. Intensive horticulture operations	70%
3.2. Other agricultural operations	50%
3.3 Livestock rearing operations	70%
3.4 Other uses	50%
4. Other properties	
4.1. Buildings under construction	50%
4.2. Components of buildings under construction	50%
4.3. Other land	50%
5. Foreclosed assets owned by GCC	**100%**
6. Monetary deposits	**100%**
7. Pledges of financial instruments	
7.1. Fixed income securities issued by the State or autonomous communities and by other issuers with a rating equal to or exceeding BB	90%
7.2. Fixed income securities issued by entities with a rating lower than BB but equal to or higher than B	80%
7.3. Listed equity securities. Securities consisting of shares in collective investment institutions will be categorised as appropriate based on the profile of the investment portfolio	70%
7.4 Administrative concessions	50%

The Group does not contract hedges using sophisticated products such as credit derivatives, on the understanding that, given the tight limits structure and low concentration levels, the use of this type of product would not bring significant management improvements but would increase our operational, legal and counterparty risk.

Guarantee assurance policy

Assets securing mortgage operations should be insured over the entire life of the transactions according to their nature in order to avoid risk events significantly reducing their value and therefore their effectiveness as a guarantee.

Therefore these assets should be covered by an insurance policy tailored to the type and current situation of the asset and meeting at least the following conditions:

- It should cover at least the damages deriving from claims which may affect the container.
- The sum insured must be at least equal to the value for insurance purposes recorded in the valuation certificate.
- It should reflect the express declaration that the insurance company is aware of the existence of the creditor until the loan has been fully repaid.

Internal authorisation of appraisal companies

Valuations of buildings securing loans are entrusted to appraisal companies authorised by the Group.

In order to be authorised, an appraisal company must fulfil the following requirements:

- Be entered in the Bank of Spain's Register of Appraisal Companies.
- Be independent from the Entity, which entails:
  - Not being a related party as per Bank of Spain Circular 4/2017.
  - Have the necessary human and technical resources to perform the work, as well as appropriate, recent experience in its field of work.
  - Have internal procedures to assure independence and detect conflicts of interest.
  - Have an internal control department that reviews the appraiser's work.

Valuation of properties for new risk acceptance

The value of a property at the risk acceptance date is the lower of the following:

- Purchase price declared in a public deed, plus all post-acquisition costs incurred during construction, repair, extension or development of the building, excluding commercial and financial charges, and provided there are documents supporting the costs.
- The appraised value, which must fulfil the following requirements:
  - Issued by an appraisal company authorised by the Group.
  - Issued less than six months earlier.
  - Prepared for mortgage market purposes and in accordance with Ministerial Order ECO/805/2003, of 27 March.
  - No determining factors.

Update of the value of the property held as collaterall

The criteria provided in the following table are used to update the value of property held as collateral to secure credit transactions:

<table>
<tr><th>Transaction classification</th><th colspan="2">Property type/transaction type</th><th>Individual valuation</th><th>Statistical valuation (i)</th><th>Frequency</th><th>Initial valuation</th><th>Method</th></tr>
<tr><td rowspan="3">Performing</td><td colspan="2">Guarantee for building and components of finished buildings</td><td>Yes</td><td>Yes</td><td>Annual verification (ii)</td><td rowspan="3">On arranement of credit</td><td rowspan="3">Individual appraisal of up to 6 months</td></tr>
<tr><td colspan="2">Guarantee other than for building and components of finished buildings</td><td rowspan="2">Yes</td><td rowspan="2">No</td><td rowspan="2">Three years if no significant decrease in risk</td></tr>
<tr><td colspan="2">Transactions with a gross carrying amount of more than €3 million or 5% of eligible capital</td></tr>
<tr><td rowspan="5">Performing under special monitoring</td><td rowspan="3">Guarantee for building and components of finished buildings</td><td>Transactions pertaining to segments with an aggregate gross amount of more than €300 million or 10% of eligible capital (v)</td><td rowspan="2">Yes</td><td>Yes</td><td rowspan="2">Annual</td><td rowspan="5">On arrangemen t of credit</td><td rowspan="5">Individual appraisal of up to 6 months</td></tr>
<tr><td>Transactions with a gross amount of more than €1 million and LTV >70%</td><td>Only exceptionally and where justified</td></tr>
<tr><td>Other</td><td>Yes</td><td>Yes</td><td>Annual verification (ii)</td></tr>
<tr><td colspan="2">Guarantee other than for building and components of finished buildings</td><td rowspan="2">Yes</td><td rowspan="2">No</td><td rowspan="2">Annual</td></tr>
<tr><td colspan="2">Transactions with a gross carrying amount of more than €3 million or 5% of eligible capital</td></tr>
<tr><td rowspan="4">Non-performing</td><td rowspan="3">Guarantee for building and components of finished buildings</td><td>Gross transaction amount less than or equal to €0.3 million and non-performing for not more than 3 years</td><td>No</td><td>Yes</td><td>Annual</td><td rowspan="4">On being classified as non-performing</td><td rowspan="4">Individual appraisal or statistical appraisal (iii)</td></tr>
<tr><td rowspan="2">Gross transaction amount less than or equal to €0.3 million and non-performing for more than 3 years</td><td>No</td><td>Yes</td><td>Annual</td></tr>
<tr><td>Yes</td><td>No</td><td>Three years</td></tr>
<tr><td>Guarantees not included in the previous point (by type of guarantee or by gross carrying amount)</td><td>Guarantees other than finished buildings and components off finished buildings and any guarantee for non-performing transactions with a gross carrying amount of more than €0.3 million</td><td>Yes</td><td>No</td><td>Annual</td></tr>
<tr><td rowspan="4">Real estate assets foreclosed or received in payment of debt</td><td rowspan="3">Transactions with a fair value less than or equal to €0.3 million</td><td>On balance sheet for 3 years or less</td><td>No</td><td>Yes</td><td>Annual</td><td rowspan="4">On being foreclosed or at time of dation</td><td rowspan="4">Individual appraisal (iv)</td></tr>
<tr><td rowspan="2">On balance sheet for 3 years or more (iv)</td><td>No</td><td>Yes</td><td>Annual</td></tr>
<tr><td>Yes</td><td>No</td><td>Three years</td></tr>
<tr><td colspan="2">Rest (fair value greater than €0.3 million)</td><td>Yes</td><td>No</td><td>Annual</td></tr>
</table>

(i) Statistical valuation may be applied to the following types of property: homes (including garages and storage rooms), offices, multi-purpose commercial premises and multi-purpose industrial buildings.

(ii) Valuations must be updated in the event of significant falls in value. Checks for evidence of significant decreases in value must be carried out at least annually.

(iii) At the time of classification as non-performing, an updated appraisal is required, which may be a full individual appraisal or a statistical appraisal, as appropriate. Once a transaction has been on the balance sheet for 3 years, the two valuation methods may be combined, so that full individual appraisals are performed at least every three years. In any case, both the appraisal company that updates the reference appraisal, using any of the accepted procedures, and the professional responsible for the update must be changed after two consecutive appraisals by the same company.

(iv) At the time of acquisition of the property, a full individual appraisal is required. Once a transaction has been on the balance sheet for 3 years, the two valuation methods may be combined, so that full individual appraisals are performed at least every three years. In any case, both the appraisal company that updates the reference appraisal, using any of the accepted procedures, and the professional responsible for the update must be changed after two consecutive appraisal by the same company.

(v) These are the segments of section III of Annex 9 where the aggregate gross amount of transactions under special monitoring exceeds one of the two stated parameters.

The restated value of a property pledged to secure a loan is the lower of the following:

- Purchase price declared in a public deed plus post-acquisition costs allowed in the valuation of a property at the risk acceptance date, restated applying coefficients when more than three years have elapsed since the relevant amounts were incurred.

- Restated appraisal value.

b.3) Rules for measuring customer payment capacity

The analysis performed before a loan is granted must study and measure the borrower's capacity to meet scheduled repayments. The following steps must be taken to do this:

- Inclusion in the loan files of sufficient economic and financial information to assess the borrower's capacity to generate funds. In the case of companies and self-employed professionals, this information must be updated yearly.

- Elimination of payment facilities included in products for commercial differentiation purposes.

- Assessment of the ability to pay, comparing the customer's payment obligations with their ability to generate funds. For loans covered by scoring or rating models, their evaluation will include the assessment of the ability to pay.

b.4) Policy for loan terms, grace periods and settlement periods; general criteria

- Term:

  The maximum repayment period for loans secured by personal guarantees is the period in which the generation of funds by the borrower may be reliably estimated, subject to a maximum of 10 years.

  The maximum repayment period for loan secured by real property is the property's useful life, subject to a maximum of 15 years, except for private properties, subject to a maximum of 30 years.

  For operations with individuals, the loan must mature before the date on which the youngest borrower is 75 years old for loans secured against personal guarantees and 80 years old for loans secured against assets.

  Loans with no defined maturity date are excluded from this policy, which must be granted at the Analysis Centre level or higher, as indicated in the tables of authorisation levels.

- Settlement periods:

  The capital and interest settlement frequency will be monthly, in general. Quarterly settlement frequencies will only be allowed if justified by the borrower's resource generation capacity. In the case of financing of agri-food campaigns, longer interest settlement periods are possible.

- Grace period:

  Capital payment grace periods may be applied when:

  1) Financing a project that will only start to provide income at a future date;
  2) It is bridge financing;
  3) It forms part of the design of a specific product, in which case this credit facility must be taken into account to adjust the calculation of the customer's capacity to make payment;
  4) It is a debt restructuring operation.

  Capital and interest payment grace periods may be applied when:

  1) It forms part of the design of a specific product, in which case this credit facility must be taken into account to adjust the calculation of the customer's capacity to make payment;
  2) It is a debt restructuring operation.

  Interest-only payment grace periods may be applied when:

  1) It forms part of the design of a specific product approved by the Investment Committee/Non-performing Asset Committee.

b.5) Restructuring policy

Debt restructuring is only available when there is an improvement in the collection status within the restructured position. This improvement must derive from the adaptation of the transaction conditions to the customer's payment capacity, accompanied by improvements in collateral, if appropriate.

Restructuring operations will observe the following policies in general:

- The transaction will not be restructured if the customer does not show a clear will to make payment.
- After the restructuring the customer's capacity to generate resources must be deemed sufficient to fulfil the modified conditions.
- The customer must make payment of accrued interest up to the date of the restructuring. Exceptionally, interest may be included in the restructured loan capital if this is deemed essential to ensuring the recoverability of the entire restructured position.
- Exposure will not increase, unless such an increase improves the Group's position with respect to the borrower (for example, when the increase allows the financed project to be completed and, therefore, start to generate inward flows, or when the increase is applied to lift prior obligations that would make recovery by us through the execution of guarantees difficult).
- Capital grace periods will be avoided. If granted, they will not exceed 2 years and must always be based on the clear expectation that the borrower will generate sufficient funds to make payment at maturity.
- No interest grace periods will be granted in general.
- Successive restructurings will be avoided and restructuring proposals based on the same budgets should not be successful more than two times within five years.
- The authority to grant restructuring operations must preferably fall to the Investment Management area.
- In general, the same body approving the risk in the first place cannot approve the restructuring. The following are not covered by this principle:
    - Transactions initially approved by BCC's Board of Directors and its Delegated Committee, who may approve restructuring of arrangements approved by them.
    - Any body, under its exemption of the body, in the terms established in chapter 4 of the Credit Risk Manual.

Note 25.4 provides the required disclosures regarding refinanced and restructured transactions.

c) <u>Organisation of the risks, powers, responsibilities and delegation function. Risk unit reports. Management tools and control procedures</u>

The Parent's Board of Directors assumes its responsibility as the highest management and credit risk control body, which does not impede it from reasonably delegating that authority to lower bodies.

The Parent's Board of Directors may thus delegate, in turn, to the Delegated Committee or Governing Boards of GCC's savings banks, which may also delegate to lower bodies within their organisations.

The organisation of and bodies responsible for credit risk management and control, and the tools available to them, are described below through an analysis of the three risk stages:

c1) Credit risk acceptance stage:

- **Bodies involved**

  - Bodies empowered to grant loans:

The credit risk acceptance stage first involves the bodies empowered to grant loans, as explained previously.

The delegate bodies must exercise their powers while observing established policies; when a decision is taken that does not fulfil these policies, the reasons must be placed on record.

  - Agri-food and Retail Centre, Corporate Centre, Working Capital Renewal Centre, Special Financing and Major Borrowers Area, Asset Contracts and Real Estate Legal Advisory:

These areas report to the Investments Department, and their functions are to (i) analyse, from a technical viewpoint, and report on the credit operation proposed by the Commercial Network; (ii) participate in decision-taking, forming part of the delegate bodies, and oversee compliance with established policy; (iii) manage loan arrangement, ensuring that agreements faithfully reflect the grant terms.

- **Organisation**

  - Special Financing and Major Borrowers Area:

Its role is to manage on an end-to-end basis the acceptance and monitoring of loans in the Major Borrowers Portfolio to achieve two objectives: early management if there is evidence of impairment, and identification of opportunities to do business with/retain the loyalty of these groups in what is currently such a competitive market.

  - Agri-food and Retail Centre:

It engages in the management of the acceptance of Grupo Cooperativo Cajamar’s loan transactions, ensuring that they are granted with the maximum credit quality in accordance with the authority delegated to it or escalating them to higher bodies if the proposal exceeds its authority level. It is also responsible for formalising proposals in the terms indicated by the authorising body.

The Area is divided into two offices to fulfil its duties properly:

- ***Agri-food Analysis Centre***: Responsible for managing credit analysis and preparing reports on lending operations within its authority, ensuring appropriate structuring of proposals. It adopts resolutions on these operations, ratifies sanctions imposed by its subordinate subcommittees and analyses and reports to higher bodies on risk proposals exceeding its jurisdiction, conveying the resolutions adopted in such cases. It also maintains risk groups based on the analysis of the operations it has managed. Additionally, it reviews and evaluates transactions involving mergers, acquisitions, spin-offs or other structural corporate modifications, assessing the potential exercise of the right to oppose the corporate decision.

- ***Retail Analysis Centre:*** Analyses and reports on lending operations within retail segments, including residential mortgage portfolios, other household financing, self-renewing credit facilities (excluding overdrafts) and financing for sole proprietorships and micro-enterprises. This excludes transactions that fall within the scope of the Working Capital Renewal Area, Agri-food Analysis Centre, Special Financing and Major Borrowers and the Restructuring Analysis Centre, as well as those exceeding the authority of Grupo Cooperativo Cajamar local offices and Business Committees. It sanctions operations within its jurisdiction according to the limits defined in the Credit Risk Manual (CRM) and escalates cases exceeding these limits to higher bodies.

• Corporate Centre:

The Corporate Centre is responsible for analysing and reporting on Grupo Cooperativo Cajamar proposals that involve special characteristics due to their type, amount, or type of borrower.

To fulfil its functions, it consists of the following two offices:

- ***Corporate Analysis Centre:*** Analyses and reports on credit operations within the corporate portfolio (including property developers, SMEs, and large non-agri-food enterprises), the public sector, and corporate non-profit organisations. It handles cases exceeding the authority of Grupo Cooperativo Cajamar local offices and Business Committees, and that fall outside the scope of other units, such as Special Financing and Major Borrowers Analysis. It sanctions transactions within its jurisdiction as per the limits defined in the Credit Risk Manual (CRM) and escalates those exceeding these limits to higher bodies.

- **Higher Committees Analysis Centre:** Performs similar functions to the Corporate Analysis Centre, focusing on corporate portfolio operations (property developers, SMEs, and large non-agri-food enterprises), public sector entities and corporate non-profit organisations. It assesses cases that exceed the authority of Grupo Cooperativo Cajamar local offices and Business Committees, as well as those beyond the scope of Special Financing and Major Borrowers Analysis. Transactions within its authority are sanctioned according to the limits defined in the Credit Risk Manual (CRM), while those exceeding these limits are escalated to higher bodies.

c.2) Credit and concentration risk monitoring, measurement and control stage:

- **<u>Bodies involved</u>**

Monitoring of credit risk is understood as the permanent classification of operations and customers in order to establish an individual action policy which strengthens credit recovery expectations in the event of default.

Responsibility for defining the evaluation systems and rating loans and customers is attributed to the General Investments Department, through the following organisational units and systems:

- <u>Active Monitoring of Investment Portfolios Area</u>

Comprising the following units:

- ***Individual analysis of allowances and provisions:*** Its main functions include:
    - Verifying and, where necessary, proposing the correct accounting classification and the insolvency allowance and provision for all significant exposures of Grupo Cooperativo Cajamar (GCC) through an individual analysis.
    - Analysing proposals on the classification of borrowers with significant exposure submitted to the General Investments Department.
    - Handling all requests from the supervisor and the statutory auditor regarding the individual risk analysis.
    - Performing the required analyses through the systematic circuit via the UTP Checklist.

- <u>Credit and Real Estate Risk & ESG Control Area</u>

- ***Credit and Real Estate Risk Control:*** The main functions include monitoring limits on (1) concentration by segments, portfolios, and sub-portfolios, (ii) borrowers, risk groups, investees and related parties; ensuring overall compliance with the credit policy, analysing credit risk trends in the loan portfolio, overseeing classification and coverage and monitoring foreclosed assets.

- <u>Balance Sheet and Business Risk Control</u>

Control of the credit and counterparty risk with financial institutions is handled by the Balance Sheet and Business Risk Area, which reports to the Risk Control Department. The area is formed by two management groups, one of which is responsible for market and counterparty, exchange rate, liquidity and interest rate risk.

- **<u>Monitoring, measurement and control tools:</u>**

The main tools employed to monitor, measure and control credit risk are listed below:

- Tracking and accounting classification models based on early warning systems.
- Cecabank Risk and Treasury Platform (CITRIX): Application used to channel counterparty risk control.

- **<u>Monitoring controls:</u>**

The Group has included information from the different credit rating models in order to assign a credit policy to the customers assessed.

The following credit policy options are defined:

Green - Favourable: Customers with no signs of significant alerts.

Amber - Hold / Secure Risk: Customers starting to have alert review events.

Red - Reduce Risk: Customers whose alerts warrant reducing risk.

Grey - Reduce with Default: Customers with recurring payment defaults.

Black - Extinguish / Recover Risk: Customers with very relevant alerts.

- Operation rating using operation monitoring models.

  Operations are grouped into four categories on the basis of default probabilities:

  Low risk: The loan is unlikely to become past due.

  Average risk: There is a certain likelihood of the loan becoming past due.

  High risk: The loan is quite likely to become past due.

  Very high risk: The loan is very likely to become past due.

- Rating of Significant Exposure borrowers.

  The Individual Analysis Office performs individual reviews of borrowers and risk groups to which exposure is significant.

- Monitoring of credit and counterparty risks relating to financial institutions.

  Daily checks are performed to ensure the credit risk limits for each counterparty are being adhered to. The ratings of financial counterparties are also monitored monthly and the lines of counterparty risk are comprehensively reviewed every year.

  Similarly, there is a daily control of the work of the treasury desk, especially concerning flows of collections and payments associated with each operation.

- Control over restructured loans

  The Risk Committee of the Parent's Board of Directors is informed of the performance of restructured credit on a regular basis.

c3) Impaired asset recovery stage:

- **Bodies involved**

The recovery stage is performed mainly by three functional units:

- Regional Divisions, which have:
  - Branches, where the recovery of loan operations is initiated.
  - Risk Managers, whose role is to manage recovery in their areas of influence and to directly manage the most significant defaults.

- **Debt Recovery Department**, whose mission is to control and provide guidance on default management across the Group, from the moment a default is identified to restructuring or settlement of the position; and to support the Parent's General Investments Department in attaining its objectives regarding risk recovery, identifying available resources to achieve maximum efficiency, developing initiatives, actions and support to most effectively and inexpensively obtain recoveries by the Group.

To this end, it has the following internal offices:

- **Judicial Foreclosure Management:** Responsible for overseeing judicial debt recovery procedures, ensuring their proper progression with maximum efficiency in terms of time, cost, and legal compliance. This includes resolving any issues that arise throughout the claim process, from filing the lawsuit to the full regularisation or divestment of financial debt, converting it into real estate risk when applicable.

- **Recovery Management and Treasury:** Handles management and accounting of past-due exposures classified as performing, non-performing and total write-off (in arrears for 120 days or less or in non-judicial bankruptcy proceedings). It manages non-delegated cases from branches or other organisational units and records asset acquisitions.

- **Systematic Recovery Management:** Monitors and controls the expected and actual behaviour of past-due performing, non-performing and total write-off exposures. It tracks operations in such situations, implementing a structured resource optimisation system to meet non-performing asset recovery targets. It also develops and implements a target system for the commercial network to ensure compliance with the GCC budget.

- **Pre-litigation Management:** Analyses the recovery strategy for operations with payments past due by more than 90 days and defines recovery guidelines.

- **Bankruptcy Risk Analysis and Monitoring:** Evaluates GCC’s exposure to insolvency proceedings, defining strategies to mitigate risk in line with the Group's non-performing asset recovery objectives. This unit is also responsible for receiving, assessing, escalating and monitoring proposals that best safeguard GCC’s interests.

- **Restructuring and Non-performing Asset Analysis Centre:**

  Its responsibility is to analyse the situation and the alternatives that best safeguard the Group’s interests, ensuring the proper receipt, review, response, formal processing and monitoring of the proposals that are specified as part of its duties, evaluating the impacts of the measures to be adopted to mitigate the repercussions of non-performing assets and/or with payment difficulties while ensuring an adequate internal control environment and facilitating operational efficiency. This centre also analyses debt restructuring transactions where there is a marked potential risk of default, focusing its analysis on the best accounting outcome for our Group.

- **Territorial Recovery Teams:**

  The Teams comprise a separate Area that does not report to the Risk Recovery Area in formal or operation terms. Their current functions are:

  - To exercise the Risk Recovery powers assigned to them in the Credit Risk Manual;
  - To support and advise their assigned territorial divisions and the Group’s savings banks on the restructuring and recovery of risk;
  - To supervise and monitor the management of past-due loans by territorial divisions and the group members affiliated to their allocated territory.

- **Asset Acceptance and Management**, whose task is to disintermediate non-performing assets (primarily real estate assets) owned by Grupo Cooperativo Cajamar (GCC), mainly with a view to disposing of them at the lowest cost and in the shortest time possible. The primary function to achieve this is to establish, oversee and monitor general policies on the management of non-performing assets, and coordinate and oversee the management activity carried on by Cimenta2 Gestión e Inversiones, S.A.U.

- **Servicer and Portfolio Control:** Responsible for:

  – Directing the design, development and execution of institutional sales strategies for debt and REO (Real Estate Owned) portfolios.

  – Investor and servicer relations in both the pre-contractual and contractual phases, including portfolio preparation, datatape management and Q&A responses.

  – Supervising the formalisation process for portfolio sales contracts and ensuring compliance with all pre-contractual and contractual legal documentation requirements.

  – Collaborating with other business units to achieve the Entity's strategic objectives.

o **Recovery management tools:**

The Entity's recovery process is managed using a number of applications including:

- Monthly Close Planning built into the Non-performing Asset Console so past-due and prudential provisioning of non-performing exposures can be managed consistently.

- Past-due loan management, so recovery can be managed from the first day of non-payment.

- Overdraft management, providing information on overdrafts and overdrawn accounts from day one.

- Management of past due loans in foreign lending operations.

- Information on non-payments on credit cards.

- Information on collateral and classifications.

- Non-performing Asset Network monitoring system.

o **Recovery controls:**

Procedure manuals are in place describing actions to be taken by each body involved in management and in what time frame, modulating the involvement of higher bodies based on the default period and amount.

d) Responsible consumer loan and credit approval policies

In accordance with Article 29 of Act 2/2011, of 4 March, the Group's Credit Risk Manual includes responsible consumer loan and credit approval policies applied. The last version of this manual was published by the Parent's Board of Directors on 19 December 2023.

Specifically, Title 2 of the manual sets out the policies for approving transactions and for analysing the ability to pay, the terms, grace periods, settlement and collateral. The section of Title 4 on approval processes provides more detail of these policies and how they are implemented, stipulating in particular the general and specific guidelines for the structuring of transactions. One of these is responsible lending as per the aforesaid law.

6.3. Market and exchange rate risk

a) Risk policy: limits, diversification and mitigation

In relation to management of this risk, the Liquidity, Exchange Rate and Market Risk Manual addresses:(i) the basic principles governing these risk factors at the Group; (ii) the applicable limits; (iii) the bodies tasked with their management and control; (iv) the procedures for calculating exposure and the related limits; (v) the liquidity contingency plan; and (vi) the risk management and control reports.

The basic principles applicable to market and foreign exchange risks are as follows:

- The utilisation and holding of financial instruments quoted in official secondary markets must fulfil the following purposes:

  1) Compliance with supervisory and regulatory standards that require the holding of financial assets, such as liquidity ratios;

  2) Adequate management of liquidity and the funding structure; and/or

  3) Diversification of the Group's income sources.

- Only the Parent may, in general, have exposure to market risk. However, when circumstances so dictate, and on an exceptional basis, the Parent may authorise any of the Group's entities or the consolidated group to be exposed to market risk.

- Financial instruments carrying market risk may only be acquired and held as part of the management of a "portfolio" the creation of which must be specifically authorised by the Parent's Executive Committee, which will establish each portfolio's investment policy and management objectives and, if applicable, will impose limits on value losses, value at risk and concentration. Where these limits are not necessary, the Executive Committee's resolution must be reasoned.

- Market risk exposures have different risk levels depending on the reason for holding the instruments carrying the risk, so that separate limits will be established based on the category in question. To this end, the portfolios referred to above will be included in one of the following categories:

  1) Not treated based on exposure to market risk.

     a) Fixed income classed as held to maturity in the accounts. As the securities included in this category will not be sold in the market but will be held until they are redeemed by the issuer, the predominant risk is the issuer credit risk; these securities must be treated as stipulated in the Group's Credit Risk Manual. Consequently, no limit is applied to the market risk arising from these investments.

     b) Institutional financial instruments, including shareholdings in Group entities and other financial instruments in respect of which the investment is made in response to the Group's operating needs and institutional obligations. For these exposures, which are indefinite in nature, no market risk limit is applied.

2) Treated based on exposure to market risk, in line with the following principles:

   a) Liquid and listed financial instruments in which a position is taken in order to generate short-term gains, which are therefore included in a trading portfolio ("trading activity"). This portfolio must operate under the principles of diversification and moderate value at risk, in the terms of the Market Risk Manual.

   b) Financial instruments exposed to market risk that are not included in the above-mentioned categories.

   The financial instruments included in this category will be subject to the market risk exposure limits established in the Market Risk Manual.

- The above principles will not apply to instruments contracted for hedging purposes unrelated to the portfolio management referred to in the previous point.

- Foreign exchange risk limits will be adjusted to levels strictly necessary to facilitate customers' operating needs and the trading activity described in the previous point.

The following limits structure is applied to ensure that exposure to market and foreign exchange risks is at levels compatible with the basic principles referred to above:

- Limit on trading positions. The sum of net positions in trading portfolios may not exceed 10% of eligible capital.

- Limit on VaR of trading positions. The value at risk (VaR) of positions held in trading portfolios may not at any time exceed 1% of eligible capital. To this end, one-day VaR will be used, with a 99% confidence threshold.

- Limit on the overall market risk position. The Group's net overall market risk position may not exceed 150% of eligible capital.

- Limit on VaR of positions subject to market risk. The value at risk (VaR) of positions exposed to market risk may not at any time exceed 2.59% of eligible capital. To this end, one-day VaR will be used, with a 99% confidence threshold.

- Limit on variations in the economic value of the fixed-income portfolio subject to market risk over a six-month time horizon. Decline in the economic value of the fixed-income portfolio subject to market risk over a six-month time horizon, using the interest rate curve discounted by the market at that moment, which must not exceed 10% of eligible capital.

- Limit on the overall currency position. The sum of the equivalent value in euros of currency positions, using absolute values, may not exceed 2.0% of eligible capital.

- Limit on the maximum position in an individual currency. The equivalent value in euros of the position in each currency, in absolute terms, may not exceed 1.50% of eligible capital.

- Limit on currency VaR. The value at risk of the currency position expressed in annual terms and at a 99% confidence level may not exceed 0.35% of eligible capital.

b) Organisation of the risks, powers, responsibilities and delegation function. Risk control function. Risk unit reports

The following bodies are responsible for managing and controlling market and exchange risks:

- Board of Directors

- Risk Committee
- CEO
- Assets and Liabilities Committee (ALCO)
- Treasury and Capital Markets Department
- Risk Control Department. Balance Sheet and Business Risk Control
- Balance Sheet Management
- Accounting Operations, Securities and Cash Management
- General Internal Audit Department

The Market Risk Control Office is responsible for controlling market, counterparty, exchange, liquidity and interest rate risks, reporting to the Market and Operational Risk Control Area, which forms part of the Risk Control Department.

c) **Management tools: measurement, communication, control and monitoring systems**

The Entity manages market risk using Bloomberg terminals to obtain value inputs and to consult market factors.

It also uses the Cecabank Risk and Treasury Platform (CITRIX), which includes specialist front, middle and back-office tools, and applications to integrate and reconcile these.

6.4. Operational risk

- **Risk policy: limits, diversification and mitigation**

The Operational Risk Control and Management Policy Manual addresses: (i) the basic management and control principles; (ii) the scope of operation; (iii) the risk management cycle; (iv) the bodies tasked with management and control; and (v) the operational risk management and control tools.

The general principles of operational risk management and control that must be observed in all related activities are as follows:

- Principle of accountability: Senior management and the governing bodies are responsible for designing and transmitting the values, basic principles and policies of management. They are ultimately responsible for the Group’s operational risks.

- Principle of functional independence: In order to establish the effective management of operational risk, there must be autonomy in decision-taking with respect to the persons and departments directly affected by this risk.

- Principle of unity, according to which there must be consistency in policies, processes, procedures and tools. As a result, the concept of operational risk has been accurately defined and its definition is known and adopted by all those involved. The Operational Risk Control Office was set up and a network of Operational Risk Coordinators was defined with specific and concrete functions in order to extend this principle to each of the areas and offices affected by this risk.

- Principle of transparency. In light of the need for a corporate culture of operational risk, it is necessary to establish appropriate disclosure of the actions performed to manage this risk at both internal and external level, ensuring that the organisation and market players are able to know and assess the Group’s operational risk approach.

- Principle of adapting to change. Due to the ongoing changes in the regulation and management of credit institutions, the need is established for the bodies responsible for operational risk control to analyse specifically (i) the operational risk profile of new products, processes, systems and lines of business, (ii) the change in the overall risk profile resulting from acquisitions, mergers or integrations and (iii) the operational risk inherent in regulatory amendments.

- Principle of assurance. Group entities should cover their operational risk through insurance contracts, the establishment of a self-insurance fund or through the combination of both systems. The Parent is ultimately responsible for this decision.

The fundamental objectives of operational risk management and control are listed below:

- Identify events that could cause a loss.

- Define appropriate controls to avoid losses.

- Measure the capital necessary to cover operational risk.

- Prepare periodic reports on the Group's exposure to operational losses.

In order to achieve these objectives, a five-phase management cycle has been defined: identification, evaluation, monitoring, measurement and mitigation.

GCC's operational risk model has three lines of defence:

1. First line of defence: Business and support units.
   These are charged with managing the operational risk associated with GCC's products, activities, processes and systems.
2. Second line of defence: Operational Risk Control Office.
   This office is responsible for designing and maintaining the Group's operational risk management model and checking that it is applied correctly by the various units.
3. Third line of defence: GCC Internal Audit.
   This team is charged with performing an independent review of the management model, ensuring that existing corporate policies are adhered to and are effective.

The scope of application of the management cycle is the entire organisation, through all levels, such that it is applied to all risks entailing material exposure. The only exceptions are those areas, departments or processes where there is no material exposure to operational risk.

In order to assure this level of implementation, an analysis should be included of all the Group's credit institutions and special vehicle companies.

- **Organisation of the risks, powers, responsibilities and delegation function. Risk control function. Risk unit reports.**

  Senior management and the governing bodies are responsible for designing and transmitting operational risk values, basic principles and management policies and are ultimately responsible for the Group's operational risks.

  The following bodies have responsibilities relating to operational risk management and control:

  - Risk Committee
  - Management Committee
  - Risk Control Department
  - Operational Risk Control
  - Coordinator Network

- General Internal Audit Department

- **Management tools: measurement, communication, control and monitoring systems**

The Entity has the necessary tools to manage and measure operational risk adequately and fully, especially the following management modules:

- Loss database: Historical depth of over five years.
- Risk map and self-assessment: Qualitative evaluation of risks affecting each area (departments and branch network) and mitigating controls in place.
- KRIs: Key risk indicators or operational risk indicators.
- Action plans and proposals for improvement.

For the calculation of capital consumption caused by operational risk, the necessary automatic procedures have been developed to allocate relevant income by business line, so as to calculate capital requirements under the standard approach of operational risk.

Grupo Cooperativo Cajamar takes part in external forums, benchmarking processes and working groups with other entities in the sector (Spanish Operational Risk Consortium (CERO)), in order to provide comparative event losses data, find out about best practices applied and implement standard criteria.

The Operational Risk Control Office has defined and periodically runs a raft of operational risk stress scenarios that incorporate the main factors found to affect exposure to this risk.

The operational risk stress scenarios are subject to the rules set out in the Group's stress test framework governance manual.

6.5. Interest rate risk

a) Risk policy: limits, diversification and mitigation

The management of this risk is governed by the Interest Rate and Credit Spread Risk Manual.

The Group must implement a commercial and financial policy that limits its exposure to interest rate risk in line with the Risk Appetite Framework defined by the Board of Directors. Accordingly, the risk measurement system must support risk management aligned with the following principles:

- Proactivity: The General Finance Department will regularly assess the Group's positioning alternatives concerning this risk.
- Collaboration: The departments involved in decisions impacting interest rate risk exposure will collaborate to comply with the defined strategy.
- Decision-making criteria: When making decisions regarding interest rate risk exposure, the following guidelines will be considered:
- No speculation against the yield curve: The Group's balance sheet interest rate risk management decisions must avoid speculation on future yield curve movements.
- Risk and cost analysis: Hedging decisions will be made by weighing costs against risks.
- Individual hedging: Decisions on specific balance sheet positions must consider the impact on the overall interest rate risk exposure.

The General Finance Department is responsible for initiating, coordinating and promoting measures to comply with the interest rate risk strategy. It may act within its delegated powers or propose measures to the appropriate governing bodies.

Additionally, the Assets and Liabilities Committee (ALCO) plays a key role in interest rate risk management, requesting, receiving, and analysing the necessary documentation. ALCO, either directly or through the General Finance Department, will promote the necessary risk management measures.

The ALCO will discuss the strategies for managing IRRBB exposure and submit them for authorisation to the Board of Directors or its delegated body (e.g., via the Annual Financing Plan).

To ensure ongoing risk monitoring, the Risk Appetite Framework includes metrics to quantify and report exposure levels. The framework also establishes the governance, review, and update mechanisms for these metrics.

b) **Organisation of the risks, powers, responsibilities and delegation function. Risk control function.**

The governing bodies responsible for interest rate risk management and control are defined in the Interest Rate and Credit Spread Risk Manual and include:

- **Board of Directors**

  The highest authority on risk and policy matters within the Group. In this regard, the main functions carried out by the Board of Directors, or its delegated committees — particularly the Risk Committee— in relation to risk management are as follows:

  - Establish policies for the management and control of interest rate risk and credit spread risk, through manuals that will be mandatory for the entire organisation. The developments and procedures for managing and controlling these risks must always adhere to the policies established by the Board.
  - Make necessary decisions within its role as the governing body and, where applicable, establish a decision delegation system that ensures a clear allocation of responsibilities.
  - Be informed of and monitor risk information, either directly or through its delegated committees.
  - Participate in risk management either directly or through its delegated committees and assess the adequacy of the resources allocated to the risk management, control, and audit functions.
  - Define the Group's Risk Appetite Framework, in accordance with the provisions set out in the relevant manuals and regulations.

- **General Finance Department**

  Defines, implements, and executes the IRRBB risk management policy and is responsible for managing GCC's balance sheet financial risk in relation to interest rate risk and credit spread risk.

- **Assets and Liabilities Committee (ALCO)**

  The primary body responsible for supervising balance sheet risks.

- **Advanced Models Department**

  Contributes to risk measurement and quantification within its scope. Its mission is the design, development, and monitoring of the Group's decision-support model system.

- **Data Governance and Management Department**

  Responsible for designing and coordinating the implementation of financial and management information systems required to meet the Group's internal and external information needs at any given time. Its primary objective is to ensure that useful and reliable information is always provided.

- **General Control Department**

  Acts as the second line of defence for interest rate risk and credit spread risk.

- **General Internal Audit Department**

  As the third line of defence, it reports functionally and hierarchically to the Board of Directors and therefore maintains absolute independence from the business, risk management, and risk control areas.

c) Management tools: measurement, communication, control and monitoring systems

The Group manages interest rate risk using a specific tool (QALM), which generates interest rate risk statements and all kinds of static and dynamic analyses to evaluate the impact of trends in different interest rate scenarios.

The Group manages interest rate risk at the consolidated level. The sensitivity analysis performed by the Group from a "Net interest income perspective" and from an "Economic value perspective" is presented below:

Group net interest income perspective:

The sensitivity of net interest income is analysed from a dynamic point of view, assuming a static balance sheet —i.e. maintaining the size and structure of the balance sheet— for various scenarios of interest rate changes. A 100 basis-point increase (1%) in interest rates, assuming that the size and structure of the balance sheet remains the same, would have an impact on net interest income over a one-year horizon of 3.49% (4.86% in 2023).

Group economic value perspective:

Future cash flows are discounted to obtain an approximation of the Entity's present value, paying special attention to the repricing of equity figures and the effect of various options. As a result of the analysis, the impact on the Entity's economic value in the event of an instant 100 basis-point increase (1%) in interest rates would be 0.99% (2.37% in 2023).

Analysis of interest rate risk from the economic value perspective at 31 December 2024 and 31 December 2023

The following tables show the analysis of interest rate risk that affects the Group's financial activity at 31 December 2024 and 31 December 2023:

2024	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 and 12 months	Over 12 months	Total sensitive	Sensitivity	Term	Not sensitive	Total
	Thousands of Euros									
Assets										
Money market	1,367,487	100,034	300,000	-	560,000	2,327,521	192	0.82%	3,189,049	5,516,569
Credit market	5,339,485	7,953,533	6,987,270	9,713,221	6,463,956	36,457,464	5,103	1.40%	1,325,127	37,782,591
Capital markets	1,541,636	7,052,715	3,378,370	39,052	3,212,935	15,224,707	1,586,058	10.42%	-	15,224,707
Other assets	-	-	-	-	-	-	-	-	2,850,332	2,850,332
	8,248,607	**15,106,281**	**10,665,640**	**9,752,273**	**10,236,890**	**54,009,692**	**1,591,353**	**3.92%**	**7,364,508**	**61,374,199**
Liabilities										
Money market	929,901	860,904	48,780	42,592	237,203	2,119,380	102	0.48%	9,060	2,128,440
Medium- and long-term issues	1,923,062	2,621,154	999,871	105,543	776,744	6,426,373	653	1.02%	32,450	6,458,823
Other liabilities	3,115,798	310,947	-	-	-	3,426,745	8	0.02%	2,311,295	5,738,039
Payables	16,679,681	1,999,224	2,366,822	3,449,577	22,484,561	46,979,865	10,113	2.15%	69,032	47,048,896
	22,648,442	**5,792,228**	**3,415,473**	**3,597,711**	**23,498,508**	**58,952,363**	**10,876**	**1.84%**	**2,421,836**	**61,374,199**
Gap	**(14,399,835)**	**9,314,053**	**7,250,166**	**6,154,561**	**(13,261,617)**	**(4,942,671)**	**1,580,477**	**2.07%**	**4,942,671**	
Gap/Assets (%)	**(23.46%)**	**15.18%**	**11.81%**	**10.03%**	**(21.61%)**	**(8.05%)**				

2023	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 and 12 months	Over 12 months	Total sensitive	Sensitivity	Term	Not sensitive	Total
	Thousands of Euros									
Assets										
Money market	3,966,987	22,908	5,000	286,621	437,092	4,718,607	671	1.42%	-	4,718,607
Credit market	4,565,824	7,399,754	6,932,938	9,585,070	6,641,740	35,125,327	4,809	1.37%	1,235,166	36,360,493
Capital markets	1,567,266	625,205	452,526	232,561	14,577,787	17,455,345	-	-	370,032	17,825,376
Other assets	-	-	-	-	-	-	-	-	2,876,649	2,876,649
	10,100,077	**8,047,867**	**7,390,464**	**10,104,252**	**21,656,619**	**57,299,279**	**5,480**	**0.96%**	**4,481,846**	**61,781,125**
Liabilities										
Money market	1,666,511	1,663,933	60,417	54,331	300,356	3,745,548	123	0.33%	-	3,745,548
Medium- and long-term issues	217,642	583,722	631,406	968,855	2,931,232	5,332,858	-	-	-	5,332,858
Other liabilities	-	-	-	-	-	-	-	-	9,445,623	9,445,623
Payables	14,551,994	2,581,560	3,176,320	4,912,756	18,034,466	43,257,097	9,575	2.21%	-	43,257,097
	16,436,147	**4,829,216**	**3,868,143**	**5,935,942**	**21,266,054**	**52,335,503**	**9,697**	**1.85%**	**9,445,623**	**61,781,125**
Gap	**(6,336,070)**	**3,218,652**	**3,522,321**	**4,168,310**	**390,564**	**4,963,776**	**(4,217)**	**(0.90%)**	**(4,963,775)**	-
Gap/Assets (%)	**(10.26%)**	**5.21%**	**5.70%**	**6.75%**	**0.63%**	**8.03%**				

Note: The figures in the table above correspond to assets and liabilities analysed by the Balance Sheet Management area. In the case of securitisations with no swap, the outstanding balance and initial characteristics of securitised assets are shown under assets. Securitisation bonds acquired by the entity are recognised under "Capital markets", while on the liabilities side, a liability is booked under "Medium- and long-term issues" with the repricing structure of the securitised assets and with the same balance as these securitised assets.

As per Rule 50.4 of Bank of Spain Circular 2/2016 (with the one-off amendments established in Bank of Spain Circular 3/2022), completing the adaptation of Spanish legislation to Directive 2013/36/EU and Regulation (EU) No 575/2013, institutions must regularly assess what effect interest rate risk may have on their future stability and solvency, especially when the potential impact of interest rate fluctuations on economic value is negative and results in more than a 20% reduction in an institution's economic value or its own funds.

The EBA Guidelines on the management of interest rate risk arising from non-trading book activities (EBA/GL/2018/02) also establishes the need to assess six interest rate shock scenarios. In accordance with Directive (EU) 2019/87, this change in value must not reduce TIER 1 capital by more than 15%.

Similarly, the publication of the EBA/RTS/2022/10 regulation has brought to light a new limit for variation of the entity's NII on variations of +-200bp. This limit came into effect in May 2024 and stands at -5%.

Internal operations, the method used to manage assets and liabilities, the type of information and the criteria applied are covered by the Assets and Liabilities Procedures Committee Manual for the Group approved by the ALCO, and in the Interest Rate, Liquidity, Exchange Rate and Market Risk Manual.

6.6. Liquidity risk

a) <u>Risk policy: limits, diversification and mitigation</u>

In relation to management of this risk, the Liquidity, Exchange Rate and Market Risk Manual addresses: (i) the basic principles governing these risk factors at the Group; (ii) the applicable limits; (iii) the bodies tasked with their management and control; (iv) the procedures for calculating exposure and the related limits; (v) the liquidity contingency plan; and (vi) the risk management and control reports.

The basic principles regarding the management of liquidity risk, which are included in this manual, are:

- The Group must maintain a level of liquid assets that is sufficient to attend to the closest maturities of liabilities.
- The Group must finance loan investments mainly using retail resources, and making the use of wholesale financing remains within prudent limits.
- The Group must maintain an adequate diversification of the maturity dates relating to wholesale financing, so it will establish limits for short-term wholesale financing, and control the maturity dates of those maturing at long term regarding any new emission.
- The Group must maintain an adequate reserve of assets that may be easily converted to cash.
- The Group must actively manage its intraday liquidity risk using tools to monitor daily incomings and outgoings.
- The Group must have defined and implemented a Liquidity Contingency Plan that foresees the action to be taken in the event of liquidity crisis situations deriving from both internal and external causes.
- The Group should have defined a set of relevant stress scenarios and periodically assess the levels of risk associated with each.
- The asset securitisation market will not be one of the entity's business lines. Issuances on this market will only be permitted in relation to prudent liquidity management, principally to generate valid collateral within the scope of application of the European Monetary Policy.

The following limits structure is applied to ensure that liquidity risk exposure is at levels compatible with the basic principles referred to above:

- Short-term liquidity risk limits:
  - Daily liquidity limit. The liquidity for immediate use by the Group at the start of business, adjusted for the expected movement of funds, should be sufficient to cover any unexpected outflow of funds on a working day with a confidence level of 99%.

  - Liquidity profile ratio (LPR) limit. The Group's effective liquidity, i.e. liquid assets minus callable liabilities derived from wholesale financing, in a six-month time horizon, may not fall below 6.5% of the total of customer funds and contingent liabilities. This limit must be fulfilled on a weekly average basis.
  - Guarantees limit available in the discountable assets portfolio. Grupo Cooperativo Cajamar must at all times keep discountable assets available to the European Central Bank with a cash value of at least €1,500 million.
  - Liquidity position limit. The Group must at all times maintain a liquidity position, understood as the sum of available liquid assets and other less liquid assets that can be used to cover possible liquidity gaps in times of stress, of at least 7.50% of the balance sheet total.

- Limit on dependence on wholesale financing. Wholesale financing may not exceed 20% of loans and receivables.

- Limits on short-term wholesale financing. Net wholesale financing falling due in six months or less may not exceed the lower of the following amounts:

  - Overall cash value of the portfolio of discountable assets at the European Central Bank.
  - 30% of total wholesale financing.

- Limit applicable to the eligible mortgage portfolio. The outstanding balance of mortgage covered securities issued by the Group may not exceed 70% of the eligible mortgage portfolio.

- Limits on adjustments to maturities of long-term wholesale financing. At least 100% of any negative liquidity gaps arising from differences between liquidity outflows due to the expiration of wholesale funding instruments and liquidity inflows from the expiration of wholesale investment instruments, over the life of the financing plan in place, must be covered using the Group's potential sources of liquidity at the evaluation date.

This raft of internal limits supplements the regulatory liquidity coverage ratio (LCR) and net stable funding ratio (NSFR).

- The LCR is intended to ensure credit institutions retain an adequate level of available high-quality liquid assets (HQLA) that can be converted into cash to meet liquidity needs for a 30 calendar day critical liquidity stress scenario.

  The Group's LCR at 31 December 2024 was 218.14% (comfortably above the regulatory level of 100%) and the annual average LCR was around 210.00% (185.69% at 31 December 2023).

- The NSFR is one of the key reforms of the Basel Committee to enhance stability in the banking sector. It is intended to ensure the robustness of banks' medium and long-term funding structure, requiring them to retain stable sources of funding sufficient for their operations in order to mitigate the risk of possible liquidity squeezes.

  The Group's LCR at 31 December 2024 was 152.49% (comfortably above the regulatory level of 100%) and the annual average LCR was around 151.57% (140.40% at 31 December 2023).

b) Organisation of the risks, powers, responsibilities and delegation function. Risk control function.

The bodies responsible for liquidity risk management and control are:

- Board of Directors
- Risk Committee
- CEO
- Assets and Liabilities Committee (ALCO)
- Treasury and Capital Markets Department
- Risk Control Department Balance Sheet and Business Risk Control
- Balance Sheet Management
- Accounting Operations, Securities and Cash Management
- General Internal Audit Department

c) Management tools: measurement, communication, control and monitoring systems

The tools used to measure, control and monitor this risk are:

- The Cecabank Risk and Treasury Platform (CITRIX), which includes specialist front, middle and back-office tools, and applications to integrate and reconcile these.
- Bloomberg terminals.
- The QALM application, Quantitative Risk Research (QRR).
- The Group’s core banking operational applications.

7. Cash, cash balances at central banks and other demand deposits

The details of this heading on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Cash	313,546	397,943
Cash balances at central banks	3,417,478	3,215,378
Other demand deposits	121,829	57,529
Total	**3,852,853**	**3,670,850**

The balance under the heading “Cash balances at central banks” relates to the deposit made to cover the minimum reserves ratio (Note 1.4).

The balance of this heading has been considered to be cash and cash equivalents for the purposes of preparing the cash flow statements for 2024 and 2023.

8. Financial instruments

8.1. Breakdown of financial assets and liabilities by nature and category

Details of the carrying amount of the financial assets and liabilities owned by the Group at 31 December 2024 and 31 December 2023, classified at those dates based on the nature and the category defined in the relevant legislation, are as follows:

	Thousands of Euros				
	2024				
	Financial assets held for trading	Non-trading financial assets mandatorily at fair value through profit or loss	Financial assets designated at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost
Financial Assets: Nature/Category					
Derivatives	447	-	-	-	-
Equity instruments	-	1,788	-	149,416	-
Debt securities	-	486	-	2,485	13,076,120
Loans and advances:	-	451,806	-	-	39,157,253
Credit institutions	-	-	-	-	1,364,264
Customers	-	451,806	-	-	37,792,989
Total	**447**	**454,080**	**-**	**151,901**	**52,233,373**
	2023				
Financial Assets: Nature/Category					
Derivatives	814	-	-	-	-
Equity instruments	-	2,692	-	137,972	-
Debt securities	-	41,560	-	748,085	12,183,806
Loans and advances:	-	440,139	-	-	37,098,193
Credit institutions	-	-	-	-	1,047,757
Customers	-	440,139	-	-	36,050,436
Total	**814**	**484,391**	**-**	**886,057**	**49,281,999**

	Thousands of Euros		
	2024		
	Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortised cost
Financial Liabilities: Nature/Category			
Derivatives	419	-	-
Short positions	-	-	-
Deposits:			
Credit institutions	-	-	2,137,505
Customers	-	-	47,307,326
Debt securities issued	-	-	4,523,421
Other financial liabilities	-	-	3,115,798
Total	**419**	**-**	**57,084,050**
	2023		
Financial Liabilities: Nature/Category			
Derivatives	751	-	-
Short positions	-	-	-
Deposits:			
Central banks	-	-	969,302
Credit institutions	-	-	3,771,027
Customers	-	-	43,719,926
Debt securities issued	-	-	3,400,179
Other financial liabilities	-	-	3,378,739
Total	**751**	**-**	**55,239,173**

The fair value of the Group's financial assets and liabilities, by nature and counterparty, at 31 December 2024 and 31 December 2023 is as follows (Note 3.27):

	Thousands of Euros									
2024			**Fair value hierarchy:**			**Change in fair value in the period**		**Accumulated change in fair value before taxes**		
	Balance	*Of which: Securities at fair value*	**Level 1**	**Level 2**	**Level 3**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets held for trading (Note 8.2)	**447**	**447**	**-**	**447**	**-**	**183**	**-**	**-**	**447**	**-**
Derivatives	447	447	-	447	-	183	-	-	447	-
Non-trading financial assets mandatorily at fair value through profit or loss	**454,080**	**454,080**	**-**	**486**	**453,594**	**(8)**	**(628)**	**-**	**(50)**	**1,350**
Equity instruments	1,788	1,788	-	-	1,788	-	(628)	-	-	1,350
Debt securities	486	486	-	486	-	(8)	-	-	(50)	-
Loans and advances	451,806	451,806	-	-	451,806	-	-	-	-	-
Financial assets designated at fair value through profit or loss (Note 8.4)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income (Note 8.5)	**151,901**	**151,901**	**13,485**	**-**	**138,416**	**-**	**2,289**	**(50)**	**-**	**(21,918)**
Equity instruments	149,416	149,416	13,484	-	135,932	-	4,721	(51)	-	(6,034)
Debt securities	2,485	2,485	1	-	2,484	-	(2,431)	1	-	(15,884)
Non-trading and non-derivative financial assets at fair value through profit or loss	-		-	-	-	-	-	-	-	-
Non-trading and non-derivative financial assets at fair value in equity	-		-	-	-	-	-	-	-	-
Derivatives – Hedge accounting (Note 9)	**2,660,778**	**2,660,778**	**-**	**2,660,778**	**-**	**(171,417)**	**-**	**-**	**1,021,650**	**-**
ASSETS	**3,267,206**	**3,267,206**	**13,485**	**2,661,711**	**592,010**	**(171,242)**	**1,661**	**(50)**	**1,022,047**	**(20,568)**
Financial liabilities held for trading (Note 8.2)	**419**	**419**	**-**	**419**	**-**	**(186)**	**-**	**-**	**(410)**	**-**
Derivatives	419	419	-	419	-	(186)	-	-	(410)	-
Financial liabilities designated at fair value through profit or loss (Note 8.4)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivatives – Hedge accounting (Note 9)	**88,955**	**88,955**	**-**	**88,955**	**-**	**(4,586)**	**-**	**-**	**(23,044)**	**-**
LIABILITIES	**89,374**	**89,374**	**-**	**89,374**	**-**	**(4,772)**	**-**	**-**	**(23,454)**	**-**

	Thousands of Euros									
2023			**Fair value hierarchy:**			**Change in fair value in the period**		**Accumulated change in fair value before taxes**		
	Balance	*Of which: Securities at fair value*	**Level 1**	**Level 2**	**Level 3**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets held for trading (Note 8.2)	**814**	**814**	**-**	**814**	**-**	**85,825**	**-**	**-**	**(116,515)**	**-**
Derivatives	814	814	-	814	-	85,825	-	-	(116,515)	-
Non-trading financial assets mandatorily at fair value through profit or loss	**484,391**	**484,391**	**34,098**	**7,462**	**442,831**	**(971)**	**459**	**(4,784)**	**(426)**	**1,860**
Equity instruments	2,692	2,692	-	-	2,692	-	459	-	-	1,860
Debt securities	41,560	41,560	34,098	7,462	-	(971)	-	(4,784)	(426)	-
Loans and advances	440,139	440,139	-	-	440,139	-	-	-	-	-
Financial assets designated at fair value through profit or loss (Note 8.4)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income (Note 8.5)	**886,057**	**886,057**	**750,925**	**76**	**135,056**	**-**	**3,236**	**(11,855)**	**-**	**(23,952)**
Equity instruments	137,972	137,972	12,631	-	125,341	-	3,084	(910)	-	(10,499)
Debt securities	748,085	748,085	738,294	76	9,715	-	152	(10,945)	-	(13,453)
Derivatives – Hedge accounting (Note 9)	**2,957,536**	**2,957,536**	**-**	**2,957,536**	**-**	**1,149,347**	**-**	**-**	**1,320,560**	**-**
ASSETS	**4,328,798**	**4,328,798**	**785,023**	**2,965,888**	**577,887**	**1,234,201**	**3,695**	**(16,639)**	**1,203,619**	**(22,092)**
Financial liabilities held for trading (Note 8.2)	**751**	**751**	**-**	**751**	**-**	**(85,792)**	**-**	**-**	**(117,275)**	**-**
Derivatives	751	751	-	751	-	(85,792)	-	-	(117,275)	-
Financial liabilities designated at fair value through profit or loss (Note 8.4)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivatives – Hedge accounting (Note 9)	**141,993**	**141,993**	**-**	**141,993**	**-**	**(2,996)**	**-**	**-**	**2,996**	**-**
LIABILITIES	**142,744**	**142,744**	**-**	**142,744**	**-**	**(88,788)**	**-**	**-**	**(114,279)**	**-**

There were no material changes in terms of reclassification between the various levels of the fair value hierarchy in 2024 and 2023.

A breakdown of financial instruments by residual maturity at 31 December 2024 and 31 December 2023 is provided below. The maturity dates used in the table are the expected dates of maturity or cancellation based on the Group's past experience:

2024

	Thousands of Euros									
ASSETS	**Demand**	**Up to 1 month**	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 to 5 years**	**More than 5 years**	**Indeterminate, unclassified maturity**	**Valuation adjustments**	**Total**
Cash, cash balances at central banks and other demand deposits	**3,852,622**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**231**	**3,852,853**
Financial assets held for trading	**-**	**173**	**20**	**37**	**135**	**82**	**-**	**-**	**-**	**447**
Derivatives	-	173	20	37	135	82	-	-	-	447
Non-trading financial assets mandatorily at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**452,292**	**1,788**	**-**	**454,080**
Equity instruments	-	-	-	-	-	-	-	1,788	-	1,788
Debt securities	-	-	-	-	-	-	486	-	-	486
Loans and advances	-	-	-	-	-	-	451,806	-	-	451,806
Customers	-	-	-	-	-	-	451,806	-	-	451,806
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**10,341**	**149,416**	**(7,856)**	**151,901**
Equity instruments	-	-	-	-	-	-	-	149,416	-	149,416
Debt securities	-	-	-	-	-	-	10,341	-	(7,856)	2,485
Financial assets at amortised cost	**334,875**	**1,126,079**	**1,230,197**	**2,060,320**	**2,838,005**	**14,186,503**	**27,643,183**	**3,953,245**	**(1,139,034)**	**52,233,373**
Debt securities	-	-	15,425	492,546	13,155	2,376,872	11,077,791	6,016	(905,685)	13,076,120
Loans and advances	334,875	1,126,079	1,214,772	1,567,774	2,824,850	11,809,631	16,565,392	3,947,229	(233,349)	39,157,253
Credit institutions	-	235,194	100,034	300,000	-	500,000	60,003	153,259	15,774	1,364,264
Customers	334,875	890,885	1,114,738	1,267,774	2,824,850	11,309,631	16,505,389	3,793,970	(249,123)	37,792,989
TOTAL	**4,187,497**	**1,126,252**	**1,230,217**	**2,060,357**	**2,838,140**	**14,186,585**	**28,105,816**	**4,104,449**	**(1,146,659)**	**56,692,654**
LIABILITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities held for trading	**-**	**166**	**20**	**34**	**129**	**70**	**-**	**-**	**-**	**419**
Derivatives	-	166	20	34	129	70	-	-	-	419
Debt securities issued	-	-	-	-	-	-	-	-	-	-
Financial liabilities at amortised cost	**38,628,509**	**1,193,961**	**2,143,990**	**2,716,145**	**3,519,683**	**4,416,447**	**1,304,446**	**2,990,649**	**170,220**	**57,084,050**
Deposits	38,628,509	1,066,966	2,143,990	2,716,145	3,519,683	1,079,751	209,656	1,846	78,285	49,444,831
Credit institutions	122,365	211,932	245,972	349,218	221,424	910,841	65,414	1,274	9,065	2,137,505
Customers	38,506,144	855,034	1,898,018	2,366,927	3,298,259	168,910	144,242	572	69,220	47,307,326
Debt securities issued	-	-	-	-	-	3,336,696	1,094,790	-	91,935	4,523,421
Other financial liabilities	-	126,995	-	-	-	-	-	2,988,803	-	3,115,798
Memorandum: subordinated liabilities	-	-	-	-	-	-	597,654	-	3,466	601,120
TOTAL	**38,628,509**	**1,194,127**	**2,144,010**	**2,716,179**	**3,519,812**	**4,416,517**	**1,304,446**	**2,990,649**	**170,220**	**57,084,469**

2023

	Thousands of Euros									
ASSETS	**Demand**	**Up to 1 month**	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 to 5 years**	**More than 5 years**	**Indeterminate, unclassified maturity**	**Valuation adjustments**	**Total**
Cash, cash balances at central banks and other demand deposits	**3,669,824**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,026**	**3,670,850**
Financial assets held for trading	**34**	**199**	**161**	**34**	**118**	**268**	**-**	**-**	**-**	**814**
Derivatives	34	199	161	34	118	268	-	-	-	814
Non-trading financial assets mandatorily at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**481,699**	**2,692**	**-**	**484,391**
Equity instruments	-	-	-	-	-	-	-	2,692	-	2,692
Debt securities	-	-	-	-	-	-	41,560	-	-	41,560
Loans and advances	-	-	-	-	-	-	440,139	-	-	440,139
Customers	-	-	-	-	-	-	440,139	-	-	440,139
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income	**-**	**199,422**	**-**	**393,936**	**-**	**52,902**	**104,882**	**137,971**	**(3,056)**	**886,057**
Equity instruments	-	-	-	-	-	-	-	137,972	-	137,972
Debt securities	-	199,422	-	393,936	-	52,902	104,882	(1)	(3,056)	748,085
Financial assets at amortised cost	**358,249**	**863,944**	**1,364,066**	**1,731,308**	**3,762,885**	**13,677,813**	**27,282,580**	**1,605,422**	**(1,364,268)**	**49,281,999**
Debt securities	-	-	33,435	2,016	250,418	1,723,725	11,266,133	-	(1,091,921)	12,183,806
Loans and advances	358,249	863,944	1,330,631	1,729,292	3,512,467	11,954,088	16,016,447	1,605,422	(272,347)	37,098,193
Credit institutions	-	56,646	22,908	-	286,621	382,092	60,003	226,600	12,887	1,047,757
Customers	358,249	807,298	1,307,723	1,729,292	3,225,846	11,571,996	15,956,444	1,378,822	(285,234)	36,050,436
TOTAL	**4,028,107**	**1,063,565**	**1,364,227**	**2,125,278**	**3,763,003**	**13,730,983**	**27,869,161**	**1,746,085**	**(1,366,298)**	**54,324,111**
LIABILITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Financial liabilities held for trading	**1**	**188**	**174**	**31**	**121**	**236**	**-**	**-**	**-**	**751**
Derivatives	1	188	174	31	121	236	-	-	-	751
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities at amortised cost	**35,964,646**	**3,496,368**	**3,442,108**	**1,898,843**	**4,109,698**	**3,886,562**	**1,912,265**	**377,349**	**151,334**	**55,239,173**
Deposits	35,964,599	492,840	3,442,108	1,898,843	4,109,698	2,144,790	316,171	2,185	89,021	48,460,255
Central banks	-	-	949,000	-	-	-	-	-	20,302	969,302
Credit institutions	125,117	12,278	771,488	31,218	901,359	1,834,144	81,113	1,567	12,743	3,771,027
Customers	35,839,482	480,562	1,721,620	1,867,625	3,208,339	310,646	235,058	618	55,976	43,719,926
Debt securities issued	-	-	-	-	-	1,741,772	1,596,094	-	62,313	3,400,179
Other financial liabilities	47	3,003,528	-	-	-	-	-	375,164	-	3,378,739
Memorandum: subordinated liabilities	-	-	-	-	-	-	597,654	-	2,965	600,619
TOTAL	**35,964,647**	**3,496,556**	**3,442,282**	**1,898,874**	**4,109,819**	**3,886,798**	**1,912,265**	**377,349**	**151,334**	**55,239,924**

The following table shows the total exposure to credit risk net of valuation adjustments at 31 December 2024 and 31 December 2023:

	Thousands of Euros	
	2024	**2023**
Financial assets held for trading	**447**	**814**
Hedging derivatives	447	814
Loans and advances	-	-
Non-trading financial assets mandatorily at fair value through profit or loss	**454,080**	**484,391**
Equity instruments	1,788	2,692
Debt securities	486	41,560
Loans and advances	451,806	440,139
Financial assets designated at fair value through profit or loss	**-**	**-**
Debt securities	-	-
Loans and advances	-	-
Financial assets at fair value through other comprehensive income	**151,901**	**886,057**
Equity instruments	149,416	137,972
Debt securities	2,485	748,085
Financial assets at amortised cost	**52,233,373**	**49,281,999**
Debt securities	13,076,120	12,183,806
Loans and advances	39,157,253	37,098,193
Hedging derivatives	**2,660,778**	**2,957,536**
Total credit risk due to financial assets	**55,500,579**	**53,610,797**
Loan commitments given	5,381,559	5,287,936
Financial guarantees given	380,501	378,620
Other commitments given	1,428,100	998,058
Total off-balance sheet exposures	**7,190,160**	**6,664,614**
Total maximum exposure to credit risk	**62,690,739**	**60,275,411**

Credit risk concentration by activity, geographical area and counterparty at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros				
	2024				
	TOTAL	**Spain**	**Rest of the European Union**	**Latin America**	**Rest of the world**
Central banks and credit institutions	**7,725,595**	**6,947,808**	**768,206**	**3,220**	**6,361**
General governments	**15,143,256**	**6,869,447**	**8,270,786**	**-**	**3,023**
Central government	12,424,089	4,232,009	8,189,057	-	3,023
Other general government exposures	2,719,167	2,637,438	81,729	-	-
Other financial corporations and sole proprietorships (financial business activity)	**2,247,437**	**1,660,385**	**564,111**	**8,791**	**14,150**
Non-financial corporations and sole proprietorships (non-financial business activity) (broken down by sector)	**21,035,336**	**19,163,558**	**1,538,819**	**84,730**	**248,229**
Real estate construction and property development (including land)	268,024	268,024	-	-	-
Civil works construction	-	-	-	-	-
Other purposes	20,767,312	18,895,534	1,538,819	84,730	248,229
Large corporations	10,568,646	8,724,156	1,521,748	78,459	244,283
SMEs and sole proprietorships	10,198,666	10,171,378	17,071	6,271	3,946
Other households (broken down by purpose)	**14,688,302**	**14,391,329**	**157,288**	**19,342**	**120,343**
Housing	12,547,143	12,256,128	153,411	19,135	118,469
Consumer	505,024	502,197	1,965	161	701
Other purposes	1,636,135	1,633,004	1,912	46	1,173
TOTAL	**60,839,926**	**49,032,527**	**11,299,210**	**116,083**	**392,106**

	2023				
	TOTAL	**Spain**	**Rest of the European Union**	**Latin America**	**Rest of the world**
Central banks and credit institutions	**7,595,962**	**6,863,112**	**726,884**	**3,707**	**2,259**
General governments	**14,801,541**	**6,700,922**	**8,097,596**	**-**	**3,023**
Central government	12,321,966	4,275,003	8,043,940	-	3,023
Other general government exposures	2,479,575	2,425,919	53,656	-	-
Other financial corporations and sole proprietorships (financial business activity)	**2,016,892**	**1,237,378**	**685,163**	**9,666**	**84,685**
Non-financial corporations and sole proprietorships (non-financial business activity) (broken down by sector)	**19,751,862**	**18,176,724**	**1,303,912**	**75,294**	**195,932**
Real estate construction and property development (including land)	328,774	328,774	-	-	-
Civil works construction	-	-	-	-	-
Other purposes	19,423,088	17,847,950	1,303,912	75,294	195,932
Large corporations	8,290,970	6,738,365	1,288,610	72,937	191,058
SMEs and sole proprietorships	11,132,118	11,109,585	15,302	2,357	4,874
Other households (broken down by purpose)	**14,063,747**	**13,798,879**	**132,903**	**14,289**	**117,676**
Housing	12,299,006	12,039,177	129,829	14,112	115,888
Consumer	514,071	511,120	1,886	87	978
Other purposes	1,250,670	1,248,582	1,188	90	810
TOTAL	**58,230,004**	**46,777,015**	**10,946,458**	**102,956**	**403,575**

Total risk includes the following balance sheet items: Deposits at credit institutions, customer loans, debt securities, capital instruments, trading derivatives, hedging derivatives, investments and contingent exposures, after deducting valuation adjustments for specific hedging operations.

Credit risk concentration in Spain by geographical area and counterparty at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros									
	2024									
	TOTAL	Andalusia	Aragon	Asturias	Balearic Islands	Canary Islands	Cantabria	Castile-La Mancha	Castile and Leon	Catalonia
Central banks and credit institutions	**6,947,809**	**268,205**	**15,340**	**-**	**710**	**-**	**715,416**	**-**	**1**	**-**
General governments	**6,869,447**	**721,565**	**17,255**	**41,947**	**24,246**	**486,854**	**-**	**36,731**	**70,329**	**355,821**
Central government	4,232,010	-	-	-	-	-	-	-	-	-
Other general government exposures	2,637,437	721,565	17,255	41,947	24,246	486,854	-	36,731	70,329	355,821
Other financial corporations and sole proprietorships (financial business activity)	**1,660,385**	**655,984**	**3,315**	**1**	**623**	**700**	**-**	**148**	**2,067**	**19,220**
Non-financial corporations and sole proprietorships (non-financial business activity) (broken down by sector)	**19,163,558**	**4,053,898**	**310,804**	**263,790**	**606,016**	**675,766**	**116,283**	**293,970**	**1,058,084**	**1,181,279**
Real estate development and construction (including land)	268,024	95,967	4	-	587	16,494	2	15,913	6,557	4,116
Civil works construction	-	-	-	-	-	-	-	-	-	-
Other purposes	18,895,534	3,957,931	310,800	263,790	605,429	659,272	116,281	278,057	1,051,527	1,177,163
Large corporations	8,724,156	772,931	215,396	225,356	233,402	230,012	93,151	48,969	207,495	716,202
SMEs and sole proprietorships	10,171,378	3,185,000	95,404	38,434	372,027	429,260	23,130	229,088	844,032	460,961
Other households (broken down by purpose)	**14,391,329**	**4,000,765**	**180,862**	**23,667**	**479,965**	**469,739**	**14,517**	**171,212**	**675,662**	**965,832**
Housing	12,256,128	3,424,051	36,498	21,574	443,798	420,509	12,667	137,605	495,829	878,250
Consumer	502,197	122,218	1,701	708	11,820	20,869	442	6,057	37,012	15,485
Other purposes	1,633,004	454,496	142,663	1,385	24,347	28,361	1,408	27,550	142,821	72,097
TOTAL	**49,032,528**	**9,700,417**	**527,576**	**329,405**	**1,111,560**	**1,633,059**	**846,216**	**502,061**	**1,806,143**	**2,522,152**

	Extremadura	Galicia	Madrid	Murcia	Navarre	Valencian Community	Basque Country	La Rioja	Ceuta and Melilla
Central banks and credit institutions	**-**	**21,522**	**3,511,122**	**-**	**-**	**29,404**	**2,386,089**	**-**	**-**
General governments exposures	**-**	**25,708**	**165,407**	**351,436**	**171**	**277,043**	**-**	**-**	**62,924**
Central government	-	-	-	-	-	-	-	-	-
Other general government	-	25,708	165,407	351,436	171	277,043	-	-	62,924
Other financial corporations and sole proprietorships (financial business activity)	**47**	**42**	**956,531**	**12,050**	**5**	**8,960**	**502**	**186**	**4**
Non-financial corporations and sole proprietorships (non-financial business activity) (broken down by sector)	**95,460**	**381,127**	**3,949,460**	**1,987,599**	**120,706**	**3,073,067**	**962,571**	**21,034**	**12,644**
Real estate development and construction (including land)	-	1,671	25,126	36,203	210	64,139	62	-	973
Civil works construction	-	-	-	-	-	-	-	-	-
Other purposes	95,460	379,456	3,924,334	1,951,396	120,496	3,008,928	962,509	21,034	11,671
Large corporations	43,529	255,153	3,281,146	472,446	88,368	903,289	930,322	4,224	2,765
SMEs and sole proprietorships	51,931	124,303	643,188	1,478,950	32,128	2,105,639	32,187	16,810	8,906
Other households (broken down by purpose)	**16,465**	**64,150**	**865,966**	**2,403,141**	**55,383**	**3,924,748**	**13,204**	**10,229**	**55,822**
Housing	9,418	59,912	819,378	2,094,813	51,879	3,276,804	12,250	9,546	51,347
Consumer	391	1,486	13,637	86,768	1,902	179,865	386	351	1,099
Other purposes	6,656	2,752	32,951	221,560	1,602	468,079	568	332	3,376
TOTAL	**111,972**	**492,549**	**9,448,486**	**4,754,226**	**176,265**	**7,313,222**	**3,362,366**	**31,449**	**131,394**

	Thousands of Euros									
	2023									
	TOTAL	Andalusia	Aragon	Asturias	Balearic Islands	Canary Islands	Cantabria	Castile-La Mancha	Castile and Leon	Catalonia
Central banks and credit institutions	**6,863,111**	**332,861**	**28,660**	**-**	**710**	**-**	**495,275**	**-**	**-**	**31,096**
General governments	**6,700,922**	**691,171**	**18,747**	**45,699**	**26,468**	**398,612**	**-**	**64,583**	**79,323**	**326,411**
Central government	4,275,003	-	-	-	-	-	-	-	-	-
Other general government	2,425,919	691,171	18,747	45,699	26,468	398,612	-	64,583	79,323	326,411
Other financial corporations and sole proprietorships (financial business activity)	**1,237,378**	**612,611**	**75**	**2**	**878**	**910**	**-**	**223**	**1,463**	**16,981**
Non-financial corporations and sole proprietorships (non-financial business activity) (broken down by sector)	**18,176,725**	**4,087,794**	**281,279**	**158,998**	**491,633**	**690,284**	**34,590**	**331,272**	**1,020,262**	**1,225,490**
Real estate development and construction (including land)	328,774	100,618	5	-	3,724	18,043	7	40,962	7,573	5,685
Civil works construction	-	-	-	-	-	-	-	-	-	-
Other purposes	17,847,951	3,987,176	281,274	158,998	487,909	672,241	34,583	290,310	1,012,689	1,219,805
Large corporations	6,738,365	716,624	148,254	130,078	82,377	197,922	5,913	48,203	148,579	740,126
SMEs and sole proprietorships	11,109,586	3,270,552	133,020	28,920	405,532	474,319	28,670	242,107	864,110	479,679
Other households (broken down by purpose)	**13,798,879**	**3,800,053**	**118,261**	**20,729**	**436,098**	**448,959**	**13,255**	**146,899**	**582,243**	**931,827**
Housing	12,039,176	3,384,922	32,530	18,764	399,448	398,341	11,495	124,331	469,784	878,307
Consumer	511,121	121,751	1,380	981	12,138	21,633	437	5,866	38,594	15,696
Other purposes	1,248,582	293,380	84,351	984	24,512	28,985	1,323	16,702	73,865	37,824
TOTAL	**46,777,015**	**9,524,490**	**447,022**	**225,428**	**955,787**	**1,538,765**	**543,120**	**542,977**	**1,683,291**	**2,531,805**

	Extremadura	Galicia	Madrid	Murcia	Navarre	Valencian Community	Basque Country	La Rioja	Ceuta and Melilla
Central banks and credit institutions	**-**	**33,651**	**3,315,990**	**-**	**-**	**46,458**	**2,578,410**	**-**	**-**
General governments	**-**	**25,702**	**168,711**	**61,509**	**196**	**410,111**	**-**	**-**	**108,676**
Central government	-	-	-	-	-	-	-	-	-
Other general government	-	25,702	168,711	61,509	196	410,111	-	-	108,676
Other financial corporations and sole proprietorships (financial business activity)	**61**	**19**	**558,485**	**6,911**	**6**	**13,172**	**25,558**	**9**	**14**
Non-financial corporations and sole proprietorships (non-financial business activity) (broken down by sector)	**73,345**	**318,886**	**3,127,190**	**2,179,142**	**118,569**	**3,178,018**	**818,697**	**27,667**	**13,609**
Real estate development and construction (including land)	13	1,750	36,647	34,549	252	77,938	62	-	946
Civil works construction	-	-	-	-	-	-	-	-	-
Other purposes	73,332	317,136	3,090,543	2,144,593	118,317	3,100,080	818,635	27,667	12,663
Large corporations	20,224	171,565	2,150,241	514,148	81,470	784,699	785,598	8,952	3,392
SMEs and sole proprietorships	53,108	145,571	940,302	1,630,445	36,847	2,315,381	33,037	18,715	9,271
Other households (broken down by purpose)	**9,936**	**50,041**	**755,018**	**2,419,237**	**50,327**	**3,942,872**	**7,721**	**9,221**	**56,182**
Housing	7,755	47,090	714,333	2,139,940	47,038	3,298,085	7,120	8,569	51,324
Consumer	391	1,276	12,520	87,938	1,948	186,964	176	374	1,058
Other purposes	1,790	1,675	28,165	191,359	1,341	457,823	425	278	3,800
TOTAL	**83,342**	**428,299**	**7,925,394**	**4,666,799**	**169,098**	**7,590,631**	**3,430,386**	**36,897**	**178,481**

Total risk includes the following balance sheet items: deposits at credit institutions, customer loans, debt securities, capital instruments, trading derivatives, hedging derivatives, investments and contingent exposures, after deducting valuation adjustments for specific hedging operations.

Risk is distributed by geographical area based on the location of the Group's customers, and primarily concerns businesses in Spain.

8.2. Financial assets and liabilities held for trading

Details of this heading of the accompanying consolidated balance sheets are as follows:

	Thousands of Euros			
	Assets		Liabilities	
	2024	2023	2024	2023
Derivatives	447	814	419	751
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
Loans and advances	-	-	-	-
Total	**447**	**814**	**419**	**751**

8.2.1. Derivatives

In accordance with the matters indicated in Note 3.1 to the accompanying annual accounts, trading derivatives are classified in the trading portfolio and, as such, are measured at fair value, and any changes that may arise in their fair value are recorded directly on the consolidated statement of profit or loss.

At 31 December 2024 and 31 December 2023, the fair value of trading derivatives on the asset side is €447 thousand and €814 thousand, respectively, and the fair value of derivatives on the liabilities side is €419 thousand and €751 thousand, respectively.

Trading derivatives are classified in Level 2 (Notes 3.27 and 8.1) because the valuations are calculated on the basis of observable market inputs. For the most part they consist of interest rate derivatives, whose notional amount at 31 December 2024 was €316,787 thousand (€844,753 thousand at 31 December 2023).

The notional amounts of financial derivatives recorded as "Trading derivatives" at 31 December 2024 and 31 December 2023 are indicated below, classified by type of market, type of product, counterparty, remaining term and type of risk:

	Thousands of Euros							
	2024				2023			
	Carrying amount		Notional amount		Carrying amount		Notional amount	
	Financial assets held for trading	Financial liabilities held for trading	Total trading	Of which: sold	Financial assets held for trading	Financial liabilities held for trading	Total trading	Of which: sold
Interest rate	**107**	**91**	**316,787**	**3,464**	**395**	**381**	**844,753**	**7,334**
OTC options	-	-	6,927	3,464	109	108	14,669	7,334
Other OTC	107	91	309,860		286	273	830,084	
Other OTC	-	-	-		-	-	-	
Foreign exchange and gold	**340**	**328**	**21,317**	**-**	**419**	**370**	**60,330**	**-**
Other OTC	340	328	21,317	-	419	370	60,330	
DERIVATIVES	**447**	**419**	**338,104**	**3,464**	**814**	**751**	**905,083**	**7,334**
Of which: OTC – credit institutions	398	46	319,292		492	301	871,160	
Of which: OTC – other	48	373	18,812		322	450	33,923	

The fair value of the Group's financial asset and liability derivatives, by nature and counterparty, at 31 December 2024 and 31 December 2023 is as follows (Note 3.27):

2024	Thousands of Euros									
			Fair value hierarchy:			Change in fair value in the period		Accumulated change in fair value before taxes		
	Balance	*Of which: Securities at fair value*	Level 1	Level 2	Level 3	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets held for trading										
Derivatives	447	447	-	447	-	183	-	-	447	-
Financial liabilities held for trading										
Derivatives	419	419	-	419	-	(186)	-	-	(410)	-

2023	Thousands of Euros									
			Fair value hierarchy:			Change in fair value in the period		Accumulated change in fair value before taxes		
	Balance	*Of which: Securities at fair value*	Level 1	Level 2	Level 3	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets held for trading										
Derivatives	814	814	-	814	-	85,825	-	-	(116,515)	-
Financial liabilities held for trading										
Derivatives	751	751	-	751	-	(85,792)	-	-	(117,275)	-

8.2.2. Equity instruments

At 31 December 2024 and 31 December 2023, the Group does not hold any positions in this portfolio, but in 2024 a portfolio was established in the amount of €49,306 thousand (€87,621 thousand in 2023) and was removed from the balance sheet that the same year.

The result on disposal of assets classified in this portfolio at 31 December 2024 was €14 thousand (€13 thousand at 31 December 2023) (Note 26).

8.2.3. Debt securities

At 31 December 2024 and 31 December 2023 the Group had no positions in this portfolio.

8.2.4. Loans and advances

At 31 December 2024 and 31 December 2023 there were no balances classified under this balance sheet heading.

8.3. Non-trading financial assets mandatorily at fair value through profit or loss

Details of this heading of the accompanying consolidated balance sheets are as follows:

	Thousands of Euros	
	2024	**2023**
Equity instruments	1,788	2,692
Debt securities	486	41,560
Loans and advances	451,806	440,139
Total	**454,080**	**484,391**

The fair value of assets classified in the "Non-trading financial assets mandatorily at fair value through profit or loss" portfolio is classified in three levels: Level 1 includes all those assets whose valuation prices are obtained from active markets; Level 2 is for assets having prices or valuations based on variables other than those that apply to Level 1 and which are directly or indirectly observable in the market; and Level 3 contains assets whose valuation or valuation price is provided by a third party or calculated internally on the basis of in-house criteria and models (Note 8.1).

8.3.1. Equity instruments

At 31 December 2024 and 31 December 2023 the breakdown of this heading by the issuer's business sector is as follows:

	Thousands of Euros	
	2024	**2023**
Credit institutions	-	-
Other resident sectors	-	-
Non-residents	1,788	2,692
Total	**1,788**	**2,692**

The breakdown of the "Equity instruments" account at 31 December 2024 and 31 December 2023, based on whether the shares are listed or not and showing the percentage of the total, is as follows:

	2024		**2023**	
	Thousands of Euros	**% of total**	**Thousands of Euros**	**% of total**
Unlisted:	**1,788**	**100.00%**	**2,692**	**100.00%**
Cost	438	24.50%	832	30.91%
Valuation adjustments against profit or loss	1,350	75.50%	1,860	69.09%
Total	**1,788**	**100.00%**	**2,692**	**100.00%**

The movements in the "Equity instruments" account during 2024 and 2023, without considering impairment losses, were as follows:

	Thousands of Euros	
	Unlisted	
	2024	**2023**
Opening balance	**2,692**	**2,312**
Additions	-	-
Disposals	(428)	-
Value adjustments against profit and loss	(510)	410
Correction of the cost due to currency conversion	34	(30)
Closing balance	**1,788**	**2,692**

The movements in 2024 due to derecognition of unlisted securities relate to the partial settlement of "Class C" (convertible) shares of Visa Inc., representing 50.5% of the investment held at that date, which was executed in the third contractually recognised conversion window and applying the exchange rate at that date.

8.3.2. Debt securities

Details of debt securities, classified based on the counterparty, are as follows:

	Thousands of Euros	
	2024	**2023**
Central banks	-	-
General governments	-	-
Credit institutions	-	34,098
Other private sectors	486	7,462
Non-performing assets	-	-
Total	**486**	**41,560**

At 31 December 2024 and 31 December 2023 there were no securities pledged to secure transactions.

Movements in the balance under this heading of the accompanying consolidated balance sheets in 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**41,560**	**40,000**
Sales and redemptions	(46,140)	(437)
Portfolio cost allowance	104	(347)
Accrued interest	(195)	29
Valuation adjustments against profit or loss	5,157	2,315
Closing balance	**486**	**41,560**

At 31 December 2024 the nominal amount of the securities in this portfolio was €538 thousand, while their fair value was €486 thousand. At 31 December 2023 the nominal amount of the securities in this portfolio was €46,422 thousand, while their fair value was €41,560 thousand.

The main disposals during 2024 involved sales amounting to €40,469 thousand, generating a gain of €3,492 thousand. The remaining disposals in the year relate to redemptions for which a reduction of €374 thousand was recorded (the figure generated by redemptions in 2023 was €2,577 thousand) (Note 26).

Income from “Debt securities” at 31 December 2024 amounted to €1,113 thousand (€2,753 thousand at 31 December 2023) (Note 26).

The average effective interest rate on debt instruments classified in this portfolio in the Group during 2024 was 3.12% (4.36% in 2023).

8.3.3. Loans and advances

At 31 December 2024 the Group has recognised a receivable from Generali of €451,806 thousand (€440,139 thousand at 31 December 2023) corresponding to the fair value of the best estimate of the variable price of the Cajamar Vida, S.A. transaction and of the balances relating to receivables obtained through various novation agreements.

The above figure was generated by the Group's sale of 50% of the capital of Cajamar Vida, S.A. de Seguros y Reaseguros to Generali España, Holding de Entidades de Seguros, S.A. The overall price of the share purchase and sale is composed of a fixed price and a variable price to be determined based on the value of the business and the net asset value attained at maturity of the contract. Subsequently, to give coverage to agreements reached by the newly configured IPS and branch network, the Group signed several renegotiations in subsequent years, mainly to modify the determination of the variable price. As part of these modifications, in 2022 the fourth novation of the contract was signed, affirming their continued mutual interest in prolonging the alliance until 2035, and introducing adjustments to the cash flows and their calculations, thus rebalancing the agreement between the parties. In said novation agreement, a part of the variable price was established, referred to as the extraordinary accrued variable price. This income arose from the recognition of services provided in the past and was not, therefore, linked to any plan involving a minimum volume of products to be sold by the Group and its network.

At 31 December 2024, €7,277 thousand for the annual recognition of the variable price resulting from the fourth novation has been recognised in the statement of profit or loss under “Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net” and €4,390 thousand in net interest income as the financial component of the operation, of which €3,414 thousand corresponds to the consolidated debt of prior years and the up-front component, and €976 thousand to the earn-out. The result recorded in 2023 for the annual recognition of the variable price amounted to €8,537 thousand, and €4,077 thousand was recognised in net interest income derived from the financial component of the transaction.

8.4. Financial assets designated at fair value through profit or loss

At 31 December 2024 and 31 December 2023 there were no balances recognised under this balance sheet heading.

8.5. *Financial assets at fair value through other comprehensive income*

Details of this heading of the accompanying consolidated balance sheets are as follows:

	Thousands of Euros	
	2024	**2023**
Debt securities	2,485	748,085
Equity instruments	149,416	137,972
Loans and advances	-	-
Total	**151,901**	**886,057**

The fair value of assets classified in the “Financial assets at fair value through other comprehensive income” portfolio is classified in three levels: Level 1 includes all those assets whose valuation prices are obtained from active markets; Level 2 is for assets having prices or valuations based on variables other than those that apply to Level 1 and which are directly or indirectly observable in the market; and Level 3 contains assets whose valuation or valuation price is provided by a third party or calculated internally on the basis of in-house criteria and models (Note 8.1).

8.5.1. Debt securities

Details of debt securities, classified based on the counterparty, are as follows:

	Thousands of Euros	
	2024	**2023**
Central banks	-	-
General governments	1	593,359
Credit institutions	10,340	107,004
Other private sectors	-	50,778
Non-performing assets	-	-
Valuation adjustments:		
Valuation adjustments for impairment	(7,856)	(3,056)
Total	**2,485**	**748,085**

The average effective interest rate on debt instruments classified in this portfolio in the Group during 2024 was 1.91% (0.80% in 2023).

The movements in the balance of this item in the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**748,085**	**1,521,208**
Procurements	195,439	-
Sales and redemptions	(944,851)	(800,986)
Portfolio cost allowance	3,563	1,564
Accrued interest	2,790	(70)
Valuation adjustments in equity	2,259	26,369
Valuation adjustments for impairment	(4,800)	-
Closing balance	**2,485**	**748,085**

The gains or losses on disposal of assets classified as “Financial assets at fair value through other comprehensive income” recognised in profit or loss at 31 December 2024 amounted to a loss of €1,583 thousand (zero at 31 December 2023) (Note 26).

The interest accrued on “Debt securities” at 31 December 2024 was €4,319 thousand (€5,914 thousand at 31 December 2023) (Note 26).

The breakdown of impairment losses booked at 31 December 2024 and 31 December 2023 for assets under the "Financial assets at fair value through other comprehensive income – Debt securities" heading is as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**(3,056)**	**(3,056)**
Allowances taken to profit or loss	(4,814)	-
Recoveries	268	-
Cancellations due to use and other	(254)	-
Closing balance	**(7,856)**	**(3,056)**

8.5.2. Equity instruments

This heading of the accompanying consolidated balance sheets records the financial instruments issued by other entities, such as shares, contributions and non-voting equity that are considered to be equity instruments by the issuer, except for those companies in which control is exercised, a stake exceeding 20% is held or, if a lower shareholding is held, significant influence is maintained.

At 31 December 2024 and 31 December 2023 the breakdown of this heading by the issuer's business sector is as follows:

	Thousands of Euros	
	2024	**2023**
General governments	483	358
Credit institutions	2,952	2,952
Other resident sectors	74,163	71,491
Non-residents	71,818	63,170
Total	**149,416**	**137,971**

The cumulative gains or losses at 31 December 2024 taken to the Entity's other reserves from the disposal of equity instruments classified as "Financial assets at fair value through other comprehensive income" amounted to €11,454 thousand at 31 December 2024 (a loss of €5,013 thousand at 31 December 2023) (Note 18.2).

Income from "Equity instruments" at 31 December 2024 and 31 December 2023 amounted to €5,488 thousand and €4,724 thousand, respectively (Note 26).

The breakdown of the "Equity instruments" account at 31 December 2024 and 31 December 2023, based on whether the shares are listed or not and showing the percentage of the total, is as follows:

	2024		2023	
	Thousands of Euros	**% of total**	**Thousands of Euros**	**% of total**
Listed:	**13,484**	**9.02%**	**12,630**	**9.15%**
Cost	13,535	9.06%	13,540	9.81%
Accumulated other comprehensive income	(51)	(0.04%)	(910)	(0.66%)
Unlisted:	**135,932**	**90.98%**	**125,341**	**90.85%**
Cost	129,730	86.82%	123,604	89.59%
Accumulated other comprehensive income	6,202	4.14%	1,737	1.26%
Total	**149,416**	**100.00%**	**137,971**	**100.00%**

During 2024 and 2023 “Equity instruments” reflect the following movements, excluding impairment losses and making a distinction between securities that are listed on an organised market and those that are not listed:

	Thousands of Euros			
	Listed		Unlisted	
	2024	2023	2024	2023
Opening balance	**12,631**	**14,245**	**125,341**	**123,249**
Additions	-	7,231	14,241	11,678
Disposals	(6)	(9,425)	(8,113)	(12,474)
Transfers and reclassifications	-	122	-	(122)
Accumulated other comprehensive income	859	458	4,463	3,010
Closing balance	**13,484**	**12,631**	**135,932**	**125,341**

The main additions and disposals under "Equity instruments" during 2024 and 2023 were in respect of new contributions to and/or divestments of different investment funds.

8.5.3. Loans and advances

At 31 December 2024 and 31 December 2023 there were no amounts recorded under this balance sheet heading.

8.5.4. Accumulated other comprehensive income

In accordance with the description provided in Note 3.1 to the accompanying annual accounts, the re-measurement of “Financial assets at fair value through other comprehensive income”, net of taxes, is recorded in equity under “Accumulated other comprehensive income”, which therefore records the changes in fair value net of taxes (Note 20).

In addition, as is indicated in Note 2.7, it also records, net of taxes and under “Accumulated other comprehensive income” (Items that may be reclassified to profit or loss), the changes in the valuation adjustments for associates, after the date of acquisition.

Details of these changes in the consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

Items that will not be reclassified to profit or loss	Thousands of Euros	
	2024	2023
Changes in the fair value of equity instruments at fair value through other comprehensive income	**10,372**	**5,624**
Gains/losses	19,045	13,721
Tax effect	(8,673)	(8,097)
Total valuation adjustments	**10,372**	**5,624**

Items that will be reclassified to profit or loss	Thousands of Euros	
	2024	2023
Debt instruments at fair value through other comprehensive income	**(11,914)**	**(17,995)**
Gains/losses	(15,885)	(24,407)
Tax effect	3,971	6,412
Total valuation adjustments	**(11,914)**	**(17,995)**

8.6. *Financial assets at amortised cost*

Details of this heading of the accompanying consolidated balance sheets are as follows:

	Thousands of Euros	
	2024	**2023**
Loans and advances to credit institutions	1,364,264	1,047,757
Loans and advances to customers	37,792,989	36,050,436
Debt securities	13,076,120	12,183,806
Total	**52,233,373**	**49,281,999**

The fair value of the Group's assets at amortised cost classified by nature at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros			
2024	**Fair value**	**Fair value hierarchy:**		
		Level 1	**Level 2**	**Level 3**
Financial assets at amortised cost	**52,883,232**	**11,856,748**	**76,570**	**40,949,914**
Debt securities	12,108,340	11,856,748	76,570	175,022
Loans and advances	40,774,893	-	-	40,774,893

	Thousands of Euros			
2023	**Fair value**	**Fair value hierarchy:**		
		Level 1	**Level 2**	**Level 3**
Financial assets at amortised cost	**48,862,239**	**10,906,908**	**41,750**	**37,913,581**
Debt securities	11,053,643	10,906,908	41,750	104,985
Loans and advances	37,808,596	-	-	37,808,596

The following table shows loans and receivables drawn down and financial guarantees given at 31 December 2024 and 31 December 2023 by segment, portfolio and sub-portfolio:

	Thousands of Euros			
	2024		2023	
	Exposure	Distribution (%)	Exposure	Distribution (%)
Retail:	**22,326,551**	**50.39%**	**22,538,496**	**53.36%**
Housing:	**12,568,973**	**28.37%**	**12,407,862**	**29.37%**
Usual residence	10,903,862	24.61%	10,884,110	25.76%
Other uses	1,665,111	3.76%	1,523,752	3.61%
Other household financing:	**1,150,030**	**2.60%**	**1,106,135**	**2.62%**
Micro-consumer	907,615	2.05%	749,925	1.78%
Other goods and services	242,415	0.55%	356,210	0.84%
Automatically renewable:	**680,474**	**1.54%**	**706,240**	**1.67%**
Credit cards	674,858	1.52%	700,843	1.66%
Overdrafts	5,616	0.01%	5,397	0.01%
Small businesses:	**4,235,449**	**9.56%**	**4,602,929**	**10.90%**
Self-employed	1,194,863	2.70%	1,344,575	3.18%
Micro-enterprises	1,548,653	3.50%	1,691,844	4.01%
Small retail	1,053,263	2.38%	1,115,090	2.64%
Medium retail	438,670	0.99%	451,420	1.07%
Retail agri-food:	**3,691,625**	**8.33%**	**3,715,330**	**8.80%**
Greenhouse cultivation	653,141	1.47%	673,054	1.60%
Other agri-food sector	3,038,484	6.86%	3,042,276	7.20%
Corporate:	**16,531,331**	**37.31%**	**14,371,739**	**34.03%**
Developers:	**414,226**	**0.93%**	**479,569**	**1.15%**
Housing development	262,944	0.59%	314,190	0.75%
Land	39,039	0.09%	53,314	0.13%
Other developers	112,243	0.25%	112,065	0.27%
Corporate agri-food:	**5,178,741**	**11.69%**	**4,855,147**	**11.49%**
Agri-food producer	992,967	2.24%	1,073,873	2.54%
Agri-food distributor	3,103,932	7.01%	3,025,531	7.16%
Agri-food auxiliary industry	1,081,843	2.44%	755,743	1.79%
SMEs:	**2,167,378**	**4.89%**	**2,472,391**	**5.85%**
Small	1,325,104	2.99%	1,499,570	3.55%
Medium	842,274	1.90%	972,821	2.30%
Large companies:	**8,770,986**	**19.80%**	**6,564,632**	**15.54%**
General government:	**4,401,371**	**9.93%**	**3,944,189**	**9.34%**
Non-profits:	**156,932**	**0.35%**	**157,475**	**0.37%**
Financial intermediaries:	**887,529**	**2.00%**	**1,225,506**	**2.90%**
Total loan portfolio	**44,303,715**	**100.00%**	**42,237,405**	**100.00%**
Of which: structured transactions	**2,809,092**	**6.34%**	**2,893,408**	**6.85%**

Note: The figures presented in the table above correspond to the information managed by the Loan Book Control Area and not the balance sheet figures. They include loans and advances to customers, contingent liabilities, undrawn balances drawable by third parties (with the exception of developer loans which exclude amounts drawable due to subrogations), write-off assets and loans securitised and derecognised; they do not include valuation adjustments.

8.6.1. Loans and advances – Deposits at credit institutions

Details of this account under "Loans and advances" on the consolidated balance sheets according to the instrument type are as follows:

	Thousands of Euros	
	2024	**2023**
Term deposits	**66,000**	**75,000**
Reverse repurchase agreements	**1,100,034**	**686,621**
Other financial assets	**182,456**	**273,249**
Valuation adjustments	**15,774**	**12,887**
Accrued interest	6,710	1,914
Unaccrued transaction costs	14	18
Premium (discount) on acquisition	9,050	10,955
Total	**1,364,264**	**1,047,757**

Details of the amounts, without valuation adjustments in respect of credit quality, at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Performing exposures	1,348,490	1,034,870
Of which: Performing exposures under special monitoring	-	-
Non-performing exposures	-	-
Closing balance	**1,348,490**	**1,034,870**

The movement in impairment losses recognised at 31 December 2024 is as follows:

	Thousands of Euros			
	Valuation adjustments			
	Stage 1	**Stage 2**	**Stage 3**	**Total allowance**
Balance at 31 December 2023	-	-	-	-
Increases due to origination and acquisition	-	-	-	-
Decreases due to derecognitions	-	-	-	-
Changes due to variation in credit risk (net)	-	5	-	5
Changes due to modifications without derecognition (net)	-	-	-	-
Changes due to revision of the entity's estimation model (net)	-	-	-	-
Decrease in the valuation adjustment account as a result of delinquent loans written off	-	-	-	-
Other adjustments	-	(5)	-	(5)
Balance at 31 December 2024	-	-	-	-

The movement in impairment losses recognised at 31 December 2023 is as follows:

	Thousands of Euros			
	Valuation adjustments			
	Stage 1	Stage 2	Stage 3	Total allowance
Balance at 31 December 2022	-	-	-	-
Increases due to origination and acquisition	-	-	-	-
Decreases due to derecognitions	-	-	-	-
Changes due to variation in credit risk (net)	-	(6)	-	(6)
Changes due to modifications without derecognition (net)	-	-	-	-
Changes due to revision of the entity's estimation model (net)	-	-	-	-
Decrease in the valuation adjustment account as a result of delinquent loans written off	-	-	-	-
Other adjustments	-	6	-	6
Balance at 31 December 2023	-	-	-	-

8.6.2. Loans and advances – Customer loans

The breakdown of this heading on the accompanying consolidated balance sheets is indicated below, in accordance with the type and status of the loan, and the sector in which the counterparty operates:

	Thousands of Euros	
	2024	**2023**
By loan type and status:		
Money market transactions through counterparties	299,091	-
Commercial loans	2,059,774	1,654,615
Secured loans	17,209,558	17,252,301
Other term loans	16,341,814	15,280,981
Finance leases	291,136	292,529
Receivables on demand and other	744,042	713,878
Non-performing assets	785,929	778,278
Other financial assets:		
Commissions for financial guarantees and other commitments given (Note 22.2) (Note 22.3)	69,964	55,313
Other financial assets	240,804	307,775
Of which: in arrears	*456*	*394*
Valuation adjustments	(249,123)	(285,234)
Total	**37,792,989**	**36,050,436**
By sector:		
General governments	2,872,077	2,668,151
Other private sectors:		
Financial corporations	995,306	1,144,577
Non-financial corporations	17,151,013	15,659,027
Households	16,774,593	16,578,681
Total	**37,792,989**	**36,050,436**

The heading "Other financial assets – Other assets" includes other balances receivable by the Group for transactions that are not classified as loans, primarily guarantees required to operate in markets.

The average effective interest rate on debt instruments classified in this portfolio in the Group during 2024 was 4.42% (4.59% in 2023).

In 2024 the Group individually assigned certain loans for non-material amounts, recognising a gain of €2,215 thousand (€8,000 thousand in 2023). In 2024 and 2023, the Group sold a number of loan books containing receivables of various types, origin, age and amount and generally with varying terms and guarantees (mortgage and non-mortgage) (Notes 8.6.5 and 8.6.6).

Details of the amounts, without valuation adjustments in respect of credit quality, of loans and advances to customers at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Performing exposures	37,255,727	35,556,998
Of which: Performing exposures under special monitoring	*2,668,339*	*2,520,767*
Non-performing exposures	785,929	778,278
Other assets in arrears	456	394
Closing balance	**38,042,112**	**36,335,670**

The amount of the collateral received to secure the transactions recorded under “Loans and advances to customers” at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros						
	Maximum amount of collateral or personal guarantee that can be considered						
2024	**Loans collateralised by property**		**Other collateralised loans**				**Financial guarantees received**
	Residential buildings	**Commercial buildings**	**Cash, deposits, [debt securities issued]**	**Moveable goods**	**Equity instruments and Debt securities**	**Other**	
Loans and advances	**13,376,760**	**3,696,080**	**30,700**	**16,886**	**-**	**226,688**	**3,348,785**
Of which: Other financial corporations	1,099	19,195	51	-	-	2,717	**8,346**
Of which: Non-financial corporations	372,590	2,687,938	25,029	10,354	-	158,177	**2,751,201**
Of which: Small and medium-sized enterprises	365,534	2,120,773	24,335	6,949	-	114,729	**1,846,206**
Of which: Business property loans to small and medium-sized enterprises	285,752	2,120,773	724	3,099	-	29,762	**121,204**
Of which: Business property loans to non-financial corporations other than small and medium-sized enterprises	6,739	567,164	-	-	-	5,193	**11,982**
Of which: Households	12,985,858	980,324	5,549	6,532	-	63,113	**572,197**
Of which: Lending for housing purchase	12,251,000	126,386	1,360	132	-	3,301	**14,703**
Of which: Consumer credit	61,319	6,593	979	46	-	4,684	**7,673**

	Thousands of Euros						
	Maximum amount of collateral or personal guarantee that can be considered						
2023	**Loans collateralised by property**		**Other collateralised loans**				**Financial guarantees received**
	Residential buildings	**Commercial buildings**	**Cash, deposits, [debt securities issued]**	**Moveable goods**	**Equity instruments and Debt securities**	**Other**	
Loans and advances	**13,198,211**	**3,795,690**	**23,068**	**2,144**	**-**	**16,756**	**3,185,969**
Of which: Other financial corporations	1,206	10,806	50	-	-	-	**18,896**
Of which: Non-financial corporations	384,218	2,698,476	15,860	2,063	-	1,660	**2,561,917**
Of which: Small and medium-sized enterprises	378,810	2,262,176	10,133	2,063	-	1,660	**1,972,144**
Of which: Business property loans to small and medium-sized enterprises	282,915	2,262,176	1,174	510	-	-	**120,580**
Of which: Business property loans to non-financial corporations other than small and medium-sized enterprises	5,060	436,300	-	-	-	-	**3,202**
Of which: Households	12,794,005	1,077,537	6,952	81	-	15,097	**600,491**
Of which: Lending for housing purchase	11,993,615	133,074	1,220	-	-	22	**15,701**
Of which: Consumer credit	69,997	8,234	1,624	-	-	-	**9,512**

The breakdown of loans and advances to customers at 31 December 2024 and 31 December 2023 by counterparty, showing the amount covered by each of the main guarantees and the distribution of the secured loans according to the ratio of the carrying amount of the loan to the amount of the latest available appraisal or valuation of the collateral, is as follows:

2024	Thousands of Euros							
				Secured loans, carrying amount based on latest available appraisal (loan to value)				
	Total	Of which: Real estate collateral	Of which: Other collateral	Less than or equal to 40%	Over 40% and equal to or less than 60%	Over 60% and equal to or less than 80%	Over 80% and equal to or less than 100%	Over 100%
General governments	**2,855,050**	**29,728**	**2,752**	**11,273**	**10,870**	**365**	**381**	**9,592**
Other financial corporations and sole proprietorships (financial business activity)	**1,110,964**	**23,023**	**302,262**	**13,822**	**10,856**	**507**	**152**	**299,948**
Non-financial corporations and sole proprietorships (non-financial business activity)	**19,527,671**	**4,298,408**	**368,418**	**1,914,457**	**1,526,382**	**795,645**	**157,634**	**272,709**
Real estate development and construction(including land)	212,077	191,450	4,696	77,380	66,668	34,885	5,640	11,572
Other purposes	19,315,595	4,106,958	363,722	1,837,077	1,459,714	760,760	151,994	261,137
Large corporations	9,413,475	606,100	70,673	241,971	249,467	96,035	43,427	45,873
SMEs and sole proprietorships	9,902,120	3,500,858	293,050	1,595,106	1,210,246	664,724	108,567	215,264
Other households	**14,299,304**	**12,944,357**	**51,393**	**3,622,592**	**3,826,697**	**4,308,290**	**936,121**	**302,051**
Housing	12,547,143	12,447,513	5,156	3,383,756	3,693,155	4,213,717	899,689	262,351
Consumer	505,022	69,244	6,350	44,663	15,923	9,809	2,345	2,855
Other purposes	1,247,138	427,600	39,888	194,173	117,619	84,764	34,088	36,845
Total	**37,792,989**	**17,295,516**	**724,826**	**5,562,143**	**5,374,805**	**5,104,807**	**1,094,288**	**884,300**
Memorandum items:								
Refinancing, refinanced and restructured transactions	**839,798**	**500,843**	**17,934**	**144,544**	**147,673**	**109,600**	**54,400**	**62,560**

2023	Thousands of Euros							
				Secured loans, carrying amount based on latest available appraisal (loan to value)				
	Total	Of which: Real estate collateral	Of which: Other collateral	Less than or equal to 40%	Over 40% and equal to or less than 60%	Over 60% and equal to or less than 80%	Over 80% and equal to or less than 100%	Over 100%
General governments	**2,651,264**	**32,269**	**205**	**9,225**	**10,297**	**2,114**	**205**	**10,633**
Other financial corporations and sole proprietorships (financial business activity)	**914,520**	**16,172**	**766**	**13,256**	**2,004**	**888**	**163**	**627**
Non-financial corporations and sole proprietorships (non-financial business activity)	**18,581,787**	**4,471,905**	**253,434**	**1,889,754**	**1,574,069**	**804,921**	**156,865**	**299,730**
Real estate development and construction (including land)	258,784	240,632	5,202	77,525	111,300	35,765	8,374	12,870
Other purposes	18,323,003	4,231,273	248,232	1,812,229	1,462,769	769,156	148,491	286,860
Large corporations	7,473,225	477,466	43,873	215,058	139,506	72,122	26,556	68,097
SMEs and sole proprietorships	10,849,778	3,753,807	204,359	1,597,171	1,323,263	697,034	121,935	218,763
Other households	**13,902,866**	**12,710,565**	**49,051**	**3,617,967**	**3,721,771**	**4,107,271**	**962,965**	**349,642**
Housing	12,299,007	12,203,069	4,354	3,380,104	3,591,354	4,003,249	929,720	302,996
Consumer	514,070	79,957	4,346	45,459	19,368	13,027	2,338	4,111
Other purposes	1,089,789	427,539	40,351	192,404	111,049	90,995	30,907	42,535
Total	**36,050,437**	**17,230,911**	**303,456**	**5,530,202**	**5,308,141**	**4,915,194**	**1,120,198**	**660,632**
Memorandum items:								
Refinancing, refinanced and restructured transactions	**987,277**	**617,201**	**4,001**	**176,745**	**172,400**	**130,893**	**57,654**	**83,510**

The total exposure includes customer loans net of the impairment provisions recognised to cover specific transactions.

The composition of risk by total amount per customer under “Loans and advances to customers” in the “Financial assets at amortised cost” portfolio at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros					
	2024			2023		
Thousands of Euros	Risk	Distribution	Of which: Non-performing assets	Risk	Distribution	Of which: Non-performing assets
Exceeding 6,000	12,907,750	33.93%	87,614	10,762,922	29.62%	80,130
Between 3,000 and 6,000	1,537,413	4.04%	48,966	1,485,077	4.09%	35,767
Between 1,000 and 3,000	2,552,554	6.71%	140,364	2,624,901	7.22%	102,171
Between 500 and 1,000	2,094,714	5.51%	86,733	2,113,309	5.82%	98,941
Between 250 and 500	3,122,618	8.21%	83,363	3,057,305	8.41%	83,768
Between 125 and 250	4,958,621	13.03%	107,011	4,994,685	13.75%	130,309
Between 50 and 125	7,390,073	19.43%	135,428	7,718,016	21.24%	148,427
Between 25 and 50	2,126,261	5.59%	49,760	2,185,110	6.01%	48,144
Less than 25	1,352,108	3.55%	47,146	1,394,345	3.84%	51,016
Valuation adjustments	(249,123)			(285,234)		
Loans and advances	**37,792,989**	**100.00%**	**786,385**	**36,050,436**	**100.00%**	**778,672**

8.6.2.1. Valuation adjustments

Details of valuation adjustments to transactions classified as “Loans and advances – Customer loans” are as follows:

	Thousands of Euros	
	2024	2023
Valuation adjustments:		
Impairment allowances	(566,444)	(575,753)
Impairment allowances for other financial assets	(661)	(590)
Accrued interest	150,099	162,460
Micro-hedging transactions	3,792	3,038
Accumulated changes in fair value not due to credit risk	(2,704)	(3,359)
Premiums/discounts on acquisition	(16,282)	(19,022)
Commissions	(36,617)	(42,792)
Transaction costs	219,694	190,784
Total	**(249,123)**	**(285,234)**

The “Micro-hedging transactions” heading records the fair value hedge used by the Group to hedge a client position.

8.6.2.2. Transfer and derecognition of financial assets

The Group has transferred various assets comprising customer loans. These transfers were recognised as per the policy described in Note 3.5 to the accompanying annual accounts. At 31 December 2024 and 31 December 2023 the outstanding balance of these transactions was as follows:

	Thousands of Euros	
	2024	**2023**
Written off the balance sheet:	**296,897**	**188,849**
Other transfers to credit institutions	4,650	7,223
Other transfers	292,247	181,626
Held on the balance sheet:	**2,161,692**	**3,193,144**
Loans granted to securitisation funds	2,161,692	3,193,144
Total	**2,458,589**	**3,381,993**

The balance recorded at 31 December 2024 and 31 December 2023 of transactions written off the balance sheet under "Other transfers" corresponds to loans assigned by the Group to third parties and for which it retains management (Note 8.6.2.4)

The Group has transformed loans into bonds that may be discounted through the assignment of securitisation funds that, while recorded under “Loans and advances”, allows financing to be obtained by pledging those items. At 31 December 2024 the Group held €2,060,326 thousand in retained securitised bonds from the above-mentioned transformations of loans and credit facilities (€2,989,827 thousand at 31 December 2023) (Note 8.7.3).

No amount of the aforementioned €2,060,326 thousand in securitisation bonds existing at 31 December 2024, or of the €2,989,827 thousand existing at 31 December 2023, was pledged in the loan agreement secured by a pledge of securities and other assets entered into with the Bank of Spain (Note 8.7.1).

At 31 December 2024, the Group did not have any securitisation fund that had been written off the balance sheet.

The net liability recognised on the balance sheet as a balancing entry for the securitised assets carried on the balance sheet is classified under “Financial liabilities at amortised cost – Customer deposits” in the total amount of €137,706 thousand at 31 December 2024 and €230,397 thousand at 31 December 2023, under the heading “Participation mortgages issued” (Note 8.7.3).

During 2024 and 2023 the following funds were cancelled:

Year 2024

					Thousands of Euros	
Identifier	**Stake**	**Origination date**	**Type of securitisation**	**Nature**	**Amount at origination date**	**Amount of securitised positions at reporting date**
RURAL HIPOTECARIO X FTA	29.86%	25/06/2008	Multi-assignor	ON-BALANCE SHEET	561,467	-
RURAL HIPOTECARIO XI FTA	29.02%	25/02/2009	Multi-assignor	ON-BALANCE SHEET	633,195	-
RURAL HIPOTECARIO XII F.T.A.	29.55%	04/11/2009	Multi-assignor	ON-BALANCE SHEET	268,786	-
IM CAJAMAR3 FTA	100.00%	08/03/2006	Other	ON-BALANCE SHEET	1,200,000	
					2,663,448	**-**

Year 2023

Identifier	Stake	Origination date	Type of securitisation	Nature	Amount at origination date	Amount of securitised positions at reporting date
					Thousands of Euros	
RURAL HIPOTECARIO Global I FTA	54.2%	18/11/2005	Multi-assignor	ON-BALANCE SHEET	588,002	-
					588,002	**-**

The securitisation arrangements in force at 31 December 2024 and 31 December 2023 to which the Group is party are as follows:

31 December 2024

Identifier	Stake	Origination date	Type of securitisation	Nature	Amount at origination date	Amount of securitised positions at reporting date
					Thousands of Euros	
IM BCC CAJAMAR 1, F.T.	100.00%	15/01/2016	Other	ON-BALANCE SHEET	750,000	275,183
IM BCC CAJAMAR 2, F.T.	100.00%	13/12/2019	Other	ON-BALANCE SHEET	725,000	380,245
IM BCC CAJAMAR PYME 3, F.T.	100.00%	06/04/2021	Other	ON-BALANCE SHEET	1,000,000	267,314
IM BCC CAJAMAR PYME 4, F.T.	100.00%	16/03/2022	Other	ON-BALANCE SHEET	900,000	380,075
IM BCC CAPITAL 1, F.T.	100.00%	14/12/2018	Other	ON-BALANCE SHEET	953,000	111,429
IM CAJAMAR4 FTA	100.00%	13/09/2006	Other	ON-BALANCE SHEET	1,000,000	117,769
IM CAJAMAR5 FTA	100.00%	12/09/2007	Other	ON-BALANCE SHEET	1,000,000	123,103
IM CAJAMAR6 FTA	100.00%	13/02/2008	Other	ON-BALANCE SHEET	1,949,300	317,704
RURAL HIPOTECARIO IX FTA	44.22%	28/03/2007	Multi-assignor	ON-BALANCE SHEET	587,354	78,061
RURAL HIPOTECARIO VIII FTA	35.08%	26/05/2006	Multi-assignor	ON-BALANCE SHEET	371,658	32,995
TDA CAJAMAR2 FTA	100.00%	18/05/2005	Other	ON-BALANCE SHEET	1,000,000	62,699
TDA19-MIXTO FTA	67.17%	27/02/2004	Multi-assignor	ON-BALANCE SHEET	400,000	15,115
					10,636,312	**2,161,692**

31 December 2023

Identifier	Stake	Origination date	Type of securitisation	Nature	Amount at origination date (Thousands of Euros)	Amount of securitised positions at reporting date (Thousands of Euros)
TDA19-MIXTO FTA	67.63%	27/02/2004	Multi-assignor	ON-BALANCE SHEET	400,000	18,860
TDA CAJAMAR2 FTA	100.00%	18/05/2005	Other	ON-BALANCE SHEET	1,000,000	76,120
IM CAJAMAR3 FTA	100.00%	08/03/2006	Other	ON-BALANCE SHEET	1,200,000	131,543
RURAL HIPOTECARIO VIII FTA	34.54%	26/05/2006	Multi-assignor	ON-BALANCE SHEET	371,658	39,643
IM CAJAMAR4 FTA	100.00%	13/09/2006	Other	ON-BALANCE SHEET	1,000,000	140,944
RURAL HIPOTECARIO IX FTA	44.22%	28/03/2007	Multi-assignor	ON-BALANCE SHEET	587,354	92,756
IM CAJAMAR5 FTA	100.00%	12/09/2007	Other	ON-BALANCE SHEET	1,000,000	144,405
IM CAJAMAR6 FTA	100.00%	13/02/2008	Other	ON-BALANCE SHEET	1,949,300	370,178
RURAL HIPOTECARIO X FTA	29.86%	25/06/2008	Multi-assignor	ON-BALANCE SHEET	561,467	103,327
RURAL HIPOTECARIO XI FTA	29.02%	25/02/2009	Multi-assignor	ON-BALANCE SHEET	633,195	146,325
RURAL HIPOTECARIO XII F.T.A.	29.55%	04/11/2009	Multi-assignor	ON-BALANCE SHEET	268,786	61,732
IM BCC CAJAMAR 1, F.T.	100.00%	15/01/2016	Other	ON-BALANCE SHEET	750,000	328,899
IM BCC CAPITAL 1, F.T.	100.00%	14/12/2018	Other	ON-BALANCE SHEET	953,000	161,246
IM BCC CAJAMAR 2, F.T.	100.00%	13/12/2019	Other	ON-BALANCE SHEET	725,000	457,270
IM BCC CAJAMAR PYME 3, F.T.	100.00%	06/04/2021	Other	ON-BALANCE SHEET	1,000,000	394,835
IM BCC CAJAMAR PYME 4, F.T.	100.00%	16/03/2022	Other	ON-BALANCE SHEET	900,000	525,061
					13,299,760	**3,193,144**

8.6.2.3. *Impairment losses on loans and advances – Customer loans*

Details of and changes in impairment losses booked at 31 December 2024 for financial assets at amortised cost are as follows:

	Valuation adjustments (Thousands of Euros)				
	Stage 1	Stage 2	Stage 3	Rights to purchased or originated credit-impaired financial assets	Total allowance
Balance at 31 December 2023	**(136,637)**	**(129,926)**	**(309,038)**	**(152)**	**(575,753)**
Increases due to origination and acquisition	(17,525)	(17,187)	(9,145)	-	(43,857)
Decreases due to derecognitions	28,738	23,322	85,505	-	137,565
Changes due to variation in credit risk (net)	50,165	2,613	(226,698)	-	(173,920)
Changes due to modifications without derecognition (net)	424	(574)	(2,738)	-	(2,888)
Changes due to revision of the entity's estimation model (net)	-	-	-	-	-
Decrease in the allowance account as a result of delinquent loans written off	-	306	91,701	-	92,007
Other adjustments	7	(48)	442	-	401
Balance at 31 December 2024	**(74,828)**	**(121,494)**	**(369,971)**	**(152)**	**(566,445)**

Changes in gross exposures and impairment during 2024 are as follows:

	Thousands of Euros			
Gross exposure transfers:	**From Stage 1:**	**From Stage 2:**	**From Stage 3:**	**Total**
To Stage 1:		606,058	4,485	**610,543**
To Stage 2:	1,198,466		17,358	**1,215,824**
To Stage 3:	147,073	205,060		**352,133**
Impairment transfers:				
To Stage 1:		2,068	18	**2,086**
To Stage 2:	44,990		1,224	**46,214**
To Stage 3:	74,491	65,574		**140,065**

Details of and changes in impairment losses booked at 31 December 2023 for financial assets at amortised cost are as follows:

	Thousands of Euros				
	Valuation adjustments				
	Stage 1	**Stage 2**	**Stage 3**	**Rights to purchased or originated credit-impaired financial assets**	**Total allowance**
Balance at 31 December 2022	**(129,111)**	**(101,786)**	**(462,343)**	**-**	**(693,240)**
Increases due to origination and acquisition	(12,096)	(13,633)	(8,383)	-	(34,112)
Decreases due to derecognitions	14,687	10,356	229,417	-	254,460
Changes due to variation in credit risk (net)	(11,061)	(21,592)	(163,806)	-	(196,459)
Changes due to modifications without derecognition (net)	878	(3,399)	(7,689)	-	(10,210)
Changes due to revision of the entity's estimation model (net)	-	-	-	-	-
Decrease in the allowance account as a result of delinquent loans written off	-	161	103,001	-	103,162
Other adjustments	66	(33)	765	(152)	646
Balance at 31 December 2023	**(136,637)**	**(129,926)**	**(309,038)**	**(152)**	**(575,753)**

Changes in gross exposures and impairment during 2023 are as follows:

	Thousands of Euros			
Gross exposure transfers:	**From Stage 1:**	**From Stage 2:**	**From Stage 3:**	**Total**
To Stage 1:		849,429	9,749	**859,178**
To Stage 2:	1,105,704		52,702	**1,158,406**
To Stage 3:	141,122	206,277		**347,399**
Impairment transfers:				
To Stage 1:		4,334	45	**4,379**
To Stage 2:	42,163		3,483	**45,646**
To Stage 3:	45,952	49,482		**95,434**

Details of and changes in impairment losses on other financial assets classified in "Loans and advances – Customer loans" at 31 December 2024 are as follows:

	Thousands of Euros			
	Valuation adjustments			
	Stage 1	**Stage 2**	**Stage 3**	**Total allowance**
Balance at 31 December 2023	**(228)**	**-**	**(362)**	**(590)**
Increases due to origination and acquisition	(5)	-	(197)	(202)
Decreases due to derecognitions	-	-	125	125
Changes due to variation in credit risk (net)	-	-	6	6
Changes due to modifications without derecognition (net)	-	-	-	-
Changes due to revision of the entity's estimation model (net)	-	-	-	-
Decrease in the allowance account as a result of delinquent loans written off	-	-	-	-
Other adjustments	-	-	-	-
Balance at 31 December 2024	**(233)**	**-**	**(428)**	**(661)**

Details of and changes in impairment losses on other financial assets classified in “Loans and advances – Customer loans” at 31 December 2023 are as follows:

	Thousands of Euros			
	Valuation adjustments			
	Stage 1	Stage 2	Stage 3	Total allowance
Balance at 31 December 2022	**(229)**	**-**	**(194)**	**(423)**
Increases due to origination and acquisition	(9)	-	(260)	(269)
Decreases due to derecognitions	-	-	105	105
Changes due to variation in credit risk (net)	10	-	(13)	(3)
Changes due to modifications without derecognition (net)	-	-	-	-
Changes due to revision of the entity’s estimation model (net)	-	-	-	-
Decrease in the allowance account as a result of delinquent loans written off	-	-	-	-
Other adjustments	-	-	-	-
Balance at 31 December 2023	**(228)**	**-**	**(362)**	**(590)**

8.6.2.4. Customer loans and advances pledged as collateral for issues

Of the loans and receivables recorded in the balance sheet, the Group has certain balances pledged as collateral, mainly related to securitisations, mortgage covered bond issuances and the conversions carried out. The following table presents data on the assets used as collateral, as well as the amount of securities issued against these assets:

	Thousands of Euros			
	2024		2023	
	Gross carrying amount	Nominal amount	Gross carrying amount	Nominal amount
Mortgage covered bonds	**5,203,201**	**5,200,000**	**5,596,588**	**5,600,000**
Cover assets	6,943,466	6,833,390	7,529,716	7,448,181
Public sector bonds	**750,000**	**750,000**	**750,000**	**750,000**
Cover assets	1,708,621	1,697,001	1,514,702	1,502,031
Total securitised loans	**2,161,692**		**3,193,144**	
Collateralised mortgage bonds	413,595	412,272	581,615	584,758
Mortgage transfer certificates	1,571,889	1,573,037	2,054,209	2,069,449
Of which: Off-balance sheet	*238,247*	*235,515*	*109,509*	*107,827*
Total cover assets	**10,637,571**	**10,515,700**	**11,680,242**	**11,604,419**

The balance of “Mortgage transfer certificates” recorded off-balance sheet at 31 December 2024 and 31 December 2023 corresponds to lending operations transferred by the Group to third parties, for which the Group retains collection management (Note 8.6.2.2).

8.6.3. Impairment or (-) reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes – Financial assets at amortised cost

Details of this heading on the consolidated statements of profit or loss at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Charges for the year:	**(1,632,211)**	**(863,556)**
Allowances recognised in profit or loss	(1,566,931)	(793,543)
Repayments, net of loan losses	(65,280)	(70,013)
Recovery of write-offs	**33,295**	**31,366**
Other recoveries	**1,404,538**	**584,193**
Country risk	**15**	**25**
Charges	(17)	(29)
Recoveries	32	54
Total	**(194,363)**	**(247,972)**

8.6.4. Debt securities

Details of debt securities, classified based on the counterparty, are as follows:

	Thousands of Euros	
	2024	**2023**
Central banks	-	-
General governments	12,270,312	11,538,804
Credit institutions	152,328	173,188
Other private sectors	656,764	474,440
Non-performing assets	-	-
Valuation adjustments for impairment	(3,284)	(2,626)
Total	**13,076,120**	**12,183,806**

The average effective interest rate on debt instruments classified in this portfolio in the Group during 2024 was 1.94% (1.84% in 2023).

This account includes financial assets managed as per a business model designed to generate cash flows comprising principal and interest, holding the assets until maturity or close to maturity.

Of the balance of “Debt securities” at 31 December 2024, €3,149,973 thousand was pledged as collateral (€2,600,595 thousand at 31 December 2023), €4,120,259 thousand in the loan agreement secured by a pledge of securities and other assets entered into with the Bank of Spain (€4,469,435 thousand at 31 December 2023) and none in repurchase agreements (none at 31 December 2023).

The return on “Debt securities” at 31 December 2024 was €250,049 thousand (€266,806 thousand at 31 December 2023) (Note 26).

Movements in the balance under this heading of the accompanying consolidated balance sheets in 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**12,183,806**	**13,974,672**
Sales	(362,184)	-
Procurements	1,099,751	185,472
Redemptions	(56,356)	(2,324,120)
Portfolio cost allowance	9,042	25,142
Accrued interest	15,826	2,535
Valuation adjustments, micro-hedge transaction	186,893	320,281
Valuation adjustments for impairment	(658)	(176)
Closing balance	**13,076,120**	**12,183,806**

Given the low amount and frequency of sales in 2024, these do not compromise the previously established business model.

Details of impairment losses recognised at 31 December 2024 and 31 December 2023 for assets carried under the heading “Financial assets at amortised cost – Debt securities” are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance, impairment	**(2,626)**	**(2,450)**
Allowances taken to profit or loss	(1,277)	(10,631)
Recoveries	395	265
Cancellations due to use and other	224	10,190
Closing balance, impairment	**(3,284)**	**(2,626)**

8.6.5. Information on performing exposures

The classification by days past-due of performing exposures in the loans and receivables portfolio is as follows:

2024	Thousands of Euros				
	Total	Not past due or past due <=30 days	Past due > 30 days <= 90 days	Of which: Instruments without a significant increase in credit risk since initial recognition (Stage 1)	Of which: Instruments with a significant increase in credit risk since initial recognition but not impaired (Stage 2)
Loans and advances (*)	**38,937,973**	**38,755,083**	**182,890**	**36,269,642**	**2,668,342**
Central banks	-	-	-	-	-
General governments	2,872,076	2,872,076	-	2,870,589	1,488
Credit institutions	1,364,264	1,364,264	-	1,364,264	-
Other financial corporations	1,295,236	1,295,156	80	1,294,445	791
Non-financial corporations	16,721,642	16,667,380	54,262	15,249,152	1,472,491
Of which: Small and medium-sized enterprises	7,235,217	7,185,188	50,029	6,282,521	952,696
Of which: Collateralised by commercial immovable property	2,826,922	2,809,420	17,502	2,371,642	455,281
Households	16,684,755	16,556,207	128,548	15,491,192	1,193,572
Of which: Loans collateralised by residential immovable property	13,094,813	12,984,225	110,588	12,195,728	899,086
Of which: Consumer credit	501,970	498,368	3,602	475,920	26,049
Total debt instruments at amortised cost	**38,937,973**	**38,755,083**	**182,890**	**36,269,642**	**2,668,342**

2023	Thousands of Euros				
	Total	Not past due or past due <=30 days	Past due > 30 days <= 90 days	Of which: Instruments without a significant increase in credit risk since initial recognition (Stage 1)	Of which: Instruments with a significant increase in credit risk since initial recognition but not impaired (Stage 2)
Loans and advances (*)	**36,895,863**	**36,577,387**	**318,476**	**34,373,028**	**2,520,767**
Central banks	-	-	-	-	-
General governments	2,668,150	2,667,182	968	2,667,183	968
Credit institutions	1,047,757	1,047,757	-	1,047,757	-
Other financial corporations	1,147,765	1,147,710	55	1,146,968	797
Non-financial corporations	15,496,309	15,406,431	89,878	14,297,014	1,199,292
Of which: Small and medium-sized enterprises	7,967,153	7,882,899	84,254	7,087,541	879,611
Of which: Collateralised by commercial immovable property	2,836,593	2,810,008	26,585	2,346,341	490,253
Households	16,535,882	16,308,307	227,575	15,214,106	1,319,710
Of which: Loans collateralised by residential immovable property	12,953,682	12,770,350	183,332	11,911,831	1,041,850
Of which: Consumer credit	508,932	502,996	5,936	484,078	24,855
Total debt instruments at amortised cost	**36,895,863**	**36,577,387**	**318,476**	**34,373,028**	**2,520,767**

(*) Not including cash balances at central banks and other demand deposits.

During 2024, as indicated in Note 8.6.2, the Group sold various loan books. These sales resulted in the derecognition of performing assets in a gross amount of €50,338 thousand (€36,597 thousand of performing assets derecognised in 2023).

8.6.6. *Information on non-performing exposures*

The classification by days past-due of non-performing exposures in the loans and receivables portfolio is as follows:

2024	Thousands of Euros								
	Total	**Unlikely to be paid <= 90 days**	**Past due > 90 days <= 180 days**	**Past due > 180 days <= 1 year**	**Past due > 1 year**	**Of which: Defaulted**	**Of which: Impaired instruments (Stage 3)**	**Of which: purchased or originated credit-impaired financial assets**	**Collateral received on non-performing exposures**
Central banks	-	-	-	-	-	-	-	-	-
General governments	491	-	-	-	490	490	491	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Other financial corporations	311	25	211	-	75	311	311	-	1
Non-financial corporations	564,681	130,393	54,506	87,128	292,654	562,330	556,883	7,798	89,417
Of which: Small and medium-sized enterprises	472,620	82,038	52,794	73,804	263,984	471,378	464,822	7,798	84,849
Of which: Collateralised by commercial immovable property	151,725	30,233	18,875	6,772	95,845	151,080	151,725	-	75,678
Households	220,901	80,440	21,923	27,705	90,833	214,898	220,901	-	107,355
Of which: Loans collateralised by residential immovable property	133,159	58,508	15,310	15,962	43,379	128,721	133,159	-	91,881
Of which: Consumer credit	12,794	1,968	1,463	2,143	7,220	12,691	12,794	-	1,683
Total debt instruments at amortised cost	**786,384**	**210,858**	**76,640**	**114,833**	**384,052**	**778,029**	**778,586**	**7,798**	**196,773**

2023	Thousands of Euros								
	Total	**Unlikely to be paid <= 90 days**	**Past due > 90 days <= 180 days**	**Past due > 180 days <= 1 year**	**Past due > 1 year**	**Of which: Defaulted**	**Of which: Impaired instruments (Stage 3)**	**Of which: purchased or originated credit-impaired financial assets**	**Collateral received on non-performing exposures**
Central banks	-	-	-	-	-	-	-	-	-
General governments	491	-	-	-	491	491	491	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Other financial corporations	122	33	24	20	45	122	122	-	-
Non-financial corporations	496,416	143,267	70,588	62,815	219,746	493,073	488,718	7,698	108,916
Of which: Small and medium-sized enterprises	458,126	122,287	61,382	57,220	217,237	457,738	450,428	7,698	105,919
Of which: Collateralised by commercial immovable property	167,626	69,430	24,525	5,860	67,811	167,609	167,626	-	96,339
Households	281,643	68,221	32,053	37,158	144,211	275,474	281,643	-	136,900
Of which: Loans collateralised by residential immovable property	174,969	57,218	23,073	24,888	69,790	172,486	174,969	-	119,468
Of which: Consumer credit	16,546	1,626	1,821	2,534	10,565	16,446	16,546	-	2,005
Total debt instruments at amortised cost	**778,672**	**211,521**	**102,665**	**99,993**	**364,493**	**769,160**	**770,974**	**7,698**	**245,816**

The amount of accumulated finance income accrued on impaired loans to customers and recognised on the consolidated statement of profit or loss before the impairment was recognised was €10,229 thousand at 31 December 2024 (€11,016 thousand at 31 December 2023).

Details of and movements in non-performing financial assets at amortised cost at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**778,672**	**1,013,879**
Additions	**526,583**	**579,417**
Disposals	**518,871**	**814,624**
Collected in cash	96,030	146,535
Foreclosure or receipt of assets	4,782	19,125
Performing	12,704	23,221
Performing exposures under special monitoring	92,474	152,145
Write-offs	157,965	164,257
Asset transfers	147,922	297,458
Other disposals	6,994	11,883
Closing balance	**786,384**	**778,672**

Details of and movements in financial assets at amortised cost classified as write-offs at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Write-offs (a)		
Opening balance	**554,667**	**613,328**
Total additions	**208,493**	**214,706**
Use of accumulated impairment balance	108,629	113,293
Direct write-down in profit or loss	81,692	80,942
Contractually callable interest (b)	7,470	18,492
Other items	10,702	1,979
Total disposals	**142,780**	**273,367**
Collection of principal in cash from counterparties	68,036	58,215
Collection of interest in cash from counterparties	79	111
Forgiveness	8,812	9,597
Time-barred	2,015	3,193
Foreclosure of tangible assets	-	-
Foreclosure of other assets	-	-
Debt refinancing or restructuring	-	-
Sale	63,838	202,251
Collection from assignees	4,474	12,365
Definitive loss	59,364	189,886
Other items	-	-
Exchange differences	**-**	**-**
Closing balance	**620,380**	**554,667**

(a) Amount of additions and disposals during the year recorded under "Write-offs". This therefore does not include final write-offs due to forgiveness or outright sale of debt instruments recognised under assets on the date of forgiveness or sale.
(b) Contractually callable interest on debt instruments classified as write-offs.

As indicated in Note 8.6.2 to these annual accounts, at 31 December 2024, the Group derecognised a gross amount of €119,876 thousand of non-performing assets and €10,662 thousand of assets classified as write-offs (in 2023 it derecognised €260,447 thousand of non-performing assets and €104,344 thousand of assets classified as write-offs).

8.7. *Financial liabilities at amortised cost*

Details of this liabilities account on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Deposits from central banks	-	969,302
Deposits from credit institutions	2,137,505	3,771,027
Customer deposits	47,307,326	43,719,926
Debt securities issued	4,523,421	3,400,179
Of which: Subordinated liabilities	*601,120*	*600,619*
Other financial liabilities	3,115,798	3,378,739
Total	**57,084,050**	**55,239,173**

The fair value of the Group's financial liabilities at amortised cost classified by their nature at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros			
2024	**Fair value**	**Fair value hierarchy:**		
		Level 1	**Level 2**	**Level 3**
Financial liabilities at amortised cost	**57,237,122**	**6,306,934**	**137,700**	**50,792,488**
Deposits	49,444,831	1,630,442	137,700	47,676,689
Debt securities issued	4,676,492	4,676,492	-	-
Other financial liabilities	3,115,798	-	-	3,115,798

	Thousands of Euros			
2023	**Fair value**	**Fair value hierarchy:**		
		Level 1	**Level 2**	**Level 3**
Financial liabilities at amortised cost	**55,205,172**	**6,526,635**	**969,344**	**47,709,193**
Deposits	48,460,255	3,160,457	969,302	44,330,496
Debt securities issued	3,366,178	3,366,178	-	-
Other financial liabilities	3,378,739	-	42	3,378,697

8.7.1. *Deposits from central banks*

The balances under this heading on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Bank of Spain	-	949,000
Other central banks	-	-
Valuation adjustments	-	20,302
Total	**-**	**969,302**

At 31 December 2024, the Group had no financing related to TLTRO III auctions. Given that in 2023 the ECB raised interest rates to 4.5% and the remuneration of the Deposit Facility to 4%, and Minimum Reserves to 0%, the Group reduced its financing from the ECB by €5,816,000 thousand, leaving only one TLTRO auction outstanding at 31 December 2023 in an amount of €949,000 thousand, which matured in March 2024. The interest expense recorded in 2024 on the drawdowns of the TLTRO III facilities amounted to €9,066 thousand (€145,004 thousand at 31 December 2023).

Under the loan agreement secured by a pledge of securities and other assets entered into with the Bank of Spain using the mechanisms governing Eurosystem monetary policy, the Group has an approved credit limit of €9,937,807 thousand (€9,776,519 thousand at 31 December 2023) (Notes 8.5.1, 8.6.4 and 8.7.4.1).

8.7.2. Deposits from credit institutions

Details of this account under "Financial liabilities at amortised cost" on the liabilities side of the consolidated balance sheets according to instrument type are as follows:

	Thousands of Euros	
	2024	**2023**
Reciprocal accounts	263	149
Current accounts	122,102	124,968
Term deposits	383,042	483,652
Repurchase agreements	1,623,034	3,149,515
Valuation adjustments:		
Accrued interest	9,064	12,743
Total	**2,137,505**	**3,771,027**

8.7.3. Customer deposits

Details of this account under "Financial liabilities at amortised cost" on the liabilities side of the accompanying consolidated balance sheets by counterparty and type of financial instrument are as follows:

	Thousands of Euros	
	2024	**2023**
Demand deposits	38,504,800	35,839,191
Term deposits	8,588,406	7,589,810
Participation mortgages issued	137,706	230,397
Cash received	*2,203,971*	*3,226,163*
Loans (-)	*(5,939)*	*(5,939)*
Debt securities (-)	*(2,060,326)*	*(2,989,827)*
Other accounts	7,195	4,552
Valuation adjustments:		
Accrued interest	*75,164*	*60,795*
Unaccrued transaction costs	*(5,945)*	*(4,819)*
Micro-hedging transactions	-	-
Total	**47,307,326**	**43,719,926**

The average effective interest rate on customers' demand and term deposits at the Group was 2.38% in 2024 (2.14% in 2023.

8.7.4. Debt securities issued

Details of this heading under "Financial liabilities at amortised cost" on the liabilities side of the accompanying consolidated balance sheets are as follows:

	Thousands of Euros	
	2024	**2023**
Marketable debt securities	3,922,301	2,799,560
Subordinated liabilities	601,120	600,619
Total	**4,523,421**	**3,400,179**

8.7.4.1. Marketable debt securities

Details of this heading on the accompanying consolidated balance sheets by type of financial liability are as follows:

	Thousands of Euros	
	2024	**2023**
Mortgage bonds	5,193,252	5,596,768
Other secured bonds	750,000	750,000
Treasury shares	(4,250,000)	(5,250,000)
Other debt instruments issued	2,140,579	1,643,444
Valuation adjustments	88,470	59,348
Total	**3,922,301**	**2,799,560**

The movement of each type of financial liability during 2024 and 2023, without taking into account valuation adjustments, is as follows:

	Thousands of Euros				
	2024				
	Opening balance	**Issuances**	**Repurchases or redemptions**	**Exchange rate and other adjustments**	**Closing balance**
Debt securities issued in an EU member state that required the registration of a prospectus	**2,740,211**	1,843,619	(750,000)	-	**3,833,830**
Of which:					
Promissory notes and trade bills	**-**	-	-	-	**-**
Mortgage securities	**1,096,767**	1,346,484	(750,000)	-	**1,693,251**
Other debt instruments issued	**1,643,444**	497,135	-	-	**2,140,579**
Other secured bonds	**-**	-	-	-	**-**
	2023				
	Opening balance	**Issuances**	**Repurchases or redemptions**	**Exchange rate and other adjustments**	**Closing balance**
Debt securities issued in an EU member state that required the registration of a prospectus	**1,430,200**	2,495,206	(1,185,195)	-	**2,740,211**
Of which:					
Promissory notes and trade bills	**-**	-	-	-	**-**
Mortgage securities	**435,195**	1,096,767	(435,195)	-	**1,096,767**
Other debt instruments issued	**995,005**	648,439	-	-	**1,643,444**
Other secured bonds	**-**	750,000	(750,000)	-	**-**

Details of issues placed and pending maturity under “Mortgage bonds” at 31 December 2024 are as follows:

Date		Thousands of Euros				
Issuance	**Maturity**	**Cash**	**Treasury shares**	**Rating**	**Agency**	**Interest rate**
25/01/2024	25/07/2029	596,484	-	AA+	Standard & Poor's	3.38%
31/03/2023	31/03/2029	350,000	-	AA+	Standard & Poor's	3.55%
21/12/2020	21/12/2027	750,000	(750,000)	AA+	Standard & Poor's	0.00%
15/07/2021	15/07/2029	1,000,000	(1,000,000)	AAH	DBRS	0.10%
17/05/2022	17/05/2032	1,000,000	(1,000,000)	AAH	DBRS	2.00%
16/02/2023	16/02/2028	746,767	-	AA+	Standard & Poor's	3.38%
12/03/2024	12/03/2031	750,000	(750,000)	AAH	DBRS	4.66%
	Total issuances	**5,193,251**	**(3,500,000)**			

Details of issues placed and pending maturity under "Mortgage bonds" at 31 December 2023 were as follows:

Date		Thousands of Euros				
Issuance	Maturity	Cash	Treasury shares	Rating	Agency	Interest rate
15/09/2017	15/09/2024	750,000	(750,000)	AA+	Standard & Poor's	1.15%
07/05/2020	07/05/2025	1,000,000	(1,000,000)	AA+	Standard & Poor's	0.15%
21/12/2020	21/12/2027	750,000	(750,000)	AA+	Standard & Poor's	0.00%
15/07/2021	15/07/2029	1,000,000	(1,000,000)	AAH	DBRS	0.10%
17/05/2022	17/05/2032	1,000,000	(1,000,000)	AAH	DBRS	2.00%
16/02/2023	16/02/2028	746,767	-	AA+	Standard & Poor's	3.38%
31/03/2023	31/03/2029	350,000	-	AA+	Standard & Poor's	3.55%
	Total issuances	**5,596,767**	**(4,500,000)**			

In 2024, the Group completed two issues of mortgage covered bonds for a total of €1,346,484 thousand. The Group also redeemed early the mortgage covered bond issues "Cajamar 2017 Series II" (€750,000 thousand nominal) and "Cajamar 2020 Series I" (€1,000,000 thousand nominal), both of which were fully retained.

At year-end 2023, the Group had issued mortgage covered bonds for a total of €1,096,767 thousand, while also redeeming a maturing covered bond issuance for €497,220 thousand in cash.

Details of the balances of "Other secured bonds" and "Other debt instruments issued" at 31 December 2024 are as follows:

Date		Thousands of Euros				
Issuance	Maturity	Cash	Treasury shares	Rating	Agency	Interest rate
09/09/2021	09/03/2028	496,255	-	BBB-/ BBBL	Standard & Poor's / DBRS	1.75%
22/09/2022	22/09/2026	498,750	-	BBB- / BBBL	Standard & Poor's / DBRS	8.00%
14/09/2023	14/09/2029	648,439	-	BBB- / BBBL	Standard & Poor's / DBRS	7.50%
03/09/2024	03/09/2030	497,135	-	BBBL	DBRS	4.13%
17/03/2023	17/03/2029	750,000	(750,000)	AA	DBRS	3.55%
	Issuance	**2,890,579**	**(750,000)**			

Details of the balances of "Other secured bonds" and "Other debt instruments issued" at 31 December 2023 were as follows:

Date		Thousands of Euros				
Issuance	Maturity	Cash	Treasury shares	Rating	Agency	Interest rate
09/09/2021	09/03/2028	496,255	-	BB+ / BBBL	Standard & Poor's / DBRS	1.75%
22/09/2022	22/09/2026	498,750	-	BB+ / BBBL	Standard & Poor's / DBRS	8.00%
14/09/2023	14/09/2029	648,439	-	BB+ / BBBL	Standard & Poor's / DBRS	7.50%
17/03/2023	17/03/2029	750,000	(750,000)	AAL	DBRS	3.55%
	Issuance	**2,393,444**	**(750,000)**			

In 2024, the Group issued a Senior Preferred Debt instrument with a nominal value of €500,000 thousand and a cash amount of €497,135 thousand.

In 2023, the Group completed an issue of public sector bonds for a nominal amount of €750,000 thousand, which were fully retained. It also completed an issue of Simple Preferred Debt classified as green for a cash amount of €648,439 thousand.

The Parent holds an issue of senior preferred debt amounting to €500 million, with a coupon of 1.75% and maturing in March 2028, which is classified as "Other debt instruments issued". This placement increased the volume of eligible liabilities to comply with the MREL (Note 1.9).

All of the issues were accepted for trading on the AIAF Fixed Income Market.

The interest accrued at 31 December 2024 on debt securities issued amounted to €162,573 thousand (€98,212 thousand at 31 December 2023) (Note 26) and is included in "Interest expenses" on the accompanying consolidated statements of profit or loss.

Of the balance of "Debt securities issued" at 31 December 2024, €336,644 thousand was pledged under the loan agreement secured by a pledge of securities and other assets entered into with the Bank of Spain (€1,934 thousand at 31 December 2023) (Note 8.7.1).

8.7.4.2. Subordinated liabilities

This account included under the heading "Financial liabilities at amortised cost" records the amount of financing received, regardless of the manner in which it is instrumented, and which, for the purposes of creditor ranking, is less senior than that owed to common creditors in accordance with the provisions of Act 10/2014, of 26 June 2014.

Details on the accompanying consolidated balance sheet, by type of financial liability and counterparty, are as follows:

	Thousands of Euros	
	2024	**2023**
Subordinated marketable debt securities:	**597,654**	**597,654**
Convertible	-	-
Non-convertible	597,654	597,654
Subordinated deposits	**-**	**-**
Valuation adjustments	**3,466**	**2,965**
Total	**601,120**	**600,619**

Movements in 2024 and 2023, without taking valuation adjustments into account, are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**597,654**	**597,654**
Additions	-	-
Disposals	-	-
Transfers	-	-
Closing balance	**597,654**	**597,654**

At 31 December 2024 the Group had one issue of subordinated bonds, the details of which are as follows:

Date		Thousands of Euros						
Issuance	**Maturity**	**Nominal**	**Cash**	**Treasury shares**	**Rating**	**Agency**	**Interest rate**	**Issuance**
27/05/2021	27/11/2031	600,000	597,654	-	BB	Standard & Poor's / DBRS	5.25%	Tier2 Subordinated Fixed Reset Notes due 27 November 2031
	Total issuances	**600,000**	**597,654**	**-**				

The Group's outstanding issues at 31 December 2023 were as follows:

Date		Thousands of Euros						
Issuance	**Maturity**	**Nominal**	**Cash**	**Treasury shares**	**Rating**	**Agency**	**Interest rate**	**Issuance**
27/05/2021	27/11/2031	600,000	597,654	-	B+ / BB	Standard & Poor's / DBRS	5.25%	Tier2 Subordinated Fixed Reset Notes due 27 November 2031
	Total issuances	**600,000**	**597,654**	**-**				

The interest accrued on these subordinated liabilities at 31 December 2024 and 31 December 2023 totalled €31,808 thousand and €31,696 thousand, respectively (Note 26) and is included under the heading "Interest expenses" on the accompanying consolidated statements of profit or loss.

The Group's subordinated debt issues are placed under its European Medium Term Notes (EMTN) programme, and are listed on the Irish Stock Exchange. They consist of registered bonds that are subject to English law and settled through Euroclear and Clearstream.

8.7.5. Other financial liabilities

All of the financial liabilities recorded in this account on the accompanying consolidated balance sheets are classified as part of the "Financial liabilities at amortised cost" portfolio and therefore they are recognised at amortised cost. This account includes the payment obligations recognised as financial liabilities and not included under other headings.

Details of other financial liabilities grouped by financial instrument type are as follows:

	Thousands of Euros	
	2024	**2023**
Payment obligations	102,119	128,424
Guarantees received	2,725,507	2,943,098
Clearing houses	-	15,706
Tax collection accounts	167,726	134,177
Special accounts	45,568	92,847
Financial guarantees	18,146	18,781
Other items	56,732	45,706
Total	**3,115,798**	**3,378,739**

At 31 December 2024 and 31 December 2023 the "Guarantees received" account includes mainly the guarantees totalling €2,717,934 thousand and €2,930,115 thousand, respectively, received from various credit institutions to mitigate the risk in hedging derivative transactions linked to the portfolio of debt securities at amortised cost (Note 9).

The liabilities recognised under "Payment obligations" on the accompanying consolidated balance sheet at 31 December 2024 and 31 December 2023 and arising from the obligations assumed by the Group in operating leases, by remaining lease term, are as follows:

2024	Thousands of Euros							
CATEGORY	**Total Liabilities**	**Up to 12 months**	**Between 12 and 18 months**	**Between 18 and 24 months**	**Between 24 and 30 months**	**Between 30 and 36 months**	**Between 36 and 42 months**	**More than 42 months**
Buildings and office premises	**19,741**	6,887	3,361	3,345	853	746	689	3,861
Rest of spaces	**1,749**	693	306	268	138	103	69	173
Vehicles	**2,142**	748	358	339	337	252	82	26
Computer hardware	**846**	846	-	-	-	-	-	-
Total	**24,478**	**9,174**	**4,025**	**3,952**	**1,328**	**1,101**	**840**	**4,060**

2023	Thousands of Euros							
CATEGORY	**Total Liabilities**	**Up to 12 months**	**Between 12 and 18 months**	**Between 18 and 24 months**	**Between 24 and 30 months**	**Between 30 and 36 months**	**Between 36 and 42 months**	**More than 42 months**
Buildings and office premises	**25,434**	6,994	3,467	3,542	3,385	3,369	776	3,901
Rest of spaces	**1,103**	583	104	104	101	104	71	36
Vehicles	**1,944**	652	261	247	237	214	207	126
Computer hardware	**1,243**	651	592	-	-	-	-	-
Total	**29,724**	**8,880**	**4,424**	**3,893**	**3,723**	**3,687**	**1,054**	**4,063**

The average discount rate used to determine the payment obligations arising from operating leases was 5.09% at 31 December 2024 (4.23% at 31 December 2023).

The amount of capitalised rights-of-use arising from operating leases is shown in Note 12.

9. Derivatives – Hedge accounting (assets and liabilities)

This heading on the accompanying consolidated balance sheets records the hedging instruments carried at fair value in accordance with the explanation provided in Note 3.4 to the accompanying annual accounts.

At 31 December 2024 the Group had recognised €2,660,778 thousand for the fair value of asset derivatives (€2,957,536 thousand at 31 December 2023). On the other hand, the fair value of derivatives on the liabilities side totalled €88,955 thousand at 31 December 2024 (€141,993 thousand at 31 December 2023.

Instruments covered by micro-hedges and their hedges are as follows:

- Sovereign debt instruments with a fixed-rate coupon, hedged with fixed/variable interest rate swaps;
- Wholesale issues with a fixed-rate coupon, hedged with fixed/variable interest rate swaps;
- Inflation-linked sovereign debt instruments (linkers) that offer a fixed-rate coupon and a premium on maturity tied to an inflation index, hedged with inflation derivatives whereby the entity transfers the cash flows received on the bonds in exchange for a fixed or floating coupon.

Also regarding micro-hedges, in order to hedge the interest rate risk associated with the value of mortgages, the Entity has an interest rate swap (IRS) portfolio. This portfolio economically hedges the fair value of a raft of mortgage loans granted to customers at fixed rates against a reference rate, thereby reducing exposure to changes in the fair value of the loans granted as a result of fluctuations in the reference rates. At 31 December 2024 the result of the fair-value adjustment to loans and receivables was a negative €655 thousand (a negative €1,103 thousand at 31 December 2023).

The measurement methods used to determine the fair values of derivatives have been the discounting of cash flows method using discount curves and the estimation of interest rate flows, and also for inflation-linked instruments, estimations of inflation (Black) and seasonality parameters linked to inflation.

The fair value of hedging derivatives is classified in Level 2 because the valuations are calculated on the basis of observable market inputs (Note 8.1).

The notional values of financial derivatives recorded under “Derivatives – Hedge accounting” at 31 December 2024 and 31 December 2023 are set out below, by counterparty, remaining term and type of risk:

	Thousands of Euros							
	2024				2023			
	Carrying amount		Notional amount		Carrying amount		Notional amount	
	Assets	Liabilities	Total hedges	Of which: sold	Assets	Liabilities	Total hedges	Of which: sold
Interest rate	2,657,839	5,239	13,651,800	-	2,953,907	2,996	12,048,800	-
Other OTC	2,657,839	5,239	13,651,800		2,953,907	2,996	12,048,800	
Credit	-	903	100,000	-	-	-	-	-
Credit default swaps	-	903	100,000	-	-	-	-	-
FAIR VALUE HEDGES	2,657,839	6,143	13,751,800	-	2,953,907	2,996	12,048,800	-
Interest rate	-	82,812	200,000	-	-	138,997	400,000	-
OTC options	-	-	-	-	-	-	-	-
Other OTC	-	82,812	200,000		-	138,997	400,000	
Options on organised markets	-	-	-	-	-	-	-	-
Others on organised markets	-	-	-		-	-	-	
CASH FLOW HEDGES	-	82,812	200,000	-	-	138,997	400,000	-
HEDGE OF NET INVESTMENTS IN A FOREIGN OPERATION	-	-	-	-	-	-	-	-
PORTFOLIO FAIR VALUE HEDGES OF INTEREST RATE RISK	2,939	-	20,000	-	3,629	-	20,000	-
PORTFOLIO CASH FLOW HEDGES OF INTEREST RATE RISK	-	-	-	-	-	-	-	-
DERIVATIVES-HEDGE ACCOUNTING	2,660,778	88,955	13,971,800	-	2,957,536	141,993	12,468,800	-
Of which: OTC – credit institutions	2,660,778	88,955	13,971,800		2,957,536	141,993	12,468,800	
Of which: OTC – other financial corporations	-	-	-		-	-	-	
Of which: OTC – others	-	-	-		-	-	-	

The fair value of the Group's financial asset and liability derivatives, by nature and counterparty, at 31 December 2024 and 31 December 2023 is as follows (Note 3.27):

	Thousands of Euros									
2024			Fair value hierarchy:			Change in fair value in the period		Accumulated change in fair value before taxes		
	Balance	*Of which: Securities at fair value*	**Level 1**	**Level 2**	**Level 3**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
ASSETS										
Derivatives – Hedge accounting	2,660,778	2,660,778	-	2,660,778	-	(171,417)	-	-	1,021,650	-
LIABILITIES										
Derivatives – Hedge accounting	88,955	88,955	-	88,955	-	(4,586)	-	-	(23,044)	-

	Thousands of Euros									
2023			Fair value hierarchy:			Change in fair value in the period		Accumulated change in fair value before taxes		
	Balance	*Of which: Securities at fair value*	**Level 1**	**Level 2**	**Level 3**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
ASSETS										
Derivatives – Hedge accounting	2,957,536	2,957,536	-	2,957,536	-	1,149,347	-	-	1,320,560	-
LIABILITIES										
Derivatives – Hedge accounting	141,993	141,993	-	141,993	-	(2,996)	-	-	2,996	-

Gains or losses from hedge accounting at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Changes in the fair value of the hedging instrument [including discontinued operations]	(177,125)	(323,225)
Changes in the fair value of the hedged item attributable to the hedged risk	177,389	323,115
Ineffectiveness in profit or loss of cash flow hedges	-	-
Ineffectiveness in profit or loss of hedges of net investments in foreign operations	-	-
GAINS OR (-) LOSSES FROM HEDGE ACCOUNTING, NET	**264**	**(110)**

To mitigate the risk in hedging derivative transactions linked to the portfolio of debt securities at amortised cost, at 31 December 2024 and 31 December 2023 the Group has posted guarantees in the amount of €2,717,934 thousand and €2,930,115 thousand, respectively (Note 8.7.5).

10. Non-current assets and disposal groups of assets classified as held for sale

The composition of this item on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	2024	**2023(*)**
Tangible assets for own use	**30,102**	**43,282**
Acquisition cost	31,860	45,215
Impairment allowances	(1,758)	(1,933)
Investment property	**8,280**	**8,766**
Acquisition cost	13,726	14,745
Accumulated depreciation	(1,443)	(1,443)
Impairment allowances	(4,003)	(4,536)
Tangible assets foreclosed	**189,372**	**272,356**
Acquisition cost	452,725	676,627
Accumulated depreciation	(1,647)	(1,776)
Impairment allowances	(261,706)	(402,495)
Total	**227,754**	**324,404**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

Details of non-current assets held for sale classified by use, without taking into account impairment adjustments, are as follows:

	Thousands of Euros							
	Residential		**Industrial**		**Agriculture**		**Other**	
Tangible assets	**2024**	**2023 (*)**	**2024**	**2023 (*)**	**2024**	**2023 (*)**	**2024**	**2023 (*)**
Property, plant and equipment for own use	13,245	26,600	18,615	18,615	-	-	-	-
Property, plant and equipment foreclosed	319,656	465,241	109,487	185,050	18,138	19,836	3,795	4,724
Investment property	2,623	3,642	9,423	9,423	237	237	-	-
Total	**335,524**	**495,483**	**137,525**	**213,088**	**18,375**	**20,073**	**3,795**	**4,724**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

The fair value of the property, plant and equipment recorded under this heading at 31 December 2024 and 31 December 2023 matches the carrying amount.

Movements in these headings on the consolidated balance sheet during 2024 and 2023, without taking impairment losses into account, are as follows:

	Thousands of Euros		
	Tangible assets	Foreclosed	Investment property
Cost			
Balance at 31 December 2022	**19,496**	**133,094**	**14,751**
Additions	25,946	4,810	-
Disposals	(227)	(52,710)	(464)
Transfers (Note 12) and (Note 16)	-	(514)	458
Transfers due to reclassification	-	591,948	-
Balance at 31 December 2023 (*)	**45,215**	**676,628**	**14,745**
Additions	-	13,833	-
Disposals	(13,355)	(229,613)	(1,019)
Transfers (Note 12) and (Note 16)	-	(8,122)	-
Balance at 31 December 2024	**31,860**	**452,724**	**13,726**
Accumulated depreciation			
Balance at 31 December 2022	**-**	**(1,734)**	**(1,446)**
Additions with effects on results	-	-	-
Disposals	-	158	3
Transfers (Note 12) and (Note 16)	-	(202)	-
Balance at 31 December 2023 (*)	**-**	**(1,778)**	**(1,443)**
Additions with effects on results	-	-	-
Disposals	-	183	-
Transfers (Note 12) and (Note 16)	-	(54)	-
Balance at 31 December 2024	**-**	**(1,648)**	**(1,443)**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

The main additions to “Tangible assets for own use” in 2023 related to plots of urban land registered in accordance with the commercial exchange agreed between Cajamar Caja Rural, Sociedad Cooperativa de Crédito and the Government of Andalucía (Junta de Andalucía) (Note 12).

At 31 December 2024 the gains from sales and write-downs of certain items of property, plant and equipment totalled €4,981 thousand (€2,768 thousand at 31 December 2023), while the losses came to €12,243 thousand (€22,524 thousand at 31 December 2023) (Note 26).

In 2024, loans granted to finance the sale of the Group’s foreclosed property, plant and equipment totalled €19,123 thousand (€11,864 thousand in 2023). The average amount of foreclosed assets financed as a percentage of the total amount sold at 31 December 2024 was 24.04% (37.26% in 2023). At 31 December 2024 there are no unrecognised gains from the sale of these assets (no amount at 31 December 2023).

The average time to sell assets classified by the Group as foreclosed is between two and five years, depending on the category of asset.

Impairment losses recognised for assets classified in this balance sheet heading in 2024 and 2023 are as follows:

	Thousands of Euros		
	Tangible assets	**Foreclosed**	**Investment property**
Balance at 31 December 2022	**(1,994)**	**(43,069)**	**(4,282)**
Allowances recognised in profit or loss (Note 26)	-	(71,062)	-
Recovered funds (Note 26)	-	1,894	-
Cancellation due to use, transfers and others	60	21,260	(254)
Transfers due to reclassification	-	(311,519)	-
Balance at 31 December 2023 (*)	**(1,933)**	**(402,496)**	**(4,536)**
Allowances recognised in profit or loss (Note 26)	-	(107,083)	(13)
Recovered funds (Note 26)	-	83,581	-
Cancellation due to use, transfers and others	175	164,290	546
Balance at 31 December 2024	**(1,758)**	**(261,706)**	**(4,003)**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

11. Investments in subsidiaries, joint ventures and associates

This heading on the accompanying consolidated balance sheets comprises the value of the investments in associates, details of which, together with other relevant information at 31 December 2024 and 31 December 2023, are provided in Appendix I.

	Thousands of Euros	
	2024	**2023**
Group companies	-	-
Associates	**93,635**	**87,814**
Securities held by the entity	93,635	87,814
Impairment allowances	-	-
Total	**93,635**	**87,814**

In 2024 and 2023 the “Investments in subsidiaries, joint ventures and associates” heading reflected the value of investments accounted for using the equity method and had the following movements:

	Thousands of Euros	
	2024	**2023**
Opening balance	**87,814**	**85,185**
Additions due to transfers, acquisitions and capital increases	1,835	3
Sale of shares and refund of contributions	(1,013)	(674)
Dividend settlement	(41,411)	(48,825)
Share of profit/(loss) of entities accounted for using the equity method	44,213	45,423
Other consolidation movements	2,196	6,702
Closing balance	**93,635**	**87,814**

The results of entities accounted for using the equity method at 31 December 2024 and 31 December 2023 totalled €44,213 thousand and €45,423 thousand, respectively (Note 26).

The addition for 2024 relates to the €1,835 thousand share of the capital increase in "Parque Científico-Tecnológico de Almería, S.A.".

The addition in 2023 recorded the payment of €3 thousand for Other partner contributions to the company “Biocolor, S.L.”.

Details of investments in companies accounted for using the equity method on the Group’s consolidated balance sheet at 31 December 2024 and at 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Cajamar Vida, S.A. de Seguros y Reaseguros	20,743	19,748
Murcia Emprende, S.C.R, S.A.	665	709
Hábitat Utiel, S.L.	1	1
Giesmed Parking, S.L.	112	458
Biocolor, S.L.	377	379
Cajamar Seguros Generales, S.A	10,674	7,777
GCC Consumo Establecimiento Financiero de Crédito, S.A.	47,405	44,834
Parque de Innovación y Tecnológico de Almería, S.A.	6,868	5,526
Renovables la Unión, S.C.P.	68	68
Promontoria Jaguar, S.A.	6,723	8,315
Total	**93,635**	**87,814**

At 31 December 2024 and 31 December 2023 there was no balance for profits from the sale of shareholdings pending recognition derived from the financing of the sales.

Grupo Cajamar has signed a bancassurance agreement with Cajamar Seguros Generales to sell insurance. In 2018, it was proposed that the agreement, which was reviewed and updated in 2023, be extended/novated to boost sales in line with new business plans. This change involved the agreement term being extended, the Group’s technical commission rate being altered, and new products to be sold being added.

Moreover, the receivables from the technical commission for the period – generated as per the above agreement – have also been sold at a fixed, outright price.

12. Tangible assets

Details of this item on the consolidated balance sheet at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
<u>For own use</u>		
Amortised cost	**757,280**	**730,937**
Computer hardware	29,034	33,024
Furniture, installations and other	154,545	105,719
Buildings	536,332	464,359
Construction in progress	7,188	100,040
Other tangible assets	30,181	27,795
Capitalised rights of use in leases	**22,976**	**28,528**
Computer hardware	773	1,265
Furniture, installations and other	2,029	1,856
Buildings	19,276	24,977
Other tangible assets	898	430
Accumulated impairment	**(1,119)**	**(1,146)**
Total	**779,137**	**758,319**

	Thousands of Euros	
	2024	**2023**
<u>Assigned to social projects</u>		
Amortised cost		
Furnishings and fixtures	62	67
Constructions	1,723	1,927
Accumulated impairment	-	-
Total	**1,785**	**1,994**

	Thousands of Euros	
	2024	**2023**
<u>Investment property</u>		
Amortised cost		
Furniture, vehicles and other fixtures	627	818
Buildings	129,036	130,607
Rural properties, land and plots	18,429	33,826
Accumulated impairment	(27,029)	(36,657)
Total	**121,063**	**128,594**

The breakdown of tangible assets for own use recorded under this heading on the consolidated balance sheet and movements during 2024 and 2023 are as follows:

	Thousands of Euros					
	Own use					
	Computer hardware	Furniture, fixtures and other	Buildings	Construction in progress	Other tangible assets	Total
Cost						
Balance at 31 December 2022	**235,124**	**549,507**	**610,212**	**41,581**	**22,911**	**1,459,334**
Additions	11,838	13,768	4,242	65,409	10,540	105,797
Disposals	(26,309)	(12,560)	(43,739)	(3,584)	(1)	(86,193)
Transfers (Note 10) (Note 16)	1	923	1,278	(3,365)	-	(1,163)
Other movements	1,185	2,097	29,519	-	693	33,494
Balance at 31 December 2023	**221,839**	**553,735**	**601,511**	**100,040**	**34,144**	**1,511,269**
Additions	8,937	27,640	5,806	32,509	2,625	77,517
Disposals	(96)	(3,824)	(7,623)	(26)	(81)	(11,650)
Transfers (Note 10) (Note 16)	-	44,368	73,694	(125,335)	-	(7,273)
Balance at 31 December 2024	**230,680**	**621,919**	**673,388**	**7,188**	**36,687**	**1,569,862**
Accumulated depreciation						
Balance at 31 December 2022	**(201,531)**	**(436,110)**	**(112,737)**	**-**	**(5,427)**	**(755,805)**
Additions with effects on results (Note 26)	(12,005)	(21,129)	(8,152)	-	(225)	(41,511)
Disposals	26,266	11,319	13,254	-	(3)	50,836
Transfers (Note 10) (Note 16)	-	-	-	-	-	-
Other movements	(1,546)	(2,096)	(29,517)	-	(693)	(33,852)
Balance at 31 December 2023	**(188,816)**	**(448,016)**	**(137,152)**	**-**	**(6,348)**	**(780,332)**
Additions with effects on results (Note 26)	(12,650)	(22,452)	(7,846)	-	(226)	(43,174)
Disposals	94	3,435	6,862	-	68	10,459
Transfers (Note 10) (Note 16)	-	(341)	1,080	-	-	739
Other movements	(275)	-	-	-	-	(275)
Balance at 31 December 2024	**(201,646)**	**(467,374)**	**(137,056)**	**-**	**(6,506)**	**(812,582)**

Grupo Cooperativo Cajamar decided to move the headquarters of its central services in Almeria to the Almeria Science and Technology Park (PITA). Accordingly, at its meeting held on 26 June 2023, the Governing Council of Cajamar Caja Rural, Sociedad Cooperativa de Crédito, resolved to enter into a commercial exchange agreement with the government of Andalucía (Junta de Andalucía), which was decided and approved on 21 December 2023. Under this agreement, Cajamar Caja Rural, Sociedad Cooperativa de Crédito delivered to the Junta de Andalucía part of the singular buildings housing its central services, together with furniture and fittings, with a net carrying amount of €27,371 thousand (€43,784 thousand of gross carrying amount), in exchange for a number of developable plots in the Toyo development in the municipality of Almería with a value of €25,946 thousand (Note 10).

Thus, the main retirements under the headings of “Buildings” and “Furniture, fixtures and other” in 2023 related to the assets included in the aforementioned transaction.

Movements in valuation adjustments for impairment of tangible assets for own use in 2024 and 2023 were as follows:

Own use	Thousands of Euros					
Impairment losses	Computer hardware	Furniture, fixtures and other	Buildings	Construction in progress	Other tangible assets	Total
Balance at 31 December 2022	**-**	**-**	**(1,173)**	**-**	**-**	**(1,173)**
Allowances recognised in profit or loss	-	-	-	-	-	-
Recovered funds	-	-	27	-	-	27
Cancellation due to use, transfers and others	-	-	-	-	-	-
Balance at 31 December 2023	**-**	**-**	**(1,146)**	**-**	**-**	**(1,146)**
Allowances recognised in profit or loss	-	-	-	-	-	-
Recovered funds	-	-	27	-	-	27
Cancellation due to use, transfers and others	-	-	-	-	-	-
Balance at 31 December 2024	**-**	**-**	**(1,119)**	**-**	**-**	**(1,119)**

Capitalised rights of use in operating leases:

Details of capitalised rights of use in leases as per IFRS 16 included in tangible assets for own use under this heading on the consolidated balance sheets and movements in 2024 are as follows:

	Capitalised rights to use in leases.				
	Business units	Other	Vehicles	Computer hardware	Total
Cost					
Balance at 31 December 2022	**49,157**	**3,754**	**3,171**	**2,621**	**58,703**
Additions	6,183	700	1,545	945	9,373
Disposals	(2,710)	(1,079)	(675)	-	(4,464)
Transfers	(32)	32	-	-	-
Balance at 31 December 2023	**52,598**	**3,407**	**4,041**	**3,566**	**63,612**
Additions	3,694	1,329	1,197	937	7,157
Disposals	(5,936)	(354)	(1,937)	(797)	(9,024)
Transfers	-	-	-	-	-
Balance at 31 December 2024	**50,356**	**4,381**	**3,301**	**3,706**	**61,744**
Accumulated depreciation					
Balance at 31 December 2022	**(22,946)**	**(2,242)**	**(2,052)**	**(1,185)**	**(28,425)**
Additions with effects on results (Note 26)	(6,640)	(665)	(775)	(1,116)	(9,196)
Disposals	1,318	576	642	-	2,536
Transfers	(5)	5	-	-	-
Balance at 31 December 2023	**(28,273)**	**(2,326)**	**(2,185)**	**(2,301)**	**(35,085)**
Additions with effects on results (Note 26)	(7,073)	(676)	(810)	(1,429)	(9,988)
Disposals	3,476	308	1,723	797	6,304
Transfers	-	-	-	-	-
Balance at 31 December 2024	**(31,869)**	**(2,694)**	**(1,272)**	**(2,933)**	**(38,768)**

Details of the liabilities recorded as bonds payable linked to lease arrangements are provided in Note 8.7.5.

No valuation adjustments have been recognised for impairment of tangible assets for own use in connection with capitalised rights of use in operating leases at 31 December 2024 and 31 December 2023.

The breakdown of investment property and assets assigned to the Education and Development Fund recorded under this heading on the consolidated balance sheet and the movements during 2024 and 2023, in this heading, are as follows:

	Thousands of Euros.				
	Investment property			Linked to the Education and Development Fund	
	Furniture, vehicles and other fixtures	Buildings	Rural properties, land and plots	Furniture and fixtures	Buildings
Cost					
Balance at 31 December 2022	**2,164**	**168,271**	**37,640**	**2,909**	**3,610**
Additions	73	4,579	11,146	-	-
Disposals	-	(41,296)	(556)	-	-
Transfers (Note 10) (Note 16)	-	18,934	(14,404)	-	-
Balance at 31 December 2023	**2,237**	**150,488**	**33,826**	**2,909**	**3,610**
Additions	38	(32)	230	-	-
Disposals	-	(28,507)	11,110	-	-
Transfers (Note 10) (Note 16)	-	29,077	(26,738)	(341)	(324)
Balance at 31 December 2024	**2,275**	**151,027**	**18,429**	**2,568**	**3,285**
Accumulated depreciation					
Balance at 31 December 2022	**(1,186)**	**(19,520)**	**-**	**(2,836)**	**(1,623)**
Additions with effects on results (Note 26)	(233)	(2,853)	-	(6)	(60)
Disposals	-	2,144	-	-	-
Transfers (Note 10) (Note 16)	-	348	-	-	-
Balance at 31 December 2023	**(1,419)**	**(19,881)**	**-**	**(2,842)**	**(1,683)**
Additions with effects on results (Note 26)	(230)	(2,643)	-	(4)	(54)
Disposals	-	1,735	-	-	-
Transfers (Note 10) (Note 16)	-	(1,201)	-	341	175
Balance at 31 December 2024	**(1,648)**	**(21,990)**	**-**	**(2,506)**	**(1,562)**
Impairment losses					
Balance at 31 December 2022	**-**	**(26,393)**	**(393)**	**-**	**-**
Allowances recognised in profit or loss	-	(25,059)	(6,081)	-	-
Recovered funds	-	8,374	7,958	-	-
Cancellation due to use, transfers and others	-	6,635	(1,698)	-	-
Balance at 31 December 2023	**-**	**(36,443)**	**(214)**	**-**	**-**
Allowances recognised in profit or loss	-	(4,642)	(1,127)	-	-
Recovered funds	-	5,405	3,421	-	-
Cancellation due to use, transfers and others	-	8,831	(2,260)	-	-
Balance at 31 December 2024	**-**	**(26,849)**	**(180)**	**-**	**-**

At 31 December 2024 the gains from sales and write-downs of certain tangible assets totalled €1,029 thousand (€11,121 thousand at 31 December 2023), while the losses came to €5,875 thousand (€14,309 thousand at 31 December 2023) (Note 26).

At 31 December 2024 the Group had granted €5,645 thousand of financing in the sale of certain assets, which represents an average of 21.88% of the total sales for the year (€7,869 thousand at 31 December 2023, representing 9.50% of total sales for the year).

At 31 December 2024 and 31 December 2023 the Group had no unrecognised gains from financing in sales of assets classified as investment property.

At 31 December 2024 the Group had no fixed asset purchase commitments (€1,294 thousand at 31 December 2023).

Fully depreciated assets still in use by the Group at 31 December 2024 totalled €529,877 thousand (€498,310 thousand at 31 December 2023).

The fair value of property for own use and investment property matches the carrying amount.

Rental income from investment property amounted to €6,383 thousand at 31 December 2024 (€6,322 thousand at 31 December 2023) (Note 26). Operating expenses recognised in connection with these investments amounted to €1,215 thousand in 2024 (€1,304 thousand at 31 December 2023) (Note 26).

13. Intangible assets

Details of this item on the consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Goodwill	2,817	2,817
Computer software	444,089	348,334
Administrative concessions	22,718	18,468
Other intangible assets	16	4,586
Total, gross	**469,640**	**374,205**
Accumulated amortisation	(131,402)	(103,461)
Impairment losses	(6,414)	(6,423)
Total, net	**331,824**	**264,321**

The movement in computer software, administrative concessions and other intangible assets under this heading of the consolidated balance sheet in 2024 and 2023 was as follows:

	Thousands of Euros	
Cost	**2024**	**2023**
Opening balance	**371,388**	**298,704**
Additions	95,790	71,811
Disposals	(356)	(2,081)
Other	-	2,954
Closing balance	**466,822**	**371,388**
Amortisation		
Opening balance	**(103,461)**	**(82,385)**
Additions with effects on results	(26,971)	(20,721)
Disposals	87	811
Other	(1,058)	(1,166)
Closing balance	**(131,402)**	**(103,461)**
Impairment losses		
Opening balance	**(6,423)**	**(6,386)**
Allowances recognised in profit or loss	(214)	(398)
Recovered funds	223	662
Cancellation due to use, transfers and others	-	(301)
Closing balance	**(6,414)**	**(6,423)**
Total, net	**329,006**	**261,504**

Goodwill at 31 December 2024 corresponds to the valuation of the investments in new companies incorporated into the scope of consolidation following the acquisition of 100% of FV La Cañada de Tabernas, S.L.U., FV Turrillas Matanegra, S.L.U. and Eco Energía de Cubiertas I, S.L.U. The Group has not recognised any impairment in respect of this investment.

Fully amortised intangible assets included in “Computer software” and “Administrative concessions” still in use in the Group at 31 December 2024 totalled €55,141 thousand (€51,119 thousand at 31 December 2023).

14. Provisions

Details of this item on the consolidated balance sheet at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Pensions and other post-employment defined benefit obligations	3,712	2,693
Other long-term employee benefits	68	325
Commitments and guarantees given	15,079	10,199
Loan commitments given	*8,601*	*3,824*
Financial guarantees given	*2,264*	*3,176*
Other commitments given	*4,214*	*3,199*
Other provisions	186,019	65,263
Total	**204,878**	**78,480**

14.1. Pensions and other post-employment defined benefit obligations and Other long-term employee benefits

The breakdown of the consolidated balance sheet items recognised under assets and liabilities for defined benefit pension commitments is as follows:

	Thousands of Euros	
	2024	**2023**
Other assets – Net pension plan assets	(29)	(54)
Provisions – Provisions for pensions and similar obligations	3,780	3,018

The present value of the commitments based on the assumptions indicated in Note 3.20, applied to post-employment benefits by the Group and the manner in which these commitments were hedged, giving rise to the aforementioned consolidated balance sheet items, is as follows:

	Thousands of Euros					
	2024			**2023**		
	Active and retired employees		**Early retirees**	**Active and retired employees**		**Early retirees**
	Other assets	**Provisions**	**Provisions**	**Other assets**	**Provisions**	**Provisions**
Present value of obligations:						
Commitments accrued with active employees	181	28,815	-	231	26,327	-
Commitments accrued with early retired employees	-	-	68	-	-	325
Commitments with retired employees	222	19,386	-	487	16,482	-
Fair value of plan net assets (-):						
Pension plan assets	(266)	(31,545)	-	(262)	(27,945)	-
Insurance contract	(166)	(12,944)	-	(510)	(12,171)	-
Actuarial gains not recognised on the balance sheet (+)	-	-	-	-	-	-
Actuarial losses not recognised on the balance sheet (+)	-	-	-	-	-	-
Past service not yet recognised on the balance sheet (-)	-	-	-	-	-	-
Actuarial losses not recognised on the balance sheet (+)	-	-	-	-	-	-
(Other assets) / Provisions recognised on the balance sheet	**(29)**	**3,712**	**68**	**(54)**	**2,693**	**325**

Movements in net assets and liabilities during 2024 and 2023, recognised on the consolidated balance sheet, are as follows:

	Thousands of Euros					
	2024			**2023**		
	Active and retired employees		**Early retirees**	**Active and retired employees**		**Early retirees**
	Other assets	**Provisions**	**Provisions**	**Other assets**	**Provisions**	**Provisions**
(Other assets) / Provisions – opening balance	**(54)**	**2,693**	**325**	**(78)**	**2,114**	**626**
Allocations made during the period	8	1,357	6	10	1,498	-
Gains and losses on other long-term employee benefits	-	-	1	-	-	34
Actuarial gains and losses adjusted to equity	17	1,409	-	19	802	-
Recovered funds	-	-	-	-	-	-
Other movements	-	-	-	(2)	2	-
Cash outflows	-	(1,747)	(264)	(3)	(1,723)	(335)
(Other assets) / Provisions – closing balance	**(29)**	**3,712**	**68**	**(54)**	**2,693**	**325**

Details of total income and expenses recognised on the consolidated statements of profit or loss at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Staff expenses – Appropriations to defined benefit plans (Note 26)	(1,279)	(1,258)
Pension fund interest expenses (Note 26)	(1,577)	(1,457)
Interest income – Yield on plan assets (Note 26)	1,459	1,359
Appropriations to pension funds and similar obligations (Note 26)(*)	26	(186)
Accounting income/(expense)	**(1,371)**	**(1,542)**

(*) Includes the balances corresponding to payments to retirees, which have no balancing entry under net pension plan assets or provisions for pensions and similar obligations.

The contributions to the external pension plan for defined benefit pension commitments made by the Group at 31 December 2024 and 31 December 2023 totalled €13,232 thousand and €12,464 thousand. They have been recorded under the heading "Staff expenses" on the consolidated statement of profit or loss for those years (Note 26).

No contingent liabilities have arisen as a result of severance payments and/or post-employment benefits for employees.

There are no amounts that have not been recognised on the balance sheet with respect to actuarial gains/(losses), past service costs and unrecognised assets.

14.2. Provisions for commitments and guarantees given

Details of this heading on the consolidated balance sheet and movement in 2024 are as follows:

	Thousands of Euros			
	Valuation adjustments			
	Stage 1	Stage 2	Stage 3	Total allowance
Balance at 31 December 2023	**6,360**	**637**	**3,201**	**10,198**
Increases due to origination and acquisition	3,003	6	33	3,042
Decreases due to derecognitions	(1,590)	(113)	(1,785)	(3,488)
Changes due to variation in credit risk (net)	1,408	2,465	1,188	5,061
Changes due to modifications without derecognition (net)	28	220	-	248
Changes due to revision of the entity's estimation model (net)	-	-	-	-
Decrease in the allowance account as a result of delinquent loans written off	-	-	(185)	(185)
Other adjustments	29	11	162	202
Balance at 31 December 2024	**9,238**	**3,226**	**2,615**	**15,079**

Changes in gross exposures and impairment during 2024 are as follows:

	Thousands of Euros			
Transfers of commitments and financial guarantees given, gross:	**From Stage 1:**	**From Stage 2:**	**From Stage 3:**	**Total**
To Stage 1:		34,270	242	**34,512**
To Stage 2:	111,070		332	**111,402**
To Stage 3:	2,906	329		**3,235**
Transfers of provisions:				
To Stage 1:		33	3	**36**
To Stage 2:	2,701		12	**2,713**
To Stage 3:	1,075	42		**1,117**

Details of this heading on the consolidated balance sheet and movement in 2023 are as follows:

	Thousands of Euros			
	Valuation adjustments			
	Stage 1	Stage 2	Stage 3	Total allowance
Balance at 31 December 2022	**5,090**	**1,113**	**2,799**	**9,002**
Increases due to origination and acquisition	1,964	22	22	2,008
Decreases due to derecognitions	(1,291)	(1,430)	(706)	(3,427)
Changes due to variation in credit risk (net)	641	932	1,209	2,782
Changes due to modifications without derecognition (net)	3	9	-	12
Changes due to revision of the entity's estimation model (net)	-	-	-	-
Decrease in the allowance account as a result of delinquent loans written off	-	-	(137)	(137)
Other adjustments	(48)	(8)	15	(41)
Balance at 31 December 2023	**6,360**	**637**	**3,201**	**10,198**

Changes in gross exposures and impairment during 2023 are as follows:

	Thousands of Euros			
Transfers of commitments and financial guarantees given, gross:	**From Stage 1:**	**From Stage 2:**	**From Stage 3:**	**Total**
To Stage 1:		47,041	1,101	**48,142**
To Stage 2:	46,673		133	**46,806**
To Stage 3:	1,496	1,112		**2,608**
Transfers of provisions:				
To Stage 1:		137	5	**142**
To Stage 2:	322		1	**323**
To Stage 3:	297	409		**706**

This heading includes the amount of provisions created to cover contingent risks, which are understood to be those transactions in which the Group guarantees the obligations of a third party as a result of financial guarantees granted or other agreements, and contingent commitments, which are understood to be irrevocable commitments that could give rise to the recognition of financial assets (Note 22).

14.3. Provisions for legal issues and tax litigation

There are no balances under this heading at 31 December 2024 and 31 December 2023 (Note 3.12).

14.4. Other provisions

In this account the Group records the various contingencies considered to be probable and they are classified in accordance with three types of risk:

- Market risk, due to the activity carried out by the Group with respect to investments that will probably give rise to contingencies that must be covered.

- Sundry risks, for which provisions have been recorded covering unresolved issues that the Group believes, will result in a probable payment.

- Other liabilities, estimating probable payments deriving from the Group’s normal activities.

The changes in this heading on the consolidated balance sheet in 2024 and 2023 were as follows:

	Thousands of Euros			
	Market	**Miscellaneou s**	**Other liabilities**	**Total**
Opening balances 31 December 2022	**244**	**12,753**	**55,352**	**68,349**
Allocations made during the period (Note 26)	3,223	6,669	69,292	**79,184**
Recovered funds (Note 26)	(62)	(1,077)	(6,533)	**(7,672)**
Funds used and other movements	(2,549)	(9,049)	(62,999)	**(74,597)**
Opening balances 31 December 2023	**856**	**9,296**	**55,112**	**65,264**
Allocations made during the period (Note 26)	38,028	29,494	142,657	**210,179**
Recovered funds (Note 26)	(1,055)	-	(14,585)	**(15,640)**
Funds used and other movements	(1,883)	(3,670)	(68,230)	**(73,783)**
Closing balances 31 December 2024	**35,946**	**35,120**	**114,953**	**186,019**

Grupo Cooperativo Cajamar has decided the terms of the 2024 Early Retirement Plan (supplementary payments and social security contributions) for active employees born between 1 January 1962 and 31 December 1966, provided they meet certain criteria. The enrolment period for this plan ended on 30 April 2024, with retirements scheduled to begin in July 2024.These early retirements were formalised through mutual termination of employment contracts, on a voluntary basis. To meet the obligations arising from this agreement, the Group allocated a provision of €42,628 thousand, which has been fully utilised following the settlement of the commitments, which were insured with Mapfre España S.A. A similar 2023 Early Retirement Plan was implemented the previous year, for which the Group allocated a provision of €36,512 thousand at 31 December 2023.

The Group maintains a provision under "Other liabilities" to cover special compensated voluntary leaves, which began in 2017, for employees born on or before 31 December 1963, who have worked at least three of the last five years. The provision recorded at 31 December 2024, which is estimated to cover all obligations related to voluntary leave until the completion of each agreement, amounts to €48,202 thousand (€22,059 thousand at 31 December 2023).

As part of its strategy for managing irregular assets, at 31 December 2024, the Group has recorded various provisions under "Other liabilities" to cover expected legal expenses related to court proceedings involving debt instruments included in the sale of non-performing and defaulted asset portfolios, amounting to €8,718 thousand (€7,328 thousand as of 31 December 2023).

The Spanish Supreme Court, in its ruling dated 23 December 2015, declared the mortgage loan expense clause null and void on the grounds that it was abusive, as it assigned all costs to the consumer. According to the Court, this created a significant contractual imbalance in favour of lenders and to the detriment of consumers. Rendering this clause null and void means it must be removed from the contract, and as established in the Supreme Court ruling of 23 January 2019, national law must be applied to determine the allocation of loan expenses. Additionally, the Court of Justice of the European Union (CJEU), in its ruling of 16 July 2020, confirmed that once the expense clause is deemed abusive, national law may be applied to allocate mortgage establishment and cancellation costs in the absence of an agreement between the parties. In particular, the ruling states that amounts imposed on the consumer under national law, such as the Stamp Duty on Notarial Acts (Impuesto de Actos Jurídicos Documentados – IAJD), may not need to be refunded. Based on these considerations and the evolution of related contingencies, the Entity has estimated that the risk exposure for this contingency could reach €38,640 thousand at 31 December 2024.

Additionally, at 31 December 2024, the Group maintains provisions to cover various legal proceedings, amounting to €16,807 thousand (€21,994 thousand as of 31 December 2023).

15. Tax assets and liabilities – Corporate income tax

Details of tax assets and liabilities at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros			
	Assets		Liabilities	
	2024	2023	2024	2023
Current taxes	**60,149**	**34,299**	**39,038**	**31,331**
Deferred taxes	**1,098,255**	**1,123,509**	**53,868**	**52,908**
For temporary differences:	**811,796**	**818,666**	**53,868**	**52,908**
Goodwill on the acquisition of assets	195	272	-	-
Impairment losses on assets	65,880	66,755	-	-
Pension funds and other insurance	52,807	53,164	-	-
Unaccrued fees, Bank of Spain Circular 4/2004	202	204	-	-
Early retirement and dismissal fund	6,513	6,513	-	-
Impairment losses on loans	531,385	564,130	5	5
Funds and provisions created	52,272	22,316	-	-
Excess amortisation/depreciation charge	1	1,251	-	-
Undervaluations of financial assets at fair value through other comprehensive income	18,937	20,730	-	-
Revaluation of properties	-	-	36,102	36,894
Revaluation of financial assets at fair value through other comprehensive income	-	-	17,702	15,948
Actuarial gains and losses	2,896	2,527	10	12
Fair value of loans and other	61,102	61,112	-	-
Limit on the deduction of finance expenses	17,339	17,589	-	-
Other	2,267	2,103	49	49
Tax loss carryforwards	**277,682**	**294,441**	-	-
Tax deductions and credits	**8,777**	**10,402**	-	-
	1,158,404	**1,157,808**	**92,906**	**84,239**

The balance under the heading “Tax assets” records the amounts to be recovered over the coming twelve months (“Tax assets – Current”) and the amounts of the taxes to be recovered in future years, including those deriving from tax loss carryforwards or tax credits for deductions or benefits yet to be applied (“Tax assets – Deferred”). The balance under the heading “Tax liabilities” includes the amount of all tax liabilities, making a distinction between current and deferred items, except for any provisions for taxes that are recorded under the heading “Provisions” on the accompanying consolidated balance sheet.

Movements in deferred tax assets and liabilities in 2024 and 2023 are as follows:

	Thousands of Euros			
	Assets		Liabilities	
	2024	2023	2024	2023
Opening balance	**1,123,509**	**1,127,326**	**52,908**	**48,174**
Prior years' adjustments	1,758	280	(341)	(250)
Corporate income tax for the period/year				
Impairment losses on assets	9	(3,126)	-	-
Goodwill	(70)	(69)	-	-
Pension funds and other insurance	(357)	52	-	-
Impairment losses on financial assets at amortised cost	(19,710)	(6,783)	-	-
Unaccrued fees, Bank of Spain Circular 4/2001	(2)	(1)	-	-
Funds and provisions created	30,258	(300)	-	-
Excess amortisation/depreciation charge (Act 16/2012)	(1,205)	(1,207)	-	-
Tax loss carryforwards	(15,646)	14,184	-	-
Deductions and credits	(5,946)	(2,719)	-	-
Revaluation of properties	-	-	(453)	(3,155)
Intangible assets and other	(16)	18	-	-
Other	179	-	-	-
Transfers and other				
Fair value of financial assets at fair value through other comprehensive income	(1,794)	(2,225)	1,754	8,139
Actuarial gains and losses	369	220	-	-
Change in current tax assets and liabilities	(12,913)	(1,228)	-	-
Change in payables to group companies	93	(670)	-	-
Limit on the deduction of finance expenses	(250)	(250)	-	-
Other	(10)	7	-	-
Closing balance	**1,098,256**	**1,123,509**	**53,868**	**52,908**

At 31 December 2024, the Group has deferred tax assets arising from unused tax losses and tax credits totalling €18,446 thousand (€11,289 thousand at 31 December 2023). The time limit for using unrecognised tax credits is 18 years from the tax period in which the credits arose, whereas there is no time limit for using tax losses. The breakdown is as follows:

		Thousands of Euros	
Year generated	**Item**	**2024**	**2023**
2023	Tax credits for tax loss carryforwards	1,710	1,792
2023	Deductions and credits	4,680	-
2022	Deductions and credits	3,230	667
2021	Deductions and credits	1,403	1,333
2020	Tax credits for tax loss carryforwards	-	4
2020	Deductions and credits	1,571	701
2019	Deductions and credits	-	401
2018	Deductions and credits	-	299
2017	Deductions and credits	-	132
2016	Deductions and credits	-	108
2015	Tax credits for tax loss carryforwards	1,118	1,118
2014	Tax credits for tax loss carryforwards	45	45
2013	Tax credits for tax loss carryforwards	798	798
2011	Tax credits for tax loss carryforwards	735	735
2010	Tax credits for tax loss carryforwards	648	648
2009	Tax credits for tax loss carryforwards	306	306
2008	Tax credits for tax loss carryforwards	786	786
2007	Tax credits for tax loss carryforwards	721	721
2004	Tax credits for tax loss carryforwards	695	695
	Total	**18,446**	**11,289**

Banco de Crédito Social Cooperativo, S.A. and the subsidiaries that meet the requirements of corporate income tax regulations to form a tax consolidated group for income tax purposes agreed to apply the special tax consolidation regime established in Corporate Income Tax Act 27/2014 with effect from 2016. Consequently, the Bank and all the entities in which it holds a direct or indirect ownership interest of at least 75% and a majority of the voting rights form a tax consolidated group for corporate income tax purposes. However, the savings banks in the Group pay income tax separately, as the special tax consolidation regime does not apply between them and Banco de Crédito Cooperativo, so it is impossible to obtain a consolidated tax base for the Group.

Pursuant to Act 20/1990 on the tax regime applicable to cooperatives, the adjustments made in respect of loan losses and other asset impairment charges, and contributions to employee benefit schemes, including early retirement schemes (which give rise to monetisable tax assets) corresponding to the savings banks are made to gross tax payable and not the tax base.

The table below reconciles accounting profit and taxable income for 2024 and 2023:

	Thousands of Euros	
	2024	**2023**
Aggregate profit/(loss) before tax	**405,743**	**88,181**
Permanent differences:	**(166,819)**	**(29,044)**
Appropriation to Social Projects Fund	(21,342)	(9,095)
Mandatory Reserve Fund	(24,013)	(10,344)
Interest on capital contributions	(100,454)	(54,422)
Dividends and other	(71,377)	(55,684)
Other provisions	50,367	100,501
Adjusted accounting profit/(loss) after permanent differences	**238,924**	**59,137**
Temporary differences:	**121,011**	**53,290**
Impairment losses on assets	(6,452)	(3,870)
Goodwill	(271)	(271)
Impairment losses on loans	(20,748)	(17,013)
Unaccrued fees, Bank of Spain Circular 4/2001	(3)	(8)
Funds and provisions created	117,744	(916)
Excess amortisation/depreciation charge (Act 16/2012)	(4,667)	(4,667)
Revaluation of properties	1,759	10,833
Portfolio valuation adjustments	-	79
Limitation of the deduction of financial expenses	(1,000)	(1,000)
Financial assets at fair value through other comprehensive income	1,109	2,332
Return on equity instruments	596	-
Limitation of negative tax bases (AP 19 Corporate Income Tax Act 27/2014)	32,944	67,791
Tax base before offset	**359,935**	**112,427**
Of which:		
Taxable income	359,983	120,037
Tax losses	(48)	(7,610)
Losses due to defaults (Articles 11, 12 of Spanish Corporate Income Tax Act (LIS))	**14,417**	**2,700**
Tax base before offset of tax loss carryforwards	**374,352**	**115,127**
Of which:		
Taxable income	374,400	122,737
Tax losses	(48)	(7,610)
Offset of prior years' tax loss carryforwards	**(36,516)**	**(11,731)**
Tax base	**337,836**	**103,396**
Gross tax payable (30%-25%)	**90,965**	**26,786**
Of which:		
Gross tax payable	90,977	28,688
Gross tax refundable	(12)	(1,902)
Monetisable tax asset expenses and losses (applied to tax payable)	**(4,571)**	**(15,240)**
Impairment losses on loans	(4,089)	(14,220)
Pension funds and other insurance	(482)	(1,020)
Application of the limit on monetisable tax assets	(12,502)	12,289
Tax payable (30%-25%)	**73,893**	**23,838**
Of which:		
Gross tax payable	73,905	25,740
Gross tax refundable	(12)	(1,902)
Tax credits for tax loss carryforwards	(12,146)	(4,175)
Deductions and credits	(5,948)	(2,719)
Withholdings and payments on account	(73,465)	(42,663)
Tax payable/(refundable)	**(17,654)**	**(23,817)**

The breakdown of corporate income tax included on the consolidated statement of profit or loss for 2024 and 2023 is as follows:

	Thousands of Euros	
	2024	**2023**
Tax payable (30%-25%)	64,630	12,901
Adjustments to prior year corporate income tax	(2,099)	(628)
Consolidation adjustment, portfolio standardisation	(170)	94
Other	103	3,001
Corporate income tax	**62,464**	**15,368**

The Group has applied the tax benefits relating to corporate income tax deductions and credits allowed under applicable legislation.

Irrespective of the corporate income tax taken to the statements of profit or loss for the years ended 31 December 2024 and 31 December 2023, the Group has recognised the following amounts in equity (deferred taxes) for the following items:

	Thousands of Euros	
	2024	**2023**
Fair value of tangible assets	36,102	36,893
Fair value of financial assets at fair value through other comprehensive income (revaluation)	17,701	12,142
Fair value of financial assets at fair value through other comprehensive income (undervaluation)	(18,354)	(5,228)
Fair value of loans and receivables and other (undervaluation)	(61,102)	(61,112)
Actuarial gains and losses	(2,886)	(2,515)

The movement in corporate income tax on items that may or may not be reclassified to profit or loss presented on the statement of recognised income and expense was a loss of €3,440 thousand at 31 December 2024 (a loss of €8,822 thousand at 31 December 2023) and relates to financial assets at fair value through other comprehensive income, actuarial gains on defined benefit pension plans and hedging derivatives (the effective portion of cash flow hedges).

Deferred tax assets corresponding to charges for the impairment of loans and other assets deriving from the potential insolvency of debtors not related to the taxpayer and from transfers or contributions to staff welfare schemes and, if appropriate, early retirement, generated as from 1 January 2016, may be converted into a callable loan (that may be monetisable) with the tax authorities for an amount equal to the tax payable for the tax period in which they are generated in the circumstances stipulated in the relevant legislation.

Further, deferred tax assets corresponding to charges for the impairment of loans and other assets deriving from the potential insolvency of debtors not related to the taxpayer and from transfers or contributions to staff welfare schemes and, if appropriate, early retirement, generated as from 1 January 2016, may be converted into a callable loan with the tax authorities when included to determine the corporate income tax charge or, otherwise, used to determine payment of an annual ‘asset charge’ of 1.5%. The expense accrued by the Group in 2024 in respect of this ‘asset charge’ amounted to €7,556 thousand (€7,988 thousand at 31 December 2023).

Monetisable tax assets at 31 December 2024 amounted to €594,088 thousand (€618,857 thousand at 31 December 2023).

The breakdown of tax credits for tax loss carryforwards, deductions and allowances available for offset in future years at 31 December 2024 and 31 December 2023 is as follows:

		Thousands of Euros	
Year generated	Item	2024	2023
2024	Deductions and credits	9,987	-
2023	Tax credits for tax loss carryforwards	20,060	20,088
2023	Deductions and credits	2,439	-
2022	Tax credits for tax loss carryforwards	17,434	17,438
2022	Deductions and credits	2,668	2,668
2021	Tax credits for tax loss carryforwards	1,610	1,614
2021	Deductions and credits	3,244	3,314
2020	Tax credits for tax loss carryforwards	12,156	16,677
2020	Deductions and credits	-	2,804
2019	Tax credits for tax loss carryforwards	7,247	7,274
2019	Deductions and credits	-	1,121
2018	Tax credits for tax loss carryforwards	12,264	16,580
2017	Tax credits for tax loss carryforwards	30,206	30,213
2015	Tax credits for tax loss carryforwards	25,106	30,704
2014	Tax credits for tax loss carryforwards	4	3,121
2014	Deductions and credits	62	63
2013	Tax credits for tax loss carryforwards	43	69
2013	Deductions and credits	54	65
2012	Tax credits for tax loss carryforwards	141,219	150,173
2012	Deductions and credits	114	139
2011	Tax credits for tax loss carryforwards	347	383
2011	Deductions and credits	55	72
2010	Tax credits for tax loss carryforwards	-	107
2010	Deductions and credits	118	149
2009	Deductions and credits	24	7
	Total	**286,461**	**304,843**

The Group has its books open to inspection for all the years required for the various applicable taxes under prevailing tax legislation.

Due to the various possible interpretations of the tax regulations applicable to the transactions carried out by the Group, the outcome of any future tax audit and investigation procedures by the tax authorities could result in tax liabilities, the amount of which cannot currently be objectively quantified. However, the Group's management believes that the likelihood of significant additional liabilities arising in this regard, beyond those already recorded, is remote.

Tax on net interest income and fees for certain financial institutions

Final Provision Nine of Act 7/2024 of 20 December 2024 introduced the Tax on Net Interest Income and Fees for Certain Financial Institutions (IMIC). This direct and progressive tax applies to the net interest income and fees generated from activities carried out in Spain by credit institutions, financial credit establishments and branches of foreign credit institutions during the tax periods beginning in 2024, 2025 and 2026. The tax rate is structured into five brackets, applied after deducting €100 million from the taxable base: 1%, 3.5%, 4.8%, 6%, and 7% (the highest rate applies to the portion of the taxable base exceeding €5,000 million).

On 25 December 2024, Royal Decree-Law 9/2024 of 23 December 2024 came into force, modifying the accrual of the tax, establishing that it would be payable on the last day of the month following the end of the tax period for entities that qualify as taxpayers on that date. However, on 22 January 2025, this Royal Decree-Law was repealed by the Spanish Parliament.

Based on these provisions, Cajamar Caja Rural, Sociedad Cooperativa de Crédito, the only entity within Grupo Cooperativo Cajamar subject to this tax, has estimated a liability of €14,108 thousand for the first taxable period.

16 Other assets and liabilities

The details of the balance of these headings in the assets and liabilities sections on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	2023 (*)
Other assets:		
Prepayments and accrued income	33,099	24,093
Inventories:	43,167	47,230
Amortised cost	91,910	101,586
Valuation adjustments for impairment	(48,743)	(54,356)
Other:		
Net pension plan assets (Note 14.1)	29	54
Transactions in transit	577	1,411
Other items	59,859	78,753
Total	**136,731**	**151,541**

	Thousands of Euros	
	2024	2023
Other liabilities:		
Accruals and deferred income	73,694	102,071
Other:		
Transactions in transit	3,419	9,689
Other items	301,264	486,988
Education and Development Fund	6,264	4,297
Total	**384,641**	**603,045**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

The "Inventories" heading comprises assets, including land and other properties, that are held for sale in the normal course of business. Movements in the assets mentioned in the above paragraph on the consolidated balance sheets, without taking into account valuation adjustments, throughout 2024 and 2023, are as follows:

	Thousands of Euros	
Cost	**2024**	**2023 (*)**
Opening balance	**101,586**	**840,885**
Additions	34,535	43,314
Disposals	(57,932)	(184,403)
Transfers due to reclassification	-	(591,948)
Transfers (Note 10) (Note 12)	13,721	(6,263)
Closing balance	**91,910**	**101,586**

	Thousands of Euros	
Impairment losses	**2024**	**2023 (*)**
Opening balance	**(54,357)**	**(354,588)**
Additions (Note 26)	(64,108)	(189,407)
Disposals (Note 26)	63,976	102,613
Transfers due to reclassification	-	311,515
Transfers, applications and other	5,746	75,510
Closing balance	**(48,743)**	**(54,357)**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

In 2024, assets classified as Inventories of the Group with a carrying amount of €22,173 thousand were derecognised on being sold (€125,182 thousand in 2023). Loans totalling €7,829 thousand (€42,301 thousand in 2023) were granted to finance these sales. The average amount of inventory financed as a percentage of the total amount sold at 31 December 2024 was 35.31% (33.79% at 31 December 2023).

The "Inventories" heading comprises assets, including land and other properties, that are held for sale in the normal course of business. The fair value of the inventories recorded under this heading at 31 December 2024 and 31 December 2023 matches the carrying amount.

17 Education and Development Fund

The incorporation of Grupo Cooperativo Cajamar does not restrict responsibility for operating and managing the Education and Development Fund to the Parent's Board of Directors; this responsibility falls to the governing board of each entity forming part of the Group, as follows:

The Education and Development Fund is used basically for the following purposes, in accordance with the provisions of the Entities' By-laws:

- To train and educate members and employees of the Group in cooperative principles and values, and to raise awareness of the cooperative movement's presence in social and rural environments and other cooperative social and cultural action.

- To promote initiatives that raise awareness of the cooperative movement, inter-cooperation and cooperative integration.

- To support cultural, professional and care activities at the local level or for the community in general, to contribute to enhancing the quality of life and social well-being.

- To participate in strategies and programmes that respond to the needs of social development, protection of the environment and economic development of the Group's areas of action.

At the individual level, each Credit Cooperative forming part of Grupo Cooperativo carries out their own activities financed by the Education and Development Fund; the most significant in 2024 and 2023 being as follows:

- Research, development, innovation and knowledge transfer, which has been a driving force of the Group entities since 1975 and is aimed at nurturing an entrepreneurial culture in the agri-food sector, applying know-how to create value, and driving up the profitability of farming through sustainable and environmentally-friendly practices. Our laboratories in Almeria and Valencia are the clearest example of the work of our Welfare Fund. The centres carry out applied research projects and develop new production technologies, and especially focus on disseminating the outcomes thereof. There are currently four main areas of knowledge: agri-sustainability, food and health, the bioeconomy, and greenhouse technologies.

- Technical and professional training is at the heart of our model to create value for society and the business community. We have therefore committed to forging a permanent link between research and transferring the findings thereof to society. We organise occasional and on-going knowledge transfer activities (conferences, seminars and workshops) and training courses.

- Our Agri-food Training School is there to contribute to enhancing the leadership skills of agents in the agri-food sector through technical and business courses for various groups: executives, directors, farmers and young people. To achieve this, we have put in place a wide-ranging systemic proposal across all agri-food sub-sectors and the regions we serve. Looking ahead, we are focusing on matters related with the intensive use of technology, digitalisation, the creation of added value, efficient use of available resources including the circular economy, and differentiation as a key tool to compete in the global market.

- We are actively involved in forums related with the agri-food sector in Spain and abroad.

- We also contribute to developing and promoting the agri-food sector and social economy through research and the publication of books, journals, newsletters, reports and case studies. We currently boast a private collection of agri-food publications, which is the largest in Spain and an invaluable resource for professionals and researchers as well as for the general public who are increasingly interested in finding out more about this sector given its economic, social and environmental importance. Our publications are fruit of the experiments and analysis performed by our specialists, partnerships with renowned experts and entities, institutions and businesses around the world.

- We have established a Universities Network we will work with to further research and analysis in the agri-food sector and its various sub-sectors. By publishing the papers from this work, we will offer the key agents in the sector valuable resources to help them make strategic decisions in their respective businesses. We will also boost interest in the agri-food business among university students through work experience and events to foster entrepreneurship.

- Analysis of the current position and structural aspects of the agri-food sector. The agri-food system is constantly evolving to cater for the changing needs of consumers and the markets. Our Group has a department that specialises in analysing the different variables affecting the sector's situation and evolution. Our knowledge of the various stages of the food chain, competition in the different sub-sectors, and the main challenges faced enable us to offer advice and solutions that are best tailored to the needs of our partners and customers. Structural and economic indicators on production, consumption, foreign trade, prices, nature of farms and commercial structures, among others, are analysed as part of this process. A close watch is also kept on the latest technologies and innovations that contribute to enhancing the sustainability of production systems. Environmental matters, such as energy efficiency, renewable energy usage, better use of inputs, and the new demands of society are factors that are having an increase impact on agri-food companies, and are variables included in our analyses.

- In order to also nurture entrepreneurial spirit and drive the development of new technologies that meet the agri-food sector's needs, the Group is backing the creation of innovative start-ups. Services provided include selecting projects with a solid knowledge base and growth potential; providing advice and mentoring on technological, business and market matters; providing support during the initial stages of development; and acting as intermediary to obtain project finance.

- We champion the digitalisation of the agri-food sector to more efficiently use resources and better position the various agents in the value chain. In doing this, our aim is to increase financial returns, preserve a social fabric connected with food production, and protect and conserve the environment.

- We help promote policies, measures and instruments that contribute to developing sustainable finance and the social economy, aimed at meeting human needs and the sustainable development of local productive sectors. We promote instruments that encourage and support our partners and customers in the areas of sustainability and the ecological transition.

- By engaging permanently and constructively with stakeholders, we help identify and monitor the factors and trends that shape society's future priorities regarding sustainable finance, the social economy and good corporate governance within the framework of the Sustainable Development Goals.

- We contribute to and collaborate with projects in financial education, rural development, financial inclusion, nature conservation, sustainable renewable energy models, social integration, nutrition and health.

- We have contributed to establishing the means to continue to deliver financial services to more than 100 small towns and villages with fewer than 5,000 inhabitants, preventing them from losing access to this essential service and facilitating financial inclusion. This action, focused mainly on rural areas, helps stabilise local communities, thus reducing depopulation and fostering economic development in these areas.

- On the social well-being side, continuing support for action aimed at helping at-risk groups of the population, through the financing of projects of non-profit organisations, to enhance these people's quality of life and facilitate their access to services and inclusion in the communities and society they belong to.

- Partnering on institutional and private-sector projects involving music, painting, dance and theatre, especially cultural activities and sports for children and young people, with a programme promoting the values in sport and increasing physical activity through grassroots sport.

- Backing of social and economic development programmes in the areas in which we operate, and cultural heritage conservation work.

The management of the Education and Development Fund falls to the governing boards of Members, or to the persons delegated by them with respect to specific actions, based on the purposes established in the basic workstreams submitted for approval by each Member's annual General Assembly.

The breakdown, by item, of the balances relating to the Group's Education and Development Fund at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	2024	**2023**
Application of the Education and Development Fund: (Note 12)		
Property, plant and equipment:	**1,786**	**1,993**
Cost	5,853	6,518
Accumulated depreciation	(4,067)	(4,525)
Other receivables	(1)	-
Total	**1,785**	**1,993**
Education and Development Fund:		
Appropriation:	**5,806**	**3,830**
Applied to property, plant and equipment	1,723	1,927
Applied to other investments	62	66
Expenses committed during the year	18,309	9,128
Current year maintenance expenses	(15,402)	(8,011)
Amount not committed	1,114	720
Other liabilities	**456**	**467**
Total	**6,262**	**4,297**

The Education and Development Fund's expenditure and investment budget at 31 December 2024 amounted to €18,309 thousand (€9,128 thousand at 31 December 2023).

Movements in property, plant and equipment linked to the Education and Development Fund are set out in detail in Note 12.

Movements in the Fund during 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**4,297**	**4,791**
Distribution of prior year surplus, Credit Cooperatives	9,094	4,151
Extraordinary appropriation	8,263	3,365
Maintenance expenses for the year	(15,402)	(8,011)
Other	12	1
Closing balance	**6,264**	**4,297**

18 Equity

The breakdown of the "Equity" item on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	2024	**2023**
Capital	**1,059,028**	**1,059,028**
Paid up capital	1,059,028	1,059,028
Parent's reserves	**36,889**	**31,963**
Non-distributable reserves:	**18,592**	**14,758**
Legal reserve	18,592	14,758
Other reserves	**18,297**	**17,205**
Voluntary reserves	28,881	28,377
Other reserves	(10,584)	(11,172)
Parent's equity subject to solvency commitment	**1,095,917**	**1,090,991**
Equity of the Group's cooperative societies subject to solvency commitment	**3,986,878**	**3,823,410**
Equity of Cajamar Caja Rural subject to solvency commitment	**3,684,970**	**3,533,547**
Contributions to the capital of Cajamar Caja Rural	3,440,124	3,355,597
Reserves of Cajamar Caja Rural	244,873	177,979
Mandatory reserve fund	50,100	33,723
Revaluation reserves	39,408	39,589
Voluntary reserve fund	145,540	94,842
Other reserves	9,825	9,825
Less: Treasury shares	(27)	(29)
Equity of the rest of the Group's cooperative societies subject to solvency commitment	**301,908**	**289,863**
Capital contributions to the rest of the Group's cooperative societies	101,212	95,858
Reserves of the rest of the cooperative societies	200,724	194,033
Mandatory reserve fund	187,346	183,032
Revaluation reserves	5,805	5,805
Voluntary reserve fund	7,665	5,288
Other reserves	(92)	(92)
Less: Treasury shares	(28)	(28)
Reserves generated during the consolidation process	**(45,697)**	**(17,632)**
Other consolidated Group reserves	**12,305**	**(3,571)**
Reserves of entities accounted for using the equity method	**24,833**	**29,241**
Parent's shares (-)	**(977,699)**	**(977,349)**
Profit or loss attributable to the Parent	**326,260**	**126,947**
Dividends (-)	**(51,717)**	**(26,691)**
Dividends to Cajamar Caja Rural capital	(50,281)	(25,939)
Dividends to the capital of the rest of the Group's rural savings banks	(1,436)	(752)
Interim dividends (-)	**(3,779)**	**(1,852)**
Items that may be reclassified to profit or loss	**(22,633)**	**(34,288)**
Items that may not be reclassified to profit or loss	**3,248**	**(447)**
Changes in the fair value of equity instruments at fair value through other comprehensive income	10,372	5,624
Actuarial gains or losses on defined benefit pension plans	(7,124)	(6,071)
Total equity	**4,347,916**	**4,008,759**

The reconciliation of Equity and Other items that may or may not be reclassified to profit or loss on the accompanying consolidated balance sheet at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros		
	2024		
Equity	**4,367,300**	**4,367,300**	**Breakdown:**
Capital	**1,059,028**	**1,059,028**	**Parent's capital**
Paid up capital	*1,059,028*	*1,059,028*	*Parent's issued capital*
Share premium	**-**	**-**	**Share premium**
Equity instruments issued other than capital	**3,541,278**	**3,541,278**	**Total equity instruments**
		3,440,124	*Contributions to the capital of Cajamar Caja Rural (Equity subject to solvency commitments)*
		(30)	*Less: Treasury shares of Cajamar Caja Rural (Equity subject to solvency commitments)*
		101,212	*Contributions to the capital of the rest of the Group's cooperative societies (Equity subject to solvency commitments)*
		(28)	*Less: Treasury shares of the rest of the Group's cooperative societies (Equity subject to solvency commitments)*
Other equity	**-**	**-**	**Other equity**
Retained earnings	**392,427**	**392,427**	**Total other retained earnings (Reserves)**
		47,473	*Parent's reserves*
		195,640	*Mandatory, voluntary and other reserves at Cajamar Caja Rural (Equity subject to solvency commitments)*
		195,011	*Mandatory, voluntary and other reserves at the other cooperative societies (Equity subject to solvency commitments)*
		(45,697)	*Reserves generated during the consolidation process*
Revaluation reserves	**45,214**	**45,214**	**Total revaluation reserves**
		39,408	*Revaluation reserves at Cajamar Caja Rural*
		5,806	*Revaluation reserves at the rest of the Group's cooperative societies*
Other reserves	**36,287**	**36,287**	**Total other reserves**
Reserves of entities accounted for using the equity method	-	*24,833*	*Reserves of entities accounted for using the equity method*
Other	-	*11,454*	*Other reserves*
(-) Treasury shares	**(977,699)**	**(977,699)**	**Shares in the Parent (-) (Shares in the Parent held by the Group)**
Profit or loss attributable to owners of the Parent	**326,260**	**326,260**	**Profit or loss attributable to the Parent**
(-) Interim dividends	**(55,496)**	**(55,496)**	**Total interim dividends**
		(50,281)	**Dividends to Cajamar Caja Rural capital**
		(1,436)	*Dividends to the capital of the rest of the Group's rural savings banks*
		(3,779)	*Interim dividends to the Parent*
Accumulated other comprehensive income	**(19,384)**	**(19,384)**	**Total accumulated other comprehensive income**
Items that will not be reclassified to profit or loss	**3,248**	**3,248**	**Items that may not be reclassified to profit or loss**
		(5,169)	*Actuarial gains or (-) losses on defined benefit pension plans of the Parent*
		(1,623)	*Actuarial gains or (-) losses on defined benefit pension plans of Cajamar Caja Rural*
		(332)	*Actuarial gains or (-) losses on defined benefit pension plans of the of the rest of the Group's cooperative societies*
		10,372	*Changes in the fair value of equity instruments at fair value through other comprehensive income*
Items that may be reclassified to profit or loss	**(22,633)**	**(22,633)**	**Items that may be reclassified to profit or loss**
		-	*Foreign currency translation*
		(6,706)	*Hedging derivatives. Cash flow hedges [effective portion]*
		(11,915)	*Changes in the fair value of debt instruments at fair value through other comprehensive income*
		(4,012)	*Share of other recognised income and expense of investments in joint ventures and associates*

	Thousands of Euros		
	2023		
Equity	**4,043,494**	**4,043,494**	**Breakdown:**
Capital	**1,059,028**	**1,059,028**	**Parent's capital**
Paid up capital	*1,059,028*	*1,059,028*	*Parent's issued capital*
Equity instruments issued other than capital	**3,451,398**	**3,451,398**	**Total equity instruments**
	-	*3,355,597*	*Contributions to the capital of Cajamar Caja Rural (Equity subject to solvency commitments)*
	-	*(29)*	*Less: Treasury shares of Cajamar Caja Rural (Equity subject to solvency commitments)*
	-	*95,858*	*Contributions to the capital of the rest of the Group's cooperative societies (Equity subject to solvency commitments)*
	-	*(28)*	*Less: Treasury shares of the rest of the Group's cooperative societies (Equity subject to solvency commitments)*
Retained earnings	**342,388**	**342,388**	**Total other retained earnings (Reserves)**
		43,135	*Parent's reserves*
		128,565	*Mandatory, voluntary and other reserves at Cajamar Caja Rural (Equity subject to solvency commitments)*
		188,320	*Mandatory, voluntary and other reserves at the other cooperative societies (Equity subject to solvency commitments)*
		(17,632)	*Reserves generated during the consolidation process*
Revaluation reserves	**45,394**	**45,394**	**Total revaluation reserves**
		39,589	*Revaluation reserves at Cajamar Caja Rural*
		5,805	*Revaluation reserves at the rest of the Group's cooperative societies*
Other reserves	**24,231**	**24,231**	**Total other reserves**
Reserves of entities accounted for using the equity method	-	*29,241*	*Reserves of entities accounted for using the equity method*
Other	-	*(5,010)*	*Other reserves*
(-) Treasury shares	**(977,349)**	**(977,349)**	**Shares in the Parent (-) (Shares in the Parent held by the Group)**
Profit or loss attributable to owners of the Parent	**126,947**	**126,947**	**Profit or loss attributable to the Parent**
(-) Interim dividends	**(28,543)**	**(28,543)**	**Total interim dividends**
		(25,939)	**Dividends to Cajamar Caja Rural capital**
		(752)	*Dividends to the capital of the rest of the Group's rural savings banks*
		(1,852)	*Interim dividends to the Parent*
Accumulated other comprehensive income	**(34,735)**	**(34,735)**	**Total accumulated other comprehensive income**
Items that will not be reclassified to profit or loss	**(447)**	**(447)**	**Items that may not be reclassified to profit or loss**
		(4,947)	*Actuarial gains or (-) losses on defined benefit pension plans of the Parent*
		(847)	*Actuarial gains or (-) losses on defined benefit pension plans of Cajamar Caja Rural*
		(278)	*Actuarial gains or (-) losses on defined benefit pension plans of the of the rest of the Group's cooperative societies*
		5,624	*Changes in the fair value of equity instruments at fair value through other comprehensive income*
Items that may be reclassified to profit or loss	**(34,288)**	**(34,288)**	**Items that may be reclassified to profit or loss**
		(9,086)	*Hedging derivatives. Cash flow hedges [effective portion]*
		(17,994)	*Changes in the fair value of debt instruments at fair value through other comprehensive income*
		(7,208)	*Share of other recognised income and expense of investments in joint ventures and associates*

18.1 Capital:

18.1.1. Parent's capital

The composition of the Parent's capital at 31 December 2024 and 31 December 2023, by shareholder contribution, is as follows:

Founding entities	Percentage ownership 2024	2023
Cajamar Caja Rural, Sociedad Cooperativa de Crédito	84.907%	84.874%
Caixa Rural de Torrent, Cooperativa de Crédito Valenciana	1.509%	1.509%
Caixa Rural de Altea, Cooperativa de Crédito Valenciana	0.873%	0.873%
Caja Rural San José de Burriana, Sociedad Cooperativa de Crédito	0.728%	0.728%
Caja de Crédito de Petrel, Caja Rural, Cooperativa de Crédito Valenciana	0.631%	0.631%
Caja Rural Católico Agraria, Sociedad Cooperativa de Crédito	0.759%	0.759%
Caja Rural de Callosa d'en Sarriá, Sociedad Cooperativa de Crédito	0.525%	0.525%
Caja Rural San Jaime de Alquerías del Niño Perdido, Sociedad Cooperativa de Crédito	0.389%	0.389%
Caja Rural de Cheste, Sociedad Cooperativa de Crédito	0.340%	0.340%
Caja Rural San José de Nules, Sociedad Cooperativa de Crédito	0.298%	0.298%
Caja Rural de Alginet, Sociedad Cooperativa de Crédito	0.253%	0.253%
Caixa Rural de Turís, Cooperativa de Crédito Valenciana	0.228%	0.228%
Caja Rural Sant Vicente Ferrer de la Vall D'Uixo	0.228%	0.228%
Caja Rural de Villar, Sociedad Cooperativa de Crédito	0.213%	0.213%
Caja Rural San José de Vilavella, Sociedad Cooperativa de Crédito	0.145%	0.145%
Caja Rural San Roque de Almenara, Sociedad Cooperativa de Crédito	0.108%	0.108%
Caja Rural San Isidro de Vilafamés, Sociedad Cooperativa de Crédito	0.089%	0.089%
Caja Rural La Junquera de Chilches, Sociedad Cooperativa de Crédito	0.096%	0.096%
Shareholders that do not form part of Grupo Cooperativo Cajamar		
Caja Rural de Almendralejo, Sociedad Cooperativa de Crédito	1.557%	1.557%
Eurocaja Rural, Sociedad Cooperativa de Crédito	0.094%	0.094%
Caja Rural de Guissona, S. Coop. de Crédito	0.014%	0.014%
Caja Rural de Baena Ntra. Señora de Guadalupe, Sociedad Cooperativa de Crédito Andaluza	0.028%	0.028%
Caja Rural de Utrera, Sociedad Cooperativa Andaluza de Crédito	0.028%	0.028%
Caja Rural de Cañete de las Torres Ntra. Sra. del Campo, Sociedad Cooperativa Andaluza de Crédito	0.028%	0.028%
Caja Rural de Nueva Carteya, Sociedad Cooperativa Andaluza de Crédito (*)	0.028%	0.028%
Caja Rural Ntra. Madre del Sol, S. Coop. Andaluza de Crédito	0.028%	0.028%
Caixa Rural La Vall San Isidro Sociedad Cooperativa de Crédito Valenciana	0.001%	0.001%
Caja Rural San José de Almassora, S.Coop de Crédito	0.094%	0.094%
Caixa Rural de Benicarló, S.Coop de Crédito	0.094%	0.094%
Caixa Rural Vinaros, S. Coop. de Crédito	0.094%	0.094%
Caixa Rural Les Coves de Vinroma, S.Coop de Crédito	0.014%	0.047%
Team & Work 5000, SL	2.833%	2.833%
Crédito Agrícola SGPS, SA	0.472%	0.472%
Garunter Locales, SL	0.472%	0.472%
Pepal 2002, SL	0.142%	0.142%
ACOR, S. Coop	0.189%	0.189%
Gespater S.L	0.283%	0.283%
Publindal, S.L.	0.425%	0.425%
Surister del Arroyo, S.L.	0.189%	0.189%
Grupo Juramenta, S.L.	0.094%	0.094%
Repalmar, S.L.	0.094%	0.094%
Frutas de Guadalentin, S.L.	0.283%	0.283%
Other minority interests	0.097%	0.097%

(*) Formerly Caja Rural Nuestra Señora del Rosario, Soc. Coop. Andaluza de Crédito.

At 31 December 2024 the Parent's capital amounts to €1,059,028 thousand (€1,059,028 thousand at 31 December 2023), made up of 1,059,028 thousand registered shares with a par value of €1 each (1,059,028 thousand registered shares with a par value of €1 each at 31 December 2023). All shares are of the same class and series and are fully subscribed and paid up.

The shares issued by the Bank are the same class for all members of Grupo Cooperativo and the other shareholders. The restrictions on the transfer and/or pledging of shares only apply to the members of Grupo Cooperativo Cajamar by virtue of the Regulatory Agreement. The shareholders that are not members of Grupo Cooperativo may exercise their voting and dividend rights without any restriction.

Any credit cooperative wishing to join Grupo Cooperativo Cajamar must acquire an interest in the capital of Banco de Crédito Social Cooperativo, S.A.

Group Members may exercise their dividend and voting rights as shareholders of Banco de Crédito Social Cooperativo, S.A., in proportion to their shareholdings. When they exercise said rights, they must safeguard the Group's interests and take into consideration that their holding in the Parent is an instrument for configuring their participation in the Group.

Group Members are required at all times to maintain full ownership of their shares in Banco de Crédito Social Cooperativo, S.A. and any preferential subscription rights they may hold, free of charges and encumbrances and with all relevant dividend and voting rights. Members may only transfer their shares in the Parent to other Members and third parties with the prior consent of the Parent, Banco de Crédito Social Cooperativo, S.A. In this event, an adjustment must be agreed and made to the corporate governance rules included in the Regulatory Agreement of Grupo Cooperativo Cajamar (hereinafter, "the Regulatory Agreement") based on the new percentage holdings in the Parent's capital.

18.1.2. Shares of the Parent (Controlling Company)

The "Treasury shares" item in Equity includes the shares held by Group entities in the Parent. At 31 December 2024 treasury shares amounted to €977,699 thousand (€977,349 thousand at 31 December 2023), as follows:

	Thousands of Euros	
	2024	**2023**
Cajamar Caja Rural, Sociedad Cooperativa de Crédito	899,192	898,842
Caixa Rural de Torrent, Cooperativa de Crédito Valenciana	15,981	15,981
Caixa Rural de Altea, Cooperativa de Crédito Valenciana	9,242	9,242
Caja Rural San José de Burriana, Sociedad Cooperativa de Crédito	7,714	7,714
Caja de Crédito de Petrel, Caja Rural, Cooperativa de Crédito Valenciana	6,681	6,681
Caja Rural Católico Agraria, Sociedad Cooperativa de Crédito	8,040	8,040
Caja Rural de Callosa d'en Sarriá, Sociedad Cooperativa de Crédito	5,556	5,556
Caja Rural San Jaime de Alquerías del Niño Perdido, Sociedad Cooperativa de Crédito	4,124	4,124
Caja Rural de Cheste, Sociedad Cooperativa de Crédito	3,606	3,606
Caja Rural San José de Nules, Sociedad Cooperativa de Crédito	3,155	3,155
Caja Rural de Alginet, Sociedad Cooperativa de Crédito	2,676	2,676
Caixa Rural de Turís, Cooperativa de Crédito Valenciana	2,413	2,413
Caja Rural Sant Vicente Ferrer de la Vall D'Uixo	2,416	2,416
Caja Rural de Villar, Sociedad Cooperativa de Crédito	2,257	2,257
Caja Rural San José de Vilavella, Sociedad Cooperativa de Crédito	1,536	1,536
Caja Rural San Roque de Almenara, Sociedad Cooperativa de Crédito	1,147	1,147
Caja Rural San Isidro de Vilafamés, Sociedad Cooperativa de Crédito	948	948
Caja Rural La Junquera de Chilches, Sociedad Cooperativa de Crédito	1,017	1,017
Total	**977,699**	**977,349**

18.1.3 Contributions to the capital of Group Cooperative Societies

Members' contributions to the capital of Cajamar Caja Rural, Sociedad Cooperativa de Crédito, amount to €3,440,097 thousand at 31 December 2024 (€3,355,568 thousand at 31 December 2023) and are recognised under "*Equity of the Group's cooperative societies subject to solvency commitment – Equity of Cajamar Caja Rural subject to solvency commitment – Contributions to the capital of Cajamar Caja Rural*".

This Member's minimum capital, under Article 49 of its By-laws, is set at €25,000 thousand, which is variable in character and made up of mandatory contributions of €61. The partners' contributions to the capital of Cajamar Caja Rural, Sociedad Cooperativa de Crédito are attested to in sequentially numbered nominative certificates. The total amount that a single partner can contribute to capital cannot exceed 2.5% in the case of natural persons and 5% for legal persons. At 31 December 2024 the largest contribution equalled 0.11% of capital (0.15% at the end of 2023).

Contributions to capital accrue the interest agreed by the General Assembly, which is subject to the limits established by current legislation.

Capital incorporated by the Credit Cooperatives belonging to the Group amounted to €101,184 thousand at 31 December 2024 (€95,830 thousand at 31 December 2023) and is recorded under "Equity of the Group's cooperative societies subject to solvency commitment – Equity of the rest of the Group's cooperative societies subject to solvency commitment – Capital contributions to the rest of the Group's cooperative societies".

Details of and movements in the capital of Group Credit Cooperatives during 2024 and 2023 are as follows:

2024

	Thousands of Euros									
Group entity	**Entity's capital**	**Treasury shares**	**Opening balance**	**Number of contributions**	**Additions**	**Number of contributions**	**Disposals**	**Number of contributions**	**Treasury shares**	**Closing balance**
Cajamar Caja Rural, Sdad. Coop. de Crédito	3,355,623	(27)	3,355,596	55,009,776	335,140	5,494,106	(250,613)	(4,108,413)	(27)	3,440,097
Caixa Rural de Torrent, Coop. de Crédito Valenciana	16,739	-	16,739	278,469	1,717	28,556	(632)	(10,518)	-	17,823
Caixa Rural de Altea, Coop. de Crédito Valenciana	7,808	-	7,808	129,923	1,395	23,219	(520)	(8,656)	-	8,684
Caja Rural San José de Burriana, Sdad. Coop. de Crédito	5,364	-	5,364	89,245	330	5,497	(334)	(5,555)	-	5,360
Caja de Crédito de Petrel, Caja Rural, Coop. de Crédito Valenciana	5,012	-	5,012	83,398	990	16,477	(265)	(4,408)	-	5,738
Caja Rural Católico Agraria, Sdad. Coop. de Crédito	17,846	-	17,846	296,937	1,999	33,265	(790)	(13,139)	-	19,056
Caja Rural de Callosa d'en Sarriá, Sdad. Coop. de Crédito	9,248	-	9,248	153,879	438	7,283	(620)	(10,318)	-	9,066
Caja Rural San Jaime de Alquerías del Niño Perdido, Sdad. Coop. de Crédito	4,401	-	4,401	73,236	129	2,142	(289)	(4,812)	-	4,241
Caja Rural de Cheste, Sdad. Coop. de Crédito	2,169	-	2,169	36,079	181	3,007	(50)	(831)	-	2,299
Caja Rural San José de Nules, Sdad. Coop. de Crédito	7,017	-	7,017	116,748	308	5,126	(302)	(5,022)	-	7,023
Caja Rural de Alginet, Sdad. Coop. de Crédito	3,113	(28)	3,085	51,331	472	7,861	(136)	(2,260)	(28)	3,394
Caixa Rural de Turís, Coop. de Crédito Valenciana	2,293	-	2,293	34,678	296	4,482	(133)	(2,011)	-	2,456
Caja Rural Sant Vicente Ferrer de la Vall D'Uixo	3,841	-	3,841	63,908	432	7,182	(255)	(4,249)	-	4,017
Caja Rural de Villar, Sdad. Coop. de Crédito	5,827	-	5,827	96,955	724	12,052	(242)	(4,034)	-	6,309
Caja Rural San José de Vilavella, Sdad. Coop. de Crédito	1,161	-	1,161	19,316	111	1,849	(30)	(495)	-	1,242
Caja Rural San Roque de Almenara, Sdad. Coop. de Crédito	1,160	-	1,160	19,301	222	3,698	(49)	(820)	-	1,333
Caja Rural San Isidro de Vilafamés, Sdad. Coop. de Crédito	531	-	531	7,591	21	303	(9)	(125)	-	544
Caja Rural La Junquera de Chilches, Sdad. Coop. de Crédito	2,357	-	2,357	39,212	362	6,029	(121)	(2,006)	-	2,598
Total	**3,451,509**	**(55)**	**3,451,454**	**56,599,981**	**345,269**	**5,662,134**	**(255,390)**	**(4,187,672)**	**(55)**	**3,541,278**

2023

	Thousands of Euros									
Group entity	**Entity's capital**	**Treasury shares**	**Opening balance**	**Number of contributions**	**Additions**	**Number of contributions**	**Disposals**	**Number of contributions**	**Treasury shares**	**Closing balance**
Cajamar Caja Rural, Sdad. Coop. de Crédito	3,251,583	(27)	3,251,556	53,304,193	382,790	6,275,241	(278,776)	(4,570,101)	-	3,355,569
Caixa Rural de Torrent, Coop. de Crédito Valenciana	15,734	-	15,734	261,751	1,721	28,634	(716)	(11,916)	-	16,739
Caixa Rural de Altea, Coop. de Crédito Valenciana	7,798	-	7,798	129,757	594	9,880	(584)	(9,714)	-	7,808
Caja Rural San José de Burriana, Sdad. Coop. de Crédito	5,434	-	5,434	90,419	184	3,060	(254)	(4,234)	-	5,364
Caja de Crédito de Petrel, Caja Rural, Coop. de Crédito Valenciana	4,563	-	4,563	75,925	618	10,281	(169)	(2,808)	-	5,012
Caja Rural Católico Agraria, Sdad. Coop. de Crédito	17,127	-	17,127	284,967	1,744	29,019	(1,025)	(17,049)	-	17,846
Caja Rural de Callosa d'en Sarriá, Sdad. Coop. de Crédito	9,527	-	9,527	158,523	349	5,801	(628)	(10,445)	-	9,248
Caja Rural San Jaime de Alquerías del Niño Perdido, Sdad. Coop. de Crédito	4,517	-	4,517	75,154	143	2,381	(258)	(4,299)	-	4,401
Caja Rural de Cheste, Sdad. Coop. de Crédito	2,143	-	2,143	35,659	79	1,309	(53)	(889)	-	2,169
Caja Rural San José de Nules, Sdad. Coop. de Crédito	7,235	-	7,235	120,378	214	3,556	(432)	(7,186)	-	7,017
Caja Rural de Alginet, Sdad. Coop. de Crédito	3,108	(28)	3,080	51,254	220	3,659	(244)	(4,056)	-	3,057
Caixa Rural de Turís, Coop. de Crédito Valenciana	2,035	-	2,035	30,783	303	4,584	(46)	(689)	-	2,293
Caja Rural Sant Vicente Ferrer de la Vall D'Uixo	3,944	-	3,944	65,616	280	4,659	(383)	(6,367)	-	3,841
Caja Rural de Villar, Sdad. Coop. de Crédito	5,376	-	5,376	89,448	746	12,412	(295)	(4,905)	-	5,827
Caja Rural San José de Vilavella, Sdad. Coop. de Crédito	1,167	-	1,167	19,425	27	456	(34)	(565)	-	1,161
Caja Rural San Roque de Almenara, Sdad. Coop. de Crédito	1,143	-	1,143	19,021	113	1,885	(96)	(1,605)	-	1,160
Caja Rural San Isidro de Vilafamés, Sdad. Coop. de Crédito	524	-	524	7,485	16	231	(9)	(125)	-	531
Caja Rural La Junquera de Chilches, Sdad. Coop. de Crédito	2,186	-	2,186	36,380	277	4,605	(107)	(1,773)	-	2,357
Total	**3,345,145**	**(55)**	**3,345,090**	**54,856,137**	**390,417**	**6,401,653**	**(284,108)**	**(4,658,726)**	**-**	**3,451,399**

At 31 December 2024 the Board of Directors of Grupo Cooperativo Cajamar has classified €3,541,278 thousand (€3,451,398 thousand at 31 December 2023) relating to the various capital amounts of the Members of the Cooperative Group except for the Parent as Group equity under the heading "Other equity instruments".

At 31 December 2024 and 31 December 2023 the capital of all the Group Credit Cooperatives, in accordance with their respective by-laws, is classified in full under equity in their financial statements.

18.1.4. Share premium

At 31 December 2024 and 31 December 2023, the Group had no balance under this heading of the accompanying consolidated balance sheet.

18.1.5. Earnings per share

In accordance with IAS 33, details of the basic and diluted earnings per share of the Parent at 31 December 2024 and at 31 December 2023 are provided below.

Basic earnings per share are calculated by dividing the net profit for the year attributable to the Group by the weighted average number of outstanding shares for the year, excluding treasury shares.

Diluted earnings per share are calculated by dividing the net profit for the period attributable to the Group by the weighted average number of outstanding shares for the period adjusted for the dilution effect, this being the existence of convertible debt instruments and stock options. At 31 December 2024 and 31 December 2023 the Group has not issued any instruments with a potential dilutive effect.

	Thousands of Euros	
	2024	**2023**
Profit/(loss) attributable to the Parent, net	326,260	126,947
Weighted average number of shares	1,059,028	1,059,028
Basic earnings per share (in Euros)	**0.31**	**0.12**

	Thousands of Euros	
	2024	**2023**
Profit/(loss) attributable to the Parent, net	326,260	126,947
Corrections to results due to issuance of convertibles/options	-	-
Adjusted profit/(loss)	**326,260**	**126,947**
Weighted average number of shares	1,059,028	1,059,028
Corrections to weighted number of shares due to issuance of convertibles or options	-	-
Adjusted weighted average number of shares	**1,059,028**	**1,059,028**
Diluted earnings per share (in Euros)	**0.31**	**0.12**

18.1.6. Parent dividend distribution

The Parent may only pay out dividends against profits for the year or its unrestricted reserves if the relevant legal or by-law conditions have been met and equity is not less than capital or does not fall below capital due to the dividend payment. If there are prior-year losses that cause the Company's equity to be lower than the capital figure, profits must be used to offset those losses.

The dividends paid in 2024 consist of two interim dividends against 2024 earnings and a supplementary interim dividend against 2023 earnings.

2024

	First dividend paid				Second dividend paid				Total
	% of nominal amount	Thousands of shares	Euros per share	Thousands of Euros	% of nominal amount	Thousands of shares	Euros per share	Thousands of Euros	Thousands of Euros
Ordinary shares:									
Cajamar Caja Rural, S.C.C.	84.874%	898,842	0.019	16,974.83	84.874%	898,842	0.027	24,613.51	41,588.34
Caixa Rural de Torrent, C.C.V.	1.509%	15,981	0.019	301.81	1.509%	15,981	0.027	437.63	739.44
Caixa Rural de Altea, C.C.V.	0.873%	9,242	0.019	174.54	0.873%	9,242	0.027	253.08	427.62
Caja Rural San José de Burriana, S.C.C.V.	0.728%	7,714	0.019	145.68	0.728%	7,714	0.027	211.23	356.91
Caja de Crédito de Petrel Caja Rural, C.C.V.	0.631%	6,681	0.019	126.17	0.631%	6,681	0.027	182.94	309.11
Caja Rural Católico Agraria, S.C.C.V.	0.759%	8,040	0.019	151.84	0.759%	8,040	0.027	220.17	372.01
Caixa Rural de Callosa d'en Sarriá, C.C.V.	0.525%	5,556	0.019	104.92	0.525%	5,556	0.027	152.14	257.06
Caja Rural San Jaime de Alquerías del Niño Perdido, S.C.C.V.	0.389%	4,124	0.019	77.88	0.389%	4,124	0.027	112.92	190.80
Caja Rural de Cheste, S.C.C.V.	0.340%	3,606	0.019	68.09	0.340%	3,606	0.027	98.73	166.82
Caja Rural San José de Nules, S.C.C.V.	0.298%	3,155	0.019	59.58	0.298%	3,155	0.027	86.39	145.97
Caja Rural de Alginet, S.C.C.V.	0.253%	2,676	0.019	50.53	0.253%	2,676	0.027	73.27	123.80
Caixa Rural de Turís, C.C.V.	0.228%	2,413	0.019	45.58	0.228%	2,413	0.027	66.09	111.67
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, C.C.V.	0.228%	2,416	0.019	45.63	0.228%	2,416	0.027	66.17	111.80
Caja Rural de Villar, S.C.C.V.	0.213%	2,257	0.019	42.62	0.213%	2,257	0.027	61.80	104.42
Caixa Rural San Josep de Vilavella, S.C.C.V.	0.145%	1,536	0.019	29.01	0.145%	1,536	0.027	42.07	71.08
Caja Rural San Roque de Almenara, S.C.C.V.	0.108%	1,147	0.019	21.66	0.108%	1,147	0.027	31.40	53.06
Caja Rural San Isidro de Vilafamés, S.C.C.V.	0.089%	948	0.019	17.90	0.089%	948	0.027	25.95	43.85
Caja Rural La Junquera de Chilches, S.C.C.V.	0.096%	1,018	0.019	19.22	0.096%	1,018	0.027	27.87	47.09
Caja Rural de Almendralejo, S.C.C.	1.557%	16,491	0.019	311.44	1.557%	16,491	0.027	451.58	763.02
Eurocaja Rural, Sociedad Cooperativa de Crédito	0.094%	1,000	0.019	18.89	0.094%	1,000	0.027	27.38	46.27
Caixa Rural La Vall San Isidro, C.C.V.	0.001%	9	0.019	0.17	0.001%	9	0.027	0.25	0.42
Caja Rural San José de Almassora, S.C.C.V.	0.094%	1,000	0.019	18.89	0.094%	1,000	0.027	27.38	46.27
Caixa Rural de Benicarló, S.C.C.V.	0.094%	1,000	0.019	18.89	0.094%	1,000	0.027	27.38	46.27
Caixa Rural Vinaros, S.C.C.V.	0.094%	1,000	0.019	18.89	0.094%	1,000	0.027	27.38	46.27
Caixa Rural Les Coves de Vinroma, S.C.C.V.	0.047%	500	0.019	9.44	0.047%	500	0.027	13.69	23.13
Caja Rural de Baena Ntra. Señora de Guadalupe, S.C.C.A.	0.028%	300	0.019	5.67	0.028%	300	0.027	8.22	13.89
Caja Rural de Utrera, S.C.A.C.	0.028%	300	0.019	5.67	0.028%	300	0.027	8.22	13.89
Caja Rural de Cañete de las Torres Ntra. Sra. del Campo, S.C.A.C.	0.028%	300	0.019	5.67	0.028%	300	0.027	8.22	13.89
Caja Rural de Nueva Carteya, Sociedad Cooperativa Andaluza de Crédito.	0.028%	300	0.019	5.67	0.028%	300	0.027	8.22	13.89
Caja Rural Ntra. Madre del Sol, S.C.A.C.	0.028%	300	0.019	5.67	0.028%	300	0.027	8.22	13.89
Caja Rural de Guissona, S.C.C.	0.014%	150	0.019	2.83	0.014%	150	0.027	4.11	6.94
Team & Work 5000, S.L. (Grupo TREA)	2.833%	30,000	0.019	566.56	2.833%	30,000	0.027	821.51	1,388.07
Crédito Agrícola, S.G.P.S., S.A.	0.472%	5,000	0.019	94.43	0.472%	5,000	0.027	136.92	231.35
Garunter Locales, S.L.	0.472%	5,000	0.019	94.43	0.472%	5,000	0.027	136.92	231.35
Pepal 2002, S.L.	0.142%	1,500	0.019	28.33	0.142%	1,500	0.027	41.08	69.41
Acor Sociedad Cooperativa General Agropecuaria	0.189%	2,000	0.019	37.77	0.189%	2,000	0.027	54.77	92.54
Gespater, S.L.	0.283%	3,000	0.019	56.66	0.283%	3,000	0.027	82.15	138.81
Publindal, S.L.	0.425%	4,500	0.019	84.98	0.425%	4,500	0.027	123.23	208.21
Surister del Arroyo, S.L.	0.189%	2,000	0.019	37.77	0.189%	2,000	0.027	54.77	92.54
Grupo Juramenta, SL	0.094%	1,000	0.019	18.89	0.094%	1,000	0.027	27.38	46.27
Rapalmar, SL	0.094%	1,000	0.019	18.89	0.094%	1,000	0.027	27.38	46.27
Frutas del Guadalentín, SL	0.283%	3,000	0.019	56.66	0.283%	3,000	0.027	82.15	138.81
Other minority interests	0.097%	1,028	0.019	19.41	0.097%	1,028	0.027	28.15	47.56
Total dividends paid	**100.000%**	**1,059,028**	**0.019**	**20,000.00**	**100.000%**	**1,059,028**	**0.027**	**29,000.02**	**49,000.02**
Dividends charged to profit or loss	-	1,059,028	0.019	20,000.00	-	1,059,028	0.027	29,000.02	49,000.02
Dividend charged to reserves or share premium	-	-	-	-	-	-	-	-	-
Dividends in kind	-	-	-	-	-	-	-	-	-

(*) Caja Rural Ntra. Sra. del Rosario, S.C.C.A. has changed its name to Caja Rural de Nueva Carteya, Sociedad Cooperativa Andaluza de Crédito.

Additionally, at the end of 2023 the Parent's Board of Directors proposed a second interim dividend, as follows:

	Supplementary dividend of the result of 2023			
	% of nominal amount	Thousands of shares	Euros per share	Thousands of Euros
Ordinary shares:				
Cajamar Caja Rural, S.C.C.	84.874%	898,842	0.009	8,487.42
Caixa Rural de Torrent, C.C.V.	1.509%	15,981	0.009	150.91
Caixa Rural de Altea, C.C.V.	0.873%	9,242	0.009	87.27
Caja Rural San José de Burriana, S.C.C.V.	0.728%	7,714	0.009	72.84
Caja de Crédito de Petrel Caja Rural, C.C.V.	0.631%	6,681	0.009	63.08
Caja Rural Católico Agraria, S.C.C.V.	0.759%	8,040	0.009	75.92
Caixa Rural de Callosa d'en Sarriá, C.C.V.	0.525%	5,556	0.009	52.46
Caja Rural San Jaime de Alquerías del Niño Perdido, S.C.C.V.	0.389%	4,124	0.009	38.94
Caja Rural de Cheste, S.C.C.V.	0.340%	3,606	0.009	34.05
Caja Rural San José de Nules, S.C.C.V.	0.298%	3,155	0.009	29.79
Caja Rural de Alginet, S.C.C.V.	0.253%	2,676	0.009	25.26
Caixa Rural de Turís, C.C.V.	0.228%	2,413	0.009	22.79
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, C.C.V.	0.228%	2,416	0.009	22.82
Caja Rural de Villar, S.C.C.V.	0.213%	2,257	0.009	21.31
Caixa Rural San Josep de Vilavella, S.C.C.V.	0.145%	1,536	0.009	14.51
Caja Rural San Roque de Almenara, S.C.C.V.	0.108%	1,147	0.009	10.83
Caja Rural San Isidro de Vilafamés, S.C.C.V.	0.089%	948	0.009	8.95
Caja Rural La Junquera de Chilches, S.C.C.V.	0.096%	1,018	0.009	9.61
Caja Rural de Almendralejo, S.C.C.	1.557%	16,491	0.009	155.72
Eurocaja Rural, Sociedad Cooperativa de Crédito	0.094%	1,000	0.009	9.44
Caixa Rural La Vall San Isidro, C.C.V.	0.001%	9	0.009	0.08
Caja Rural San José de Almassora, S.C.C.V.	0.094%	1,000	0.009	9.44
Caixa Rural de Benicarló, S.C.C.V.	0.094%	1,000	0.009	9.44
Caixa Rural Vinaros, S.C.C.V.	0.094%	1,000	0.009	9.44
Caixa Rural Les Coves de Vinroma, S.C.C.V.	0.047%	500	0.009	4.72
Caja Rural de Baena Ntra. Señora de Guadalupe, S.C.C.A.	0.028%	300	0.009	2.83
Caja Rural de Utrera, S.C.A.C.	0.028%	300	0.009	2.83
Caja Rural de Cañete de las Torres Ntra. Sra. del Campo, S.C.A.C.	0.028%	300	0.009	2.83
Caja Rural de Nueva Carteya, Sociedad Cooperativa Andaluza de Crédito.	0.028%	300	0.009	2.83
Caja Rural Ntra. Madre del Sol, S.C.A.C.	0.028%	300	0.009	2.83
Caja Rural de Guissona, S.C.C.	0.014%	150	0.009	1.42
Team & Work 5000, S.L. (Grupo TREA)	2.833%	30,000	0.009	283.28
Crédito Agrícola, S.G.P.S., S.A.	0.472%	5,000	0.009	47.21
Garunter Locales, S.L.	0.472%	5,000	0.009	47.21
Pepal 2002, S.L.	0.142%	1,500	0.009	14.16
Acor Sociedad Cooperativa General Agropecuaria	0.189%	2,000	0.009	18.89
Gespater, S.L.	0.283%	3,000	0.009	28.33
Publindal, S.L.	0.425%	4,500	0.009	42.49
Surister del Arroyo, S.L.	0.189%	2,000	0.009	18.89
Grupo Juramenta, SL	0.094%	1,000	0.009	9.44
Rapalmar, SL	0.094%	1,000	0.009	9.44
Frutas del Guadalentín, SL	0.283%	3,000	0.009	28.33
Other minority interests	0.097%	1,028	0.009	9.71
Total dividends paid	**100.000%**	**1,059,028**	**0.009**	**10,000.00**
Dividends charged to profit or loss	1	1,059,028	-	10,000.00
Dividend charged to reserves or share premium	-	-	-	-
Dividends in kind	-	-	-	-

At the dates of payment of the dividends paid by the Parent, in accordance with legal requirements, it has sufficient funds to pay interim dividends. Details of the liquidity position at the dividend payment dates are as follows:

	Thousands of Euros	
Supporting Statement for the Distribution of the Interim Dividend	**First dividend paid**	**Second dividend paid**
	30/04/2024	**30/09/2024**
1) Profit for the period from 1 January	24,309	54,495
2) Less	2,431	5,450
a) Mandatory application to reserves	2,431	5,450
b) Allocated amount to Equity less than capital	-	-
3) Less interim dividend paid for the period	-	-
4) Maximum amount distributable (1-2-3)	21,878	49,046
Proposed interim dividend	**20,000**	**29,000**
Financial position		**-**
Cash	104,025	79,588
Deposits at Central Banks	3,343,626	4,425,471
Available cash balance	**3,447,651**	**4,505,059**
Available cash balance after dividend	**3,427,651**	**4,476,059**

The ordinary interim dividends paid on account of 2023 result were as follows:

2023

	First dividend paid				Second dividend paid				Total
	% of nominal amount	Thousands of shares	Euros per share	Thousands of Euros	% of nominal amount	Thousands of shares	Euros per share	Thousands of Euros	Thousands of Euros
Ordinary shares:									
Cajamar Caja Rural, S.C.C.	84.874%	898,842	0.011	10,184.90	84.874%	898,842	0.011	10,184.90	20,369.80
Caixa Rural de Torrent, C.C.V.	1.509%	15,981	0.011	181.09	1.509%	15,981	0.011	181.09	362.18
Caixa Rural de Altea, C.C.V.	0.873%	9,242	0.011	104.72	0.873%	9,242	0.011	104.72	209.44
Caja Rural San José de Burriana, S.C.C.	0.728%	7,714	0.011	87.41	0.728%	7,714	0.011	87.41	174.82
Caja de Crédito de Petrel Caja Rural, C.C.V.	0.631%	6,681	0.011	75.70	0.631%	6,681	0.011	75.70	151.40
Caja Rural Católico Agraria, S.C.C.	0.759%	8,040	0.011	91.10	0.759%	8,040	0.011	91.10	182.20
Caja Rural de Callosa d'en Sarriá, S.C.C.	0.525%	5,556	0.011	62.95	0.525%	5,556	0.011	62.95	125.90
Caja Rural San Jaime de Alquerías del Niño Perdido, S.C.C.	0.389%	4,124	0.011	46.73	0.389%	4,124	0.011	46.73	93.46
Caja Rural de Cheste, S.C.C.	0.340%	3,606	0.011	40.86	0.340%	3,606	0.011	40.86	81.72
Caja Rural San José de Nules, S.C.C.	0.298%	3,155	0.011	35.75	0.298%	3,155	0.011	35.75	71.50
Caja Rural de Alginet, S.C.C.	0.253%	2,676	0.011	30.32	0.253%	2,676	0.011	30.32	60.64
Caixa Rural de Turís, C.C.V.	0.228%	2,413	0.011	27.35	0.228%	2,413	0.011	27.35	54.70
Caja Rural Sant Vicente Ferrer de la Vall D'Uixo, C.C.V.	0.228%	2,416	0.011	27.38	0.228%	2,416	0.011	27.38	54.76
Caja Rural de Villar, S.C.C.	0.213%	2,257	0.011	25.57	0.213%	2,257	0.011	25.57	51.14
Caja Rural San José de Vilavella, S.C.C.	0.145%	1,536	0.011	17.41	0.145%	1,536	0.011	17.41	34.82
Caja Rural San Roque de Almenara, S.C.C.	0.108%	1,147	0.011	12.99	0.108%	1,147	0.011	12.99	25.98
Caja Rural San Isidro de Vilafamés, S.C.C.	0.089%	948	0.011	10.74	0.089%	948	0.011	10.74	21.48
Caja Rural La Junquera de Chilches, C.C.V.	0.096%	1,018	0.011	11.53	0.096%	1,018	0.011	11.53	23.06
Caja Rural de Almendralejo, S.C.C.	1.557%	16,491	0.011	186.86	1.557%	16,491	0.011	186.86	373.72
Eurocaja Rural, Sociedad Cooperativa de Crédito	0.094%	1,000	0.011	11.33	0.094%	1,000	0.011	11.33	22.66
Caixa Rural La Vall San Isidro, C.C.V.	0.001%	9	0.011	0.10	0.001%	9	0.011	0.10	0.20
Caja Rural San José de Almassora, S.C.C.	0.094%	1,000	0.011	11.33	0.094%	1,000	0.011	11.33	22.66
Caixa Rural de Benicarló, S.C.C.	0.094%	1,000	0.011	11.33	0.094%	1,000	0.011	11.33	22.66
Caixa Rural Vinaros, S.C.C.	0.094%	1,000	0.011	11.33	0.094%	1,000	0.011	11.33	22.66
Caixa Rural Les Coves de Vinroma, S.C.C.	0.047%	500	0.011	5.67	0.047%	500	0.011	5.67	11.34
Caja Rural de Baena Ntra. Señora de Guadalupe, S.C.C.A.	0.028%	300	0.011	3.40	0.028%	300	0.011	3.40	6.80
Caja Rural de Utrera, S.C.C.A.	0.028%	300	0.011	3.40	0.028%	300	0.011	3.40	6.80
Caja Rural Cañete de las Torres Ntra. Sra. del Campo, S.C.C.A.	0.028%	300	0.011	3.40	0.028%	300	0.011	3.40	6.80
Caja Rural de Nueva Carteya, Sociedad Cooperativa Andaluza de Crédito (*)	0.028%	300	0.011	3.40	0.028%	300	0.011	3.40	6.80
Caja Rural Ntra. Madre del Sol, S.C.C.A.	0.028%	300	0.011	3.40	0.028%	300	0.011	3.40	6.80
Caja Rural de Guissona, S.C.C.	0.014%	150	0.011	1.70	0.014%	150	0.011	1.70	3.40
Team & Work 5000, S.L. (Grupo TREA)	2.833%	30,000	0.011	339.93	2.833%	30,000	0.011	339.93	679.86
Crédito Agrícola, S.G.P.S., S.A.	0.472%	5,000	0.011	56.66	0.472%	5,000	0.011	56.66	113.32
Garunter Locales, S.L.	0.472%	5,000	0.011	56.66	0.472%	5,000	0.011	56.66	113.32
Pepal 2002, S.L.	0.142%	1,500	0.011	17.00	0.142%	1,500	0.011	17.00	34.00
Acor Sociedad Cooperativa General Agropecuaria	0.189%	2,000	0.011	22.66	0.189%	2,000	0.011	22.66	45.32
Gespater, S.L.	0.283%	3,000	0.011	33.99	0.283%	3,000	0.011	33.99	67.98
Publindal, S.L.	0.425%	4,500	0.011	50.99	0.425%	4,500	0.011	50.99	101.98
Surister del Arroyo, S.L.	0.189%	2,000	0.011	22.66	0.189%	2,000	0.011	22.66	45.32
Grupo Juramenta, SL	0.094%	1,000	0.011	11.33	0.094%	1,000	0.011	11.33	22.66
Rapalmar, SL	0.094%	1,000	0.011	11.33	0.094%	1,000	0.011	11.33	22.66
Frutas del Guadalentín, SL	0.283%	3,000	0.011	33.99	0.283%	3,000	0.011	33.99	67.98
Other minority interests	0.097%	1,028	0.011	11.65	0.097%	1,028	0.011	11.65	23.30
Total dividends paid	**100.000%**	**1,059,028**	**0.011**	**12,000.00**	**100.000%**	**1,059,028**	**0.011**	**12,000.00**	**24,000.00**
Dividends charged to profit or loss	1	1,059,028	0.011	12,000.00	1	1,059,028	0.011	12,000.00	24,000.00
Dividend charged to reserves or share premium	-	-	-	-	-	-	-	-	-
Dividends in kind	-	-	-	-	-	-	-	-	-

At the date of payment of the aforementioned dividends, in 2023 the Parent, in accordance with legal requirements, had sufficient funds to distribute them.

18.1.7. Remuneration on contributions to the capital of Credit Cooperatives

The Group's Credit Cooperatives are empowered to determine the remuneration arrangement for the contributions to their own capital in the Group's Parent, Banco de Crédito Social Cooperativo, S.A., which establishes the maximum remuneration for those capital contributions. Complying with this maximum, the Entities are free to establish the rate of compensation that they consider best.

For cases where one or more Group entities do not make a positive contribution to the overall gross profit, the Parent may agree a lower return on capital than that set as a maximum for the Group in general.

In the first half of 2024, the Group's Rural Savings Banks settled interest of €27,730 thousand accrued on contributions to capital in the second half of 2023 (€11,790 thousand paid in the first half of 2023 and accrued in the second half of 2022), which was applied in full in the allocation of the banks' profit or loss. In the first half of 2024, €51,718 thousand of interest accrued on capital contributions for that period was settled, while at 31 December 2024 a total of €48,735 thousand of interest has accrued, to be settled in the first half of 2025.

In addition, Members have delegated to Banco de Crédito Social Cooperativo, S.A. the power to determine the distribution of profit or application of loss, which will lay down the appropriation criteria within the legal and by-law limits. The Governing Boards of the Members put forward their proposals for the appropriation of results in compliance with the criteria in place. Before submitting the proposals to their general assemblies, they must obtain approval from the Parent.

18.2 Retained earnings and reserves

Details of the "Reserves" heading under "Equity" on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Parent's reserves		
Legal and statutory reserve fund	18,592	14,758
Voluntary reserves	28,881	28,377
	47,473	**43,135**
Reserves of the Group's credit cooperatives		
Mandatory reserve fund	237,446	216,756
Voluntary reserve fund	153,206	100,131
	390,652	**316,887**
Reserves generated during the consolidation process	**(45,698)**	**(17,634)**
Total retained earnings	**392,427**	**342,388**
Revaluation reserve, Royal Decree-Law 7/1996	-	180
Revaluation reserves generated by IFRS and Bank of Spain Circular 4/2004	45,214	45,215
Total revaluation reserves	**45,214**	**45,395**
Reserves of entities accounted for using the equity method	24,833	29,241
Other reserves (Note 8.5.2)	11,454	(5,013)
Total other reserves	**36,287**	**24,228**
Total	**473,928**	**412,011**

18.2.1 Parent's reserves

a) Non-distributable legal reserve

The legal reserve is established in accordance with Article 274 of the Spanish Corporate Enterprises Act, which stipulates that 10% of profits must be transferred to the legal reserve each year until the reserve represents at least 20% of capital. Until the legal reserve exceeds the limit indicated, it may only be used to offset losses in the event that no other sufficient reserves are available.

At 31 December 2024 and 31 December 2023 the Parent recorded €18,592 thousand and €14,758 thousand, respectively, in this account on the accompanying consolidated balance sheet.

b) Voluntary reserves

Voluntary reserves are those unrestricted reserves freely constituted by the Parent that are not required by law.

At 31 December 2024 and 31 December 2023 the Parent held a total of €28,881 thousand and €28,377 thousand, respectively.

18.2.2. *Reserves of the Group's Credit Cooperatives*

Details of reserves in the Group's Credit Cooperatives at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros									
	Mandatory		Voluntary		Revaluation		Other		Total reserves	
Group entity	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Cajamar Caja Rural, Sociedad Cooperativa de Crédito	50,100	33,723	145,540	94,842	39,408	39,589	9,825	9,825	244,873	177,979
Caixa Rural de Torrent, Cooperativa de Crédito Valenciana	39,991	39,100	1,772	1,238	-	-	(145)	(145)	41,618	40,193
Caixa Rural de Altea, Cooperativa de Crédito Valenciana	25,484	24,950	608	288	-	-	-	-	26,092	25,238
Caja Rural San José de Burriana, Sociedad Cooperativa de Crédito	19,703	19,257	580	294	1,762	1,762	-	-	22,045	21,313
Caja de Crédito de Petrel, Caja Rural, Cooperativa de Crédito Valenciana	17,767	17,623	767	479	-	-	54	54	18,588	18,156
Caja Rural Católico Agraria, Sociedad Cooperativa de Crédito	12,870	12,407	298	39	2,611	2,611	157	157	15,936	15,214
Caja Rural de Callosa d'en Sarriá, Sociedad Cooperativa de Crédito	11,735	11,383	1,953	1,798	-	-	-	-	13,688	13,181
Caja Rural San Jaime de Alquerías del Niño Perdido, Sdad Coop de Crédito	9,606	9,376	527	481	-	-	-	-	10,133	9,857
Caja Rural de Cheste, Sociedad Cooperativa de Crédito	9,907	9,713	104	84	-	-	-	-	10,011	9,797
Caja Rural San José de Nules, Sociedad Cooperativa de Crédito	5,041	4,869	171	85	-	-	-	-	5,212	4,954
Caja Rural de Alginet, Sociedad Cooperativa de Crédito	6,806	6,646	93	30	-	-	(29)	(29)	6,870	6,647
Caixa Rural de Turís, Cooperativa de Crédito Valenciana	6,942	6,793	176	102	-	-	9	9	7,127	6,904
Caja Rural Sant Vicente Ferrer de la Vall D'Uixo	3,990	3,868	37	13	449	449	63	63	4,539	4,393
Caja Rural de Villar, Sociedad Cooperativa de Crédito	5,701	5,517	154	80	615	615	-	-	6,470	6,212
Caja Rural San José de Vilavella, Sociedad Cooperativa de Crédito	3,991	3,911	170	122	-	-	(202)	(202)	3,959	3,831
Caja Rural San Roque de Almenara, Sociedad Cooperativa de Crédito	2,673	2,605	96	62	368	368	1	1	3,138	3,036
Caja Rural San Isidro de Vilafamés, Sociedad Cooperativa de Crédito	2,474	2,425	44	24	-	-	-	-	2,518	2,449
Caja Rural La Junquera de Chilches, Sociedad Cooperativa de Crédito	2,665	2,589	115	69	-	-	-	-	2,780	2,658
Total reserves	**237,446**	**216,755**	**153,205**	**100,130**	**45,213**	**45,394**	**9,733**	**9,733**	**445,597**	**372,012**

a) Mandatory Reserve Fund

The Mandatory Reserve Fund has the objective of consolidating and guaranteeing the Group. In accordance with Act 13/1989 on Credit Cooperatives amended by Act 27/1999, 16 July 1999, the allocation to the reserve represents at least 20% of the net surplus.

The Credit Cooperatives' by-laws stipulate that at least 20% of profit each year for Cajamar Caja Rural, Sociedad Cooperativa de Crédito and Caja de Crédito de Petrel, Caja Rural, Cooperativa de Crédito Valenciana will be assigned to the Mandatory Reserve Fund, rising to 50% of the profit each year for the other Member Savings Banks (Note 1.4).

b) Revaluation reserves, Royal Decree-Law 7/1996, of 7 June 1996

At 31 December 2024, once the time prescribed by law had passed, the balance of this item, which related exclusively to the “Revaluation reserve, Royal Decree-Law 7/1996” arising from the revaluation by the Group of some items of property, plant and equipment in 1996 and which amounted to €180 thousand, was regularised and transferred in full to the Voluntary Reserve Fund.

c) Revaluation reserves required under new legislation

The balance of this account relates to the reserve required for the revaluation of property, plant and equipment carried out in accordance with the provisions of IFRS 1, and Transitional Provision One, section B, of Bank of Spain Circular 4/2004, and subsequent amendments, according to which at 1 January 2004 any item included under property, plant and equipment may be measured at fair value, subject to certain conditions.

18.2.3 Reserves of entities accounted for using the equity method

Details of the contribution of reserves in entities accounted for using the equity method at 31 December 2024 and at 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Cajamar Vida, S.A. de Seguros y Reaseguros	19,107	20,688
Balsa Insa, S.L.	(4,753)	(4,753)
Proyecta Ingenio S.L.	(773)	531
Parque Innovación y Tecnología de Almería, S.A.	(3,838)	(3,628)
Murcia Emprende	(783)	(644)
Cajamar Seguros Generales, S.A. de Seguros y Reaseguros	5,616	5,190
Biocolor S.L.	(53)	(52)
GCC Consumo EFC, S.A.	10,191	11,708
Rest of associated entities	119	201
Total	**24,833**	**29,241**

19 Solvency

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 (CRR) establishes that credit institutions must retain minimum capital levels of no less than those calculated as per the instructions in this regulation (Note 3.15). Compliance with the capital adequacy ratio is at consolidated level, because all of the credit institutions in Grupo Cooperativo are exempt at individual level from the requirements stipulated in Regulation (EU) No 575/2013 of the European Parliament and of the Council, by virtue of the authorisation provided in Article 7 of the regulation.

On 28 June 2021 Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (“CRR2”) started to be applied. The amendments to the CRR included changes to article 92, stipulating the funds banks must hold at all times. Specifically, CRR2 establishes a minimum leverage ratio of 3% (article 92.1.d), retaining the CET1, T1 and Total Capital requirements previously determined in CRR in this article (Note 3.15).

On 9 July 2024, the new banking package entered into force, consisting of Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 (“CRRIII”) and Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 (“CRD VI”), each of which amends its predecessor regulation. The new regulations apply from 1 January 2025 and so have had no effect on the solvency figures reported in these annual accounts.

The eligible capital and capital requirements of Grupo Cooperativo Cajamar at 31 December 2024 break down as follows:

	Thousands of Euros	
	2024	**2023**
Eligible own funds	**4,339,587**	**4,068,402**
CET1 Capital	**3,739,622**	**3,468,433**
Eligible CET1 instruments	4,293,909	3,997,428
Capital	*3,622,607*	*3,533,078*
Reserves from profit or loss	*671,302*	*464,350*
Tax credits	(554,287)	(528,995)
TIER 2 Capital	**599,965**	**599,969**
Pillar I capital adequacy requirements	**2,161,331**	**2,034,013**
Credit risk	1,979,391	1,860,782
Operating risk	171,484	151,634
CVA	5,249	18,564
Securitisations	5,207	3,033
Capital adequacy ratio	**16.06%**	**16.00%**
CET1 ratio	**13.84%**	**13.64%**

The Group's phased-in Total Capital ratio was 16.06% at 31 December 2024 (16.00% at 31 December 2023) while the phased-in CET1 ratio was 13.84% (13.64% at 31 December 2023), thus meeting the supervisor's requirements at that date. On the other hand, the fully-loaded CET1 ratio stood at 13.84% at 31 December 2024 (13.56% at 31 December 2023) and the fully-loaded Total Capital ratio stood at 16.06% (15.92% at 31 December 2023).

The improvement in the CET1 ratio and the total capital ratio is attributable mainly to the increase in cooperative capital, the generation of profit, the increase in the value of fixed income and equity instruments at fair value through equity. During 2024, these effects have been partially offset by the increase in intangible assets, which are deducted from the CET1 numerator, and the increase in RWAs for credit risk, due to the increase in credit investment, and RWAs for operational risk, due to the increase in income.

As regards the phased-in ratios, Regulation (EU) 2017/2395 of the European Parliament and of the Council of 12 December 2017 introduced an amendment to the CRR allowing institutions to gradually, between 2018 and 2022, mitigate the negative impact of increasing provisions under IFRS 9 on CET1, which in the Group's case resulted in a 78 basis-point reduction in the fully-loaded CET1 ratio (Note 1.4). Also, in response to Covid-19, Regulation (EU) 2020/873 (known as the "CRR quick fix") was enacted, amending certain aspects of this transitional provision and extending said treatment to 2024.

The Group elected to apply this transitional rule during its period of validity. However, at the end of 2024, the IFRS 9 component eligible as CET1 is 0, so the phased-in and fully loaded capital ratios are equivalent.

The capital requirements in 2024 are as follows: 8.50% – CET1 (4.5% – Pillar I, 2.59% – combined capital buffer[1] and 1.41% – Pillar II); 10.47% – Tier 1 Capital (6% – Pillar I, 2.59% – combined capital buffer and 1.88% – Pillar II); and 13.09% – Total Capital (8% – Pillar I, 2.59% – combined capital buffer and 2.5% – Pillar II).

[1] *It includes a capital conservation buffer of 2.50% and a countercyclical buffer of 0.09%. The latter varies depending on the Group's credit exposure in countries where the supervisory authority has a country-specific countercyclical buffer in place.*

The Pillar I, Pillar II and capital conservation buffer requirements in 2023 were as follows: 8.41% – CET1 (4.5% – Pillar I, 2.5% – capital conservation buffer and 1.41% – Pillar II); 10.38% – Tier 1 Capital (6% – Pillar I, 2.5% – capital conservation buffer and 1.88% – Pillar II); and 13% – Total Capital (8% – Pillar I, 2.5% – capital conservation buffer and 2.5% – Pillar II).

Given the aforesaid, at 31 December 2024 the Group had surplus capital over and above the requirements set in the SREP.

Turning to the regulation on resolution, pursuant to Article 12.5 of the Single Resolution Mechanism (SRM) Regulation; Article 44.1 of Act 11/2015 (Credit Institution Recovery and Resolution Act); and Article 23.1.f of Act 13/1994 (Bank of Spain's autonomy), a new notification was received from the Bank of Spain on 8 February 2024 revising the minimum requirements for own funds and eligible liabilities (MREL) established by the Single Resolution Board for the Group to be met no later than 1 January 2025.

The final MREL to be met by 1 January 2025 was set at 20.49% (23.08% including the combined buffer) of the total risk exposure amount (TREA) and 5.36% of the leverage ratio exposure (LRE), based on the financial and prudential information available at 31 December 2022.

A notable event during the period in relation to equity instruments is the issuance in September 2024 of €500 million of senior preferred debt with a maturity of 5 years to continue to meet MREL, which met with strong demand. As a result, at 31 December 2024 MREL stood at 24.52% as a percentage of TREA and 10.83% as a percentage of LRE. Both ratios are above the target of the final MREL requirement to be met from 1 January 2025 (23.08% as a percentage of TREA and 5.36% as a percentage of LRE).

Lastly, at 31 December 2024 the leverage ratio, both phased-in and fully-loaded, stands at 6.11% (5.92% phased-in and 5.88% fully-loaded at 31 December 2023). This ratio remains above the 3% minimum requirement stipulated in article 92.1 d) introducing the CRR2.

20 Accumulated other comprehensive income

The breakdown of valuation adjustments by Group entity at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	2024	**2023**
Cajamar Caja Rural, S.C.C	(12,973)	(10,444)
Banco de Crédito Social Cooperativo, S.A.	(2,069)	(13,281)
Cajamar Vida, S.A. de Seguros y Reaseguros	(2,690)	(5,220)
Cimenta2 Gestión e Inversiones, S.A.U	-	(3,519)
Cajamar Seguros Generales, S.A.	(1,322)	(1,988)
Murcia Emprende S.C.R. S.A.	(2)	(8)
Caja de Crédito de Petrel,Caja Rural, C.C.V.	(56)	(52)
Caixa Rural de Turís C.C.V.	(31)	(31)
Caja Rural de Alginet, S.C.C.V.	(20)	(19)
Caja Rural San Roque de Almenara, S.C.C.V.	(5)	(5)
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V.	5	8
Caixa Rural Altea, S.C.C.V.	(56)	(45)
Caja Rural San Jose de Burriana, C.C.V.	24	27
Caixa Rural de Callosa de Sarria, C.C.V.	(11)	(10)
Caja Rural de Cheste, S.C.C.	(17)	(15)
Caja Rural la Junquera de Chilches, C.C.V.	(1)	(1)
Caja Rural San José de Nules, S.C.C.V.	(3)	(2)
Caja Rural de Torrent, S.C.C.	(107)	(96)
Caja Rural San Isidro de Vilafamés, C.C.V.	(5)	(4)
Caixa Rural Sant Josep de Vilavella, S.C.C.V.	-	1
Caja Rural de Villar, C.C.V.	(8)	(6)
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V.	(22)	(19)
Caixa Rural Vila-Real, S.C.C.	(14)	(7)
Total	**(19,383)**	**(34,736)**

20.1 Items that will not be reclassified to profit or loss

The balance of this heading mainly comprises changes in the net value of equity instruments in the "Financial assets at fair value through other comprehensive income" portfolio on the accompanying balance sheets, as explained in Note 3.1 to the accompanying annual accounts, and must be classified as part of the Group's equity (Note 8.5.4).

Changes in 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**(448)**	**(3,071)**
Net changes in actuarial gains or (-) losses on defined benefit pension plans	(1,052)	(598)
Net changes in the fair value of equity instruments at fair value through other comprehensive income, net	4,748	3,221
Closing balance	**3,248**	**(448)**

20.2 Items that may be reclassified to profit or loss

Details of this item on the accompanying consolidated balance sheets at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Opening balance	**(34,288)**	**(62,420)**
Net changes in cash flow hedges	2,378	5,383
Net changes in debt instruments at fair value through other comprehensive income	6,081	18,839
Net changes in share of other recognised income and expense of investments in subsidiaries, joint ventures and associates	3,196	3,910
Closing balance	**(22,633)**	**(34,288)**

21 Minority interests

At 31 December 2024 and 31 December 2023 there are no balances recognised under this heading on the accompanying consolidated balance sheet.

22 Commitments, financial guarantees given and other commitments given

22.1 Loan commitments given

This item records the irrevocable commitments to provide financing in accordance with certain pre-established conditions and deadlines. All credit commitments held by the Bank are immediately available.

Details of “Loan commitments given” (Note 6.2) at 31 December 2024 and 31 December 2023 grouped by counterparty are as follows, including the limits and undrawn amounts thereof:

	Thousands of Euros	
	2024	**2023**
Available in loan commitments	5,381,559	5,287,936
Forward deposits	-	-
	5,381,559	**5,287,936**

The coverage for future payments associated with the financial items is recognised in the account “Provisions for commitments and collateral given – Loan commitments given” on the liability side of the balance sheet and totals €8,601 thousand at 31 December 2024 (€3,824 thousand at 31 December 2023) (Note 14.2).

The average interest rate offered on these commitments is 4.64% at 31 December 2024 (4.91% in 2023).

22.2 Financial guarantees given

The breakdown of financial guarantees given at 31 December 2024 and 31 December 2023, the nominal amounts of which are recorded in memorandum accounts, is set out below:

	Thousands of Euros	
	2024	**2023**
Financial guarantees given other than credit derivatives	**380,501**	**378,620**
Financial collateral	380,501	378,620
Irrevocable contingent letters of credit	-	-
Other financial guarantees	-	-
Credit derivatives	**-**	**-**
Total	**380,501**	**378,620**

A significant part of these amounts will mature without any payment obligation arising for the Group and therefore the sum of the balances relating to these commitments cannot be considered as an actual future need for financing or liquidity to be granted to third parties by the Group.

The income obtained from guarantee instruments is recorded under the heading “Fee and commission income – Financial guarantees given” on the consolidated statement of profit or loss and is calculated by applying the rate established in the relevant contract to the nominal amount of the guarantee. The commission yet to accrue at 31 December 2024 and 31 December 2023 totalled €18,786 thousand and €19,182 thousand, respectively.

The present value of future flows yet to be received for these contracts is €17,968 thousand at 31 December 2024 and €18,423 thousand at 31 December 2023.

The coverage for future payments associated with financial items is recognised in the account “Provisions for commitments and collateral given” on the liability side of the balance sheet and at 31 December 2024 and 31 December 2023 totalled €2,264 thousand and €3,176 thousand, respectively (Note 14.2).

22.3 Other commitments given

Details of other commitments given at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Irrevocable documentary credits	32,444	24,579
Other non-financial guarantees	1,293,459	855,286
Securities subscribed pending disbursement	24,339	46,114
Other contingent commitments	77,858	72,079
Total	**1,428,100**	**998,058**

The coverage for future payments associated with financial items is recognised in the account “Provisions for commitments and collateral given – Other commitments given” on the liability side of the balance sheet and at 31 December 2024 and 31 December 2023 totalled €4,214 thousand and €3,199 thousand, respectively (Note 14.2).

The income obtained from guarantee instruments is recorded under the heading “Fee and commission income” on the consolidated statement of profit or loss and is calculated by applying the rate established in the relevant contract to the nominal amount of the guarantee. The commission yet to accrue at 31 December 2024 amounted to €51,205 thousand (€36,442 thousand at 31 December 2023).

The present value of future flows yet to be received for these contracts is €51,997 thousand at 31 December 2024 and €36,891 thousand at 31 December 2023.

23 Related party transactions

In the case of risk transactions involving related parties, the Group has developed procedures for the granting, authorisation and monitoring of these types of transactions using transparent criteria included in the *Credit Risk Manual* (Note 6).

At 31 December 2024 and 31 December 2023 no transactions had been carried out under non-market conditions with parties related to the Group. Balances generated as a result of transactions with related parties are as follows:

	Thousands of Euros					
	Outstanding balances (balance sheet)					
	Associates and joint ventures		Key management personnel of the institution or its Parent		Other related parties	
	2024	2023	2024	2023	2024	2023
Selected financial assets	**503,420**	**449,992**	**3,659**	**3,755**	**11,066**	**28,955**
Equity instruments	93,635	87,814	-	-	869	3,170
Debt securities	-	-	-	-	-	-
Loans and advances	409,785	362,178	3,659	3,755	10,197	25,785
Selected financial liabilities	**40,125**	**41,534**	**6,147**	**3,646**	**49,940**	**51,894**
Deposits	40,125	41,534	6,147	3,646	49,940	51,894
Debt securities issued	-	-	-	-	-	-
Nominal amount of loan commitments, financial guarantees and other commitments given	**69**	**339**	**153**	**140**	**2,257**	**7,792**
Of which: non-performing	-	-	-	-	5	5
Loan commitments, financial guarantees and other commitments received	-	-	-	-	-	-
Notional amount of derivatives	-	-	-	-	-	-
Accumulated impairment and accumulated negative changes in fair value due to credit risk for non-performing exposures	-	-	-	-	-	-
Provisions for off-balance sheet exposures	-	-	-	-	-	-
	Current period (profit or loss)					
Interest income	12,163	8,150	105	46	237	572
Interest expenses	476	623	148	71	811	554
Dividend income	-	-	-	-	-	-
Fee and commission income	82,452	61,326	3	1	30	53
Fee and commission expenses	3	1	-	-	-	-
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	-	-	-	-	(1)	(6)
Gains or (-) losses on derecognition of non-financial assets	-	(4)	-	-	-	-
Impairment or (-) reversal of impairment of non-performing exposures	-	-	-	-	-	-
Provisions or (-) reversal of provisions for non-performing exposures	-	-	-	-	-	-

Details of credit risks and off-balance sheet exposures assumed at 31 December 2024 and 31 December 2023 with parties related to the Group are as follows:

	Thousands of Euros	
Outstanding balances	**Related parties**	
	2024	**2023**
Credit:		
Amount	423,641	391,718
Interest rate	0.00% to 12.90%	0.00% to 11.95%
Collateral	Personal and Mortgage	Personal and Mortgage
Remaining term	0 to 31 years	0 to 32 years
Deposits:		
Amount	96,212	97,074
Interest rate	0.00% to 3.56%	0.00% to 3.78%
Remaining term	0 to 1 years	0 to 2 years

24 Directors' remuneration

The remuneration, including all items, accrued to the Board directors and executives of the Group's Parent, Banco de Crédito Social Cooperativo, S.A., in 2024 and at 31 December 2023 is as follows:

	Thousands of Euros				
	2024				
	Fees-Allowances	**Fixed remuneration**	**Social Security expenses**	**Post-employment benefits**	**Other remuneration (*)**
Board of Directors	2,227	1,629	46	104	259
Executives	-	2,547	169	171	342
Total	**2,227**	**4,176**	**215**	**275**	**601**
	2023				
	Fees-Allowances	**Fixed remuneration**	**Social Security expenses**	**Post-employment benefits**	**Other remuneration (*)**
Board of Directors	1,882	1,882	78	120	125
Executives	-	1,954	138	134	283
Total	**1,882**	**3,835**	**216**	**254**	**408**

(*) Variable remuneration, compensation in kind and justified expenses (kilometres).

The executives line remuneration includes the accrued remuneration of 11 people, of whom, at 31 December 2024, 9 remained in the executive line (8 at 31 December 2023). Board members' remuneration at 31 December 2024 includes that of 3 executive directors (3 executive directors at 31 December 2023).

The heading "Post-employment benefits" records the payments relating to pension and life insurance premium obligations, regardless of whether or not they are directly attributed to the beneficiary, at 31 December 2024 and 31 December 2023.

The remuneration accrued to the members of the Parent's Board of Directors in the form of fees and attendance allowances at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros			
	2024		**2023**	
	Fees	**Attendance allowances**	**Fees**	**Attendance allowances**
Ms Marta De Castro Aparicio	164	81	159	65
Mr Bernabe Sanchez Minguet Martinez	77	28	59	45
Ms Maria Teresa Vazquez Calo	-	-	26	12
Mr Antonio Canton Gongora	127	70	139	59
Mr Manuel Yebra Sola	105	24	80	45
Mr Luis Rodriguez Gonzalez	173	28	158	52
Mr Juan Bautista Mir Piqueras	99	21	117	19
Mr Rafael Garcia Cruz	81	11	52	30
Mr Antonio José Carranceja Lopez de Ochoa	156	72	145	60
Ms Ana Nuñez Alvarez	140	44	135	36
Mr Luis Francisco Fernandez-Revuelta Perez	89	46	62	36
Ms Maria Lopez Fernandez	126	70	62	45
Mr Antonio De Parellada Duran	92	41	59	29
Mr Francisco Javier Astiz Fernández	104	43	36	18
Ms Rosa María Vidal Monferrer	77	38	30	14
	1,610	**617**	**1,319**	**565**

At 31 December 2024 the Group has a public liability insurance policy for its directors; the premium paid to the insurance company totalled €287 thousand (€312 thousand at 31 December 2023).

25 Quantitative and qualitative information on the mortgage market and reporting transparency

In accordance with Royal Decree 24/2021 and Circular 3/2020, of 2 November 2020 (Note 1.4), implementing Act 2/1981, of 25 March 1981, the Parent's Board of Directors declares that explicit procedures and policies are in place covering all the relevant aspects regarding the mortgage market and that those policies and procedures guarantee compliance with applicable legislation.

Aspects regulated by the general credit approval policies include:

- The criteria to consider that a risk is sufficiently guaranteed, depending on the type of guarantee.
- The maximum loan-to-values in relation to the value of the mortgaged properties, depending on their nature.
- The rules for determining a property's value, which include a rule requiring appraisal values to be certified by an appraisal firm officially approved by the Group.
- The criteria that appraisal firms must meet to obtain official approval from the Group.
- The rules for assessing a borrower's ability to pay including, in terms of prudence:
  - Those taking into account eventual increases in instalments due to interest rate rises.
  - Those eliminating the initial easy payment terms included in some kinds of products, such as principal grace periods or stepped repayment options.

- Loan approval limits, which take into account the results of ability-to-pay assessments.
- The necessary documents for processing credit transactions which should include:
  - Information about the capital wealth of the parties in the transaction.
  - Economic and financial information to evaluate borrowers' ability to generate funds.

In the general management and control of liquidity risk policies, rules are in place guaranteeing the existence of enough liquidity to always meet the payment obligations of the Group.

25.1 Information on the mortgage market

The qualitative and quantitative information at 31 December 2024 and 31 December 2023 on the assets received in payment of debt, broken down by the purpose of the initially granted finance, is provided below:

	Thousands of Euros (*)					
	31 December 2024					
	Gross Debt	**Initial impairment (I)**	**Gross carrying amount**	**Subsequent impairment (II)**	**Sum impairment (I+II)**	**Net carrying amount**
Real estate assets from financing provided to construction and real estate development companies	**724,240**	**(281,185)**	**443,054**	**(264,693)**	**(545,878)**	**178,361**
Completed buildings and other constructions	*170,989*	*(50,863)*	*120,125*	*(64,476)*	*(115,339)*	*55,649*
Housing	123,051	(37,420)	85,630	(42,738)	(80,158)	42,892
Other	47,938	(13,443)	34,495	(21,737)	(35,180)	12,758
Buildings and other constructions under construction	*139,201*	*(48,129)*	*91,072*	*(59,882)*	*(108,011)*	*31,190*
Housing	139,127	(48,103)	91,024	(59,865)	(107,968)	31,159
Other	74	(26)	48	(17)	(43)	31
Land	*414,050*	*(182,193)*	*231,857*	*(140,335)*	*(322,528)*	*91,522*
Consolidated urban land	166,648	(72,879)	93,769	(54,573)	(127,452)	39,196
Other land	247,402	(109,314)	138,088	(85,762)	(195,076)	52,326
Real estate assets from mortgage financing to acquire homes	**90,463**	**(33,993)**	**56,470**	**(25,260)**	**(59,253)**	**31,210**
Other foreclosed real estate assets or those received as payment in lieu of debt	**148,119**	**(50,200)**	**97,919**	**(43,141)**	**(93,341)**	**54,778**
Foreclosed capital instruments or those received as payment in lieu of debt	-	-	-	-	-	-
Capital instruments in entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	-	-	**123**	**(4)**	**(4)**	**119**
Financing to entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	-	-	-	-	-	-
Total assets acquired in payment of debts	**962,822**	**(365,378)**	**597,443**	**(333,094)**	**(698,472)**	**264,349**

(*) Includes real estate investments with a gross debt of €95,796 thousand, accumulated impairment of €63,179 thousand and a net book value of €32,617 thousand.

	Thousands of Euros (*)					
	31 December 2023					
	Gross Debt	**Initial impairment (I)**	**Gross carrying amount**	**Subsequent impairment (II)**	**Sum impairment (I+II)**	**Net carrying amount**
Real estate assets from financing provided to construction and real estate development companies	**953,562**	**(343,308)**	**610,254**	**(378,776)**	**(722,084)**	**231,478**
Completed buildings and other constructions	*197,378*	*(59,652)*	*137,726*	*(74,235)*	*(133,887)*	*63,491*
Housing	129,928	(40,564)	89,364	(44,052)	(84,616)	45,312
Other	67,450	(19,088)	48,362	(30,183)	(49,271)	18,179
Buildings and other constructions under construction	*147,741*	*(52,673)*	*95,068*	*(43,853)*	*(96,526)*	*51,215*
Housing	147,418	(52,589)	94,829	(43,844)	(96,433)	50,985
Other	323	(84)	239	(9)	(93)	230
Land	*608,443*	*(230,983)*	*377,460*	*(260,688)*	*(491,671)*	*116,772*
Consolidated urban land	286,864	(100,807)	186,057	(126,345)	(227,152)	59,712
Other land	321,579	(130,176)	191,403	(134,343)	(264,519)	57,060
Real estate assets from mortgage financing to acquire homes	**131,632**	**(48,314)**	**83,318**	**(34,759)**	**(83,073)**	**48,559**
Other foreclosed real estate assets or those received as payment in lieu of debt	**240,768**	**(81,446)**	**159,322**	**(75,230)**	**(156,676)**	**84,092**
Foreclosed capital instruments or those received as payment in lieu of debt	-	-	-	-	-	-
Capital instruments in entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	-	-	**123**	**(4)**	**(4)**	**119**
Financing to entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	-	-	-	-	-	-
Total assets acquired in payment of debts	**1,325,962**	**(473,068)**	**852,894**	**(488,765)**	**(961,833)**	**364,129**

(*) Includes real estate investments with a gross debt of €131,155 thousand, an accumulated impairment of €85,976 thousand and a net book value of €45,179 thousand.

At 31 December 2024 and 31 December 2023, the real estate assets treated as foreclosed assets for measurement purposes, excluding assets that are being operated or leased, which are considered high quality, as per articles 175 and 176 of Annex 9 of Circular 4/2017, are as follows:

	Thousands of Euros					
	31 December 2024					
	Gross Debt	**Initial impairment (I)**	**Gross carrying amount**	**Subsequent impairment (II)**	**Sum impairment (I+II)**	**Net carrying amount**
Real estate assets from financing provided to construction and real estate development companies	**635,309**	**(258,934)**	**376,373**	**(229,593)**	**(488,527)**	**146,780**
Completed buildings and other constructions	*155,762*	*(45,678)*	*110,082*	*(62,273)*	*(107,951)*	*47,809*
Housing	116,190	(36,014)	80,175	(41,710)	(77,724)	38,465
Other	39,572	(9,664)	29,907	(20,563)	(30,227)	9,344
Buildings and other constructions under construction	*92,520*	*(38,929)*	*53,591*	*(35,376)*	*(74,305)*	*18,215*
Housing	92,446	(38,903)	53,543	(35,359)	(74,262)	18,184
Other	74	(26)	48	(17)	(43)	31
Land	*387,027*	*(174,327)*	*212,700*	*(131,944)*	*(306,271)*	*80,756*
Consolidated urban land	150,340	(67,144)	83,196	(48,633)	(115,777)	34,563
Other land	236,687	(107,183)	129,504	(83,311)	(190,494)	46,193
Real estate assets from mortgage financing to acquire homes	**89,203**	**(33,568)**	**55,635**	**(24,997)**	**(58,565)**	**30,638**
Other foreclosed real estate assets or those received as payment in lieu of debt	**145,011**	**(49,201)**	**95,809**	**(42,647)**	**(91,848)**	**53,162**
Foreclosed capital instruments or those received as payment in lieu of debt	**-**	**-**	**-**	**-**	**-**	**-**
Capital instruments in entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	**-**	**-**	**123**	**(4)**	**(4)**	**119**
Financing to entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	**-**	**-**	**-**	**-**	**-**	**-**
Total assets acquired in payment of debts	**869,523**	**(341,703)**	**527,817**	**(297,237)**	**(638,940)**	**230,580**

	Thousands of Euros					
	31 December 2023					
	Gross Debt	**Initial impairment (I)**	**Gross carrying amount**	**Subsequent impairment (II)**	**Sum impairment (I+II)**	**Net carrying amount**
Real estate assets from financing provided to construction and real estate development companies	**851,435**	**(320,673)**	**530,762**	**(336,396)**	**(657,069)**	**194,366**
Completed buildings and other constructions	*186,028*	*(55,183)*	*130,845*	*(73,027)*	*(128,210)*	*57,818*
Housing	126,590	(39,824)	86,766	(43,806)	(83,630)	42,960
Other	59,438	(15,359)	44,079	(29,221)	(44,580)	14,858
Buildings and other constructions under construction	*122,190*	*(49,852)*	*72,338*	*(35,443)*	*(85,295)*	*36,895*
Housing	121,867	(49,768)	72,099	(35,434)	(85,202)	36,665
Other	323	(84)	239	(9)	(93)	230
Land	*543,217*	*(215,638)*	*327,579*	*(227,926)*	*(443,564)*	*99,653*
Consolidated urban land	228,544	(86,882)	141,662	(96,034)	(182,916)	45,628
Other land	314,673	(128,756)	185,917	(131,892)	(260,648)	54,025
Real estate assets from mortgage financing to acquire homes	**130,654**	**(48,012)**	**82,642**	**(34,554)**	**(82,566)**	**48,088**
Other foreclosed real estate assets or those received as payment in lieu of debt	**238,230**	**(80,760)**	**157,470**	**(74,854)**	**(155,614)**	**82,616**
Foreclosed capital instruments or those received as payment in lieu of debt	**-**	**-**	**-**	**-**	**-**	**-**
Capital instruments in entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	**-**	**-**	**123**	**(4)**	**(4)**	**119**
Financing to entities holding real estate assets that have been foreclosed or received as payment in lieu of debt	**-**	**-**	**-**	**-**	**-**	**-**
Total assets acquired in payment of debts	**1,220,319**	**(449,445)**	**770,874**	**(445,804)**	**(895,249)**	**325,070**

The Group has policies and strategies in place to recover the liquidity of these kinds of assets, which are detailed in Note 6 to these annual accounts.

25.2 Information regarding construction, property development and home purchase financing

The information required by the Bank of Spain, related to reporting transparency regarding construction, real estate and property purchase financing, as well as financing strategies and needs is provided below.

Details of the financing for real estate construction and property development as well as the corresponding impairment allowances at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros					
	Gross amount		Excess above the value of collateral		Specific allowance	
	2024	2023	2024	2023	2024	2023
Financing for real estate construction and property development (including land)(businesses in Spain)	**227,563**	**284,697**	**46,890**	**53,601**	**(15,486)**	**(25,914)**
Of which: Non-performing	*17,808*	*31,980*	*6,717*	*12,079*	*(12,217)*	*(19,398)*
Memorandum items:						
Write-off assets	143,752	163,073				

	Thousands of Euros	
	2024	2023
Loans and advances to customers excluding general governments (business in Spain) (carrying amount)	34,627,832	33,036,674
Total assets (total businesses) (carrying amount)	62,203,765	60,156,442
Impairment and provisions for performing exposures (total businesses)	(220,166)	(279,483)

The gross amount, without deducting impairment allowances, of the transactions classified according to the associated guarantees securing the financing of real estate construction and development at 31 December 2024 and 31 December 2023 breaks down as follows:

	Thousands of Euros	
	2024	2023
Without real estate collateral	**23,720**	**21,597**
With real estate collateral (broken down by type of asset received as collateral)	**203,844**	**263,100**
Completed buildings	*123,682*	*152,050*
Housing	93,617	117,411
Other	30,066	34,639
Buildings under construction	*36,998*	*62,231*
Housing	35,584	59,904
Other	1,414	2,327
Land	*43,164*	*48,819*
Consolidated urban land	24,879	25,493
Other land	18,284	23,326
Total	**227,563**	**284,697**

Details of retail loans for home purchases at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros			
	2024		2023	
	Gross carrying amount	Of which: Non-performing	Gross carrying amount	Of which: Non-performing
Lending for housing purchases	**11,772,135**	**91,832**	**11,549,011**	**114,733**
Without real estate collateral	169,280	2,668	118,496	2,590
With real estate collateral	11,602,855	89,163	11,430,515	112,143

The Loan to Value (LTV) ranges for the retail mortgage portfolio at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros					
	2024					
	Loan-to-value ratio based on the latest appraisal (a)					
	LTV≤ 40%	40% < LTV≤ 60%	60% < LTV≤ 80%	80%< LTV <= 100%	LTV> 100%	Total
Gross carrying amount	**2,987,357**	**3,485,133**	**4,022,233**	**844,532**	**263,600**	**11,602,855**
Of which: Non-performing	*18,323*	*23,969*	*24,279*	*9,810*	*12,782*	*89,163*

	Thousands of Euros					
	2023					
	Loan-to-value ratio based on the latest appraisal (a)					
	LTV≤ 40%	40% < LTV≤ 60%	60% < LTV≤ 80%	80%< LTV <= 100%	LTV> 100%	Total
Gross carrying amount	**2,994,194**	**3,382,129**	**3,811,780**	**920,879**	**321,533**	**11,430,515**
Of which: Non-performing	*14,527*	*22,105*	*36,178*	*17,318*	*22,015*	*112,143*

25.3 Quantitative information related to funding needs and strategies

The Assets and Liabilities Committee (ALCO) is responsible for managing the Group's liquidity. The principles, instruments and limits used to manage risk are described in Note 6 – Risk management.

At 31 December 2024 the Group had a coverage ratio for the retail and medium- and long-term loan portfolio of 133.25% (compared to 126.05% at 31 December 2023), while 144.10% (136.46% at year-end 2023) of funding needs are covered through stable funding sources.

On the other hand the Group holds liquid assets (eligible for financing transactions with the European Central Bank) with a nominal value of €21,525 million (€22,735 million at 31 December 2023). It also has the capacity to issue collateralised financial instruments (mortgage and public sector bonds) of €6,539 million (€4,011 million at 31 December 2023).

In 2024, the Group issued two mortgage bonds with a nominal value of €600 million and €750 million, the first fully placed on the market and the second fully retained to strengthen the collateral in the Bank of Spain facility. It also issued €500 million of senior preferred debt, which was fully placed.

Completing the Group's activity in the wholesale markets was the early redemption of two fully retained issues of mortgage bonds in the nominal amount of €750 million and €1 billion.

In 2023, the Group placed two issues of mortgage bonds, in the amount of €750 million and €350 million, in full on the market. It also issued a €750 million public sector bond to be retained for the purpose of strengthening the collateral in the Bank of Spain facility and €650 million of simple preferred debt classified as green and fully placed on the market.

The Group's market activity was completed with the maturity of one issue of mortgage bonds with a nominal value of €500 million, which had been partially repurchased for €62 million.

Details of funding needs and strategies at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros			Thousands of Euros	
	2024	**2023**		**2024**	**2023**
Stable financing needs			**Stable sources of financing**		
Customer credit	36,231,135	33,486,921	Customers covered 100% by Deposit Guarantee Fund	28,030,625	26,386,375
Loans to joint ventures, associates and other related parties	419,981	387,962	Customers not covered 100% by Deposit Guarantee Fund	19,138,996	17,103,155
Securitised loans	2,160,784	3,192,035			
Impairment allowances of financial assets	(567,105)	(576,343)			
Total customer credit	**38,244,795**	**36,490,575**	**Total retail customer deposits**	**47,169,621**	**43,489,530**
Assets acquired in payment of debt	**597,443**	**852,894**			
Investments in joint ventures and associates	**93,635**	**87,814**	Mortgage and covered bonds	1,700,000	1,100,000
			Public sector bonds	-	-
			Senior debt	2,150,000	1,650,000
			State-guaranteed issues	-	-
			Subordinated, preference and convertible issues	600,000	600,000
			Other medium and long-term financial instruments	-	-
			Securitisations sold to third parties	137,705	230,396
			Other financing maturing in more than one year	-	-
			Commercial paper	-	-
			Long-term wholesale financing	**4,587,705**	**3,580,396**
			Equity	**4,347,916**	**4,008,759**
Total financing needs	**38,935,873**	**37,431,283**	**Total stable sources of financing**	**56,105,242**	**51,078,685**

The maturities of wholesale debt at 31 December 2024 are as follows:

	Thousands of Euros			
	2025	**2026**	**2027**	**>2027**
Issuances:				
Mortgage and covered bonds(*)	-	-	-	1,700,000
Public sector bonds	-	-	-	-
Senior debt	-	500,000	-	1,650,000
State-guaranteed issues	-	-	-	-
Subordinated, preference and convertible issues(*)	-	600,000	-	-
Securitisations sold to third parties(**)	11,541	20,564	19,956	85,644
Other medium and long-term financial instruments	-	-	-	-
Other financing maturing in more than one year	-	-	-	-
Commercial paper	-	-	-	-
Total wholesale issuance maturities	**11,541**	**1,120,564**	**19,956**	**3,435,644**

(*) Reported at the nominal value of the placement, less buy-backs.

(**) The maturities schedule of securitisations is prepared based on estimates of borrowers' repayments of securitised loans, and it is therefore subject to possible variations depending on these borrowers' actual repayments.

The maturities of wholesale debt at 31 December 2023 were as follows:

	Thousands of Euros			
	2024	**2025**	**2026**	**>2026**
Issuances:				
Mortgage and covered bonds(*)	-	-	-	1,100,000
Public sector bonds	-	-	-	-
Senior debt	-	-	500,000	1,150,000
State-guaranteed issues	-	-	-	-
Subordinated, preference and convertible issues(*)	-	-	600,000	-
Securitisations sold to third parties(**)	19,421	19,577	23,294	168,104
Other medium and long-term financial instruments	-	-	-	-
Other financing maturing in more than one year	-	-	-	-
Commercial paper	-	-	-	-
Total wholesale issuance maturities	**19,421**	**19,577**	**1,123,294**	**2,418,104**

(*) Reported at the nominal value of the placement, less buy-backs.
(**) The maturities schedule of securitisations is prepared based on estimates of borrowers' repayments of securitised loans, and it is therefore subject to possible variations depending on these borrowers' actual repayments.

Liquid assets and available issuance capacity at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Liquid assets		
Eligible assets (nominal amount)	21,524,996	22,735,317
Eligible assets (market value and ECB haircut)	16,592,609	17,303,775
Of which:		
debt with general governments	11,432,657	*10,834,625*
Pledged assets (market value and ECB haircut)	7,521,509	7,342,747
Unpledged assets (market value and ECB haircut)	9,071,100	9,961,028
Issuance capacity:		
Mortgage bonds	3,686,058	2,344,990
Public sector bonds	2,853,362	1,665,941
Available issues backed by the State government	-	-
Total issuance capacity	**6,539,420**	**4,010,931**

25.4 Disclosures regarding refinanced and restructured transactions

Pursuant to Annex 9 of Bank of Spain Circular 4/2017 on credit institutions' financial reporting rules, the Group has established classification criteria for the transactions catalogued as refinanced and/or restructured, such that those transactions will be classified as performing exposures under special monitoring during the probation period until all of the following requirements are met:

- It is highly likely that after an exhaustive review of its equity and financial position, the borrower will fulfil its obligations to the Group in due time and form, i.e. there is an adequate payment plan and new effective collateral is provided.
- At least two years have elapsed since the date the restructuring or refinancing transaction was formally concluded, or if later, since the date of reclassification from the category of non-performing exposures.

- The borrower has paid all accrued instalments of principal and interest since the date on which the restructuring or refinancing transaction was formally concluded or, if later, since the date of reclassification from the category of non-performing exposures.

- The borrower has no other transaction with amounts more than 30 days past due after the probation period.

Consequently, when all the above requirements are met, transactions will no longer be classified as refinancing transactions, refinanced or restructured.

Refinancing transactions, refinanced or restructured classified as performing or performing exposures under special monitoring will be analysed to determine if they need to be reclassified to the category of non-performing exposures. To this end, the Group will consider the following:

- That the transaction is supported by an inadequate payment plan, i.e. when there is repeated failure to comply with the payment plan terms.

- That clauses are included that delay the repayment of transactions through regular payments.

- That they involve amounts derecognised from the balance sheet (write-offs) because they are deemed irrecoverable or the rights over them have been extinguished.

Before reclassifying transactions from the non-performing category to performing exposures under special monitoring, the Group will verify that:

- The debtor’s equity and financial position has been redressed and that it is expected it will not experience further financial difficulties;

- At least a year has elapsed since the refinancing or restructuring;

- The debtor has fully repaid the accrued instalments of principal and interest, thereby reducing the renegotiated principal; and

- The debtor has no transactions with amounts past due by more than 90 days on the date of reclassification to performing exposures under special monitoring.

The Group’s policy is to use transaction refinancing, restructuring, renewal and renegotiation formulae as credit risk management tools which, if used astutely, help mitigate credit risk by means of individual transaction analysis with a view to rendering borrowers and transactions economically viable (Note 6.2).

Details of refinancing transactions, refinanced and restructured at 31 December 2024 and 31 December 2023, according to the content of Bank of Spain Circular 3/2020, of 11 June, and the policies established by the Group are as follows:

31 December 2024	Thousands of Euros – TOTAL – Unsecured		Secured				
					Maximum amount of collateral that can be considered		
	Number of transactions	**Gross carrying amount**	**Number of transactions**	**Gross carrying amount**	**Real estate collateral**	**Other collateral**	**Accumulated impairment or losses in fair value due to credit risk**
Credit institutions	-	-	-	-	-	-	-
General governments	4	1,978	-	-	-	-	(490)
Other financial corporations and sole proprietorships (financial business activity)	30	1,065	3	198	135	-	(224)
Non-financial corporations and sole proprietorships (non-financial business activity)	6,514	402,622	1,365	421,983	348,633	9,645	(162,610)
Of which: financing for real estate construction and property development (including land)	*3*	*45*	*54*	*27,401*	*24,568*	-	*(10,609)*
Other households	2,033	15,334	1,986	186,017	178,217	932	(26,074)
Total	**8,581**	**420,999**	**3,354**	**608,197**	**526,985**	**10,577**	**(189,398)**
ADDITIONAL INFORMATION							
Financing classified as non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-

	of which: Non-Performing – Unsecured		Secured				
					Maximum amount of collateral that can be considered		
	Number of transactions	**Gross carrying amount**	**Number of transactions**	**Gross carrying amount**	**Real estate collateral**	**Other collateral**	**Accumulated impairment or losses in fair value due to credit risk**
Credit institutions	-	-	-	-	-	-	-
General governments	2	490	-	-	-	-	(490)
Other financial corporations and sole proprietorships (financial business activity)	7	353	3	198	135	-	(187)
Non-financial corporations and sole proprietorships (non-financial business activity)	2,212	133,150	463	115,781	89,443	1,847	(125,434)
Of which: financing for real estate construction and property development (including land)	-	-	*28*	*15,488*	*13,070*	-	*(10,275)*
Other households	1,009	6,089	570	38,007	34,351	2	(18,014)
Total	**3,230**	**140,083**	**1,036**	**153,985**	**123,929**	**1,850**	**(144,126)**
ADDITIONAL INFORMATION							
Financing classified as non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-

31 December 2023

Thousands of Euros

	TOTAL						
	Unsecured		Secured				
					Maximum amount of collateral that can be considered		
	Number of transactions	**Gross carrying amount**	**Number of transactions**	**Gross carrying amount**	**Real estate collateral**	**Other collateral**	**Accumulated impairment or losses in fair value due to credit risk**
Credit institutions	-	-	-	-	-	-	-
General governments	3	1,459	-	-	-	-	(490)
Other financial corporations and sole proprietorships (financial business activity)	30	611	5	315	243	-	(177)
Non-financial corporations and sole proprietorships (non-financial business activity)	7,449	426,179	1,734	504,221	438,866	735	(158,903)
Of which: financing for real estate construction and property development (including land)	*3*	*190*	*85*	*45,578*	*41,035*	-	*(16,506)*
Other households	2,841	19,108	2,546	233,096	219,137	13	(38,142)
Total	**10,323**	**447,357**	**4,285**	**737,632**	**658,246**	**748**	**(197,712)**
ADDITIONAL INFORMATION							
Financing classified as non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-

	of which: Non-Performing						
	Unsecured		Secured				
					Maximum amount of collateral that can be considered		
	Number of transactions	**Gross carrying amount**	**Number of transactions**	**Gross carrying amount**	**Real estate collateral**	**Other collateral**	**Accumulated impairment or losses in fair value due to credit risk**
Credit institutions	-	-	-	-	-	-	-
General governments	2	490	-	-	-	-	(490)
Other financial corporations and sole proprietorships (financial business activity)	6	55	2	109	36	-	(118)
Non-financial corporations and sole proprietorships (non-financial business activity)	2,359	106,901	643	139,789	112,141	29	(112,185)
Of which: financing for real estate construction and property development (including land)	*2*	*75*	*49*	*25,545*	*21,370*	-	*(14,749)*
Other households	1,372	8,711	814	59,776	52,274	7	(27,494)
Total	**3,739**	**116,157**	**1,459**	**199,674**	**164,451**	**36**	**(140,287)**
ADDITIONAL INFORMATION							
Financing classified as non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-

Details of transactions classified as non-performing, after being refinanced or restructured, at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
General governments	490	490
Financial intermediaries	-	-
Other legal persons and sole proprietorships	175,385	178,325
Of which: Financing for real estate construction and property development	*13,036*	*21,617*
Other natural persons	37,676	55,794
Total	**213,551**	**234,609**

Note 6 to the accompanying annual accounts provides details of the policies applied by the Group in terms of refinancing and restructuring transactions, showing the measures and criteria used.

26 Breakdown of the consolidated statement of profit or loss

The details of the most significant headings on the consolidated statements of profit or loss at 31 December 2024 and 31 December 2023 are as follows:

- **Interest income and Interest expenses**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023**
Interest income		
Cash equivalents at central banks	132,614	132,281
Cash equivalents at credit institutions	2,573	1,589
Other loans and advances	1,553,018	1,263,696
Debt securities (Note 8.2.3) (Note 8.3.2) (Note 8.5.1) (Note 8.6.4)	255,481	275,473
Non-performing transactions	16,759	12,147
Hedging derivatives	239,657	176,521
Other assets:		
Yields on pension plan assets (Note 14.1)	*1,459*	*1,359*
Interest income on liabilities	*16*	*9*
Other	*11,008*	*13,139*
Total	**2,212,585**	**1,876,214**
Interest expenses		
Demand deposits at central banks (Note 8.7.1)	(9,066)	(145,004)
Demand deposits at credit institutions	(129,302)	(72,351)
Customer deposits	(515,570)	(301,248)
Other deposits	(4,590)	(41,137)
Debt securities issued (Note 8.7.4)	(162,573)	(98,212)
Subordinated liabilities (Note 8.7.4.2)	(31,808)	(31,696)
Hedging derivatives	(16,582)	423
Other liabilities:		
Pension fund interest expenses (Note 14.1)	*(1,578)*	*(1,457)*
Asset interest expenses	*(12,078)*	*(9,707)*
Financial costs of liabilities associated with operating lease	*(1,216)*	*(1,133)*
Other	*(112,921)*	*(111,121)*
Total	**(997,284)**	**(812,643)**

- **Dividend income**

Details of this heading on the consolidated statements of profit or loss at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Equity instruments (Note 8.5.2)	5,488	4,724
Total	**5,488**	**4,724**

- **Profit/(loss) of entities accounted for using the equity method**

The contribution to profit or loss of entities accounted for using the equity method (Notes 2.7. and 11) on the consolidated statements of profit or loss as at 31 December 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	2024	**2023**
Cajamar Vida, S.A. de Seguros y Reaseguros	36,871	38,808
Cajamar Seguros Generales, S.A.	6,231	3,745
Parque de Innovación y Tecnológico de Almería	(482)	(198)
Murcia Emprende, S.C.R., S.A.	(50)	(139)
Biocolor, S.L.	(2)	(1)
GCC Consumo E.F.C. S.A	2,571	4,567
Giesmed Parking S.L.	(9)	(55)
Promontoria Jaguar, S.L	(917)	(1,304)
	44,213	**45,423**

- **The headings "Fee and commission income" and "Fee and commission expenses"** on the accompanying consolidated statement of profit or loss show the amount of all fees and commission received and paid by the Group accrued during the year, except for those that form part of the effective interest rate for financial instruments. The criteria followed to take these items to profit or loss are explained in Note 3.16 to the accompanying annual accounts.

  The details of products generating fee and commission income or expenses at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
Fee and commission income	**2024**	**2023**
Securities:	**2,154**	**2,033**
Issuances	5	-
Transfer orders (Note 29)	2,148	2,033
Asset management	**4,279**	**2,825**
Custody [by type of customer]:	**1,005**	**1,109**
Other (Note 29)	1,005	1,109
Payment services	**199,057**	**191,619**
Current accounts	81,098	71,476
Credit cards	33,657	31,699
Debit cards and other card payments	51,671	52,817
Transfers and other payment orders	11,427	10,872
Other fee and commission income in relation to payment services	21,204	24,756
Customer funds distributed but not managed [by type of product] (Note 29):	**108,333**	**88,627**
Collective investment	36,235	35,084
Insurance products	72,098	53,543
Loan commitments given	**11,211**	**11,428**
Financial guarantees given	**12,628**	**11,839**
Foreign currency	**1,170**	**1,324**
Other fee and commission income	**13,044**	**10,320**
Total	**352,880**	**321,124**
Fee and commission expenses		
Securities	(5,065)	(4,802)
Clearing and settlement	-	-
Asset management	(109)	(110)
Custody	-	-
Payment services	(22,213)	(21,181)
Of which: Debit and credit cards and other cards	*(22,170)*	*(21,129)*
Loan administration activities	-	-
Loan commitments received	-	-
Financial guarantees received	(7,863)	(10,569)
Distribution of products by external providers	(8,206)	(5,413)
Other fee and commission expenses	(1,287)	(7,571)
Total	**(44,743)**	**(49,646)**

- **Gains and losses on assets and liabilities**

Details of this heading on the consolidated statements of profit or loss at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	**(27,430)**	**(13,275)**
Financial assets at amortised cost	(25,847)	(13,473)
Financial assets at fair value through other comprehensive income	(1,583)	-
Financial liabilities at amortised cost	-	198
Gains or losses on financial assets and liabilities held for trading, net	**(17)**	**123**
Other gains or (-) losses	(17)	123
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	**12,078**	**11,524**
Other gains or (-) losses	12,078	11,524
Gains or losses from hedge accounting, net	**264**	**(110)**
Total	**(15,105)**	**(1,738)**

- **Other operating income**

Details of this heading on the consolidated statements of profit or loss at 31 December 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Changes in fair value of tangible assets measured using the fair value model	-	-
Investment property (Note 12)	6,383	6,322
Operating leases that are not investment property	-	-
Other:		
Sales and other revenue from non-financial services rendered	13,254	11,710
Insurance company indemnity	-	949
Other items:		
Other recurring income	*11,578*	*14,335*
Other non-recurring income	*1,396*	*2,062*
Other items	*514*	*3,063*
Income from insurance and reinsurance contracts issued	-	-
Total	**33,125**	**38,441**

- **Other operating expenses**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023**
Mandatory contributions to social projects and funds (Note 17)	(21,341)	(9,094)
Investment property (Note 12)	(1,215)	(1,304)
Operating leases that are not investment property	-	-
Contribution to the Deposit Guarantee Fund (Note 3.17)	(101)	(49,235)
Contribution to the Single Resolution Fund (Note 3.28)	-	(15,013)
Other:		
Change in inventories – Cost of sales	-	-
Change in inventories – Property overheads	-	-
Other items	*(18,086)*	*(17,197)*
Expenses from insurance and reinsurance contracts issued	-	-
Total	**(40,743)**	**(91,843)**

- **Staff expenses**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023**
Salaries and bonuses of serving personnel	(280,633)	(237,901)
Social security contributions	(90,806)	(87,080)
Transfers to defined benefit plans (Note 14)	(1,279)	(1,258)
Transfers to defined contribution plans (Note 14)	(13,232)	(12,464)
Termination benefits	(1,519)	(1,172)
Training expenses	(389)	(817)
Share-based payments	-	-
Other staff expenses	(30,031)	(29,354)
Total	**(417,889)**	**(370,046)**

The average number of employees of the Group's credit institutions and of Grupo Cooperativo Cajamar, broken down by gender in accordance with Organic Act 3/2007, of 22 March 2007, is as follows:

	Credit institutions		**Grupo Cooperativo Cajamar**	
	2024	**2023**	**2024**	**2023**
Average headcount				
Male	2,494	2,531	3,023	3,072
Female	2,695	2,701	3,189	3,158
Total	**5,189**	**5,232**	**6,212**	**6,230**

The average number of employees at the Group, broken down by professional category, is as follows:

	2024		2023	
	Male	**Female**	**Male**	**Female**
Executives	28	5	28	5
Department heads and graduates	2,389	2,083	2,423	1,971
Administrative officers	410	772	443	891
Administrative assistants	195	328	177	290
Sundry positions	1	1	1	1
Total	**3,023**	**3,189**	**3,072**	**3,158**

At 31 December 2024 and 2023 the number of employees at the Group, broken down by professional category, is as follows:

	2024		2023	
	Male	**Female**	**Male**	**Female**
Executives	25	7	28	5
Department heads and graduates	2,361	2,148	2,416	2,027
Administrative officers	364	666	433	847
Administrative assistants	199	335	185	305
Sundry positions	1	1	1	1
Total	**2,950**	**3,157**	**3,063**	**3,185**

The average number of individuals employed at 31 December 2024 and 31 December 2023 with disabilities equal to or over 33% (or equivalent qualification), by professional category, is as follows:

	2024		2023	
	Male	**Female**	**Male**	**Female**
Executives	-	-	-	-
Department heads and graduates	35	32	31	29
Administrative officers	6	16	9	21
Administrative assistants	-	1	-	1
Sundry positions	-	-	-	-
Total	**41**	**49**	**40**	**51**

Remuneration in kind granted to the Group's employees in the form of loans at lower than market interest rates as per the collective wage agreement are as follows at 31 December 2024 and 31 December 2023:

	Thousands of Euros	
	2024	**2023**
Loans and advances	2,734	9,287
Other remuneration in kind	1,989	1,522
Total remuneration in kind	**4,723**	**10,809**

- **Other administrative expenses**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023**
Property, fixtures and materials	(23,510)	(24,763)
Information technology (IT)	(73,760)	(62,494)
Communications	(9,096)	(8,549)
Advertising and publicity	(7,663)	(6,418)
Court and attorney's fee	(1,226)	(1,340)
Technical reports	(15,550)	(12,620)
Surveillance and security carriage services	(6,085)	(5,884)
Insurance and self-insurance premiums	(3,991)	(4,342)
Governance and control bodies	(997)	(748)
Entertainment and staff travel expenses	(3,475)	(2,697)
Association membership fees	(1,431)	(1,382)
Allocation of headquarter expenses to foreign branches	-	-
Subcontracted administrative services	(38,545)	(31,626)
Contributions and taxes:		
Property	(2,523)	(2,829)
Other	(20,011)	(19,872)
Donations to foundations	-	-
Other expenses	(24,201)	(22,326)
Total	**(232,064)**	**(207,890)**

- **Amortisation and depreciation**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023**
Property, plant and equipment		
For own use (Note 12)		
IT equipment and related fixtures	(12,650)	(12,006)
Furniture, vehicles and other fixtures	(22,452)	(21,129)
Buildings	(7,846)	(8,152)
Other tangible assets	(226)	(226)
Capitalised rights of use in leases (Note 12)	**(9,987)**	**(9,196)**
Investment property (Note 12)		
Furniture, vehicles and other fixtures	(230)	(233)
Buildings	(2,644)	(2,853)
Other intangible assets	**(26,969)**	**(20,721)**
Total	**(83,004)**	**(74,516)**

- **Provisions or reversal of provisions (net)**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023**
Pensions and other post-employment defined benefit obligations (Note 14.1)	**27**	**(166)**
Other long-term employee benefits (Note 14.1)	**(1)**	**(20)**
Pending legal issues and tax litigation	**-**	**-**
Commitments and guarantees given	**(4,850)**	**(1,245)**
Loan commitments given	(4,777)	(217)
Financial guarantees given	941	(219)
Other commitments given	(1,015)	(809)
Other contingent risks	(1,015)	(809)
Other provisions (Note 14.4)	**(194,539)**	**(71,512)**
Total	**(199,363)**	**(72,943)**

- **Impairment or reversal of impairment of financial assets and other non-financial assets (net)**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023(*)**
Financial assets not measured at fair value through profit or loss	**(199,791)**	**(258,337)**
Debt securities (Note 8.5.1) (Note 8.6.4)	(5,428)	(10,366)
Loans and advances (Note 8.6.3)	(194,363)	(247,971)
Investments in subsidiaries, joint ventures and associates (Note 11)	**-**	**-**
Total	**(199,791)**	**(258,337)**
Non-financial assets	**2,960**	**(101,310)**
Property, plant and equipment	27	27
Investment property (Note 12)	3,056	(14,808)
Other intangible assets (Note 13)	9	265
Other (Note 16)	(132)	(86,794)
Total	**2,960**	**(101,310)**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

- **Gains or losses on derecognition of non-financial assets**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023(*)**
Gains on disposals		
Property, plant and equipment (Note 12)	706	10,030
Investment property (Note 12)	323	1,091
Intangible assets (Note 13)	18	-
Other gains	2,171	4,541
Total	**3,218**	**15,662**
Losses on disposals		
Property, plant and equipment (Note 12)	(2,048)	(11,182)
Investment property (Note 12)	(3,827)	(3,127)
Intangible assets (Note 13)	(28)	(1)
Other losses	(870)	(16,281)
Holdings	-	(4)
Total	**(6,773)**	**(30,595)**
Total gains or losses	**(3,555)**	**(14,933)**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

- **Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations**

Details of this heading on the accompanying consolidated statements of profit or loss are as follows:

	Thousands of Euros	
	2024	**2023(*)**
Gains on disposals		
Investment property	41	97
Property, plant and equipment foreclosed	4,940	2,671
Total	**4,981**	**2,768**
Losses on disposals		
Property, plant and equipment	(60)	(16)
Investment property	(533)	(505)
Property, plant and equipment foreclosed	(11,650)	(22,003)
Total	**(12,243)**	**(22,524)**
Impairment losses on non-current assets held for sale (Note 10)	**(23,550)**	**(69,168)**
Total gains or losses	**(30,812)**	**(88,924)**

(*) For comparison purposes only, the financial statements at 31 December 2023 are restated to reflect the reclassification of certain assets received in payment of debt (Note 2.5).

27 Segment reporting

- **Segmenting by lines of business**

  The Group's core business is retail banking. There are no other major lines of business which require, in accordance with applicable legislation, that the Group segment and manage its operations through different business lines.

- **Geographical segmenting**

  The Group carries out its activities almost entirely in Spain and the type of customer is similar throughout Spain. Therefore the Group considers that there is a single geographical segment for the entire operation.

28 Information about deferrals of payment to suppliers

Act 18/2022, of 28 September, amended legislation including Act 15/2010, of 15 July, which amended Act 3/2004, of 29 December, requiring non-listed companies to disclose the amount and number of invoices paid within the maximum period established in the applicable legislation and as a percentage of the total amount and number of invoices paid to suppliers.

Final Provision Two of Act 31/2014, of 3 December, amending the Spanish Corporate Enterprises Act to improve corporate governance, amended Additional Provision Three of Act 15/2010, of 5 July, which amended Act 3/2004, of 29 December, on measures to combat late payment in commercial transactions, specifically requiring the inclusion of the average supplier payment period in the notes to annual accounts. The provision authorises the Spanish Institute of Accountants and Auditors (ICAC) to stipulate, in a ruling, the adaptations necessary for companies to adequately apply the average supplier payment period calculation methodology. Accordingly, Article 1 of the ICAC Resolution of 26 January 2016 was issued to fulfil the mandate contained in Act 31/2014.

Said resolution repealed the immediately previous related ICAC Resolution of 29 December 2010, which derived from the former wording of Additional Provision Three of Act 15/2010, of 4 July. The Resolution requests information on the average supplier payment period, specifying that the duty of information affects only commercial payment transactions and not creditors or suppliers in non-commercial transactions (e.g. fixed asset suppliers or finance lease creditors). Moreover, it provides the specific methodology for calculating the average supplier payment period and details the information to be reported.

For the purposes of adequately understanding the information set out herein, and in accordance with the provisions of applicable legislation, "suppliers" are understood to only be those suppliers of assets and services to the Group whose expense is primarily recognised in the heading "Other administrative expenses" on the consolidated statement of profit or loss. This note therefore does not include information regarding payments for financial transactions that constitute the corporate purpose of the Group or to asset suppliers that may exist which, in any case, have been made in accordance with the deadlines established in the relevant agreements and by current legislation.

The average supplier payment period must be calculated applying the criteria approved by the Ministry of Finance and Public Administrations, pursuant to Final Provision Two, subsection three of Organic Act 2/2012, of 27 April, on budget stability and financial sustainability. According to the Sole Final Provision of the Resolution dated 29 January 2016, that resolution will be applicable to the annual accounts for the years starting on or after 1 January 2015.

Figures for total payments made, total payments pending, average period of payment to suppliers, ratio of transactions paid and ratio of transactions pending payment, with respect to the Group's commercial transactions, at 31 December 2024 and 31 December 2023 are as follows:

	Days	
	2024	2023
Average period of payment to suppliers	32.09	29.47
Ratio of transactions paid	32.12	29.47
Ratio of transactions pending payment	-	-

	Thousands of Euros							
	2024				2023			
	Amount	%	No. Invoices	%	Amount	%	No. Invoices	%
Total payments made	287,926		111,213		389,944		151,264	
Of which: Paid in a period less than the established maximum	*243,654*	*84.62 %*	*101,172*	*90.97 %*	*348,626*	*89.40 %*	*122,627*	*81.07 %*
Total payments pending	271				3			

29 Other information

Investment services

The details of investment and ancillary services by instrument type, indicating the amount of securities and other managed financial instruments and the fees and commission recorded on the consolidated statements of profit or loss, are as follows:

	Thousands of Euros	
2024	**Customer funds**	**Fees and commission**
Brokerage services (products marketed by the Group) (Note 26)		
Collective investment	6,932,867	36,235
Insurance products	1,505,354	72,098
Total	**8,438,221**	**108,333**
Deposit of securities owned by third parties (Note 26)		
Debt securities and equity instruments	1,742,987	3,159
Other financial instruments entrusted by third parties	10	-
Customer portfolios managed on a discretionary basis	601,069	4,279
Total	**2,344,066**	**7,438**

	Thousands of Euros	
2023	**Customer funds**	**Fees and commission**
Brokerage services (products marketed by the Group) (Note 26)		
Collective investment	5,211,272	35,084
Insurance products	1,412,783	53,543
Total	**6,624,055**	**88,627**
Deposit of securities owned by third parties (Note 26)		
Debt securities and equity instruments	1,765,149	3,142
Other financial instruments entrusted by third parties	6	-
Customer portfolios managed on a discretionary basis	423,500	2,825
Total	**2,188,655**	**5,967**

Exchange risk

The following table summarises the Group's exposure to exchange rate risk:

	Thousands of Euros	
Assets	**2024**	**2023**
Cash, cash balances at central banks and other demand deposits	23,130	13,059
Financial assets at amortised cost	72,336	49,804
Other assets	196	127
Total	**95,662**	**62,990**

	Thousands of Euros	
Liabilities	**2024**	**2023**
Financial liabilities at amortised cost	99,779	86,884
Other liabilities	1	-
Total	**99,780**	**86,884**
Net Position	**(4,118)**	**(23,894)**

The net amount of exchange differences recognised on the consolidated statement of profit or loss totalled €1,824 thousand at 31 December 2024 (€1,160 thousand at 31 December 2023).

At 31 December 2024 and 31 December 2023 no amount was booked as "Exchange differences" under "Accumulated other comprehensive income" in "Equity".

Auditors' fees

The fees paid for the statutory audit and other services provided by the audit firm and others related to the Group at 31 December 2024 and 31 December 2023 are as follows:

2024	Thousands of Euros			
Entity	**Audit fees**	**Audited-related fees**	**Other services**	**Total**
KPMG	1,587	623	57	2,267

2023	Thousands of Euros			
Entity	**Audit fees**	**Audited-related fees**	**Other services**	**Total**
KPMG	1,717	608	63	2,388

The audit fees recognised under the "Audit fees" heading include those for: the audit of the separate and consolidated annual financial statements of Banco de Crédito Social Cooperativo, S.A., and the other Rural Savings Banks comprising the Group and subsidiaries. "Audit-related fees" comprise the fees charged to issue comfort letters, for translation and limited reviews, and for other work to meet the regulatory requirements of the Group. "Other services" comprise the fees for other reviews not related with the audit and concerning non- financial information.

Abandoned balances and deposits

In accordance with the matters indicated in Article 18 of Act 33/2003, of 3 November 2003, on public institution finances, the balances and deposits of the Group that have been abandoned in accordance with that article amounted to €31 thousand at 31 December 2024; this amount may vary between said date and the date the financial statements are definitively presented to the competent authority (no amount at 31 December 2023).

Customer Service

This section fulfils Article 17.2 of Order ECO/734/2004 of 11 March on customer service departments and the customer ombudsman of financial institutions (hereinafter the Order) under which a summary of the annual report explaining the development of its functions by the Customer Service Department should be included in the annual report.

In compliance with Act 44/2002, of 22 November, on Measures to Reform the Financial System, the Order and other applicable legislation, Grupo Cooperativo Cajamar has a specialised Customer Service Department, that is independent from the sales and operating areas, to attend to and resolve complaints and claims that may be filed by Group customers with respect to their interests and legally recognised rights.

All the Grupo Cooperativo Cajamar financial entities listed in Annex I to the Group's Customer Protection Regulation form part of the Customer Service Department. The regulation governs how the Customer Service Department operates and was approved by the Parent's Board of Directors. Members are all those comprising the Group at 31 December 2024.

In summary, a total of 27,011 proceedings were initiated in 2024, including 276 cases opened with the Bank of Spain Institutions' Conduct Department and 10 with the Investor Services Office of the National Securities Market Commission. No complaints or claims have been filed with the Directorate- General of Insurance and Pension Funds.

Proceedings initiated in respect of claims against entities break down as follows:

Entities	Percentage
Cajamar Caja Rural, S.C.C. (a)	96.2%
Caixa Rural Altea, S.C.C.V. (a)	0.4%
Caixa Rural de Callosa de Sarria, C.C.V. (a)	0.2%
Caixa Rural de Turís, C.C.V. (a)	0.1%
Caixa Rural Sant Josep de Vilavella, S.C.C.V. (a)	0.1%
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V. (a)	0.2%
Caixa Rural Vila-Real, S.C.C. (a)	0.4%
Caja de Crédito de Petrel, Caja Rural, C.C.V. (a)	0.3%
Caja Rural de Alginet, S.C.C.V. (a)	0.2%
Caja Rural de Cheste, S.C.C. (a)	0.1%
Caja Rural de Torrent, S.C.C. (b)	1.0%
Caja Rural de Villar, C.C.V. (a)	0.1%
Caja Rural la Junquera de Chilches, C.C.V. (a)	0.0%
Caja Rural San Isidro de Vilafamés, C.C.V. (a)	0.0%
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V. (a)	0.1%
Caja Rural San Jose de Burriana, C.C.V. (a)	0.3%
Caja Rural San José de Nules, S.C.C.V. (a)	0.2%
Caja Rural San Roque de Almenara, S.C.C.V. (a)	0.1%

Further to this summary, the main ways in which the claims were dealt with in 2024 were: 94% in favour of the entities; 2% in favour of the claimant; and in 4% of cases the Customer Service Department issued no decision on the claims.

Similarly noteworthy, following the classification laid down by the Bank of Spain in this respect, based on content matter, the cases resolved were classified as follows:

Matter concerned	Percentage
Loans and advances	79.0%
Deposit transactions and payment accounts	10.0%
Payment instruments and services	5.0%
Other banking products/services	1.0%
Miscellaneous	5.0%

Finally, looking at the reasons for claims – also as per the Bank of Spain's classification:

Reason	Percentage
Commission and fees	79.0%
Information and documentation	3.0%
Processing	1.0%
Disagreement	8.0%
Interest	2.0%
Contractual modifications and resolutions	1.0%
Fraud	4.0%
Miscellaneous	2.0%

The decision criteria used by the Customer Service Department to resolve complaints and claims have been taken, mainly, for the criteria established by the Service and the result of claims made to the bodies supervising financial services, based on judgements regarding good practices and uses, the legislation that governs the transparency of banking operations and customer protection, and any other that is applicable to reach a correct and reasoned conclusion.

Directors' duty of loyalty

In accordance with the provisions of Article 229 of the recast text of the Corporate Enterprises Act, as per the wording thereof stipulated in Act 31/2014, of 3 December 2014, amending the recast text of the Corporate Enterprises Act in order to improve corporate governance and enhance the transparency of public limited companies, the directors have reported to the Bank that during 2024, they and the persons related to them, as defined in Article 231 of the recast text of the Corporate Enterprises Act:

- Have not carried out transactions with the Group, not taking into account ordinary operations conducted under standard business conditions and of little relevance, being understood as those not requiring disclosure for the purposes of presenting fairly the equity, financial position and the results of the entity.

- Have not used the Group's name or invoked their status as directors to improperly influence the performance of private operations.

- Have not made use of corporate assets, including confidential company information for private purposes.

- Have not taken advantage of the Group's business opportunities.

- Have not obtained benefits or remuneration from parties other than the Group or its associates in the performance of their duties, excepting cases of mere courtesy.

- Have not performed activities on their own account or for others that involved effective competition, whether specific or potential, with the Group or which otherwise placed them in a situation of ongoing conflict with the Group's interests.

30 Subsequent events

Aside from the matters disclosed in the accompanying consolidated annual accounts and in the foregoing paragraphs, from 31 December 2024 until 4 March 2025, the date on which the accompanying consolidated annual accounts were authorised for issue by the Parent's Board of Directors, there were no significant events that must be disclosed in the notes to the accompanying consolidated annual accounts in order for them to give a true and fair view of the Group's consolidated equity, consolidated financial position, consolidated results, changes in consolidated equity and consolidated cash flows.

Appendix I Details of shareholdings at 31 December 2024

Details of Group entities whose balance sheets and statements of profit or loss are fully consolidated are as follows:

							Thousands of Euros						
				% shareholding					Equity				
Company	Domicile	Business	% mutualisation	Direct	Indirect	Total	Net book value	Assets	Capital	Reserves	Profit/(loss)	Other items	Other equity
Group companies													
Cajamar Caja Rural, S.C.C. (a)	Plaza Puerta Purchena, 10. Almería.	Credit cooperative	67.30%	-	-	-	-	54,106,876	3,440,124	244,873	272,304	(50,281)	(12,973)
Caixa Rural Altea, S.C.C.V. (a)	Placeta del Convent, 2. Altea. Alicante.	Credit cooperative	0.61%	-	-	-	-	408,819	8,684	26,092	2,269	(117)	(56)
Caixa Rural de Callosa de Sarria, C.C.V. (a)	Avda. Jaume I, 1. Callosa d'en Sarria. Alicante.	Credit cooperative	0.43%	-	-	-	-	310,433	9,065	13,687	1,578	(137)	(11)
Caixa Rural de Turís, C.C.V. (a)	Plaza de la Constitución, 2. Turis. Valencia.	Credit cooperative	0.17%	-	-	-	-	70,624	2,457	7,128	643	(34)	(31)
Caixa Rural Sant Josep de Vilavella, S.C.C.V. (a)	C/ Cova Santa, 11. La Vilavella. Castellón.	Credit cooperative	0.09%	-	-	-	-	78,248	1,242	3,959	341	(17)	0
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V. (a)	Plaza del Centro, 4. La Vall D'Uixo. Castellón.	Credit cooperative	0.15%	-	-	-	-	149,212	4,017	4,540	569	(57)	(22)
Caixa Rural Vila-Real, S.C.C. (a)	Plaza Mayor, 10. Villarreal. Castellón.	Credit cooperative	0.64%	-	-	-	-	443,374	19,056	15,937	2,407	(26,718)	(14)
Caja de Crédito de Petrel, Caja Rural, C.C.V. (a)	C/ San Bartolomé, 2. Petrer. Alicante.	Credit cooperative	0.42%	-	-	-	-	249,021	5,738	18,588	1,527	(77)	(56)
Caja Rural de Alginet, S.C.C.V. (a)	C/ Valencia, 13. Alginet. Valencia.	Credit cooperative	0.18%	-	-	-	-	141,211	3,421	6,870	684	(46)	(20)
Caja Rural de Cheste, S.C.C. (a)	Plaza Doctor Cajal, 2. Cheste. Valencia.	Credit cooperative	0.22%	-	-	-	-	168,116	2,300	10,012	797	(33)	(17)
Caja Rural de Torrent, S.C.C.(a)	Avda. Al Vedat, 3. Torrent. Valencia.	Credit cooperative	1.05%	-	-	-	-	803,514	17,823	41,617	3,947	(256)	(107)
Caja Rural de Villar, C.C.V. (a)	C/ Las Cruces, 33. Villar del Arzobispo. Valencia.	Credit cooperative	0.25%	-	-	-	-	116,698	6,309	6,470	896	(87)	(8)
Caja Rural la Junquera de Chilches, C.C.V. (a)	Plaza España, 6, Chilches. Castellón.	Credit cooperative	0.10%	-	-	-	-	44,487	2,599	2,780	371	(36)	(1)
Caja Rural San Isidro de Vilafamés, C.C.V. (a)	Avda. Barcelo, 6. Vilafames. Castellón.	Credit cooperative	0.05%	-	-	-	-	33,459	544	2,518	202	(8)	(5)
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V. (a)	C/ Jaime Chicharro, 24. Alquerias del Niño Perdido. Castellón.	Credit cooperative	0.26%	-	-	-	-	116,514	4,241	10,132	996	(66)	5
Caja Rural San Jose de Burriana, C.C.V. (a)	Plaza el Pla, 1. Burriana. Castellón.	Credit cooperative	0.49%	-	-	-	-	263,318	5,360	22,046	1,829	(78)	24
Caja Rural San José de Nules, S.C.C.V. (a)	C/ Mayor, 66. Nules. Castellón.	Credit cooperative	0.23%	-	-	-	-	156,184	7,023	5,212	861	(103)	(3)
Caja Rural San Roque de Almenara, S.C.C.V. (a)	C/ Doctor Berenguer, 4. Almenara. Castellón.	Credit cooperative	0.08%	-	-	-	-	47,718	1,333	3,138	294	(17)	(5)
Alquileres Alameda 34, S.L.U. (a)	Paseo Alameda, 34. Valencia.	Real estate development	-	-	100.00%	100.00%	610	2,230	1,235	(388)	9	14	-
Cajamar Tecnología, A.I.E. (a)	Avda. de la Innovación, 1 (PITA). Almería.	Rendering of technology services	-	99.00%	1.00%	100.00%	3	1,032	3	-	-	-	-
BCC Gestión Integral de Infraestructuras, A.I.E. (a)	C/ Ciudad Financiera, 1, Almería.	Rendering of general services	-	98.00%	2.00%	100.00%	3	608	3	-	-	-	-
BCC Operaciones y Servicios Administrativos, S.L.U. (a)	C/ Ciudad Financiera, 1, Almería.	Operational, management and administrative support services	-	-	100.00%	100.00%	12	1,983	12	36	667	-	-
BCC Recursos Humanos y contact Center, S.L.U. (a)	Avda. de la Innovación, 1 (PITA). Almería.	HR advisory services and consulting	-	-	100.00%	100.00%	41	1,285	4	116	344	-	-
Cajamar Mediación Operador de Banca Seguros Vinculado, S.L.U. (a)	C/ Ciudad Financiera, 1, Almería.	Insurance brokerage	-	-	100.00%	100.00%	60	29,377	60	229	1,276	-	-
Cimenta2 Gestión e Inversiones, S.A.U. (a)	C/ Ciudad Financiera, 1, Almería.	Real estate development	-	-	100.00%	100.00%	1,529,651	3,551,253	60	1,641,531	-	(105,235)	(6,706)
Cimentados3, S.A.U. (a)	C/ Ciudad Financiera, 1, Almería.	Real estate development	-	100.00%	-	100.00%	-	554,910	60	-	(52,976)	(166,298)	-
Cimenta Desarrollos Inmobiliarios, S.A.U. (a)	C/ Ciudad Financiera, 1, Almería.	Real estate development	-	100.00%	-	100.00%	37,204	49,482	60	(3)	764	36,382	-
Inmuebles Alameda 34, S.L.U. (a)	Paseo Alameda, 34. Valencia.	Real estate development	-	-	100.00%	100.00%	6,706	19,525	16,250	(8,120)	(50)	(1,389)	-
Sunaria Capital, S.L.U. (a)	C/ Ciudad Financiera, 1, Almería.	Holding company	-	100.00%	-	100.00%	4,023	8,870	3,000	600	1,211	-	-
Plataforma Tierra, S.A.U.	Puerta Purchena, 10, Edificio de las Mariposas. Almería.	Innovation, digitization and development in the agri-food sector	-	100.00%	-	100.00%	57	83	60	-	23	-	-
CIM-MED I, S.A.U.	Paseo de la Castellana, 87. Madrid.	Real estate development	-	100.00%	-	100.00%	98	98	100	(1)	(0)	(1)	-
FV La Cañada de Tabernas, S.L.U.	C/ Ciudad Financiera, 1, Almería.	Design, construction and operation of energy producing parks	-	100.00%	-	100.00%	691	4,439	3	-	(41)	(26)	-
FV Turrillas Matanegra, S.L.U.	C/ Ciudad Financiera, 1, Almería.	Design, construction and operation of energy producing parks	-	100.00%	-	100.00%	712	4,459	3	-	(31)	(15)	-
Eco Energía de Cubiertas I, S.L.U.	C/ Ciudad Financiera, 1, Almería.	Design, construction and operation of energy producing parks	-	100.00%	-	100.00%	4,773	9,948	3	-	(25)	3,489	-
							1,584,644	**61,947,409**	**3,562,249**	**2,079,600**	**243,687**	**(311,247)**	**(20,006)**

At 31 December 2024, associates accounted for using the equity method are as follows:

Company	Domicile	Business	% mutualisation	% shareholding			Net book value	Assets	Equity				Other equity
				Direct	Indirect	Total			Capital	Reserves	Profit/(loss)	Other items	
Associates													
Biocolor, S.L.	Carretera de Ronda, 11, 1º. Almería.	Integrated pest control	-	-	22.19%	22.19%	377	1,712	1,920	13	(10)	(222)	-
Cajamar Seguros Generales, S.A. de Seguros y Reaseguros (a)	C/ Ciudad Financiera, 1, Almería.	Insurance.	-	49.99%	-	49.99%	6,604	190,686	9,015	10,560	10,808	(7,969)	(2,121)
Cajamar Vida, S.A. de Seguros y Reaseguros (a)	C/ Ciudad Financiera, 1, Almería.	Insurance.	-	49.99%	-	49.99%	33,732	705,854	9,015	36,251	73,593	(64,459)	(9,120)
GCC Consumo Establecimiento Financiero de Crédito, S.A. (b)	Paseo de los Melancólicos, 14. Madrid.	Specialised lending institution	-	49.00%	-	49.00%	34,643	876,966	70,294	20,797	5,248	406	-
Giesmed Parking, S.L.	Calle Almagro, 3, 5º izquierda. Madrid.	Real estate marketing	-	-	20.00%	20.00%	1	573	3	868	(51)	(258)	-
Habitat Utiel, S.L.	C/ Pascual y Genil, 17. Valencia	Real estate development.	-	-	25.00%	25.00%	-	383	6	-	-	(3)	-
Murcia emprende S.C.R., S.A. (c)	C/ Alfaro, 1. Murcia.	Venture capital investing.	-	-	22.06%	22.06%	688	3,054	2,557	949	(242)	(239)	(10)
Parque Científico- Tecnológico de Almería, S.A. (b)	Avda. De la Innovación, 15, Edf Pitágoras (PITA). Almería.	Retail space management.	-	-	30.18%	30.18%	9,140	36,731	37,066	(596)	(1,597)	(12,116)	7,522
Promociones Balsa de Insa, S.L.	C/ de la Lluna, 3. Castellón.	Real estate development.	-	-	24.50%	24.50%	-	2,418	12	94	(1)	(3)	-
Renovables la Unió, S.C.P.	C/ Mar,22. Valencia.	New technologies.	-	-	40.00%	40.00%	68	169	169	-	-	-	-
Promontoria Jaguar, S.A. (a)	C/ Serrano, 26. Madrid	Holding company activities	-	-	20.00%	20.00%	6,664	66,274	60	4	(4,580)	38,129	-
							91,917	**1,884,821**	**130,116**	**68,939**	**83,168**	**(46,734)**	**(3,729)**

(a) Company audited by KPMG Auditores, S.L.

(b) Company audited by Deloitte, S.L.

(c) Company audited by Grant Thornton Corporación, S.L.P.

Appendix I Details of shareholdings at 31 December 2023

Details of Group entities whose balance sheets and statements of profit or loss are fully consolidated are as follows:

							Thousands of Euros						
				% shareholding					Equity				
Company	Domicile	Business	% mutualisation	Direct	Indirect	Total	Net book value	Assets	Capital	Reserves	Profit/(loss)	Other items	Other equity
Group companies													
Cajamar Caja Rural, S.C.C. (a)	Plaza de Juan del Águila Molina, 5. Almería.	Credit cooperative	66.13%	-	-	-	-	51,253,276	3,355,597	177,979	126,590	(25,939)	(10,444)
Caixa Rural Altea, S.C.C.V. (a)	Pasaje Llaurador, 1. Altea. Alicante.	Credit cooperative	0.62%	-	-	-	-	384,863	7,808	25,238	1,087	(63)	(45)
Caixa Rural de Callosa de Sarria, C.C.V. (a)	Avda. Jaume I, 1. Callosa d'en Sarria. Alicante.	Credit cooperative	0.45%	-	-	-	-	244,545	9,248	13,182	784	(77)	(10)
Caixa Rural de Turís, C.C.V. (a)	Plaza de la Constitución, 2. Turis. Valencia.	Credit cooperative	0.17%	-	-	-	-	67,030	2,293	6,904	303	(17)	(31)
Caixa Rural Sant Josep de Vilavella, S.C.C.V. (a)	C/ Cova Santa, 11. La Vilavella. Castellón.	Credit cooperative	0.09%	-	-	-	-	73,457	1,161	3,830	164	(9)	1
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V. (a)	Plaza del Centro, 4. La Vall D'Uixo. Castellón.	Credit cooperative	0.16%	-	-	-	-	147,074	3,841	4,393	284	(32)	(19)
Caixa Rural Vila-Real, S.C.C. (a)	Plaza Mayor, 10. Villarreal. Castellón.	Credit cooperative	0.64%	-	-	-	-	456,812	17,846	15,214	1,115	(138)	(7)
Caja de Crédito de Petrel, Caja Rural, C.C.V. (a)	C/ San Bartolomé, 2. Petrer. Alicante.	Credit cooperative	0.42%	-	-	-	-	247,049	5,012	54	726	18,064	(52)
Caja Rural de Alginet, S.C.C.V. (a)	C/ Valencia, 13. Alginet. Valencia.	Credit cooperative	0.19%	-	-	-	-	122,920	3,084	6,647	336	(24)	(19)
Caja Rural de Cheste, S.C.C. (a)	Plaza Doctor Cajal, 2. Cheste. Valencia.	Credit cooperative	0.22%	-	-	-	-	151,633	2,169	9,797	385	(17)	(15)
Caja Rural de Torrent, S.C.C.(a)	Avda. Al Vedat, 3. Torrent. Valencia.	Credit cooperative	1.04%	-	-	-	-	704,012	16,739	40,193	1,863	(128)	(96)
Caja Rural de Villar, C.C.V. (a)	C/ Las Cruces, 33. Villar del Arzobispo. Valencia.	Credit cooperative	0.24%	-	-	-	-	105,499	5,827	6,212	420	(42)	(6)
Caja Rural la Junquera de Chilches, C.C.V. (a)	Plaza España, 6, Chilches. Castellón.	Credit cooperative	0.10%	-	-	-	-	39,969	2,357	2,658	174	(18)	(1)
Caja Rural San Isidro de Vilafamés, C.C.V. (a)	Avda. Barcelo, 6. Vilafames. Castellón.	Credit cooperative	0.05%	-	-	-	-	29,795	531	2,450	96	(4)	(4)
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V. (a)	C/ Jaime Chicharro, 24. Alquerias del Niño Perdido. Castellón.	Credit cooperative	0.27%	-	-	-	-	112,870	4,402	9,857	486	(36)	8
Caja Rural San Jose de Burriana, C.C.V. (a)	Plaza el Pla, 1. Burriana. Castellón.	Credit cooperative	0.50%	-	-	-	-	244,007	5,364	21,314	890	(44)	27
Caja Rural San José de Nules, S.C.C.V. (a)	C/ Mayor, 66. Nules. Castellón.	Credit cooperative	0.24%	-	-	-	-	166,604	7,016	4,954	424	(57)	(2)
Caja Rural San Roque de Almenara, S.C.C.V. (a)	C/ Doctor Berenguer, 4. Almenara. Castellón.	Credit cooperative	0.08%	-	-	-	-	43,766	1,160	3,036	140	(9)	(5)
Alquileres Alameda 34, S.L.U. (a)	Paseo Alameda, 34. Valencia.	Real estate development	-	-	100.00%	100.00%	610	3,377	1,235	(400)	(66)	(90)	-
Cajamar Tecnología, A.I.E. (a)	Avda. de la Innovación, 1 (PITA). Almería.	Rendering of technology services	-	99.00%	1.00%	100.00%	3	888	3	-	-	-	-
BCC Gestión Integral de Infraestructuras, A.I.E. (a)	Avenida Nuestra Señora de Montserrat, número 11, Almería.	Rendering of general services	-	98.00%	2.00%	100.00%	3	289	3	-	-	-	-
BCC Operaciones y Servicios Administrativos, S.L.U. (a)	Plaza 3 de abril, 2, Almería.	Operational, management and administrative support services	-	-	100.00%	100.00%	12	1,791	12	36	656	-	-
BCC Recursos Humanos y contact Center, S.L.U. (a)	Avda. de la Innovación, 1 (PITA). Almería.	HR advisory services and consulting	-	-	100.00%	100.00%	41	915	4	116	171	-	-
Cajamar Mediación Operador de Banca Seguros Vinculado, S.L.U. (a)	Plaza de Juan del Águila Molina, 5. Almería.	Insurance brokerage	-	-	100.00%	100.00%	60	12,256	60	229	353	-	-
Cimenta2 Gestión e Inversiones, S.A.U. (a)	Plaza de Juan del Águila Molina, 5. Almería.	Real estate development	-	-	100.00%	100.00%	1,523,170	3,578,185	60	1,640,949	(27,273)	(77,961)	(12,604)
Cimentados3, S.A.U. (a)	Plaza de Juan del Águila Molina, 5. Almería.	Real estate development	-	100.00%	-	100.00%	-	615,907	60	-	(84,345)	(81,953)	-
Cimenta Desarrollos Inmobiliarios, S.A.U. (a)	Plaza de Juan del Águila Molina, 5. Almería.	Real estate development	-	100.00%	-	100.00%	36,440	49,943	60	(3)	(1,427)	37,810	-
Inmuebles Alameda 34, S.L.U. (a)	Paseo Alameda, 34. Valencia.	Real estate development	-	-	100.00%	100.00%	6,805	25,613	16,250	(8,120)	(207)	(1,178)	-
Sunaria Capital, S.L.U. (a)	Plaza de Juan del Águila Molina, 5. Almería.	Holding company	-	100.00%	-	100.00%	4,023	8,391	3,000	600	1,082	-	-
Plataforma Tierra, S.A.U.	Puerta Purchena, 10, Edificio de las Mariposas. Almería.	Innovation, digitization and development in the agri-food sector	-	100.00%	-	100.00%	-	2,953	60	-	(1,430)	(1,497)	-
CIM-MED I, S.A.U.	Paseo de la Castellana, 87. Madrid.	Real estate development	-	100.00%	-	100.00%	98	98	100	(1)	0	(1)	-
FV La Cañada de Tabernas, S.L.U.	Avenida Nuestra Señora de Montserrat, número 11, Almería.	Design, construction and operation of energy producing parks	-	100.00%	-	100.00%	734	4,165	3	-	(28)	2	-
FV Turrillas Matanegra, S.L.U.	C/ Muñoz Fernández 4, 5º A. Granada.	Design, construction and operation of energy producing parks	-	100.00%	-	100.00%	744	4,176	3	-	(18)	3	-
Eco Energía de Cubiertas I, S.L.U.	Avenida Nuestra Señora de Montserrat, número 11, Almería.	Design, construction and operation of energy producing parks	-	100.00%	-	100.00%	4,807	9,968	3	-	(34)	3,524	-
							1,577,550	**58,914,098**	**3,472,370**	**1,987,319**	**23,702**	**(129,931)**	**(23,323)**

At 31 December 2023, associates accounted for using the equity method are as follows:

				% shareholding					Equity				
Company	Domicile	Business	% mutualisation	Direct	Indirect	Total	Net book value	Assets	Capital	Reserves	Profit/(loss)	Other items	Other equity
Associates													
Biocolor, S.L.	Carretera de Ronda , 11, 1º. Almería.	Integrated pest control	-	-	22.19%	22.19%	379	1,716	1,920	13	(7)	(217)	-
Cajamar Seguros Generales, S.A. de Seguros y Reaseguros (a)	Plaza de Juan del Águila Molina, 5. Almería.	Insurance.	-	49.99%	-	49.99%	6,604	117,249	9,015	8,634	7,489	(5,609)	(3,976)
Cajamar Vida, S.A. de Seguros y Reaseguros (a)	Plaza de Juan del Águila Molina, 5. Almería.	Insurance.	-	49.99%	-	49.99%	33,732	682,560	9,015	35,967	77,616	(72,663)	(10,440)
GCC Consumo Establecimiento Financiero de Crédito, S.A. (b)	Paseo de los Melancólicos, 14. Madrid.	Specialised lending institution	-	49.00%	-	49.00%	34,643	810,326	70,294	11,477	9,320	406	-
Giesmed Parking, S.L.	Calle Almagro, 3, 5º izquierda. Madrid.	Real estate marketing	-	-	20.00%	20.00%	338	2,360	3	868	(266)	1,686	-
Habitat Utiel, S.L.	C/ Pascual y Genil, 17. Valencia	Real estate development.	-	-	25.00%	25.00%	2	383	6	-	-	(3)	-
Murcia emprende S.C.R., S.A. (c)	C/ Alfaro, 1. Murcia.	Venture capital investing.	-	-	22.06%	22.06%	731	3,291	2,557	949	(254)	-	(38)
Parque Científico- Tecnológico de Almería, S.A. (b)	Avda. De la Innovación, 15, Edf Pitágoras (PITA). Almería.	Retail space management.	-	-	30.11%	30.11%	7,860	34,489	31,066	(595)	(679)	(11,438)	7,767
Promociones Balsa de Insa, S.L.	C/ de la Lluna, 3. Castellón.	Real estate development.	-	-	24.50%	24.50%	-	3,262	12	130	(4)	(7)	-
Renovables la Unió, S.C.P.	C/ Mar,22. Valencia.	New technologies.	-	-	40.00%	40.00%	68	169	169	-	-	-	-
Promontoria Jaguar, S.A. (a)	C/ Serrano, 26. Madrid	Holding company activities	-	-	20.00%	20.00%	8,389	95,297	60	2,654	(6,521)	45,384	-
							92,746	**1,751,103**	**124,116**	**60,097**	**86,695**	**(42,460)**	**(6,687)**

(a) Company audited by KPMG Auditores, S.L.

(b) Company audited by Deloitte, S.L.

(c) Company audited by Grant Thornton Corporación, S.L.P.

Appendix II Details of branch offices by geographical area

Province		Nº branch offices 2024	Nº branch offices 2023
ANDALUSIA		218	228
	Almería	89	97
	Cádiz	10	10
	Córdoba	8	8
	Granada	17	19
	Huelva	5	5
	Jaén	7	7
	Málaga	72	72
	Sevilla	10	10
ARAGON		7	7
	Huesca	3	3
	Zaragoza	3	3
	Teruel	1	1
ASTURIAS		3	3
BALEARIC ISLANDS		19	19
CANARY ISLANDS		38	40
	Las Palmas	25	26
	Santa Cruz de Tenerife	13	14
CANTABRIA		2	2
CASTILE-LA MANCHA		15	15
	Albacete	6	6
	Ciudad Real	4	4
	Cuenca	3	3
	Guadalajara	1	1
	Toledo	1	1
CASTILE AND LEON		60	60
	Avila	4	4
	Burgos	3	3
	León	10	10
	Palencia	10	10
	Salamanca	2	2
	Segovia	2	2
	Soria	1	1
	Valladolid	25	25
	Zamora	3	3
CATALONIA		34	34
	Barcelona	24	24
	Gerona	3	3
	Lérida	2	2
	Tarragona	5	5
VALENCIA		238	257
	Alicante	65	68
	Castellón	50	51
	Valencia	123	138
EXTREMADURA		4	4
	Badajoz	3	3
	Cáceres	1	1
GALICIA		7	7
	A Coruña	3	3
	Ourense	1	1
	Pontevedra	2	2
	Lugo	1	1
LA RIOJA		2	2
MADRID		35	35
MURCIA		109	111
NAVARRE		4	4
BASQUE COUNTRY		2	2
	Álava	1	1
	Vizcaya	1	1
CEUTA		1	1
MELILLA		1	1
		799	**832**

Appendix III Details of the main metrics of the Group's financial institutions at 31 December 2024

	Thousands of Euros							
Group companies	**Assets**	**Liabilities**	**Equity**	**Net interest income**	**Gross income**	**Operating profit/(loss)**	**Profit/(loss) before tax**	**Profit/(loss) for the period**
Cajamar Caja Rural, S.C.C	54,106,876	50,212,830	3,894,047	1,151,360	1,255,921	313,067	309,803	272,304
Caja Rural de Torrent, S.C.C.	803,514	740,489	63,025	21,698	18,616	4,984	4,876	3,947
Caixa Rural Vila-Real, S.C.C.	443,374	406,255	37,119	13,441	11,670	3,042	2,900	2,407
Caixa Rural Altea, S.C.C.V.	408,819	371,948	36,871	11,907	10,550	2,857	2,830	2,269
Caja Rural San Jose de Burriana, C.C.V.	263,318	234,137	29,181	7,595	7,262	2,269	2,271	1,829
Caja Rural San José de Nules, S.C.C.V.	156,184	143,193	12,990	4,253	6,900	1,038	1,042	861
Caixa Rural de Callosa de Sarria, C.C.V.	310,433	286,250	24,183	7,072	7,989	1,982	1,963	1,578
Caja de Crédito de Petrel, Caja Rural, C.C.V.	249,021	223,301	25,720	7,476	6,113	1,906	1,978	1,527
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V.	149,212	140,165	9,047	3,995	5,993	739	705	569
Caja Rural de Cheste, S.C.C.	168,116	155,057	13,059	4,704	3,523	1,013	1,013	797
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V.	116,514	101,205	15,309	3,453	2,555	1,217	1,216	996
Caja Rural de Alginet, S.C.C.V.	141,211	130,303	10,908	4,110	3,007	849	838	684
Caja Rural de Villar, C.C.V.	116,698	103,118	13,580	3,197	2,943	1,103	1,085	896
Caixa Rural de Turís, C.C.V.	70,624	60,461	10,163	2,080	1,831	807	794	643
Caixa Rural Sant Josep de Vilavella, S.C.C.V.	78,248	72,722	5,525	2,625	1,328	383	421	341
Caja Rural San Roque de Almenara, S.C.C.V.	47,718	42,975	4,743	1,540	1,280	359	361	294
Caja Rural San Isidro de Vilafamés, C.C.V.	33,459	30,208	3,251	986	965	250	250	202
Caja Rural la Junquera de Chilches, C.C.V.	44,487	38,775	5,712	1,256	1,434	449	449	371

Appendix III Details of the main metrics of the Group's financial institutions at 31 December 2023

	Thousands of Euros							
Group companies	**Assets**	**Liabilities**	**Equity**	**Net interest income**	**Gross income**	**Operating profit/(loss)**	**Profit/(loss) before tax**	**Profit/(loss) for the period**
Cajamar Caja Rural, S.C.C	51,253,276	47,629,493	3,623,783	1,012,134	987,057	192,637	145,795	126,590
Caja Rural de Torrent, S.C.C.	704,012	645,441	58,571	18,993	14,297	2,666	2,295	1,863
Caixa Rural Vila-Real, S.C.C.	456,812	422,781	34,031	12,949	11,779	2,024	1,308	1,115
Caixa Rural Altea, S.C.C.V.	384,863	350,837	34,026	10,789	8,028	1,351	1,365	1,087
Caja Rural San Jose de Burriana, C.C.V.	244,007	216,456	27,551	6,873	4,948	1,273	1,095	890
Caja Rural San José de Nules, S.C.C.V.	166,604	154,268	12,336	3,816	11,873	674	517	424
Caixa Rural de Callosa de Sarria, C.C.V.	244,545	221,418	23,127	5,573	6,427	1,175	964	784
Caja de Crédito de Petrel, Caja Rural, C.C.V.	247,049	223,245	23,804	7,014	4,567	1,111	934	726
Caixa Rural Sant Vicent Ferrer de la Vall D'Uixo, S.C.C.V.	147,074	138,606	8,467	3,633	3,159	515	345	284
Caja Rural de Cheste, S.C.C.	151,633	139,314	12,319	4,133	2,768	488	486	385
Caja Rural San Jaime de Alquerias Niño Perdido, C.C.V.	112,870	98,153	14,717	3,096	2,323	637	591	486
Caja Rural de Alginet, S.C.C.V.	122,920	112,895	10,025	3,607	2,589	569	405	336
Caja Rural de Villar, C.C.V.	105,499	93,089	12,410	2,907	2,427	530	509	420
Caixa Rural de Turís, C.C.V.	67,030	57,577	9,453	1,882	1,619	432	371	303
Caixa Rural Sant Josep de Vilavella, S.C.C.V.	73,457	68,310	5,146	1,942	1,056	204	202	164
Caja Rural San Roque de Almenara, S.C.C.V.	43,766	39,443	4,323	1,376	941	176	173	140
Caja Rural San Isidro de Vilafamés, C.C.V.	29,795	26,727	3,069	913	508	119	119	96
Caja Rural la Junquera de Chilches, C.C.V.	39,969	34,798	5,171	1,053	1,005	210	210	174

BANCO DE CRÉDITO SOCIAL COOPERATIVO, S.A.
AND ENTITIES FORMING GRUPO CAJAMAR
(GRUPO COOPERATIVO CAJAMAR)

Annual Banking Report

(Year 2024)

GRUPO COOPERATIVO CAJAMAR

General Information

This report is drawn up in compliance with Article 87 of Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions. In accordance with said act, credit institutions are required to report to the Bank of Spain and publish annually, specifying for the countries in which they are established, the following consolidated information:

a) Name, nature and geographical location of the activity
b) Turnover
c) Number of full-time employees
d) Gross profit before taxes
e) Corporate income tax
f) Grants and public aid received

a) Name, Nature and Geographical Location of the Activity

Note 1 to Grupo Cajamar's consolidated annual accounts for 2024 sets out the nature of the Group, its corporate purpose and its registered office. The most relevant aspects of that information are summarised below:

a.1) Nature of the Entity

The Parent of Grupo Cooperativo Cajamar (hereinafter, "the Group" or "GCC") is Banco de Crédito Social Cooperativo, S.A., which is responsible for management and oversight of the Group. It is responsible for laying down the management instructions to be followed by the Group entities and for providing them with support.

Banco de Crédito Social Cooperativo, S.A. is a duly registered private bank governed by the regulations on credit institutions and private banking. On 18 February 2014 it was entered in the Register of Banks and Bankers under code number 0240, with tax ID number A86853140. Currently, the Entity's registered office is located at Paseo de la Castellana 87, 28046 Madrid (Spain). The Board of Directors of the Entity passed a resolution at its meeting held on 11 February 2025 to relocate the registered office to Calle Ciudad Financiera, number 1, Postal Code 04131, in the Science and Technology Park of Almeria (PITA).

Banco de Crédito Social Cooperativo, S.A. was incorporated by the 32 founding shareholders in 2014 under a public deed executed before the Madrid notary Mr. José Enrique Cachón Blanco on 28 January 2014, filed as entry 293 in his records. The deed was also entered as Entry 1, Page M-573805, Folio 131, Volume 31,884 in the Madrid Companies Register on 10 February 2014. The shareholders that granted the deed were given the powers to do so by the Bank of Spain under an authorisation issued on 27 January 2014 by the Directorate General for Financial Regulation and Stability, in the terms laid down in Royal Decree 1245/1995 (repealed on 15 February 2015 by Royal Decree 84/2015, of 13 February 2015, which implements Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions).

The Bank, as Parent under the terms established in the aforementioned Regulatory Agreement of Grupo Cooperativo Cajamar, exercises all the powers delegated to it in the Group and issues mandatory instructions to all Members.

The Bank is essentially governed by Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions (Spanish Official State Gazette (BOE) 156 of 27 June 2014) and Royal Decree 84/2015, of 13 February 2015, which implements Act 10/2014, of 26 June 2014, on the organisation, supervision and solvency of credit institutions, as well as relevant and supplementary regulations.

At 31 December 2024, the Bank's capital amounted to €1,059,028 thousand, fully subscribed and paid by its 66 shareholders.

Grupo Cooperativo Cajamar

Cooperative groups are incorporated in accordance with Cooperative Act 27/1999, of 16 July 1999, which establishes a wide and flexible general framework through which to channel collaboration between and integration of cooperative societies, and particularly Article 78 of that Act which provides for the formation of so-called cooperative groups, understood for the purposes thereof as "*the group formed by several cooperative societies, of whatever class, and the parent of the group that exercises powers or issues mandatory instructions for the grouped cooperatives such that there is decision-making unity within such powers*".

The aforesaid legislation states that in the event that the parent of the group is not a cooperative society, the general commitments undertaken vis-à-vis the group must be formalised in a public deed. This is the case with Grupo Cooperativo Cajamar.

Similarly, Regulation (EU) 575/2013, transposed into Spanish law through Circular 2/2014 and Act 10/2014, determines the requirements for considering that an IPS exists, as well as the applicable exemptions.

On the basis of the aforementioned regulations and considerations, the resolution to establish Grupo Cooperativo Cajamar was approved on 25 February 2014 through the signing of the "Grupo Cooperativo Cajamar Regulatory Agreement" (hereinafter the "Regulatory Agreement"). Grupo Cooperativo Cajamar has been incorporated for legal purposes as a "cooperative group" in order to strengthen the Members and enable balance sheets to be consolidated and business strategies, management policies and risk control, solvency and liquidity to be shared.

The contractual agreements entered into by all the Members of Grupo Cooperativo Cajamar state that the Group's Parent is Banco de Crédito Social Cooperativo, S.A. and therefore its Board of Directors is the Group's maximum decision-making body, which entails the senior management and supervision of the Group's activities. The following powers are assigned to it on an exclusive basis: strategic management; external representation; internal coordination; issuance of equity instruments; establishment of risk policies and regulations; control and audit; cash management and coverage of the minimum capital ratio; approval of business plans; defining of commercial, pricing and distribution policies; the geographical expansion policy; defining of technological and information platforms; the personnel policy; defining of the remuneration framework for capital contributions by the savings banks to the Group; and decisions on the distribution and application of results.

The Regulatory Agreement stipulates the rights and obligations of Group Members and the competencies delegated by them to the Parent, Banco de Crédito Social Cooperativo, S.A., waiving their own decision-making powers in the Bank's favour to ensure the existence of a single decision-making unit. As Banco de Crédito Social Cooperativo, S.A. oversees and manages the Group's policies and has been granted the necessary powers, its instructions are mandatory for all Grupo Cooperativo Members.

Under the Regulatory Agreement and also in accordance with the requirements laid down in the aforementioned Regulation (EU) 575/2013 and in Circular 2/2016, solvency commitments are established which are reciprocal, direct and unconditional. They are designed to avoid situations of insolvency on the one hand, and to assess the Group's capital requirements on a common basis and set a solvency objective for the Group that all Members undertake to fulfil, on the other. Additionally, a mandatory capitalisation plan and/or support plans is/are established for Group Members in the event any of them report a shortfall in funds with respect to the agreed objective.

Similarly, the Regulatory Agreement includes a liquidity commitment and, in the event any members have insufficient liquidity, a liquidity plan and financial assistance plans in order to return to normality.

None of the aforementioned commitments, including the pooling of profits and losses, represent an obstacle, in accordance with the legislation on which the Regulatory Agreement is based, for each of the Members to retain full legal status; have their own management, administration and governance structures (except where such activities are delegated to the Group's Parent), governing and management bodies, employees and employment framework and brand; and manage their Education and Development Fund.

In addition and pursuant to the Regulatory Agreement, Banco de Crédito Social Cooperativo, S.A. is responsible for monitoring the solvency and liquidity of the Group and all Members, and for agreeing any support measures to be adopted in order to help any Member. In such an event, Banco de Crédito Social Cooperativo, S.A.'s Board of Directors would issue binding instructions aimed at ensuring the solvency and liquidity of the Group and the Members, if so required by the Bank of Spain or the single European supervisor in accordance with prevailing legislation.

The entities belonging to Grupo Cooperativo Cajamar – as Members – as well as their dates of incorporation approved by their general assemblies and the dates they were authorised to join the Group by the Bank of Spain Executive Committee are detailed as follows:

Entity	**Meeting date**	**Bank of Spain authorisation date**
Banco de Crédito Social Cooperativo, S.A	28/01/2014	06/06/2014
Cajamar Caja Rural, Sociedad Cooperativa de Crédito	28/11/2013	06/06/2014
Caixa Rural Altea, Cooperativa de Credit Valenciana	27/11/2013	06/06/2014
Caja Rural San José de Burriana, Coop. de Crédito V.	28/11/2013	06/06/2014

Caixa Rural de Callosa d´En Sarriá, Cooperativa de Crédito Valenciana	28/11/2013	06/06/2014
Caixa Rural San José de Nules, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural de Cheste, Sociedad Cooperativa de Crédito	28/11/2013	06/06/2014
Caja Rural de Alginet, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural San Jaime De Alquerías Niño Perdido, Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural de Villar, Coop. de Crédito V.	28/11/2013	06/06/2014
Caixa Rural San Josep de Vilavella, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural San Roque de Almenara, S. Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural La Junquera de Chilches, Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural San Isidro de Vilafamés, Coop. de Crédito V.	28/11/2013	06/06/2014
Caja Rural Católico Agraria, Coop. de Crédito V.	28/11/2013	06/06/2014
Caixa Rural Sant Vicente Ferrer de la Vall D´Uixo, S. Coop. de Crédit V.	28/11/2013	06/06/2014
Caja de Crédito de Petrel, Caja Rural, Cooperativa de Crédito Valenciana	29/11/2013	06/06/2014
Caixa Rural de Turís, Cooperativa de Crédito Valenciana.	28/11/2013	06/06/2014
Caixa Rural de Torrent, Cooperativa de Crédit Valenciana	28/11/2013	06/06/2014

Grupo Cooperativo Cajamar's general principles are described in Note 1.1 to the Group's consolidated annual accounts.

a.2) Corporate Purpose

The Group's corporate purpose is to engage in all kinds of activities, operations and services in the banking business in general, which are in accordance with applicable law, including the provision of investment services and ancillary services, in the terms laid down in securities market regulations. Its corporate purpose includes the following activities:

- The performance of all manner of transactions in relation to securities and credit documents, without prejudice to the provisions of securities market and collective investment legislation.
- The provision and receipt of all manner of credit and guarantees, for its own account or for the account of third parties.
- The acquisition and transfer, for its own account or for commission, of shares, bonds and other public or private securities, whether Spanish or foreign, as well as bank notes and coins of all countries, and the issuance of public offers to purchase or sell securities.
- The taking and holding of cash, transferable securities and all other kinds of securities on deposit or under management. The Bank will not be considered authorised to dispose in any way of assets held in custody.
- The performance of all manner of transactions with current accounts, term accounts or any other kind of account.
- The acceptance and assignment of mandates to act as administrator, representative, delegate, commission holder or agent, or perform other tasks on behalf of users of the Bank's services.
- The performance of all other activities permitted to private banks under applicable legislation.

The activities that make up its corporate purpose may be performed wholly or partly indirectly, in any form permitted by law and, in particular, through the ownership of shares or interests in companies whose corporate purpose is identical or analogous, accessory or complementary to such activities.

When administrative authorisation or public registration is required for the provision of investment services and ancillary services, such activities may not commence until all administrative requirements have been fulfilled under applicable regulations.

The Credit Cooperatives participating in Grupo Cooperativo have the corporate purpose to serve the financial needs of their partners and third parties, performing the activities of a credit institution. To this end they may carry out any lending or deposit-taking activity, provide banking or quasi-banking services, and perform any investment services or ancillary services that credit institutions are authorised to perform under securities market legislation, prioritising the financial demands of partners. They may lend to non-partners up to the legally applicable limits.

a.3) Registered Office and Geographical Location of the Activity

The registered office of Grupo Cooperativo's Parent is currently located at Paseo de la Castellana 87, 28046 Madrid, Spain, and it may establish branches, agencies and representative offices anywhere in Spanish territory and abroad, in accordance with applicable legislation. The Board of Directors of the entity passed a resolution at its meeting held on 11 February 2025 to relocate the registered office to Calle Ciudad Financiera, number 1, Postal Code 04131, in the Science and Technology Park of Almeria (PITA).

The Parent has various work and operating centres. At present there are no branches open to the public or its clientèle in general. It carries out its activities within the framework of Grupo Cooperativo Cajamar, of which it is the Parent. However, the other Group entities operate a network of branches across the country. Appendix II to the consolidated annual accounts for 2024 provides details of branches by geographical location.

b) Turnover

At 31 December 2024 Grupo Cooperativo Cajamar's turnover amounted to €1,552.24 million. All of its activity takes place in Spanish territory and therefore the Group's entire business is restricted to a single geographical segment.

For the purposes of this report, turnover is regarded as gross income, as defined and presented in the Group's consolidated annual accounts at 31 December 2024.

At 31 December 2024, the net return on the Group's assets was 0.52%, understood as the ratio of net profit after tax (€326.26 million) to total assets (€62,203.76 million).

c) Number of Full-Time Employees

At 31 December 2024 there were 6,106 full-time employees, all working within Spanish territory.

d) Gross Profit before Taxes

At 31 December 2024, the Group recorded a gross profit before taxes of €388.72 million.

e) Corporate Income Tax

The Group recorded a tax expense of €62.46 million at 31 December 2024. Applying this figure, less the expense arising from mandatory contributions to the Cooperative Development Fund, the Group made a net profit after tax of €326.26 million.

f) Grants and Public Aid Received

At 31 December 2024 the Group has not received any grants and/or specific public aid or aid related to banking. Certain insignificant grants related to continuous personnel training have been received.

BANCO DE CRÉDITO SOCIAL COOPERATIVO, S.A.
AND ENTITIES FORMING GRUPO CAJAMAR
(GRUPO COOPERATIVO CAJAMAR)

Consolidated Directors' Report

(Year 2024)

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails

Macroeconomic environment

- The Bank of Spain's **growth forecast for 2025** has risen to 2.5%, with activity supported mainly by domestic demand, particularly private consumption. The slowdown compared to the previous year will be marked in public consumption, while gross capital formation will be more vigorous. Growth is expected to moderate during the year due to the effects of the floods in and around Valencia, and changes in United States tariffs.

- Spanish GDP grew by 3.2% in volume in 2024, compared to 2.7% in 2023. This is an improvement on the forecasts issued in the third quarter, thanks to job creation during September and October. This improvement was achieved despite a slowing of the world economy (though not as sharp as expected), ongoing geopolitical risks, high interest rates and inflation, which, though moderating, remains high.

- The year-on-year rate of change in the CPI at December 2024 is 2.8% (3.1% in December 2023), down 0.4% compared to the previous month and down 0.3% year-on-year. This variation is mainly driven by the fall in food and non-alcoholic beverages, and in household consumption. These declines outweigh the momentum in the housing sector. Meanwhile, the harmonised index of consumer prices (HICP) in November 2024 was 2.4% (nine-tenths of a percent lower than in December 2023).

- At the end of 2024, **average employment, as measured by Social Security affiliation**, was 21,337,962, an increase of 501,952. Once again, the increase is driven by wage earners (as opposed to the self-employed).

- The **unemployment rate** continued to decline, reaching 10.61% (11.80% in 2023), the lowest year-end figure since 2007. Similarly, the downward trend in the number of **unemployed** continued, bringing the total at year-end to 2,595,500.

- After peaking in March 2024, when it reached 3.76%, **12-month Euribor** gradually declined, ending the year at 2.46%. **3-month Euribor** showed a similar trend, peaking in January 2024 at 3.97% and dropping to 2.71% at the end of December (3.90% in 2023).

- At its December meeting, after nine months in which interest rates remained unchanged, the **ECB** reduced official rates by 25 basis points. Thus, at the end of 2024 all three key interest rates were reduced: the deposit facility rate to 3.00%, the main refinancing operations rate to 3.15%, and the marginal lending facility rate to 3.40%.

- The **Ibex-35** ended the year at 11,595 points, up 15% compared to 2023. Among the main European markets, the performance of the Ibex-35 was second only to that of the German DAX. The main US indices also performed well during the year, with the S&P 500 up 23.4%, the Nasdaq 100 up 28.7% and the Dow Jones up 12.6%.

- The **non-performing loans ratio** of credit institutions and specialised credit institutions stood at 3.38% in November 2024, an improvement on year-end 2023 (3.54%). However, non-performing assets have fallen to €40,291 million, from €41,868 million at the end of 2023.

- The **banking sector** ended 2024 with excellent results. The main profit driver was the interest rate hikes by the ECB, which allowed banks to improve their interest margins. The uptick in results raised banks' profitability and capital ratios, while keeping a lid on the NPL ratio, which increased slightly over the year.

- Overall, the macroeconomic indicators performed better than initially expected, especially in the second half of the year. Looking ahead to 2024, growth is expected to slow, although the downward trend in the unemployment rate is expected to continue. The main risks include uncertainty over the eventual impact of geopolitical conflicts, the aftermath of the Valencia floods and the future direction of ECB monetary policy.

Business performance

- In 2024, thanks to the commitment shown by the entire workforce in recent years, Grupo Cooperativo Cajamar (hereinafter the Group), one of the ten significant financial institutions in the sector and leader among Spanish cooperatives, achieved the strategic objectives set for non-performing assets.

- Having completed the recent cycle of balance sheet strengthening, the Group is now healthy and solvent, with an NPL ratio below the sector average and a comfortable level of liquidity, and also more efficient, having generated substantial income from its core banking activity this year.

- **On-balance-sheet retail funds** grew by €3,680 million (8.5%) in 2024, to €47,170 million, driven by **demand deposits** (7.4%) and **term deposits** (13.4%), which remain the most attractive products for savers as their return is increasing.

- Like traditional savings, **off-balance sheet funds** continue to perform well on account of the profitability of certain marketed products such as investment funds, reaching €10,782 million, up 22.3% (€1,970 million) compared to 2023, taking the accounting policy update reported in Note 29 to the consolidated annual accounts into account.

- The Group, which is a leader in the credit cooperative sector in Spain, has thus increased its **customer funds under management** by 10.8% year-on-year, to €57,952 million, steadily gaining market share.

- On the lending side, **gross loans and advances to customers** have reached €38,812 million, up 4.7%, given the Group's firm commitment to producers in its field of activity, against a background of credit restraint in the sector, where financing conditions for customers have generally tightened.

- Performing loans ended the year at €38,884 million, having grown 5.1% in 2024, in a year in which lending by banks continued to decline, largely because of the rise in the cost of customer funds due to the interest rate hikes by the ECB in response to inflationary pressure. Through its commitment to financing business and fostering the development of the productive sectors, especially our strategic segments and most notably the agri-food segment, where its latest available market share is 15.2%, the Group has succeeded in building an increasingly diversified and profitable portfolio.

- The Group maintains a diversified loan portfolio and is a major player in the agri-food sector, in which its latest available market share is 14.9%.

- Because deposits have grown faster than loans and receivables, the **business gap** widened in 2024 to 9,744 million, an increase of 2,032 compared to 2023, and the **LTD ratio** improved by 3.0 p.p., ending the year at 79.6%, thanks to the stronger growth in resources than in lending. Appropriate asset and liability management has given the Group a comfortable liquidity position, with an LCR of 218.1%.

- In this context, the volume of **wholesale funds** is down 18.8% year-on-year, after the entire exposure to ECB funding matured in the first half. During the year, €600 million of mortgage bonds and €500 million of senior preferred bonds were issued.

- Thanks to proactive management of non-performing loans, the Group's NPL ratio at the end of 2024 was below the sector average, at 1.91%, given the contained increase in the volume of non-performing loans to €786 million. With loan loss allowances of €567 million, the NPL coverage ratio is 72.1%, an improvement of 1.9 p.p.

- As regards non-performing assets, the stock of **foreclosed assets** (net) stands at €231 million (€325 million at 31 December 2023), with a **foreclosed asset coverage ratio** of 56.3% (57.8% at 31 December 2023).

- In light of Grupo Cajamar's sound performance, its success in managing non-performing assets and the improvement in its risk profile and profitability levels, the rating agencies **Fitch Ratings, S&P and DBRS** upgraded their ratings and assessed the Group's outlook as "stable" or even "positive". Firstly, on 1 July 2024 Fitch Ratings gave long-term debt a rating of 'BBB-' and short-term debt a rating of 'F3'. Then, on 28 November 2024, S&P upgraded long-term debt from 'BB+' to 'BBB-' and short-term debt to 'A-3'. Lastly, on 13 November 2024, DBRS maintained Grupo Cajamar's 'BBB-' rating for long-term debt and 'R-2 (middle)' for short-term debt.

Branches and staff

- The Group has a **branch network** consisting of 799 points of sale throughout Spain, staffed by its member credit institutions' average workforce of 5,189 **employees**, who provide specialised professional services.

Capital

- The Group's **capital** at year-end was €3,623 million, representing year-on-year growth of 2.5%, and the number of cooperative **members** was 1,762,433, having risen 56,000 in 2024 compared to 2023.

Risk management

- A detailed analysis of the situation at year-end and of the management during 2024 of the different types of risk to which the Bank is exposed (credit, market, liquidity, interest rate, operational and currency risk) is provided in Note 6, Risk Management Policies and Objectives to the annual accounts.

Results

- On the earnings front, the Group has increased all its recurring margins, driven by core banking income, resulting in a **profit for the year** of €326 million, which is 157.0% more than in 2023, strengthening equity and allowing for remuneration of capital, with an improvement in profitability and efficiency.

- **Net interest income** grew by 14.3% during the year to €1,215 million, thanks to strong business performance, improved asset and liability interest rates and better customers' spread.

- The growth in trade and economic activity and the increase in the base of customers who rely on the Group's financial strength are reflected in a 13.5% growth in **net fee and commission income** during the year, which contributed €308 million to the statement of profit or loss, through cross-selling of products and services.

- As a result, **gross income** at the end of 2024 was €1,552 million, up 16.6% compared to 2023, mainly through core banking income. The increase in gross income brings the **cost-income ratio** to 47.2%, marking a year-on-year improvement of 1.8 p.p.

- The Group's strategic alliances in insurance, consumer credit and investment funds bring not only higher fees and commissions but also an increase in the **share of profit or loss of entities accounted for using the equity method**, which reached €44 million in 2024, a year-on-year increase of 2.7%.

- During the year, a net amount of €199 million was added to **provisions** to cover possible future contingencies and €197 million to **impairment losses on assets** (both financial and non-financial), ensuring ample coverage of credit risk and foreclosed assets, in a scenario of declining provisioning needs compared to the previous year on account of the favourable trend in non-performing assets.

Solvency

- At the end of 2024, the Group's phased-in **total capital ratio** stands at 16.06% (16.06% fully loaded) and the **phased-in CET1 ratio** at 13.84% (13.84% fully loaded), easily meeting the requirements set in the supervisory review and evaluation process (SREP).

- **Eligible capital** increased by 6.7% during the year to €4,340 million, mainly due to the growth in cooperative capital and profit generation, demonstrating the quality of the Group's capital.

- The MREL-TREA is 24.5% (MREL-LRE 10.8%), above the final requirement of MREL-TREA 23.08% (MREL-LRE 5.36%) to be met from 1 January 2025.

Technology projects, digital transformation, marketing policy and R&D.

In the field of Digital Business, the range of products and services that can be contracted through online channels has been expanded, while work has continued on existing projects to improve remote channels and customer service and make the services provided more efficient.

New remote banking services

- **"Grupo Cajamar" app.** During the year 15 upgrades were released with the following improvements:
    - Financing of outstanding transactions.
    - Bizum C2R MRT, SCA exemptions.
    - Bizum ID.
    - Bizum MIT pilot.
    - Registration of minors and specific functionality for this group (limit setting by parents, account management, etc.).
    - Improvements to the fraud monitoring and management tool.
    - Improvements to the Know Your Customer forms.

- **Online application for financial products.** Expanded range of products available for online application.
    - Applications for the following products can be submitted via the App:
        - Account 360.
        - 'Hola' deposit.
        - Credit card.
        - Improvements to corporate e-shopping card applications.
        - Auto insurance.
    - Electronic banking now includes options to apply for:
        - Self-employed account.
        - Account 360.
        - 'Hola' deposit.
        - Auto insurance.
        - Applications for consumer credit card.

- **New services.** The following services were introduced in 2024:
    - Online registration of high and medium-high risk customers.
    - Property sales website.

- **Electronic banking.** The new features and improvements introduced during the year are:
    - Transaction financing: Deferred payments.
    - Modification of account beneficiaries (add company, children, etc.).
    - Transparency Act. Editing of customizable texts of revolving credit cards.
    - Registration of minors and specific functionality for this group (limit setting by parents, account management, etc.).
    - Post-sales insurance service directly via support tickets.

- **ATMs.** 2024 saw a number of improvements and developments in the ATM channel, enhancing the user experience and optimising the services offered. The most noteworthy developments are listed below:

- Defer credit card bill payment.
- Simplified authentication at ATMs.
- Document download in Transaction Query section.
- Modification of primary address.
- Enable cheque deposit for passbook transactions.
- Monitoring of counterfeit banknote handling procedure.

Remote digital service and account management

- **Conecta portal**: addition of Carbon footprint and Edit contact preferences and Availability sections, and inclusion of the customer's NBA.

- **Video call:** Pilot of appointment management functionality for remote account managers.

- **Chatbot:** Customer service pilot.

- **Customer file in CRM**. Improvement in visualisation and **inclusion of customer relationships with companies, family units and main business indicators**.

- **Actual sales in CRM**. Reconciliation of managed opportunities with actual production, allowing better analysis of marketing management.

- **Improvement of marketing criteria for prioritisation of remote management sales tasks**.

- **Improvement in allocation of customers to remote managers through customer and product geolocation**.

- **New Cimenta2 customer care service.** Launch of a new customer service for real estate, in Spanish and English.

Open banking

- Completion of the development of the **Reverse Factoring API** for customers.
- Development of an **account ownership verification API** based on the list of names of account holders returned by the entities in the PSD2 APIs that we have already integrated.
- Implementation of the Next Best Action approach to marketing operations.
- Implementation of a stable event identification system in our "Electronic Journal" and inclusion of new event indicators in the final CRM tools.

Business Analytics and Marketing Policy

The initiatives carried out during 2024 include the following:

- Various marketing analytics models have been automatically and systematically deployed in Production, including: demand/term deposit acquisition, cards for self-employed customers, tax payments, vehicle leasing to non-customers, natural language processing (NLP) applied to texts in bank transfers and internal transfers, and carbon footprint calculation.

  Also, calculation of new indicators, metrics and alerts, including: stability/acquisition/flight of funds, pre-approved credit flag.

All this new data was also made available to the final CRM tools.

- Customer segmentation aimed at improving Electronic Banking scoring has been automatically and systematically implemented in Production.

- **Adaptation of the discretionary portfolio management service to the Sustainable Finance Disclosure Regulation**. The discretionary portfolio management service has been adapted to include model portfolios tailored to customers' sustainability preferences.

- **Document signing control**. Control of signing of all contractual documents in relation to investment products and services has been improved.

- **Implementation of improvements:** in Appropriateness and Suitability tests and in discretionary advisory and portfolio management service alerts.

- **Improvements in Cajamar Consumo pre-approved lending process:** implementation of a faster, more efficient process in the branch network for sales of life insurance and payment protection products in the online loan pre-approval process.

- **Mortgage marketing simulator**: a new tool that allows branches to estimate the loan a customer will need in order to buy a home and thus pre-approve the loan at the time of marketing.

- **New cross-selling packs**: these provide the customer with greater versatility when purchasing cross-sell products.

- **New reverse factoring product**: makes the application process faster and more intuitive, including a self-service supplier portal.

- **Pension deposit**: a new deposit product specifically for the segment of senior customers, with cross-sell products tailored to their life stage.

- **Expansion of the range of insurance products**: auto insurance and new payment method (Insurance Club) in the online channel; home insurance extension with an uninhabitability guarantee ; and adjustments to the underwriting limits for the linked life risk insurance coverage amounts.

- **Operational improvements to the insurance sales environment**: related to insurance product after-sales management (supplements, claims).

- **Improvements to the insurance process for mortgaged properties**: automation of insurance procedures and standardisation of insured property addresses.

Average payment period to suppliers

Note 28 to the consolidated annual accounts provides information regarding the deferral of payments to suppliers.

Acquisition of treasury shares

Grupo Cooperativo Cajamar holds a total of €978 million in treasury shares (€977 million at 31 December 2023).

Outlook for the Group

In view of the macroeconomic scenario described earlier, Grupo Cooperativo Cajamar has set itself the following objectives:

- Strengthen its position as the leading credit institution in both the cooperative and agri-food sectors in Spain, driving economic development and social progress in the areas in which it operates.
- Achieve sustained, solvent growth in total volume of funds under management.
- Steadily improve its productivity and profitability.
- Achieve an appropriate level of efficiency, based on growth in core banking income and control of operating expenses.
- Continue the digital and technological transformation.
- Strengthen its capital base.
- Maintain a comfortable liquidity position by efficiently managing its assets and liabilities.
- Maintain the now standard levels of non-performing assets through proactive arrears management and other management measures.

Events after the reporting period

Aside from the matters disclosed in the accompanying consolidated annual accounts and in the foregoing paragraphs, from 31 December 2024 until 4 March 2025, the date on which the accompanying consolidated annual accounts were authorised for issue by the Parent's Board of Directors, there were no significant events that require disclosure in the notes to the accompanying consolidated annual accounts in order for them to give a true and fair view of the Group's consolidated equity, consolidated financial position, consolidated results of operations, changes in consolidated equity and consolidated cash flows.

Alternative performance measures glossary

In its directors' reports, in the quarterly earnings presentations it publishes on its website and in issue prospectuses and presentations to investors, as well as internally in its business performance monitoring, Grupo Cooperativo Cajamar uses measures consistent with International Financial Reporting Standards (IFRS). However, it also uses unaudited measures commonly used in the banking industry, known as Alternative Performance Measures (APMs), as indicators of the Group's business performance and economic and financial situation, to facilitate comparison with other entities.

These APMs are calculated, in all significant respects, in accordance with the European Securities and Markets Authority Guidelines (ESMA/2015/1415 of 5 October 2015), which are designed to promote information transparency and investor protection in the European Union. The APMs used by the Group and their definitions are given below:

(IN ALPHABETICAL ORDER)

	Measure	Definition and method of calculation	Use or purpose
1	Foreclosed assets (gross)	Real estate owned (REOs) excluding quality assets (gross carrying amount).	This is one of the main indicators used in the financial sector in relation to non-performing assets. It measures the level of and changes in the gross carrying amount of foreclosed assets.
2	Foreclosed assets (net)	Foreclosed assets (gross) – Total provisions for foreclosed assets	This is one of the main indicators used in the financial sector in relation to non-performing assets. It measures the level of and changes in the carrying amount of foreclosed assets net of provisions.
3	Non-performing loans	Non-performing loans and advances to customers and other non-performing financial assets related to loans and advances to customers + Non-performing assets in the portfolio of customer bonds (debt securities)	This is one of the main indicators of a financial institution's business performance. It tracks the level of and changes in the amount of credit-impaired loans and advances to customers held on the balance sheet, as a measure of customers' credit quality.
4	Group share capital	Capital + Equity instruments issued other than capital - Treasury shares	This measures the level of and changes in the Group's total capital, as the aggregate of the capital of the Bank and the Group member entities, excluding treasury shares.
5	Loans to customers (gross)	Loans and advances to customers on the balance sheet - Other loans (money market transactions through counterparties) - Impairment allowances on loans and advances to customers and other financial assets	This is one of the main indicators of a financial institution's business performance. It measures the level of and changes in the outstanding amount of loans and advances to customers.
6	Business gap	The difference between the denominator and the numerator of the Loan-to-deposit ratio	As an indicator of a financial institution's liquidity and balance sheet structure, the business gap relates the volume of funds available to the institution to the volume of loans and advances to customers.
7	Impairment losses on assets	Impairment or (-) reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and modification gains or losses, net + Impairment or (-) reversal of impairment on non-financial assets + Impairment or (-) reversal of impairment on investments in joint ventures and associates.	This measures the net additions to provisions for impairment of financial and non-financial assets in the year.
8	Efficiency ratio (%)	(Administrative expenses + Amortisation and depreciation) / Gross income	The main indicator of a financial institution's efficiency or productivity. It tells us what percentage of its income an Entity uses to cover its expenses.

	Measure	Definition and method of calculation	Use or purpose
9	Loan-to-deposit ratio (%)	Net loans and advances to customers / (customer deposits + net securitisations issued + intermediary loans and advances + other on-balance-sheet customer funds)	An indicator of a financial institution's liquidity. It reflects the structure of the Entity's balance sheet and measures the proportion of loans and advances to customers financed with the Entity's funds.
10	Off-balance-sheet funds	Investment funds + pension plans + savings insurance + fixed-income and equity securities held by customers.	This is one of the main indicators of a financial institution's business performance. Customer funds managed by the Entity that are not held on the Entity's balance sheet.
11	Customer funds under management	Customers' deposits + Off-balance sheet funds	This is one of the main indicators of a financial institution's business performance. Funds managed by the Entity on customers' behalf and held either on or off the Entity's balance sheet.
12	Wholesale funds	Bonds and other instruments + subordinated liabilities + senior debt + money market operations + loans from credit institutions + ECB auctions	This measures the total amount of balance sheet funds not held by retail customers.
13	On-balance sheet customer funds	Demand deposits + Term deposits + Other funds.	This is one of the main indicators of a financial institution's business performance. It measures the level of and changes in the total amount of balance sheet funds held by retail customers.
14	Members	Owners (companies or individuals) of at least one contribution to the equity capital of the credit cooperatives belonging to Grupo Cooperativo Cajamar.	This measures the number of cooperative members who have a share in the capital of the Group entities.
15	Foreclosed asset coverage ratio (%)	Foreclosed asset coverage / Foreclosed assets (gross).	This is one of the main indicators used in the financial sector in relation to non-performing assets. It measures the level of and changes in the coverage provided by the Entity for foreclosed assets.
16	NPL coverage ratio (%)	Loan coverage / Non-performing loans.	This is one of the main indicators used in the financial sector. It measures the level of and changes in the amount of on-balance-sheet funds earmarked by the Group to cover non-performing loans.
17	NPL ratio (%)	(Non-performing loans + Non-performing contingent exposures) / (Gross loans and advances to customers + Contingent liabilities).	This is one of the main indicators used in the financial sector. It can be used to monitor the level of and changes in customers' credit quality.

SYSTEM OF INTERNAL CONTROL AND RISK MANAGEMENT OVER FINANCIAL REPORTING (ICFRS)

1 Control environment

1.1. Bodies and/or functions responsible for the ICFRS.

The Board of Directors and Senior Management of BCC are aware of the importance of ensuring that shareholders and investors receive reliable and transparent financial information published in the market. Therefore, they are fully involved in developing the system of internal control over financial reporting (ICFRS). The Board of Directors' functions are to: (i) guarantee the integrity of the accounting and financial information system; (ii) approve the financial information within its competence, and (iii) supervise the process of disclosure of financial information.

The Audit Committee of BCC is responsible for verifying that the ICFRS is fit for purpose. Its remit includes:

- Supervising the effectiveness of the Group's internal control function, the internal audit function and risk management; as well as discussing with the external auditors the significant weaknesses found during audits. Particularly, with respect to the information and internal control systems:
  - Verifying the adequacy and integrity of the internal control systems.
  - Being familiar with and supervising the preparation and completeness of financial information relating to the Company and Group; reviewing compliance with legislative requirements and the proper application of accounting standards.
  - Regularly reviewing internal control and risk management systems, so that the main risks are identified, managed and adequately reported.
- Supervising the process of preparing and presenting regulated financial information and, in particular; the legal requirements and the correct application of generally accepted accounting principles.

Senior Management, for its part, is responsible for designing and implementing the ICFRS through the General Finance Department, taking all the necessary steps to maintain the correct functioning of the ICFRS.

1.2. Departments responsible for ICFRS design and maintenance.

The Board of Directors, through the Chief Executive Officer, is responsible for designing the organisational structure, with a view to assigning roles and resources as efficiently as possible. The General Finance Department is responsible for ensuring that the organisational structure meets the requirements for an ICFRS that is fit for purpose, and for overseeing the use of financial information to ensure that it is correctly disclosed to the markets.

The operating procedure manuals with their corresponding tasks, which are available to all Group employees through its intranet, specify the organisational structure, defining the management units and areas and the people responsible for them.

The financial information is prepared by the General Finance Department, which is responsible for setting criteria and policies in accordance with applicable laws and regulations in each case and generating financial information and reports. This department is responsible for the Group entities' financial information and the accounting consolidation process, with clearly defined roles and responsibilities in two different areas, separating the preparation and disclosure of financial information (Financial Reporting Area) from control (Accounting and Tax Control Department). Specifically, among other things its mission is to:

- Define the Group's accounting criteria and the internal chart of accounts, keeping them up-to-date and aligned with accounting requirements and regulatory changes.

- Supervise the preparation of the reports issued to the market, developing and maintaining the ICFRS so as to ensure that the information they contain is complete, consistent and appropriate.

- Analyse the content and impact of new accounting regulations, preparing any interpretative reports that may be needed by the units that are required to prepare information in compliance with those regulations.

- Define and put in place the necessary controls to ensure that both the automated processes and the units with operational functions comply with the agreed accounting criteria.

- Coordinate the updating and validation of the ICFRS, in collaboration with the heads of the areas involved.

- Control the accuracy, reliability and consistency of financial information with respect to the defined accounting policies, issuing the reports necessary to allow a correct interpretation.

- Oversee the reporting of financial information within legally stipulated deadlines, performing the final review of information to be published before it is sent to the relevant bodies for approval and publication in the market or submission to supervisory bodies.

The Technology Department also plays a role in the ICFRS. Its tasks are to:

- Guarantee the security and efficiency of the financial information storage systems and the applications used to generate and edit the information.

- Sign agreements to outsource the above-mentioned systems and applications, overseeing compliance with agreed service levels.

- Ensure that the systems, applications and processes involved in the generation and publishing of the financial information are adequately documented for the purposes of the audit and control functions.

The Group also has a Code of Conduct approved by the Board of Directors, which contains a compendium of ethical principles and values to guide the day-to-day conduct of employees, managers and members of the Group's governing body. In particular, there is a specific section on financial information and recording operations.

The Code covers aspects such as professional conduct which must be guided by legality, loyalty and good faith, personal dignity, non-discrimination, confidentiality, integrity, transparency, objectivity, responsibility, efficiency, quality, professionalism, security and environmental protection.

This document is available on the BCC website and intranet. The General Control Department is responsible for updating it, publishing it and making it available to the people affected by it, as well as promoting and coordinating the necessary training activities in collaboration with the General Human Resources Department.

It is also the responsibility of the General Control Department along with the General Internal Audit Department to enforce compliance with the Code, handle cases of non-compliance and propose pertinent corrective measures and penalties .

Additionally, the Group offers a whistleblowing channel as a means for employees to confidentially, and even anonymously, report violations of the Code of Conduct as well as financial and accounting irregularities or irregular or fraudulent activities of any kind within the organisation.

Reports received through the whistleblowing channel are handled through an application that is accessible via the BCC website or the website any of the Group entities, ensuring confidentiality and anonymity. The Regulatory Compliance Department is responsible for managing reports received and must treat them impartially and objectively.

The General Human Resources Department is responsible for:

- Determining and verifying that the resource structure is sufficient for effective implementation of the ICFRS.
- Drawing up, jointly with the Accounting Control area, the training plan for the personnel involved in generating and controlling the financial information, and
- Directing and executing the training set out in that plan.

The Group has a Financial Education School which is committed to the Group's' social responsibility vision and the professional development of its employees in order to strengthen their financial education and ensure they are qualified to advise customers.

There is also an Annual Training Plan that contains the courses to be offered to the branch network and Central Services. Specifically, there are certain mandatory internal training courses that cover the following topics: market abuse, anti-money laundering, personal data protection, insurance law, MiFID, occupational risk prevention, crime risk prevention, cybersecurity and cyber risk awareness, conflicts of interest and equal opportunities. The courses are offered by Central Services personnel. In addition to the above courses classified as mandatory, employees involved in the preparation of financial information may receive special accounting-financial training at the request of their area managers.

Special training courses are given to the employees responsible for generating the Entity's financial information.

2. Evaluation of financial information risks and identification process.

The Group has a specific tool for identifying the processes, relevant areas and risks associated with the ICFRS. This tool takes the following factors into consideration: (i) Transaction volume and quantitative significance, (ii) Process automation and systems integration, (iii) Transaction standardisation, (iv) Susceptibility to fraud and/or error, (v) Complexity of applicable transactions, calculations and rules, (vi) Need to use estimates and/or projections and application of judgement, and (vii) Risks of loss or of generating contingent liabilities. This tool, the "Financial Information Risk Map", supports a process comprising the following phases:

1. Breakdown of consolidated balances by origin.
2. Material assessment of the balance that is broken down.
3. Assessment of certain qualitative aspects.
4. Determination of the criticality of the balance in the financial information by calculating an internal rating.
5. Consideration and identification of controls associated with the relevant areas and processes identified.

The entire process is documented in the Group's "Policy Manual for Identifying Relevant ICFRS Processes/Areas and Risks".

The tool was designed taking into account all the financial reporting objectives mentioned in the document on internal control over financial reporting in listed companies (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; rights and obligations).

The criteria to be used to ensure that all the types of risk to be identified are included in the design of the tool are both quantitative and qualitative. Apart from considering the identification of fraud and error risk affecting published financial information, the tool also takes into account the effects of other types of risks, such as operational, technological, financial, legal, reputational or environmental risks.

The process of identifying material areas and relevant processes is carried out at least annually, using the most recent financial statements. Risk assessments are also conducted when circumstances arise that had not been identified previously and that reveal possible errors in the financial information or when there are significant operational changes that could give rise to new risks, including situations involving modifications to the Group's structure such as changes in the consolidated companies or business lines or other relevant events.

The Group has a procedure in place for updating and validating the scope of consolidation, in which the Investees Unit requests from each investee the information needed to enable the unit to complete the forms used to determine the scope of consolidation and the process.

The process to identify material and/or relevant areas of the Group's financial information to identify the risks associated with them takes into account the types of risks (operational, technological, financial, legal, reputational, environmental, etc.), to the extent that they affect the financial statements.

The Group has also implemented another tool for reviewing and supervising financial reporting, which ensures that certain controls are applied to ensure that disclosures are reliable and transparent. This process is supported by various qualitative and quantitative considerations that are taken into account in assessing or determining the relative importance of each financial statement to be disclosed, so as to decide on the frequency of review. This review policy generally covers the following aspects:

a) Whether the preparation criteria are consistent with applicable laws and regulations (technical and accounting standards).
b) Analyse and justify any correlations that have arisen and remain after the statement has been filed.
c) Timely and proper publication.
d) Study of any significant deviations between filing periods.
e) Analysis of repetitions in disclosure.
f) Assess the impact of any accounting-inventory differences in the statement.
g) Inventory the variables used in preparing the statement and define controls to ensure data quality.

In particular, define any additional controls that may be required from time to time, such as comparisons for simulations or estimates, information samples, etc.

In its "Financial Statements Risk Map" manual the Group has set out the qualitative and quantitative criteria that define the review policy for the various financial statements to be disclosed to the market.

The Accounting and Tax Control Department is responsible for applying the financial information review and disclosure policies, following the procedures described earlier.

Internal Audit supports the Audit Committee in its tasks. In particular, Internal Audit's plan of work includes a review of the existing risk map in preparing the financial information to check that all relevant risks are correctly identified.

The Accounting Control Area has designed and maintains an internal website, accessible to all users involved in generating, preparing and reporting financial information, in which all the associated milestones related with accounting closes, relevant events, controls, and ICFRS-related reports and manuals are recorded. Depending on their permissions, each user can record evidence of the preparation of the financial information and the controls applied over each time horizon.

3. Control activities

3.1. Procedures for reviewing and authorising the financial information and ICFRS description

In relation to the specific control activities which are implemented for the purpose of mitigating the risk arising from possible errors, inaccuracies or irregularities in the financial information, the Group has a list of manuals, procedures and accounting policies which are constantly being developed and updated, along with revision and control processes that include:

- Consolidated financial statements closing procedure. The Group has specific procedures for closing the accounts, which are the responsibility of the Financial Reporting area. The Accounting area is responsible for reviewing and overseeing account closes and the reports generated during this process.

- The general IT controls in place across the Group managed by the Technology Department, the Cyber Resilience Department and the Security team.

- The controls over the preparation of the consolidated financial information are based on: (i) controls over necessary milestones for the reporting close, (ii) controls contained in the tool for reconciling the information received, (iii) controls over the contribution of Group companies and any consolidation adjustments, (iv) controls over temporary variations, (v) supervision of account entries and adjustments made in the reconciliation process.

- Additionally, the financial statements are validated by the correlation controls specified by the Bank of Spain to ensure consistency in the information, as well as by the Financial Statement Risk Map. These controls are carried out in the tool used for the presentation of statements to the Bank of Spain. The Accounting and Tax Control Department is responsible for verifying the integrity and accuracy of the information included in the various statements filed with the Bank of Spain.

- The process for issuing material judgements, estimates, valuations and projections in respect of goodwill, the useful lives of tangible and intangible assets, the valuation of certain financial assets, impairment losses on tangible and intangible assets, the valuation of foreclosed assets, the fair value of loans and receivables, provisions and contingent liabilities are reviewed and monitored by the Accounting and Tax Control Department.

Critical estimates, projections, judgements, accounting policies and assumptions are those that are subject to complexity or uncertainty, or that depend on decisions taken outside and inside the financial function and that have a significant impact on the figures and information presented in the financial report and in the Group's other periodic public information, such that modifications also cause relevant changes to the information reported.

The Group has an action plan for generating formal, standardised documentation for the areas and processes identified as relevant within the Group and which includes processes such as the year-end close and consolidation process, and making relevant judgements, estimates and forecasts, among others.

The Group has a review and authorisation procedure in place for the financial information reported to the markets, the frequency of which is determined by law and which is prepared by the Financial Reporting area under the supervision of the Accounting area, both under the auspices of BBC's General Finance Department.

The Audit Committee also plays a role in the review process, reporting its conclusions on the financial information to the Board of Directors. These conclusions are based on the external auditor's review and the different reviews conducted by Internal Audit to evaluate the adequacy of the different controls on the generation of financial information. Ultimately, the shareholders at their General Meeting are responsible for approving the Board of Director's performance each year, along with the notes to the annual accounts, the balance sheet and the statement of profit or loss, and the application of any surplus for the purposes of the Group.

The description of the ICFRS is reviewed not only by the Accounting and Tax Control Department but also by the governing bodies mentioned above as part of the information reported to the markets periodically.

3.2. Internal control policies and procedures for IT systems giving support to key processes regarding the preparation and publication of financial information.

The Technology Department is responsible for supporting and maintaining the operations, communications and data management systems. One of its main functions is to examine the systems and standards that make it possible to guarantee the correct level of data and program protection and recovery, ensuring compliance with regulations and the legally required security measures. The Cyber Resilience Department is responsible for proposing data security measures and how to apply them. These measures include the existence of adequate controls for accessing applications and systems, ensuring there is a sufficient segregation of duties.

The Group also has an application development regulation that complies with the Capability Maturity Model Integration (CMMI) standard. This regulation ensures that the IT systems developed are fit for purpose. This, in turn, minimises the possibility of error in the process of generating financial information.

The Group has a disaster recovery plan for the areas involved in the CNMV reporting process. The Plans covers the Parent's information systems where the financial reporting information is prepared.

Finally, the Group has a backup policy that ensures a daily backup copy is made of critical environments.

3.3. Internal control policies and procedures for overseeing the management of outsourced activities, and of the calculation or valuation services commissioned from independent experts.

The Group uses the services of independent third parties to obtain certain valuations, calculations and estimates used to generate the individual and consolidated financial statements which are published in the securities markets, such as, actuarial calculations and asset appraisals and valuations.

The identification of relevant financial reporting areas outsourced to third parties is integrated into the methodology used by the Group to identify processes and areas that affect the financial information.
Policies applied to supervise and manage the activities outsourced to third parties and to approve suppliers are contained in the manuals prepared by the Group, which address:

- Types of services that may be outsourced and related criteria and conditions.
- Controls in place for services outsourced and the business continuity and service recovery plan.
- Procedures for the accreditation and awarding of services to external providers.
- Approval criteria for contracting services with external providers.
- Approval claim and renewal procedures.

4. Reporting and disclosure

4.1. Communication of regulatory developments

The Regulatory Compliance Department is responsible for informing the affected departments of changes to regulations as they occur. The Accounting and Tax Control Department is responsible for establishing and interpreting the Group's accounting policies.

In any event, accounting policies are updated whenever there is a regulatory development that requires them to be reviewed, and whenever there is a new decision that could impact them, but only in those cases where there is a certain amount of flexibility.

To perform this function, the departmental director remains abreast at all times of legislative developments concerning prevailing accounting policies through the circulars and communiqués issued by the various sector associations, and technical reports and bulletins issued by experts in the field, and by reviewing the regulatory changes published in Spain's Official State Gazette (BOE), or by the Spanish Institute of Accounting and Auditing (ICAC), the Bank of Spain and the CNMV on a daily basis. Regulatory changes are studied and analysed to determine their impact on the Group, and external experts are consulted as needed. Such changes are reported to staff and any action required is proposed.

The Accounting and Tax Control Department is responsible for answering any questions or settling disputes regarding the interpretation of accounting policies, keeping lines of communication open with the heads of the different areas of the Parent and Group subsidiaries involved in preparing financial information.

All the financial information is prepared in accordance with the Group's accounting policies and criteria; the ICFRS therefore includes defining these policies and criteria in the accounting policies and procedures manual, which contains the Group's accounting policies and explains how they must be applied to specific operations.

The accounting policies set out in the manual are based on the application of the standards stipulated in applicable regulations (IFRS, IAS, Bank of Spain Circulars), which does not mean that the Group does not have its own accounting criteria but that they are limited to the application of the general criteria stipulated in the accounting standards as applicable in each specific case, so as to cover all the Group's transactions. The body responsible for preparing and updating the accounting policies is the Accounting and Tax Control Department, which forms part of the General Control Department.

As a necessary supplement to this manual and as the accounting function is decentralised, the Accounting and Tax Control Department prepares, safeguards and updates an inventory of Accounting Delegations containing a file for one, including the following details, among other information:

- Identity of the delegate body;
- Accounting events delegated;
- Accounts affected, including reasons for debits and credits;
- IT transactions that support the entry, if any; and
- Reconciliation and control procedures applied.

The delegate bodies must in turn prepare operating manuals containing detailed descriptions of the procedures employed in the course of their work.

The Group's subsidiaries draft their own accounting procedures and policies in a decentralised manner; however, they must necessarily meet the requirements of the standards and guidelines issued by the Accounting and Tax Control Department, which oversees them.

It should be noted that the subsidiaries prepare their own financial information based on a format previously agreed with the Parent so that the format of the financial statements is as homogeneous as possible, which in turn facilitates the preparation of the Group's consolidated information. Because of this, they must comply with the accounting standards and principles issued by the Accounting and Tax Control Department.

4.2. Preparation of financial information.

The Group has applications and IT systems for aggregating and standardising the individual accounting performed by the Group's areas and subsidiaries, with the necessary level of breakdown and the ability to generate the necessary individual and consolidated financial statements and other financial information published in the markets.

Each subsidiary is responsible for its own accounting using the established systems and for reporting the accounting information in keeping with the General Chart of Accounts format. They are, therefore, responsible for preparing their own financial statements under the supervision of the Accounting and Tax Control Department.

The Financial Reporting Control Office, which reports to the Accounting Control Area, is responsible for aggregating and standardising the individual information for review and subsequent automatic consolidation into the "COGNOS Controller" application.

The Financial Reporting Area is responsible for ensuring the quality of the information to be loaded into the "REG Estados" application to produce the Group's individual and consolidated regulatory report. At the same time, the information of investees is loaded into the Investee Management System (AMS), while the Financial Reporting area is in charge of importing that information and dumping it in the Cognos Controller application.

5. Supervision of the functioning of the ICFRS

The Audit Committee draws on the support of the internal audit team in monitoring the internal control system and the ICFRS. Internal Audit conducts scheduled reviews of the systems in place to control risks, operational procedures and compliance with internal and external regulations.

The internal audit function is performed by the General Internal Audit Department, which reports to the Audit Committee.

The General Internal Audit Department prepares an annual audit plan, which is approved by the Audit Committee and the Board of Directors. The audit plan is prepared with the objective of reviewing the Bank's critical risks.

The audit plan includes the revision of key areas of the financial statements as well as key controls of these areas. The general controls of reporting systems are also reviewed.

The General Internal Audit Department periodically presents to the Audit Committee the results of its verification and validation work along with the associated action plans. The procedure is the same for the work performed by the external auditors or any other independent expert.

The minutes of the Audit Committee meetings contain evidence of the Committee's supervisory function, in terms of planning (approval of annual operating plan, appointment of people responsible for executing the plan, among other things) and the review of the results obtained.

If weaknesses or other areas for improvement are detected during the audit reviews, an action plan is proposed and agreed with the areas involved, defining the people responsible and the time scheduled for its implantation. Internal Audit also tracks compliance with these action plans.

In December 2022, the Audit Committee approved the three-year Audit Plan for the period 2023-2025. As regards supervision of the ICFRS, the Audit Plan includes audits of the relevant areas and processes of the Group throughout the three-year period.

The assessment carried out in 2024 included a review of the process of identification of material financial reporting risks and a review of key ICFRS controls, verifying that they have functioned correctly.

The Audit Committee meets with the external auditors no less than five or six times a year to present the most important results of their work.

It is the responsibility of the Audit Committee, in accordance with the Audit Committee Rules, (Art. 6.1), to discuss with the external auditor all audit-related issues and any other communications foreseen in auditing laws and the Technical Auditing Standards. It will also act as a liaison between the external auditor and the Board of Directors.

The Audit Committee Rules also state that the Audit Committee may be aided by independent experts as needed.

The Audit Committee Rules specify that the committee will meet on an ordinary basis every two months or, otherwise, at least six times a year. In each of these sessions, the General Internal Audit Department will present the conclusions of its work, informing the Committee of any weaknesses detected as well as the action plans proposed by the different areas to address these weaknesses.

ADHERENCE TO THE RECOMMENDATIONS IN THE GOOD GOVERNANCE CODE OF LISTED COMPANIES (CNMV, 2020)

Although this code is not directly applicable to Grupo Cooperativo Cajamar because none of the group companies are listed, the Group deems it good market practice to follow the CNMV's recommendations, applying the comply or explain principle, thereby demonstrating its commitment to adhering to best governance standards.

Subsequent references to the Group should be understood to mean without distinction the Group or BCC as parent, to which the group credit institutions have assigned responsibility for ensuring the implementation, fulfilment and continuous improvement of corporate governance standards in the Group in line with best practices.

Of the 64 recommendations in the Good Governance Code, except for 7 that are not applicable, the Group fully adheres to 51 and partially adheres to 6.

The seven recommendations that are not applicable to the Group are: 1, 2, 11, 19, 34, 61 and 62.

The recommendations which the Group partially adheres to are as follows:

Recommendation 3

"During the annual general shareholders' meeting the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

a) Changes taking place since the previous annual general shareholders' meeting.

b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative procedures followed in its stead."

The Chairman of BCC, as the parent of the Group, informs shareholders of what he believes to be relevant aspects of corporate governance, although not to the level of detail stipulated in the recommendation, especially regarding the following of recommendations indicated in the Code.
That said, shareholders are able to find out about adherence to the Code through this section of the notes to the annual accounts.

Recommendation 4

"The company should define and promote a policy for communication and contact with shareholders and institutional investors within the framework of their involvement in the company, as well as with proxy advisors, that complies in full with the rules on market abuse and gives equal treatment to shareholders who are in the same position. The company should make said policy public through its website, including information regarding the way in which it has been implemented and the parties involved or those responsible for its implementation.

Further, without prejudice to the legal obligations of disclosure of inside information and other regulated information, the company should also have a general policy for the communication of economic-financial, non-financial and corporate information through the channels it considers appropriate (media, social media or other channels) that helps maximise the dissemination and quality of the information available to the market, investors and other stakeholders."

Some of the points included in the recommendation are covered by various Group policies and manuals, such as the policy on disclosure of economic, financial, non-financial and corporate information. A decision has therefore been taken not to develop a policy for communication and contact with shareholders and institutional investors with the level of detail indicated in the recommendation at this time.

Future reconsideration of whether to develop a policy with the scope set out in the recommendation is not excluded.

Recommendation 6

"Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general shareholders' meeting, even if their distribution is not obligatory:

a) Report on auditor independence.

b) Reports on the work of the audit committee and the appointments and remuneration committee.

c) Audit committee report on related transactions."

BCC regularly prepares reports on auditor independence and the operation of the audit and appointment committees, although only the latter are published on its website before the General Meeting of Shareholders. The report in point c) has not been prepared to date as there are no related transactions.

Recommendation 7

"The company should broadcast its general shareholders' meetings live on the corporate website.

The company should have mechanisms that allow the delegation and exercise of votes by electronic means and even, in the case of large-cap companies and, to the extent that it is proportionate, attendance and active participation in the general shareholders' meeting."

As well as having the mechanisms to do this, BCC includes in its Articles of Association and Regulations of the General Meeting of Shareholders the option for shareholders to delegate and exercise their right to vote by electronic means.

While it has the resources to do so, BCC does not deem it necessary, given its capital structure and the location of its shareholders, to broadcast its General Meeting live on its website or for its shareholders to attend by electronic means. This is because their right to be informed about and participate in General Meetings is protected because the bank provides them with detailed information and offers the option of delegating or exercising their vote by electronic means, as explained beforehand.

Recommendation 15

"Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Further, the number of female directors should account for at least 40% of the members of the board of directors before the end of 2022 and thereafter, and not less than 30% previous to that."

A large majority of the Board (79%) are proprietary and independent directors, while executive directors make up only 21%.

At 31 December 2024, female directors constituted 29% of the Board, although achieving a 40% share is subject to filling a number of vacancies on the Board.

Recommendation 53

"The task of supervising compliance with the policies and rules of the company in the environmental, social and corporate governance areas, and internal rules of conduct, should be assigned to one board committee or split between several, which could be the audit committee, the nomination committee, a committee specialised in sustainability or corporate social responsibility, or a dedicated committee established by the board under its powers of self-organisation. Such a committee should be made up solely of non-executive directors, the majority being independent and specifically assigned the following minimum functions."

Environmental, social and corporate governance matters are handled by the specialist committees of the BCC Board of Directors' Sustainability Committee, which will play an oversight role, and the Risk Committee, which is responsible for identifying and assessing risks in the indicated areas.

As regards composition, a majority of the members of the Sustainability Committee are non-executive directors (with an equal number of independent and proprietary directors), while all the members of the Risk Committee are non-executive directors (with a majority of independent directors).

Consolidated Statement of Non-Financial and Sustainability Information for 2024

Contents

1. Context

European Union Directive 2022/2464 on Corporate Sustainability Reporting (CSRD) was published on 14 December 2022. This Directive establishes the requirements for certain undertakings, including GCC, to disclose sustainability-related information in their management reports. The objective is to facilitate the understanding of the impact of their activities on sustainability issues and to provide the necessary information to assess how sustainability matters affect the companies' development, performance and position. In Spain, the current regulations on non-financial information disclosure, as outlined in Act 11/2018, were required to be adapted to this new European Directive by June 2024. However, at the time of reporting, this adaptation had not yet been carried out.

On 31 July 2023, the European Commission published Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability disclosure standards.

Given the Directive's lack of transparency, on 27 November 2024, the Spanish National Securities Market Commission (CNMV) and the Accounting and Auditing Institute (ICAC) issued a joint statement recommending the inclusion of Sustainability Information in the Management Report, in accordance with the CSRD, while also ensuring compliance with the requirements set forth in Act 11/2018.

In line with this recommendation, the present Consolidated Statement of Non-Financial and Sustainability Information fully complies with the CSRD requirements, except for Annex III, which explicitly meets the provisions of Act 11/2018.

2. General Information

2.1. Basis of preparation

2.1.1. General Basis (BP1)

This Sustainability Statement has been prepared on a consolidated basis, with the same scope of consolidation as that of the Annual Accounts to which this statement is attached (see Note 2 – Accounting standards and basis of presentation). No modifications have been made to the scope of consolidation since the publication of the previous Non-Financial Information Statement (NFIS) at 31.12.2023.

The content of this Consolidated Statement of Non-Financial and Sustainability Information (hereinafter, the NFS or Sustainability Statement) fully complies with the CSRD requirements, except for the content of Annex III, which specifically complies with Act 11/2018.

GCC is a consolidated group of credit institutions, authorised and classified as an Institutional Protection Scheme by the Bank of Spain. The group consists of 19 institutions, the parent of which is Banco de Crédito Cooperativo, S.A. (BCC), which is responsible for the effective management and leadership of the Group. The Board of Directors of BCC is ultimately responsible for defining the Group's corporate culture and values, particularly in environmental and social matters. GCC reports sustainability information at a consolidated level, availing itself of the exemption under Act 11/2018, which allows it to forgo individual-level reporting.

GCC has identified all activities, resources and relationships associated with its business model and operating environment, distinguishing between:

- Human resources management;
- Various operational channels used for product and service distribution, including suppliers and customers; and
- The geographical, social and financial environment in which it operates.

This Sustainability Statement includes the Incidents, Risks and Opportunities (IROs) of relative importance, arising both from the Group’s direct operations and from its business relationships, either upstream or downstream within the value chain, as follows:

- In the double materiality analysis detailed in Section 2.4, suppliers and customers have been identified as value chain agents. Furthermore, the customer segment has been classified as material in terms of impact, whereas supplier-related matters have not been deemed material from either an impact or financial perspective.
- The policies, actions and goals included in this report comprehensively cover the value chain. Specifically:
    - Data from upstream and downstream phases of the value chain are considered in estimated parameters.
    - Cajamar Foundation initiatives have been incorporated due to their significant contribution to sustainability-related matters.

The stakeholders of GCC comprise all the agents within its value chain, covering the activities, resources and relationships that Grupo Cooperativo Cajamar relies on to create its products and services, from conception to delivery, usage, and end-of-life management. In accordance with CSRD requirements and the EFRAG recommendations, and considering the specific characteristics of the Group’s value chain agents, the following stakeholders have been identified in the double materiality assessment:

- Employees: These include all employees within the Group, including senior management and executives.
- Suppliers: All suppliers providing services to the Group.
- Customers: Clients across all business lines of the Group.
- Cooperative Members: Customers who have acquired cooperative member status.
- Investors: Investors with whom the Group maintains relationships.

- Regulators and supervisors: Regulatory and supervisory entities that influence the Group, including, indirectly, media outlets, NGOs, and non-customers.

GCC does not have any consolidated subsidiaries that are exempt from presenting individual or consolidated sustainability information. Furthermore, no information has been omitted regarding intellectual property, know-how, or innovation outcomes. Additionally, GCC has not exercised the exemption to withhold disclosure of imminent events or ongoing negotiations.

2.1.2.Specific Circumstances (BP2)

The sustainability information has been prepared for the first time under Delegated Regulation (EU) 2023/2772 of the European Commission of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament (CSRD). This has led to changes in previously published sustainability information. Wherever possible, comparative data from previous reference periods have been included, with justifications provided for each indicator where adjustments to past-period comparative information were not feasible.

As stated in Note 30 – Subsequent Events, from 31 December 2024 up to 4 March 2025 (the date on which the Board of Directors of the parent entity approved these consolidated annual accounts), no significant events have occurred that would need to be included in the accompanying consolidated annual accounts to ensure a true and fair view of the Group's consolidated equity, financial position, performance, changes in equity and cash flows.

The time horizons defined in this report are those established by the CSRD:

- Short term: The reference period adopted is the same as that used for the financial report.
- Medium term: The five-year period from the end of the short-term reference period.
- Long term: More than five years, with greater detail provided when required due to the nature of the indicator.

These time horizons align with best practices in the financial sector and adequately reflect the risk management strategy and practices of Grupo Cooperativo Cajamar (GCC). Financial planning and medium-term sensitivity scenario analyses are conducted over a three-year period. The strategic plan has a time horizon until 2030, while long-term climate scenarios and analyses extend to 2050.

For decarbonisation targets, GCC is a signatory to the Net-Zero Banking Alliance (NZBA), the banking sector's reference framework for setting decarbonisation goals. Under this framework, 2030 is set as the medium-term target, while 2050 is the deadline for achieving net-zero emissions and long-term climate neutrality.

Additionally, Grupo Cooperativo Cajamar's environmental risk management action plan has established actions for 2025, focusing on: Minimising biodiversity loss and ecosystem degradation; mitigating water resource degradation, including water stress and quality deterioration; preventing soil degradation, including soil contamination, desertification, and land-use changes; and addressing air degradation, including air pollution and its associated negative impacts.

Unless otherwise specified, GCC has estimated all metrics in this Sustainability Statement using direct sources of information. Specifically, estimates were made for:

- Calculation of Greenhouse Gas (GHG) emissions financed through the Group's own operations, as well as various biodiversity indicators.

  The methodologies used are widely accepted in the financial sector and recommended by supervisory bodies, including PCAF (Partnership for Carbon Accounting Financials) for GHG calculations and ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) for biodiversity analysis.

- Consumption of raw materials, such as electricity or water, where calculations are based on annual consumption data available at the time of reporting. Monthly consumption is assumed to be comparable to the previous year, with adjustments made for months without billing data, using current prices.

External data sources were used for:

- Financed GHG emissions calculations;
- Identification of dependency and impact assessments, using the ENCORE tool; and
- Preparation of Article 8 disclosures, with primary information sources including public websites of counterparties, specialised consultancy firms and sustainability data providers, such as SOTASA, INFORMA, AMUNDI, and asset management company websites.

Given the reliability of these external sources and the use of widely recognised methodologies, the estimates made for sustainability reporting are not considered to have a high degree of uncertainty. These estimates accurately reflect Grupo Cooperativo Cajamar’s situation across different indicators.

Wherever necessary —due to the nature of an indicator, specific regulations, or the need to include value chain data—, alternative time horizons, estimation methods or sources of uncertainty will be explicitly stated in each specific case.

No material errors have been identified in previous reports that would require corrections, meaning datapoint 14 of BP2 is not applicable.

In addition to the aforementioned regulations, this Sustainability Statement also complies with the following:

- Non-financial disclosure requirements under Act 11/2018 of 28 December, where these are not covered by the CSRD (Annex III).
- EU Taxonomy Regulation (EU) 2020/852, Delegated Regulation (EU) 2021/2178 on disclosure, and other Delegated Acts.

At 31 December 2024, this Sustainability Statement did not include any information by reference.

Given that GCC’s average number of employees in 2024 exceeded 750, the Group has described, for each relevant material aspect, the disclosures required under BP2 – datapoint 17:

- How the Group's impacts related to the aspect are addressed in the defined business model and strategy.
- The goals and deadlines set.
- Defined policies.
- Measures taken to identify, monitor, prevent, mitigate, remedy and/or eliminate both actual and potential negative impacts, along with the outcomes of these measures.
- Relevant metrics associated with each aspect.

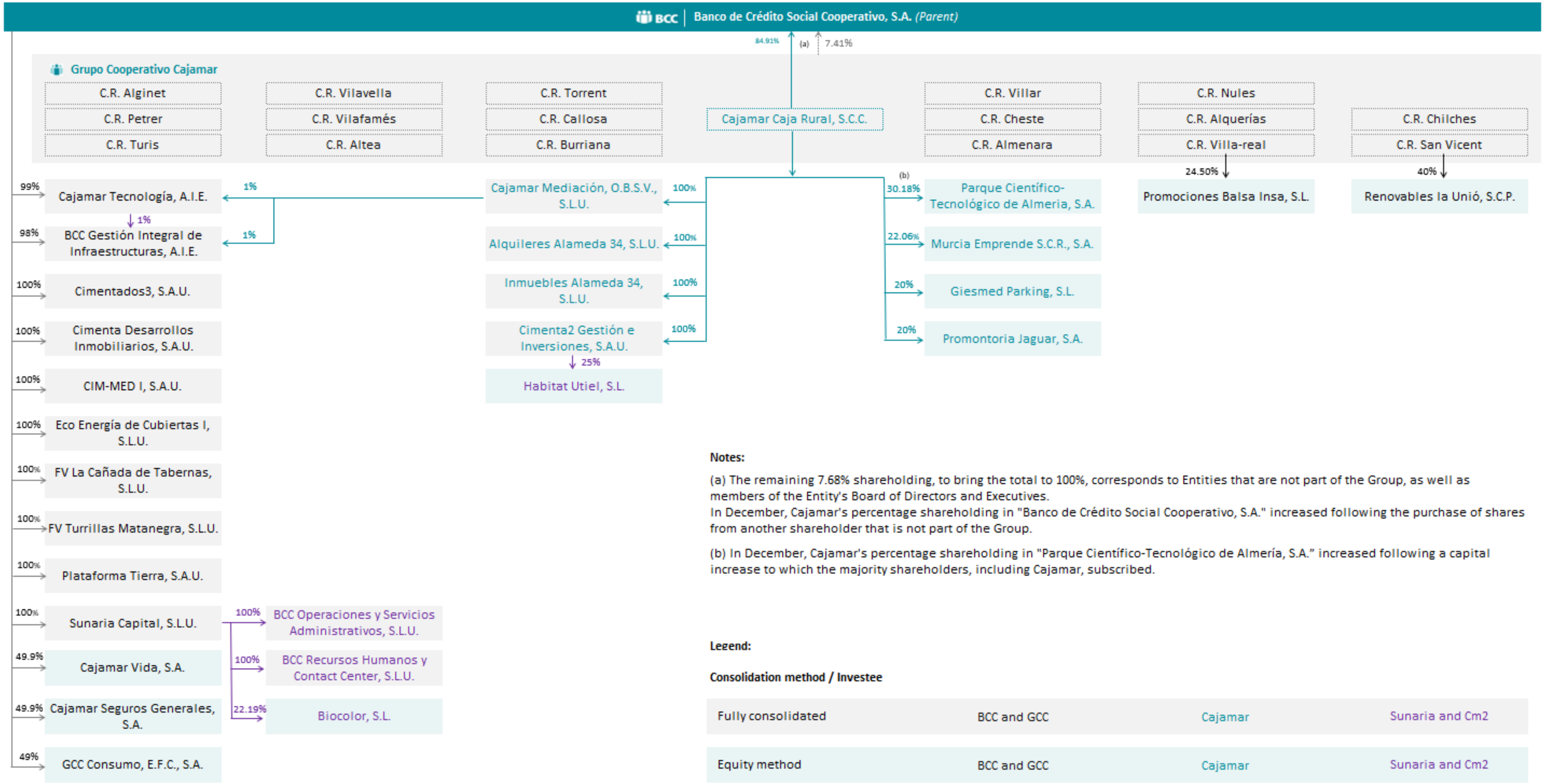
2.2. Governance

2.2.1. Composition, roles and responsibilities at GCC (GOV1/ S1.9)

GCC is a consolidated group of credit institutions, authorised and classified as an Institutional Protection Scheme by the Bank of Spain. It consists of 19 credit institutions, with BCC serving as the parent entity responsible for the effective management and leadership of the Group. BCC operates in accordance with the regulatory guidelines detailed in Note 2 – Accounting standards and basis of presentation to the accompanying consolidated annual accounts. The largest entity within GCC is Cajamar Caja Rural, which was formed through historical merger processes involving various rural savings banks. Additionally, the Group includes 16 non-financial entities.

The following chart illustrates the Group's perimeter at 31 December 2024, distinguishing between fully consolidated entities and those consolidated using the equity method.

Scope of consolidation of Grupo Cooperativo Cajamar at 31.12.2024:



Notes:

(a) The remaining 7.68% shareholding, to bring the total to 100%, corresponds to Entities that are not part of the Group, as well as members of the Entity's Board of Directors and Executives.
In December, Cajamar's percentage shareholding in "Banco de Crédito Social Cooperativo, S.A." increased following the purchase of shares from another shareholder that is not part of the Group.

(b) In December, Cajamar's percentage shareholding in "Parque Científico-Tecnológico de Almería, S.A." increased following a capital increase to which the majority shareholders, including Cajamar, subscribed.

Legend:

Consolidation method / Investee

Fully consolidated	BCC and GCC	Cajamar	Sunaria and Cm2
Equity method	BCC and GCC	Cajamar	Sunaria and Cm2

The Chief Executive Officer, appointed by the Board of Directors, is the chief executive officer of BCC. The following departments report hierarchically to the Chief Executive Officer:

- Finance Department
- Investments Department
- General Business Department
- People and Technology Department
- General Secretariat

The Chief Executive Officer presides over the Management Committee, where the highest-level decisions are made. The reporting lines for other collective decisions are developed within second-line committees, primarily linked to the following areas:

- Audit, regulatory compliance and risk control (Risk Monitoring Committee, Control Committee, Data Protection Committee and Anti-Money Laundering and Anti-Terrorist Financing Committee).
- Business (Assets and Liabilities Committee and Products and Services Committee).
- Credit risk (Investment Committee).
- Management of resources (Resources Committee).
- Technology (Technology Committee).
- Cybersecurity (Cybersecurity and Operational Resilience Committee).
- Sustainability (Sustainability Committee).

In addition, reporting directly to the Board of Directors are:

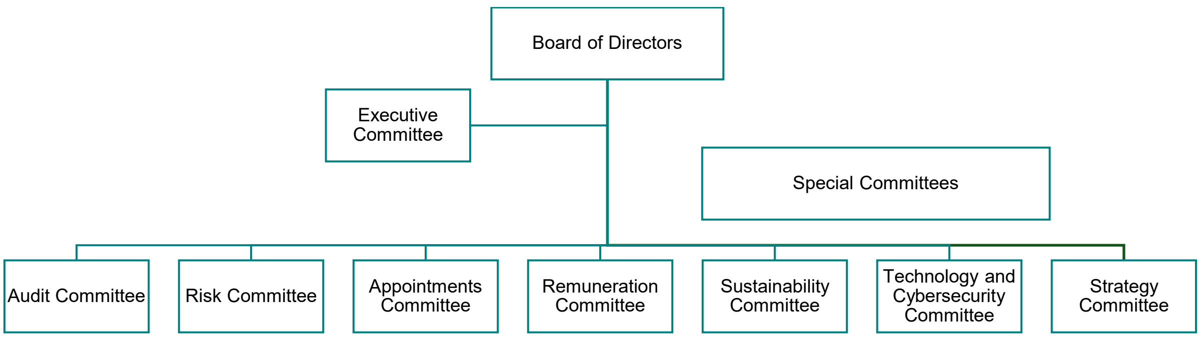
- Corporate Strategy Department.
- Sustainability and Agri-Food Development Department.
- Cyber Resilience Department.
- Communications Department.
- Coordination of Grupo Cooperativo Cajamar.
- Control Department, acting as the second line of defence.
- Internal Audit Department, acting as the third line of defence.

The highest governing body of BCC, and consequently of the Group, is its own Board of Directors, composed of directors elected by the General Shareholders' Meeting.

At 31 December 2024, the Board of Directors comprised 14 members, broken down as follows: 43% independent directors, 6% proprietary directors and 21% executive directors. Regarding gender distribution, 29% of Board members were women, while 71% were men, equating to 2.45 men per woman.

Office	Name	Type of Directorship	Specialised Committees to which the Director Belongs
Chair	Luis Rodríguez González	Proprietary	Executive Committee Strategy Committee Technology and Cybersecurity Committee
Vice Chair	Marta de Castro Aparicio	Independent	Executive Committee Audit Committee Risk Committee Appointments Committee
CEO	Manuel Yebra Sola	Executive	Executive Committee Strategy Committee Sustainability Committee
Director	Joan Mir Piqueras	Proprietary	Strategy Committee
Director	Bernabé Sánchez-Minguet Martínez	Executive	Executive Committee Sustainability Committee
Director	Antonio Cantón Góngora	Independent	Executive Committee Strategy Committee Sustainability Committee Technology and Cybersecurity Committee
Director	Rafael García Cruz	Executive	Strategy Committee Technology and Cybersecurity Committee
Director	Antonio Carranceja y López de Ochoa	Independent	Executive Committee Risk Committee Remuneration Committee Technology and Cybersecurity Committee
Director	Ana Nuñez Álvarez	Independent	Audit Committee Risk Committee Remuneration Committee Technology and Cybersecurity Committee
Director	Luis Fernández-Revuelta Pérez	Independent	Audit Committee Appointments Committee Remuneration Committee Technology and Cybersecurity Committee
Director	María López Fernández	Proprietary	Executive Committee Appointments Committee Sustainability Committee
Director	Antonio de Parellada Durán	Proprietary	Audit Committee Risk Committee Remuneration Committee Strategy Committee
Director	Rosa María Vidal Monferrer	Proprietary	Risk Committee Appointments Committee Sustainability Committee
Director	Francisco Javier Astiz Fernández	Independent	Audit Committee Sustainability Committee Technology and Cybersecurity Committee

The Board of Directors has special committees that serve a reporting and advisory role, without executive functions, except for those established by law. Their primary objective is to provide information, advice and proposals to the Board of Directors within their respective areas of responsibility, in accordance with the Board regulations, the Articles of Association, and applicable regulations.



The following chart shows the category of directorships present on each Board committee:

	Chair	**No. of Members**	**% Proprietary**	**% Independent**	**% Executive**
Executive Committee	Mr. Luis Rodriguez Gonzalez	7	28.57%	42.86%	28.57%
Risk Committee	Mr. Antonio Carranceja y López de Ochoa	5	20.00%	80.00%	0.00%
Appointments Committee	Ms. Marta de Castro Aparicio	4	50.00%	50.00%	0.00%
Audit Committee	Mr. Francisco Javier Astiz Fernández	5	20.00%	80.00%	0.00%
Remuneration Committee	Ms. Ana Nuñez Álvarez	4	25.00%	75.00%	0.00%
Sustainability Committee	Ms. María López Fernández	6	33.33%	33.33%	33.33%
Technology and Cybersecurity Committee	Mr. Rafael García Cruz	7	14.29%	71.43%	14.29%
Strategy Committee	Mr. Joan Mir Piqueras	6	50.00%	16.67%	33.33%

The following table provides a summary of the composition and functioning of the various governance bodies responsible for risk-related functions:

Governing Body	**Composition**	**Functioning**
Board of Directors	Composed of fourteen members: chair, vice-chair, CEO and eleven members, as well as a non-director secretary. The term for board members is four years, with the possibility of re-election for additional terms of the same maximum duration.	Meets at least once a month on an ordinary basis and in extraordinary sessions whenever deemed necessary by the chair or at the request of at least one third of the directors.
Executive Committee	Composed of seven members: chair, vice-chair, CEO and four board members, as well as a non-director secretary, appointed by the Board of Directors from among the directors, at the proposal of the Appointments Committee.	Meets as often as called by the chair or the vice-chair acting in their place.
Audit Committee	Composed of a chair and four members, as well as a secretary, appointed for a maximum term of four years, with the possibility of re-election for additional terms of the same maximum duration, by the Board of Directors at the proposal of the Appointments Committee. The committee members collectively have appropriate knowledge and experience in accounting, auditing, and financial and non-financial risk management. The chair is appointed based on their expertise in these areas.	Ordinarily meets every two months, or at least six times per year. Additional meetings may be convened at the request of any committee member or the chair. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.
Risk Committee	Composed of a chair and four members, as well as a secretary, appointed by the Board of Directors at the proposal of the Appointments Committee. Members are selected from non-executive directors who individually and collectively possess the necessary knowledge, skills and experience to fully understand and oversee the entity's risk strategy, risk appetite and risk management and control practices, as determined by the Board of Directors. The majority of members must be independent, and the committee's chair must always be an independent director.	Ordinarily meets quarterly. Additional meetings may be convened at the request of any committee member or the chair. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.
Appointments Committee	Composed of a chair and three members, as well as a secretary, appointed every four years (with the possibility of re-election for additional terms of the same duration) by the Board of Directors from among non-executive directors. At least two members must be independent, and the chair must also be an independent director. Members must collectively have the appropriate knowledge, skills, and experience to oversee corporate governance functions, board and executive selection, and the evaluation of suitability requirements as per applicable regulations, as well as any other functions they may be called upon to perform. The chair must have the appropriate profile and experience to fulfil their role.	Ordinarily meets at least five times a year, and as needed based on specific matters. Additional meetings may be called by the chair or at the request of two members. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.

Remuneration Committee	Composed of a president and three members, as well as a secretary. Members are appointed every four years (with the possibility of re-election for additional terms of the same duration) by the Board of Directors at the proposal of the Appointments Committee. Members are selected from non-executive directors, and at least two must be independent, with the chair always being an independent director. Members must collectively have the appropriate knowledge, skills, and experience for their roles. The chair must have the relevant profile and experience to preside over and organise the committee.	Ordinarily meets at least three times a year, and as needed based on specific matters. Additional meetings may be called by the chair or at the request of two members. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.
Strategy Committee	Composed of a chair and five members. Members are appointed every four years (with the possibility of re-election for additional terms of the same duration) from among non-executive directors who have the most suitable experience, knowledge and qualifications for committee membership. Membership is not exclusive, meaning committee members may also serve on other special committees of the Board of Directors.	Ordinarily meets at least once every quarter. Additional meetings may be convened at the request of any committee member or the chair. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.
Sustainability Committee	Composed of a chair and five members. Members are appointed every four years (with the possibility of re-election for additional terms of the same duration) from among directors with the most suitable experience, knowledge and qualifications for committee membership. Membership is not exclusive, meaning committee members may also serve on other special committees of the Board of Directors.	Ordinarily meets at least once every quarter. Additional meetings may be convened at the request of any committee member or the chair. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.
Technology and Cybersecurity Committee	Composed of a chair and five members, as well as a secretary, appointed every four years (with the possibility of re-election for additional terms of the same duration) by the Board of Directors from among directors with the most suitable experience, knowledge and qualifications for committee membership. Membership is not exclusive, meaning committee members may also serve on other special committees of the Board of Directors.	Ordinarily meets at least once every quarter. Additional meetings may be called at the request of any committee member or the chair. The chair must call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and in any case whenever necessary for the proper execution of its functions.

Lastly, the composition of the remuneration of GCC's Senior Management is shown below (in thousands of Euros):

Remuneration of BCC's Board of Directors and Managers

	Fees - Emoluments	Fixed remuneration	Social security	Post-employment benefits	Other remuneration
Board	2,227	1,629	46	104	260
Managers	-	2,547	169	171	342
Total	**2,227**	**4,176**	**215**	**276**	**602**

Composition of corporate governance and management bodies broken down by age and gender (*)

	Up to 30 years old				30-50 years old				> 50 years				Total			
	M	Percentage	F	Percentage	M	Percentage	F	Percentage	M	Percentage	F	Percentage	M	Percentage	F	Percentage
Board of Directors	-	-	-	-	-	-	-	-	10.00	71.43%	4	28.57%	10.00	71.43%	4.00	28.57%
Board of Directors	-	-	-	-	2.67	100.00%	-	-	5.67	85.01%	1	14.99%	8.34	89.29%	1.00	10.71%
Total	-	-	-	-	2.67	100.00%	-	-	15.67	75.81%	5	24.19%	18.34	78.6%	5.00	21.42%

(*) Number of persons taking into account the length of time they have held their position during the year.

2.2.1.1. Business conduct (Appendix C ESRS2)

Grupo Cooperativo Cajamar, in line with its Ethical Management System (EMS), demonstrates a strong commitment to regulatory compliance and integrity in all its operations. Through its policies, the Group ensures control and monitoring of anti-money laundering and corruption and bribery prevention, reinforcing accountability across all areas of operation. This framework is supported by a reliable and accessible whistleblowing channel.

In this connection, the Board relies on:

- A solid structure of committees that support the Board.
- A procedure for the annual self-assessment of its performance.
- A Suitability Policy, which sets out the procedures and mechanisms to ensure that Board members have the necessary knowledge, experience and personal qualities, including professionalism and personal integrity, required for their role. The Appointments Committee assesses the knowledge, capabilities, diversity and experience of the Board.
- A Remuneration Policy aimed at aligning the Group's remuneration framework, including that of Board members, with the promotion of sound and effective risk management.
- A Conflict of Interest Policy, which establishes the duty of Board members to disclose any conflicts of interest to the Board and to abstain from participating in discussions and voting on matters in which they may have a personal interest.

These policies apply to all individuals associated with the Group, covering both its own operations and its value chain.

2.2.1.2. Experience of the governing bodies

The Board of Directors and the organisation acquire specialised knowledge in sustainability through training initiatives tailored to their specific needs. This is implemented through an annual continuous training plan for Board members, which includes specific training on environmental, social and governance (ESG) criteria.

The Group's commitment to sustainability extends throughout the organisation, integrating ESG management as a fundamental part of its training strategy. To this end, it offers a diverse training programme, ranging from introductory courses to advanced sustainability certifications. Additionally, specialised content is developed for members of key areas, such as risk analysts, adapting training to the specific responsibilities of each group within the organisation.

The training provided covers all topics related to the Group's significant impacts, risks and opportunities, and no additional knowledge or skills have been identified as necessary.

Regarding sustainability, Board members contribute a high degree of expertise when it comes to implementing ESG criteria. Their participation in sustainability initiatives, their specific training in this area and their professional experience in organisations committed to social responsibility and positive impact have strengthened the Board's capacity to promote and oversee responsible management aligned with sustainable development goals.

Grupo Cooperativo Cajamar's strategic, forward-looking vision guides the Board of Directors in its commitment to sustainability and digital transformation. The Board's multidisciplinary profile and the experience of its members ensure effective oversight and informed decision-making, based on a deep understanding of market dynamics, risks, challenges and opportunities. This guarantees the continuous evolution of efficient and ethical operations, contributing to the economic and social development of the regions where the Group operates.

2.2.2. ESG. Governance, management and control bodies (GOV1/ GOV2/ GOV5)

2.2.2.1. Corporate governance

Regarding sustainability, GCC has a governance structure that enables compliance with best corporate governance practices while maintaining an appropriate framework for risk management and control.

The ESG governance structure is built on four key pillars:

- Board of Directors
- Risk Committee
- Sustainability Committee
- Sustainability and Agri-Food Development Department

Board of Directors

The Board of Directors of BCC holds the broadest powers of representation, administration, supervision, management and oversight, allowing it to perform all types of acts and contracts related to the Group's administration and governance. It is the highest representative body of the Group and includes an expert Sustainability Committee.

The Board delegates the day-to-day management of the company and the execution of its strategy to executive bodies and the management team, focusing its activities on general oversight functions. It assumes and exercises its non-delegable responsibilities directly, as provided by law, the by-laws and the Board's own regulations.

The Board receives information on the topics discussed at each special committee meeting, as the chair of each committee reports on the matters and decisions made at the committee's previous meetings. Additionally, copies of committee meeting minutes and relevant documentation are made available to Board members through a designated platform.

In the area of sustainability, two committees stand out due to their involvement in sustainability and climate change, namely:

Risk Committee

The Risk Committee is an internal advisory and consultative body of the Board of Directors with no executive functions. It has powers related to providing information, advice and recommendations to the Board in its oversight role.

The Risk Committee meets quarterly, but additional meetings may be convened at the request of any of its members or the chair. The chair is required to call a meeting whenever requested by the Board of Directors or its chair for the issuance of a report or the adoption of proposals, and whenever necessary for the proper execution of its functions. The Risk Committee's key responsibilities include advising the Board of Directors on the management of risks applicable to the institution, particularly those inherent to its activities as a financial institution.

In supporting the Board of Directors in risk management and oversight, particular attention is given to monitoring the Group's overall risk appetite, general strategy and the Bank's current and future risk tolerance. The committee assists the Board in overseeing the implementation of the risk strategy and ensuring compliance with the established risk limits. This process considers all risk types, including environmental, social and governance (ESG) risks, to ensure that risk management is aligned with the business strategy, objectives, corporate culture and values of the Group.

One of the committee's specific functions is to assess and evaluate the risks associated with the institution's activities, including ESG-related risk factors:

- Understanding potential current or future losses related to environmental risks, including physical and transition risks.
- Evaluating exposure to social and governance risk factors, allowing for an assessment of risk-taking levels and potential mitigation measures.

Sustainability Committee

The Sustainability Committee is responsible for overseeing the Group's sustainability performance, covering environmental, social and governance (ESG) aspects. The committee ordinarily meets at least quarterly.

Its main responsibilities include:

- Advising the Board of Directors, where applicable, on the design of the corporate culture and values, particularly regarding environmental and social matters.
- Supervising and evaluating stakeholder engagement processes.
- Periodically assessing and reviewing the entity's environmental and social policy to ensure it fulfils its mission of promoting social interest, while also considering the legitimate interests of other stakeholders as applicable.
- Ensuring that the entity's environmental practices align with the established strategy and policies.

Sustainability and Agri-Food Development Department

The Sustainability and Agri-food Development Department is represented on the Entity's Management Committee and reports —either directly or through one of the Board committees, specifically via the Sustainability Committee— on sustainability-related risks and opportunities, with a particular focus on climate and environmental risks, to the Board of Directors of BCC, which serves as the Group's highest governing body.

Its key responsibilities include:

- Facilitating responsible and long-term growth through sustainable financing, support for businesses and entrepreneurs and responsible investment.
- Collaborating with various functional areas within the organisation to define and develop a cross-cutting strategy for managing direct and indirect sustainability-related risks arising from the Group's activities.
- Promoting support mechanisms for members and clients regarding sustainability and ecological transition.
- Developing action plans to implement the Group's strategy for managing risks and opportunities, especially those related to climate change.
- Contributing to the development of new financial products incorporating sustainability criteria.
- Supporting entrepreneurial initiatives that generate positive social, cultural and environmental impacts.

The Sustainability and Agri-food Development Department coordinates the processes, controls and governance procedures used to monitor, manage and oversee incidents, risks and opportunities identified in the double materiality analysis. This process involves the participation of the Control, Human Resources and Technology and Business Departments, with assumptions, decisions and results reported to the Management Committee and the Board of Directors of the Group's parent entity.

Since the IROs (Incidents, Risks and Opportunities) detected are already part of the Group's standard risk management framework, no additional specific controls or procedures have been deemed necessary. For the same reason, the way in which the administrative, management and supervisory bodies, along with senior executive management, oversee the establishment of goals related to material IROs and track progress toward their achievement is integrated into the Group's regular risk management processes. This is done through Risk Appetite Framework (RAF) indicators and risk reporting, which are submitted to the Group's Governance Bodies.

2.2.2.2. Risk management in the ESG environment

The Group has a comprehensive model for measuring, managing and controlling risks, aligned with its business strategy, organisational structure and geographical scope.

The ultimate responsibility for the Group's risk management lies with the Board of Directors of BCC, which oversees this function through the Audit Committee and the Risk Committee, both of which are chaired by independent directors.

To meet the objectives set out in its risk model, and in line with regulatory standards and best practices in the banking industry, the Board relies on the Group's three lines of defence, delegating specific functions through the Management Committee.

As a retail-focused financial institution, the Group's primary risks are those typical of the sector, including credit risk, operational risk, liquidity risk and interest rate risk. Its cooperative banking model is based on inclusive economic development principles, in line with cooperative values and the principles of social and solidarity-based economy. The core values of mutual assistance, responsibility, democracy, equality, equity and solidarity form the foundation for sustainable relationships with the environment and long-term planning, which are essential for integrating sustainability criteria into the business model.

As Spain's leading cooperative financial group, GCC has historically facilitated the retention of finance capital in local territories, promoted the development of local production systems and contributed to the sustainable growth of its operating environment. This approach strengthens cooperative principles and the values of social economy, fostering an inclusive economic model that generates long-term positive societal impacts.

The assessment and approval of risk exposures take into account the environmental, social and governance (ESG) factors of the applicant and their potential impact on business continuity and repayment capacity.

The following aspects are generally considered:

- Environmental factors:
  - Physical risks faced by the borrower due to the physical effects of climate change and their geographical location.
  - Transition risks arising from the borrower’s adaptation process toward a low-carbon and climate-resilient economy.
  - Market risks, understood as the potential difficulty in accessing financing markets for businesses not adequately transitioning to sustainability.
  - Legal risks related to regulatory obligations and potential sanctions that may affect the borrower’s financial resources.
- Social factors: Internal aspects, including human and labour rights, working conditions and occupational health and safety; external aspects, related to the applicant's responsibility toward the community and their business activity’s social impact.
- Governance factors: The applicant’s commitment to independence, transparency, remuneration policies and corporate governance standards.

The Group’s credit approval and monitoring process incorporates climate risk assessment. Throughout the entire risk management cycle —from origin to potential recovery— environmental, social and governance (ESG) factors are considered through the implementation of policies and procedures.

The integration of climate risk into the credit approval process enables the Group to manage risk exposure across different future scenarios. The selected climate risk scenarios include the Hot House World Scenario to measure the physical risk, as this represents the most severe scenario for physical climate risks. Orderly Transition Scenario: Applied to transition risk assessment and representing the most conservative approach for this risk category.

During the credit approval process, the following risks have been considered: i) river flooding risk, ii) wildfire risk, (iii) rising sea level risk, (iv) drought risk and (v) heatwave risk. Rising global temperatures have not been included as a separate risk factor, to avoid double counting within the risk assessment framework.

In recent years, the Group has significantly enhanced its risk monitoring processes through the design and integration of advanced analytics models. This allows for the early detection of potential impacts across all monitored clients, which is crucial for incorporating climate risk into the monitoring framework. The integration of these models ensures a long-term risk outlook, enabling the Group to maintain a resilient portfolio in anticipation of future climate-related risks.

The primary goal of the Group's risk model is to identify early signs of credit deterioration among clients, allowing for timely corrective actions to prevent negative financial impacts. The execution of this model in credit monitoring is designed to prioritise transition risk assessment, while excluding direct physical risk tracking, given that physical risks manifest over longer time horizons and are not relevant for short-term monitoring.

The Sustainability and Agri-food Development Department conducts an annual review of the material IROs, reporting to the Management Committee before presenting the results, within the double materiality analysis, to the Board of Directors. Additionally, the Sustainability Committee conducts regular monitoring of sustainability matters, approving related policies, actions and objectives, which are then tracked through the various metrics included in this report.

Sustainability remains a fundamental pillar of the Group's business model. No incidents, risks or opportunities have been identified that would jeopardise the Group's sustainability objectives. The Group maintains a holistic approach to sustainability, recognising its importance in the development and execution of its Strategic Plan. No specific financial compensation has been considered in defining Grupo Cooperativo Cajamar's sustainability strategy related to IROs.

2.2.2.3. Risk management and internal controls over sustainability reporting

GCC is developing an integrated evaluation and risk management system for sustainability disclosure. The Internal Control System for Sustainability Reporting (ICSSR) is based on internal control models developed by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) and follows the Group's combined assurance methodology, structured around the three lines of defence model.

The COSO framework is built on the following components:

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Supervision

The approach followed by GCC for risk assessment and prioritisation consists of several stages:

- Defining the objectives for sustainability reporting.
- Identifying risk sources in reporting based on the objectives established in the previous stage.
- Establishing general risks related to sustainability disclosure. Based on the above objectives and sources of risk, ten key risks have been identified:
    - Misinterpretation of sustainability regulations.
    - Incorrect interpretation/disclosure of policies adopted by management.
    - Setting goals and plans based on erroneous data.
    - Incorrect disclosure of management-defined goals and plans.
    - Use of incorrect variables in the construction of quantitative/qualitative indicators.
    - Incorrect calculation of quantitative indicators.
    - Misinterpretation of quantitative/qualitative indicators.
    - Lack of information for constructing indicators.
    - Incorrect definition of the organisational perimeter.
    - Absence of related policies or policies that do not fully cover regulatory requirements.
- Defining specific risks for each process and activity, based on GCC’s business model, information systems, data collection complexity and internal control procedures.
- Determining the risk scale. Lastly, in order to assess and gain a better understanding of the risks, allowing informed decisions to be made on how to manage them, different risk factors are identified. These are elements or variables that may influence the occurrence and impact of a specific risk and, as a result, serve to categorise the specific risk. Risk categorisation involves classifying identified risks into different levels of priority or severity, based on the risk factors analysed previously.

GCC will establish an annual internal control plan, outlining the objectives and actions for sustainability reporting control throughout the year. This plan will be driven by legal obligations, risk and control analyses and recurring internal control processes.

To ensure effective internal sustainability controls, the ICSSR will include executive reports to inform governing, management and supervisory bodies on:

- The evaluation of the ICSSR design, implementation and operational effectiveness.
- Progress in achieving the objectives and actions set out in the annual internal control plan.

2.2.3.Incentive systems (GOV3/ Appendix C ESRS2)

The Board members eligible for incentive schemes are those in senior management positions. Specifically, the CEO participates in the incentive system, alongside members of the Identified Group. Additionally, executive directors and the Chair are included in this system exclusively to comply with pension-related discretionary benefits regulations.

The incentive system is structured into three objective-based blocks, each containing various performance indicators:

1. Common objectives for all beneficiaries.
2. Specific objectives for each business area.
3. Individual performance objectives for each beneficiary.

Each indicator within these blocks carries a weighting based on achievement level. Similarly, each beneficiary's performance in each block has an impact on their overall incentive, influencing the amount received.

The maximum incentive payout can reach 108% or 110% of the target amount, depending on the type of beneficiary, such that the final incentive could exceed the initially planned target amount for each beneficiary.

Lastly, the incentive system is linked to a key objective: if the key objective is not met, no further performance indicators will be evaluated. If the key objective is partially met, beneficiaries may still receive 50% of the incentive.

The metrics used to determine the incentive corresponding to the members of the Identified Group include specific sustainability metrics:

- The metrics belonging to block 1 include the Carbon Footprint Reduction metric (representing 25% of the Group's metrics). While the Group's metrics have a weight of 40%, the weight of this metric accounts for 10% of the total incentive.
- The indicators included in the business unit block also include metrics linked to sustainability that will account for at least 20% of the business unit objectives block, which represents 8% of total incentive compliance.

Overall, sustainability-related objectives represent 18% of the total variable annual remuneration system.

The incentive system, including eligibility criteria, payout conditions and sustainability indicators, is proposed by the Remuneration Committee and approved by the Board of Directors.

2.2.4. Due diligence statement (GOV4)

The ultimate responsibility for the Group's risk management lies with the Board of Directors of BCC, which oversees this function through the Audit Committee and the Risk Committee, both of which are chaired by independent directors.

To fulfil the objectives set out in the risk model, and in accordance with regulatory standards and best practices in the banking industry, the Group has implemented an internal risk control system based on the three lines of defence model. The Group is also integrating ESG criteria transversally into its strategy and business model with a twofold objective:

- Compliance with internationally recognised standards.
- Fostering positive differentiation in sustainability.

To achieve these objectives, specific organisational units have been deployed within each of the lines of defence.

In addition, in relation to corrective and mitigation actions and policies, beyond segmenting, measuring, monitoring and controlling risks, organisations must also seek to reduce potential threats or risks to which they are exposed.

To achieve this, it is advisable to design corrective and mitigation actions within a structured framework that reduces the likelihood of risk occurrence or the impact of potential risks. In this regard, the Group has developed several key action lines, including:

- Automated alerts within the new sustainability risk reporting model, strengthening the due diligence process for operations potentially linked to Undesired Associations (UDA) as defined by the Board of Directors of BCC.
- Sustainability policies for borrowers, a tool designed to redirect investments toward more sustainable projects to accelerate the decarbonisation of the Group’s portfolio.

- Action plans to achieve climate neutrality by 2050, contributing to climate risk mitigation and ensuring long-term resilience.

Through its Socially Responsible Investment (SRI) strategy, the Group reinforces its commitment to investments that respect society, the environment and corporate governance best practices, by establishing exclusion criteria and other positive evaluation criteria that prioritise investments aligned with sustainability objectives.

Additionally, as part of its policy for socially responsible investment and the exclusion of undesired associations, the Group is committed to refraining from financing companies and organisations that are known to violate human rights.

The core elements of due diligence are reflected directly in Disclosure Requirements set out in ESRS 2 and in the topical ESRS, as illustrated below:

a) *Embedding due diligence in governance, strategy and business model (3). This is addressed under:*

i. ESRS 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies;

See section 2.2.2.

ii. ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes; and

See section 2.2.3,

iii. ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.

See sections 2.3.1; 2.3.3; 2.4.2; 3.2.2.2; 3.5.1.2; 4.1.1.2; and 4.2.1.2.

*b) Engaging with affected **stakeholders** (4). This is addressed under:*

i. ESRS 2 GOV-2;

See section 2.2.2.

ii. ESRS 2 SBM-2: Interests and views of stakeholders;

See sections 2.4.1; 4.1.1.1; and 4.2.1.1.

iii. ESRS 2 IRO-1;

See sections 2.4.2; 3.2.3.1; 3.3.3.1; 3.4.1.1; and 5.2.1.

iv. ESRS 2 MDR-P; and

See sections 3.2.3.2; 3.3.1.2; 3.4.1.2; 3.5.2.2.; 4.1.2.1; and 4.2.2.1; relating to policies on identified material aspects.

v. Topical ESRS: Reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process.

See previous points.

c) Identifying and assessing negative impacts on people and the environment (5). This is addressed under:

i. ESRS 2 IRO-1 (including Application Requirements related to specific sustainability matters in the relevant ESRS); and

See sections 2.4.2; 3.2.3.1; 3.3.3.1; 3.4.1.1; and 5.2.1.

ii. ESRS 2 SBM-3;

See sections 2.3.1; 2.3.3; 2.4.2; 3.2.2.2; 3.5.1.2; 4.1.1.2; and 4.2.1.2.

d) Taking action to address negative impacts on people and the environment (6). This is addressed under:

i. ESRS 2 MDR-A; and

ii. Topical ESRS: Reflecting the range of actions, including transition plans, through which impacts are addressed.

See sections 3.2.3.3.; 3.3.1.3; 3.4.1.3; 3.5.2.3; 4.1.2.4; and 4.2.2.4; relating to policies on identified material aspects and section 3.2.2.1, of the transition plan.

e) Tracking the effectiveness of these efforts (7). This is addressed under:

i. ESRS 2 MDR-M;

ii. ESRS 2 MDR-T; and

iii. Topical ESRS: regarding metrics and targets.

See sections 3.2.4; 3.3.2; 3.4.2; 3.5.3; 4.1.3; 4.2.3 and 5.3, on parameters and targets for the identified material aspects.

2.3. Strategy

2.3.1.Business Model (SBM1/ SBM3)

GCC operates a cooperative banking model, built on principles of inclusivity and economic development, aligned with cooperative values and the principles of the social and solidarity economy. The Group focuses on serving people, understanding and anticipating their needs in order to deliver effective and beneficial financial services. Its presence in both urban and rural areas enables GCC to support individuals in their professional activities, helping them develop and grow.

The core values of mutual assistance, responsibility, democracy, equality, equity and solidarity form the foundation for sustainable relationships with the environment and long-term planning, which are essential for integrating sustainability criteria into the business model.

As Spain's leading cooperative financial group, GCC has historically facilitated financial capital retention in local territories, promoted the development of local production systems and contributed to the sustainable growth of its operating environment. To preserve this approach, the Group has established indicators to monitor and evaluate its performance as a cooperative entity, taking into account its core characteristics, such as: financial inclusion, member engagement, defence of diversity, support for the real and local economy, solidarity and knowledge generation and transfer.

The new challenges in competitiveness demand cooperative engagement between the Group and its suppliers, viewing them as strategic partners and collaborators, through whom GCC also engages with society.

For GCC, value creation extends beyond financial returns —it is a fundamental objective that underpins its business model.

The Group utilises various initial resources (financial, industrial, human, relational and natural capital) to carry out key activities (commercial banking, asset management, insurance and agri-innovation) tailored to the needs of its stakeholders:

- Employees, including senior management, executives and all other staff members within the Group.
- Suppliers, encompassing all entities providing services to the Group.
- Clients, consisting of customers across all business lines of the Group.
- Cooperative members; customers who have acquired the status of cooperative member.
- Investors; the investors with whom the Group maintains relationships.
- Regulators and supervisors; entities that influence the Group, indirectly reflecting the views of society through media, NGOs, and non-customers.

The Group actively contributes to sustainable development from three perspectives: 1) Financing business and personal projects; 2) Promoting innovation, knowledge generation, and agri-food technology transfer through its experimental centres; and 3) Building partnerships with institutions and local actors to foster efficient production ecosystems, protect natural environments, and support local communities and economic stability.

To achieve these goals, GCC develops innovative financial products and services that not only meet clients' current financial needs but also address environmental and social challenges:

- For individuals, GCC offers a broad range of solutions in savings and investment, financing, insurance, credit cards, and leasing. For businesses, it provides financing, treasury services, payment solutions, insurance, collections and payments and international business services.
- Remote banking services and online channels are continually improved to enhance accessibility and efficiency, complementing the Group’s physical branch network, ATMs and mobile banking services to fulfil its financial inclusion commitment.
- For the agri-food sector, GCC offers tailored financial solutions to support financing, sustainability, international expansion, technology adoption and investment.
- Sustainability-focused objectives:
    - Green financing options: investment-related financing products with preferential rates for sustainable projects, including sustainable mobility, green home purchases, renewable energy investments, organic farming, irrigation modernisation and solar self-consumption.
    - Sustainable mortgages, available in mixed-rate and variable-rate formats, with interest rate discounts.
    - Dedicated sustainable business platforms, accessible via the Group’s website and intranet, to promote sustainable products and services among both clients and employees.
    - New financial products launched in 2024, specifically designed to generate a positive environmental impact, including: renewable energy financing, organic farming support, water resource management improvement, sustainable mobility financing and green construction funding.

To further integrate sustainability into its commercial strategy, GCC has implemented a target-based incentive system for its commercial network. In the investment objectives category, a 10% bonus is applied to green financing operations when calculating annual revenue estimates for commercial incentives.

Lastly, GCC's business model for sustainability is structured around its Master Plan. While the Master Plan defines short-term objectives (valid from 30 June 2024 to 30 June 2025), the Strategic Plan positions Sustainability as a key strategic pillar, extending through 2027 (see Section 2.3.3 – Sustainability Strategy).

The Master Plan, proposed, coordinated and monitored by the Sustainability and Agri-food Development Department, is periodically reported to the Group's governing bodies, specifically the Management Committee and the Board of Directors of BCC. A quarterly monitoring report is produced, presenting: progress toward objectives, recent actions taken and evidence supporting the implementation and advancement of the plan.

Further details on the Master Plan and its role in tracking the effectiveness of GCC's ESG policies and actions can be found in sections 2.3.3 and 3.2.2.1.

2.3.2.Key Figures (SBM1)

GCC, recognised as a leader in the Spanish cooperative banking sector, is one of the ten Spanish financial institutions directly supervised by the Single Supervisory Mechanism (SSM). At 31 December 2024, the Group was operating 799 branches and employed 6,116 staff members. Total assets amount to €62,203.765 thousand, with a gross margin of €1,552,241 thousand. The Group's primary business line is retail banking, offering financial products and services to individuals, small businesses and SMEs, with a particular focus on the agri-food sector. Additionally, the Group follows a multi-brand strategy, depending on the geographic structure of its various entities.

Currently, GCC operates exclusively within Spain, with no presence abroad. However, it does engage in certain international business activities, such as trade finance and export financing, though the financial impact of these activities is not significant.

GCC maintains a strong position in the agricultural sector, which, along with exposures to individuals, forms the core of the Group's contribution to the real economy.

The following table presents the number of salaried employees by geographical region:

Country	2023					2024				
	Number of employees									
	Women	Men	Other	Not reported	Total	Women	Men	Other	Not reported	Total
Spain	3,185	3,063	-	-	6,248	3,158	2,958	-	-	6,116

Among the 6,116 employees of Grupo Cooperativo Cajamar, nine are early retirees, who are considered in all metrics reported in this Sustainability Report.

GCC's total revenue amounts to €2,604 million. Currently, the Group does not publish a breakdown of significant business segments under IFRS 8, as all activities are reported under retail banking. The Group is awaiting new regulatory guidance that will specify the sectors for which financial institutions must disclose revenue. However, the Group's strategic focus aligns with its cooperative business model, emphasizing social economy, social progress, and cooperative values. GCC has not opted for an exemption from disclosing imminent events or ongoing negotiations.

The Group does not offer prohibited financial products or services in any markets that would conflict with its strategy or business model. It does not engage directly in fossil fuel-related activities, and revenues from financed fossil fuel operations total €13,781 thousand, distributed as follows:

- Oil sector: €10,758 thousand
- Coal sector: €1 thousand
- Gas sector: €3,022 thousand.

Revenue identification was conducted based on the counterparty's CNAE activity code (B05, B0892, B0610, B0910, C19, B0620; B0910; D352) and ratios disclosed in Templates 1 and 2 of the EU Taxonomy for nuclear energy and gas activities.

Additionally, GCC does not engage in chemical production, and revenues from financed operations in the chemical production sector total €5,820 thousand. This exposure was identified through CNAE code C20.

Regarding controversial weapons manufacturing and tobacco cultivation and production, GCC neither conducts nor finances these activities. The Group has no exposure to these sectors, based on counterparty activity codes (CNAE 2540, 0115 and 1200).

For further details, refer to Annexes I and II, which include EU Taxonomy reporting tables.

2.3.3.Sustainability Strategy (SBM1/ SBM3)

Sustainable development is a core pillar of GCC, embedded in the Group's Strategic Plan through a dedicated sustainability framework. The Group has implemented cross-cutting sustainability initiatives to establish itself as a benchmark financial institution in environmental, social and governance (ESG) performance.

GCC is committed to a business model aligned with the Sustainable Development Goals (SDGs), focused on creating social and environmental value. ESG criteria are integrated into strategic and operational decision-making, with continuous monitoring of their impact on risk management and business development. This approach aims to enhance short, medium and long-term profitability while generating value for the Group's stakeholders.

Strategic projects are designed to improve the Group's sustainability performance, strengthen its value chain, and increase its positive impact on society. GCC has fully integrated ESG risks and opportunities into its strategy and business model through the Sustainability Master Plan and sustainability-related initiatives within the Strategic Plan.

The Master Plan is structured around four key areas: environment and strategy, governance and risk appetite, risk management framework and disclosure and reporting. It includes workstreams focused on portfolio decarbonisation, resource efficiency, emission reduction, client advisory regarding ecological transition, sustainable finance, socially responsible investment and climate and nature risk management.

Within the Strategic Plan, sustainability initiatives target GCC's ESG performance, client relations, and societal impact. These initiatives include: integration of ESG risks into financial risk management, with a focus on credit risk; support for clients through advisory services, information, products and financial solutions tailored to sustainable development needs; diversity, inclusion, and employee well-being initiatives Continuous monitoring and assessment of ESG performance and impact, using evaluations from leading sustainability rating agencies.

Key sustainability initiatives: expansion of sustainable financial products and services aimed at improving clients' environmental performance and reducing the Group's financed emissions in line with GCC's decarbonisation objectives; further reductions in GCC's own energy consumption and emissions; ongoing, rigorous ESG performance evaluations of GCC and promotion of diversity and inclusion.

These initiatives, embedded in the strategy, business model and Sustainability Master Plan, ensure the effective management of material ESG impacts, risks and opportunities, covering key topics such as climate change, pollution, water resources, biodiversity, human capital, client relations and business ethics.

GCC's Strategic Plan 2025-2027 includes a set of sustainability KPIs, with targets for 2027, including:

- €1,150 million in annual sustainable financing production
- €630 million in annual green lending
- Interim decarbonisation targets for 95% of the credit portfolio by 2030, with the aim of achieving net-zero greenhouse gas emissions by 2050.

2.3.4. Consideration of stakeholder interests and social IROs in the strategy (Appendix C ESRS2)

When defining both its business model and its strategy, GCC considers the interests, opinions and rights of both its employees and its consumers/end- users.

To this end, GCC has established a Human Rights Policy to ensure respect for and protection of human rights across all its activities and relationships, including those with its employees, value chain participants, affected communities and consumers. This policy is based on internationally recognised frameworks such as: the United Nations International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights.

The Human Rights Policy is approved and supervised by the Board of Directors and applies to all activities within the Group, including subsidiaries and affiliated companies. All employees, executives and Board members are responsible for understanding and implementing this policy in a consistent and effective manner.

As for human rights in the supply chain, GCC has also adopted an Outsourcing Policy, approved by the Board of Directors, which extends its commitment to responsible practices and the protection of human, labour and environmental rights. To uphold this commitment, GCC requires its suppliers and business partners to respect fundamental human rights and to adhere to the United Nations Global Compact Principles. Additionally, GCC is a participant in an initiative led by the Spanish Network of the UN Global Compact, which has earned it recognition as an accelerator company in the Sustainable Suppliers Training Program. This initiative enables the Group to support and encourage the training of SME suppliers in key areas such as human rights, environmental protection, the fight against corruption and the promotion of fair labour conditions.

In 2024, the Group did not receive any complaints related to human rights violations, including issues such as freedom of association, non-discrimination, decent working conditions, health and safety standards, child labour and forced labour.

2.3.5. Consideration of environmental IROs in the strategy (Appendix C ESRS2)

No materially significant climate-related risks have been identified. However, the Group has identified opportunities related to R&D project development, which lead to continuous improvements for both clients and society in general. These opportunities are driven by projects in areas such as agri-sustainability, food, health, bio-economics, technology, etc. associated with physical risks related to climate.

Regarding climate transition risk, the Group sees an opportunity to support a more sustainable economy by financing sectors and companies that actively mitigate climate change. This involves redirecting investments, cash flows, and commercial relationships toward lower-carbon and climate-conscious sectors, projects and businesses.

GCC's material operational sites are located in urban areas, where: no activities negatively affect biodiversity sensitive areas; the locations do not experience environmental dependencies or risks related to the ecological condition of their surroundings; and GCC has no sites in biodiversity-sensitive areas that are affected by its operations.

No material negative impacts have been detected in relation to land degradation, desertification, soil sealing. Since GCC's core activity is financial services, it does not rely on suppliers from high-impact climate sectors. The Group also enforces an environmental undesired associations policy to prevent engagement with entities that pose significant environmental risks.

For these same reasons, no GCC operations or value chain activities have been identified as impacting threatened species.

2.4. Double materiality assessment (Appendix C ESRS2)

On 22 October 2024, the Board of Directors of BCC was informed of both the methodology defined by the Group and the results of the materiality analysis conducted in 2024. This analysis was carried out to ensure compliance with the recommendations of EFRAG and the interpretation of the standards established in the CSRD.

In previous years, GCC has maintained stakeholder dialogue by sending out questionnaires to gather input on how sustainability issues should be prioritised. In 2024, the process was expanded to include the identification of risks and opportunities resulting from identified impacts and the evaluation of IROs (impacts, risks and opportunities) by internal subject-matter experts, including representatives from business lines and Group functions.

The double materiality assessment process began with the identification of sustainability-related impacts, risks and opportunities across both GCC's own operations and its value chain. As regards its own operations, GCC identified and assessed impacts on people and the environment, as well as potential business risks and opportunities arising from those impacts. GCC also identified value chain impacts, focusing primarily on clients in the agri-food sector due to their strategic relevance to the Group.

- In order to identify climate change IROs, GCC assessed its risk profile using previous analyses of climate-related risks and their associated impacts as a starting point.

  The results showed that environmental risks could have significant business impacts, particularly transition risk under an orderly transition scenario, which was found to have a medium impact in the short and medium term and a high impact in the long term. As a result, the Group has established a set of climate-related objectives, which entail both risks and opportunities.

  On the impact side, GCC's decarbonisation measures —both reducing its operational carbon footprint and decarbonising its portfolio— lead to a positive effect in reducing greenhouse gas (GHG) emissions.

  As for opportunities, these arise from offering new financing options for sustainable investments and enhancing the Group's reputation through its commitment to climate action.

- Regarding pollution, the determination of impacts was carried out by identifying potential sources of pollution which, in the case of GCC, were more likely to originate from its value chain (investments in highly polluting companies or clients in the agricultural sector) rather than from its own activities. This conclusion was reached by analysing information sources; however, no exhaustive examinations were conducted of either GCC's own locations or those within its value chain, nor were consultations held with affected groups.

In this assessment, the identification of impacts and risks was based on the measures implemented by the Group to reduce pollutant emissions and mitigate their effects, such as investments in studies or the development of projects aimed at reducing pollution, as well as the incorporation of pollution-related criteria in financing decisions.

- For the identification of impacts and risks/opportunities related to water and water resources, according to the sources consulted and the nature of the Group's activities, the most significant impacts were considered to be within the value chain. However, in this assessment, these activities were not examined, nor were consultations held with affected groups. Instead, impacts were determined based on actions already implemented within the Group, such as the pursuit of projects promoting the efficient use of water through innovative technologies.

- Regarding biodiversity, the Group's activities have an indirect impact through the projects it finances in terms of legal/regulatory, market, physical and reputational risks. The impact and dependency analysis revealed the strong reliance of the primary sector, including agricultural and livestock activities, as well as the entire agri-food value chain, on the natural environment. In this assessment, activities within the Group's value chain were not examined, nor were consultations conducted with affected groups.

  Given the importance of these sectors to the Group's business, it was concluded that biodiversity mitigation measures should be applied and good production practices incorporated into these sectors to prevent the degradation of ecosystem services and, consequently, preserve natural capital. In identifying these impacts, consideration was given to the Group's role in redirecting financial flows towards productive projects and business models that are increasingly green, decarbonised and respectful of biodiversity and ecosystems.

  No analysis was conducted on the Group's operations and locations because, due to the nature of its activities, it does not have sites in biodiversity-sensitive areas, nor does the activity carried out at its own locations contribute to ecosystem degradation.

  However, in the area of circular economy, the Group's activities must be considered, as financial institutions must not only direct their financing responsibly but also ensure the efficient use of resources, extending product lifecycles and prioritising processes for proper waste treatment to reintegrate materials into production cycles, as well as reducing the use of paper, toner and other materials. Therefore, in identifying the IROs to be assessed, the Group has taken into account its initiatives to reduce material consumption. No assessments of assets or value chain activities were conducted, nor were consultations held with affected groups.

2.4.1. Stakeholder Dialogue (SBM2)

To incorporate the interests and opinions of stakeholders into the strategy and business model of GCC, surveys were used as the primary approach to stakeholder dialogue.

The purpose of these surveys was to determine the degree of materiality that the various surveyed stakeholders assigned to each sustainability issue based on their responses. For each answered question, a rating process was conducted on a scale of one to five, followed by standardisation and aggregation for each stakeholder group.

To establish a final assessment of the significance of different sustainability issues for stakeholders, two factors were considered: the influence each group has in the decision-making processes of the Group and the interest each stakeholder has, based on the impact of the activities and decisions, as well as the potential economic or social benefits they may derive from Grupo Cooperativo Cajamar.

As part of its strategy, GCC is committed to rural areas and the economic activities carried on there, playing a key role in the modernisation of Spain's rural economy. The agricultural sector is at the core of its origins and identity, making it a strategic priority for the Group. Stakeholder opinions and interests demonstrated that the Group's strategy is fully aligned with these perspectives, and therefore, no modifications to the strategy or business model of Grupo Cooperativo Cajamar were deemed necessary. For the identification and evaluation of impacts, risks and opportunities, the business model and geographic distribution of Grupo Cooperativo Cajamar were considered, as the nature of its activities, business relationships and location can influence whether an impact, risk or opportunity materialises and whether it becomes more or less significant for stakeholders in terms of impact.

The opinions and interests of the Group's stakeholders were communicated to the Board of Directors of the Parent, as well as to its Management Committee. For this purpose, a report summarising the entire relative importance analysis process was provided, including the evaluation of impacts, risks and opportunities.

2.4.2.IRO Assessment (SBM3/ IRO1)

The objective of the IRO assessment is to determine the materiality of sustainability issues identified as potentially material, through a two-pronged approach:

2.4.2.1. Impact materiality

According to Delegated Regulation (EU) 2023/2772, a sustainability issue is considered material from an impact perspective when it pertains to the undertaking's actual or potential positive or negative impacts on people or the environment over the short (less than one year), medium (one to five years), or long term (more than five years).

Impacts include those associated with the undertaking's own activities and the upstream and downstream phases of its value chain, meaning they also extend to its products and services, as well as its business relationships.

To comply with the CSRD recommendations, a methodology was implemented that consisted of two phases, followed by a final consolidation phase to assess impacts:

1. Stakeholder consultation: A materiality assessment from an impact perspective was conducted through surveys directed at the stakeholder groups defined in Section 2.3.1 Business Model above, regarding the most relevant sustainability issues.
2. Expert consultation: A materiality assessment from an impact perspective was conducted by specific areas of GCC with expertise in various relevant aspects.

Finally, the results of both analyses were consolidated to determine the impact materiality of the subtopics included in sustainability issues identified as potentially material.

In previous years, stakeholder dialogue was maintained through surveys to gather opinions on how the Group should address sustainability issues. This year, the process was expanded to include the identification of risks and opportunities arising from the identified impacts and the evaluation of IROs (impacts, risks and opportunities) by internal experts in the field, both from the Group's business lines and from its functional areas.

The input parameters used included the results of stakeholder surveys, stakeholder lists from comparable entities, sectoral information regarding client location, activity and revenue, supplier sectoral information, including their location, activity, revenue and how they are essential to the Group, as well as the taxonomy data of the investment portfolio, including asset type, investment amount, sector of activity and location. Additionally, information on shareholders and cooperative members, including their sector of activity, location and percentage of participation, and data on the various entities comprising Grupo Cooperativo Cajamar were considered.

The double materiality assessment of Grupo Cooperativo Cajamar was presented to the Board of Directors of the Parent following its presentation to the Management Committee. The materiality analysis conducted in 2024 will be reviewed and updated during 2025.

2.4.2.2. Financial materiality

According to Delegated Regulation (EU) 2023/2772, a sustainability matter is material from a financial perspective if it triggers or could reasonably be expected to trigger material financial effects on the undertaking. This is the case when a sustainability matter generates risks or opportunities that have a material influence on the undertaking’s development, financial position, financial performance, cash flows, access to finance or cost of capital over the short (less than one year), medium (one to five years), or long term (more than five years).

Risks and opportunities may derive from past events or future events. Additionally, financial materiality concerning a sustainability issue is not constrained to matters that are within the control of the undertaking but includes information on material risks and opportunities attributable to business relationships, that is, from the upstream and downstream phases of the value chain. Negative impacts were assessed based on their severity and probability, while for positive impacts, their magnitude, scope and probability were considered. Regarding financial materiality, the information provided in the evaluation was limited to internal areas and experts within the Group. The dual assessment resulted in a rating on a five-level scale (very low, low, medium, high, very high). The materiality threshold for this exercise was set, based on expert judgment, at "high," meaning that impacts, risks and opportunities classified as "high" or "very high," and their associated ESRS topics, are considered material.

2.4.2.3. Material IROs

The following tables list the sustainability-related impacts, risks and opportunities that have been identified and assessed as material as a result of the double materiality assessment process.

The material IROs by impact are:

	Material IRO	Description
E1 - Climate Change		
Climate change mitigation		
Positive impact (OO)	Development of projects in agri-sustainability, food, health, bioeconomy, technology, etc.	Through the development of R&D projects, the Group drives the sustainable transformation of systems, leading to permanent improvements in aspects relevant to customers and society in general.
Climate change adaptation		
Positive impact (OO)	Contribution to a more sustainable economy by supporting sectors/companies that mitigate the effects of climate change.	The Group's commitment to sustainable development involves the reorientation of its investments, cash flows and business relationships towards sectors, projects and companies that are increasingly decarbonised and aware of climate change.
E2 - Pollution		
Pollution of soil		
Positive impact (OO)	Encouraging a model of organic and sustainable agriculture.	The Group supports its customers in transitioning towards more sustainable production models by offering new financing channels that promote sustainable investments, leading to improvements in both the environment and society.

Pollution of water		
Positive impact (OO)	Development of projects to reduce crop pollution.	Through R&D projects, improvements are achieved in production methods or pollution prevention, resulting in lasting enhancements in the quality of life for various species.
Microplastics		
Positive impact (OO)	Investment in research on new biodegradable plastic materials for agricultural use.	The development of products that enable a more sustainable primary sector leads to improvements in both environmental quality and human health through a healthier diet.
Pollution of living organisms and food resources		
Potential positive impact (OO)	Financing research and adopting clean and sustainable agricultural technologies can lead to innovations that improve agricultural efficiency and productivity.	Enhancing resource efficiency, particularly in water and soil management, and ensuring the sustainability of agricultural ecosystems contribute to both environmental and societal well-being.
E3 - Water and water resources		
Water consumption		
Positive impact (OO)	Financing businesses that develop smart water technologies, such as remote sensors and intelligent irrigation systems for water management, enabling real-time monitoring and efficient use of water resources.	Supporting and advising clients on efficient water use is crucial, as water is not an unlimited resource and must be preserved since it is essential for both human and animal life.
Positive impact (OO)	Development of projects to improve irrigation water efficiency across different crops and promote the use of seawater or wastewater as a nutrient source.	Efficient water use helps ensure a reliable water supply for both present and future generations, contributing to improved health and quality of life for both people and species.
E4 – Biodiversity and ecosystems		
Direct impact drivers of biodiversity loss		
Positive impact (OO)	Contribution to biodiversity protection through investments in innovation and research.	Biodiversity is essential for the provision of ecosystem services such as health, supply and climate regulation, which lead to improvements in key aspects relevant to both humans and species.
Opportunity	Positioning the Group as a sustainable leader in the market, attracting further business opportunities.	The Group is among the leading financial institutions in climate change management, and the redirection of financial flows toward more biodiversity-friendly production projects would most likely continue improving the Group's financial standing.
S1 - Own workforce		
Working conditions of own workforce		
Risk	Reduction in productivity and increased employee turnover due to excessive workload.	A decline in the entity's economic performance could result from employee demotivation and stress caused by excessive workload. This scenario is considered highly unlikely in the short term due to the implementation of well-being and emotional health measures, which are regularly reviewed within the Group.
Equal treatment and opportunities for all own workforce.		
Risk	Lower capacity to attract and retain talent.	A decline in the entity's economic performance could arise due to employee turnover and challenges in recruiting specific skill sets. This situation is considered highly unlikely in the short term due to the Group's talent management programs and personal development initiatives.
S4 – Consumers and end-users		
Information-related impacts for consumers and/or end-users		
Positive impact (OO)	Grupo Cooperativo Cajamar has a privacy policy that protects consumers and users in the processing of their data.	The privacy policy helps build trust among consumers and employees by ensuring the protection of key aspects, thereby enhancing the Group's market reputation.
Potential negative impact (OO)	Breach of consumer and user data privacy due to security incidents.	A security breach in the Group would constitute a total violation of highly relevant aspects for different stakeholders, such as clients or employees, leading to some irreversible consequences and deterioration in trust and the Group's reputation. This impact is considered unlikely in the short term due to the Group's security and data protection systems.
Positive impact (OO)	Grupo Cooperativo Cajamar has a Customer Service department that handles and processes customer complaints.	The Customer Service department helps build customer trust by managing and resolving customer and other stakeholder complaints, improving overall client satisfaction.
Positive impact (OO)	Improved accessibility levels through the adaptation of communication and customer service channels.	Increasing accessibility in communication and customer service channels leads to improvements in key aspects for clients and users, such as inclusion and equality.
Positive impact (OO)	Enhanced information accessibility through the promotion of new channels, products and services.	The creation of new channels, products, and services improves information accessibility for clients and employees, increasing inclusion and equality while enhancing the Group's reputation.
Personal safety of consumers and/or end-users		
Positive impact (OO)	Strengthening user protection through the responsible use of client personal data.	The responsible handling of clients' sensitive information enhances security by reducing the risk of data breaches and increasing the security of data available to the Group.
Negative impact (OO)	Increased risk of personal data loss due to the absence of robust security processes.	A vulnerable security system could lead to a data breach with irreversible consequences. This could violate data protection rights and negatively impact the Group's reputation and trust.
Potential negative impact (OO)	Complaints regarding the violation of children's rights.	The violation of children's rights would harm the Group's reputation. Despite the potential high impact, due to the Group's internal protocols and policies, such an event is considered highly unlikely in the short term.
Potential negative impact (OO)	Risk of customer attrition and increased litigation costs.	Failing to protect consumers or actively contributing to consumer harm could lead to customer attrition and higher litigation costs. This risk is considered extremely unlikely in the medium term.

Risk	Loss of customer trust and complaints due to privacy violations, leading to increased litigation costs.	The growing frequency of cyberattacks makes this risk highly probable in the short term. If such an event were to occur, the Group would experience a significant impact due to the loss of customer trust and a potential rise in litigation costs.
Risk	Reputational risk and customer loss due to violations of children's rights.	In the event of a violation of children's rights, the scale of the scandal would have a significant impact on the Group.
Social inclusion of consumers and/or end-users		
Positive impact (OO)	Enhanced information accessibility through the promotion of new channels, products and services.	The creation of new channels, products and services improves information accessibility, increasing inclusion and equality while strengthening the Group's reputation.
Positive impact (OO)	Implementation of training channels and programs to improve customer decision-making.	The introduction of training channels to support customer decision-making will increase trust in the Group, improve clients' financial health and enhance overall well-being.
Positive impact (OO)	Improved customer satisfaction through compliance with quality standards.	Adhering to quality standards leads to better customer well-being, trust and satisfaction.
G1 – Consumers and end-users		
Corporate culture		
Positive impact (OO)	Public-private partnerships to promote and address sustainable development.	Being part of public-private partnerships such as the Net Zero Banking Alliance fosters sustainable development through jointly created strategies, research advancements and reporting updates.
Potential positive impact (OO)	Transparency in information disclosure and alignment between financial (IFRS) and non-financial (NFS) reporting.	Commitment to transparency in information disclosure and consistency across reports will impact various stakeholders (cooperative members, clients, etc.). The probability of occurrence is very high in the short term.
Potential positive impact (OO)	Maintaining professional integrity through mechanisms and training programmes to ensure employees have knowledge and skills suited to their profile.	Implementing mechanisms and training programs to uphold professional integrity and ensure employees' knowledge and skills would improve the quality of work performed, increasing trust in the Group. This impact is considered highly likely in the medium term.
Potential positive impact (OO)	Improving shareholder interests through dividend payments.	Dividend payments would enhance cooperative members' satisfaction, and this impact is expected to materialize with high probability in the short term.
Positive impact (OO)	Compliance with legal obligations.	Legal compliance is a priority for the Group, as failure to meet legal obligations would result in increased litigation costs and reputational damage.
Opportunity	Greater investment attractiveness and increased financial solvency through appropriate dividend policies and their efficient supervision.	Enhancing shareholder interests through dividend payments, generating greater investment attractiveness and financial robustness, is highly likely in the short term, according to the Group's expert assessment.
Political engagement and lobbying activities		
Potential positive impact (OO)	Disassociation from any entity that negatively contributes to a geopolitical event.	Associating with an entity that negatively contributes to a geopolitical event could damage the Group's reputation. The Group's expert advisors consider it highly likely that, if necessary, disassociation from implicated entities would occur in the short term.
Management of relationships with suppliers including payment practices		
Potential positive impact (OO)	Supplier certification based on ESG criteria.	Establishing a supplier certification process based on ESG criteria reduces procurement-related risks and improves the quality of acquired goods and services. This is highly likely to materialise in the short term.
Corruption and bribery		
Positive impact (OO)	The Group has adopted monitoring and control measures to prevent corruption and bribery.	A breach of anti-corruption and bribery laws would impact the Group's reputation. To mitigate this, protocols and control mechanisms have been established to prevent corruption and bribery cases.
Positive impact (OO)	Grupo Cooperativo Cajamar has a crime prevention system.	The crime prevention system aims to foster a compliance culture based on a "zero tolerance" approach toward illegal acts and fraud, implementing measures for prevention, detection and early management while promoting ethics and responsible behaviour across all levels. The system establishes controls and safeguards to prevent future litigation and reputational damage.
Potential positive impact (VC)	Integrity of the financial system through the application of strict risk management controls to prevent, detect and report financial crimes, such as money laundering and terrorist financing.	Strengthening controls to prevent, detect and report financial crimes, such as money laundering and terrorist financing, will enhance existing policies to ensure compliance with financial crime regulations and avoid increased litigation costs.
Actual positive impact (OO)	Existence of a confidential whistleblowing channel.	The establishment of a confidential whistleblowing channel ensures compliance with Law 2/2023 on whistleblower confidentiality, among other requirements. This channel represents a significant step forward in privacy, confidentiality, and whistleblower protection.
Opportunity	Maintaining a regular anti-corruption and bribery control and prevention framework significantly reduces potential sanctions due to increased awareness.	Reducing potential sanctions related to corruption and bribery is highly likely in the short term, with a considerable impact.
Risk	Failure to maintain a regular anti-corruption and bribery control and prevention framework significantly increases potential sanctions.	A lack of adequate measures could lead to a higher likelihood of sanctions related to corruption and bribery in the short term, with a considerable impact.

(OO) = Own Operations
(VC) = Value Chain

The following have been identified as material financial impacts associated with risks and opportunities:

Subtopic	Impact Title	Impact Description	Type of Impact	Risk / Opportunity	Risk / Opportunity Description	Probability	Scale	Time Horizon
Direct impact drivers of biodiversity loss	Project evaluation	Implementation of sustainability criteria in project evaluation before granting financing, ensuring that financed projects do not harm biodiversity.	Positive	Opportunity	Positioning the Group as a sustainable leader in the market, attracting further business opportunities.	0.925	0.8	1
Working conditions of own workforce	Work-life balance	Excessive workload affecting employees' work-life balance.	Reduction in productivity and increase in staff turnover due to excessive workload.	Risk	Reduction in productivity and increased employee turnover due to excessive workload.	1	0.8	1
Equal treatment and opportunities for all own workforce.	Talent management and professional development	Increase in turnover rate due to lack of an attractive professional offering to retain talent.	Negative	Risk	Lower capacity to attract and retain talent.	1	0.8	1
Personal safety of consumers and/or end-users	Safety	Non-contribution or negative contribution to consumer protection	Reduction in productivity and increase in staff turnover due to excessive workload.	Risk	Risk of customer attrition and increased litigation costs.	1	0.8	1
Personal safety of consumers and/or end-users	Cybersecurity	Increased risk of personal data loss due to the absence of robust security processes.	Reduction in productivity and increase in staff turnover due to excessive workload.	Risk	Loss of customer trust and complaints due to privacy violations, leading to increased litigation costs.	1	1	1
Personal safety of consumers and/or end-users	Child safety	Complaints regarding the violation of children's rights.	Reduction in productivity and increase in staff turnover due to excessive workload.	Risk	Reputational risk and customer loss due to violations of children's rights.	1	0.8	1
Corporate culture	Interests of cooperative members	Improving shareholder interests through dividend payments.	Positive	Opportunity	Greater investor appeal and increased entity solvency through appropriate dividend policies and their effective supervision.	0.925	0.8	1
Corruption and bribery	Oversight and control measures	The Group has adopted monitoring and control measures to prevent corruption and bribery.	Positive	Opportunity	Maintaining a regular oversight and prevention regime for corruption and bribery significantly reduces potential penalties by increasing awareness.	0.925	0.8	1
Corruption and bribery	Incidents	Allegations of corruption and bribery cases against the Group	Reduction in productivity and increase in staff turnover due to excessive workload.	Risk	Maintaining a regular oversight and prevention regime for corruption and bribery significantly reduces potential penalties by increasing awareness.	0.925	0.8	1

2.4.3. Conclusions (IRO2)

As a result of the double materiality analysis exercise, 18 sustainability matters have been identified as material out of the 37 sustainability matters evaluated. A matter is considered material when its materiality score is equal to or greater than 0.6 on a scale from 0 to 1, with 0.6 selected as the threshold for materiality.

Sustainability matters		Materiality	
Topic	Subtopic		
ESRS E1 - Climate Change	Climate change adaptation	0.91	Very High
	Climate change mitigation	0.69	High
ESRS E2 - Pollution	Pollution of water	0.89	Very High
	Pollution of soil	0.89	Very High
	Pollution of living organisms and food resources	0.73	High
	Microplastics	1.00	Very High
ESRS E3 - Water and Marine Resources	Water	0.9	Very High
ESRS E4 – Biodiversity and Ecosystems	Direct impact drivers of biodiversity loss	0.8	High*
ESRS S1 - Own Workforce	Working conditions of own workforce	0.78	High
	Equal treatment and opportunities for own workforce	0.78	High
	Other labour rights of own workforce	0.78	High
ESRS S4 - Consumers and End-Users	Information-related impacts for consumers and/or end-users	0.95	Very High
	Social inclusion of consumers and/or end-users	0.95	Very High
ESRS G1 - Business Conduct	Corporate culture	0.95	Very High
	Management of relationships with suppliers including payment practices	0.93	Very High
	Corruption and bribery	0.95	Very High
	Political engagement and lobbying activities	0.70	High

Based on these results, the entity must disclose the following topical ESRS datapoints in this sustainability report:

Sustainability matters	Topical ESRS	Reference Section
Climate change mitigation	E1-1: Transition plan for climate change mitigation	3.2.2.1
	E1-2: Policies related to climate change mitigation and adaptation	3.2.3.2
	E1-3: Actions and resources in relation to climate change policies	3.2.3.3
	E1-4: Targets related to climate change mitigation and adaptation	3.2.4.1
	E1-5: Energy consumption and mix	3.2.4.2
	E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions	3.2.4.3
	E1-7: GHG removals and GHG mitigation projects financed through carbon credits	3.2.4.4
	E1-8: Internal carbon pricing scheme	3.2.4.5
Climate change adaptation	E1-2: Policies related to climate change mitigation and adaptation	3.2.3.2
	E1-3: Actions and resources in relation to climate change policies	3.2.3.3
	E1-4: Targets related to climate change mitigation and adaptation	3.2.4.1
Pollution of water	E2-1: Policies related to pollution	3.3.1.2
	E2-2: Actions and resources related to pollution	3.3.1.3
	E2-3: Targets related to pollution	3.3.2.1
	E2-4: Pollution of air, water and soil	3.3.2.2
Pollution of soil	E2-1: Policies related to pollution	3.3.1.2
	E2-2: Actions and resources related to pollution	3.3.1.3
	E2-3: Targets related to pollution	3.3.2.1
	E2-4: Pollution of air, water and soil	3.3.2.2
Pollution of living organisms and food resources	E2-1: Policies related to pollution	3.3.1.2
	E2-2: Actions and resources related to pollution	3.3.1.3
	E2-3: Targets related to pollution	3.3.2.1

Sustainability matters	Topical ESRS	Reference Section
Microplastics	E2-1: Policies related to pollution	3.3.1.2
	E2-2: Actions and resources related to pollution	3.3.1.3
	E2-3: Targets related to pollution	3.3.2.1
	E2-4: Pollution of air, water and soil	3.3.2.2.
Water	E3-1: Policies related to water and marine resources	3.4.1.2
	E3-2: Actions and resources related to water and marine resources	3.4.1.3
	E3-3: Targets related to water and marine resources	3.4.2.1
	E3-4: Water consumption	3.4.2.2
Direct impact drivers of biodiversity loss	E4-1: Transition plan and consideration of biodiversity and ecosystems in strategy and business model	3.5.1.1
	E4-2: Policies related to biodiversity and ecosystems	3.5.2.2.
	E4-3: Actions and resources related to biodiversity and ecosystems	3.5.2.3
	E4-4: Targets related to biodiversity and ecosystems	3.5.3.1
	E4-5: Impact metrics related to biodiversity and ecosystems change	3.5.3.2
	E4-6: Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	3.5.3.3
Working conditions of own workforce	S1-8: Collective bargaining coverage and social dialogue	4.1.3.4
	S1-10: Adequate wages	4.1.3.6
	S1-11: Social protection	4.1.3.7
	S1-14: Health and safety metrics	4.1.3.10
	S1-15: Work-life balance metrics	4.1.3.11
Equal treatment and opportunities for all own workforce	S1-9: Diversity metrics	4.1.3.5
	S1-12: Persons with disabilities	4.1.3.8
	S1-13: Training and skills development metrics	4.1.3.9
	S1-16: Remuneration metrics (pay gap and total remuneration)	4.1.3.12
Other labour rights of own workforce	N/A	
Cross-cutting subtopics of S1	S1-1: Policies related to own personnel	4.1.2.1
	S1-2: Processes for engaging with own workforce and workers' representatives about impacts	4.2.2.1
	S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns	4.1.2.3
	S1-4: Taking action in respect of material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	4.1.2.4
	S1-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	4.1.3.1
	S1-6: Characteristics of the undertaking's employees	4.1.3.2
	S1-7: Characteristics of non-employee workers in the undertaking's own workforce	4.1.3.3
	S1-17: Incidents, complaints and severe human rights impacts	4.1.3.13
Information-related impacts for consumers and/or end-users	S4-1: Policies related to consumers and end-users	4.2.2.1
	S4-2: Processes for engaging with consumers and end-users about impacts	4.2.2.2
	S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	4.2.2.3
	S4-4: Taking action regarding material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	4.2.2.4
	S4-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	4.2.3.1
Personal safety of consumers and/or end-users	S4-1: Policies related to consumers and end-users	4.2.2.1
	S4-2: Processes for engaging with consumers and end-users about impacts	4.2.2.2
	S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	4.2.2.3
	S4-4: Taking action regarding material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	4.2.2.4
	S4-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	4.2.3.1
Social inclusion of consumers and/or end-users	S4-1: Policies related to consumers and end-users	4.2.2.1
	S4-2: Processes for engaging with consumers and end-users about impacts	4.2.2.2
	S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	4.2.2.3
	S4-4: Taking action regarding material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	4.2.2.4
	S4-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	4.2.3.1
Corporate culture	G1-1: Corporate culture and business conduct policies	5.2.2
Management of relationships with suppliers including payment practices	G1-1: Corporate culture and business conduct policies	5.2.2
	G1-2: Management of relationships with suppliers	5.2.3
	G1-6: Payment practices	5.3.3
Sustainability matters	Topical ESRS	Reference Section
Corruption and bribery	G1-1: Corporate culture and business conduct policies	5.2.2
	G1-3: Prevention and detection of corruption and bribery	5.2.3
	G1-4: Confirmed incidents of corruption or bribery	5.3.1
Political engagement and lobbying activities	G1-1: Corporate culture and business conduct policies	5.2.2
	G1-5: Political influence and lobbying activities	5.3.2

In addition to the general disclosure requirements included in ESRS 2 set out in previous sections, the Group discloses, in the following sections of this Sustainability Statement, information on the evaluation process and its results, addressing the following disclosure requirements:

a) **Governance** (GOV-2): Information on how the Group's governance bodies are informed about sustainability matters and how these significant risks, impacts and opportunities are addressed during the period.
b) **Strategy** (SBM-3): How the Group's strategy and business model interact with its material impacts, risks and opportunities, including how the undertaking addresses such impacts, risks and opportunities.
c) **Impact, risk and opportunity management**
    - (IRO-1): Description of the process by which the undertaking identifies and assesses material impacts, risks and opportunities
    - (IRO-2): List of disclosure requirements included in the Group's sustainability reporting, indicating the page numbers or sections where the relevant information can be found.

Additionally, for each material sustainability matter identified, the minimum disclosure requirements regarding policies, actions, metrics and targets have been included, along with the corresponding disclosure requirements from the thematic and sector-specific ESRS standards:

- Minimum disclosure requirements for Policies and Actions: Information on policies and actions established to prevent, mitigate and remedy actual and potential material impacts, address material risks or leverage material opportunities.
- Minimum disclosure requirements for Metrics and Targets: For each material sustainability matter, disclosure of the Group's performance measurement, including established targets and progress toward achieving them.

In Section 6.4, Annex IV, "List of datapoints in cross-cutting and topical standards that derive from other EU legislation," the specific section of this sustainability reporting where this information can be found is indicated.

3. Environmental Information

3.1. Disclosures pursuant to Article 8 of Regulation (EU) 2020/852

3.1.1.Context and scope

In June 2020, Regulation (EU) 2020/852, (hereinafter "Taxonomy Regulation" or "Taxonomy") was published, which establishes a formal framework for the classification of sustainable investments with the aim of reorienting capital flows towards objectives and activities that have a positive impact on the climate-related and environmental magnitudes defined by the framework.

The regulatory structure setting out the framework for disclosure in line with the Taxonomy Regulation includes:

1. Commission Delegated Regulation (EU) 2021/2139, of 4 June 2021, establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation;

2. Commission Delegated Regulation (EU) 2021/2178, of 6 July 2021, specifying the information to be disclosed by undertakings subject to Directive 2013/34/EU concerning the environmentally sustainable economic activities defined in the Regulation (NFRD);
3. Commission Delegated Regulation (EU) 2022/1214, of 9 March 2022, amending the previous two regulations to include the obligation to disclose information related to economic activities in the fossil gas and nuclear energy sectors;
4. Commission Delegated Regulation (EU) 2023/2486, of 27 June 2023, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives;
5. Commission Delegated Regulation (EU) 2023/2485, of 27 June 2023, supplementing Regulation (EU) 2021/2139 of the European Parliament and of the Council by establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives; and
6. Four Commission Notices on the interpretation and implementation of article 8 of the EU Taxonomy Regulation.

3.1.2. Major developments with respect to the previous statement

With reference to the requirements established in Article 8 of the Taxonomy Regulation and its corresponding Delegated Regulations, the main changes in this statement, corresponding to the financial year 2024, relate to more detailed qualitative and quantitative information disclosed by the non-financial companies and by management companies concerning their funds under management. For the former, the mandatory reporting this financial year corresponds to quantitative disclosures on eligibility reported by non-financial companies with respect to the four non-climate targets (water and marine resources, the circular economy, pollution, and biodiversity and ecosystems). For the latter, the Taxonomy Regulation, together with Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR), allow information to be drawn from the managed funds’ periodic reports insofar as they disclose the percentage of the fund that is Taxonomy-aligned and with respect to any products classified as Article 8 or Article 9 Products.

3.1.3. Calculation methodology

In accordance with the regulatory framework, the results generated and presented in the quantitative information tables are based on the individual analysis of each of the financial instruments and other assets of the Group, and not on global estimates regarding certain items from this part of the entity’s balance sheet.

Basic year-end portfolio figures (“stock”) are expressed as gross carrying amounts in accordance with European Commission guidelines for the templates in Annex VI of the Delegated Regulation of 6 July 2021.

With regard to the disclosure of flow data for the year, and following the guidelines established in the Draft Commission Notice (21/12/2023), the basic information is based on the opening balances of new transactions formalised in the year, with the exception of items other than loans and advances, debt securities, equity instruments, derivatives and real estate awards, which are calculated as the difference between periods T and T-1.

Annexes I and II of this document contain the quantitative information tables.

3.1.4.GAR ratio: Eligibility and Alignment

The Green Asset Ratio (GAR) shows the proportion of a credit institution's assets invested in taxonomy-compliant economic activities as a share of total eligible assets. The Taxonomy Regulation does not currently cover all the activities that are carried out and which banking institutions can finance; therefore it should be clarified that activities that have not been included as eligible or aligned are not necessarily considered harmful to the environment. In addition to the GAR, credit institutions shall disclose the percentage of their total assets that are excluded from the GAR numerator.

With regard to the calculation, the following definitions should be noted:

- An economic activity is considered to *align with the EU Taxonomy* if it contributes substantially to one of the six environmental targets, does not harm any of the other five targets (DNSH - Do No Significant Harm) and is carried out in accordance with the minimum social safeguards (MSS).
- The Regulation establishes that some exposures are *excluded* from the *numerator*, but are not excluded from the denominator when calculating the eligibility and alignment ratio, so in no case can 100% eligible or aligned assets be achieved according to the Taxonomy. These exposures are: *derivatives; interbank demand loans; cash and other cash-related assets; and other assets.*
- Pursuant to Article 7 of Delegated Regulation 2021/2178, certain *exposures are excluded* from the scope of the ratio, and therefore from *both the numerator and the denominator*: *Exposures to central banks, exposures associated with sovereign issuers; trading portfolio.*

The results, in terms of stock and referring to environmental climate targets (mitigation and adaptation), convey an alignment ratio of 2.40% with respect to turnover and 3.03% with regard to CapEx.

TURNOVER			
EU Taxonomy Regulation Indicators	***In thousands of Euros***	**Share of total assets (A+B+C)**	**Share of GAR assets (A+B)**
A) Exposures to eligible taxonomy-aligned economic activities	**17,287**	**27.37**	**37.14**
A1) Exposures to eligible taxonomy-aligned economic activities	1,117	1.77	2.40
A1.1) Exposures to eligible taxonomy-aligned economic activities (mitigation)	1,114	1.76	2.39
A1.2) Exposures to eligible taxonomy-aligned economic activities (adaptation)	3	0.01	0.01
A2) Eligible but not aligned exposures	16,170	25.61	34.74
B) Exposures to non-eligible taxonomy-aligned economic activities	**29,258**	**46.33**	**62.86**
Total assets associated with exposures to derivatives (hedging)	2,661	4.21	5.72
Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19 bis or 29 bis of Directive 2013/34/EU (EU and non-EU countries)	16,536	26.19	35.53
On-demand interbank loans within total assets	122	0.19	0.26
Other non-eligible exposures	9,939	15.74	21.35
Total GAR assets (A+B)	46,545	73.71	100.00
C) Exposures excluded from the GAR calculation	**16,604**	**26.29**	
Trading portfolio	0	0.00	
Exposures to central administrations and supranational issuers	13,186	20.88	
Exposures to central banks	3,417	5.41	

Total assets (A+B+C)	**63,149**	**100.00**	

CapEx			
EU Taxonomy Regulation Indicators	***In thousands of Euros***	**Share of total assets (A+B+C)**	**Share of GAR assets (A+B)**
A) Exposures to eligible taxonomy-aligned economic activities	**17,287**	**27.37**	**37.14**
A1) Exposures to eligible taxonomy-aligned economic activities	1,411	2.23	**3.03**
A1.1) Exposures to eligible taxonomy-aligned economic activities (mitigation)	1,410	2.23	3.03
A1.2) Exposures to eligible taxonomy-aligned economic activities (adaptation)	1	0.00	0.00
A2) Eligible but not aligned exposures	15,876	25.14	34.11
B) Exposures to non-eligible taxonomy-aligned economic activities	**29,258**	**46.33**	**62.86**
Total assets associated with exposures to derivatives (hedging)	2,661	4.21	5.72
Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19 bis or 29 bis of Directive 2013/34/EU (EU and non-EU countries)	16,536	26.19	35.53
On-demand interbank loans within total assets	122	0.19	0.26
Other non-eligible exposures	9,939	15.74	21.35
Total GAR assets (A+B)	**46,545**	**73.71**	**100.00**
C) Exposures excluded from the GAR calculation	**16,604**	**26.29**	
Trading portfolio	0	0.00	
Exposures to central administrations and supranational issuers	13,186	20.88	
Exposures to central banks	3,417	5.41	
Total assets (A+B+C)	**63,149**	**100.00**	

Aligned turnover mainly corresponds to:

- General-purpose financing of financial and non-financial companies obliged to publish non-financial information in accordance with Article 19 bis or 29 bis of Directive 2013/34/EU. Financing is deemed eligible/aligned according to the ratios the companies have disclosed in accordance with European Commission guidelines.
- Financing or assets that, by nature, are considered eligible as established in Article 8 of Commission Delegated Regulation (EU) 2020/852 (the Taxonomy Regulation), such as loans to households to finance the purchase of housing, home renovations or cars, foreclosed commercial and residential real estate and financing to local authorities for public housing.
  Determining whether these exposures are aligned has focused on home purchase loans, limited only to real estate purchased for residential use, which are the object of the financing and which were built prior to 31/12/2020. Within these limits, the energy efficiency of the buildings (substantial contribution) and their capacity to adapt to climate change (DNSH principle) were assessed.

3.1.5. Off-balance sheet exposures

The methodology established for ***financial guarantees*** granted to financial and non-financial institutions was similar to that for asset items, including in the numerator all guarantees granted to financial and non-financial companies obliged to publish non-financial information in accordance with Article 19 bis or 29 bis of Directive 2013/34/EU. Eligibility/alignment is calculated according to ratios published by the counterparties in accordance with European Commission guidelines. Information is disclosed for both stock and flow.

The methodology established for ***managed assets*** distinguishes between two types: for equity items, the same criterion has been followed as for assets and financial guarantees granted, applying the ratios of issuers subject to the NFRD; and for fixed income items, investment funds and discretionary portfolio management, sustainability information has been obtained from the information published by the asset managers (periodic reports and official templates, per the

SFDR) and from leading consultancy firms in their sector. This information was more accessible and quantifiable than in the previous year.

3.1.6.Nuclear energy and gas

Financing for this type of activity is classified on the basis of two forms of analysis and assessment:

- Evaluation of the specific-purpose financing of this type of activity, through project funding or specialised funding, when the counterparty is obliged to publish non-financial information in accordance with Article 19 bis or 29 bis of Directive 2013/34/EU.
- Evaluation of the general-purpose financing of companies obliged to publish non-financial information in accordance with Article 19 bis or 29 bis of Directive 2013/34/EU which are engaged in this type of activity, based on information disclosed by said companies.

No specific-purpose financing operations have been identified, so the results reflect the eligibility ratios and alignments disclosed by the counterparties with respect to nuclear and gas activities. The figures were taken from sector analysis, producing a breakdown of information on non-financial corporations.

3.1.7.Main constraints and difficulties

To comply with the requirements contained in the regulatory framework, the information needed for these disclosures is collected on a “best-effort” basis. The main constraints and difficulties encountered during the information gathering process are as follows:

- High dependence on data from non-financial counterparties. Key performance indicators, such as the Green Asset Ratio (GAR), depend on the quality and quantity of data provided by non-financial counterparties. Complete and accurate data is not yet fully available from non-financial corporations.
- Certain exposures are excluded. The current rules do not cover specific exposures, such as those related to unlisted small and medium-sized enterprises (SMEs) or companies outside the EU. These exposures are excluded from the key performance indicators, so they do not reflect all the financing of Taxonomy-aligned economic activities.
- Regulatory and methodological complexity. The adoption and implementation of methodologies based on new legislation is challenging, especially with regard to ensuring the disclosures are consistent and comparable with those of other entities.
- Tools still in the process of being developed. This process needs to be completed to fully comply with the regulatory requirements and ensure a robust evaluation of eligible and Taxonomy-aligned activities.

3.1.8.Strategic performance

Sustainable development is one of the fundamental pillars of the Group’s strategy, and its strategic plan contains a sustainability axis. This axis, based on transversal measures, is designed to meet the challenge of becoming a benchmark financial institution in terms of its performance on social and environmental matters and good governance. This desire forms the basis of efforts to build a business model that is aligned with the sustainable development goals and reflects a commitment to creating social and environmental value, building ESG criteria into strategic and tactical decisions and tracking how they affect risk management and the development of the business, so as to strengthen profitability in the short, medium and long term, adding value for all our stakeholders.

Strategic projects focus on helping the Group to perform better in sustainability matters, improving its value chain and impact on society. This involves completing the process of incorporating environmental, social and governance criteria into the company's operations, with action plans focused on managing the impacts, risks and opportunities involved in making the business sustainable. The planned actions include promoting products and services aimed at improving the environmental performance of the Group's customers and reducing the environmental footprint of financed activities in line with decarbonisation targets, continuing to reduce the Group’s own consumption and emissions, carrying out constant, objective and rigorous assessments of our ESG performance, and fostering diversity and inclusion. The Group’s strategy for implementing all these measures aligns with and is benchmarked against the definition of sustainability established in the Taxonomy Regulation (EU) 2020/852.

3.2. Climate change (E1)

3.2.1. Governance

3.2.1.1. GOV-3. Integration of sustainability-related performance in incentive schemes

Grupo Cooperativo Cajamar’s disclosures on whether and how climate-related considerations are factored into the remuneration of members of the administrative, management and supervisory bodies are detailed in section 2.2.3. Incentive systems.

3.2.2. Strategy

3.2.2.1. E1-1. Transition plan for climate change mitigation

To meet the Group’s targets and ensure that its strategy and business model are compatible with the transition to a sustainable economy, with limiting global warming to 1.5 °C in line with the Paris Agreement and with the objective of achieving climate neutrality by 2050, the Group has a Sustainability Master Plan (2024-2025) that forms part of its transition plan. This plan structures the Group’s contribution to the decarbonisation process around four key pillars: strategy, governance and risk appetite, risk management framework and disclosure.

In 2025, Grupo Cooperativo Cajamar will develop a plan supporting the transition towards a sustainable economy in line with the transition plans defined in Directive 2024/1619, amending Directive 2013/36/EU. This plan will include quantifiable goals and processes for assessing the short-, medium- and long-term impacts of environmental, social and governance (ESG) factors, as stipulated in the Paris Agreement and in line with the Group's strategy, setting out in a single, formal plan the advances made in various areas in 2024 and earlier, including the approval of decarbonisation targets, a materiality analysis, and incorporating ESG factors into the Group’s risk profile, risk management and business operations.

This Sustainability Master Plan incorporates these factors more deeply into the day-to-day management of the corresponding areas, further advancing initiatives designed to meet the Group's goals. The plan was approved by the Bank's Board of Directors, which receives regular progress reports thereon. It fosters the transversal implementation of measures throughout the organisation relating to eco-efficiency, sustainability risk management and sustainable financing and business, in order to ensure ESG criteria are appropriately incorporated and managed. Work on the Master Plan continued as planned in 2024, and the measures contained therein to integrate ESG factors into the Group's management and strategy have been fully incorporated into the new 2025-2027 Strategic Plan, along with the goal of making the Group a sector leader in terms of its contribution to building a more sustainable society and economy. Sustainability is one of the specific axes of the Strategic Plan, structured across 3 main areas (the institution, customers and society). This will help to strengthen and continuously monitor the sustainability measures and targets, anticipate risks and opportunities, and ensure that these measures and targets are fully integrated into financial planning and that the internal resources needed to meet them are available.

The Group has been measuring its operational carbon footprint since 2014, and in recent years has focused its efforts on reducing emissions from both its own operations and its financed emissions, i.e., those associated with its loan and investment portfolio. Its financed footprint target has been set according to the criteria established in the best-known and most reliable standards, in line with the Paris Agreement, aimed at limiting global warming to 1.5 ºC.

As a financial institution, Grupo Cooperativo Cajamar is not excluded from the EU indicators set to meet the Paris Agreement targets. It has been a member of the Net Zero Banking Alliance (NZBA), a financial initiative of the United Nations Environment Programme (UNEP FI), since 2022, signing up to the alliance's target of net zero greenhouse gas emissions from economic activities by 2050 and aligning its loan and investment portfolios to meet this target.

Decarbonisation targets were set in 2023 for sectors identified as major contributors to greenhouse gas emissions, i.e., sectors that represent sources of significant emissions or which account for a material percentage of the Group's portfolio, specifically, energy, oil and gas.

In 2024 it has continued to make progress according to the planned roadmap, and decarbonisation targets for both the mortgage portfolio and the agri-food portfolio have been set and approved by the Board of Directors. The latter are of great strategic importance for the Group and have been set for the entire agri-food value chain, classifying it into six different groups: agriculture, livestock, support services, food and beverage industry, wholesale and retail food sales.

These new targets, in addition to those already set for carbon-intensive sectors, mean that targets have been set for around 60% of the portfolio to which decarbonisation targets can be applied.

The Group continues to make progress on preparing transition plans to bring its carbon-intensive financing to within the proposed decarbonisation targets (1.5 ºC or Net Zero by 2050) and enable it to follow a decarbonisation pathway in line with the methodology of the Science Based Targets initiative (SBTi).

To ensure that all these targets are met, a procedure has also been established for monitoring the decarbonisation-related targets when approving exposures to risk in the targeted sectors, together with a model for monitoring the footprint of counterparties that make up the portfolio. All these targets are underpinned by a sustainable business plan with indicators and initiatives to ensure that they are implemented and achieved. Key value chain decarbonisation levers include products and services to decarbonise the portfolio and provide cooperative members and customers with support to help them improve their environmental performance and energy efficiency, in particular:

- Green mortgages.
- Loans for improving the energy efficiency of homes.
- Sustainable agriculture and protecting biodiversity.
- Financing for activities aimed at managing water resources sustainably.
- Financing for renewable energy projects.
- Financing for the purchase of cars, light commercial vehicles and large vehicles with emissions below 50g CO_2/km until 2025, and 0g CO_2/km from 2026.

At the same time, the Group is also committed to innovation and research to help customers and cooperative members adopt new technologies, especially in the agri-food sector, and earmarks part of its profits specifically for this purpose. This work is mainly carried out by a number of strategic units, which are coordinated by the Sustainability and Agri-food Development Department:

- Two research centres in Almeria and Paiporta.
- Plataforma Tierra: Grupo Cajamar's online community for agri-food knowledge, created with the aim of facilitating the digital transformation and competitiveness of the whole value chain.
- Studies and publications.
- Cajamar Innova: A startup incubator and accelerator launched in 2021 initially to finance startups specialising in water technologies, which has since extended to companies engaged in developing other technologies to help make the sector more sustainable. Its aim is to attract talent and mentor entrepreneurs as they design prototypes and viable business plans, with the support of experts and strategic partners from the Group's innovation ecosystem, and with a team of specialists in agronomy from its two research centres.

The implementation of the transition plan did not require any specific investments or financing as it forms part of the Group's usual operations.

The Group does not have any locked-in GHG emissions from its key assets and products that could jeopardise the achievement of its GHG emission reduction targets and drive transition risks.

Grupo Cooperativo Cajamar, via financing extended to customers, has CapEx investments of EUR 13,653 thousand in the fossil gas sector out of a total investment in the gas sector of EUR 98,534 thousand. Its exposure to the coal sector amounts to EUR 4 thousand, while financing extended to the oil sector amounts to EUR 253,086 thousand.

3.2.2.2. SBM-3. Material impacts, risks and opportunities and their interaction with strategy and business model

Climate-material IROs have been identified in section 2.3.5. Consideration of environmental IROs in the strategy.

As a financial institution and given the nature of its operations, Grupo Cooperativo Cajamar treats the risks associated with climate change, due to their systemic nature, as transversal risk factors that also impact on traditional risks. Managing climate risk forms one of the Group's three lines of defence, and all of the Group's Departments are involved in the transversal and active management of these risks (see section 2.2.2. ESG. Governance management and control bodies).

According to the definitions set out in the ECB's "Report on ESG risk management and supervision for credit institutions and investment firms", environmental risks are understood as: "The risks of any negative financial impact on the institution stemming from the current or prospective impacts of environmental factors on its counterparties or invested assets." These risks are classified into two categories:

- Physical risks: risks arising from the physical effects of climate change and environmental degradation, which in turn can be subdivided into those caused by extreme (acute) climatic events, and those resulting from medium- and long-term change in climate behaviour (chronic). The risks identified by the Group include, but are not limited to, river and coastal flooding, fires and desertification.
- Transition risks: risks arising as a consequence of the uncertainty related to the transition to a decarbonised production system, which will imply a drastic transformation of the global economy through important changes in technology, the market, or regulations. The risks identified by the Group include, but are not limited to, the relatively sudden introduction of environmental policies, technological advances and changes in customers' or investors' preferences.

These risks can affect the resilience of the business model as they are sources of risk for all traditional prudential risks (market, operational, settlement, etc.). and can trigger both direct damage, through counterparty risk, and indirect damage, through widespread economic decline.

To determine the impact of climate risks on traditional risks, the Group has developed a matrix of transmission channels designed to reflect all the possible ways in which transition risks and physical risks could affect direct (profitability, production, value of physical assets, etc.) and indirect (macroeconomic) financial variables. As it ultimately impacts on the risk parameter, this matrix forms the starting point for assessing the material impact of climate risks on financial risks.

Based on the map of financial risks and the material risks identified by the Group, the risk categories that may be most affected by climate factors are credit, concentration and business, since they are doubly affected by physical and transition risks. The risk increases over time, although it should be noted that, in the long term, the risks are more likely to be mitigated through the application of corrective measures.

The traditional risks identified as material for the Group may be affected by the following impacts, broken down by climate risk type:

- Physical risks: the risks identified as more sensitive to acute weather-related events could have an impact in the shorter term. The impact of physical risks could be greater in the long term and involve more risks, due to chronic weather-related effects and more frequently occurring acute events. Sectors whose operations are affected are likely to be those that suffer most, reducing revenues, generating additional costs and perhaps also affecting their assets. Physical risks could also, therefore, have an indirect impact on traditional risks, especially credit, concentration and business risks.
  In general, the Group classifies these as medium-level risks in all time frames, given the uncertainty of the occurrence of such events, especially those associated with acute risks. Chronic risks will depend, to a certain extent, on how much global warming increases.
- Transition risks: these are likely to have a greater impact and may become medium-high level risks for the majority of risks in the long term. This is because increasingly strict policies and regulations are expected to be needed to meet global targets, together with major technological changes that will likely drive changes in consumers' and investors' preferences. It will be essential to monitor how companies linked to GHG emission-intensive activities progress in transitioning to processes with lower emissions.
  The level of risk that will transpire over time is very uncertain, as all outcomes depend on whether or not global temperatures can be contained and whether the targets set for the short, medium and long term can be met.

When determining which climate scenarios to adopt in its climate change strategies and management, and in view of the climate commitments it has made to its stakeholders, as well as the approaches set out in its Strategic Plan and its Sustainability Master Plan (see section 2.3.3 Sustainability Strategy), Grupo Cooperativo Cajamar decided to base its decarbonisation strategy on a Net Zero by 2050 scenario. This is an ambitious but plausible scenario that involves:

- Assuming a favourable policy environment for the fight against climate change.
- Achieving climate neutrality by 2050 within the Group.
- Proactively responding to regulatory and supervisory expectations.
- Encouraging leadership in the field of sustainable development and cooperative banking.

The phases involved are:

- Ecological transition phase (2015-2030). In this phase, companies will be adapting to the legal-supervisory framework, so the most important risks will be transition risks. Basically, businesses will have to make significant investments to adapt their capital goods and, depending on the sector, to make the necessary provisions to address the problem of stranded assets.
- Adapting to the new competitive framework (2030-2040). Companies will need to identify and exploit comparative advantages (based on prices and costs) and location revenues to adapt to the new productive and commercial framework. Essentially, companies will have to face risks associated with lost revenue or increased costs.
- Differentiation phase (2040-2050). Companies will have to identify and exploit competitive advantages (based on the creation of shared value) to adapt to a new competitive framework that is particularly demanding from a productive and commercial point of view.

The scenarios published annually by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) were used to assess the climate risks affecting the Group's financing portfolio, as the Group has been analysing them and the implications they have on its business and risk management since publication began. These scenarios also form part of credit risk management as they are included in the Group's approval models.

To analyse resilience to climate factors, the Group uses two types of stress test, focused on climate and environmental risks:

- internal, as part of the risk management process, including capital adequacy and liquidity processes; and
- external, through participating in the ECB's stress tests in order to assess the Group's ability to cope with financial and economic shocks deriving, in this case, from climate or environmental scenarios. The details of these exercises (scope of application, time horizon, methodological assumptions and stress scenarios) are provided by the EBA, so that they follow a common framework, and are detailed in the Methodological Notes published by the ECB.

The internal stress tests performed as part of the risk management framework are detailed in this note.

The Group includes stress tests focused on climate change in its internal capital and liquidity adequacy assessment processes (ICAAP and ILAAP). Based on the industry consensus of the concept, climate risks are understood as a risk factor that impacts the rest of the traditional risks managed by the Group. For this reason, stress tests have been included in the ICAAP and ILAAP to specifically assess the impact of climate risk on credit risk.

The macroeconomic climate risk scenarios published by the NGFS are taken as the starting point for assessing the impact on credit risk, evaluating the climate factors that could impact the Group's positions, given that the Group's greatest exposure to climate risk is through loans to customers within the value chain. The climate factors used relate to four types of events that impact credit risk: physical risk through floods (river and maritime); physical risk through drought and heat wave; physical risk from fires; and transition risk in an orderly scenario, a disorderly scenario and a final scenario of uncontrolled global warming (hot house world).

The scope of the test is defined to include the portfolios and sectors that the ECB considers most affected, taking into account the sectors and exposures that are most material for the Group.

- Physical risk: The exercise focuses on drought, heat, flood and fire events, as these are considered the most likely scenarios in Spain.
    - Drought and heatwave: these affect the productivity of people working outdoors and thus economic productivity, impacting the Group's corporate exposures.
    - Flood and fire: the impact of these risks derives from the loss of value of the real estate used as collateral if they are destroyed or damaged. Exposures to mortgages are therefore likely to be the hardest hit.

  The resulting impairments to corporate positions due to falling productivity or the revaluation of collateral would generate non-significant losses in the loan portfolio but would not, in any scenario, jeopardise capital adequacy or make it necessary to take any strategic action currently.

- Transition risk: Corporate exposures are the most vulnerable to transition risk, mainly due to the impact of climate policies aimed at reducing emissions, such as carbon pricing, and additional investment needed for the transition to more sustainable technologies.

Three long-term scenarios are used for transition risk (orderly, disorderly and hot house world), applied at ten-year intervals over 30 years (2030, 2040 and 2050).

The "Orderly" scenario is based on the assumption that climate policies are introduced early and become gradually more stringent. Global warming is limited to 1.5 ºC.

"Disorderly" scenarios explore higher transition risks due to policies being delayed. They assume that new climate policies will not be introduced until 2030 with a 67% chance of limiting global warming to below 2 °C.

The third, "hot house world" scenario assumes no new climate policies will be implemented and that global efforts will not be sufficient to significantly stop global warming. Global emissions will keep increasing, with temperatures rising by 3 ºC by 2080, leading to ever greater physical risks and, consequently, worsening economic productivity.

The corporate portfolio changes in stages from one scenario to the next. Exposures that are currently normal are reclassified as non-performing, increasing the cost of the risk. Non-performing corporate exposures are highest in the 2050 hot house world scenario, giving rise to impairment losses. Nevertheless, these losses would not be sufficient in the long term to jeopardise the Group's capital adequacy or require additional measures to mitigate this future risk.

The Group also assesses the possible impact on market risk and liquidity of lower environmental ratings, which could have a negative impact on market prices. Specifically, it analyses ESG risks for eligible fixed income instruments (subordinated debt and senior debt issuances), corporate fixed income and equities, excluding instruments that are not subject to an environmental assessment or for which it is not possible to obtain such an assessment directly.

The stress tests show that the decrease in the value of instruments as a result of a lower environmental rating would cause non-material losses, and no additional measures are required at present.

Finally, the climate and environmental risks in relation to operational risk are defined as potential operational losses associated with physical risk factors (losses due to extreme weather events and other environmental factors) and with transition or conduct factors arising from civil liability claims if the Group sells green products whose underlying assets are not as green or sustainable as marketed.

The stress tests used to estimate the losses take into account an internal exercise that examines issues that are specific to the Group, as well as an assessment of historic losses. The tests performed do not suggest that additional measures are required to mitigate the risk at present.

Also worthy of note is the progress made by the Group in integrating climate and environmental risks into its internal capital adequacy assessment process (ICAAP), in order to assess their impact on its risk profile and solvency. This enables risks to be identified and quantified in order to ensure capital adequacy. Specifically, the materiality analysis performed by the Group allows the losses due to the impact of climate and environmental risks on credit, operational, market and liquidity risk to be quantified via stress tests. The Group includes and considers climate and environmental risks in its general policies, and it also has a specific high-level policy for establishing the principles and design of internal climate stress tests, helping to make the Group’s business model more resilient.

3.2.3.Impact, risk and opportunity management

3.2.3.1. IRO-1. Description of the processes to identify and assess material impacts, risks and opportunities

As detailed in section 2.4 Assessment of double materiality, the IROs associated with climate change are identified taking into account the Group’s risk profile, starting with the main impacts of the risks associated with climate change included in the analyses carried out on said impacts. The analysis showed that the environmental risks could have a significant impact on several aspects of the business. In the materiality analysis of the financial sector’s traditional risks, under an orderly transition scenario, the greatest impact derives from transition risks, with a medium-level impact in the short and medium term and a high-level impact in the long term. The Group has, therefore, set a series of climate targets, encompassing impacts, risks and opportunities.

Turning to the positive impacts related to climate change mitigation, the Group's mission and vision include a commitment to supporting local communities, especially in the agri-food sector, that goes beyond financing their businesses and is complemented by extensive work on research and knowledge transfer. In particular, the projects developed in its Experimental Centres promote sustainable development, mitigating the adverse effects of climate change and fostering greater productivity, maintaining quality and reducing the volume of emissions.

Likewise, in relation to climate change, the measures implemented to decarbonise the Group’s activities, either by reducing its operational carbon footprint or by decarbonising its portfolio, have a positive impact by reducing greenhouse gas emissions (GHG). The opportunities identified include the possibility of offering new financing channels aimed at more sustainable investments and the reputational advantages of being committed to combating climate change. All of these are reflected in the Group’s strategy and policies.

3.2.3.2. E1-2. Policies related to climate change mitigation and adaptation

Grupo Cooperativo Cajamar has adopted a range of robust and strategic policies for managing its material impacts, risks and opportunities related to climate change mitigation and adaptation. These policies are designed to effectively identify, assess, manage and mitigate the challenges and opportunities faced by the company in the context of climate change.

The impacts identified as material include the need to move towards a more sustainable economy by supporting sectors and companies that mitigate the effects of climate change and, with regard to mitigation, the development of projects linked to agricultural sustainability, food, health, bioeconomy, technology, etc.

To adapt to the impact of climate change by supporting a more sustainable economy, the Group has a policy on decarbonisation targets, a sectoral policy and a policy on excluding undesired associations. The sectoral policy, together with the Group's environmental policy, are particularly important to the development of projects to mitigate climate change.

The main policies and strategies that support the Group's commitment to sustainability and climate action are detailed below:

- Policy on achieving the Group's decarbonisation targets

  Following its adherence to the Net Zero Banking Alliance (NZBA) promoted by UNEP FI, the Group has set interim targets until 2030, with the ultimate goal of reaching net zero emissions by 2050. These targets reaffirm the Group's commitment to combating climate change, aligning its strategy with its sectoral plans, thereby enabling it to direct its portfolio towards alignment. All these policies have been approved by the Board of Directors of Banco de Crédito Social Cooperativo.

  Following the roadmap established, the Group is setting and approving intermediate climate milestones along the way to net zero, including reducing emissions from its own operations (efficiency measures contained in the Group's Eco-efficiency Plan) and from financed emissions (including climate change mitigation and adaptation). This strategy underpins the journey towards decarbonisation, supporting cooperative members and customers in the transition towards a low-carbon economy.

- Sectoral policy framework

  The Group has defined a policy to help it segment its investment portfolio based on two main variables: the strategic importance of each sector (x-axis) and its level of decarbonisation (y-axis). This Group Sectoral Policy was approved by the Board of Directors of Banco de Crédito Social Cooperativo in 2021 and is reviewed and updated periodically.

  These strategic variables, together with carbon levels, are used to define business segments, and different measures and criteria are set for approving customers, granting loans, sales and monitoring.

  To align the support given by the Group to its most strategic sectors with the transition support provided to all its members and customers, this matrix is the tool used to help the Group implement its strategy of decarbonising its loan portfolio and redirect its investments towards more sustainable businesses.

The scope of the Sectoral policy framework for climate neutrality includes all the investments in the loan portfolios of Grupo Cooperativo Cajamar entities and impacts directly on two of the European Union's six environmental targets set out in the Taxonomy Regulation: climate change mitigation and adaptation.

The table below sets out the areas defined in the sectoral policy matrix and the strategy envisaged in each case.

	SCOPE	STRATEGY
Advanced sectors	Sectors that are strategic to the entity and which have a low weighted average carbon intensity (WACI). These sectors can potentially yield great returns for the Group, having reached maturity and sufficient critical mass. Because of their strategic nature, these sectors would contribute to substantially improving the green asset ratio (GAR).	Support, promote and/or encourage investment in these sectors, provided that it represents a substantial improvement in the achievement of priority environmental and social goals. Generally, promote investment in these sectors.
Sectors in transition	Sectors that are strategic to the entity and which have a high weighted average carbon intensity (WACI). These sectors can potentially yield great returns for the Group, having reached maturity and sufficient critical mass within the entity. However, given their impact on climate change, they require intense support in their ecological transition process, and therefore specialised treatment with greater involvement from the Group. Because of their strategic nature, these sectors would contribute to substantially worsening the green asset ratio (GAR). These sectors are going to experience a great deal of selective stress.	Support, promote and/or encourage investment in these sectors, provided that it represents a substantial improvement in the achievement of priority environmental and social goals. Support and/or encourage investment in these sectors aimed at conversion and/or diversification, provided that it represents a substantial improvement in the achievement of priority environmental and social goals. Generally, support investment in these sectors for which there is no technologically or economically viable solution to improve environmental and/or social performance according to the priority environmental and social goals.
Low-impact sectors	Sectors that are not *de facto* strategic for the entity but which have a low weighted average carbon intensity (WACI). These sectors imply little return for the Group, so their low carbon intensity, although positive, has a limited impact on the decarbonisation targets. However, some (emerging) sectors have strategic potential for the Group in the medium or long term because of the opportunities they present.	Support and/or encourage investment in these sectors, provided that it represents a substantial improvement in the achievement of priority environmental and social goals. Generally, support investment in these sectors.
Critical sectors	Sectors that are not *de facto* strategic for the Group and which have a high weighted average carbon intensity (WACI). These are sectors where investment should be on the basis of very selective criteria, focusing exclusively 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 substantial improvement in the achievement of priority environmental and social goals. Support investment in these sectors aimed at conversion and/or diversification, provided that it represents a substantial improvement in the achievement of priority environmental and social goals. Support investment in these sectors for which there is no technologically or economically viable solution to improve environmental and/or social performance according to priority environmental and social goals. Generally, adopt reactive strategies for these sectors in the context of decarbonisation.

This policy directly covers climate change mitigation and adaptation as, in line with the Sectoral policy framework for climate neutrality, it involves a conscious effort to align support for the Group's strategic sectors with achieving net zero by 2050. The framework is defined through a constructive approach insofar as it is not intended to penalise sectors of activity per se, but to strategically support members and customers to undertake the transition to a low-carbon economy.

- Exclusion of Undesired Associations

  The Group has an Undesired Associations (UDA) Policy that is applied transversally to all its lending and financing activities. These associations are defined according to international standards and agreements, the Group's Ethical Management System and fundamental principles of sustainability, under the principles of precaution, prevention and materiality.

  The Policy acts as a preliminary filter in the concession process, excluding companies or projects considered controversial for ecological transition. The policy also contains exclusions on ethical grounds and for undesirable financial practices. This approach ensures that the Group does not finance activities with a negative impact on the environment.

  The Group's commitment to Socially Responsible Investment (SRI) is also linked to its UDA policy. It refuses to finance controversial companies and/or projects, taking into account sustainability principles and international standards.

  This self-imposed requirement reflects the Group's commitment to sustainability, decarbonising the economy and protecting the environment through the application of the UDA Policy in its loan approval and financing process. This ensures it only supports activities that are aligned with its ethical principles and contribute to climate change mitigation and adaptation. The UDA Policy was approved by the Board of Directors of Banco de Crédito Social Cooperativo.

- Environmental policy

  The Group has made a commitment to sustainable development within its business model, which addresses not only direct impacts, but also the indirect impacts generated through its financing activities, asset management, and the management of its supply chain.

  The Group's environmental policy is based on guidelines covering issues including compliance with environmental legislation, implementing an energy management system that complies with ISO 50001, and establishing measures and targets. This includes the implementation and maintenance of an environmental management system, developing environmental principles and good practices in all the Group's activities, promoting energy efficiency and the rational and moderate use of economic and financial resources, especially those that have the greatest impact on the environment.

  The Group also has an Eco-efficiency Plan designed to contribute to environmental sustainability by optimising the use of materials and energy efficiency. This policy has been approved by the Sustainable Development Operational Committee (a top-level committee).

The Environmental Policy and its guidelines are applicable to the direct and indirect environmental impacts of the Group's activities. The detailed guidelines enable the Group to keep building on its commitment to climate change mitigation and adaptation. Its energy management system and, particularly, its environmental management system, contribute to progressing further in energy efficiency and the use of renewable energies.

3.2.3.3. E1-3. Actions and resources in relation to climate change policies

Key actions in 2024 include the inclusion and assessment of climate and environmental risks in the Group's risk analysis and approval processes. In particular, these take into account the applicant's environmental, social and governance factors (ESG) and their possible impact on business continuity and the repayment of finance.

Grupo Cooperativo Cajamar's loan approval and monitoring process includes an analysis of the climate risks, acting as a value chain decarbonisation lever. Integrating climate risks into the Group's credit approval process allows it to manage the risk vis-à-vis different scenarios.

The hot house world scenario (the one that is becoming increasingly more likely) is used to measure physical risks, while the orderly transition scenario is used for transition risks.

This choice of scenarios is based on conservative criteria, the hot house world scenario being the most costly for physical risks, and the orderly transition scenario being the most costly for transition risks.

In the approval process, physical risks are measured taking into account the following risks: i) river flooding, ii) fire, iii) rising sea levels. The Group is aware of the importance of monitoring the physical risks that impact its customers, and work is ongoing to extend the physical risks measured to include drought and heatwave in subsequent phases. The Group does not include rising temperatures as an additional risk in order to avoid double counting risks.

When assessing transition risks, the Group's sectoral policy acts as another value chain decarbonisation lever. The focus of the policy is currently on the most GHG-intensive sectors.

In recent years, the Group has made significant progress in developing its monitoring processes, which act as a value chain decarbonisation lever. As it is vital to include this risk in monitoring processes, an advanced analytics model has been designed and implemented, allowing for the early detection of impacts for all customers included in the monitoring perimeter. The Group is committed to climate monitoring and has a tool for monitoring its customers' financed footprint, focused on the loans and advances portfolio and benchmarked against the Group's total financed footprint, as published in its latest Annual Sustainability Report. If a customer's footprint increases due to a significant increase in its actual footprint or sectoral data, potential responses include: i) customer monitoring, setting financing limits, where appropriate; (ii) redirecting financing to investments that contribute to reducing its emissions; iii) analysing the customer's climate status and whether it has a medium- to long-term decarbonisation plan. Monitoring the financed footprint gives the Group information on its members and customers, which can be used to determine what measures need to be taken and, ultimately, support the EU's 2050 target.

In addition to segmenting, measuring and adequately monitoring and controlling risks, organisations must also endeavour to reduce the threats or potential risks to which they are exposed.

They will ideally design corrective and mitigation actions that are part of an appropriate, robust framework aimed at reducing the probability of the risk occurring or the impact it may cause.

To that end, the Group has developed measures including the following value chain decarbonisation levers:

- An automatic alert has been designed for the sustainability risk reporting model, which strengthens the due diligence process for operations that could potentially be in breach of the Undesired Associations (UDA) Policy approved by the Board of Directors of Banco de Crédito Social Cooperativo. This Policy acts as a preliminary filter in the lending process and can be used to exclude companies or projects that are considered controversial for the ecological transition, in addition to other exclusions of an ethical nature or associated with undesirable financial practices.
- The sustainability policy for borrowers is designed to help redirect investments towards more sustainable projects in order to accelerate the decarbonisation of the portfolio.

- With respect to climate risk strategy and management, the Group is committed to, and is working on, developing measures that will allow it to achieve climate neutrality by 2050, contributing to mitigating the climate risks that may affect the Group. In 2023 the Group had set targets for the most carbon-intensive sectors, such as oil and gas, steel and energy. In 2024 it has continued to make progress according to the planned roadmap, with decarbonisation targets for both the mortgage portfolio and the agri-food portfolio being set and approved by the Board of Directors. The latter are of great strategic importance for the institution and have been set for the entire agri-food value chain, in six different groups: agriculture, livestock, support services, food and beverage industry, wholesale and retail food sales. Added to those already set for carbon-intensive sectors, these new targets mean that around 60% of the portfolio to which decarbonisation targets can be applied is now covered. Quantitative information on achieved and projected GHG reductions is shown in the table in the section below.
- Based on its materiality and business environment analyses, its decarbonisation targets and the integration of environmental criteria into risks (detailed in the previous section), the Group has developed a series of plans and actions in line with its risk management strategy and aimed at exploiting the business opportunities offered by sustainability, with a focus on the strategic agri-food and mortgage sectors and applying a transversal approach to all its operations with individuals and companies.

The Group’s measures intended to serve as product change decarbonisation levers include products, services and features aimed at helping customers to improve performance and transition sustainably, with campaigns and initiatives to encourage investment in projects with a positive impact on the environment, and with sustainability criteria built into the pricing strategy. The Group’s new Strategic Plan for 2025-2027 includes a specific axis which will allow it to continue integrating and building on the main lines of work in the field of sustainability. The Group has also developed products to decarbonise the portfolio and provide its members and customers with support to help them improve their environmental performance and energy efficiency (decarbonisation levers detailed in point E1-1). All these measures help the Group to manage climate and environmental risks and decarbonise its portfolio. The Sustainable Bonds Framework is another key tool for encouraging the channelling of financing towards green and social investments.

Another notable product change decarbonisation lever is the integration of the ESG strategy into the Group’s pricing strategy. A Sustainability Policy has also been integrated into the RAROC calculation for operations over EUR 3 million. This instrument is designed to direct financing to more sustainable investments and projects in line with the decarbonisation pathway, together with financing linked to Sustainability.

To promote sustainable development and support customers, in 2024 the Group set up a pilot project offering companies advice on sustainability and environmental solutions tailored to the nature of each sector. This helps strengthen relationships with customers and the Group’s positioning, incorporating sustainability as a distinctive feature of the Group's value proposition.

Energy efficiency decarbonisation levers include sustainability awareness and training measures for employees and initiatives to support the agricultural sector, with training activities and tools for improving skills and efficiency. In 2024, the Group implemented various measures focused on sustainability, risk prevention and exploiting opportunities related to the environmental transition of the agri-food sector, as well as awareness-raising and educational campaigns.

Looking ahead, the Group will continue to make progress in developing measures for all sectors and customer segments, supporting individuals and companies in their environmental transition with solutions and services tailored to their needs and in line with the Group's own targets and environmental commitments. The actions planned for 2025 are aimed at fully integrating environmental risks into the Group's business strategy. Models and criteria will be also be reviewed in 2025, strengthening information and measurement systems to improve risk management processes and business operations, promoting products and services aligned with the goals of improving ESG performance and meeting decarbonisation targets. The roadmap also includes establishing decarbonisation targets for the remaining carbon-intensive sectors between 2025 and 2027 in order to complete the target-setting process, enabling the Group to continue building on its main lines of work related to sustainability and integrating them into its strategy.

No material CapEx or OpEx has been required to implement the measures carried out or planned. They are included within the Group's usual operations and general operating budgets, with no additional financing needs.

3.2.4.Metrics and targets

3.2.4.1. E1-4. Targets related to climate change mitigation and adaptation

The Group has reaffirmed its commitment to combating climate change with a view to becoming a climate-neutral organisation by 2050, as evidenced by its adherence to the Net Zero Banking Alliance (NZBA) promoted by UNEP FI.

This alliance calls for the establishment of interim targets (based on the time horizon of 2030) that are consistent with the ultimate goal of achieving climate neutrality by 2050. Since joining this alliance, the Group has worked to set interim climate targets that will help it to continue advancing towards climate neutrality, focusing its efforts on reducing emissions from both its operational footprint (through the Group’s Eco-efficiency plan) and its financed footprint. These will strengthen the Group’s decarbonisation roadmap, guiding members and customers throughout the transition process towards a low-carbon economy and helping them adapt to climate change, with a more sustainable economy, by supporting less emission-intensive companies and prioritising financing for their investments, without jeopardising the Group’s own targets.

In terms of its own operations, the Group is currently updating its Eco-efficiency Plan for 2025-2027, as detailed in section 3.2.3.3. E. 1-2 above, although measures are already in place to improve competitiveness by reducing costs and to minimise the negative impact of operations on the environment.

Following its adhesion to the NZBA, the Group has identified three material sectors to be addressed in the first stage: Oil and gas, steel, and energy. A scenario analysis was carried out for each sector and decarbonisation targets were set for 2030, which were approved by the Board of Directors in 2023. In line with its strategy of becoming a climate-neutral organisation, the Group has also set decarbonisation targets for 2030 for its residential mortgage portfolio and its agri-food portfolio (a material sector for the Group). These targets were approved by the Board of Directors in 2024.

The Group's membership of NZBA, a movement aligned with the Paris Agreement and approved by the financial supervisors as a best market practice, allows it to take into account the concerns of society as a whole when setting its financed footprint targets. Its ambitious target of reducing its operational footprint to zero is also aligned with the Paris targets and enables the Group to consider the interests of society as a whole when setting its operational milestones. Specific milestones include:

- For the financed footprint, in line with the recommendations of international bodies and the European Union's implementation strategies, the Group has set an interim target for 2030. In accordance with NZBA criteria, the base year may not be more than two years prior to the year in which the targets were set. The methodology measures the seven gases required under the Kyoto Protocol (CO_2, CH_4, N_2O, HFC, PFC, SF_6, NF_3), converting them all into carbon dioxide equivalents (CO_2e). The Group carries out a monthly review of the targets to ensure it is advancing along the decarbonisation pathway it has set itself and is on track to meet the 2030 target. The Group will also continue to work on setting targets for the remaining carbon-intensive sectors to meet its commitment to achieve net zero emissions by 2050, using carbon credits to offset no more than 10% of the emissions it generates.
- For the operational footprint, the Group is working on a new Eco-efficiency Plan in order to continue setting targets and implementing measures to reduce the environmental impact of its operations. Since it produced its first Eco-Efficiency Plan in 2015, the Group has continuously worked on projects and initiatives that allow it to monitor and reduce its electricity consumption, review and implement measures to efficiently manage water and materials consumption and the Group's carbon footprint.

	Portfolio sector	Emissions scope	Unit	Reference scenario	Base year	Baseline year figure	Current year 2024	Target year	% reduction 2022-2030
	Energy	1+2	$KgCO_2e/MWh$	IEA Net Zero 2050	2022	111.10	98.70	2030	38.00%
	Oil and gas	1+2+3	$KgCO_2e/GJ$	IEA Net Zero 2050	2022	75.00	75.00	2030	19.00%
	Steel	1+2	$KgCO_2e$/t-Steel	IEA Net Zero 2050	2022	1,055.10	1021.6	2030	11.00%
	Residential mortgage portfolio	1+2	$KgCO_2e/m^2$	IEA Net Zero 2050	2023	32.84	26.60	2030	25.60%
Agri-food portfolio	**Agriculture**	1+2+3	$KgCO_2e$/kg produce	Integrated National Energy and Climate Plan	2023	0.43	0.44	2030	13.70%
	Livestock	1+2+3	$KgCO_2e$/kg produce	Integrated National Energy and Climate Plan	2023	4.18	4.42	2030	13.70%
	Primary sector support services	1+2+3	Tonnes CO_2e / € million	Integrated National Energy and Climate Plan	2023	1,287.72	1287.72	2030	6.80%
	Food and drinks industry	1+2+3	Tonnes CO_2e / € million	Long-term decarbonisation strategy	2023	803.73	800.39	2030	10.20%
	Wholesale distribution	1+2+3	Tonnes CO_2e / € million	Long-term decarbonisation strategy	2023	446.97	446.97	2030	10.20%
	Retail	1+2+3	Tonnes CO_2e / € million	Long-term decarbonisation strategy	2023	370.11	370.11	2030	10.20%

1. Portfolio sector: Energy, oil and gas and steel

The carbon-intensity of the portfolio has been calculated using intensity figures published by counterparties and sector averages.

The Group has selected the scenarios published by the International Energy Agency (taking the 1.5 ºC scenario as the benchmark, and specifically the Net Zero by 2050 scenarios). Once the intensities have been calculated and the benchmark scenario has been chosen, the Science Based Targets initiative (SBTi) methodology, known as the Sectoral Decarbonisation Approach (SDA), has been used to calculate a decarbonisation pathway. A range of scenarios are analysed to select the targets. For this analysis, we analysed the projected actual intensities of the portfolio using different variables, such as the current portfolio, the performance of the Group's portfolio and current market trends.

2. Portfolio sector: Residential mortgages

The Science Based Targets initiative (SBTi) methodology, known as the Sectoral Decarbonisation Approach (SDA), has been used to calculate a decarbonisation pathway for this sector. For this analysis, we studied a range of scenarios, taking into account the projected actual intensities of the portfolio and using different variables, such as the current portfolio, the performance of the Group's portfolio and current market trends.

The emission reduction targets have been assessed in line with the sector's emission reduction trends, using the emissions and activity forecasts in the Energy Technology Perspectives (ETP) published by the International Energy Agency (IEA).

The Group uses the Partnership for Carbon Accounting Financials (PCAF) methodology to calculate its financed footprint, which is consistent with the SBTi methodology. The calculation of the footprint is carried out at the exposure level and is subsequently aggregated for the entire residential mortgage portfolio. The figures used are the direct and indirect energy consumption figures for the financed asset according to its energy efficiency certificate (EEC) or energy performance certificate (EPC) and its square metres built.

The benchmark figures for the base year and subsequent years are updated using the energy factor published by Electricity Data Explorer (Ember). The benchmark figure previously used was that published by the European Energy Agency. The benchmark was changed to make the calculation methodology more accurate and so it can be updated more frequently.

3. Portfolio sector: agri-food

There are currently no specific GHG emission targets set at the regulatory level for the agri-food value chain, given its great complexity.

This complexity is mainly because of the wide range of activities that make up the value chain. Starting with a primary production base of agriculture and livestock farming, products are transformed by the food and drinks industry and then distributed via wholesale and subsequently retail channels. In each of these phases there are many sources of GHG emissions and factors affecting them, as well as measures for reducing them. There may even be major differences within a single link in the chain, depending on the product obtained, the methods used and the geographical location.

Given these circumstances, the Group has decided to develop its own methodology based on its knowledge of the sector. An academic review of published scientific articles on greenhouse gas emissions in the agri-food value chain and possible mitigation strategies was carried out; the Sectoral Decarbonisation Approach (SDA) of the Science Based Targets initiative (SBTi) was adapted; and finally, the financed emissions were estimated in accordance with the Partnership for Carbon Accounting Financials (PCAF) methodology.

The scenarios established in Spain's Climate Change and Energy Transition Act were analysed in order to select the targets. The targets established in the Integrated National Energy and Climate Plan, in the Spanish Government's Long-Term Decarbonisation Strategy, in the Science Based Targets initiative (SBTi) and those of other countries and international financial institutions were all taken into account. Based on its materiality and business environment analyses, its decarbonisation targets and the integration of environmental criteria into its risks, the Group has developed a series of plans and actions in line with its risk management strategy and aimed at exploiting the business opportunities offered by sustainability, with a focus on the strategic agri-food and mortgage sectors and applying a transversal approach to all its operations with individuals and companies.

The Group has developed products, services and features aimed at helping customers to improve performance and transition sustainably, with campaigns and initiatives to encourage investment in projects with a positive impact on the environment.

Carbon-intensive sectors	Decarbonisation measures and environmental risks and opportunities
Energy, oil and gas and steel	**Renewable energy.** Financing of projects that support the generation of electric power, including the acquisition, construction, operation, maintenance or repowering of facilities using the following technologies: solar, concentrated solar, wind, hydroelectric, geothermal and bioenergy. **Sustainable transport.** Financing for the purchase of cars, light commercial vehicles and large vehicles with emissions below 50g CO_2/km until 2025, and 0g CO_2/km from 2026.
Residential mortgage portfolio	**Green mortgages.** Financing for the purchase of homes with A or B energy ratings. **Loans for improving the energy efficiency of homes**. Renovations or installations that improve the sustainability of the asset (better insulation, renewable energy generating equipment for self-consumption, automated power controls, thermal equipment, etc.).
Agri-food portfolio	**Sustainable agriculture and protecting biodiversity.** Financing of investment projects, maintenance, expanding organic farming, including auxiliary facilities and technical support services, as well as the purchase of certified inputs for organic production. **Sustainable management of water resources.** Financing of activities, assets or projects that use water more efficiently by using new irrigation technologies. This also includes new projects or the maintenance of existing facilities to improve the quality of water use through water recycling, treatment or reuse (including wastewater treatment), while maintaining a high degree of energy efficiency.

The Group's new Strategic Plan for 2025-2027 includes a specific axis which will allow it to continue integrating and building on the main lines of work in the field of sustainability. The measures taken to achieve this will be aimed at reducing the financed footprint of the Group's value chain, without the need to adopt new technologies to reduce GHG emissions.

3.2.4.2. E1-5. Energy consumption and mix

Since it implemented its first Eco-Efficiency Plan in 2015, the Group has continuously worked on projects and initiatives that allow it to monitor and reduce its electricity consumption. The measures are aimed at saving energy and consequently improving energy efficiency. The measures implemented focus especially on energy consumption, photovoltaic power generation, lighting efficiency, computer equipment, and air conditioning.

The Group also invests each year in projects that reduce total energy consumption. These measures are aimed at improving energy efficiency related to air conditioning, lighting and computer equipment. For example, measures implemented in relation to lighting include switching from fluorescent and incandescent bulbs to LED bulbs and the installation of programmable automatons to centrally control lighting and air conditioning. Since mid-2015, 100% of the energy consumed by the Group has been provided by renewable sources.

Photovoltaic power generation (self-consumption)

The Group invests in photovoltaic installations, generating energy for self-consumption and avoiding releasing CO_2 emissions into the atmosphere. It has 21 power generation facilities for self-consumption in buildings and centres located in various cities and towns. The first six facilities were built in 2013 and four new facilities were built in 2024. They are all able to generate a large part of the energy consumed in the centres where they are located, and some even generate a surplus.

Grupo Cooperativo Cajamar solar farms

In 2023 the Group built its first solar farm in Jaén (Olivares), a photovoltaic plant with 12,962 solar panels and an installed capacity of seven megawatts that will generate more than 50% of the energy required by the entire Group in a year. This facility is a pure power generation plant that has no physical connection to the consumption centres, but under an agreement with the supplier, the energy supplied for self-consumption is channelled through the main power grid, releasing the surplus unconsumed energy to the market. It is currently in the testing phase and will be commissioned in February 2025.

The commissioning of the Mardesol project is now complete and another solar farm is being built in Almeria on a 17-hectare plot where 16,000 solar panels will generate 10 megawatts of power.

The testing phase is expected to begin in late 2025. The two solar farms are expected to generate enough power to meet all the Group's demands, so it will not only be supplying its own power from renewable sources, it will also be selling part of its output on the electricity market.

New Grupo Cooperativo Cajamar Financial Centre

The new Financial Centre, inaugurated in 2024 and home to the Group's corporate headquarters, also boasts outstanding efficiency measures in modern, modular facilities, adapted to its needs. Reflecting the Group's commitment to sustainability and technology, the building is an ecological and environmental benchmark, meeting the highest performance standards in terms of energy and habitability, A-rated for energy efficiency and awarded LEED Platinum environmental certification for its comprehensive approach to sustainability.

Energy consumption and mix	**2023**	**2024**
Fuel consumption from coal and coal products (MWh)	N/A	N/A
Fuel consumption from crude oil and petroleum products (MWh)	1,902	1,869
Fuel consumption from natural gas (MWh)	181	63
Fuel consumption from other fossil sources (MWh)	N/A	N/A
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	N/A	N/A
Total energy consumption from fossil sources (MWh)	2,083	1,932
Share of fossil sources in total energy consumption (%)	0%	0%
Consumption from nuclear sources (MWh)	N/A	N/A
Share of consumption from nuclear sources in total energy consumption (%)	0%	0%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc. (MWh)	N/A	N/A
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	23,926	25,248
Consumption of self-generated non-fuel renewable energy (MWh)	713	797
Total energy consumption from renewable sources (MWh)	24,639	26,045
Proportion of renewable sources in total energy consumption (%)	100%	100%
Total energy consumption (MWh)	26,722	27,977
Non-renewable energy production (MWh)	N/A	N/A
Renewable energy production (MWh)	713	797

The following companies within the Group's scope of consolidation have been identified as belonging to high-impact sectors: CIM-MED I, S.A. (CNAE activity sector code 4110), CIMENTA2 GESTION E INVERSIONES, S.A. (CNAE 6810), Alquileres Alameda 34, S.L.U. (CNAE 6820), CIMENTADOS3, S.A.U. (CNAE 4110), CIMENTA DESARROLLOS INMOBILIARIOS, S.A. (CNAE 4110), and Inmuebles Alameda 34, S.L.U. (CNAE 4110). Of these, only Cimenta2 is an operational company. The rest are holding companies with no structure of their own.

The figure for electricity consumption from renewable sources is estimated, as actual data was not available when the report was prepared. The actual invoices available when the report was prepared were used, with estimates for the outstanding invoices to year-end based on actual consumption in 2023. Energy consumption and mix figures were not published in 2023.

3.2.4.3. E1-6. Gross Scopes 1, 2, 3 and Total GHG emissions

The Group calculates its carbon footprint taking into account the Greenhouse Gas Protocol. Its calculations are subject to external verification in line with best market practices.

The Group's total scope 1, 2 and 3 GHG exposures and emissions for its operational and financed footprints for 2024 and 2023 are detailed below (in tCO_2):

Total Group GHG emissions (operational and financed footprints)

	2023	2024	Variation
Scope 1 GHG emissions	571	678	18.63%
Gross location-based Scope 2 GHG emissions	N/A	6,565	-
Gross market-based Scope 2 GHG emissions	0	0	0%
Scope 3 GHG emissions (3.1 to 3.14)	1,543	3,555	130.48%
Scope 3.15 GHG emissions (3.15)	10,738,592	11,417,002	6.32%
Scope 3 GHG emissions (total)	10,740,135	11,420,557	6.34%
Total location-based GHG emissions	N/A	11,427,800	-
Total market-based GHG emissions	10,740,706	11,421,235	6.34%

The methodology applied for calculating the financed footprint was revised in 2024. The figures published for scope 3 (category 3.15) GHG emissions in 2023 have therefore been updated for the purposes of comparison.

Scope 1 GHG emissions

The gross Scope 1 GHG emissions in metric tonnes of CO_2 equivalent for 2024 and 2023 are detailed below:

	2023	2024	Variation
Scope 1 GHG emissions	**571.18**	**677.61**	**18.63%**
Vehicle fleet (tCO_2eq)	457.98	498.53	8.85%
Refrigerant gases (tCO_2eq)	76.61	141.59	84.82%
Boilers (tCO_2eq)	36.59	37.49	2.46%

The vehicle fleet figures for 2023 have been updated and some vehicle categories have been reclassified following the review of the fleet in 2024. This reclassification affects the benchmark emissions factor used in the calculation. The 2023 calculation uses the emissions factors published by the Department for Business, Energy & Industrial Strategy, taking into account the vehicle and fuel type.

Scope 1 GHG emissions from regulated emission trading schemes are not applicable to the Group, given the nature of its business, in accordance with the activity categories included in the scope of application of Law 1/2005, of 9 March 2005.

Scope 1 GHG emissions in metric tonnes of CO_2 equivalent for 2024 and 2023 are detailed below:

	2023				2024			
	CO_2	CH_4	N_2O	HFCs	CO_2	CH_4	N_2O	HFCs

Vehicle fleet	453.72	0.46	3.80	-	494.04	0.65	3.85	-
Refrigerant gases	-	-	-	76.61	-	-	-	141.59
Boilers	36.51	0.06	0.02	-	37.18	0.05	0.26	-
Total tCO_2eq	**490.23**	**0.52**	**3.82**	**76.61**	531.22	0.69	4.11	141.59

The main assumptions used for the calculation methodology are detailed below:

- **Vehicle fleet:** The footprint is calculated based on the number of kilometres travelled, as follows:

  - Number of actual kilometres travelled by staff.

  - If the actual figure is not available, fleet management estimates are used, based on the annual kilometres in the contract.

  The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have also been applied, taking into account the vehicle and fuel type.

- **Refrigerant gases:** The invoices for gas refills available at the reporting date have been used for the calculation, with gas equivalents obtained from the PCA AR5 (the 5th assessment of the IPCC report). Figures are provisional as not all invoices were available when the report was prepared.

Refrigerant gases	**Refills (kg)**	**tCO_2 equivalent**
R407C	4.00	6.50
R410A	62.80	120.83
R407A	6.50	12.50
R453A	**1.00**	**1.77**
Total	**74.30**	**141.59**

- **Boilers:** The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have been applied, taking into account the emissions from the fuels.

Scope 2 GHG emissions

The gross Scope 2 GHG emissions in metric tonnes of CO_2 equivalent for 2024 and 2023 are detailed below:

	2023	**2024**	**Variation**
Scope 2 GHG emissions (tCO2eq)			
Location-based	N/A	6,565	N/A
Market-based	0	0	0%

The main assumptions used for the calculation methodology are detailed below:

- The emission factor used to calculate location-based emissions is 0.260 kg CO_2/kwh (national average - carbon dioxide emissions published by the National Markets and Competition Committee in 2023).

- Market-based emissions are calculated using electricity consumption estimates at year-end for the Group. 100% of the energy consumed by the Group has been provided by renewable sources.

Scope 3 GHG emissions

The Group's material Scope 3 GHG emissions in metric tonnes of CO_2 equivalent for 2024 and 2023 are detailed below:

	2023	2024	Variation
Scope 3 GHG emissions (tCO2eq)	***1,542.51***	***3,555.22***	***130.48%***
Purchased goods and services	133.76	184.51	37.94%
Capital goods	157.33	88.75	(43.59%)
Fuel and energy-related activities (not included in Scope1 or Scope 2)	-	-	-
Upstream transportation and distribution	127	207.17	63.13%
Waste generated in operations	3.55	2.88	(18.87%)
Business travel	1,120.87	1,293.19	15.37%
Employee commuting	N/A	N/A	-
Upstream leased assets	-	-	-
Downstream transportation and distribution	-	-	-
Processing of sold products	-	-	-
Use of sold products	-	-	-
End-of-life treatment of sold products	-	-	-
Downstream leased assets	-	1,778.72	-
Franchises	-	-	-

In 2023 and 2024:

- The Group’s fuel and energy-related emissions (not included in Scope 1 or 2) were not material as, given the nature of its business, its main emissions correspond to those of associated companies and the financed footprint (category 3.15).

- Emissions associated with upstream leased assets are included in Scopes 1 and 2.

- Emissions associated with downstream transportation and distribution activities and sold products (processing, use and final treatment) are not applicable to the Group as its business is strictly financial.

- Downstream leased assets were not included in the calculation for 2023 as no figures were available.

- The Group has no franchises, therefore, this category is not applicable.

Scope 3 GHG emissions in metric tonnes of CO_2 equivalent for 2024 and 2023 are detailed below:

	2023			2024		
	CO_2	CH_4	N_2O	CO_2	CH_4	N_2O
Water	6.98	-	-	5.07	-	-
Paper	126.78	-	-	179.44	-	-
Toner	71.53	-	-	62.85	-	-
Computer equipment	85.80	-	-	25.90	-	-
Transport and distribution services	127	-	-	207.17	-	-
Waste	3.55	-	-	2.88	-	-
Business travel	1,112.16	0.54	8.17	1,283.28	0.63	9.28
Downstream leased assets		-	-	1,778.72	-	
Total t CO_2eq	**1,533.80**	**0.54**	**8.17**	**3,545.31**	**0.63**	**9.28**

The main assumptions used for the calculation methodology are detailed below:

- **Water**: The figures are taken from the invoices issued to the Group. The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have been applied, taking into account the emission factors per m^3 of water supplied. The 2024 figure was estimated on the basis of the previous year’s data, as not all invoices were available when the report was prepared.
- **Paper:** The figures are taken from the Group’s procurement inventories. The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have been applied, taking into account the material type and source.

- **Toner and IT equipment:** The figures are taken from the Group's procurement inventories. The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have been applied, taking into account the material type.

- **Transport and distribution services:** A method for calculating and declaring energy consumption and greenhouse gas emissions was established. The figures have been obtained from the service providers.

- **Waste:** The figures are taken directly from the Group's inventories, plus treatment certificates for some types of waste. The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have been applied, taking into account the type of waste and disposal method. Waste treatment certificates are available for each waste type and waste is treated and disposed of in accordance with current legislation. The calculation was extended in 2024.
- **Business travel:** The 2024 conversion factors published by the Department for Business, Energy & Industrial Strategy have been applied:

  - Car travel: Figures taken from the travel expense notes submitted by staff and travel agencies. The emission factors used take into account the vehicle and fuel type.
  - Air travel: Figures supplied by travel agencies. The emission factor used takes into account the distance (domestic, short-haul and long-haul flights) broken down by class.

  - Train travel: Figures supplied by travel agencies. The emission factor used takes into account the distance.

The Scope 3 GHG emissions calculated from primary data totalled 34.23% of the operating footprint.

The Group's total scope 3 GHG exposures and emissions for its operational footprint for 2024 and 2023 are detailed below:

Total Group GHG emissions (operational footprint)

	2023	2024	Variation
Scope 1 GHG emissions	571	678	18.63%
Gross location-based Scope 2 GHG emissions	N/A	6,565	-
Gross market-based Scope 2 GHG emissions	0	0	0%
Scope 3 GHG emissions (3.1 to 3.14)	1,543	3,555	130.48 %
Total location-based GHG emissions	N/A	10,798	-
Total market-based GHG emissions	2,114	4,233	100.26%

Financed footprint emissions

Of the Scope 3 categories, Grupo Cooperativo Cajamar has prioritised 3.15 as material due to its relevance to the sector.

As a result of the decarbonisation target of net zero by 2050 set in the Master Plan approved by the Board of Directors of Banco de Crédito Social Cooperativo, efforts have centred around calculating financed emissions.

To calculate the financed emissions, the Group uses the methodology developed by the Partnership for Carbon Accounting Financials (PCAF), as it complies with best market practices and GHG protocol standards for the financial sector.

The Financed Emissions Standard provides detailed guidance for each asset class to calculate the financed emissions resulting from activities in the real economy that are financed through lending and investment portfolios. By following the methodologies outlined, financial institutions can measure GHG emissions for each asset class and produce disclosures that are consistent, comparable, reliable, and clear.

The GHG Protocol has reviewed this standard and it meets the requirements set forth in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard for Category 15 investment activities, allowing companies to assess the impact of their value chain and identify where to concentrate their emissions reduction efforts.

Using this methodology to measure the Group's financed footprint, the exposures in its balance sheet by asset class at 31 December 2024 are as follows:

Asset class	Outstanding amount (EUR thousand)	Scope 1 emissions	Scope 2 emissions	Scope 3 emissions	Scope 1 + 2 economic emissions intensity (net revenues)	Scope 1+ 2 + 3 economic emissions intensity (net revenues)	Score
Financing to companies	12,748,125	1,884,956	287,370	6,692,795	6.66	27.17	3.55
Residential mortgages	11,494,958	241,581			0.74	0.74	3.21
Commercial mortgages	536,530	20,940			0.06	0.06	3.65
Motor vehicle loans	403,808	19,045	167		0.06	0.06	4.20
Loans to public authorities	2,769,105	583,246			1.79	1.79	4.80
Project finance	235,448	10,081	199	5,616	0.03	0.05	3.60
Sovereign debt	12,270,238	1,337,843			4.10	4.10	1.00
Corporate bonds	835,803	44,047	22,169	264,395	0.20	1.01	3.67
Holdings in listed companies	335	1	5	7	-	-	4.00
Holdings in unlisted companies	129,031	423	313	1,803	-	0.01	4.05
TOTAL	41,423	4,142,164	310,222	6,964,616	13.65	34.99	2.79

The main assumptions used for the calculation are detailed below:

- For the financed footprint, the same general attribution principles are applied across all asset classes:

    1. Financed emissions are always calculated by multiplying an attribution factor (specific to that asset class) by the emissions of the borrower or investee. The general approach to calculating financed emissions is shown in the figure below:

$$Financed\ emissions\ = \sum_i Attribution\ factor_{\ i}\ x\ Required\ data_{\ i}\ x\ Emissions\ factor_{\ i}$$

i = each exposure or investment

    2. The attribution factor is defined as the share of total annual GHG emissions of the borrower or investee that is allocated to the loans or investments.

- The attribution factor is calculated in three different ways, according to asset type:

    - Attribution factor for companies

$$Attribution\ factor_{\ i} = \frac{Outstanding\ amount\ in\ GCC\ balance\ sheet}{Total\ capital\ and\ debt\ in\ the\ balance\ sheet\ of\ the\ financed\ company_{\ i}}$$

    - Attribution factor for exposures guaranteed against real estate or financing for motor vehicles

$$Attribution\ factor_{\ i} = \frac{Outstanding\ amount\ in\ GCC\ balance\ sheet_{\ i}}{Asset\ value\ at\ origination_{\ i}}$$

    - Attribution factor for public debt and exposures to public authorities

$$Attribution\ factor_{\ i} = \frac{Outstanding\ amount\ in\ GCC\ balance\ sheet_{\ i}}{Purchasing\ power\ adjusted\ GDP_{\ i}}$$

The considerations to be taken into account for each category are detailed below:

- **Financing to companies**

This class includes on-balance sheet loans to listed or unlisted companies. The attribution factor for corporate loans is calculated by dividing the outstanding amount by the value of the financed enterprise. The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Outstanding\ amount\ in\ GCC\ balance\ sheet_{i}}{(Own\ funds + debt)_{\ i}}$$

i = loans

- **Project finance**

This asset class includes all on-balance sheet loans or equities to projects for specific purposes, i.e., with the use of proceeds known, as defined by the GHG Protocol. Only the emissions from the financed activity may be included, and not those of the company from other activities. The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Outstanding\ amount\ in\ GCC\ balance\ sheet_{\ i}}{(Own\ funds + debt)_{i}}$$

i = project

- **Corporate bonds**

- Direct exposures via corporate bonds with listed or unlisted companies. The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Amount\ outstanding\ in\ GCC\ balance\ sheet_{\ i}}{(Own\ funds + debt)_{i}}$$

i = corporate bonds

- **Equity in listed and unlisted companies**

This asset class includes all the Group's on-balance sheet investments in listed and unlisted companies (associated companies). In general, the formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Net\ carrying\ amount_{\ i}}{(Own\ funds + debt)_{i}}$$

i= company

- **Real estate (residential and commercial)**

Residential real estate includes on-balance sheet loans for the purchase and refinancing of residential property, including individual homes and multifamily housing. The property is used only for residential purposes and not for commercial activities. If the loan is used to refinance a mortgage and this loan is already in the Group's balance sheet, the new loan supersedes the original mortgage. It includes loans to self-employed persons, individuals and legal entities. This asset class includes on-balance sheet loans for specific corporate purposes, namely the purchase and refinancing of commercial real estate (CRE), and on-balance sheet investments in CRE when the Group has no operational control over the property. This definition implies that the property is used for commercial purposes, such as retail, hotels, office space, industrial, or large multifamily rentals. In all cases, the owner of the building uses the property to conduct income-generating activities. The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Amount\ outstanding\ in\ GCC\ balance\ sheet_{\ i}}{Asset\ value\ at\ the\ organisation_{\ i}}$$

i= commercial or residential real estate

The Group uses the intensity data for GHG emissions from electricity generated in Spain as an additional external data source for the PCAF calculation.

- **Motor vehicle loans**

Credit facilities to businesses and consumers for the finance of one or several motor vehicles. The Group provides motor vehicle loans via both consumer lending, including financing the purchase of a motor vehicle for a private person, and business loans for motor vehicles, including financing a fleet of motor vehicles for a business. The attribution factor is calculated by dividing the outstanding amount by the value of the financed enterprise. The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Amount\ outstanding\ in\ GCC\ balance\ sheet_{\ i}}{Asset\ value\ at\ the\ organisation_{\ i}}$$

i= vehicle or fleet of vehicles

The Group uses information published by Eurostat and the Spanish Home Office as an additional external data source for the PCAF calculation.

- **Sovereign debt**

This asset class includes on-balance sheet sovereign bonds and sovereign loans of all maturities issued in domestic or foreign currencies. The attribution factor is calculated by dividing the carrying amount of the debt by adjusted GDP. The calculation can be for emissions that include or exclude land use, land-use change, and forestry (LULUCF) emissions. The calculation used includes LULUCF emissions.

The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Amount\ outstanding\ in\ GCC\ balance\ sheet_{\ i}}{(Purchasing\ power\ adjusted\ GDP)_{i}}$$

i = country

In this case the external source used for the calculation is mainly information published by the World Bank and the United Nations Framework Convention on Climate Change.

- **Loans to public authorities**

This asset class includes loans to national, regional or local government bodies that are not made directly to sovereign bodies. The formula used is the following:

$$Attribution\ factor_{\ i} = \frac{Amount\ outstanding\ in\ GCC\ balance\ sheet_{i}}{Purchasing\ power\ adjusted\ GDP_{\ i}}$$

i = country or region

In this case the external source used for the calculation is mainly information published by the Ministry for the Ecological Transition (MITECO), the National Institute of Statistics (INE) and the World Bank.

With regard to data quality, the information used to calculate the financed footprint will be the best available according to the PCAF hierarchy, ranked for accuracy from a score 1 to score 5.

The Group uses the information with the best PCAF score available to calculate its financed footprint.

The score used for each operation is built into the published aggregated metrics by sector and asset class, reported in line with transparency requirements.

The figure for Scope 3 GHG (financed footprint) calculated from primary data is 41.62%.

GHG intensity based on net revenue

The Group's total GHG emission intensities per net revenue for 2024 and 2023 are as follows:

Total GHG emission intensity per net revenue	**2023**	**2024**	**Variation**
Total location-based GHG emissions (tCO_2eq/monetary unit)	-	35.03	-
Total market-based GHG emissions (tCO_2eq)	84.61	35.01	(58.62%)

GHG emission intensity per net revenue (Operating footprint)	**2023**	**2024**	**Variation**
Total location-based GHG emissions (tCO_2eq/monetary unit)	-	0.03	-
Total market-based GHG emissions (tCO_2eq)	0.02	0.01	(50.00%)

GHG emission intensity per net revenue (financed footprint)	**2023**	**2024**	**Variation**
Total location-based and market-based GHG emissions (tCO_2eq/monetary unit)	84.59	34.99	(58.64%)

The net revenues used to calculate the emission intensity were EUR 126,947 thousand in 2023 and EUR 326,260 thousand in 2024.

3.2.4.4. E1-7. GHG removals and GHG mitigation projects financed through carbon credits

Since 2014, the Group's method for determining its operational carbon footprint has focused on calculating, reducing and offsetting the emissions that have not been avoided through the measures and actions established in the Group's Eco-efficiency Plan described in section 3.2.3.2. E1-2 above. Emissions reductions in the value chain are not accounted for as carbon credits.

Since 2019, the Group has offset its emissions from its operating footprint. In 2024, the Group once again offset 100% of its operating emissions, specifically 2,165 t of CO_2e, which were identified and calculated in 2023. This was done through two projects: The Barroso 20MW (Small Hydro) project, and the MardeOxígeno project. No GHG removal or storage projects have been implemented on the company's own premises. Currently, there is no estimate of the carbon credits that are expected to be offset in the future.

The Group's strategic goal is to reach net zero emissions by 2050 (using carbon credits to offset no more than 10% of the emissions it has not been able to reduce). In 2024, the Group offset the emissions calculated and identified from its operating footprint. The Group is also a member of the NZBA initiative with the aim of achieving zero emissions in its financed footprint.

Barroso 20MW project

The project offset 1,866 tonnes in 2024. The project involves the construction of a small hydroelectric plant in the municipality of Salgar (Colombia), allowing the mitigation of an annual average of 48,746 tCO_2e. The plant uses flowing water to generate clean energy for the electricity grid using low-emission technology.

The emission reduction calculation is carried out according to the GHG protocol for the total greenhouse gases included, taking into account the emissions generated by the project and the associated leakage. The expected useful life of the project is 30 years from 2016, the year it was commissioned, reviewed annually.

The project:

- Contributes to local environmental sustainability.
- Contributes to improving working conditions and local employment opportunities.
- Contributes to improving the distribution of income in the area, boosting local and regional economic development.
- Contributes to developing the country's technological capabilities through the technology, manpower and technical maintenance services procured in the country.
- Contributes to regional integration and connections with other sectors.
- Contributes to local municipal funds for spending on sanitary and health-related infrastructures, such as drains.
- Has helped to clarify ownership of the land where it is located, helping the owner to access agricultural loans using the land as collateral.
- Has improved road access to areas that were previously isolated.
- Adds to the number of run-of-river hydroelectricity projects in the region, encouraging other similar companies to replicate this kind of project.

The project has Gold Standard certification, guaranteeing that it meets rigorous standards for the reduction of carbon emissions, and contributes to sustainable development, as the certification criteria includes environmental, social and economic benefits.

MardeOxígeno project

The nature-based MardeOxígeno project accounts for the remaining 299 tCO_2e needed to offset 100% of the operational footprint calculated and identified by the Group.

The Group has always had an interest in supporting the sustainable development of the areas where it operates. One example of this is its MardeOxígeno (Sea of Oxygen) reforestation project, which will help to develop environmental, social and economic impact measures as well as fight against climate change.

This reforestation project is located in a Natural Park in the province of Almeria, a popular family leisure spot. The project is located in a zone of great biodiversity, where approximately 1,200 plant species have been identified, some of which can only be found at this location. The bird life in this area is also very diverse, with more than 100 species nesting there permanently or seasonally. The Group has sponsored the reforestation of 22.53 hectares for the creation of a CO_2 sink in Sierra María-Los Vélez, in the municipality of María (Almería). The reforestation work was done in accordance with criteria established by the Ministry of Agriculture, Livestock, Fisheries and Sustainable Development of the Government of Andalusia and the Sierra María-Los Vélez Natural Park management.

During the first three years after planting, the minimum necessary maintenance work is carried out, consisting mainly of replacing dead trees, estimated at around 15-20% of the total. During these three years of maintenance, all dead trees are replaced with the same species, to conserve the original density. Subsequently, in 2037 or 2038, forestry work including low level clearing will be carried out to remove 5% of the trees, mainly those that are overshadowed, sick or weak. The site will continue to be monitored until 2057, along with safety checks and waste management.

To account for the risk that the site will not survive, the calculation assumes a useful absorption rate of 20% of the total absorption expected over the life of the project, taking into account the real conditions at the site: soil, climate, type of vegetation, etc. Likewise, to ensure that the project generates results in the long term, in case some trees fail to capture the expected CO_2 or die, 10% of the absorption capacity is transferred to a buffer pool.

The environmental benefits of the carbon sink project by means of reforesting 22.53 hectares in María (Almeria) are:

- Recovery of forest cover from agricultural uses.
- Landscape improvements in the Sierra María - Los Vélez Natural Park.
- Improved biodiversity in Special Areas of Conservation (SACs) and Special Protection Areas for Birds (SPAs).
- Creation of refuge and feeding sites for local fauna.
- Reduced forest fire risk.
- Creation of a carbon sink to combat climate change.

The MardeOxígeno scheme has been verified by MITECO and the Barroso 20MW project has been verified by official standards in compliance with article 6 of the Paris Agreement.

This type of action allows the Group to continue making progress in reducing its carbon footprint as part of its strategy of achieving net zero emissions by 2050, prioritising the decarbonisation measures and targets established in its Sustainability Master Plan.

Removals	**2023**	**2024**	**% 2024 - 2023**
Action to remove GHG 1 (tCO_2e))	-	299	100.00%
Total GHG absorbed from own operations (tCO_2e)	**-**	**299**	**100.00%**

Carbon credits offset	**2023**	**2024**
Total (tCO2eq)	1,972	2,165
Share from removal projects (%)	**-**	**13.81%**
Share from reduction projects (%)	**100.00%**	**86.19%**
Share from projects within the EU (%)	**-**	**100.00%**

The Group has not implemented any removal and/or storage projects outside the value chain.

3.2.4.5. E1-8. Internal carbon pricing scheme

As a financial entity engaged in the sale of financial products, the Group makes efforts to assess the impact of climate risks on its credit risk. A climate risk analysis forms part of the assessment of physical and transition risk in the approval and monitoring process to decarbonise the loan portfolio and align it with the Group's NET ZERO commitments.

The integration of climate risks into the Group's credit approval process allows for the management of risk vis-à-vis different scenarios, with the orderly scenario having been selected to assess the transition risks.

The Group uses shadow pricing to assess risk in its credit approval processes, based on a carbon pricing system defined by the European Central Bank, calculated using the historical carbon price published by the NGFS and historical data for the last 10 years published by the European Central Bank. This carbon pricing system is based on a price setting system developed by a public body and is therefore considered appropriate for use in the credit approval process.

The Group prioritises the use of information that meets current standards, and the methodology is therefore reviewed at least annually.

The carbon price used is taken from the NGFS's orderly scenario, applying a conversion factor to convert it from $/tonne to €/tonne. The table below shows the simulated price for the next 25 years:

Year	Price (€/tonne)
2025	-
2026	37.44
2027	74.87
2028	112.31
2029	149.74
2030	187.18
2031	194.72
2032	202.25
2033	209.79
2034	217.33
2035	224.87
2036	229.44
2037	234.02
2038	238.60
2039	243.18
2040	247.75
2041	254.64
2042	261.52
2043	268.40
2044	275.28
2045	282.16
2046	298.86
2047	315.56
2048	332.26
2049	348.96
2050	365.66

These internal carbon prices have no impact on the financial statements and do not cover Scope 1, 2 or 3 GHG emissions. The use of the internal carbon price allows the Group to calculate the shadow cost associated with the decarbonisation of its borrowers in Spain. This cost is used in risk management, especially in the credit approval process, by performing stress tests on the counterparties' balance sheets and treating it as an expense inherent to the customer's business and impacting ratios such as ROA or ROE. This helps guide risk to sectors that are less susceptible to transition risks and climate change adaptation risks. Financing activities that are not affected by these risks also support the Group's climate transition, linking them to non-polluting sectors and reducing its indirect carbon footprint (Scope 3 Category 15 – Financed Emissions).

3.3. Pollution (E2)

3.3.1. Impact, risk and opportunity management

3.3.1.1. IRO-1. Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

As detailed in section 2.4. Double materiality assessment, the impacts of pollution were determined by identifying potential sources of pollution that, in the Group’s case, were likely to derive more from its value chain (investments in highly polluting companies or customers belonging to the agricultural sector) than from its own activity. This conclusion was reached by analysing sources of information, although neither the Group’s own locations nor those of its value chain have been exhaustively examined, nor have affected groups been consulted.

This financial year, impacts and risks were identified based on the measures implemented by the Group to reduce the emission of pollutants and mitigate their impacts, such as investment in studies or the roll-out of projects that reduce pollution or the implementation of pollution-related criteria when offering financing.

3.3.1.2. E2-1. Policies related to pollution

Although, due to the nature of its activity, the Group’s own environmental impact is minimal, to reflect its social, economic and environmental responsibility, it is committed, through its Environmental Policy, to sustainable development within its business model, taking into account the impacts generated through its financing activity.

The Group’s environmental policy is based on the following guidelines:

- Complying with current environmental legislation.
- Implementing and maintaining an Environmental Management System, applying its principles and best practices across all its activities.
- Implementing an Energy Management System that meets the UNE-EN-ISO 50001 standard, assuming the following commitments:
    - A commitment by the Group’s governing and management bodies to establish principles, set and review energy targets and guarantee the necessary resources to achieve them, and a commitment to comply with the requirements and improve the effectiveness of the energy management system.
    - A commitment by Management to ensure best energy practices in the provision of the service, compliance with the applicable legal requirements and other requirements that the organisation subscribes to regarding energy consumption and efficiency.
    - Promote the adaptation of facilities and equipment to any changes that may occur in the current regulatory framework, establishing management standards for energy efficiency throughout the organisation.
    - Optimise energy-efficient resources and design to improve energy performance.
    - Establish objectives and measures to minimise aspects that may have a negative impact on our environment.
    - Confirm a commitment to sustainability and continuous improvement in environmental performance.
    - Take the Group's environmental policy into account in the provision of financing and in its products and services.
    - Support initiatives aimed at preventing, mitigating and adapting or responding to climate change.
    - Incorporate environmental criteria into products and services.
    - Analyse and assess environmental risks in investment operations where they may be significant.

- Raise awareness among employees and encourage them to get involved, so that the protection and conservation of the environment is assumed by the entire organisation and its stakeholders.
- Encourage the suppliers of goods and services to subscribe to the environmental principles set out in the United Nations Global Compact.
- Support environmental initiatives through publications, talks, research and sponsorship activities.
- Publicise the environmental policy and the commitments the Group has assumed and report annually on the degree of compliance with them.

The Environmental Policy and its guidelines are applicable to all the Group's centres of activity and employees, and to the direct and indirect environmental impacts derived from its activity and within its value chain.

It is therefore applied to all the Group’s relationships with its employees, customers and suppliers, public institutions and the society in which it operates.

The Environmental Policy is regularly reviewed by the Sustainability Committee to ensure that it continues to adapt to changing circumstances and to promote its implementation and development.

The Sustainability Committee ratifies and promotes the Group's commitment to the social, economic and environmental setting in which it operates.

This policy is designed to comply with the main frameworks, standards and alliances in environmental matters, including the Paris Agreement, the Kunming-Montreal Global Biodiversity Framework, the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), the Net Zero Banking Alliance, and other reference regulations in the financial sector in which it operates.

Given the constantly changing regulations and best practices in the field of Sustainability, the Group's Environmental Policy will be updated over the coming years to explicitly reflect how the different regulations and alliances are complied with.

The basis of the Group's business model, given its cooperative vocation, is to provide social, economic and cultural support for people in their respective areas. The natural environment is an intrinsic part of any region and the quality of life enjoyed by its inhabitants, the interests of whom are taken into account by the Group in its financing activities, per the Environmental Policy.

The fundamental features of the Environmental Policy are published in the same terms for all stakeholders on the Group’s website.

The commitments established in the Environmental Policy include measures to minimise aspects that may have a negative impact on our environment. The Policy thus refers generically to negative aspects related to air, water and soil pollution. However, a forthcoming revised version will contain more detailed provisions related to pollution, with specific measures for monitoring and mitigating the effects of different types of pollution.

In light of the nature of the Group’s activity and its direct operations, no substances of concern have been detected. Accordingly, there is currently no policy on this matter. However, should any substances of concern be detected in the Group's operations, this aspect will be incorporated into the Environmental Policy, as will specific measures to mitigate their impact.

Similarly, with regard to the Group's own activity and operations, no incidents or emergency situations have been detected at operational level and, accordingly, there is no specific policy on these matters. Again, should an event of this type occur, the Environmental Policy would be reviewed and updated to incorporate points related to such incidents and emergency situations.

3.3.1.3. E2-2. Actions and resources related to pollution

The Group's Environmental Policy includes a commitment to sustainability and continuous improvement in the Group's environmental performance, in addition to working with and supporting members and customers regarding environmental issues.

The main pressures affecting the Group are related to its direct influence on the activities it finances, since its own operations do not have a direct polluting impact. In response to regulatory expectations in this area, the Group has implemented a Master Plan as a roadmap to continue deepening and broadening the scope of its climate and environmental risk management. The plan sets out measures that will allow the Group to help its members and customers in the transition, minimising risks and maximising the opportunities identified, as well as facilitating their integration into the strategy.

The Group has always been particularly sensitive to the physical and transition risks affecting both the agri-food sector, a strategic sector for the Group, and, more generally, the entire economy of the region. In this connection, it contributes to initiatives to mitigate such risks, while taking advantage of the opportunities available in a region with adverse climatological and environmental characteristics.

The Group's main activities in this area are related to its financing operations with members and customers in the agri-food sector. This work is carried out through the Grupo Cajamar Foundation, an organisation set up by the Group whose objectives include promoting innovation among all those involved in the agri-food value chain, at all stages of the chain.

To achieve this objective, a series of programmes has been developed, organised into various lines of work. The Foundation's main lines of work are as follows:

- Digital tools, via Plataforma Tierra.
- Research projects carried out in the experimental stations in Las Palmerillas (Almería) and Paiporta (Valencia).
- Training.
- Plataforma Innova, to promote entrepreneurship.
- Publications.

The time frame for these initiatives varies according to their characteristics. However, they must all be completed by 2027.

In 2024, the Foundation oversaw a total of 91 projects, some of which were publicly funded, some privately funded and others carried out using the Foundation's own funds. These projects focused mainly on agro-sustainability, food and health.

In 2024, over 100 training events took place, attended by over 8,000 people. Approximately half of the sessions were online and the other half face-to-face. Plataforma Tierra also offers those interested the opportunity to study seven online courses. This training covers all environmental issues, including pollution, water resources, biodiversity and ecosystems.

As part of our activity in this area, in recent years, through Cajamar Innova, we have managed four calls for support in the field of water and one in the field of agrotechnology. Finally, it should be noted that the Master Plan, in force until 30 June 2025, has laid down the foundations for contributing to the process of decarbonisation of the economy by 2050.

Below we list some of the main lines of work directly related to the IROs identified in the double materiality analysis:

Activity	Details
CXT: Agricultural logbook	Free tool that allows producers and technical staff to monitor the use of fertilisers, phytosanitary products and irrigation water in each plot on their farm, and forms the basis for the development of sustainable production systems.
Fertilisation tool	Tool for drawing up fertilisation plans, adjusting the doses of N, P and K for crop production, taking soil reserves into account.
"CALVIO" naturally sourced innovative biostimulant and biofertiliser formulants of natural origin. IBMCP	Strategy to reduce synthetic fertiliser.
Agro4Agri, development of innovative solutions and SSbD for plant nutrition and protection.	Project to reduce the consumption of chemicals in agriculture and minimise the environmental impact on water and soil.
Biodegradable plastics for use as mulch. NOVAMONT	Model to reduce possible soil contamination with plastics and make more efficient use of water and herbicides, using biodegradable materials as mulch.
iCOSHELL. Co-creating solutions for soil health.	Creation of Living Labs throughout Europe with the aim of improving soil health in rural and urban areas. We are part of the Living Lab in Murcia/Almeria/Alicante.
Second International Agrotech Conference	An 8-hour face-to-face event showcasing new developments by AgroTech companies that can be applied in the field to achieve better use of natural resources, avoiding pollution.
Activity	**Details**
Efficiency and sustainability in livestock	Online course for reducing gas emissions (methane and ammonia) and water consumption, applying BAT (Best Available Practices).
The challenges of the pig farming sector	14-part publication, several chapters of which promote reducing the use of consumables through the application of BAT to avoid air, water and soil pollution.
Fregata Space	Earth observation platform, with functions such as automatically discovering pollution in water, air and soil.

To finance the projects described, it has not been necessary to assign specific operating expenses or investments in fixed assets, as they were carried out as part of our usual operations.

3.3.2.Metrics and targets

3.3.2.1. E2-3. Policies related to pollution

As described previously in section 3.3.1.1. IRO-1, the main pressures regarding pollution affecting the Group are related to its direct influence on the activities it finances, since its own operations do not have a direct polluting impact. For this reason, the Group's main targets are associated with providing support to members and customers throughout the value chain.

Because the Group does not have a direct impact on these issues, no specific goals have been established in its Master Plan for preventing and monitoring atmospheric pollutants, emissions to water, soil pollution or substances of concern. However, it should be noted that, thanks to the goals adopted and their relationship with other environmental issues such as climate change and biodiversity, key aspects for reducing pollution have been improved. They include setting targets for portfolio decarbonisation, identifying undesired associations regarding climate and environmental matters, and integrating ESG risks into the Group's concession processes.

The goals that the Group has set for the coming years are based on: meeting legal and regulatory expectations; and alignment with the Paris Agreement and the European Green Deal. These targets are expected to be met in 2025. The Group's Strategic Plan makes sustainability one of its strategic axes for the 2025 – 2027 period, setting an aspirational goal for the Group to become a benchmark in terms of sustainability, including water, soil and air pollution.

3.3.2.2. E2-4. Air, water and soil pollution

Due to the nature of its activity, the Group does not have a direct impact on air, soil or water pollution. Accordingly, there have been no changes over time associated with atmospheric pollutants or microplastics.

However, an environmental management system has been defined, with the aim of contributing to the efficiency and sustainability of the Group. The Environment Committee, through the Sustainability Committee, is responsible for defining and supervising the Environmental Management System and monitoring it to ensure its proper functioning in accordance with ISO 14001.

The Group has defined an Eco-efficiency Plan, mainly focused on energy savings, the consumption of paper, water and other materials, and the calculation of its carbon footprint. As described in section 3.2.3.3. E1-3, the Eco-efficiency Plan, which is being reviewed and updated, will establish new reduction targets, in order to improve the Group's competitiveness by reducing costs and minimising the negative impacts that its activity has on the environment.

To date, no methodologies have been developed for measuring these substances, as they do not have a direct impact on pollution.

For the same reason, no processes have been established to collect data, nor have the necessary sources of information been identified, since the Group's activity does not generate a significant impact on water, soil or air pollution.

The Group has not chosen a methodology other than direct measurement, as it does not currently have a methodology for measuring these parameters.

3.3.2.3. E2-6 Potential financial effects from pollution-related impacts, risks and opportunities

No pollution-related IROs that are material from a financial point of view have been detected.

3.4. Water and marine resources (E3)

3.4.1. Impact, risk and opportunity management

3.4.1.1. IRO-1. Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

As detailed in section 2.4. Double materiality assessment, as regards the identification of impacts and risks/opportunities with respect to water and water resources, the sources of information consulted and the Group's activity indicate that incidents are more likely to derive from the value chain. However, its activities have not been examined this year, nor have the affected stakeholders been consulted, and the impacts have been determined considering action already taken within the Group, such as the development of projects for the efficient use of water through innovative technologies.

As the Group's activity is financial, there is no water risk derived from operating at its locations, regardless of the river basin in which these operations are carried out. Similarly, the Group's operations do not affect the bodies of water referred to in Directive 2000/60/EC.

When evaluating the Group's IROs, regard should be had to its origins and development, which are largely concentrated on the Mediterranean coast and linked to the agri-food sector. The area has extreme weather conditions, which means that in certain locations in southeastern Spain the water deficit is structural and the conventional resources available cannot meet demand. The main sectors in which the Group's customers operate (mainly in Almeria, Murcia and Valencia) are located in regions with high dependence on water resources and with high levels of water stress. The Group, aware of the physical and transition risks to which both its business and the entire economy of the region are subject, has always been particularly sensitive to these risks and has contributed to the implementation of initiatives to mitigate them.

3.4.1.2. E3-1. Policies related to water and marine resources

The Group systematically implements and updates an environmental management system, promoting energy efficiency through its facilities and employees. It also makes rational, moderate use of economic and financial resources, especially those that have the greatest impact on the environment, including water resources.

Due to the nature of the Group's activity, no water treatment is carried out, nor have episodes of water pollution resulting from its activities been detected.

The Group's Environmental Policy and Eco-efficiency Plan are the reference documents for the Group's action plan regarding water resources, which are described in the sections on pollution and adaptation to climate change, respectively. Although the aforementioned documents do not specifically address aspects related to water management, the design of products and services for water conservation or the commitment to reducing water consumption in areas of water risk, they do incorporate the Group's general lines of action on water resources issues.

The Environmental Policy, its guidelines and the Eco-efficiency Plan are applicable to all the Group's centres of activity and employees, and to the direct and indirect environmental impacts derived from its activity and within its value chain.

It is therefore applied to all the Group's relationships with its employees, customers and suppliers, public institutions and the society in which it operates.

The Environmental Policy is regularly reviewed by the Sustainability Committee to ensure that it continues to adapt to changing circumstances and to promote its implementation and development. This same governing body is responsible for defining, supervising and carrying out the necessary monitoring of the Eco-efficiency Plan.

The fundamental features of the Environmental Policy and the Eco-efficiency Plan are published in the same terms for all stakeholders on the Group's website.

The IROs that have been found to be material in the double materiality analysis relate to financing companies that develop smart water technologies, and the development of projects to improve the efficiency of water use. The Environmental Policy sets out the general lines of action associated with the financing and projects to be undertaken by the Group.

In order to comply with the nature-positive objective (which involves not only preventing the loss of nature but also recovering it by reinforcing the services provided by ecosystems), categories linked to the sustainable management of water resources have been added to the Group's sustainable bond framework. They include the financing or refinancing of activities, assets or projects that increase water efficiency.

Due to the nature of the Group's activity, there are currently no sites in areas of water stress, nor is the extraction of this resource directly impacted. However, aware that its portfolio is highly exposed to risks related to water stress, the Group supports customers and members in mitigating these aspects. Moreover, specific products related to water and marine resources have been included in the Group's sustainable financing range.

Currently, there are no sites in areas of high water stress.

The commitments established in the Environmental Policy include measures to minimise aspects that may have a negative impact on our environment. The Policy thus refers generically to negative aspects related to water resources. However, a forthcoming revised version will contain more detailed provisions related to water resources, with specific measures for monitoring and mitigating the effects of water stress. Given the low impact of the Group's own operations on oceans and seas, policies related to their sustainable use have not been adopted.

3.4.1.3. E3-2. Actions and resources related to water and marine resources

At operational level, the main water consumption reduction measures established in the Eco-efficiency Plan are the following:

- Awareness campaigns and information on best practices.
- Progressive replacement of conventional toilet cisterns with dual flush models.
- Installation of water-saving devices.
- Adjustment of flush volume to minimum values while ensuring proper operation.
- Incorporation of irrigation systems aimed at promoting water savings and efficiency in green areas.
- Awareness raising campaign aimed at reducing water use.

The transfer of knowledge and technology from these actions to Group customers who participate in them allows us to improve the use of resources in areas of water stress.

The main actions related to water resources carried out during 2024 are shown below:

Activity	**Details**
Irrigation tool	Tool to adjust the amount of water supplied by irrigation systems to that required by crops, taking rainfall into account.
Utopiq. Genetic improvement, photosynthetic efficiency when growing tomatoes. PRIMA	Increased planting density, with varieties that tolerate high densities, and improved productivity with more efficient water use.
BrioAgro sensorisation and smart irrigation	More efficient use of irrigation water, through sensorisation at root level in outdoor vegetables.
Cultivation of NGS dragon fruit in greenhouses	Development of a soilless cultivation system with automated irrigation and recirculation of the nutrient solution.
Agualytics	Solutions for the efficient and sustainable management of the water cycle, specialising in the management of supply networks for community irrigation.
Aquactiva Solutions	On-site generation of hypochlorous acid to disinfect water. This can be used as a tertiary treatment in WWTPs and to disinfect irrigation water or post-harvest washing water.
Greenfield Technologies	Smart irrigation platform that optimises the use of water for irrigation.
Grofit	Smart irrigation platform that optimises the use of water for irrigation.

As the Group's activities do not have a direct impact on aquatic ecosystems or bodies of water, no specific actions have been established for restoration and regeneration.

The measures are intended to reduce the risk associated with the locations of the most significant sectors in which the Group's customers operate, namely, the agri-food sector of the Mediterranean basin, an area of high water stress which is highly dependent on resources, and to mitigate these aspects through projects to make the use of water more efficient. No new actions are currently planned, but they will be considered according to the needs of the Group's customers.

To finance the projects described, it has not been necessary to assign specific operating expenses or investments in fixed assets, as they were carried out as part of our usual operations.

At operational level, because of the nature of its activity, the Group has a minimal impact on water resources and does not operate in areas of water risk. Consequently, no specific measures are implemented in this area, beyond what is established in the Eco-efficiency Plan.

However, the Agri-Food Technical Office prepares technical reports on agri-food investments, requesting additional information from customers on how they manage water resources. Based on the study, the Group can assess whether an investment might conflict with susceptible areas or involve activities that do not justify the need for water (among other aspects). In operations involving a mortgage guarantee it is mandatory to carry out an appraisal, which includes checking the documents relating to water at the property and whether it has a sufficient water supply.

Indicators are also used to mitigate customers' potential impacts on water stress, such as whether they apply irrigation efficiency measures or have implemented digitalisation technology to make more efficient use of resources.

As the Group's own actions and those of its value chain have not been found to generate real negative impacts on people who may be harmed by them, it has not been necessary to adopt corrective measures.

3.4.2.Metrics and targets

3.4.2.1. E3-3. Targets related to water and marine resources

The Group's approved Environmental Policy ratifies its commitment to the social, economic and environmental setting in which it operates. At operational level, an Eco-efficiency Plan has been developed, incorporating voluntary actions aimed at reducing water consumption at corporate headquarters.

As the IROs for water resources are related to supporting the Group's customers in the efficient use of water, no specific targets have been set to improve water quality, use marine resources or reduce water consumption, nor are they envisaged in the future. The Group's actions are not aimed at its own consumption but at helping customers in strategic sectors and, consequently, society as a whole, to reduce water consumption.

The Group has not set a target for reducing its water consumption, as it has not been able to develop further measures to significantly reduce its consumption. Since its first Eco-efficiency Plan for 2015-2020 was introduced, it has implemented measures to reduce its consumption and takes action to raise awareness among employees, involving them in the responsible use of water.

To address the direct pressures of aspects related to water and marine resources, the following specific lines of action have been established in the Master Plan:

- Governance and strategy: adopting policies for roles and responsibilities, undesired associations, remuneration, training, etc. in nature-related matters.

- Measures aimed at adapting the Group's risk management processes, for example: credit approval, extending the scope of the monitoring and management framework to aspects related to water resources in agri-food reports.
- Data, metrics and targets: measures designed to identify metrics and adapt the data strategy, extending its scope to aspects related to water resources and mitigation measures by customers.
- Reporting and disclosure: Disclosure, reviewing recommendations and reference frameworks regarding reporting.

The Group also prioritises the pursuit of opportunities related to nature, and helps to channel financing into activities with positive impacts on water resources. Last year, the category of “sustainable water resources management” was added to its sustainable financing range, including the financing or refinancing of activities, assets or projects that increase water efficiency by incorporating new irrigation technologies. This category also includes new projects and the maintenance of existing facilities for improving the quality of water use through water recycling, treatment or reuse.

Since the Group’s activities do not have a direct impact on raw materials related to marine resources, it does not carry out responsible management of the associated incidents, risks and opportunities.

As pointed out previously, at operational level, given the nature of its activity, the Group has a minimal impact on water resources and does not operate in areas of water risk. Consequently, no specific measures are implemented in this area, beyond what is established in the Eco-efficiency Plan.

The Master Plan includes mandatory goals set at regulatory level, which are expected to be met in 2025. The Group’s Strategic Plan makes sustainability one of its strategic axes for the 2025 – 2027 period, setting an aspirational goal for the Group to become a benchmark in terms of sustainability, including water and marine resources.

The Master Plan is proposed, coordinated and monitored by the Sustainability and Agri-food Development Department, which reports regularly to senior management, specifically, the Management Committee and the Board of Directors of the parent entity. A monitoring report is prepared quarterly, detailing the degree of compliance, the latest actions taken and evidence that justifies the scope of the plan and progress in the fulfilment thereof.

However, the Sustainability and Agri-food Development Department permanently monitors and assists in the implementation of the measures under the Plan, in addition to compiling a repository of evidence that will comply with any requirements laid down by the Supervisor on the development and implementation of the Plan.

3.4.2.2. E3-4. Water consumption

Although the IROs detected by the Group are not related to water consumed in the course of its own operations, the Group's figures for water and marine resources are given below:

- Total water consumption in its own operations amounts to 33,143 m^3, compared to 39,412 m^3 in the previous year.
- Total water consumption in areas of water risk is not currently measured, as such aspects are not directly affected.
- Currently, there is no recycled, reused or stored water. Neither have there been any changes to storage.

Total **water consumption** in the Group's own operations stands at 13 m^3 per million EUR of revenue, down from 18 m^3 in the previous year.

These amounts are measured directly and an estimate is made when the billing for consumption in the most recent period is not available. This estimate is based on the most recent real figures for the period.

3.4.2.3. E3-5. Potential financial effects from material water and marine resources-related risks and opportunities

No IROs related to water and marine resources that are material from a financial point of view have been detected.

3.5. Biodiversity and ecosystems (E4)

3.5.1. Strategy

3.5.1.1. E4-1. Transition plan and consideration of biodiversity and ecosystems in strategy and business model

The Group's main impacts, risks and opportunities in terms of biodiversity are related to the value chain for financing its customers, given that financial activity in itself does not generate major impacts. Business opportunities and contributing to biodiversity through investments in innovation and research are, however, found to be material. The Group aims to finance activities that involve improvements in biodiversity and provide its customers with the best solutions for their financial needs in activities that may affect ecosystems.

To analyse the impact of environmental risks on the Group's business environment, it determines how physical and transition risks affect traditional risks (credit, concentration, market, liquidity, reputation and operational) and ascertains their influence on strategic sectors and portfolios. Given the Group's business model, the main risk affected by transition and physical climate factors is credit risk, and it has tools to measure (stress scenarios), monitor (materiality analysis) and manage (monitoring and concession models) these factors.

For this purpose, the Group carries out a qualitative and quantitative analysis of several key variables, including the loss of biodiversity and ecosystems as a physical risk. This analysis includes the Group's specialised products, allowing it to evaluate its strategic approach and its exposure to specific risks.

ESG risks, including the loss of biodiversity and ecosystems, are treated as risk factors that have a cross-cutting impact on other risks. Accordingly, an analysis of the main sectors of the portfolio was carried out, including all the operations of legal entities, including SMEs, and self-employed workers registered with a CNAE activity sector code but excluding everything related to households.

The Group has identified the levels of impact and dependencies of the sectors with the greatest exposure in their business using the ENCORE (Exploring Natural Capital Opportunities, Risk and Exposure) tool, which examines how the economy depends on and affects nature. As a sub-section of the tool, the ENCORE biodiversity module has been developed to help financial institutions explore how to align their activities in the agriculture and mining sectors with important global goals for nature.

Using the ENCORE methodology, the Group has drawn up a prioritisation matrix containing quantitative information on the impacts and dependencies of the Group's financed sectors (sectors that may have a significant impact and/or dependence on natural capital). The results show that the sectors with the greatest impact and dependence on natural capital are those related to the primary sector (agriculture and livestock).

Underpinning the ENCORE tool is the ENCORE knowledge base. This contains two ‘pathways’, one focused on dependencies and the other on impacts, which are interconnected through the ecosystem components. The ENCORE methodology is recommended by leading agents and supervisory authorities. It is considered a best market practice and its databases include the most up-to-date information on the natural environment. This methodology compiles local information to determine the possible risks in each area.

This makes it possible to explore how their impacts could be affecting dependency and vice versa. The ENCORE methodology uses a number of screening criteria, such as update frequency and temporal coverage, for each dataset to enable financial institutions to assess the suitability and robustness for decision making. These criteria were drawn from previous data inventories compiled by UNEP-WCMC for national and international projects on natural capital assessments and accounting. In particular, spatial datasets showing changes in the state or variability of natural capital or changes in the severity of mechanisms were identified where possible as these allow users to understand the risk of disruption to ecosystem service provision.

As the methodology assesses current stress on natural capital, it provides short-term results. This methodology is widely accepted by the market and is currently recommended by the supervisors of financial institutions, thus complying with best market practices and stakeholders’ expectations concerning the measurement of natural capital.

Overall, it has been determined that the greatest impact derives from transition risks, especially in the long term, if there is no progress towards meeting global sustainability objectives.

The risk categories that may be most affected are credit, concentration and business risk, since they are doubly affected by physical and transition risks. These are followed, to a lesser extent, by reputational risk, which is more sensitive to transition risks.

The ENCORE methodology is considered to be the best practice for the financial sector in measuring the biodiversity risk of value chain financing, the Group's main source of risk regarding biodiversity.

3.5.1.2. SBM-3. Material impacts, risks and opportunities and their interaction with strategy and business model

The sites of relative importance in the Group's own operations are located in urban areas, where: no activities are carried out that negatively affect areas sensitive to biodiversity; the sites do not suffer from incidents and are not dependent on the ecological status of the areas; and none are located in biodiversity-sensitive areas.

No relevant negative impacts have been identified in relation to land degradation, desertification or soil sealing, as the Group's main activity is financial. It has no significant suppliers in sectors with a high climate impact and has an undesired associations exclusion policy in environmental matters.

For the same reasons, no operations of the Group or its value chain affecting endangered species have been detected.

3.5.2. Impact, risk and opportunity management

3.5.2.1. IRO-1. Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

As detailed in section 2.4. Double materiality assessment, with regard to biodiversity, the Group's activity has an indirect impact through the projects it finances in terms of legal/regulatory, market, physical and reputational risk. The impact and dependence analysis revealed the strong dependence of the primary sector and agricultural and livestock activity, as well as the entire agri-food chain, on the natural environment. This year the activities of the Group’s value chain have not been examined, nor have consultations been carried out with the groups affected.

Given the importance of these sectors for the Group's business, it has been concluded that it is necessary to apply mitigation measures related to biodiversity and incorporate good production practices into these sectors to avoid the degradation of ecosystem services and, consequently, preserve natural capital. Accordingly, when identifying impacts, the Group's contribution by redirecting financial flows towards productive projects and business models that are increasingly greener, decarbonised and respectful of biodiversity and ecosystems has been taken into account. No analysis has been made of the Group's operations and locations because, due to the nature of its activity, it does not have sites in biodiversity-sensitive areas, nor does the activity carried out on its own sites cause the deterioration of ecosystems.

3.5.2.2. E4-2. Policies related to biodiversity and ecosystems

The Group's Strategic Plan sets sustainability as one of the Group's strategic axes for the 2025 – 2027 period, with the aspirational goal of positioning it as a benchmark in terms of Sustainability, advancing in the protection of the environment and the most vulnerable areas, as required both at the regulatory level and by new publications such as TNFD, ECB guides and other EU taxonomy objectives. The Group’s Socially Responsible Investment Policy now includes specifically environmental categories and identifies undesired associations, excluding financing for projects that generate risks and impacts in protected areas and ecosystems and areas of interest to conservation organisations.

As mentioned above, the Socially Responsible Investment Policy highlights the Group’s firm commitment to refrain from financing companies and/or projects related to activities that have a negative impact on the environment. The activities initially included in the policy are aimed at supporting decarbonisation and mitigating the effects of climate change. This policy addresses the aforementioned IROs by withholding funding from sectors that have a negative impact on biodiversity.

In a subsequent review, specific categories were included to mitigate nature-related risks, with exclusions under the policy being directly linked to factors having a direct impact on the loss of biodiversity, impacts on the status of species, impacts on the extent and status of ecosystems, and impacts and dependencies on ecosystem services.

If it comes to the Group’s attention that they pose a risk or generate a negative impact, it excludes projects:

- In wetlands included in the framework of the Ramsar Convention.
- In locations forming part of a UNESCO World Heritage Site.
- In areas listed by the International Union for Conservation of Nature (IUCN) in any categories, and sites that meet the criteria for designation by the Alliance for Zero Extinction (AZE).
- Involving the burning of natural ecosystems.

- Involving the elimination of primary forests or High Conservation Value Forests according to the Forest Stewardship Council.

Customer-related exclusions include:

- Customers for whom the Group has sufficient evidence that they are in breach of applicable international laws and regulations on environmental matters.
- Customers who have been involved in deforestation and other illegal land conversion in the last five years.
- Customers who intentionally cause or contribute to a reduction in the population of an endangered species (on the IUCN Red List of Threatened Species).

One factor with a direct impact on biodiversity loss, identified in the double materiality analysis, is the contribution of the policy on excluding undesired associations to protecting biodiversity. The policy excludes financing for projects that generate risks and impacts in protected areas and ecosystems and areas of interest to a conservation body. The Group is also committed to compliance with the best practice related to the Equator Principles to manage and monitor nature-related risks.

Aware of the physical and transition risks to which the main sectors financed by the Group are exposed, the Group has always been particularly sensitive to such risks. The loss of biodiversity and ecosystems has always been one of our main concerns. Specific categories related to nature have therefore been included in the Undesired Associations Policy, which excludes customers and projects that negatively impact biodiversity and ecosystems, in order to mitigate the physical and transition risks related to them.

In 2025, the Group will also incorporate the analysis of environmental factors, paying particular attention to biodiversity, into the granting of new financing to its value chain. As the Group's own activities do not have an impact on biodiversity, the aim of this initiative is to minimise the impact of the value chain on supplies from ecosystems, especially through investment operations undertaken with the agri-food sector. Technical reports on operations in this sector include information on the use of ecosystems by customers who request financing from the Group.

Through the financing granted to its customers, the Group seeks to achieve positive social consequences related to biodiversity and ecosystems, mitigate possible impacts on the natural environment and contribute to improving it by excluding undesirable operations. The Group thus takes advantage of business opportunities detected in the financing of operations that contribute to the environment.

Currently, the Group's operational sites are not located in any area that is material from the point of view of biodiversity, since they are not in sensitive areas and there is no impact on species or ecosystems. The Group does not, therefore, have a specific policy regarding this matter.

There is, however, a specific category of projects that are excluded if they involve the burning of natural ecosystems or the elimination of primary forests or forests of high conservation value according to the FSC, thus promoting sustainable land use and mitigating the impacts associated with such projects. Customers who have been involved in illegal deforestation are now excluded, and there are specific exclusions for projects that generate a negative impact on the natural environment, including those that involve the elimination and burning of forests, since these practices are linked to deforestation processes.

Finally, financing is excluded for customers regarding whom the Group has sufficient evidence that they are in breach of international laws and regulations, such as those involved in illegal practices related to fishing and marine ecosystems.

3.5.2.3. E4-3. Actions and resources related to biodiversity and ecosystems

Below are some of the main lines of work carried out to help protect biodiversity through investment in innovation and research, the impact of which is identified in the double materiality analysis:

Activity	Details
Green infrastructures (hedges, islands of biodiversity and plant cover)	Plant cover in greenhouses improves the structure of the soil and its ability to retain water, providing organic matter and favouring biodiversity and biological pest control.
CRESCERE. Research into new applications of species from the plant and fungi kingdoms to increase their added value.	The CRESCERE Project is aligned with the European Farm-to-Fork strategy, pursuing the circular economy of the value chain and sustainability in the production of plant-based protein and nutrients of high nutritional value. To this end, its general objective is to increase the added value of vegetable crops (brassica, moringa, carobs, lupins, tigernuts and beans) and mushrooms, and their applications.
Biological pest control in horticultural crops under plastic	Implementation of integrated pest management protocols in the main horticultural crops, such as tomatoes, cucumbers, courgettes, eggplants, strawberries, watermelons, melons and peppers, where natural enemies can be used to achieve sustainable pest control.
New greenhouse tomato crop management tools (BAYER)	Digital tools for the identification of pests and diseases in tomato cultivation, using artificial intelligence algorithms. Also to predict the presence of nematodes in the soil from the temperature of the soil at a certain depth.
Green infrastructure management and biological pest control	12.5-hour online course to show how the use of ecological infrastructures favours good pest control in crops, promoting respect for the environment and increasing biodiversity.

All these projects took place in 2024, although the project for green infrastructure management and biological pest control is still running. These initiatives are intended to enable customers in the agri-food sector, the Group's main strategic sector, to grow crops more efficiently with a lower impact on the ecosystems in which they operate. These activities have a particular impact on farming under plastic, such as that observed in the Mediterranean basin.

To incorporate local knowledge, the Group has two experimental centres, in Almeria and Valencia, carrying out benchmark research on intensive Mediterranean agriculture, including applied research projects in the field of biodiversity and the development of new integrated production technologies, paying special attention to the transfer and dissemination of the results obtained. These centres promote the participation of farmers, professionals and companies in R+D programmes, and collaborate with other organisations, local companies, academic institutions and technology centres around the world, to strengthen and expand research and experimentation as part of the European innovation strategy.

In addition, through the MardeOxígeno project (whose main aim is the recovery of native and sustainable tree cover) and by planting stands of trees, the Group provides ecological and economic benefits, as these areas act as carbon sinks, biodiversity reserves and regulators of the local climate and the water regime, benefiting the local communities surrounding the reforestation area. Reforestation work and subsequent site maintenance are carried out by local agents. This was a prerequisite for the project, and allows local knowledge to contribute to these measures. It is hoped that, as a result of the project:

- The area in which this work is carried out will have stable vegetation cover that protects the soil from erosion, improves water quality and regulates the hydrological cycle.
- It will support a variety of interesting fauna, in a landscape that is not only beautiful, but also ecologically healthy.
- It will contribute to improving the environmental quality of a region that sees it as a sign of prestige and a factor in the quality of life of its inhabitants.

In the MardeOxígeno project, it was verified in 2024 that the survival rate for replanting is around 50%.

The Strategic Plan sets medium-term biodiversity targets for 2025-2027, while short-term projects are to be completed in 2025. According to the calendar established for the MardeOxígeno project, the time frame for the main measures to be implemented runs from 2023 to 2057.

The project does not call for operating expenditure (OpEx) or investment in extraordinary fixed assets, as already explained in section 3.3 Pollution. Moreover, the MardeOxígeno project and associated expenditure are included in the Group's operations.

The reforestation planned in this project will clearly generate direct employment, but also indirect employment, insofar as it will encourage outdoor recreational activities and tourism, and ultimately, a population flow that will help to finance the benefits that forested areas produce for society as a whole.

3.5.3.Metrics and targets

3.5.3.1. E4-4. Targets related to biodiversity and ecosystems

As the Group's own activity does not have an impact on biodiversity, no specific targets have been established in this area. No specific targets are needed for the IROs identified, which are associated with financing via business opportunities and the evaluation of projects in the field of biodiversity; rather, the Group must adapt to customer demands.

To address the direct pressures of aspects related to biodiversity and ecosystems, the following lines of action have been established:

- Governance and strategy (adopting policies for roles and responsibilities, undesired associations, remuneration, training, etc. in nature-related matters).
- Integration into management processes (measures aimed at adapting the Group's risk management processes, for example, credit approval, extending the scope of the monitoring and management framework to nature-related aspects).
- Data, metrics and targets (measures designed to identify metrics and adapt the data strategy, extending its scope to nature-related aspects).
- Reporting and disclosure (disclosure, reviewing recommendations and reference frameworks regarding reporting).

Nature-related aspects are becoming increasingly important in business strategies, including that of the Group. The business community is aware of the significance of these aspects and of the goals set out in the EU Biodiversity Strategy. The most important milestone of this paradigm shift was the approval of the Kunming-Montreal Global Biodiversity Framework in December 2022, which will guide public policies for the coming years. The framework's requirements include the obligation for companies to report their risks, impacts and dependencies on biodiversity. The Master Plan contains specific measures for identifying risks, impacts and dependencies related to biodiversity and ecosystems.

The Master Plan schedules monitoring of biodiversity goals from 30 June 2024 to 30 June 2025, with quarterly reports on the milestones achieved.

Ecological thresholds (including biosphere integrity, stratospheric ozone depletion, aerosol loading and soil depletion) have not been established or taken into account when establishing biodiversity goals, as the Group does not have a direct impact on any of them due to the nature of its activity. However, although its offices are not located in sensitive areas from the point of view of biodiversity and ecosystems, all the Group's support and knowledge transfer efforts to assist its members and customers do take these mitigation measures into account.

The Group's roots and activities are located in the Mediterranean area, with links to the agri-food sector, and the main measures established in the Master Plan are associated with the area where it operates and the sectors that are most relevant to the Group.

To date, no biodiversity offsets have been included when setting targets for this matter.

3.5.3.2. E4-5. Impact metrics related to biodiversity and ecosystems change

Given that the Group's actions and goals regarding biodiversity have been defined generically, and in relation to IROs that depend on the financing needs of customers, it has not been considered necessary to establish specific parameters for monitoring its impact on biodiversity and ecosystems. The final impact on biodiversity will depend on the use of financing by customers and not on direct use by the Group.

Currently, the Group does not have any sites located in or around sensitive areas, and so its main activity does not negatively affect protected areas or critical ecosystems.

Similarly, due to the nature of its activity, the Group has never had a direct impact on changes in land use, the current state of ecosystems, or the introduction of invasive exotic species.

As a financial institution, the Group does not contribute directly through its own operations to incidents related to the use of land, fresh water or the sea. As it does not directly impact factors leading to changes in land use, ecosystem management is not monitored over time.

Similarly, no process associated with the Group's activity has led to habitat fragmentation or changes in the structural or functional connectivity of ecosystems.

Given the financial nature of the Group's activity, no significant IROs related to species in the value chain have been recorded, nor have any material incidents related to ecosystems been detected in its own operations.

3.5.3.3. E4-6. Potential financial effects from material biodiversity and ecosystem-related risks and opportunities

Following the materiality analysis by the Group of the impact of environmental risks on traditional financial risks, key sectors have been identified according to the exposure of their financed portfolio, as well as their dependence on climate and environmental indicators.

The Group has a specialised centre that analyses proposals relating to investments in the agricultural sector. Its studies include indicators for assessing the environmental and climatic risks to which the investment proposal requested by customers is exposed. These indicators include assessing associations that are undesirable because of environmental aspects, the location of the investment and the customer's sound environmental practices.

With effect from 2025, the centre will include a biodiversity indicator in the assessment of financing applications for significant amounts in agricultural sectors (agriculture and livestock). The indicator directly linked to biodiversity and ecosystems included in the reports will assess biodiversity improvements introduced by the customer, such as vegetation cover or biodiversity strips in crops.

The business opportunity generated by including sustainability criteria in project evaluation is considered to be very positive, given that by the end of 2024 all the necessary developments were in place. It will be implemented in the short term, as early as 2025, and it is considered that it could make a substantial contribution to business by positioning the Group as a sustainable leader in the market, able to attract new business through improved assessment.

The expected financial effects are not based on assumptions, nor is there any degree of uncertainty, since the potential benefit comes from the opportunity to offer more products with a positive impact on biodiversity.

4. Social Information

4.1. Own workforce (S1)

4.1.1.Strategy

4.1.1.1. SBM-2: Interests and views of stakeholders;

The way in which Grupo Cooperativo Cajamar discloses the interests, views and rights of its employees, including respect for their human rights, underpinning its strategy and business model, is described in section 2.3.4. Consideration of stakeholder interests and social IROs in strategy.

4.1.1.2. SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Faithful to its values of sustainability and social responsibility, Grupo Cooperativo Cajamar implements a comprehensive strategy to ensure that its employees develop in an inclusive, fair and enriching work environment. The Group has 6,116 salaried and 9 non-salaried employees hired through third-party firms partially engaged in employment activities, without counting self-employed workers. This strategy is founded on three main pillars:

- Working conditions: The Group is committed to providing working conditions that promote the wellbeing and work-life balance of its workforce. This translates into work-life balance policies, measures to ensure health and safety at work and the implementation of tools and resources that facilitate professional development in an environment conducive to stability and equity.
- Equal treatment and opportunities: Equal treatment and opportunities for all employees is a guiding principle at Grupo Cajamar. The entity adopts an inclusive approach in its selection, promotion and development processes, ensuring that there are no barriers based on gender, origin, disability or other factors. Diversity is also encouraged at all levels of the organisation as a source of enrichment and as part of the Group’s commitment to equity and social justice.
- Training and professional development: Aware that employee development is key to achieving strategic objectives, Grupo Cajamar invests continuously in education and training. Employees have access to continuous training programmes in areas such as sustainability, innovation, digital transformation and business management. This allows them not only to update their knowledge but also to meet the challenges of a constantly evolving financial and social environment.
- Commitment to sustainability: The strategic approach to employees is closely linked to the Group's commitment to sustainability. This includes integrating ESG (environmental, social and governance) criteria into talent management and promoting a business culture aligned with the Sustainable Development Goals (SDGs).

Overall, Grupo Cooperativo Cajamar aspires to build a work environment that not only drives organisational performance but also contributes to the personal and professional development of its employees. This vision reflects the Group's commitment to responsible and sustainable management, for the benefit of both its workforce and the communities it serves.

To implement its strategy, the Group carries out the following actions:

Talent management and professional development at Grupo Cooperativo Cajamar

People are considered the Group's greatest asset and a key factor in generating competitive advantages. Talent management and professional development strategy is therefore aimed at creating a healthy, motivating work environment aligned with the corporate values and principles.

- Talent attraction and selection: The Group's selection process is based on the principles of merit, ability, equal opportunities and knowledge of the business environment. It includes personalised onboarding to ensure full integration of new employees in their work areas.
- Continuing training: Ongoing training is fundamental for adaptation to change and the improvement of employees' professional skills. Through programmes such as Cultiva, Grupo Cajamar fosters skills development, communicates expectations and goals, identifies each person's potential and detects training needs.
- "Cultiva" model: This comprehensive talent management programme assesses employees' performance and potential through questionnaires, discussions with managers and personalised improvement plans. To support these improvement plans, the Group offers tools such as master's degrees, mentoring, coaching, catalogues of courses and self-learning resources.
- Talent Bank and development programmes: The Talent Bank groups employees according to their assessment and potential, with a view to designing specific development actions. Notable programmes include:
  - Sustainable high-performance development: To foster high performance habits in teams and people.
  - Bridge model: Targeted at leaders, to improve their relational style and capacity for dialogue.
  - Development: Focused on SMART goals and effective feedback.
- School of management development: This initiative prepares employees to take on roles of responsibility through specific itineraries. In 2024, the High-Performance Management programme was delivered to branch managers.

Other initiatives within Grupo Cooperative Cajamar include the following:

- The Digital School, which reinforces employees' transferrable skills in the digital field, ensuring the Group remains innovative and competitive in the financial sector. With basic, intermediate and advanced levels, it addresses the current and future needs of the digital environment.
- Specialised training in sustainability, such as ESG certification and the "Alimenta" Agri-Food School.

Through comprehensive talent management Grupo Cooperativo Cajamar positions itself as an entity committed to the professional development of its employees, thus contributing to the organisation's sustainable success and the strengthening of workforce capabilities.

Grupo Cooperativo Cajamar also builds diversity, equity and inclusion into its corporate strategy as drivers of growth, innovation and social commitment.

- It actively promotes the inclusion in the labour market of people with functional diversity and from diverse cultures, collaborates with organisations such as Vivofácil and participates in charity events for socially vulnerable groups. It also encourages young people taking their first steps in the world of work through job opportunities that boost their development.
- The Group takes a cross-cutting approach to gender equality, implementing proactive policies and measures to guarantee equity in rights and opportunities. The Group has a Framework Policy on Equal Rights and Opportunities that establishes equality as a strategic principle and prioritises compliance with Sustainable Development Goal 5 (Gender Equality).

Seven registered Equality Plans, applicable to both financial institutions and to Group subsidiaries, have been implemented. These plans contain specific measures and targets to promote equality in practice and ensure compliance with applicable laws and regulations.

The impacts, risks and opportunities identified as material for Grupo Cooperativo Cajamar concern workers in its own workforce: on the one hand, working conditions for the Group's own workforce, since unsatisfactory working conditions entail a risk of reduced productivity and increased staff turnover due to excessive workload; and on the other, equal treatment and opportunities for all, the absence of which carries the risk being unable to attract and retain talent.

To generate positive impacts on its own workforce, Grupo Cooperativo Cajamar has several initiatives in place:

- Solidarity team, where not-for-profit projects can be presented as candidates to receive the monthly donations by employees. All the members of the Solidarity Team vote transparently via the intranet to select, from among the projects submitted, the one they think should receive the funds.

- Finances that make you grow: A financial education initiative of Grupo Cooperativo Cajamar aimed at 3rd and 4th year secondary school students, with materials and contents designed to meet ethical and responsibility criteria, in full alignment with the United Nations 2030 Agenda. The programme is taught entirely by employees.

- "PROVOCA" volunteering programme: The aim is to mobilise the talent, time and energy of the Cajamar Group's employees to assist the development of local communities and society as a whole.

At the same time, continuous hazard identification serves to estimate the magnitude of any unavoidable risks and negative impacts and, depending on the estimated level of risk, plans are made for corrective or preventive measures to eliminate or reduce such risks.

Over the course of 2024, a total of 264 risk assessments were carried out at branches.

102 ergonomic job evaluations were performed in response to requests by the interested parties and 3 ergonomic job reviews were carried out in other ways. In all cases, ergonomic recommendations were given and/or jobs were adapted according to employees' needs.

In addition, in 2024 a total of 171 preventive actions of various kinds were carried out at the new offices in the Science and Technology Park (PITA) in Almería.

Through the risk reporting system put in place in accordance with the Health and Safety Management procedure, Grupo Cajamar's Joint Occupational Risk Prevention Service (JORPS) has continued to directly handle a large number of requests relating to employee wellbeing.

In 2024, it handled a total of 1,670 "Remedies" requests directly related to wellbeing (e.g., ergonomic chairs, footrests, ergonomic mouse and keyboard mats, etc.).

Lastly, building on the Psychosocial Risk Assessment process started in 2023, 71 focus groups were carried out in 2024 to learn first-hand about daily situations that could be improved.

As regards Environmental and Emission Reduction initiatives, the transition plan has had no identifiable negative impacts on the Group’s own workforce, while its positive impacts have included the following options for employees:

- Discount on solar panels: This initiative promotes the use of renewable energy and helps reduce the carbon footprint.
- Green Facility for payroll advances for the acquisition of, or investment in, sustainable products.
- Hybrid and electric vehicle financing.

There have been no incidents related to child labour or forced labour. Grupo Cooperativo Cajamar complies with the laws of Spain, which is the geographical area in which it operates and in which the company has its headquarters and all its work centres. It complies with all the articles of the Workers' Statute and the National Action Plan against Forced Labour.

Grupo Cajamar has established a system for assessing occupational risk in cases where an employee’s health, biological status (e.g.: pregnancy or breastfeeding), disability or any other circumstance gives rise to particular sensitivity to their usual working conditions. These considerations are based on the company's legal obligation to protect employees who are especially sensitive to certain risks, in accordance with Articles 25, 26 and 27 of Act 31/1995 on Occupational Risk Prevention, which explicitly states the obligation to take such situations into account. The procedure comes into operation as soon as the JORPS becomes aware, or has evidence, of the existence of a situation that makes an employee especially sensitive to work-related risks.

Given that no Group entity has a minor in its workforce, the cases of special sensitivity recorded in 2024 were due to pregnancy and workers with a recognised disability or specific limitation.

The 30 cases of pregnant workers were handled in accordance with the applicable procedure, conducting a specific analysis of the job and making the necessary adaptations, implementing preventive measures and providing appropriate recommendations to guarantee the workers’ health and safety.

Job analysis serves to review risk, with a particular emphasis on aspects that may generate risks, such as: postures and movements, physical efforts, manual handling of loads, screen work, conditions of the physical work environment, etc.

The special sensitivity category includes two other groups of workers: those with a recognised disability and those with a specific limitation that has been assessed by the Health Surveillance Service by means of a medical examination.

In both cases, a detailed, individual job analysis is carried out, since the causes of the disability or limitation can vary widely and a case-by-case assessment is required to adapt the job to the worker’s needs. In the group as a whole we have 266 people considered especially sensitive, with Cajamar Caja Rural having the largest number of such employees.

In these cases, the specific recommendations and indications of the Health Surveillance Service are of great importance. Each worker’s aptitude certificate specifies the preventive or protective measures required in order to adapt the job to the worker’s special sensitivity.

The risks identified as material for the Group's own workforce, working conditions and equal treatment and opportunities affect all Grupo Cooperativo Cajamar workers equally, since optimal working conditions and environment will encourage workers to identify with the Group and contribute to its success to the best of their ability. In addition, the Group has in place the following policies to ensure compliance with the principles established to minimise workload and inequality issues.

4.1.2.Impacts, risks and opportunities management

4.1.2.1. S1-1. Policies related to own workforce

Grupo Cooperativo Cajamar has a wide range of policies, plans and protocols to ensure equal treatment and opportunities.

The principle of equal treatment and opportunities is upheld, in particular, by the Diversity, Equal rights and opportunities and Non-discrimination Policies, whereas the most important policies for avoiding excessive workloads are the Work-life balance Plan, the Employee Assistance Plan (PAE), and the Digital Disconnection Policy.

Other important policies are:

- The Human Rights Policy,
- The Good Corporate Governance Code,
- The Code of Conduct:
- The Occupational Health and Safety Policy,
- The Remuneration Policies,
- The Comprehensive Professional Development Plan,
- The Digital Disconnection Policy
- The Training Plan
- The Protocol for the prevention of workplace, sexual or gender-based harassment. Finally, the Workers' Statute, the XXIII Collective Agreement for Credit Unions, and the 2019 Framework Agreement on Working Conditions also play an important role.

These policies, plans and protocols apply to all Group employees and companies, except those that are specific to a particular company.

The Board of Directors of BCC has the broadest powers of representation, administration, supervision, management and oversight to carry out all kinds of acts and contracts of ownership and administration.

In relation to the Group's commitments in human rights matters, the Group's own policy is applied in all its activities, including those of its subsidiaries and affiliates. All employees, senior managers and directors are required to understand and apply this policy consistently and effectively.

Deployment of the Human Rights Policy involves implementing appropriate human rights due diligence processes with third-party representatives and collaborators, for whose actions and practices in relation to respect for and protection of human rights the Group may have secondary liability. Likewise, within the scope of its policy on socially responsible investment (SRI) and the exclusion of Undesired Associations (UDA), the Group undertakes not to finance companies or organisations that are known to have committed human rights violations.

The Human Rights Policy is approved and supervised by the Board of Directors of Grupo Cooperativo Cajamar, ensuring respect, protection and promotion of human rights in all Group operations. The rest of the policies adopted to guard against and manage risks and impacts with respect to the Group's customers have likewise been approved by the competent bodies within the Group.

The Group's Human Rights Policy is based on recognised international standards, including the United Nations International Bill of Human Rights, the International Labour Organisation Declaration, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the United Nations Women's Empowerment Principles and the ten principles of the United Nations Global Compact. In addition, Grupo Cooperativo Cajamar observes the ILO (International Labour Organisation) conventions to ensure that no human rights abuses occur, even in developed countries and consolidated democracies.

As regards respect for the human rights, including labour rights, of its own workforce;

- Respect for the dignity of the person and their fundamental rights is a core value for the Group, which is a signatory to the Universal Declaration of Human Rights and other international instruments.
- Steps are taken to promote equal rights and opportunities, avoiding any type of discrimination, humiliation or harassment.
- Active, preventive occupational health and safety policies are implemented, along with transparent, objective selection processes.
- Union freedom and employees' freedom of association are respected.

As regards engagement with its own workforce:

- The Group is committed to ensuring respect for the fundamental rights of employees and agents, acting against any form of discrimination.
- Work-life balance measures are promoted, and inclusion and diversity management policies are implemented.
- Remuneration is determined as objectively, fairly and equitably as possible.
- Teamwork is encouraged as an instrument for personal fulfilment and process improvement.

Regarding measures to provide and/or enable remedies for human rights incidents:

- The Regulatory Compliance Department is responsible for drafting, updating and publishing the Code of Conduct and for promoting training and awareness-raising activities in this respect.
- The Fundamental Rights Committee acts as a whistleblowing channel for preserving fundamental rights and ensures that no retaliation is taken against employees who submit complaints.
- A specific action protocol is in place for situations that may constitute moral harassment, ensuring that material and intangible resources are available to act immediately, diligently and preventively.

To ensure the correct handling of any human rights incidents that may occur, the Group offers its employees various communication channels: HR Portal, Inquiry Assistant, My Personal App, Inquiry Box and an Employee Service phone line.

Grupo Cooperativo Cajamar's policies explicitly address its commitment against human trafficking, forced labour, compulsory labour and child labour. In sustainability training, staff are made aware of the need for compliance with national and international human rights laws, including the prohibition on trafficking in human beings and forced, compulsory and child labour.

The Group also has a policy for the prevention of accidents in the workplace. This Accident Prevention Plan specifies roles and responsibilities for accident prevention, sets out processes and procedures, and implements the commitments and objectives stated in the Health and Safety Policy. In short, it specifies the model on which all accident prevention activities are based.

One of the fundamental principles underpinning the Prevention Plan and Policy is that it should be integrated throughout the organisation. To achieve an optimal level of integration, the Plan includes a set of responsibilities and functions in line with the Group's main organisational structures.

At branch level, risk prevention is the responsibility of a group-wide joint occupational risk prevention service, with specialist staff distributed geographically so as to maximise scope and service. This model is based on an adequate organisational structure devoted to the integration of occupational health and safety, so as to prevent risks at source and provide an appropriate response to minimise unavoidable risks by adapting the job to the person. However, this model could not work without the involvement and collaboration of branch managers.

In addition to the above policies, the Group also has a diversity, equality and inclusion policy aimed at creating an environment that will facilitate and enhance equal opportunities, non-discrimination, diversity and inclusion among the Group's workforce.

The Group has committed to Target Gender Equality, a gender equality acceleration programme for companies participating in the UN Global Compact. It also participates in the "Companies for a society free of gender violence" initiative promoted by the Spanish Ministry of Equality. In summary, the Equality, diversity and inclusion policy establishes that equal opportunities are crucial to professional progress and development, and implementing the policy entails equal treatment in order to drive the personal and professional advancement of the Group's workforce.

The policy stipulates equal opportunities and non-discrimination on the basis of gender, as well as the prevention of harassment and gender violence. Although it does not refer specifically to other types of discrimination, various awareness-raising campaigns and training actions are carried out within the Group to prevent unequal treatment of particular groups.

Through an agreement with the government delegation of the Ministry of Equality, Grupo Cooperativo Cajamar has made a political commitment to participate in the initiative for a society free of gender violence.

The following initiatives and procedures undertaken to ensure that this Equality Policy is applied in the Group and to promote diversity and inclusion in general are particularly notable:

- Management commitment

  The Group's Management has manifested a firm commitment to equal rights and opportunities and non-discrimination by instituting and implementing policies that include equal treatment, rights and opportunities for women and men, without directly or indirectly discriminating on the basis of sex, establishing gender equality as a strategic principle within gender diversity.

- Diversity and equality policies

  These Group policies are of fundamental importance for Management and as such, the corporate Diversity and Equality strategy is driven by a holistic vision that is reflected in Senior Management's commitment to building an inclusive company.

  The Group's vision and commitment to Diversity and Equality is reflected in the Cajamar Group's corporate values, with Diversity as one of the values relating to respect and support for the plurality of interests, perceptions, beliefs, ways of thinking, capacities and sensitivities, both within the organisation and in society at large.

- Equal opportunity plans throughout the Cajamar Group

Grupo Cooperativo Cajamar has seven equality plans for the Group companies to which the relevant legislation applies. The plans have been agreed with the workers' legal representatives, adapted to the new regulations and duly registered.

The Group prepares annual monitoring reports on equality measures, and interim and final assessment reports on the Equal Opportunity Plans.

As of the date of preparation of this report, in compliance with Organic Law 3/2007, of 22 March, for effective equality between women and men and its implementing regulations, negotiations are under way to draw up a Grupo Cooperativo Cajamar Plan for the Group's 19 financial institutions.

- Equality Committee

Grupo Cooperativo Cajamar is currently preparing an equality plan to cover all the Group's financial institutions, which is expected to be finalised in 2025. The Equality Committees of the entities and companies that have an Equality Plan have resolved, in accordance with the provisions of Article 5 of Royal Decree 901/2020, of October 13, to promote equal treatment and opportunities for women and men by establishing the bases for a culture of work that fosters effective equality between women and men and co-responsibility in the exercise of workers' right to ensure a proper balance between personal, family and work life, while eliminating any direct or indirect discrimination, including the wage gap.

The Equality Committees have internal regulations that specify their functions and powers, which include negotiating and preparing the equality assessment and the measures to be included in the Equality Plan; drawing up the report on the results of the equality assessment; identifying, in the light of that assessment, the priority measures, their scope of application, the material and human resources required for their implementation and the persons or bodies responsible, including a timetable for action, etc.

The Equality Committees meet at regular intervals, as specified in their regulations, in person or, where members are located in different geographical areas, online to avoid travel risks and for efficiency. Minutes are drawn up for each meeting.

- Prevention of and response to sexual harassment, gender-based harassment and other conduct contrary to sexual freedom and moral integrity in the workplace

Both Grupo Cooperativo Cajamar Management and the union representatives have committed to taking action, per the established protocol, in response to sexual harassment, gender-based harassment and moral harassment in labour relations and has thus established a method for the prevention and rapid resolution of complaints, with appropriate security guarantees and taking constitutional and labour standards and declarations on fundamental principles and rights at work into consideration.

To protect the labour and social rights of victims of harassment, all financial institutions and affiliated companies have negotiated the following measures with workers' representatives:

  - Signing of the Declaration of commitment to the prevention and elimination of sexual and/or gender-based harassment.

  - A protocol for the prevention of and action against sexual harassment, gender-based harassment and other conduct contrary to sexual freedom and moral integrity in the workplace, which includes the procedure for channelling any complaints or reports of harassment and the applicable precautionary or corrective measures, identifies the behaviours that will be considered to constitute harassment, including in the digital sphere, and specifies the responses to harassment and possible disciplinary actions.
  - A harassment prevention team.
  - In-person training in harassment prevention for members of the harassment advisory committee.
  - Online training in harassment prevention for the entire workforce through the "GCC Campus" platform.

- <u>Protection against gender violence:</u>

  Grupo Cooperativo Cajamar has signed a collaboration agreement with the Ministry of Equality, within the framework of the “Companies for a society free of gender violence” initiative, to promote awareness of and a concern for gender violence.

  All entities and affiliates have a *Protocol for protection against gender violence*, published on the HR Portal, and gender violence awareness campaigns and actions are carried out every 25 November, in collaboration with the Ministry of Equality, providing information about the rights of victims of gender violence, telephone numbers, resources, support and prevention.

- <u>Training plan</u> (based on the points identified in the Equality Plan update)

  The workforce has access, via the virtual training campus, to various training sessions on the prevention of and protection against sexual harassment and violence, in particular the anti-harassment protocol, which satisfy the regulatory requirement to raise awareness and provide training on this subject in the workplace.

  The equal opportunities training, which is mandatory for all Group personnel, is particularly worth noting.

4.1.2.2. S1-2. Processes for engaging with own workforce and workers' representatives regarding impacts

Grupo Cooperativo Cajamar maintains engagement channels with both employees and their union representatives, and collaborates with the workers' representatives. Negotiations affecting particular employee groups are conducted with union representatives through the appropriate committees and the resulting agreements can be consulted via the Employee Portal on the Group's Intranet. Matters concerning individual employees may be handled through different Employee Service channels (telephone and mailbox) or through union representatives, on a case-by-case basis.

The company or the union representative will make a proposal, or one of the established agreements may be renewed upon expiry. Once the matter to be negotiated has been decided upon, labour relations specialists (on behalf of the company) and workers’ representatives (on behalf of employees) meet at the negotiating table and a schedule of meetings, usually weekly, is drawn up to discuss the two sides’ proposals. Once both parties have consented to and accepted the proposals, an agreement setting out the proposals is drawn up for signing by the company and the workers' representatives.

The Group has established equality and work-life balance policies that apply to and cover the entire workforce. In addition, companies whose workforce is large enough to so require have an Equal Opportunities Plan (PIO), negotiated between the company and union representatives, setting out measures agreed upon by both parties. No labour agreement in place at the Group, whatever the subject matter, is contrary to the human rights of the Group's workforce.

The Labour area of Grupo Cooperativo Cajamar's People Department is responsible for collaborating with union representatives.

Agreements with the workers' representatives are drawn up at the negotiating tables, where all the parties' proposals are exchanged, presented and negotiated.

The level of trust and wellbeing among the Cajamar Group's workforce is assessed by means of the Great Place to Work (GPTW) survey. This survey, conducted annually, is a vital tool for identifying areas for improvement and formulating action plans that will help create a positive, productive work environment.

Once the survey results are available, Grupo Cooperativo Cajamar Management report the findings and any certifications obtained to the entire workforce, highlighting the most important points and any aspects to be improved.

These notifications are made through the Group's intranet and various Human Resources channels (employee portal, regular newsletter, digital channels, etc.)

Based on the survey results, follow-up is conducted on the matters assessed and any improvement actions or targets.

- Preparation of Results Reports: In addition to the Results Report issued by the consultancy, the information is analysed and processed internally in greater detail.

  Reports are prepared for each of the Group's main Central Services departments and the various branch sales territories, as well as for each individual financial institution and subsidiary. These reports include a comparison with the previous year's results and the survey's key indicators, as well as with peers in the sector and companies with more than 5,000 employees. The information is analysed in terms of demographic characteristics (age, seniority, gender, etc.), taking note of the best- and worst-rated questions in each area and those with the biggest differences in score compared to the previous year, and tracking the changes in key employee satisfaction indicators over time.

- Report Presentation:

  - Management Committee.
  - People Management.
  - General Management Departments of the Bank.
  - Regional Managers (who report, in turn, to Area and Branch Managers).

- Presentation of results: Meetings are held to present the survey results, discuss the various aspects mentioned above and propose improvement actions for each dimension that received a lower rating.

  At these meetings, managers undertake to carry out certain actions, which they will first communicate to their staff and subsequently report on, providing evidence.

  Strategies and action plans are developed on the basis of the survey results.

- Action monitoring meetings: Meetings are held at regular intervals to hear managers' reports and monitor the actions being implemented, offer and make available any resources that may be required to achieve the goals, and share best practices and successes.

- Workers' representatives at the negotiating tables are involved in addressing the impact on the workforce of the ecological transition, including the 2024 Early Retirement Plan, designed to facilitate the generational shift. Regular meetings are held to assess the training provided and share best practices. The Group also promotes gender and social equality through inclusive policies. Health and safety is a priority, so the Group takes steps to mitigate risks arising from new technologies and sustainable processes.

4.1.2.3. S1-3. Processes to remediate negative impacts and channels for own workforce to raise concerns

If it is necessary to remediate a negative impact on its own workforce, Grupo Cooperativo Cajamar applies the agreements or collective agreement currently in force. Where there are no applicable regulations, the Group's Management and the workers' representatives examine the remediation options together.

Members of the workforce can contact Grupo Cooperativo Cajamar Management through the various channels available on the HR Portal: via the Employee Service (telephone and mailbox) or through union representatives, who will examine and evaluate each case.

Members of the workforce can contact the company through the channels available on the HR Porta via the Employee Service (telephone and mailbox) or through union representatives, who will examine and evaluate each case.

Grupo Cooperativo Cajamar has a team of specialists to handle queries from its own workforce through the Employee Service channels. These channels are publicised and are available for use on the employee portal.

All calls and emails received through the Employee Service channels are tracked.

At yearly intervals, a fully confidential survey of the entire workforce is conducted to assess these factors, duly informing employees of the applicable confidentiality guarantees in survey-related notifications. The Group also has a whistleblowing channel that guarantees confidentiality and protection against retaliation.

The Group has a Protocol for the prevention of moral, sexual and gender-based harassment, with all the legal guarantees.

4.1.2.4. S1-4. Taking action in respect of material impacts on own workforce, approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

No impacts requiring a specific response were recorded during 2024. The material risks identified are already minimised through the policies implemented within Grupo Cooperativo Cajamar, which are designed to foster a work-life balance and equal treatment and opportunities. These policies also prevent any negative impact on employees of the Group's own practices. Material risk management is integrated into the existing risk management system and is governed by the policies and channels described previously.

Grupo Cooperativo Cajamar has taken various steps to facilitate a work-life balance and encourages all parties to take joint responsibility for their success. The steps taken include:

- **Extended accumulated breastfeeding leave**: Accumulated breastfeeding leave has been extended to 28 calendar days at full-time hours for the other parent (other than the biological mother).
- **Suspension of employment for childbirth and childcare**: The period of suspension of the employment contract for birth and childcare for the parent other than the biological mother has been extended to 18 weeks, the first 6 of which must be taken in a single block immediately after the birth.
- **Parental leave for single-parent families**: An additional two weeks of birth and childcare leave has been granted to single-parent families, in addition to the existing two-week extension.
- **Infant care leave**: The entitlement to infant care leave has been extended until the child reaches 12 months of age.
- **Right to digital disconnection from work**: Employees are entitled not to engage with digital devices outside of their working hours, including during rest periods, leave, absences or vacations, except in cases of justified emergencies as stipulated in the Collective Agreement. The only exception applies to those on on-call duty or in similar circumstances.
- **Promotion of shared responsibility**: Imagery is chosen carefully to foster shared responsibility and actively promote communication, training and awareness-raising to encourage equitable sharing of family responsibilities and domestic tasks.

In addition, the Group has implemented an internal digital disconnection policy, which was negotiated and signed with the union representatives of the Group's credit institutions on 22 March 2024. This policy establishes employees' right to disengage from digital devices outside of their working hours and during rest periods, leave, or vacation, except in justified emergencies. It also promotes training and awareness regarding the importance of digital disconnection and includes measures to ensure that work-related communications take place exclusively within working hours.

4.1.3.Metrics and targets

4.1.3.1. S1-5. Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

To set targets for its own workforce, Grupo Cooperativo Cajamar engages with employee representatives around the negotiating table. Minutes are taken of these meetings (and can be certified or documented through the meeting notices) and any agreements reached are accessible via the HR Portal. These targets are not directly linked to IROs (impacts, risks, and opportunities) but address any matter of relevance to the workforce that is raised either by Group management or by employee representatives.

The agreed targets are monitored by the negotiating committees and progress is recorded in meeting minutes (which can be certified or documented through the meeting notices).

4.1.3.2. Characteristics of the undertaking's employees

The following tables show the characteristics of Grupo Cooperativo Cajamar's employees:

Number of employees (head count or full-time equivalents (FTEs) at year-end/ annual average/ other methodology) by gender	2023	2024
Men	3,063	2,958

Women	3,185	3,158
Other	-	-
Not reported	-	-
Total employees	**6,248**	**6,116**

Full-time equivalent (FTE): The number of employees at 31.12.2024. Each person counts as 1, regardless of whether they have reduced working hours or not.

Number of employees by contract type and gender										
	2023					**2024**				
	Women	**Men**	**Other**	**Not disclosed**	**Total**	**Women**	**Men**	**Other**	**Not disclosed**	**Total**
No. of employees	3,185	3,063	-	-	6,248	3,158	2,958	-	-	6,116
No. of permanent employees	3,144	3,036	-	-	6,180	3,104	2,923	-	-	6,027
No. of temporary employees	41	27	-	-	68	54	35	-	-	89
No. of non-guaranteed hours employees	-	-	-	-	-	-	-	-	-	-

Employees who have left the undertaking and turnover rate										
	2023					**2024**				
	Women	**Men**	**Other**	**Not disclosed**	**Total**	**Women**	**Men**	**Other**	**Not disclosed**	**Total**
Voluntary	12	18	-	-	**30**	16	17	-	-	33
Dismissal	10	25	-	-	**35**	10	24	-	-	34
Retirement	14	66	-	-	**80**	1	14	-	-	15
Death	2	-	-	-	**2**	-	-	-	-	-
Illness	7	9	-	-	**16**	13	12	-	-	**25**
Leave	28	22	-	-	**50**	39	20	-	-	**59**
Early retirement	46	86	-	-	**132**	68	133	-	-	**201**
End of contract	23	12	-	-	**35**	41	19	-	-	**60**
Total	**142**	**238**	-	-	**380**	**188**	**239**	-	-	**427**
Turnover rate					**6.04%**					**6.87%**
Average no. of employees					6,291					6,217

4.1.3.3. S1-7. Characteristics of non-employee workers in the undertaking's own workforce

The following tables show the characteristics of Grupo Cooperativo Cajamar's non-employees:

Head count or full-time equivalent (FTE)

Non-employee workers in the undertaking's own workforce	**2023**	**2024**
Contractors supplying labour to the company	-	-
Workers provided by undertakings primarily engaged in employment activities	13	18
Total number of non-employees in own workforce	**13**	**18**

4.1.3.4. S1-8. Collective bargaining coverage and social dialogue

100% of employees are covered by collective bargaining agreements, are represented by workers' representatives and are located in the European Economic Area.

4.1.3.5. S1-9. Diversity metrics

	2023	**2024**
Senior management	26	27
Senior management as % of total employees	0.42%	0.44%
Women	5	7
% women	19.23%	25.93%
Men	21	20
% men	80.77%	74.07%

Employees	2023	2024
< 30	219	244
%	3.5103%	3.99%
Age 30 to 50	4,011	3,728
%	64.20%	60.95%
> 50	2018	2144
%	32.30%	35.06%

4.1.3.6. S1-10. Adequate wages

All Grupo Cooperativo Cajamar employees are located in the European Economic Area and receive an adequate salary.

4.1.3.7. S1-11. Social protection

All employees are covered by Social Security, understood as social protection against loss of income due to major life events (illness, unemployment, accidents at work, parental leave, retirement).

4.1.3.8. S1-12. Persons with disabilities

	2023	2024
Employees with disabilities	119	114
% employees with disabilities subject to legal restrictions on the collection of data	2.01%	1.96%

4.1.3.9. S1-13. Training and skills development metrics

	2023		2024	
	% of employees that participate in regular performance and career development reviews	Average number of training hours	% of employees that participate in regular performance and career development reviews	Average number of training hours
% of total employees	64.00%	65,29	77.04%	56,92
Men	1,868	64	2,170	57
Women	2,131	67	2,542	60
Others	-	-	-	-
Not disclosed	-	-	-	-

4.1.3.10. S1-14. Health and safety metrics

Grupo Cajamar's Joint Occupational Risk Prevention Service (JORPS) is a specific organisational unit whose mission is to assess occupational risks and provide the Group companies with advice, support and coordination in carrying out risk prevention activities to protect workers' health and safety. The JORPS is responsible for the technical specialities, while health surveillance is covered by External Prevention Services. 100% of the workforce of the companies that make up Grupo Cajamar are covered.

Grupo Cooperativo Cajamar has not had any fatalities as a result of work-related injuries or work-related ill health. If it did, they would be calculated as follows: The injury rate is calculated as (number of cases/ total number of hours worked by own employees) x 1 million. The number of hours worked can be estimated based on normal working hours, and taking paid leave, sick leave and holidays into account.

67 accidents were recorded within Grupo Cooperativo Cajamar in 2024. Most of the accidents were while travelling to or from work and all were minor, with very few days lost. As a preventive measure, workers are regularly reminded about road safety, so as to avoid accidents as far as possible, whatever the means of transport: by foot, scooter, bicycle, public transport, motorbike or private car.

There is no risk of child labour.

The accident rates are shown in the following tables.

	2023						2024					
	Employees					Non-employees	Employees					Non-employees
	Men	Women	Others	Not disclosed	TOTAL	TOTAL	Men	Women	Others	Not disclosed	TOTAL	TOTAL
People in own workforce* covered by the undertaking's health and safety management system (*)	3,055	3,184	-	-	6,239	-	2,989	3,162	-	-	6,151	-
% of people in own workforce* covered by the undertaking's health and safety management system	100.00%	100.00%	-	-	100.00%	-	100.00%	100.00%	-	-	100.00%	-
Number of fatalities as a result of work-related injuries and work-related ill health	-	-	-	-	-	-	-	-	-	-		-
Number of recordable work-related accidents	-	5	-	-	5	-	26	41	-	-	67	-
Rate of recordable work-related accidents	-	0.92%	-	-	0.47%	-	5.12%	7.63%	-	-	-	-
No. of cases of recordable work-related ill health	-	-	-	-	-	-	-	-	-	-	0,48	-
With regard to employees, no. of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	376	732	-	-	1,108	-	144	522	-	-	666	-

4.1.3.11. S1-15. Work-life balance metrics

Grupo Cooperativo Cajamar employees are entitled to family leave under both the Workers' Statute and the collective agreements in force.

4.1.3.12. S1-16. Remuneration metrics (pay gap and total remuneration)

	2024	2023	2022
Gender pay gap	14.36%	15.08%	15.28%
Annual total remuneration ratio	18,67	14,50	-

Gap metric: the gap is calculated using the figures for the Group's workforce (without early retirees) at 31/12, excluding people with 0% job occupancy.
The figures for remuneration include:
1. 100% of fixed annual remuneration at 31/12 (of all active employees).
2. Variable remuneration paid in the year.
3. All other cash and non-cash remuneration paid during the year.
Gap formula [Men's remuneration - Women's remuneration] / Men's remuneration. (*mean or median)

4.1.3.13. S1-17. Incidents, complaints and severe human rights impacts

No fines, penalties or compensation for damages were recorded during 2024 relating to incidents or complaints of human rights-related incidents.

4.2. Consumers / End-Users (S4)

4.2.1. Strategy

4.2.1.1. SBM-2: Interests and views of stakeholders;

Grupo Cooperativo Cajamar discloses how the interests, views and rights of consumers and/or end users, including respect for their human rights, inform its strategy and business model in section 2.3.4, Consideration of the interests of stakeholders and social IROs in strategy.

4.2.1.2. SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

The resilience of Grupo Cooperativo Cajamar's strategy and business model in terms of its ability to address its material impacts and risks and take advantage of its material opportunities is analysed by means of a materiality assessment, which affords a better understanding of the Group’s vulnerability to environmental risks and the magnitude of the impact on the Group's overall risk profile and makes it better able to take further action to support ESG risk monitoring and control, including target and limit setting.

The assessment did not detect any IROs arising from the company's strategy and business model, so it is not considered necessary to adapt them, although sustainability is a key theme throughout Grupo Cooperativo Cajamar’s strategic plan, with a view to taking advantage of any opportunities that sustainability may offer with respect to the Group's business model.

In its double materiality assessment, the Group detected the following material IROs: violation of consumers' and end users' data privacy due to security breaches; increase in the risk of loss of personal data if no processes are in place to ensure a robust security system; complaints of violation of the rights of minors; and risk of customer flight and increased litigation costs. These IROs are inherent in the Group's activity and do not depend on the specific strategy or business model.

Given these impacts, it follows that all of Grupo Cooperativo Cajamar's customers could be affected, as they are all consumers or end-users of services that may adversely affect their rights to privacy, personal data protection, freedom of expression and non-discrimination. One of the identified risks may affect consumers and/or end users who are especially vulnerable to health or privacy impacts or impacts from marketing and sales strategies, such as children or financially vulnerable individuals.

To protect vulnerable groups such as minors and people over 65, Grupo Cooperativo Cajamar has specific resources to ensure that they understand the characteristics of the products and services offered. Minors are not permitted to manage accounts on their own and require the authorisation of their legal representative, although the Group does offer prepaid debit cards, which are a controlled option for minors to shop or pay online. For people over 65 there is the +65 programme, which is especially designed to meet their needs.

The material negative impacts detected are general or systemic impacts in contexts in which the company sells or offers its products or services and are not based on individual cases or specific business relationships.

Grupo Cooperativo Cajamar has a range of policies and services that positively affect consumers and end- users by ensuring a more reliable, better-quality service: a privacy policy that covers the processing of consumers' and end users' data; a Customer Service Department that handles customer complaints; improved accessibility through adaptations to the communication channels and customer service; easier access to information through new channels, products and services; reinforced user protection through responsible use of customers' personal data; customer education channels and programmes to improve customers' decision-making; increased customer satisfaction through compliance with quality standards; and respect for human rights through the application of corporate policies and procedures.

All these services make it possible to better understand customers' needs, adapt the products and services to their particular circumstances and minimise the chances they will suffer losses as a result of the risks to which they are exposed when using the Group's financial services.

4.2.2.Impacts, risks and opportunities management

4.2.2.1. S4-1: Policies related to consumers and end-users

In its dealings with consumers and end-users, GCC has several policies aimed at safeguarding the rights of these groups, including: the Human Rights Policy; the Financial Inclusion Policy; the Marketing Communication Policy; the Data Protection Policy; the Cybersecurity standards; and the Customer Protection Regulation.

These policies are aimed at defending consumers' and end-users' rights and interests arising from contracts, transparency regulations, customer protection rules and good financial practices.

Specifically, the measures for managing material impacts resulting from cybersecurity breaches are focused on ensuring the protection of computer systems and confidential information. Cyber risk management requirements have been established and security measures have been implemented. Compliance with this policy and proper protection of customers is ensured through collaboration with regulatory bodies and external audits.

In addition, the data protection policy sets out measures to ensure the privacy and security of customers' and employees' personal data, which includes preventing unauthorised access, loss or leakage. The policy also ensures transparency in data processing, informing users of the purposes for which their data will be used and the mechanisms at their disposal to exercise their rights of access, rectification or deletion of information.

Lastly, the customer protection regulations establish protection rights and mechanisms for Grupo Cooperativo Cajamar customers. These regulations are designed to ensure transparent, fair and equitable treatment in providing customers with information about the products and services offered. They also regulate the complaints procedure and customer service.

Since 2017, GCC has had in place a Human Rights Policy that ensures respect, support and protection of fundamental human rights in all its activities and relations with employees, customers, suppliers and local communities (for details of this Policy, see section 2.3.4, Consideration of the interests of stakeholders and social IROs in strategy).

The Group's Human Rights Policy is based on recognised international standards, most notably:

- The United Nations International Bill of Human Rights, consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights;
- The International Labour Organisation Declaration on Fundamental Principles and Rights at Work;
- The United Nations Guiding Principles on Business and Human Rights;
- The OECD Guidelines for Multinational Enterprises
- The United Nations Principles for the Empowerment of Women;
- The Ten Principles of the United Nations Global Compact, to which the Group is committed.

Deployment of the Human Rights Policy involves implementing appropriate human rights due diligence processes with third-party representatives and collaborators, for whose actions and practices in relation to respect for and protection of human rights the Group may have secondary liability. As part of its policy on socially responsible investment and the exclusion of undesired associations, the Group has undertaken not to finance companies or organisations that are known to have committed human rights violations.

The Human Rights Policy therefore complies with the United Nations Guiding Principles on Business and Human Rights, which it observes in order to ensure compliance in the treatment of consumers and end-users.

The Human Rights Policy approved by the Board of Directors of Grupo Cooperativo Cajamar is deployed through four specific lines of action aimed at strengthening the organisational culture in terms of respect, protection and promotion of human rights.

1. A clear, robust risk prevention policy, a clear and forceful expression, to stakeholders and society in general, of the Group’s policy of respecting, protecting and promoting human rights. This information is available on the GCC website.
2. Training and awareness-raising, including specific training actions related to its Human Rights Policy (see section 5.2.2. G1-1).
3. Alert mechanisms to identify warning signs of practices that could entail a violation of human rights (see sections 3.2.3.2 E.1,2, exclusion of Undesired Associations, and 5.2.4. G1-3).
4. Reporting channel for employees who detect violations within the organisation and in other organisations with which they have dealings as customers, suppliers, etc. (see section 5.2.2. G1-1).

During 2024, the Group did not receive any reports of human rights violations in relation to the following fundamental rights: freedom of association, non-discrimination, decent employment (fair pay, working hours, etc.), safe and healthy and working conditions, abolition of child labour and forced or compulsory labour.

No measures have had to be taken to remedy human rights impacts, as no such impacts have occurred.

4.2.2.2. S4-2: Processes for engaging with consumers and end-users regarding impacts

The Group has various communication channels for engaging with its consumers and end-users:

- Customer Service Department (see section 4.2.2.4 S4-4)
- Shareholders and Investors Service
- Whistleblowing Channel (see section 5.2.2. G1-1)

Any material IROs detected, whether in relation to cybersecurity, data protection or customer protection, may be reported to the Group through any of the above channels by customers or consumers or by any of the Group's own employees who detect an impact of this kind.

As a cooperative, the Group places great importance on its relationship with customers and cooperative members, which, given the Group's underlying business philosophy, is more than a purely commercial relationship. This way of understanding the customer relationship is reflected in the Bylaws of each credit cooperative and in a particular philosophy and style of commercial and institutional communication.

The undertaking has established a Marketing Communication Policy at the highest level, which sets out the principles and mechanisms established to ensure the full transparency, control and reporting of its advertising activity, all of which is based on:

- The principle of transparency

  Ensuring that all the information provided by law to the various stakeholders is truthful, complete, rigorous, accurate and written in understandable, clear and precise language.

- Its relations with members

  Members and customers are the fundamental end-users of the Group's services, and the persons covered by the policy must thus ensure that all dealings with them are respectful, cordial, equitable, reliable, stable and lasting, with no discrimination on grounds of age, gender, race, ideology, religion, wealth or any other ethically objectionable criterion.

- Truthful marketing communication

  Any advertising, marketing or sales-related conduct involving deception or misinformation must be avoided. Formal and informal marketing communications by covered persons must be truthful, and they must refrain from using misleading advertising or ambiguous sales arguments.

To put these principles into practice, GCC has a set of rules on best practices in communication:

1. Do not encourage excessive consumption or irrational borrowing by customers.
2. Specify the characteristics and attributes of products and services to match real, rational expectations of the target audience, promoting informative advertising.
3. Specify the characteristics based on customers' current needs, rather than creating unnecessary, new needs that do not lead to an improvement in their quality of life.
4. Do not use advertising images, messages or arguments that involve using people as objects or entail an attack on their dignity.
5. Provide maximum transparency and quality, so as to facilitate the greatest possible knowledge and understanding of the offer.

6. Do not target people who, on account of their personal characteristics or circumstances, are unable to consume responsibly.
7. Do not use comparative advertising.
8. Do not allow promotional gifts, even where required for commercial reasons, to distort or substantially alter the main offer.
9. Encourage the use of environmentally friendly materials, media and channels.
10. Avoid targeting intrusive personal advertising at customers or sending personal offers that not meet the customer’s true needs and interests.

The views of consumers and end-users are a fundamental part of Grupo Cooperativo Cajamar's decision-making process, and with this in mind it interacts directly with consumers and end-users. The Group receives two quarterly reports on customers’ opinions regarding different aspects of its services gathered through its Voice of the Customer survey and External Indicators Report. The Voice of the Customer survey is conducted internally and the External Indicators Report is prepared by an external consultancy, which compares Grupo Cooperativo Cajamar with the rest of the financial institutions in the market.

Customer engagement occurs at different stages of the interaction process (application for products/services through different channels; interactions with branches; remote branches; contact centre; and complaint resolution). Surveys are sent automatically by email through the Marketing Cloud or are displayed directly in the customer chat in the case of the Group's app or online banking. Surveys are launched after various specific events, including the sale of a product or service, the resolution of a request or enquiry, and the resolution of a complaint.

GCC also conducts relationship surveys with certain customers with which engagement is triggered by virtue of specific scenarios , such as particular business strategies or supervision by a specialist account manager. These surveys are sent automatically at quarterly intervals, according to a predefined calendar.

Responsibility for customer engagement lies with the General Business Manager, who collects the related information and shares any relevant points with GCC management bodies for the purpose of strategic decision making. However, the following are also required to participate:

- The General Control Department, through the Regulatory Compliance Department, is responsible for effectively monitoring the procedures and controls established by the Image and Advertising Communication area for the conduct of advertising activities in the Group, carrying out a review at least yearly, as indicated and specified in its control map.
- At the same time, as part of its regular schedule of reviews, the General Audit Department performs any additional checks and verifications it deems appropriate regarding compliance with internal procedures and controls on the conduct of the Group's advertising activities.

Having particular regard to the measures taken to understand the views of the groups that are especially vulnerable to certain impacts and maintaining the firm commitment sustained over a number of years, the Group has implemented protection measures specifically to address the needs of the population groups most at risk of financial exclusion.

Aware of the crucial importance of financial inclusion in reducing poverty and building prosperity, the Group takes a proactive approach to protecting customers of this kind. The aim is to provide appropriate, tailored solutions in each case through compliance with regulations and a personalised analysis of each situation.

In addition, the Group continues to implement the Code of Best Practices established by Royal Decree Law 6/2012 and, following the entry into force of RDL 19/2022, the new Code of Best Practices, thus confirming its long-standing commitment to financial inclusion and care for the most vulnerable groups in the field of financial services.

In matters of financial inclusion, as an instrument of social empowerment:

- The Group is committed to the Principles for Responsible Banking, of which it is one of the founding signatories, thus demonstrating its commitment to sustainable banking practices.
- It is an active participant in the Spanish Business Council for Sustainable Development, contributing to the promotion of business practices aligned with the principles of sustainability and social responsibility.
- It is part of the Forética Social Impact Cluster, which provides the opportunity to collaborate and share knowledge with other entities interested in generating a positive social impact through their activities.
- The Group is pushing ahead with the +65 programme, with the aim of increasing the level of service to this group, while ensuring that all members and customers, regardless of their circumstances, obtain the maximum benefit from the opportunities offered by the digital transformation.
- The Group remains committed to the most vulnerable groups and those at risk of financial exclusion. To this end:
    - The Group maintains 2,558,359 current accounts (demand and savings), with a balance of €27,927,541 thousand.
    - Specifically, 980 of these accounts are free Basic Payment Accounts, while 224,578 belong to self-employed individuals and small businesses, with €7,463,298 thousand in funds under management.
    - The Group has a portfolio of 3,704 mortgage loans, totalling more than €240,402 thousand, provided to clients with low or moderate incomes. Of these, 3,351 are up-to-date with their payments, amounting to €219,293 thousand.
- "Finance that makes you grow" corporate volunteering programme: a financial education programme aimed at 3rd and 4th year secondary school students, providing training and knowledge in personal finance and social responsibility.

4.2.2.3. S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

GCC's Customer Service Department (CSD) gives priority to optimising customer service in the handling of impacts arising in the activity of the Group's affiliates and establishing uniform, documented and reasoned criteria.

The responsibilities of the CSD are defined in the Customer Protection Regulations, which are published on the corporate website.

The CSD makes recommendations aimed at preventing or correcting certain actions, improving the way member institutions operate and ensuring they follow the guidelines on best financial practices and customs of the Bank of Spain's General Financial Conduct and Banknotes Department and the CNMV's Investor Department.

Apart from handling and resolving complaints and claims, this control function of issuing recommendations, based on an analysis of those complaints and claims and the solutions identified by the CSD, is considered to be of strategic importance for the Group.

The CSD reports hierarchically to the Bank's Regulatory Compliance Department, acting independently from other areas and departments of the Group, so as to ensure impartial decision-making and avoid conflicts of interest. Steps are taken to ensure that customer service is fast, secure, efficient and coordinated and has the necessary human, material, technical and organisational resources.

In 2023, to remediate impacts that occurred, the CSD issued the following three recommendations, in this order, all of them resolved at the date of this report. No additional recommendations were issued during 2024.

The channels GCC makes available to its customers are:

- postal mail
- email
- paper form at branches; and
- electronic banking.

The first three are mandatory to comply with the order issued by the Ministry of Economy (*Orden ECO*) and consumer legislation, while the electronic channel is provided for customer convenience. All the channels are publicised, as required by the order, in the Group's branches and on its website, in compliance with Article 9 of Order ECO 724/2004.

Within the first quarter of each year, GCC's CSD submits an explanatory report to the Board of Directors containing:

- a statistical summary of complaints and claims handled;
- a summary of the decisions issued, indicating whether or not they were in the customer's favour;
- the general criteria applied in reaching the decisions; and
- recommendations for further improvement.

Close monitoring thus allows Grupo Cooperativo Cajamar to ensure that the channels made available to consumers are effective. If a customer disagrees with GCC's decision, they may contact the Complaints Department of the applicable supervisory body (BdE/ CNMV), depending on the subject matter of the complaint. The remedy provided is assessed within the first quarter of each calendar year, when the CSD submits to the Board of Directors an explanatory report on its activity during the preceding financial year, which includes a summary of the decisions issued, indicating in each case whether or not they were in favour of the claimant. Where a decision is against the claimant, details are provided of the number of decisions issued by a supervisory body's Complaints Department, as an indication of the level of consumer disapproval of the CSD's decisions.

At the same time, GCC has a whistleblower protection policy, which is published on the websites of Group entities and on the intranet for consultation by the general public and employees, respectively..

4.2.2.4. S4-4: Taking action on material impacts on consumers and end-users, approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

To remediate the impacts detected in 2023, Grupo Cooperativo Cajamar took the following steps:

- Unilateral application of changes to fees in accounts that the customer, for whatever reason, is unable to cancel: measures are being implemented to ensure that no changes to account maintenance fees are applied unilaterally during the period in which account holders are unable to exercise their right to object to such changes by cancelling their accounts at no cost; this incident was resolved during 2024.
- Wording of the clause on subrogation to mortgage loan documents: the wording has been made clearer and the documentation to be submitted has been reviewed; this incident was resolved during 2024.
- Changes to some literals displayed on ATM screens: the changes concerned the option for the customer to cancel a transaction, with a view to avoiding misunderstandings; this incident was resolved during 2024.

No additional impacts were detected during 2024, so no additional actions were taken.

These actions did not entail any operating expenses or investments in significant fixed assets and were covered by the Group's regular budget.

In addition, 2024 was a period of great progress and consolidation in the field of Digital Banking. Over the past few months, the Group has been working to improve the Group's digital services, optimise the user experience and offer more efficient solutions.

In remote banking services

- Online applications. Improvements have been made to the online account opening process, which is available in the Grupo Cajamar app and on the website. The changes, including improvements in usability, have brought about an increase in new customers applying online. The range of products available online has been expanded:
    - car insurance, both in the app and in electronic banking;
    - Cajamar Consumo credit card, both in the app and in electronic banking;
    - “Hola” deposit, added to the Group's app and improved in electronic banking to allow immediate account opening;
    - credit card applications in the Group's app;
    - “Cuenta Nómina” payroll account in electronic banking; and
    - professional e-shopping card, also in electronic banking.

- During 2024, a number of new services were introduced:

    - Financing of payments, so that customers who have a credit card can defer payments of more than €100 from their accounts and settle them in instalments of their choice.
    - Minors: parents and guardians can register minors and disabled persons as customers, open accounts for them and even sign them up for the Virtual Branch, so that they can use the Group's app, and subsequently manage account transactions and limits.
    - Account aggregation: customers can add accounts held at other institutions to their electronic banking profile, so that they can view their account activity and balances and order transfers from those accounts via the Group’s online service.
    - Reverse factoring: the reverse factoring service has several new functions, both for issuers and for beneficiaries, who will be able to manage the payments they receive through the Electronic Branch, even if they are not GCC customers.
    - Conecta: this service, which is integrated into the app and into electronic banking, has incorporated developments such as personalised product recommendations, carbon footprint information, expired documentation alerts and usability improvements. Particularly noteworthy is the creation of a special option to attend to requests from persons affected by the floods in Valencia in October.
    - Payment initiator: this service allows the user to initiate a transfer from an account at another entity, even if it is not a Grupo Cooperativo Cajamar entity, so as to facilitate payment collection. It can be integrated within the websites of companies and public administrations.
    - Improvements to the account history: inclusion of direct links to receipts for all transactions and consultation of loan payments.
    - Modification of account participants: users can add and remove participants in their accounts.
    - Insurance applications and supplements: customers can directly apply for and increase insurance coverage online through the My Insurance section in the app and in electronic banking.

  - Other improvements: optimisation of the history of remittances issued, changes of address abroad, new tax certificate for Castilla y León, and improvements to card display and operations.

- Improvements to the Grupo Cajamar app via four updated versions, including:
  - Transaction financing: as in electronic banking, customers can defer payments of more than €100 from their accounts if they have a credit card.
  - More products available online: 360 Account, “Hola” deposit and credit card applications.
  - Minors: minors can now use the Grupo Cajamar app to manage their accounts and make payments with Bizum. Their parents and guardians can activate the Virtual Office for them, so they can use the app and manage their accounts and limits.
  - Online deposit account opening: inclusion of the pre-contractual information sheet (FIPRE) and usability improvements.
  - Cajamar Consumo credit lines: improvements to withdrawals, and clarification of the different types of fees.
  - BizumID: allows customers to quickly authenticate and register on third-party websites that have enabled this service.
  - Professional e-shopping card: new features for reloading cards and viewing card data.
  - Other improvements: total savings products summary, improvements in obtaining receipts and in navigation and safety.

- Improvements to the website. The public websites of Grupo Cooperativo Cajamar are continuously improving, highlights being the new real estate website, the marketing information on the Group's new products and steps to improve efficiency and the customer experience.
- ATMs. New features have been added, including a history of card settlements and deferral of the next card settlement, updates to main address, fast withdrawals and other improvements and new features.

Detected impacts are monitored through a report submitted to the Group's Board of Directors during the first quarter of the year.

Grupo Cooperativo Cajamar ensures an adequate flow of information for consumers and end-users and ensures social inclusion through various proposals. These proposals are presented and coordinated by the Group's General Business Department and are notified to the Group's management and supervisory bodies.

Grupo Cooperativo Cajamar’s approach to remediating material impacts involves addressing customers’ needs as a whole, seeking to make good any harm caused and adhering to the applicable regulations and legal framework, depending on the nature of the event. The Group also takes steps to prevent the repetition of similar events in the future.

To ensure that remediation processes are effective and available, negative impacts must first be identified and assessed. Specific remediation processes can then be developed, and effective and preventive solutions can be implemented. The chosen solutions must be monitored to ensure that they are effective. In addition, it is vital to maintain clear communication with customers about remediation processes.

As a financial institution, Grupo Cooperativo Cajamar is subject to a large number of rules and regulations covering various material impacts, as identified in the double materiality assessment. The Group complies with applicable laws and regulations, so many of these risks are mitigated already through regulatory compliance. Moreover, the Group is subject to internal and external audits to ensure compliance. The three lines of defence model of supervision facilitates mitigation through risk control, measurement and management.

Grupo Cooperativo Cajamar's sales practices comply with the various regulations established by regulators and supervisors to protect consumers and end-users, including the Customer Protection Regulation and the Data Protection Act, as well as with the cyber resilience policy.

No serious human rights issues or incidents related to consumers or end-users have been reported.

To manage material impacts, Grupo Cooperativo Cajamar has a Regulatory Compliance Department (within the General Control Department), which reports directly to the Board of Directors, so as to ensure its independence in assessing the importance of impacts, the actions and processes for resolving them and the resulting recommendations. This department oversees the Customer Service Department and the Whistleblowing Channel.

4.2.3. Metrics and targets

4.2.3.1. S4-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

Although Grupo Cooperativo Cajamar does not have specific targets for the resolution of material impacts, guidelines for engagement with customers are set out in its Strategic Plan.

As already stated in sections S4-2 and S4-3, Grupo Cooperativo Cajamar has various channels for directly gathering the opinions of its customers, which are taken into account in decision-making by the Management Bodies, which are responsible for their inclusion in strategy.

The Strategic Plan is monitored at regular intervals by the Grupo Cooperativo Cajamar Strategy Committee, which ensures compliance and determines whether additional action should be taken to achieve the agreed objectives.

5. Governance Information

5.1. Governance

5.1.1. GOV-1: The role of the administrative, management and supervisory bodies

The role of the administrative, management and supervisory bodies related to business conduct, and their expertise on business conduct matters, are covered in section 2.2.1.1. Business conduct.

5.2. Impacts, risks and opportunities management

5.2.1. IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

In the double materiality assessment described in section 2.4. Double materiality assessment, the starting point is the identification of sustainability-related impacts, risks and opportunities in the undertaking’s own operations and value chain. To assess business conduct, the impacts on people of the company's own operations and the potential risks and opportunities for the business arising from those impacts have been identified and assessed. The impacts of the Grupo Cooperativo Cajamar value chain have also been identified, focusing mainly on customers in the agri-food sector, given its strategic importance for the Group.

In identifying and assessing the impacts, risks and opportunities, Grupo Cooperativo Cajamar's business model and geographical distribution have been taken into account, since both the type of activity and the business relationships and location can affect whether an impact, risk or opportunity materialises and is more or less material. However, no specific value chain activities or assets were examined and no consultations were carried out with the affected communities.

5.2.2.G1-1: Corporate culture and business conduct policies

The policies in relation to the Group's business conduct and promotion of a corporate culture are described in section 2.2.1.1 Business conduct.

These policies apply to all persons related to the Group, covering both the Group's own operations and its value chain, and are approved by the Group's Board of Directors, in compliance with international standards and initiatives on business conduct, including the United Nations Global Compact; the United Nations Convention against Corruption; the Code of Good Tax Practices promoted by the Spanish Tax Agency; and the UNE 19601 and ISO 37001 standards.

By supporting these initiatives, Grupo Cooperativo Cajamar aims to set the highest standards of quality for all its stakeholders. It also has a whistleblowing channel, through which stakeholders can voice any relevant concerns regarding business conduct.

The policies are available to stakeholders through the Group's website.

Internal framework of conduct

To articulate the ethical and social values, principles and norms that govern the Group's conduct in each of its fields of activity, it has an Ethical Management System that gives the full expression to the Group's corporate culture. The Ethical Management System provides the framework for the development and implementation of policies, measures and instruments designed to safeguard customers' interests and ensure appropriate levels of transparency and quality in the products and services offered.

The Group's Code of Conduct guides the day-to-day activities of employees, agents, senior managers and the Group's management bodies.

At the top level, the Sustainability Policy specifies the core aims of sustainability within the Group, which include promoting appropriate risk management, inclusive finance and financial education to achieve sustainable agriculture.

At the governance level, the General Sustainability and Agri-Food Development Department is represented on the entity's Management Committee and reports to BCC's Board of Directors (directly or through the Sustainability Committee) on sustainability-related risks and opportunities, and specifically on climate and environmental risks, the Board being the Group's most senior management body with responsibility for oversight. Among other things, it is responsible for promoting sustainability and the ecological transition among members and customers. Extensive staff training is carried out to ensure that ESG (Environmental, Social and Governance) criteria are integrated into strategy throughout the Group.

With respect to society and culture, the rural savings banks that make up GCC seek relationships and collaborations through which they can add value to local communities and improve people's quality of life. As cooperatives, and also as a business development strategy, they aim to return part of their profits to society, which they do, in part, through their Cooperative Education and Promotion Fund, with a view to establishing themselves as relevant players in local and regional economic development and social progress.

At Cajamar Group, we share an ethos of engagement with customers and the values of transparency, integrity, diversity and responsibility. This culture underpins a commitment to our mission of contributing to the economic and social development of members and customers through a strategy based on the principles of cooperation, social economy and sustainable development.

The Group implements its annual training plan, which, in addition to courses on regulatory compliance, includes courses on the code of conduct and conflicts of interest, testifying to its commitment to strengthening the corporate culture. These courses are mandatory for all Group employees other than members of the Management Committee, which has its own training plan.

Furthermore, the Group is firmly committed to training its workforce in ESG matters to ensure that ESG criteria are built into its strategy. This initiative represents not only an investment in skills development but also a way to provide the best possible support to the Group's members and customers in the current ecological transition. The training programme ranges from basic training pills to advanced ESG certifications. It also extends to more specialised areas, with specific content for risk analysts, for example. The diversity of training content is designed to cater to the particular needs and responsibilities of different groups within the organisation.

Another noteworthy initiative is the “Alimenta” school. The main purpose of this school is to help employees specialise, especially those who have more direct contact with the agri-food sector, whether in customer service and advisory roles in branches or in central services. Training is not limited to the workforce but is also intended as a valuable resource for other groups interested in expanding their knowledge based on evidence and experience, thus contributing in a broad sense to overall value creation.

All this is driven and promoted by the network of Corporate Ambassadors, who, with the corporate values and culture front and centre and with sustainability as a cross-cutting theme, expand, disseminate and exponentially amplify the Group's culture. They form a large, committed team, who join forces to share and disseminate good management practices, spreading the values underpinning the corporate culture and ensuring efficient, inclusive and sustainable management.

Cajamar's corporate culture is established by means of:

1. The Ethical Management System: This system provides the ethical framework for all the Group's activities. It includes values such as transparency, integrity, accountability and diversity, ensuring that all the entity's actions are aligned with these principles.
2. The Code of Conduct: The Cajamar Group has a Code of Conduct that regulates the day-to-day conduct of employees, managers and members of the governing bodies. It includes rules and ethical principles that must be followed.

To develop and promote its corporate culture, Grupo Cooperativo Cajamar implements:

1. Training and Awareness-Raising: The group carries out continuing training programmes for its employees to raise awareness of the importance of business ethics and compliance with standards. These initiatives ensure that all members of the organisation are well-informed and committed to the Group’s values.
2. Corporate Social Responsibility (CSR): The commitment to CSR is fundamental in building the corporate culture. It includes concrete actions in areas such as responsible people management, commitment to the environment and customer focus. The Group seeks to create shared value and foster sustainability in all its operations.

To evaluate and continuously improve its corporate culture, the Group carries out:

1. Internal Audits and Assessments: Grupo Cajamar conducts regular internal audits to assess compliance with its business conduct and ethics policies. These audits help identify areas for improvement and ensure that integrity is maintained in all Group operations.

2. Stakeholder Dialogue: The organisation maintains a constant dialogue with its stakeholders (customers, employees, shareholders, suppliers and society at large) to receive feedback and adjust its practices as necessary. This approach ensures that business conduct policies remain relevant and effective.

Grupo Cooperativo Cajamar has an Anti-Corruption Policy, which includes a commitment to zero tolerance of corruption in all its forms, compatible with the United Nations Convention against Corruption.

In addition, the Criminal Risk Prevention and Anti-Bribery Plan and the Anti-Corruption Policy specify controls for preventing and detecting possible incidents of corruption or bribery and are published on the websites of Group entities for consultation by third parties.

Within GCC, a mandatory one-hour course on the Code of Business Conduct is given every three years to the Group's entire workforce, except for persons considered exempt.

Given that GCC provides financial services, it does not have any animal welfare policies.

GCC Management Bodies have identified the positions within the organisation most at risk of corruption and bribery, which are those held by the persons responsible for controls to prevent more serious crimes (of which there is a greater than low risk), as determined in the periodic assessment of the criminal risks to which the Group is exposed.

Whistleblowing Channel

The whistleblowing channel is a tool put in place by the Group for the prevention, detection and reporting of violations of internal or external regulations, which ensures the confidentiality and protection of the informant's and affected person’s rights, and includes the option to submit complaints anonymously.

Through this channel, any person related to the Group may report any act, behaviour, action or irregular event that may constitute a breach of the Code of Conduct or of any internal Group regulation or external law or regulation applicable to the Group’s activities. Whistleblowers may choose to remain anonymous or identify themselves, on the understanding that all complaints, whether anonymous or named, will be handled with the utmost discretion and confidentiality.

Complaints may be submitted to the whistleblowing channel through an application that can be accessed via a link available on the websites of all the Group entities. This application allows the user to register and manage complaints, ensuring confidentiality and anonymity, and is available 24 hours a day, 365 days a year.

As part of GCC’s employee training plan, a course on criminal risk prevention that includes information on the whistleblowing channel is conducted every three years. Additionally, a whistleblower protection policy is in place to safeguard informants from retaliation. A summary version of this policy is available to the general public in the whistleblowing channel section of the Group entities’ websites. The same website section also provides information on the procedures for handling complaints, including complaints concerning corruption and bribery.

Whistleblowing channel principles and guarantees

Complaints investigation is the responsibility of the Audit Department, which operates independently and autonomously from the rest of the entity's bodies and has sufficient authority to prevent any kind of interference in its work. Therefore, it is independent of the chain of management for the prevention and detection of corruption and bribery.

The Group undertakes to investigate incidents relating to business conduct promptly, independently and objectively, as stated in the document setting out the whistleblowing principles and guarantees, published on the intranet and the websites of the Group entities.

Information on the complaints submitted and any risk situations that may have arisen is reported at regular intervals to various BCC bodies, including the special committees of the Board and the Audit and Risks Departments, as well as to the full Board and the Risk Monitoring Committee, as the body responsible for overseeing the Criminal Risk Prevention and Anti-Bribery Plan.

5.2.3.G1-2: Management of relationships with suppliers

As of 31.12.2024, all suppliers to any GCC entity, as strategic partners and collaborators through which the Group engages with society, are considered to be directly subject to the Group's sustainability objectives.

GCC considers that by extending its commitments to suppliers it promotes efficient, responsible and sustainable management in a spirit of equity, co-responsibility and mutual benefit. It therefore has an Outsourcing Policy, approved by the Board of Directors, and various procedures that effectively extend the Group’s own commitment to socially responsible practices, including specifically the protection of human rights, labour rights, freedom of association and the environment, to its value chain.

In any event, the Group monitors the supply chain to identify its social and environmental impact, its real costs and its risks with the aim of offering a quality service to members and customers, ensuring that suppliers comply with the Group's policies and codes.

Using resident suppliers (i.e. suppliers that are resident for tax purposes in the country of the entity that receives the good or service) contributes to economic and social development in the countries and regions in which the Group is present. The Group classifies suppliers into five broad groups:

1. Associated/ Allied
   Suppliers with which the Group has shared capital structures or formal strategic alliances.
2. Essential
   Suppliers that provide a service which, if not provided or provided defectively, could seriously affect the entity’s ability to continue to meet the conditions and obligations arising from its authorisation and the legislation applicable to its activity as a credit institution and provider of investment services, or which would affect its financial results, solvency, soundness or business continuity.
3. Critical
   Suppliers that provide a service which, if not provided or provided defectively, could affect business continuity.
4. Unique.
   A supplier whose service is difficult to replace in terms of access or costs (monopoly, oligopoly, entry or exit barriers, etc.).
5. Strategic.
   A supplier that is important for achieving strategic objectives.

The Group has established a supplier certification process that specifies the standards a supplier must meet in order to satisfy the Group’s quality and suitability requirements. This analysis is carried out as part of the selection process, before the terms of the contract are agreed.

The Group also has a technology certification process to ensure the security of any information for which the Group is responsible but to which a supplier may be given access in order to provide the outsourced services.

The documentation required of all suppliers as part of the general certification process and for ESG purposes includes the following:

- Supplier certification form, which specifies the various documents required. This form must be signed and returned to indicate that the supplier has read and accepts the CSR Protocol and the Code of Ethics for best supplier practices.
- AMLFT statement, certifying compliance with current AMLFT regulations.
- Notice of applicable environmental requirements, in which the supplier must specify the waste it generates in its activity and the guidelines for the correct treatment of that waste.

In addition, a sustainability analysis is carried out for both the certification of, and renewal of contracts with, essential suppliers.

The result of this assessment is shared with the supplier to inform them of possible areas for improvement, thus putting into effect the Group's commitment to supporting and contributing to sustainable development.

GCC carries out annual supplier validations to check that the relevant documentation is up to date and the certification requirements are met, notifying the suppliers accordingly. Specific follow-up is conducted in relation to information security, based on the inherent risk of the supplier or service.

In addition, the Group verifies compliance with applicable laws and regulations and includes provisions in supply contracts to allow it to require suppliers to adapt their activities and service level agreements to achieve compliance.

Regarding late payment policies, the Group has monthly lists with information on the average payment period for invoices to check that there are no delays in payments and remedy any that are reported. This information is also published on the website, in accordance with Law 03/2004 on measures to combat late payment, which establishes various measures to improve payment terms, notably, a maximum payment period of 30 days unless a longer period is specifically agreed upon. Under no circumstances may a delay of more than 60 calendar days be agreed upon and penalties are applied to companies that do not respect the payment terms, especially with respect to SMEs. Late payment interest and management costs are charged when delays occur.

In addition, electronic invoicing is being introduced, in application of the measure approved within the framework of the Create and Grow regulation (Law 18/2022), as another measure against late payment.

5.2.4.G1-3: Prevention and detection of corruption and bribery

The Code of Conduct sets out the Group's values, ethical principles and best professional practices. The Criminal Risk Prevention and Anti-Bribery Plan and the Anti-Corruption Policy specify the controls in place to prevent and detect possible incidents of corruption or bribery. All these documents are published (in the case of the Plan, in abridged form) on the websites of the Group entities, so that they are available to third parties.

In accordance with the provisions of the whistleblowing channel procedure, the Compliance Department is responsible for managing the channel independently and autonomously from the rest of the Group's Management Bodies. This department also has sufficient authority to prevent any kind interference in its work. The Chief Compliance Officer is responsible for appointing investigators, based on the subject matter of each complaint, ensuring that investigators are separate at all times from the management chain involved in any possible case of corruption or bribery.

The information on the complaints submitted, any risk situations that may have arisen and the information on the criminal risk, corruption and bribery prevention plans are reported at regular intervals to various bodies of the Group's Parent Entity, including the special committees of the Board and the Audit and Risks Departments, as well as to the full Board and the Management Committee, which, since 2024 has been responsible for the oversight of the Criminal Risk Prevention Plan, in place of the Risk Monitoring Committee. All this is set out in the internal whistleblowing channel management procedure, which applies to the entire Group and is approved by the Board of Directors of Grupo Cooperativo Cajamar.

To communicate its policies to the relevant persons, besides publishing them on the website, the Group has an internal communication system that conveys all relevant matters concerning the corruption, prevention and detection system to all its members.

The Group also has training programmes on the code of conduct and criminal and anti-bribery risk prevention for directors, senior managers and employees.

The Annual Training Plan facilitates the commitment to awareness of the content of the main regulations concerning good governance practices and reinforces the Group’s commitments and compliance in relation to the different stakeholders.

The mandatory training plan is presented in the following table:

	At-risk functions	Senior managers	OADS	Other own workers
Training coverage				
Total	159	1,442		4,812
Total receiving training	77	1,421		4,613
Delivery method and duration				
Classroom training	2 hours			
Computer-based training	1 hour/3 hours	3 hours		3 hours
Voluntary computer-based training				
Frequency				
How often training is required	Triennial	Triennial		Triennial
Topics covered				
Definition of corruption	X	X		X
Policy	X	X		X
Suspicion/ detection procedures	X	X		X

Senior Managers include other positions considered Type 1 or 2 Senior Managers. Other own workers include middle managers and Others include analysts, administrative staff, sales managers, technical staff, union officials, legal representatives, trainees, etc.
All OADS representatives are considered at-risk positions, so no information on this group is included in this column.
This table includes both training for management staff of Grupo Cooperativo Cajamar and training for other non-salaried own workers such as directors, trainees, operators, cleaners and permanent union staff.

Roles classified as at risk are:

- Directors and Senior Management
- General Managers
- Deputy General Managers and
- Division Managers.

As part of the continuous training programme for BCC Directors, a two-hour session on "Market Abuse Prevention" was given, covering: introduction; insider trading and market manipulation; measures to prevent market abuse; directors' responsibilities and obligations; and breaches and penalties.

The percentage of positions at risk of corruption and bribery that have received training in these issues is 48.43%.

5.3. Metrics and targets

5.3.1.G1-4: Confirmed incidents of corruption or bribery

During 2024, no actions, convictions or fines were detected arising from the violation of anti-corruption or anti-bribery laws.

5.3.2.G1-5: Political influence and lobbying activities

Neither during 2024 nor at 31.12.2024 did GCC provide financing or guarantees on special terms to political parties.

In accordance with Article 4 of Organic Law 8/2007 of 4 July on the financing of political parties, as amended by Organic Law 3/2015 of 30 March on the control of the economic and financial activity of political parties, Grupo Cooperativo Cajamar has established a Protocol for transactions with political parties. This protocol, approved by the General Investment Department, includes a system of automatic alerts for risk acceptance and a system for reporting to the Banco de España, so as to ensure proper supervision. Transactions are assessed and must have the approval of the Investment Committee for amounts less than €50,000, and of the Executive Committee for amounts exceeding €50,000, thus ensuring strict decision-making regarding, and responsible management of, these activities.

As explained in section 2.2.1, Composition of roles and responsibilities in GCC, the Executive Committee is made up of Mr. Luis Rodríguez González, Chairman of the Board of Directors; Ms. Marta de Castro Aparicio, vice-chair; and, as members, Mr. Manuel Yebra Sola, Mr. Bernabé Sánchez-Minguet Martínez, Mr. Antonio Cantón Góngora, Mr. Antonio José Carranceja López de Ochoa and Ms. María López Fernández.

The Investment Committee is made up of the General Manager for Corporate Strategy, as chair; four member of the General Investment Department, including the head of department; three members of the General Business Department, including the head of department; and one member of the General Control Department, with the right to speak but without the right to vote.

Grupo Cooperativo Cajamar dissociates itself from the financing of any entity that contributes negatively to any geopolitical event, considering this to have a potential positive effect for society in general.

None of the current members of the Board of Directors of Grupo Cooperativo Cajamar holds or has held a comparable government position in the two years prior to the reporting period.

No new risks or negative operational or financial impacts have arisen as a result of the Group's membership of the Spanish Banking Association (AEB), which reinforces its commitment to banking standards and the promotion of a sound, transparent financial system in Spain, and of the European Association of Cooperative Banking (EACB), which represents, promotes and defends the common interests of its members and cooperative banks, both in terms of banking and in terms of cooperative legislation. The amount corresponding to these items in 2024 is €112,694.

No contributions to charitable associations that may indirectly contribute to political parties have been detected.

Grupo Cooperativo Cajamar is not registered on the EU Transparency Register or on any equivalent transparency register in any Member State.

5.3.3.G1-6: Payment practices

In relation to GCC's payment practices and average period of payment to suppliers, Note 28 to the financial statements on the deferral of payment to suppliers includes both the applicable regulations and the definition of the average period of payment to suppliers from an accounting point of view.

The average time it takes the company to pay an invoice is 32.09 days.

Grupo Cooperativo Cajamar's usual payment period is 30 days for all types of suppliers.

The usual payment deadlines are met in 84.62% of cases.

There were 14 court proceedings underway with respect to late payments at 31/12/2024.

This information has been calculated using the information on all invoices paid by Grupo Cooperativo Cajamar, without sampling or simplification.

6. Annexes

6.1. ANNEX I. 2024 EU Taxonomy Regulation Article 8 tables and metrics

GAR00 Summary of key performance indicators to be disclosed by credit institutions under Art. 8 of the Taxonomy Regulations

At 31 December 2024:

		Total environmentally sustainable assets (Turnover)	Total environmentally sustainable assets (CapEx)	Earnings KPI (Turnover)	Earnings KPI (CapEx)	% cover (of total assets)	% of assets excluded from the GAR numerator (Article 7, sections 2 and 3, and Annex V, section 1.1.2)	% of assets excluded from the GAR denominator (Article 7, section 1, and Annex V, section 1.2.4)
Main KPIs	**Green Asset Ratio (GAR) in terms of stock**	1,117	1,411	2.40	3.03	73.71	46.33	26.29

		Total environmentally sustainable activities (Turnover)	Total environmentally sustainable activities (CapEx)	Earnings KPI (Turnover)	Earnings KPI (CapEx)	% cover (of total assets)	% of assets excluded from the GAR numerator (Article 7, sections 2 and 3, and Annex V, section 1.1.2)	% of assets excluded from the GAR denominator (Article 7, section 1, and Annex V, section 1.2.4)
Additional KPIs	**GAR (flow)**	333	472	1.64	2.32	86.29	70.00	13.71
	Trading book	0	0	0.00	0.00			
	Financial guarantees (stock)	14	12	27.13	46.48			
	Assets under management (stock)	7	3	2.44	1.00			
	Income from fees and charges	0	0	0.00	0.00			

GAR01 Assets for GAR calculation (Turnover)

At 31 December 2024:

		Total (gross) book value	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
			Of which: taxonomy-relevant sectors (taxonomy-eligible)					Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)			
				Of which: environmentally sustainable (Taxonomy-aligned)					Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)		
					Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	17,059	14,370	1,112	384	100	341	19	3	-	3	1	-	-	-	36	-	-	-
2	**Financial undertakings**	1,246	420	29	-	4	3	1	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	1,238	414	24	-	4	2	1	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	1,106	371	21	-	4	1	1	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	131	43	3	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	1	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	9	6	5	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	8	6	5	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	8	6	5	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	2,982	1,120	699	-	97	338	18	3	0	3	1	-	-	-	36	-	-	-
21	Loans and advances	2,807	1,092	688	-	96	332	17	3	0	3	1	-	-	-	36	-	-	-
22	Debt securities, including UoP statement	175	27	11	-	-	7	1	-	-	-	-	-	-	-	1	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	12,830	12,830	384	384	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	11,935	11,935	384	384	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	846	846	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	49	49	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	228	228	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	29,258	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**	16,536																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	16,188																	
35	Loans and advances	15,712																	
36	Of which: collateralised by commercial immovable property	1,305																	
37	Of which, building renovation loans	9																	
38	Debt securities	344																	
39	Equity instruments	132																	

40	Non-EU country counterparties not subject to NFRD disclosure obligations	348																
41	Loans and advances	229																
42	Debt securities	117																
43	Equity instruments	2																
44	**Derivatives**	2,661																
45	**On demand interbank loans**	122																
46	**Cash and cash-related assets**	314																
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	9,626																
48	**Total GAR assets**	46,545	14,597	1,114	384	100	341	19	3	-	3	1	-	-	-	36	0	-	-
49	**Assets not covered for GAR calculation**	16,604																
50	**Central government and Supranational issuers**	13,186																
51	**Central banks exposures**	3,417																
52	**Trading book**	-																
53	**Total assets**	63,149	14,597	1,114	384	100	341	19	3	-	3	1	-	-	-	36	-	-	-
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																	
54	Financial guarantees	53	14	14	-	-	14	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	601	NA	7	-	-	6	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling
	GAR – Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	20	-	-	-	2	0	-	-	14,447	1,115	384	100	344
2	**Financial undertakings**	-	-	-	-	-	-	-	-	421	29	-	4	3
3	Credit institutions	-	-	-	-	-	-	-	-	415	24	-	4	2
4	Loans and advances	-	-	-	-	-	-	-	-	371	21	-	4	1
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	43	3	-	-	1
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	6	5	-	-	1
8	Of which: investment firms	-	-	-	-	-	-	-	-	6	5	-	-	1
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	6	5	-	-	1
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings:**	20	-	-	-	2	-	-	-	1,196	702	-	97	341
21	Loans and advances	7	-	-	-	2	-	-	-	1,155	690	-	96	334
22	Debt securities, including UoP statement	12	-	-	-	-	-	-	-	41	11	-	-	7
23	Equity instruments	-	-		-	-	-		-	-	-		-	-
24	**Households**									12,830	384	384	-	-
25	Of which: loans collateralised by residential immovable property									11,935	384	384	-	-
26	Of which: building renovation loans									846	-	-	-	-
27	Of which: motor vehicle loans									49	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	228	2	-	-	-

32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	Of which: collateralised by commercial immovable property													
37	Of which, building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**													
48	**Total GAR assets**	20	-	-	-	2	-	-	-	14,675	1,117	384	100	344
49	**Assets not covered for GAR calculation**													
50	**Central government and Supranational issuers**													
51	**Central banks exposures**													
52	**Trading book**													
53	**Total assets**	20	-	-	-	2	0	-	-	14,675	1,117	384	100	344
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	14	14	-	-	14
55	Assets under management	NA	NA	NA	NA	NA	NA	NA	NA	NA	7	-	-	6
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

At 31 December 2023:

	Million EUR	Total (gross) book value	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
			Of which: taxonomy-relevant sectors (taxonomy-eligible)					Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)			
				Of which: environmentally sustainable (Taxonomy-aligned)					Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)		
					Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	16,279	13,778	735	344	32	210	83	42	-	8	-	-	-	-	-	-	-	-
2	**Financial undertakings**	1,061	289	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	1,033	277		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	739	208		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	294	70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	1	0	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	28	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	28	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	28	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments					-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	2,374	647	391	-	32	210	83	42	-	8	-	-	-	-	-	-	-	-
21	Loans and advances	2,209	599	384	-	32	207	82	42	-	8	-	-	-	-	-	-	-	-
22	Debt securities, including UoP statement	165	48	7	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	12,843	12,843	344	344	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	11,902	11,902	344	344	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	884	884	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	57	57	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	64	64	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	28,755	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**	15,659																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	15,294																	
35	Loans and advances	14,926																	
36	Of which: collateralised by commercial immovable property	1,691																	
37	Of which, building renovation loans	16																	
38	Debt securities	245																	
39	Equity instruments	123																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	365																	
41	Loans and advances	293																	
42	Debt securities	69																	

43	Equity instruments	3																	
44	**Derivatives**	2,958																	
45	**On demand interbank loans**	58																	
46	**Cash and cash-related assets**	398																	
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	9,683																	
48	**Total GAR assets**	45,098	13,843	736	344	32	210	83	42	-	8	-	-	-	-	-	-	-	-
49	**Assets not covered for GAR calculation**	16,173																	
50	**Central government and Supranational issuers**	12,956																	
51	**Central banks exposures**	3,215																	
52	**Trading book**	1																	
53	**Total assets**	61,270	13,843	736	344	32	210	83	42	-	8	-	-	-	-	-	-	-	-
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54	Financial guarantees	54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	423	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling
	GAR – Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	-	-	-	-	-	-	-	-	13,861	777	344	32	218
2	**Financial undertakings**	-	-	-	-	-	-	-	-	289	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	277	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	208	-	-	-	-
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	70	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	12	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-			
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-			
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	12	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	12	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings:**	-	-	-	-	-	-	-	-	729	433	-	32	218
21	Loans and advances	-	-	-	-	-	-	-	-	681	426	-	32	215
22	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	48	7	-	-	3
23	Equity instruments	-	-		-	-	-		-	-	-		-	-
24	**Households**									12,843	344	344	-	-
25	Of which: loans collateralised by residential immovable property									11,902	344	344	-	-
26	Of which: building renovation loans									884	-	-	-	-
27	Of which: motor vehicle loans									57	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	64	1	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**													

34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	Of which: collateralised by commercial immovable property													
37	Of which, building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**													
48	**Total GAR assets**	-	-	-	-	-	-	-	-	13,925	778	344	32	218
49	**Assets not covered for GAR calculation**													
50	**Central government and Supranational issuers**													
51	**Central banks exposures**													
52	**Trading book**													
53	**Total assets**	-	-	-	-	-	-	-	-	13,925	778	344	32	218
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

GAR01 Assets for the calculation of GAR (CapEx)

At 31 December 2024:

			Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
			Of which: taxonomy-relevant sectors (taxonomy-eligible)						Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)			
		Total (gross) book value		Of which: environmentally sustainable (Taxonomy-aligned)						Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)		
					Of which: UoP statement	Of which: transitional	Of which: enabling				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																			
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	17,059	14,535	1,407	384	109	414	17	1	-	-	1	-	-	-	48	-	-	-
2	**Financial undertakings**	1,246	424	35	-	4	3	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	1,238	416	27	-	4	3	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	1,106	372	24	-	4	2	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	131	43	3	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	1	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	9	8	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	8	8	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	8	8	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	2,982	1,281	989	-	105	411	16	1	-	-	1	-	-	-	48	-	-	-
21	Loans and advances	2,807	1,239	970	-	105	398	15	1	-	-	1	-	-	-	47	-	-	-
22	Debt securities, including UoP statement	175	43	19	-	-	12	1	-	-	-	-	-	-	-	1	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	12,830	12,830	384	384	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	11,935	11,935	384	384	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	846	846	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	49	49	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	228	228	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	29,258	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**	16,536																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	16,188																	
35	Loans and advances	15,712																	
36	Of which: collateralised by commercial immovable property	1,305																	
37	Of which, building renovation loans	9																	
38	Debt securities	344																	
39	Equity instruments	132																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	348																	
41	Loans and advances	229																	
42	Debt securities	117																	
43	Equity instruments	2																	
44	**Derivatives**	2,661																	

45	**On demand interbank loans**	122																	
46	**Cash and cash-related assets**	314																	
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	9,626																	
48	**Total GAR assets**	46,545	14,763	1,410	384	109	414	17	1	-	-	1	-	-	-	48	0	-	-
49	**Assets not covered for GAR calculation**	16,604																	
50	**Central government and Supranational issuers**	13,186																	
51	**Central banks exposures**	3,417																	
52	**Trading book**	0																	
53	**Total assets**	63,149	14,763	1,410	384	109	414	17	1	-	-	1	-	-	-	48	-	-	-
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																		
54	Financial guarantees	53	14	12	-	-	12	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	601	NA	3	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling
	GAR – Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	11	-	-	-	1	-	-	-	14,614	1,408	384	109	414
2	**Financial undertakings**	-	-	-	-	-	-	-	-	425	35	-	4	3
3	Credit institutions	-	-	-	-	-	-	-	-	416	27	-	4	3
4	Loans and advances	-	-	-	-	-	-	-	-	373	24	-	4	2
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	43	3	-	-	1
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	8	8	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	8	8	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	8	8	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings:**	11	-	-	-	1	-	-	-	1,359	990	-	105	411
21	Loans and advances	5	-	-	-	1	-	-	-	1,308	971	-	105	399
22	Debt securities, including UoP statement	6	-	-	-	-	-	-	-	52	19	-	-	12
23	Equity instruments	-	-		-	-	-		-	-	-		-	-
24	**Households**									12,830	384	384	-	-
25	Of which: loans collateralised by residential immovable property									11,935	384	384	-	-
26	Of which: building renovation loans									846	-	-	-	-
27	Of which: motor vehicle loans									49	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	228	2	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													
36	Of which: collateralised by commercial immovable property													

37	Of which, building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**													
48	**Total GAR assets**	11	-	-	-	1	-	-	-	14,842	1,411	384	109	414
49	**Assets not covered for GAR calculation**													
50	**Central government and Supranational issuers**													
51	**Central banks exposures**													
52	**Trading book**													
53	**Total assets**	11	-	-	-	1	-	-	-	14,842	1,411	384	109	414
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	14	12	-	-	12
55	Assets under management	NA	NA	NA	NA	NA	NA	NA	NA	NA	3	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

At 31 December 2023:

	Million EUR	Total (gross) book value	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
			Of which: taxonomy-relevant sectors (taxonomy-eligible)					Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)			
				Of which: environmentally sustainable (Taxonomy-aligned)					Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)		
					Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	16,279	13,972	952	344	32	371	51	29	-	6	-	-	-	-	-	-	-	-
2	**Financial undertakings**	1,061	234	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	1,033	231	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	739	207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	294	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	1	-	-	-	-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	28	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	28	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	28	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	2,374	895	608	-	32	371	51	29	-	6	-	-	-	-	-	-	-	-
21	Loans and advances	2,209	832	593	-	31	366	51	29	-	6	-	-	-	-	-	-	-	-
22	Debt securities, including UoP statement	165	63	15	-	-	5	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-
24	**Households**	12,843	12,843	344	344	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	11,902	11,902	344	344	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	884	884	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	57	57	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	64	64	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	28,755	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**	15,659																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	15,294																	
35	Loans and advances	14,926																	
36	Of which: collateralised by commercial immovable property	1,691																	
37	Of which, building renovation loans	16																	
38	Debt securities	245																	
39	Equity instruments	123																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	365																	
41	Loans and advances	293																	
42	Debt securities	69																	
43	Equity instruments	3																	
44	**Derivatives**	2,958																	
45	**On demand interbank loans**	58																	
46	**Cash and cash-related assets**	398																	

47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	9,683																	
48	**Total GAR assets**	45,098	14,037	953	344	32	371	51	29	-	6	-	-	-	-	-	-	-	-
49	**Assets not covered for GAR calculation**	16,173																	
50	**Central government and Supranational issuers**	12,956																	
51	**Central banks exposures**	3,215																	
52	**Trading book**	1																	
53	**Total assets**	61,270	14,037	953	344	32	371	51	29	-	6	-	-	-	-	-	-	-	-
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																		
54	Financial guarantees	54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	423	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				Of which: taxonomy-relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)				Of which: environmentally sustainable (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling
	GAR – Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	-	-	-	-	-	-	-	-	14,023	981	344	32	377
2	**Financial undertakings**	-	-	-	-	-	-	-	-	234	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	231	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	207	-	-	-	-
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	23	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-
12	Of which: management companies	-	-	-	-	-	-		-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-		-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-		-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	3			-	-
19	Equity instruments	-	-		-	-	-						-	-
20	**Non-financial undertakings:**	-	-	-	-	-	-	-	-	946	637	-	32	377
21	Loans and advances	-	-	-	-	-	-	-	-	883	622	-	31	372
22	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	63	15	-	-	5
23	Equity instruments	-	-		-	-	-		-	-	-		-	-
24	**Households**									12,843	344	344	-	-
25	Of which: loans collateralised by residential immovable property									11,902	344	344	-	-
26	Of which: building renovation loans									884	-	-	-	-
27	Of which: motor vehicle loans									57	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	64	1	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings**													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations													
35	Loans and advances													

36	Of which: collateralised by commercial immovable property													
37	Of which, building renovation loans													
38	Debt securities													
39	Equity instruments													
40	Non-EU country counterparties not subject to NFRD disclosure obligations													
41	Loans and advances													
42	Debt securities													
43	Equity instruments													
44	**Derivatives**													
45	**On demand interbank loans**													
46	**Cash and cash-related assets**													
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**													
48	**Total GAR assets**	-	-	-	-	-	-	-	-	14,088	982	344	32	377
49	**Assets not covered for GAR calculation**													
50	**Central government and Supranational issuers**													
51	**Central banks exposures**													
52	**Trading book**													
53	**Total assets**	-	-	-	-	-	-	-	-	14,088	982	344	32	377
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
56	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

GAR02 Information by sector (Turnover)

At 31 December 2024:

Disclosure by sector - NACE 4-digit level (code and name)	At 31 December 2024																											
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)				Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations	
	Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
	€ Mn	Of which: environ. sustainable (CCM)	Mn. €	(CCM)	Mn. €	(CCA)	Mn. €	(CCA)	Mn. €	(WTR)	Mn. €	(WTR)	Mn. €	(CE)	Mn. €	(CE)	Mn. €	(PPC)	Mn. €	(PPC)	Mn. €	(BIO)	Mn. €	(BIO)	Mn. €	(CCM + CCA + WTR + CE + P + BE)	Mn. €	(CCM + CCA + WTR + CE + PPC + BIO)
1711 - Manufacture of pulp	6	6			-	-			-	-			-	-			-	-			-	-			6	6		
2110 - Manufacture of basic pharmaceutical products	-	-			-	-			-	-			-	-			5	-			-	-			5	-		
2223 - Manufacture of builders' ware of plastic	1	-			-	-			-	-			-	-			-	-			-	-			1	-		
2313 - Manufacture of hollow glass	-	-			-	-			-	-			-	-			-	-			-	-			-	-		
2410 - Manufacture of basic iron and steel and of ferro-alloys	105	95			-	-			-	-			-	-			-	-			-	-			105	95		
2420 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	-	-			-	-			-	-			-	-			-	-			-	-			-	-		
2611 - Manufacture of electronic components	-	-			-	-			-	-			-	-			-	-			-	-			-	-		
2910 - Manufacture of motor vehicles	9	1			-	-			-	-			-	-			-	-			-	-			9	1		
2932 - Manufacture of other parts and accessories for motor vehicles	21	1			-	-			-	-			-	-			-	-			-	-			21	1		
3011 - Building of ships and floating structures	3	2			-	-			-	-			-	-			-	-			-	-			3	2		
3020 - Manufacture of railway locomotives and rolling stock	158	141			-	-			-	-			-	-			-	-			-	-			158	141		
3030 - Manufacture of air and spacecraft and related machinery	3	-			-	-			-	-			-	-			-	-			-	-			3	-		
3250 - Manufacture of medical and dental instruments and supplies	-	-			-	-			-	-			-	-			2	-			-	-			3	-		
3511 - Production of electricity	8	8			-	-			-	-			-	-			-	-			-	-			8	8		
3513 - Distribution of electricity	1	1			-	-			-	-			-	-			-	-			-	-			1	1		
3600 - Water collection, treatment and supply	47	27			1	-			-	-			-	-			-	-			1	-			49	27		
3811 - Collection of non-hazardous waste	58	33			1	-			-	-			-	-			-	-			1	-			60	33		

4110 - Development of building projects	1	1		-	-		-	-		-	-		-	-		-	-		1	1	
4120 - Construction of residential and non-residential buildings	19	2		4	-		-	-		-	-		-	-		-	-		23	3	
4211 - Construction of roads and motorways	9	3		-	-		-	-		-	-		-	-		-	-		9	3	
4222 - Construction of utility projects for electricity and telecommunications	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4299 - Construction of other civil engineering projects n.e.c.	7	1		-	-		-	-		-	-		-	-		-	-		7	1	
4321 - Electrical installation	14	14		-	-		-	-		-	-		-	-		-	-		14	14	
4399 - Other specialised construction activities n.e.c.	19	16		1	-		-	-		-	-		-	-		-	-		19	16	
4613 - Agents involved in the sale of timber and building materials	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4635 - Wholesale of tobacco products	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4651 - Wholesale of computers, computer peripheral equipment and software	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4711 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4719 - Other retail sale in non-specialised stores	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4778 - Other retail sale of new goods in specialised stores	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4791 - Retail sale via mail order houses or via Internet	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4910 - Passenger rail transport, interurban	11	10		-	-		-	-		-	-		-	-		-	-		11	10	
5223 - Service activities incidental to air transportation	199	108		-	-		-	-		-	-		-	-		-	-		199	108	
6110 - Wired telecommunications activities	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
6120 - Wireless telecommunications activities	-	-		-	-		-	-		-	-		-	-		-	-		1	-	
6190 - Other telecommunications activities	1	-		-	-		-	-		-	-		-	-		-	-		2	-	
6202 - Computer consultancy activities	2	1		6	1		-	-		5	-		-	-		-	-		13	2	
6832 - Management of real estate on a fee or contract basis	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
7112 - Engineering activities and related technical consultancy	1	1		-	-		-	-		-	-		-	-		-	-		1	1	
7120 - Technical testing and analysis	-	-		-	-		-	-		-	-		4	-		-	-		4	-	

7732 - Rental and leasing of construction and civil engineering machinery and equipment	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
9999 - NACE sectors not included in the Taxonomy	416	227		6	2		-	-		30	-		7	-		-	-		458	228	
TOTAL	**1,120**	**699**		**18**	**3**		**1**	**-**		**36**	**-**		**20**	**-**		**2**	**-**		**1,196**	**702**	

GAR02 Information by sector (CapEx)

At 31 December 2024:

Disclosure by sector - NACE 4-digit level (code and name)	At 31 December 2024																											
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)				Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations		Non-Financial Corporations (subject to NFRD disclosure obligations)		SMEs and other NFCs not subject to NFRD disclosure obligations	
	Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
	Mn €	Of which: environ. sustainable (CCM)	Mn. €	(CCM)	Mn. €	(CCA)	Mn. €	(CCA)	Mn. €	(WTR)	Mn. €	(WTR)	Mn. €	(CE)	Mn. €	(CE)	Mn. €	(PPC)	Mn. €	(PPC)	Mn. €	(BIO)	Mn. €	(BIO)	Mn. €	(CCM + CCA + WTR + CE + P + BE)	Mn. €	(CCM + CCA + WTR + CE + PPC + BIO)
1072 - Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	-	-			-	-			-	-			-	-			-	-			-	-			-	-		
1105 - Manufacture of beer	-	-			-	-			-	-			-	-			-	-			-	-			-	-		
1711 - Manufacture of pulp	13	12			-	-			-	-			4	-			-	-			-	-			17	12		
1721 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	2	-			-	-			-	-			-	-			-	-			-	-			2	-		
2013 - Manufacture of other inorganic basic chemicals	-	-			-	-			-	-			-	-			-	-			-	-			1	-		
2110 - Manufacture of basic pharmaceutical products	-	-			-	-			-	-			-	-			2	-			-	-			2	-		
2223 - Manufacture of builders' ware of plastic	2	-			-	-			-	-			-	-			-	-			-	-			2	-		
2313 - Manufacture of hollow glass	-	-			-	-			-	-			-	-			-	-			-	-			-	-		
2410 - Manufacture of basic iron and steel and of ferro-alloys	110	103			-	-			-	-			-	-			-	-			-	-			110	103		
2420 - Manufacture of tubes, pipes, hollow profiles	-	-			-	-			-	-			-	-			-	-			-	-			-	-		

and related fittings, of steel																					
2611 - Manufacture of electronic components	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
2910 - Manufacture of motor vehicles	9	2		-	-		-	-		-	-		-	-		-	-		9	2	
2932 - Manufacture of other parts and accessories for motor vehicles	1	1		-	-		-	-		-	-		-	-		-	-		1	1	
3011 - Building of ships and floating structures	3	2		-	-		-	-		-	-		-	-		-	-		3	2	
3020 - Manufacture of railway locomotives and rolling stock	158	126		-	-		-	-		-	-		-	-		-	-		158	126	
3030 - Manufacture of air and spacecraft and related machinery	2	-		-	-		-	-		-	-		-	-		-	-		2	-	
3250 - Manufacture of medical and dental instruments and supplies	3	-		-	-		-	-		-	-		1	-		-	-		4	-	
3511 - Production of electricity	11	11		-	-		-	-		-	-		-	-		-	-		11	11	
3513 - Distribution of electricity	2	1		-	-		-	-		-	-		-	-		-	-		2	1	
3600 - Water collection, treatment and supply	43	26		1	-		-	-		-	-		-	-		1	-		44	26	
3811 - Collection of non-hazardous waste	52	32		1	-		-	-		-	-		-	-		1	-		54	32	
4110 - Development of building projects	1	-		-	-		-	-		-	-		-	-		-	-		1	-	
4120 - Construction of residential and non-residential buildings	7	4		6	-		-	-		-	-		-	-		-	-		12	4	
4211 - Construction of roads and motorways	7	1		-	-		-	-		-	-		-	-		-	-		8	1	
4222 - Construction of utility projects for electricity and telecommunications	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4299 - Construction of other civil engineering projects n.e.c.	4	1		-	-		-	-		-	-		-	-		-	-		4	1	

4321 - Electrical installation	14	13		-	-		-	-		-	-		-	-		-	-		14	13	
4399 - Other specialised construction activities n.e.c.	27	26		-	-		-	-		-	-		-	-		-	-		27	26	
4613 - Agents involved in the sale of timber and building materials	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4635 - Wholesale of tobacco products	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4642 - Wholesale of clothing and footwear	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4651 - Wholesale of computers, computer peripheral equipment and software	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4711 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	9	-		-	-		-	-		-	-		-	-		-	-		9	-	
4719 - Other retail sale in non-specialised stores	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4771 - Retail sale of clothing in specialised stores	2	-		-	-		-	-		-	-		-	-		-	-		2	-	
4778 - Other retail sale of new goods in specialised stores	6	1		-	-		-	-		-	-		-	-		-	-		6	1	
4791 - Retail sale via mail order houses or via Internet	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
4910 - Passenger rail transport, interurban	11	10		-	-		-	-		-	-		-	-		-	-		11	10	
5110 - Passenger air transport	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
5223 - Service activities incidental to air transportation	67	47		-	-		1	-		9	-		-	-		-	-		76	47	
6110 - Wired telecommunications activities	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
6120 - Wireless telecommunications activities	1	-		-	-		-	-		-	-		-	-		-	-		1	-	
6190 - Other telecommunications activities	2	-		-	-		-	-		-	-		-	-		-	-		2	-	
6202 - Computer consultancy activities	2	2		8	-		-	-		3	-		-	-		-	-		12	2	

6832 - Management of real estate on a fee or contract basis	-	-		-	-		-	-		-	-		-	-		-	-		-	-	
7112 - Engineering activities and related technical consultancy	2	1		-	-		-	-		-	-		-	-		-	-		2	1	
7120 - Technical testing and analysis	-	-		-	-		-	-		-	-		4	-		-	-		4	-	
7732 - Rental and leasing of construction and civil engineering machinery and equipment	-	-		-	-		-	-		-	-		-	-		-	-		1	-	
9999 - NACE sectors not included in the Taxonomy	709	563		1	-		-	-		32	-		4	-		-	-		746	564	
TOTAL	**1,281**	**989**		**16**	**1**		**1**	**-**		**48**	**-**		**11**	**-**		**1**	**-**		**1,359**	**990**	

GAR03 Key Performance Indicator (KPI) for GAR in stock terms (Turnover)

At 31 December 2024:

	% (compared to total assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	84.24	6.52	2.25	0.59	2.00	0.11	0.02	-	0.02	-	-	-	-	0.21	-	-	-
2	**Financial undertakings**	33.68	2.32	-	0.31	0.22	0.07	0.01	-	-	-	-	-	-	-	-	-	-
3	Credit Institutions	33.46	1.94	-	0.32	0.13	0.05	0.01	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	33.51	1.93	-	0.34	0.07	0.05	0.01	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	33.03	1.98	-	0.08	0.58	0.05	0.02	-	0.01	-	-	-	-	-	-	-	-
6	Equity instruments	41.49	4.53		0.07	0.02	0.15	0.07		-	-	-		-	-	-		-
7	Other financial undertakings	65.04	57.11	-	0.08	13.96	2.69	0.01	-	-	0.03	-	-	-	0.08	-	-	-
8	Of which: investment firms	65.73	57.72	-	0.08	14.11	2.72	0.01	-	-	0.03	-	-	-	0.08	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	65.73	57.72	-	0.08	14.11	2.72	0.01	-	-	0.03	-	-	-	0.08	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	37.54	23.44	-	3.24	11.35	0.62	0.09	-	0.09	0.02	-	-	-	1.21	-	-	-
21	Loans and advances	38.92	24.50	-	3.43	11.82	0.61	0.09	-	0.09	0.02	-	-	-	1.27	-	-	-
22	Debt securities, including UoP statement	15.48	6.46	-	0.17	3.89	0.67	0.04	-	0.03	0.01	-	-	-	0.31	-	-	-
23	Equity instruments	2.51	0.69		-	0.69	-	-		-	-	-		-	1.11	-		-
24	**Households**	100.00	2.99	2.99	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	100.00	3.22	3.22	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	100.00	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	100.00	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00	1.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	31.36	2.39	0.82	0.22	0.73	0.04	0.01	-	0.01	-	-	-	-	0.08	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling	
	GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	0.12	-	-	-	0.01	-	-	-	84.69	6.53	2.25	0.59	2.02	27.01
2	**Financial undertakings**	-	-	-	-	-	-	-	-	33.75	2.33	-	0.31	0.22	1.97
3	Credit Institutions	-	-	-	-	-	-	-	-	33.51	1.95	-	0.32	0.13	1.96
4	Loans and advances	-	-	-	-	-	-	-	-	33.56	1.94	-	0.34	0.07	1.75
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	33.09	2.00	-	0.08	0.59	0.21
6	Equity instruments	-	-		-	-	-		-	41.64	4.60		0.07	0.02	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	67.84	57.12	-	0.08	13.96	0.01
8	Of which: investment firms	-	-	-	-	-	-	-	-	68.56	57.73	-	0.08	14.11	0.01
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	68.56	57.73	-	0.08	14.11	0.01
11	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	0.01	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	0.01	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings:**	0.66	-	-	-	0.06	-	-	-	40.11	23.53	-	3.24	11.44	4.72
21	Loans and advances	0.27	-	-	-	0.06	-	-	-	41.15	24.60	-	3.43	11.90	4.45
22	Debt securities, including UoP statement	6.96	-	-	-	0.08	-	-	-	23.52	6.50	-	0.17	3.92	0.28
23	Equity instruments	-	-		-	-	-		-	3.62	0.69		-	0.69	-
24	**Households**									100.00	2.99	2.99	-	-	20.32
25	Of which: loans collateralised by residential immovable property									100.00	3.22	3.22	-	-	18.90
26	Of which: building renovation loans									100.00	-	-	-	-	1.34
27	Of which: motor vehicle loans														
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	100.00	1.07	-	-	-	0.36
32	**Total GAR assets**	0.04	-	-	-	-	-	-	-	31.53	2.40	0.82	0.22	0.74	73.71

At 31 December 2023:

	% (compared to total assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	84.64	4.52	2.11	0.20	1.29	0.51	0.26	-	0.05	-	-	-	-	-	-	-	-
2	**Financial undertakings**	27.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit Institutions	26.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	28.09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	23.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	32.20	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	41.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	41.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	43.04	-	-	-	-	0.38	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	41.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	27.23	16.48	-	1.34	8.84	3.48	1.77	-	0.35	-	-	-	-	-	-	-	-
21	Loans and advances	27.11	17.39	-	1.44	9.36	3.72	1.90	-	0.38	-	-	-	-	-	-	-	-
22	Debt securities, including UoP statement	28.92	4.42	-	0.07	1.95	0.20	0.02	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	2.26	0.78		-	0.78	2.29	-		-	-	-		-	-	-		-
24	**Households**	100.00	2.68	2.68	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	100.00	2.89	2.89	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	100.00	-	-	-	-	-	-	-	-					0.00	0.00	-	-
27	Of which: motor vehicle loans	100.00	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00	1.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	30.69	1.63	0.76	0.07	0.47	0.18	0.09	-	0.02	-	-	-	-	-	-	-	-

In order to facilitate comparison with the current period, certain percentages for 2023 have been restated.

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling	
	GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	-	-	-	-	-	-	-	-	85.15	4.78	2.11	0.20	1.34	26.57
2	**Financial undertakings**	-	-	-	-	-	-	-	-	27.22	-	-	-	-	1.73
3	Credit Institutions	-	-	-	-	-	-	-	-	26.84	-	-	-	-	1.69
4	Loans and advances	-	-	-	-	-	-	-	-	28.09	-	-	-	-	1.21
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	23.68	-	-	-	-	0.48
6	Equity instruments	-	-		-	-	-		-	32.20	-		-	-	0.00
7	Other financial undertakings	-	-	-	-	-	-	-	-	41.23	-	-	-	-	0.05
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	41.23	-	-	-	-	0.05
17	Loans and advances	-	-	-	-	-	-	-	-	43.42	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	41.23	-	-	-	-	0.05
19	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings:**	-	-	-	-	-	-	-	-	30.71	18.25	-	1.34	9.19	3.88
21	Loans and advances	-	-	-	-	-	-	-	-	30.83	19.29	-	1.44	9.74	3.61
22	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	29.12	4.44	-	0.07	1.95	0.27
23	Equity instruments	-	-		-	-	-		-	4.55	0.78		-	0.78	-
24	**Households**									100.00	2.68	2.68	-	-	20.96
25	Of which: loans collateralised by residential immovable property									100.00	2.89	2.89	-	-	19.42
26	Of which: building renovation loans									100.00	-	-	-	-	1.44
27	Of which: motor vehicle loans														
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	100.00	1.21	-	-	-	0.11
32	**Total GAR assets**	-	-	-	-	-	-	-	-	30.88	1.73	0.76	0.07	0.48	73.60

In order to facilitate comparison with the current period, certain percentages for 2023 have been restated.

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GAR03 Key Performance Indicator (KPI) for GAR in stock terms (CapEx)

At 31 December 2024:

	% (compared to total assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	85.21	8.25	2.25	0.64	2.43	0.10	0.01	-	-	0.01	-	-	-	0.28	-	-	-
2	**Financial undertakings**	34.02	2.78	-	0.32	0.24	0.04	0.01	-	-	-	-	-	-	-	-	-	-
3	Credit Institutions	33.61	2.16	-	0.33	0.22	0.03	0.01	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	33.68	2.13	-	0.36	0.15	0.03	0.01	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	32.98	2.38	-	0.08	0.81	0.04	0.01	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	41.53	4.62		0.08	0.06	0.17	0.08		-	-	-		-	-	-		-
7	Other financial undertakings	93.38	92.51	-	-	2.75	0.24	-	-	-	0.01	-	-	-	-	-	-	-
8	Of which: investment firms	94.37	93.50	-	-	2.78	0.24	-	-	-	0.01	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	94.37	93.50	-	-	2.78	0.24	-	-	-	0.01	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	42.96	33.15	-	3.53	13.77	0.55	0.03	-	0.02	0.04	-	-	-	1.61	-	-	-
21	Loans and advances	44.12	34.55	-	3.74	14.19	0.53	0.03	-	0.02	0.04	-	-	-	1.66	-	-	-
22	Debt securities, including UoP statement	24.33	10.75	-	0.16	7.04	0.78	0.02	-	0.01	0.01	-	-	-	0.76	-	-	-
23	Equity instruments	1.59	0.19		-	0.19	-	-		-	-	-		-	3.12	-		-
24	**Households**	100.00	2.99	2.99	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	100.00	3.22	3.22	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	100.00	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	100.00	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00	1.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	31.72	3.03	0.82	0.24	0.89	0.04	-	-	-	-	-	-	-	0.10	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling	
	GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	0.07	-	-	-	0.01	-	-	-	85.67	8.26	2.25	0.64	2.43	27.01
2	**Financial undertakings**	-	-	-	-	-	-	-	-	34.06	2.79	-	0.32	0.24	1.97
3	Credit Institutions	-	-	-	-	-	-	-	-	33.64	2.17	-	0.33	0.22	1.96
4	Loans and advances	-	-	-	-	-	-	-	-	33.71	2.14	-	0.36	0.15	1.75
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	33.02	2.40	-	0.08	0.82	0.21
6	Equity instruments	-	-		-	-	-		-	41.70	4.70		0.08	0.06	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	93.62	92.51	-	-	2.75	0.01
8	Of which: investment firms	-	-	-	-	-	-	-	-	94.62	93.50	-	-	2.78	0.01
9	Loans and advances	-	-	-	-	-	-	-	-			-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	94.62	93.50	-	-	2.78	0.01
11	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	0.01	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	0.01	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-		-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings:**	0.38	-	-	-	0.04	-	-	-	45.58	33.19	-	3.53	13.79	4.72
21	Loans and advances	0.18	-	-	-	0.04	-	-	-	46.58	34.58	-	3.74	14.21	4.45
22	Debt securities, including UoP statement	3.62	-	-	-	0.07	-	-	-	29.56	10.77	-	0.16	7.04	0.28
23	Equity instruments	-	-		-	-	-		-	4.71	0.19		-	0.19	-
24	**Households**									100.00	2.99	2.99	-	-	20.32
25	Of which: loans collateralised by residential immovable property									100.00	3.22	3.22	-	-	18.90
26	Of which: building renovation loans									100.00	0.00	0.00	-	-	1.34
27	Of which: motor vehicle loans														
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	100.00	1.07	-	-	-	0.36
32	**Total GAR assets**	0.02	-	-	-	-	-	-	-	31.89	3.03	0.82	0.24	0.89	73.71

At 31 December 2023:

	% (compared to total assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	85.83	5.85	2.11	0.19	2.28	0.31	0.18	-	0.03	-	-	-	-	-	-	-	-
2	**Financial undertakings**	22.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit Institutions	22.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	28.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	7.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	32.05	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	10.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	10.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	10.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	37.71	25.61	-	1.33	15.63	2.15	1.22	-	0.24	-	-	-	-	-	-	-	-
21	Loans and advances	37.69	26.83	-	1.42	16.58	2.30	1.31	-	0.25	-	-	-	-	-	-	-	-
22	Debt securities, including UoP statement	38.14	9.35	-	0.15	2.97	0.13	0.01	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	1.23	0.26		-	0.26	0.57	-		-	-	-		-	-	-		-
24	**Households**	100.00	2.68	2.68	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	100.00	2.89	2.89	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	100.00	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	100.00	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00	1.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	31.12	2.11	0.76	0.07	0.82	0.11	0.06	-	0.01	-	-	-	-	-	-	-	-

In order to facilitate comparison with the current period, certain percentages for 2023 have been restated.

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling	
	GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	-	-	-	-	-	-	-	-	86.15	6.03	2.11	0.19	2.31	26.57
2	**Financial undertakings**	-	-	-	-	-	-	-	-	22.06	-	-	-	-	1.73
3	Credit Institutions	-	-	-	-	-	-	-	-	22.37	-	-	-	-	1.69
4	Loans and advances	-	-	-	-	-	-	-	-	28.07	-	-	-	-	1.21
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	7.99	-	-	-	-	0.48
6	Equity instruments	-	-		-	-	-		-	32.05	-		-	-	0.00
7	Other financial undertakings	-	-	-	-	-	-	0.00	-	10.64	-	-	-	-	0.05
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	10.64	-	-	-	-	0.05
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	10.66	-	-	-	-	0.05
19	Equity instruments	-	-		-	-	-						-	-	-
20	**Non-financial undertakings:**	-	-	-	-	-	-	-	-	39.86	26.83	-	1.33	15.87	3.88
21	Loans and advances	-	-	-	-	-	-	-	-	39.98	28.14	-	1.42	16.83	3.61
22	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	38.27	9.36	-	0.15	2.97	0.27
23	Equity instruments	-	-		-	-	-		-	1.80	0.26		-	0.26	-
24	**Households**									100.00	2.68	2.68	-	-	20.96
25	Of which: loans collateralised by residential immovable property									100.00	2.89	2.89	-	-	19.42
26	Of which: building renovation loans									100.00	-	-	-	-	1.44
27	Of which: motor vehicle loans														
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	100.00	1.21	-	-	-	0.11
32	**Total GAR assets**	-	-	-	-	-	-	-	-	31.24	2.18	0.76	0.07	0.84	73.60

In order to facilitate comparison with the current period, certain percentages for 2023 have been restated.

GAR04 Key Performance Indicator (KPI) for GAR in flow terms (Turnover)

At 31 December 2024:

	% (compared to total flow of eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	62.32	8.68	1.50	1.43	4.32	0.20	0.02	-	0.02	0.01	-	-	-	0.58	-	-	-
2	**Financial undertakings**	33.68	1.94	-	0.34	0.08	0.05	0.01	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	33.69	1.94	-	0.34	0.08	0.05	0.01	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	33.52	1.94	-	0.35	0.07	0.05	0.01	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	41.97	2.06	-	0.26	0.60	0.05	0.01	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	-	-	-	-	-	5.70	2.04	-	2.04	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	-	-	-	-	-	5.70	2.04	-	2.04	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	5.70	2.04	-	2.04	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	35.30	23.43	-	4.70	15.21	0.65	0.06	-	0.06	0.02	-	-	-	2.06	-	-	-
21	Loans and advances	36.25	24.07	-	4.82	15.62	0.67	0.06	-	0.06	0.02	-	-	-	2.11	-	-	-
22	Debt securities, including UoP statement	0.41	0.17	-	-	0.17	-	-	-	-	-	-	-	-	0.23	-	-	-
23	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	100.00	3.52	3.52	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	100.00	3.72	3.72	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	100.00	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	100.00	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	11.77	1.64	0.28	0.27	0.81	0.04	-	-	-	-	-	-	-	0.11	-	-	-

		Pollution (PPC)				'Biodiversity and ecosystems (BIO)				'TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling	
	GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	0.18	-	-	-	0.02	-	-	-	63.31	8.70	1.50	1.43	4.33	16.27
2	**Financial undertakings**	-	-	-	-	-	-	-	-	33.73	1.94	-	0.34	0.08	4.77
3	Credit institutions	-	-	-	-	-	-	-	-	33.74	1.94	-	0.34	0.08	4.77
4	Loans and advances	-	-	-	-	-	-	-	-	33.57	1.94	-	0.35	0.07	4.67
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	42.02	2.07	-	0.26	0.61	0.09
6	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	5.70	2.04	-	-	2.04	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	5.70	2.04	-	-	2.04	-
17	Loans and advances	-	-	-	-	-	-	-	-	5.70	2.04	-	-	2.04	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings:**	0.65	-	-	-	0.07	-	-	-	38.76	23.49	-	4.70	15.27	4.59
21	Loans and advances	0.05	-	-	-	0.07	-	-	-	39.17	24.13	-	4.82	15.68	4.47
22	Debt securities, including UoP statement	22.87	-	-	-	-	-	-	-	23.51	0.17	-	-	0.17	0.12
23	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
24	**Households**									100.00	3.52	3.52	-	-	6.92
25	Of which: loans collateralised by residential immovable property									100.00	3.72	3.72	-	-	6.55
26	Of which: building renovation loans									100.00	-	-	-	-	0.31
27	Of which: motor vehicle loans									100.00	-	-	-	-	0.05
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	100.00	-	-	-	-	0.01
32	**Total GAR assets**	0.03	-	-	-	-	-	-	-	11.95	1.64	0.28	0.27	0.82	86.29

GAR04 Key Performance Indicator (KPI) for GAR in flow terms (CapEx)

At 31 December 2024:

	% (compared to total flow of eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
	GAR – Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	65.23	12.31	1.50	1.54	4.97	0.25	0.01	-	-	0.01	-	-	-	0.52	-	-	-
2	**Financial undertakings**	33.85	2.14	0.00	0.36	0.17	0.03	0.01	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	33.86	2.14	0.00	0.36	0.17	0.03	0.01	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	33.69	2.13	0.00	0.36	0.15	0.03	0.01	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP statement	41.92	2.46	0.00	0.27	0.86	0.03	0.01	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
7	Other financial undertakings	-	-	-	-	-	5.70	2.04	-	2.04	-	-	-	-	-	-	-	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
16	Of which: insurance undertakings	-	-	-	-	-	5.70	2.04	-	2.04	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	5.70	2.04	-	2.04	-	-	-	-	-	-	-	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings:**	45.43	36.12	-	5.10	17.46	0.86	0.03	-	0.02	0.03	-	-	-	1.83	-	-	-
21	Loans and advances	46.03	37.10	-	5.23	17.93	0.88	0.03	-	0.02	0.04	-	-	-	1.85	-	-	-
22	Debt securities, including UoP statement	23.62	0.29	-	0.02	0.27	-	-	-	-	-	-	-	-	0.86	-	-	-
23	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-
24	**Households**	100.00	3.52	3.52	-	-	-	-	-	-					-	-	-	-
25	Of which: loans collateralised by residential immovable property	100.00	3.72	3.72	-	-	-	-	-	-					-	-	-	-
26	Of which: building renovation loans	100.00	-	-	-	-	-	-	-	-					-	-	-	-
27	Of which: motor vehicle loans	100.00	-	-	-	-												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	12.31	2.32	0.28	0.29	0.94	0.05	-	-	-	-	-	-	-	0.10	-	-	-

		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional	Of which: enabling	
	GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not held for trading eligible for GAR calculation	0.12	-	-	-	0.01	-	-	-	66.14	12.33	1.50	1.54	4.98	16.27
2	**Financial undertakings**	-	-	-	-	-	-	-	-	33.89	2.15	-	0.36	0.17	4.77
3	Credit institutions	-	-	-	-	-	-	-	-	33.89	2.15	-	0.36	0.17	4.77
4	Loans and advances	-	-	-	-	-	-	-	-	33.73	2.14	-	0.36	0.15	4.67
5	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	41.95	2.47	-	0.27	0.86	0.09
6	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
7	Other financial undertakings	-	-	-	-	-	-	-	-	5.70	2.04	0.00	0.00	2.04	-
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
16	Of which: insurance undertakings	-	-	-	-	-	-	-	-	5.70	2.04	-	-	2.04	-
17	Loans and advances	-	-	-	-	-	-	-	-	5.70	2.04	-	-	2.04	-
18	Debt securities, including UoP statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings:**	0.43	-	-	-	0.05	-	-	-	48.62	36.14	-	5.10	17.47	4.59
21	Loans and advances	0.03	-	-	-	0.05	-	-	-	48.88	37.13	-	5.23	17.94	4.47
22	Debt securities, including UoP statement	14.86	-	-	-	-	-	-	-	39.34	0.29	-	0.02	0.27	0.12
23	Equity instruments	-	-		-	-	-		-	-	-		-	-	-
24	**Households**									100.00	3.52	3.52	-	-	6.92
25	Of which: loans collateralised by residential immovable property									100.00	3.72	3.72	-	-	6.55
26	Of which: building renovation loans									100.00	-	-	-	-	0.31
27	Of which: motor vehicle loans									100.00	-	-	-	-	0.05
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	100.00	-	-	-	-	0.01
32	**Total GAR assets**	0.02	-	-	-	-	-	-	-	12.49	2.32	0.28	0.29	0.94	86.29

GAR05.01 Key Performance Indicator for off-balance sheet exposures in stock terms (Turnover)

At 31 December 2024:

	% (compared to total eligible off-balance sheet assets)	At 31 December 2024																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
1	Financial Guarantees (FinGuar KPI)	27.13	27.13	-	-	27.13	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI) (*)	NA	1.22	-	0.01	0.95	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

	% (compared to total eligible off-balance sheet assets)	At 31 December 2024												
		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional/adaptive	Of which: enabling
1	Financial Guarantees (FinGuar KPI)	0.07	-	-	-	-	-	-	-	27.20	27.13	-	-	27.13
2	Assets under management (AuM KPI) (*)	NA	NA	NA	NA	NA	NA	NA	NA	NA	1.22	-	0.01	0.95

(*) The company's approach is to use only actual data; therefore, calculations have been performed based on publicly available information. Furthermore, in cases where no distinction is made regarding the impacted environmental objective or eligibility ratios, the Group's criterion has been to include it under the climate change mitigation objective.

GAR05.01 Key Performance Indicator for off-balance sheet exposures in stock terms (CapEx)

At 31 December 2024:

	% (compared to total eligible off-balance sheet assets)	At 31 December 2024																
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (EC)**			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**		
				Of which: UoP statement	**Of which: transitional**	**Of which: enabling**			**Of which: UoP statement**	**Of which: enabling**			**Of which: UoP statement**	**Of which: enabling**			**Of which: UoP statement**	**Of which: enabling**
1	**Financial Guarantees (FinGuar KPI)**	27.13	23.24	-	-	23.24	-	-	-	-	-	-	-	-	-	-	-	-
2	**Assets under management (AuM KPI)(*)**	N/A	0.50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	% (compared to total eligible off-balance sheet assets)	At 31 December 2024												
		Pollution (PPC)				**Biodiversity and ecosystems (BIO)**				**TOTAL (CCM + CCA + WTR + CE + PPC + BIO)**				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)**				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**				**Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)**			
				Of which: UoP statement	**Of which: enabling**			**Of which: UoP statement**	**Of which: enabling**			**Of which: UoP statement**	**Of which: transitional/adaptive**	**Of which: enabling**
1	**Financial Guarantees (FinGuar KPI)**	0.07	-	-	-	-	-	-	-	27.20	23.24	-	-	23.24
2	**Assets under management (AuM KPI)(*)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.50	N/A	N/A	N/A

(*) The company's approach is to use only actual data; therefore, calculations have been performed based on publicly available information. Furthermore, in cases where no distinction is made regarding the impacted environmental objective or eligibility ratios, the Group's criterion has been to include it under the climate change mitigation objective.

GAR05.02 Key Performance Indicator for off-balance sheet exposures in flow terms (Turnover)

At 31 December 2024:

	% (compared to total eligible off-balance sheet assets)	At 31 December 2024																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
1	Financial Guarantees (FinGuar KPI)	35.57	35.57	-	-	35.57	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI) (*)	N/A	1.28	-	0.01	0.97	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	% (compared to total eligible off-balance sheet assets)	At 31 December 2024												
		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional/adaptive	Of which: enabling
1	Financial Guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	35.57	35.57	-	-	35.57
2	Assets under management (AuM KPI) (*)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.28	-	0.01	0.97

(*) The company's approach is to use only actual data; therefore, calculations have been performed based on publicly available information. Furthermore, in cases where no distinction is made regarding the impacted environmental objective or eligibility ratios, the Group's criterion has been to include it under the climate change mitigation objective.

GAR05.02 Key Performance Indicator for off-balance sheet exposures in flow terms (CapEx)

At 31 December 2024:

% (compared to total eligible off-balance sheet assets)		At 31 December 2024																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular Economy (EC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which: UoP statement	Of which: transitional	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling
1	Financial Guarantees (FinGuar KPI)	35.57	30.48	-	-	30.48	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI) (*)	N/A	0.54	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

% (compared to total eligible off-balance sheet assets)		At 31 December 2024												
		Pollution (PPC)				Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: enabling			Of which: UoP statement	Of which: transitional/adaptive	Of which: enabling
1	Financial Guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	35.57	30.48	-	-	30.48
2	Assets under management (AuM KPI) (*)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.54	N/A	N/A	N/A

(*) The company's approach is to use only actual data; therefore, calculations have been performed based on publicly available information. Furthermore, in cases where no distinction is made regarding the impacted environmental objective or eligibility ratios, the Group's criterion has been to include it under the climate change mitigation objective.

6.2. ANNEX II. 2024 Information on nuclear energy and gas activities, in accordance with Delegated Regulation (EU) 2022/1214

1 Fossil gas and nuclear energy activities

	Nuclear energy related activities	YES/NO	Turnover (Millions)	CapEx (Millions)
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO	-	-
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES	-	-
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES	14	7
	Fossil gas related activities		-	-
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES	46	10
5	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	2	3
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO	-	-

2 Taxonomy-aligned economic activities (denominator) – CapEx

	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€ millions)	%	Amount (€ millions)	%	Amount (€ millions)	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,410	3.03	1,409	3.03	1	-
8	**Total applicable KPI**	**1,411**	**3.03**	**1,410**	**3.03**	**1**	**-**

2 Taxonomy-aligned economic activities (denominator) – Turnover

	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€ millions)	%	Amount (€ millions)	%	Amount (€ millions)	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,117	2.40	1,114	2.39	3	0.01
8	**Total applicable KPI**	**1,117**	**2.40**	**1,114**	**2.39**	**3**	**0.01**

3 *Taxonomy-aligned economic activities (numerator) – CapEx*

	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€ millions)	%	Amount (€ millions)	%	Amount (€ millions)	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.02	-	0.02	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,410	99.98	1,409	99.91	1	0.07
8	**Total applicable KPI**	**1,411**	**100.00**	**1,410**	**99.93**	**1**	**0.07**

3 *Taxonomy-aligned economic activities (numerator) – Turnover*

	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€ millions)	%	Amount (€ millions)	%	Amount (€ millions)	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.02	-	0.02	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,117	99.98	1,114	99.75	3	0.23
8	**Total applicable KPI**	**1,117**	**100.00**	**1,114**	**99.77**	**3**	**0.23**

4 Taxonomy-eligible but not taxonomy-aligned economic activities – CapEx

	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€ millions)	%	Amount (€ millions)	%	Amount (€ millions)	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	10	0.02	10	0.02	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	3	0.01	3	0.01	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	13,356	28.70	13,345	28.67	10	0.02
8	**Total applicable KPI**	**13,369**	**28.72**	**13,359**	**28.70**	**10**	**0.02**

4 Taxonomy-eligible but not taxonomy-aligned economic activities – Turnover

	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€ millions)	%	Amount (€ millions)	%	Amount (€ millions)	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	46	0.10	46	0.10	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	2	-	2	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	13,451	28.90	13,438	28.87	13	0.03
8	**Total applicable KPI**	**13,499**	**29.00**	**13,487**	**28.98**	**13**	**0.03**

5 Taxonomy-non-eligible economic activities – CapEx

	Nuclear energy related activities	Amount (€ millions)	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7	0.02
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	31,694	68.10
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	**31,701**	**68.11**

5 Taxonomy-non-eligible economic activities – Turnover

	Nuclear energy related activities	Amount (€ millions)	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	14	0.03
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	31,854	68.44
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	**31,868**	**68.47**

6.3. Annex III. Compliance with Law 11/2018

Taxonomy

Areas		**Reporting Framework**	**Reference**
Taxonomy	Quantitative and qualitative information, based on proprietary methodology adjusted for regulatory compliance	EU Regulation 2020/852	3.1. Disclosures pursuant to Article 8 of Regulation (EU) 2020/852
			6.1. Annex I 2024 Tables and metrics of Article 8 of the EU Taxonomy Regulation
			6.2. ANNEX II. 2024 Information on nuclear energy and gas activities, in accordance with Delegated Regulation (EU) 2022/1214

General Areas

Areas		**Reporting Framework**	**Reference**
Business model	Description of the **business model:**	ESRS 2	2.3.1. Business Model (SBM1/SBM3)
	Business environment	E1-2, E1-4	3.2.3.2. E1-2 Policies related to climate change mitigation and adaptation 3.2.4.1. E1-4 Targets related to climate change mitigation and adaptation
	Organisation and structure	E2-1, E2-3	3.3.1.2. E2-1 Policies related to pollution 3.3.2.1. E2-3 Targets related to pollution
	Markets in which it operates	E3-1, E3-3	3.4.1.2. E3-1 Policies related to water and marine resources 3.4.2.1. E3-3 Targets related to water and marine resources
	Objectives and strategies	E4-2, E4-4	3.5.2.2. E4-2 Policies related to biodiversity and ecosystems 3.4.3.1. E4-4 Targets related to biodiversity and ecosystems
	Main trends and factors that may affect their future development	E5-1, E5-3	3.2.2.1. E1-1 Transition plan for climate change mitigation
	Main policies applied by the Group	S1-1, S1-5	4.1.2.1.S1-1 Policies related to own workforce 4.1.3.1 S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.
		S2-1, S2-5	5.2.3. G1-2 Management of relationships with suppliers
		S3-3, S3-5	4.2.2.1.S4-1 Policies related to consumers and end-users 4.2.3.1. S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.
		S4-1, S4-5	
		5.3.1.G1-4	5.2.2. G1-1– Corporate culture and business conduct policies and corporate culture
Main risks and impacts identified	Internal Control and Risk Management System	ESRS 2 GOV 5	2.2.2.3. Risk management and internal controls over sustainability reporting
	Analysis of risks and impacts related to key issues	ESRS 2 IRO-1, SBM-3	2.4.2. Assessment of IROs (SBM3/IRO1)

Environmental matters

Areas		Reporting Framework	Reference
Environmental management	**Current and foreseeable effects** of the undertaking's activities	ESRS 2 GOV 5	2.2.2. ESG. Governance, management and control bodies (GOV1/GOV2/GOV5)
		ESRS 2 IRO-1, SBM-3	2.4.2. Assessment of IROs (SBM3/IRO1)
	Environmental **evaluation and certification procedures**	E1-1	3.2.2.1. E1-1 Transition plan for climate change mitigation
	Resources used to prevent environmental risk	E1-3	3.2.3.3. E1-3 Actions and resources in relation to climate change policies
	Application of the **precautionary principle**	E1-2	3.2.3.2.E1-2 Policies related to climate change mitigation and adaptation
		E2-1	3.3.1.2.E2-1 Policies related to pollution.
		E3-1	3.4.1.2.E3-1 Policies related to water and marine resources.
		E4-2	3.5.2.2. E4-2 Policies related to biodiversity and ecosystems.
		E5-1	
	Amount of **provisions and guarantees** for environmental risks	E1-3	3.2.3.3. E1-3 Actions and resources in relation to climate change policies.
		E1-2	3.2.3.2. E1-2 Policies related to climate change mitigation and adaptation
		E3-2	3.4.1.3. E3-2 Actions and resources related to water and marine resources
		E4-3	3.5.2.3. E4-3 Actions and resources related to biodiversity and ecosystems
		E5-2	
Pollution	**Measures** to prevent, reduce or remediate carbon emissions (also includes noise and light pollution)	E2-2	3.3.1.3. E2-2 Actions and resources related to pollution
Circular economy and the prevention and management of waste	**Measures** for prevention, recycling, reuse, other forms of recovery and waste disposal	E5-2	3.2.4.2. E1-5 Energy consumption and mix 3.2.4.3.E1-6 Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions
	Actions to combat food waste	Not applicable	
Sustainable use of resources	**Consumption** of water and water supply according to local limitations	E3-4	3.4.2.2. E3-4 Water consumption
	Consumption of raw materials and measures taken to improve the efficiency of their use	E1-4	3.2.4.1. E1-4 Targets related to climate change mitigation and adaptation
	Direct and indirect energy **consumption**	E1-5	3.2.4.2. E1-5 Energy consumption and mix
	Measures taken to improve energy efficiency	E1-3	3.2.3.3. E1-3 Actions and resources in relation to climate change policies
	Use of renewable energies	E1-5	3.2.4.2. E1-5 Energy consumption and mix
Climate change	Major **components** of	E1-4	3.2.4.1. E1-4 Targets related to climate change mitigation and adaptation
	greenhouse gas emissions generated	E1-6	3.2.4.3. E1-6 Gross Scopes 1, 2 and 3 and total GHG emissions
	Measures taken to adapt to the consequences of climate change	E1-3	3.2.3.3. E1-3 Actions and resources in relation to climate change policies
	Voluntary reduction **targets**	E1-4	3.2.4.1. E1-4 Targets related to climate change mitigation and adaptation
Protection of biodiversity	**Measures** taken to preserve or restore biodiversity	E4-3	3.5.2.3. E4-3 Actions and resources related to biodiversity and ecosystems
	Impacts of activities or operations in protected areas	ESRS 2 SBM 3	2.4.2. Assessment of IROs (SBM3/IRO1)

Social and employee matters

Areas		Reporting Framework	Reference
Employment	Total **number** and distribution of employees by gender, age, country and employee category	S1-6	4.1.3.2 S1-6 Characteristics of employees 6.3.1.1 Total number and distribution of employees by gender, age, country and employee category
	Total **number** and distribution of types of employment contracts	S1-6	4.1.3.2 S1-6 Characteristics of employees 6.3.1.2 Total number and distribution of types of employment contracts
	Annual **average** of permanent, temporary and part-time contracts by gender, age and employee category	S1-6	4.1.3.2 S1-6 Characteristics of employees 6.3.1. Annual average of permanent, temporary and part-time contracts by gender, age and employee category.
	Number of departures by gender, age and employee category	S1-6	4.1.3.2 S1-6 Characteristics of employees 6.3.1.4 Number of departures by gender, age and employee category
	Pay gap	S1-16	4.1.3.12. S1-16 Remuneration metrics (pay gap and total remuneration)
	Average **pay** by gender, age and employee category	S1-16	6.3.1.5 Average pay by gender, age and employee category
	Average **pay** of directors by gender	S1-16	2.2.1 Composition, roles and responsibilities in GCC
	Average **pay** of executives by gender	S1-16	2.2.1 Composition, roles and responsibilities in GCC
	Implementation of work disconnection **policies**	S1-1	4.1.2.1. S1-1 Policies related to own workforce
	Employees with disabilities	S1-12	4.1.3.8. S1-12 Persons with disabilities 6.3.2.2 Diversity management and equality of opportunities
Organisation of work	**Organisation** of working hours	S1-1	4.1.2.1 S1-1. Policies related to own personnel
	Number of absent hours	S1-14	6.3.2.3 Absenteeism
	Measures designed to facilitate a work-life balance and encourage the joint use of said measures by parents	S1-4	4.1.2.4 S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
Health and safety	**Conditions** of health and safety in the workplace	S1-11	4.1.3.7. S1-11 Social protection
	Number of occupational accidents and occupational diseases by gender, frequency and severity rate by gender	S1-14	4.1.3.10. S1-14 Health and safety metrics
Social relations	**Organisation** of social dialogue (including procedures to inform and consult staff and negotiate with them)	S1-2	4.1.2.2 S1-2 Processes for engaging with own workforce and workers' representatives about impacts
	Percentage of employees covered by collective bargaining agreements by country	S1-8	4.1.3.4. S1-8 Collective bargaining coverage and social dialogue
	Balance of the collective bargaining agreements (particularly in the field of health and safety in the workplace)	S1-1	4.1.2.1 S1-1 Policies related to own workforce
	Mechanisms and procedures that the employer has in place for encouraging the involvement of workers in management of the company, in terms of information, consultation and participation.	S1-2	4.2.2.1. S1-2 Processes for engaging with own workforce and workers' representatives about impacts
Training	The **policies** implemented in the field of training	S1-2	6.3.2.5 Employees trained in skills management and continuing professional development programmes
	Total **number** of training hours by employee category.	S1-13	4.1.3.9. S1-13 Training and skills development metrics 6.3.2.5 Employees trained in skills management and continuing professional development programmes
Universal accessibility for people with disabilities		S1-4 S1-12	4.1.3.8. S1-2 Persons with disabilities

Equality	**Measures** taken to promote equal treatment and opportunities between women and men	S1-4 S1-9	4.1.3.5 S1-9 Diversity metrics 6.3.2.2 Diversity management and equality of opportunities
	Equality plans measures taken to promote employment, protocols against sexual and gender-based harassment	S1-1 S1-4 S1-9	4.1.2.1 S1-1 Policies related to own workforce 4.1.3.5. S1-9 Diversity metrics
	Integration and universal accessibility of persons with disabilities	S1-4 S1-12	4.1.3.8. S1-2 Persons with disabilities
	Policy against all types of discrimination and, where appropriate, of management of diversity	S1-1	4.1.2.1 S1-1 Policies related to own workforce

Information on respect for human rights

Areas	Reporting Framework	Reference
Application of due diligence procedures in the field of human rights	ESRS 2 GOV 4	2.2.4. Due diligence statement (GOV4)
Prevention of the risk of human rights violations and, where appropriate, the implementation of **measures** to mitigate, manage and repair any possible abuses committed	S1-4	4.1.3.5 S1-9 Diversity metrics
	S2-4	5.2.3. G1-2 Management of relationships with suppliers
	S3-4 S4-4	4.2.2.4. Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
Complaints about cases of human rights violations	S1-17	4.1.3.13 S1-17 Incidents, complaints and severe human rights impacts
Promotion and compliance with the provisions of the fundamental conventions of the ILO regarding respect for freedom of association and the right to collective bargaining, the elimination of discrimination in respect of employment and occupation, elimination of forced or compulsory labour and the effective abolition of child labour	S1-1	4.1.2.1 S1-1 Policies related to own workforce
	S2-1	5.2.3. G1-2 Management of relationships with suppliers

Information on anti-corruption and bribery matters

Areas	Reporting Framework	Reference
Measures taken to prevent corruption and bribery	G1-3	5.2.4. G1-3 Prevention and detection of corruption and bribery
Measures to combat money laundering	G1-3	
Contributions to non-profit foundations and entities	G1-5	

Information on the Company

Areas		Reporting Framework	Reference
Management approach			
Commitments of the company to sustainable development	**Impact** of the company's activity on local employment and development	ESRS 2 SBM 3	2.3.3. Sustainability strategy (SBM1/SBM3)
	Impact of the company's activities on local towns and villages and in the country	ESRS 2 SBM 3	2.3.3. Sustainability strategy (SBM1/SBM3)
	Relations maintained with affected communities and their representatives and dialogue processes	S3-2	
	Associations of sponsorship **actions**	S3-4	
Subcontracting and suppliers	**Inclusion** of social, gender equality and environmental issues in the procurement policy	S2-1	5.2.3. G1-2 Management of relationships with suppliers
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	S2-2, S2-3	5.2.3. G1-2 Management of relationships with suppliers
		S2-4	
		G1-2	
	Supervision and audit **systems** and their results	G1-2	5.2.3. G1-2 Management of relationships with suppliers
		S2-2, S2-3	
		S2-4	
Consumers	**Measures** for the health and safety of consumers	S4-1	4.2.2.1. S4-1 Policies related to consumers and end-users
		S4-4	4.2.2.4. Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
	Claims **systems**	S4-3	4.2.2.3. S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
	Complaints received and resolution thereof	S4-5	4.2.3.1. S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
Tax information	**Profit** obtained country by country	GRI 207-1, 207-2, 207-4	6.3.3 Tax information
	Corporate income tax paid		
	Public **subsidies** received		

6.3.1.Employment

6.3.1.1. Total number and distribution of employees by gender, age, country and employee category

Breakdown of staff by age group, gender and geographical area

Zone	< 30 years			30-50 years old			> 50 years			Total		
2024	**M**	**F**	**Total**	**M**	**F**	**Total**	**M**	**F**	**Total**	**M**	**F**	**Total**
North	2	2	4	28	28	56	11	5	16	41	35	76
South	55	81	136	693	917	1,610	487	393	880	1,235	1,391	2,626
East	35	39	74	627	946	1,573	650	422	1,072	1,312	1,407	2,719
Central	13	17	30	236	253	489	121	55	176	370	325	695
Total	**105**	**139**	**244**	**1,584**	**2,144**	**3,728**	**1,269**	**875**	**2,144**	**2,958**	**3,158**	**6,116**

2023	< 30 years			30-50 years old			> 50 years			Total		
Zone	**M**	**F**	**Total**	**M**	**F**	**Total**	**M**	**F**	**Total**	**M**	**F**	**Total**
North	2	2	4	25	26	51	11	5	16	38	33	71
South	48	87	135	760	978	1,738	470	347	817	1,278	1,412	2,690
East	19	35	54	712	1,007	1,719	646	393	1,039	1,377	1,435	2,812
Central	14	12	26	251	252	503	105	41	146	370	305	675
Total	**83**	**136**	**219**	**1,748**	**2,263**	**4,011**	**1,232**	**786**	**2,018**	**3,063**	**3,185**	**6,248**

Breakdown of staff by employee category, age and gender

Positions	2024																	
	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Board (with contract)	-	-	-	-	-	-	-	-	5	100.00%	-	-	5	100.00%	-	-	5	0.08%
Senior Management	-	-	-	-	7	77.78%	2	22.22%	13	72.22%	5	27.78%	20	74.07%	7	25.93%	27	0.44%
Type 1 management	-	-	-	-	76	67.86%	36	32.14%	78	81.25%	18	18.75%	154	74.04%	54	25.96%	208	3.40%
Type 2 management	2	40.00%	3	60.00%	485	59.51%	330	40.49%	290	71.60%	115	28.40%	777	63.43%	448	36.57%	1,225	20.03%
Middle Management	4	44.44%	5	55.56%	196	32.78%	402	67.22%	140	52.43%	127	47.57%	340	38.90%	534	61.10%	874	14.29%
Other	99	43.04%	131	56.96%	820	37.37%	1,374	62.63%	743	54.92%	610	45.08%	1,662	44.00%	2,115	56.00%	3,777	61.76%
Total	**105**	**43.03%**	**139**	**56.97%**	**1,584**	**42.49%**	**2,144**	**57.51%**	**1,269**	**59.19%**	**875**	**40.81%**	**2,958**	**48.36%**	**3,158**	**51.64%**	**6,116**	**100.00%**

Positions	2023																	
	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Board (with contract)	-	-	-	-	-	-	-	-	7	100.00%	-	-	7	100.00%	-	-	7	0.11%
Senior Management	-	-	-	-	5	83.33%	1	16.67%	16	80.00%	4	20.00%	21	80.77%	5	19.23%	26	0.42%
Type 1 management	-	-		-	83	69.17%	37	30.83%	75	82.42%	16	17.58%	158	74.88%	53	25.12%	211	3.38%
Type 2 management	4	80.00%	1	20.00%	542	61.66%	337	38.34%	270	74.38%	93	25.62%	816	65.44%	431	34.56%	1,247	19.96%
Middle Management	-	-	8	100.00%	217	33.33%	434	66.67%	141	56.85%	107	43.15%	358	39.47%	549	60.53%	907	14.52%
Other	79	38.35%	127	61.65%	901	38.26%	1,454	61.74%	723	56.09%	566	43.91%	1,703	44.23%	2,147	55.77%	3,850	61.62%
Total	**83**	**37.90%**	**136**	**62.10%**	**1,748**	**43.58%**	**2,263**	**56.42%**	**1,232**	**61.05%**	**786**	**38.95%**	**3,063**	**49.02%**	3,185	50.98%	**6,248**	**100.00%**

6.3.1.2. Total number and distribution of type of employment contract.

Staff distribution by employment contract and gender

Gender	2023			2024		
	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total
Men	3,036	27	3,063	2,923	35	2,958
Women	3,144	41	3,185	3,104	54	3,158
Total	**6,180**	**68**	**6,248**	**6,027**	**89**	**6,116**

Staff distribution by type of working day

Gender	2023			2024		
	Full time	Part time	Total	Full time	Part time	Total
Men	3,051	12	3,063	2,945	13	2,958
Women	3,106	79	3,185	3,076	82	3,158
Total	**6,157**	**91**	**6,248**	**6,021**	**95**	**6,116**

6.3.1.3. Annual average of permanent, temporary and part-time contracts by gender, age and employee category.

Breakdown of staff by gender, age and employee category according to the different types of contract and working day. Permanent, full time (ordinary)

Positions	**2024**																	
	< 30 years				**30-50 years old**				**> 50 years**				**Total**					
	M	**%**	**F**	**%**	**M**	**%**	**F**	**%**	**M**	**%**	**F**	**%**	**M**	**%**	**F**	**%**	**Total**	**%**
Board (with contract)	-	-	-	-	-	-	-	-	5	100.00%	-	-	5	100.00%	-	-	5	0.08%
Senior Management	-	-	-	-	7	77.78%	2	22.22%	13	72.22%	5	27.78%	20	74.07%	7	25.93%	27	0.45%
Type 1 management	-	-	-	-	76	67.86%	36	32.14%	78	81.25%	18	18.75%	154	74.04%	54	25.96%	208	3.45%
Type 2 management	2	40.00%	3	60.00%	485	59.58%	330	40.49%	290	71.60%	115	28.40%	777	63.43%	448	36.57%	1,225	20.33%
Middle Management	4	44.44%	5	55.56%	196	32.11%	402	67.22%	140	52.43%	127	47.57%	340	38.90%	534	61.10%	874	14.50%
Other	74	42.77%	99	57.23%	816	37.62%	1,353	62.38%	737	54.75%	609	45.25%	1,627	44.12%	2,061	55.88%	3,688	61.19%
Total	**80**	**42.78%**	**107**	**57.22%**	**1,580**	**42.67%**	**2,123**	**57.33%**	**1,263**	**59.10%**	**874**	**40.90%**	**2,923**	**48.50%**	**3,104**	**51.50%**	**6,027**	**100.00%**

Positions	**2023**																	
	< 30 years				**30-50 years old**				**> 50 years**				**Total**					
	M	**%**	**F**	**%**	**M**	**%**	**F**	**%**	**M**	**%**	**F**	**%**	**M**	**%**	**F**	**%**	**Total**	**%**
Board (with contract)	-	-	-	-	-	-	-	-	7	100.00%	-	-	7	100.00%	-	-	7	0.11%
Senior Management	-	-	-	-	5	83.33%	1	16.67%	16	80.00%	4	20.00%	21	80.77%	5	19.23%	26	0.42%
Type 1 management	-	-	-	-	83	69.17%	37	30.83%	75	82.42%	16	17.58%	158	74.88%	53	25.12%	211	3.41%
Type 2 management	4	80.00%	1	20.00%	542	61.66%	337	38.34%	270	74.38%	93	25.62%	816	65.44%	431	34.56%	1,247	20.18%
Middle Management	-	-	8	100.00%	217	33.33%	434	66.67%	141	56.85%	107	43.15%	358	39.47%	549	60.53%	907	14.68%
Other	61	38.61%	97	61.39%	898	38.36%	1,443	61.64%	717	55.88%	566	44.12%	1,676	44.32%	2,106	55.68%	3,782	61.20%
Total	**65**	**38.01%**	**106**	**61.99%**	**1,745**	**43.66%**	**2,252**	**56.34%**	**1,226**	**60.93%**	**786**	**39.07%**	**3,036**	**49.13%**	**3,144**	**50.87%**	**6,180**	**100.00%**

Breakdown of staff by gender, age and employee category according to the different types of contract and working day. Temporary duration and other types of contract

Positions	2024																	
Types of contract	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Other *																		
Temporary duration, full-time (casual)	6	66.67%	3	33.33%	1	16.67%	5	83.33%	-	-	-	-	7	46.67%	8	53.33%	15	16.85%
Temporary duration, full-time (interim)	19	39.58%	29	60.42%	3	15.79%	16	84.21%	-	-	1	100.00%	22	32.35%	46	67.65%	68	76.40%
Other types of contract	-	-	-	-	-	-	-	-	6	100.00%	-	-	6	100.00%	-	-	6	6.74%
Total	25	43.86%	32	43.86%	4	16.00%	21	84.00%	6	85.71%	1	14.29%	35	39.33%	54	60.67%	89	100.00%

Positions	2023																	
Types of contract	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Other *																		
Temporary duration, full-time (casual)	1	25.00%	3	75.00%	-	-	-	-	-	-	-	-	1	25.00%	3	75.00%	4	5.88%
Temporary duration, full-time (interim)	16	37.21%	27	62.79%	3	21.43%	11	78.57%	-	-	-	-	19	33.33%	38	66.67%	7	83.82%
Other types of contract	1	100.00%	-	-	-	-	-	-	6	100.00%	0	0.00%	7	100.00%	-	-	7	10.29%
Total	18	37.50%	30	62.50%	3	21.04%	11	78.57%	6	100.00%	0	0.00%	27	39.71%	41	60.29%	68	100.00%

* Only "Other positions" are shown, since there has been no new temporary recruitment for positions on the Board, in senior management or middle management.

6.3.1.4. Number of departures by gender, age and employee category.

Number and percentage of staff departures by age, gender and geographical area.

Zone	2024																	
	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
North	3	60.00%	2	40.00%	2	40.00%	3	60.00%	-	-	-	-	5	50.00%	5	50.00%	6	1.58%
South	7	23.33%	23	76.67%	26	45.61%	31	54.39%	71	66.98%	35	33.02%	104	53.89%	89	46.11%	212	55.79%
East	4	26.67%	11	73.33%	13	33.33%	26	66.67%	91	66.91%	45	33.09%	108	56.84%	82	43.16%	128	33.68%
Central	4	66.67%	2	33.33%	9	50.00%	9	50.00%	9	90.00%	1	10.00%	22	64.71%	12	35.29%	34	8.95%
Total	**18**	**32.14%**	**38**	**67.86%**	**50**	**42.02%**	**69**	**57.98%**	**171**	**67.86%**	**81**	**32.14%**	**239**	**55.97%**	**188**	**44.03%**	**380**	**100.00%**

Employee turnover rate: 6.90 %. Calculated as total number of staff departures / average number of employees in the year, which is 6,217.

In 2024, 201 staff members left under the early retirement plan.

Zone	2023																	
	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
North	-	-	-	-	2	40.00%	3	60.00%	-	-	1	100.00%	2	33.33%	4	66.67%	10	2.34%
South	14	51.85%	13	48.15%	67	67.00%	33	33.00%	57	67.06%	28	32.94%	138	65.09%	74	34.91%	193	45.20%
East	6	54.55%	5	45.45%	12	40.00%	18	60.00%	55	63.22%	32	36.78%	73	57.03%	55	42.97%	190	44.50%
Central	2	66.67%	1	33.33%	10	71.43%	4	28.57%	13	76.47%	4	23.53%	25	73.53%	9	26.47%	34	7.96%
Total	**22**	**53.66%**	**19**	**46.34%**	**91**	**61.07%**	**58**	**38.93%**	**125**	**65.79%**	**65**	**34.21%**	**238**	**62.63%**	**142**	**37.37%**	**427**	**100.00%**

Employee turnover rate: 6.04 %. Calculated as total number of staff departures / average number of employees in the year, which is 6,291.

Breakdown of staff departures by employee category, age and gender.

Positions	2024																	
	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Board (with contract)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	-	-	-	-	1	100.00%	-	-	-	-	-	-	1	100.00%	-	-	1	2.94%
Type 2 management	-	-	-	-	9	100.00%	-	-	1	50.00%	1	50.00%	10	90.91%	1	9.09%	11	32.35%
Middle Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	6	42.86%	8	57.14%	7	87.50%	1	12.50%	13	59.09%	9	40.91%	22	64.71%
Total	**-**	**-**	**-**	**-**	**16**	**66.67%**	**8**	**33.33%**	**8**	**80.00%**	**2**	**20.00%**	**24**	**70.59%**	**10**	**29.41%**	**34**	**100.00%**

Positions	2023																	
	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Board (with contract)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Type 2 management	-	-	-	-	4	100.00%	-	-	-	-	-	-	4	100.00%	-	-	4	11.43%
Middle Management	-	-	-	-	-	-	1	100.00%	1	50.00%	1	50.00%	1	33.33%	2	66.67%	3	8.57%
Other	-	-	-	-	12	63.16%	7	36.84%	8	88.89%	1	11.11%	20	71.43%	8	28.57%	28	80.00%
Total	**-**	**-**	**-**	**-**	**16**	**66.67%**	**8**	**33.33%**	**9**	**81.82%**	**2**	**18.18%**	**25**	**71.43%**	**10**	**28.57%**	**35**	**100.00%**

6.3.1.5. Average pay by gender, age and employee category.

Breakdown of total average remuneration by gender, age and employee category. Total remuneration in thousands of Euros

2024	< 30 years			30-50 years old			> 50 years			Total		
Positions	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap
Senior Management	-	-	-	212	92	56.50%	190	137	27.99%	198	124	37.25%
Type 1 Executive	-	-	-	97	89	8.03%	110	93	16.01%	104	90	12.94%
Type 2 Executive	63	39	37.40%	68	64	5.54%	74	69	7.77%	70	65	7.35%
Middle Management	39	42	(6.57%)	54	53	1.86%	59	57	3.56%	56	54	3.68%
Other	28	26	4.97%	47	45	3.55%	54	50	6.40%	49	45	6.63%
Total	**30**	**27**	**5.73%**	**57**	**50**	**12.10%**	**64**	**55**	**14.07%**	**59**	**51**	**14.36%**

2023	< 30 years			30-50 years old			> 50 years			Total		
Positions	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap
Senior Management	-	-	-	182	89	50.89%	170	138	19.22%	173	128	26.09%
Type 1 Executive	-	-	-	94	78	16.85%	100	81	19.06%	97	79	18.39%
Type 2 Executive	47	37	20.28%	62	57	7.11%	70	64	9.13%	64	59	8.90%
Middle Management	-	34	-	50	49	2.04%	55	52	4.74%	52	49	5.02%
Other	25	24	2.94%	44	42	3.67%	50	47	5.80%	45	42	6.64%
Total	**26**	**25**	**4.16%**	**53**	**46**	**12.36%**	**59**	**51**	**14.75%**	**55**	**47**	**15.08%**

2022	< 30 years			30-50 years old			> 50 years			Total		
Positions	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap
Senior Management	-	-	-	176	178	-0.96%	160	86	46.14%	165	123	25.70%
Type 1 Executive	-	-	-	90	75	16.32%	96	75	21.24%	92	75	18.49%
Type 2 Executive	40	-	-	60	56	6.90%	68	62	8.85%	62	57	8.70%
Middle Management	42	37	11.90%	48	47	2.51%	54	51	4.81%	50	48	5.00%
Other	26	22	14.00%	42	41	3.45%	48	45	5.69%	43	41	6.50%
Total	**27**	**23**	**17.41%**	**51**	**44**	**12.70%**	**57**	**48**	**15.45%**	**53**	**45**	**15.28%**

Breakdown of total average remuneration by gender, age and employee category. Fixed remuneration in thousands of Euros

2024	**< 30 years**			**30-50 years old**			**> 50 years**			**Total**		
Positions	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap
Senior Management	-	-	-	176	72	59.22%	156	114	26.76%	163	102	37.36%
Type 1 Executive	-	-	-	78	72	7.40%	89	76	14.10%	83	73	11.90%
Type 2 Executive	50	33	32.95%	54	51	4.90%	59	56	6.05%	56	52	6.50%
Middle Management	34	35	(2.38%)	43	43	1.13%	48	46	3.30%	45	44	3.35%
Other	25	23	5.00%	40	38	3.28%	45	42	5.93%	41	38	6.21%
Total	**25**	**24**	**5.66%**	**47**	**42**	**10.96%**	**52**	**46**	**12.81%**	**48**	**42**	**13.25%**

2023	**< 30 years**			**30-50 years old**			**> 50 years**			**Total**		
Positions	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap
Senior Management	-	-	-	150	68	54.83%	141	116	17.61%	143	106	25.62%
Type 1 Executive	-	-	-	78	66	15.13%	84	69	18.24%	81	67	17.27%
Type 2 Executive	40	36	10.50%	51	47	6.59%	58	54	6.19%	53	49	7.99%
Middle Management	-	31	-	41	41	1.52%	47	45	4.30%	43	41	4.86%
Other	23	22	2.46%	38	37	3.56%	44	41	6.25%	40	37	6.83%
Total	**24**	**23**	**3.34%**	**45**	**40**	**11.22%**	**51**	**44**	**13.74%**	**47**	**40**	**14.19%**

2022	**< 30 years**			**30-50 years old**			**> 50 years**			**Total**		
Positions	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap	**M**	**F**	Gap
Senior Management	-	-	-	144	148	(2.58%)	131	68	48.16%	136	100	26.28%
Type 1 Executive	-	-	-	72	62	13.27%	80	63	21.87%	76	63	17.21%
Type 2 Executive	33	-	-	48	45	5.89%	55	51	7.21%	50	46	7.90%
Middle Management	35	31	12.68%	40	39	2.23%	46	44	4.12%	42	40	5.05%
Other	23	20	11.76%	36	35	3.12%	42	40	5.57%	38	36	6.29%
Total	**24**	**21**	**14.70%**	**42**	**38**	**10.77%**	**49**	**42**	**14.08%**	**44**	**38**	**13.80%**

Wage gap by position and entity

2024

Entity	BCC			Cajamar Caja Rural			Other Financial Undertakings			Holdings		
	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%
Positions	%	%	% Women	%	%	% Women	%	%	% Women	%	%	% Women
Senior Management	(4.09%)	(5.26%)	11.11%	-	-	-	13.93%	11.54%	35.29%	-	-	-
Type 1 Executive	15.61%	14.82%	32.41%	10.11%	13.25%	19.18%	-	-	-	12.66%	10.13%	18.52%
Type 2 Executive	9.47%	8.82%	43.78%	5.88%	5.76%	34.11%	8.59%	7.09%	49.23%	10.77%	9.35%	34.13%
Middle Management	6.18%	6.20%	41.03%	3.24%	2.45%	62.65%	5.20%	-0.54%	65.12%	1.47%	0.24%	45.95%
Other	3.32%	3.43%	56.53%	6.53%	5.80%	56.23%	2.10%	2.43%	69.46%	12.17%	11.61%	52.51%

2023

Entity	BCC			Cajamar Caja Rural			Other Financial Undertakings			Holdings		
	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%
Positions	%	%	% Women	%	%	% Women	%	%	% Women	%	%	% Women
Senior Management	0.49%	(1.82%)	12.50%	-	-	-	8.75%	10.16%	2.53%	-	-	-
Type 1 Executive	19.72%	19.47%	31.03%	18.22%	18.85%	18.06%	-	-	-	19.95%	17.94%	17.39%
Type 2 Executive	9.18%	9.46%	40.98%	8.78%	7.90%	32.42%	7.28%	6.89%	50.70%	10.31%	11.32%	29.55%
Middle Management	6.09%	8.16%	43.75%	4.22%	3.39%	61.85%	3.34%	2.01%	69.39%	4.72%	4.44%	41.03%
Other	3.45%	4.03%	56.25%	5.86%	6.09%	56.11%	4.47%	4.68%	70.06%	13.52%	13.02%	51.53%

2022

Entity	BCC			Cajamar Caja Rural			Other Financial Undertakings			Holdings		
	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%	Gap Total R.	Gap Fixed R.	%
Positions	%	%	% Women	%	%	% Women	%	%	% Women	%	%	% Women
Senior Management	0.34%	-	12.50%	-	-	-	9.33%	10.33%	23.53%	-	-	-
Type 1 Executive	21.08%	20.81%	30.28%	18.51%	19.47%	15.28%	-	-	-	9.06%	12.11%	13.04%
Type 2 Executive	9.36%	9.46%	41.62%	9.44%	9.34%	30.08%	5.59%	4.24%	47.22%	2.33%	2.17%	27.40%
Middle Management	8.84%	9.86%	44.83%	4.10%	3.56%	60.80%	2.70%	-0.03%	72.92%	4.40%	4.02%	40.00%
Other	5.04%	5.07%	54.50%	6.46%	6.21%	57.64%	3.10%	3.66%	69.78%	14.48%	12.64%	48.63%

Pay gap at Grupo Cooperativo Cajamar

	2024	2023	2022	2021
Median Pay Gap (Fixed Remuneration)	7.13%	6.61%	6.45%	6.71%
Median Pay Gap (Total Remuneration)	8.34%	8.15%	8.12%	7.86%
Average Pay Gap (Total Remuneration)	14.36%	15.08%	15.28%	14.10%
Average Pay Gap (Fixed Remuneration)	13.25%	14.19%	13.80%	13.40%

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails

6.3.2.Organisation of work

6.3.2.1. Changes in recruitment numbers

Changes in recruitment numbers

	2023		2024	
	Number	Percentage	Number	Percentage
New recruits that have stayed	348	88.32%	232	86.89%
New recruits that have left	46	11.68%	35	13.11%
Total	394	100.00%	267	100.00%

Number and percentage of new recruits distributed by age, gender and geographical area

2024	< 30 years				30-50 years old				>50 years				Total					
Zone	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
North	2	40.00%	3	60.00%	6	60.00%	4	40.00%	1	100.00%	-	-	9	56.25%	7	43.75%	16	5.39%
South	25	44.64%	31	55.36%	29	53.70%	25	46.30%	7	38.89%	11	61.11%	61	47.66%	67	52.34%	18	43.10%
East	21	47.73%	23	52.27%	12	28.57%	30	71.43%	10	90.91%	1	9.09%	43	44.33%	54	55.67%	97	32.66%
Central	6	45.00%	11	55.00%	14	41.18%	20	58.82%	0	-	2	100.00%	23	41.07%	33	58.93%	56	18.86%
Total	**57**	**45.60%**	**68**	**54.40%**	**61**	**43.57%**	**79**	**56.43%**	**18**	**56.25%**	**14**	**43.75%**	**136**	**45.79%**	**161**	**54.21%**	**297**	**100.00%**

2023	< 30 years				30-50 years old				>50 years				Total					
Zone	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
North	1	50.00%	1	50.00%	0	-	5	100.00%	1	50.00%	1	50.00%	2	22.22%	7	77.78%	9	2.28%
South	24	41.38%	34	58.62%	51	60.71%	33	39.29%	16	76.19%	5	23.81%	91	55.83%	72	44.17%	163	41.37%
East	17	42.50%	23	57.50%	25	50.00%	25	50.00%	50	75.76%	16	24.24%	92	58.97%	64	41.03%	156	39.59%
Central	6	54.55%	5	45.45%	32	66.67%	16	33.33%	3	42.86%	4	57.14%	41	62.12%	25	37.88%	66	16.75%
Total	**48**	**43.24%**	**63**	**56.76%**	**108**	**57.75%**	**79**	**42.25%**	**70**	**72.92%**	**26**	**27.08%**	**226**	**57.36%**	**168**	**42.64%**	**394**	**100.00%**

Employees with temporary contracts who were not active at 31/12 and new recruits with a permanent contract have been classified as new recruits.

Breakdown of new hires by gender, age and employee category. Permanent, full-time

Positions	**2024**																	
	< 30 years				**30-50 years old**				**> 50 years**				**Total**					
	M	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
Board (with contract)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	-	-	1	100.00%	-	-	2	100.00%	1	100.00%	-	-	1	33.33%	2	66.67%	3	1.55%
Type 2 management	-	-	-	-	17	80.95%	4	19.05%	-	-	3	100.00%	17	70.83%	7	29.17%	24	12.37%
Middle Management	1	100.00%	-	-	1	100.00%	-	-	-	-	-	-	2	100.00%	-	-	2	1.03%
Other	29	50.00%	29	50.00%	35	43.21%	46	56.79%	17	65.38%	9	34.62%	81	49.09%	84	50.91%	165	85.05%
Total	**30**	**50.85%**	**29**	**49.15%**	**53**	**50.48%**	**52**	**49.52%**	**18**	**60.00%**	**12**	**40.00%**	**101**	**52.06%**	**93**	**47.94%**	**194**	**100.00%**

Positions	**2023**																	
	< 30 years				**30-50 years old**				**> 50 years**				**Total**					
	M	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
Board (with contract)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	-	-	-	-	1	50.00%	1	50.00%	-	-	2	100.00%	1	25.00%	3	75.00%	4	1.27%
Type 2 management	-	-	1	100.00%	23	76.67%	7	23.33%	7	100.00%	-	-	30	78.95%	8	21.05%	38	12.03%
Middle Management	-	-	-	-	2	66.67%	1	33.33%	-	-	-	-	2	66.67%	1	33.33%	3	0.95%
Other	24	45.28%	29	54.72%	74	55.64%	59	44.36%	63	74.12%	22	25.88%	161	59.41%	110	40.59%	271	85.76%
Total	**24**	**44.44%**	**30**	**55.56%**	**100**	**59.52%**	**68**	**40.48%**	**70**	**74.47%**	**24**	**25.53%**	**194**	**61.39%**	**122**	**38.61%**	**316**	**100.00%**

Breakdown of new hires by gender, age and employee category. Temporary duration and other types of contract

Positions	2024																	
Types of contract	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Other *																		
Temporary duration, full-time (casual)	5	62.50%	3	37.50%	1	16.67%	5	83.33%	-	-	-	-	6	42.86%	8	57.14%	14	13.59%
Temporary duration, full-time (interim)	22	37.93%	36	62.07%	7	24.14%	22	75.86%	-	-	2	100.00%	29	32.58%	60	67.42%	89	86.41%
Other types of contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**27**	**40.91%**	**39**	**59.09%**	**8**	**22.86%**	**27**	**77.14%**	**-**	**-**	**2**	**100.00%**	**35**	**33.98%**	**68**	**66.02%**	**103**	**100.00%**

Positions	2023																	
Types of contract	< 30 years				30-50 years old				> 50 years				Total					
	M	%	F	%	M	%	F	%	M	%	F	%	M	%	F	%	Total	%
Other *																		
Temporary duration, full-time (casual)	2	66.67%	1	33.33%	2	50.00%	2	50.00%	-	-	1	100.00%	4	50.00%	4	50.00%	8	10.26%
Temporary duration, full-time (interim)	21	39.63%	32	60.38%	6	40.00%	9	60.00%	-	-	-	-	27	39.71%	41	60.29%	68	87.18%
Other types of contract	1	100.00%	-	-	-	-	-	-	-	-	1	100.00%	1	50.00%	1	50.00%	2	2.56%
Total	**24**	**42.11%**	**33**	**57.89%**	**8**	**42.11%**	**11**	**57.89%**	**-**	**-**	**2**	**100.00%**	**32**	**41.03%**	**46**	**58.97%**	**78**	**100.00%**

* Only "Other positions" are shown, since there has been no new temporary recruitment for positions on the Board, in senior management or middle management.

6.3.2.2. Diversity management and equality of opportunities

Percentage of executives by gender

	2023		2024	
Gender	**No.**	**Percentage**	**No.**	**Percentage**
Men	1,002	67.20%	956	65.26%
Women	489	32.80%	509	34.74%
Total headcount	**1,491**	**100.00%**	**1,465**	**100.00%**

Taking into account the positions of Board Member, Senior Management and Type 1 and 2 Executives

Appointments

	2023						2024					
Positions	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
Board (with contract)	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	13	56.52%	10	43.48%	23	8.58%	27	64.29%	15	35.71%	42	13.82%
Type 2 management	62	48.06%	67	51.94%	129	48.13%	67	54.92%	55	45.08%	118	38.82%
Middle management	39	33.62%	77	66.38%	116	43.28%	52	36.11%	92	63.89%	144	47.37%
Total	**114**	**42.54%**	**154**	**57.46%**	**268**	**100.00%**	**146**	**47.40%**	**162**	**52.60%**	**304**	**100.00%**

Departures

	2023						2024					
Positions	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
Board (with contract)	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	11	84.62%	2	15.38%	13	8.78%	16	72.73%	6	27.27%	20	9.17%
Type 2 management	45	69.23%	20	30.77%	65	43.92%	65	67.01%	32	32.99%	97	44.50%
Middle management	32	45.71%	38	54.29%	70	47.30%	40	39.60%	61	60.40%	101	46.33%
Total	**88**	**59.46%**	**60**	**40.54%**	**148**	**100.00%**	**121**	**55.00%**	**99**	**45.00%**	**218**	**100.00%**

Employees of other nationalities

Positions	2023						2024					
	M	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**	**M**	**Percentage**	**F**	**Percentage**	**Total**	**Percentage**
Board	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	-	-	-	-	-	-	-	-	-	-	-	-
Type 2 management	5	0.61%	3	1.03%	8	6.96%	4	0.51%	4	0.89%	8	0.65%
Middle Management	3	0.84%	3	2.14%	6	4.72%	2	0.59%	1	0.19%	3	0.34%
Other	12	0.70%	22	2.96%	34	5.57%	12	0.72%	25	1.18%	37	0.98%
Total	**20**	**0.94%**	**28**	**2.21%**	**48**	**5.49%**	**18**	**0.61%**	**30**	**0.95%**	**48**	**0.78%**

People with dual nationality are also classed as foreign employees

Employees with functional diversity (Grupo Cajamar companies with more than 50 employees)

Positions	2023						2024					
	M	Percentage	F	Percentage	Total	Percentage	M	Percentage	F	Percentage	Total	Percentage
Board	-	-	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-	-	-
Type 1 management	1	0.65%	-	-	1	0.48%	2	1.32%	-	-	2	0.98%
Type 2 management	12	1.57%	6	1.54%	18	1.56%	12	1.62%	6	1.46%	18	1.56%
Middle Management	5	1.46%	5	0.95%	10	1.15%	3	0.93%	5	0.98%	8	0.96%
Other	37	2.24%	53	2.63%	90	2.45%	37	2.30%	49	2.46%	86	2.39%
Total	**55**	**1.88%**	**64**	**2.14%**	**119**	**2.01%**	**54**	**1.90%**	**60**	**2.02%**	**114**	**1.96%**
Total number of employees, Grupo Cajamar companies > 50 employees						**5,916**						**5,810**

The percentage is calculated by dividing by the total number of people in each position. Alternative measures put in place with Alares are still in force

6.3.2.3. Absenteeism

Volume and type of employee absenteeism by gender and region

2024

	Men					Women					Total
	North	South	East	Central	Total	North	South	East	Central	Total	
Total signed off	7	250	329	66	652	9	439	544	133	1,125	1,777
Newly signed off	7	223	289	60	579	8	394	488	116	1,006	1,585
Reincorporations	7	247	326	66	646	9	438	542	133	1,122	1,768
Total work days lost	125	10,430	15,894	2,030	28,479	258	16,251	26,734	6,926	50,169	78,648
Total work hours	798	63,945	98,145	13,447	174,335	434	105,130	156,240	45,507	307,563	481,898
Accident rate (0)	-	-	0.01	0.01	0.01	-	0.01	0.01	-	0.01	0.01
Index of days lost due to accidents (1)	-	-	-	-	-	-	-	-	-	-	-
Index of absenteeism (2)	0.01	0.03	0.04	0.02	0.03	0.03	0.04	0.07	0.08	0.06	0.05
Total working days for all staff members	10,262	351,123	418,228	99,512	879,125	8,950	368,396	391,374	82,513	851,233	1,730,358

2023

	Men					Women					Total
	North	South	East	Central	Total	North	South	East	Central	Total	
Total signed off	8	280	400	78	766	10	483	520	113	1,126	1,892
Newly signed off	7	254	373	75	709	10	448	466	109	1,033	1,742
Reincorporations	8	258	357	71	694	10	440	456	101	1,007	1,701
Total work days lost	306	8,091	12,487	2,488	23,372	164	13,507	14,707	2,562	30,940	54,312
Accident rate (0)	-	0.01	0.01	0.01	0.05	-	0.01	0.01	0.02	0.01	0.01
Index of days lost due to accidents (1)	-	0.00	-	-	-	-	-	-	-	-	-
Index of absenteeism (2)	-	0.02	0.03	0.03	0.03	0.02	0.04	0.04	0.03	0.04	0.03
Total working days for all staff members	9,557	361,868	400,155	96,261	867,841	7,891	362,861	379,214	74,691	824,657	1,692,498

(0) Number of accidents / number of area staff.
(1) Days lost due to accidents / number of staff working days in the area.
(2) Total working days lost/ number of staff working days in the area.

Accident Rates

Grupo Cooperativo Cajamar

Accident rates by gender

Women

Type of Work Accident (WA)	WA with leave	Hours worked	Total female employees	Number of days lost due to accidents with leave	Frequency index	Severity index
In workplace	2	1,700	3,162	522	0.56	0.97
While commuting	12					
On assignment	1					

Men

Type of Work Accident (WA)	WA with leave	Hours worked	Total male employees	Number of days lost due to accidents with leave	Frequency index	Severity index
In workplace	2	1,700	2,989	144	0.39	0.28
While commuting	7					
On assignment	0					

Staff entitled to maternity leave or parental leave

	2023			2024		
	Men	Women	Total	Men	Women	Total
Number of people with the right to leave	3,063	3,185	6,248	2,958	3,158	6,116
Number of people who exercised that right	84	91	175	68	67	135
Number of people who have not completed their leave	9	23	32	5	17	22
Number of people who, having exercised this right, continue on unpaid leave	1	18	19	-	16	16
Number of people who, having exercised this right, return to their post	74	50	124	63	36	99
% of employees returning to their post after exercising their right to leave	98.67%	73.53%		100.00%	72.00%	

Percentage of people retained after maternal or parental leave broken down by gender

	2023			2024		
	Men	Women	Total	Men	Women	Total
Number of employees on maternity/paternal leave previous year	94	95	189	84	91	175
Number of people who returned to their post	94	90	184	84	91	175
Number of people who are still working at the entity 12 months later	81	87	168	76	84	160
Retention percentage	86.17%	91.58%		90.48%	92.31%	

To find out the number of employees still in their post 12 months later, the date taken into account is 31 December of each year

Training

Percentage of Persons Trained

2024	97.66%
2023	96.67%

6.3.2.4. Total number of training hours by employee category.

Employee training hours by employee category and gender

People and Training Hours	Board members (with contract) + Senior Management + Board (contractual relationship)	Type 1 management	Type 2 management	Middle management	Other	Men	Women	Training costs as a percentage of PAT*
2024								
Number of Persons Trained	29	219	1,323	965	4,283	3,296	3,396	0.59%
Hours Received**	1,584	9,798	85,758	58,296	229,162	182,261	202,336	
Average Hours	56	45	65	60	54	57	60	
2023								
Number of Persons Trained	21	207	1,295	976	4,030	3,241	3,348	1.24%
Hours Received**	1,308	11,440	97,559	67,443	237,064	205,805	224,363	
Average Hours	62	55	75	69	59	64	67	

*PAT: Profit after tax
**A total of 430,168 hours of training were received in 2023 and in 2024

Training Method

Year	2023				2024			
Training Method	**Total T.A.**	**Participants**	**People**	**Hours**	**Total T.A.**	**Participants**	**People**	**Hours**
In person	153	3,252	1,453	19,447	240	3,163	1,613	25,202
Virtual	630	11,214	3,148	24,593	447	6,476	2,263	18,661
E-learning	3,322	125,877	6,564	386,128	3,816	145,598	6,573	340,736
Total	4,105	140,343	6,589	430,168	4,503	155,237	6,589	384,598

T.A.: Training Actions

FUNDAE Discounts

	2023	2024
Grants awarded (thousands of Euros)	884	965
Grants spent (thousands of Euros)	170	224
Training actions	74	238
Students	2,324	2,639
Employees	1,216	1,212

6.3.2.5. Employees trained in skills management and continuing professional development programmes

Finance School

Finance School Certificates (Savings)	2023 Persons Certified in Year	% of total Certifiable **	Persons Recertified in Year	2024 Persons Certified in Year	% of Total Certifiable **	Persons Recertified in Year
EFF Savings - Essential Level - MIFID II	46	3.03%	972	83	5.83%	851
EFF Savings - Intermediate Level-MIFID II	68	2.76%	2,542	190	7.91%	2,356
EFF Savings - High Level MIFID II	51	56.79%	971	65	144.44%	946

* Employees who obtained certification by examination or who have been certified by an external entity
** % of Total Certifiable: percentage of staff meeting the required training in Finance School Savings

Finance School Certificates (Finance)	2023 Persons Certified in Year *	% of Total Certifiable **	People with Recertification Hours in Year	2024 Persons Certified in Year *	% of Total Certifiable **	People with Recertification Hours in Year
EFF Finance - Level I	26	4.08%	169	43	7.01%	113
EFF Finance - Level II	79	3.73%	746	99	4.93%	691
Finance School (Finance) - Level III	29	100.00%	0	30	100.00%	-

* Employees who obtained certification by examination or who have been certified by an external entity
** % of Total Certifiable: percentage of staff meeting the required training in Finance School Savings

Other training

	2023			2024		
Skills School	**People**	**Hours Received**	**% of total***	**People**	**Hours Received**	**% of total***
Generic Skills	433	1,248	6.57%	536	2,594	7.93%
Specialisation Skills	64	98	0.97%	233	1,672	3.45%
Commercial Skills Campus	1,508	9,806	22.89%	735	9,290	10.88%
Management Skills Campus	556	3,374	8.44%	962	6,842	14.24%
Management skills campus Personal skills campus	205	1,122	3.11%	243	476	3.60%
Digital skills campus	2,568	19,554	38.97%	3,630	29,898	53.72%
ESG						
Basic ESG	4,944	38,599	75.03%	1,444	5,110	21.37%
Advanced ESG	208	7,571	3.16%	128	3,257	1.89%
ESG Investments	258	7,026	3.92%	23	223	0.34%
AGRO						
Agri-Food School	714	26,230	10.84%	452	13,276	6.69%

Main courses on regulatory compliance

	2023				2024			
Course	**Persons trained**	**% of total ***	**Persons certified**	**% of total certifiable ****	**Persons trained**	**% of total ***	**Persons certified**	**% of total certifiable ****
Money Laundering	737	11.19%	6,310	98.04%	2,362	34.96%	6,159	104.16%
Data Protection Regulations	573	8.70%	6,293	97.88%	1,943	28.76%	6,097	103.34%
Market Abuse	445	6.75%	6,310	98.21%	5,602	82.91%	6,078	102.98%
Code of Conduct	354	5.37%	6,314	99.81%	4,372	64.70%	6,094	103.06%
Conflict of interest	471	7.15%	6,336	98.45%	5,663	83.81%	6,082	102.86%
Security in branches	246	3.73%	4,091	97.31%	3,512	51.98%	4,012	96.58%
Criminal risks **	775	11.76%	6,330	98.35%	3,341	49.45%	6,049	102.30%
Cybersecurity	6,393	97.03%	6,231	96.81%	6,383	94.46%	6,053	102.37%
Health and Safety in the Workplace	1,389	21.08%	6,305	97.96%	1,157	17.12%	6,159	104.16%
Equal Opportunities and Work/Life Balance	482	7.32%	6,167	99.18%	368	5.45%	5,696	105.03%
Mortgage Contracts Act	4,687	71.13%	4,370	96.92%	4,303	63.68%	4,586	110.51%
Insurance	-	-	4,062	96.46%	-	-	4,132	104.26%
Bank of Spain: Regulations on Banknotes and Coins	132	2.00%	-	-	86	1.27%	-	-
Security of Information	90	1.37%	-	-	48	0.71%	-	-

* The ratio compared to the total number of employees has been calculated bearing in mind the number of employees who have received training (**6,589 in 2023 and 6,599 in 2024**), regardless of whether they are still active staff members by the end of the year.
** Since each certification has its specific validity period (yearly or three-yearly), we provide the figures for people certified and the % of people who meet the training requirements in each subject, taking into account whether or not this training is required for their position.
The certifiable percentage is above 100% in 2024 because the number of people who have completed the course is higher than the required number, since it takes into account trainees and other positions that do not require certification.

6.3.2.6. Complaints received

Complaints received	**2024**	**2023**
Total complaints filed	7,988	7,003
Customer Service Department	7,710	6,760
Accepted for processing	7,295	5,645
Submitted to supervisory complaints services	278	243
Bank of Spain	268	227
National Securities Market Commission	10	16
General Insurance and Pension Plans Commission	-	-

Complaints resolved	**2024**	**2023**
In favour of the Group entities	78%	71%
In favour of the complainant	8%	16%
No decision made	13%	12%
Dismissed	1%	1%

Complaints resolved	**2024**	**2023**
In favour of the Group entities	94.00%	71.00%
In favour of the complainant	2.00%	16.00%
No decision	4.00%	12.00%
Dismissed	0.00%-	1.00%
	100.00%	**100.00%**

6.3.3. Tax information

FORM FOR CALCULATING EC1 INDICATOR IN THE FINANCIAL SECTOR

Calculation of Economic Value Generated, Distributed and Retained (1)				**Calculation of Economic Value Added (EVA) (1) Breakdown by stakeholder groups**			
		2024	**2023**			**2024**	**2023**
Economic value generated				**Shareholders (if applicable)**			
	Gross margin	1,552,241	1,331,216		Interest on capital contributions	55,496	28,541
	Result of removal of assets	-3,555	-27,163				
	Gains/losses from non-current assets	-7,262	-7,526	**Employees**			
	Total economic value generated	**1,541,423**	**1,296,528**		Staffing costs	417,888	370,046
				Customers			
Economic value distributed					Interest and similar charges (2)	997,284	812,643
	Employees: Staff costs	417,888	370,046				
	Suppliers: General administrative expenses	232,063	207,890	**Suppliers**			
	Public administrations: corporate income tax and other taxes	62,464	15,368		Other general administrative expenses (3)	232,063	207,890
	Cooperative members: Interest on capital contributions	51,717	26,690				
	Community (excluding Foundations)	8,533	4,241	**Society**			
	Total economic value distributed	**772,665**	**624,235**		Tax on profits	62,464	15,368
					Sources allocated by the Group	8,533	4,241
					Resources allocated by Foundations	6,868	3,770
Total economic value distributed							
	Commitment to society (Foundations)	6,868	3,770	**Total Economic Value Added (EVA)**		**1,780,596**	**1,442,500**
	Total economic value distributed	**779,533**	**628,005**				
Economic value retained (EVG-EVD)		**761,890**	**668,523**				
(1) Calculated according to the GRI EC1 calculation protocol.				(1) Calculated in accordance with the SPI model of the GRI			
(2) Approximation in line with payments made to third parties in respect of purchases and services, after eliminating taxes.				(2) Interest and similar charges on financial activity. Excludes fees.			
				(3) Approximation in line with payments made to third parties in respect of purchases and services.			

Funds allocated through the Education and Development Fund of Grupo Cooperativo Cajamar entities.

Year	Community (excluding Foundations)	Resources allocated by Foundations	Total
2024	8,533	6,868	15,401
2023	4,241	3,770	8,011

The tax paid in 2024 in respect of corporate income tax for 2023 amounted to €6,001 thousand (€4,444 thousand paid in 2023 in respect of corporate income tax for 2022).

No other government grants have been received other than those disclosed in this Sustainability Report.

6.4. Annex IV. List of datapoints in cross-cutting and topical standards that derive from other EU legislation

CSRD	Description	Report Section	SFDR(1)	Ref to Pillar 3(2)	Regulation Reference Indexes (3)	Reference in European Climate Law(4)
ESRS 2 GOV-1	Board's gender diversity paragraph 21 (d)	2.2.1 Composition, roles and responsibilities at GCC (GOV2.2.1/ S1.9)	x		x	
ESRS 2 GOV-1	Percentage of board members who are independent, paragraph 21 (e)	2.2.1 Composition, roles and responsibilities at GCC (GOV2.2.1/ S1.9)			x	
ESRS 2 GOV-4	Statement on due diligence, paragraph 30	2.2.4 Due diligence statement (GOV4)	x			
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	2.3.2 Key Figures (SBM1)	x	x	x	
ESRS 2 SBM-1	Involvement in activities related to chemical production, paragraph 40 (d) ii	2.3.2 Key Figures (SBM1)	x		x	
ESRS 2 SBM-1	Involvement in activities related to controversial weapons, paragraph 40 (d) iii	2.3.2 Key Figures (SBM1)	x		x	
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv	2.3.2 Key Figures (SBM1)			x	
ESRS E1-1	Transition plan to reach climate neutrality by 2050, paragraph 14	3.2.2.1. E1-1: Transition plan for climate change mitigation				x
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)	3.2.2.1. E1-1: Transition plan for climate change mitigation		x	x	
ESRS E1-4	GHG emission reduction targets, paragraph 34	3.2.4.1. E1-4: Targets related to climate change mitigation and adaptation	x	x	x	
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	3.2.4.2. E1-5: Energy consumption and mix	x			
ESRS E1-5	Energy consumption and mix, paragraph 37	3.2.4.2. E1-5: Energy consumption and mix	x			
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	3.2.4.2. E1-5: Energy consumption and mix	x			
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	3.2.4.3. E1-6: Gross Scopes 1, 2 and 3 and Total GHG emissions	x	x	x	
ESRS E1-6	Gross GHG emissions intensity, paragraphs 53 to 55	3.2.4.3. E1-6: Gross Scopes 1, 2 and 3 and Total GHG emissions	x	x	x	
ESRS E1-7	GHG removals and carbon credits, paragraph 56	3.2.4.4. E1-7: GHG removals and GHG mitigation projects financed through carbon credits				x

CSRD	Description	Report Section	SFDR[1]	Ref to Pillar 3[2]	Regulation Reference Indexes[3]	Reference in European Climate Law[4]
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	Not of relative importance			x	
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c).	Not of relative importance		x		
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c).	Not of relative importance		x		
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	Not of relative importance			x	
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	3.3.2.2. E2-4: Pollution of air, water, the soil	x			
ESRS E3-1	Water and marine resources, paragraph 9	3.4.1.2. E3-1: Policies related to water and marine resources	x			
ESRS E3-1	Dedicated policy, paragraph 13	3.4.1.2. E3-1: Policies related to water and marine resources	x			
ESRS E3-1	Sustainable oceans and seas, paragraph 14	3.4.1.2. E3-1: Policies related to water and marine resources	x			
ESRS E3-4	Total water recycled and reused, paragraph 28 (c)	3.4.2.2. E3-4: Water consumption	x			
ESRS E3-4	Total water consumption in m^3 per net revenue on own operations, paragraph 29	3.4.2.2. E3-4: Water consumption	x			
ESRS 2 IRO-1-E4	section 16 (a) (i)	3.5.2.1. IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	x			
ESRS 2 IRO-1-E4	section 16 (b)	3.5.2.1. IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	x			
ESRS 2 IRO-1-E4	section 16 (c)	3.5.2.1. IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	x			
ESRS E4-2	Sustainable land / agriculture practices or policies, paragraph 24 (b)	3.5.2.2. E4-2: Policies related to biodiversity and ecosystems	x			

CSRD	Description	Report Section	SFDR[1]	Ref to Pillar 3[2]	Regulation Reference Indexes [3]	Reference in European Climate Law[4]
ESRS E4-2	Sustainable oceans / seas practices or policies, paragraph 24 (c)	3.5.2.2. E4-2: Policies related to biodiversity and ecosystems	x			
ESRS E4-2	Policies to address deforestation, paragraph 24 (d)	3.5.2.2. E4-2: Policies related to biodiversity and ecosystems	x			
ESRS E5-5	Non-recycled waste, paragraph 37 (d)	Not of relative importance	x			
ESRS E5-5	Hazardous waste and radioactive waste, paragraph 39	Not of relative importance	x			
ESRS 2- SBM3 - S1	Risk of incidents of forced labour, paragraph 14 (f)	4.1.1.2. SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	x			
ESRS 2- SBM3 - S1	Risk of incidents of child labour, paragraph 14 (g)	4.1.1.2. SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	x			
ESRS S1-1	Human rights policy commitments, paragraph 20	4.1.2.1. S1-1. Policies related to own personnel	x			
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	4.1.2.1. S1-1. Policies related to own personnel			x	
ESRS S1-1	Processes and measures for preventing trafficking in human beings, paragraph 22	4.1.2.1. S1-1. Policies related to own personnel	x			
ESRS S1-1	Workplace accident prevention policy or management system, paragraph 23	4.1.2.1. S1-1. Policies related to own personnel	x			
ESRS S1-3	Grievance/complaints handling mechanisms, paragraph 32 (c)	4.1.2.3. S1-3. Processes to remediate negative impacts and channels for own workforce to raise concerns	x			
ESRS S1-14	Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	4.1.3.10. S1-14. Health and safety metrics	x		x	
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	4.1.3.10. S1-14. Health and safety metrics	x			
ESRS S1-16	Unadjusted gender pay gap, paragraph 97 (a)	4.1.3.12. S1-16. Remuneration metrics (pay gap and total remuneration)	x		x	
ESRS S1-16	Excessive CEO pay ratio, paragraph 97 (b)	4.1.3.12. S1-16. Remuneration metrics (pay gap and total remuneration)	x			
ESRS S1-17	Incidents of discrimination, paragraph 103 (a)	S4.1.3.13-17. Incidents, complaints and severe human rights impacts	x			
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 104 (a)	S4.1.3.13-17. Incidents, complaints and severe human rights impacts	x		x	

CSRD	Description	Report Section	SFDR[1]	Ref to Pillar 3[2]	Regulation Reference Indexes [3]	Reference in European Climate Law[4]
ESRS 2- SBM3 – S2	Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Not of relative importance	x			
ESRS S2-1	Human rights policy commitments, paragraph 17	Not of relative importance	x			
ESRS S2-1	Policies related to value chain workers, paragraph 18	Not of relative importance	x			
ESRS S1-1.	Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 19	4.1.2.1. S1-1. Policies related to own personnel	x		x	
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Not of relative importance			x	
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Not of relative importance	x			
ESRS S3-1	Human rights policy commitments, paragraph 16	Not of relative importance	x			
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines, paragraph 17	Not of relative importance	x		x	
ESRS S3-4	Human rights issues and incidents, paragraph 36	Not of relative importance	x			
ESRS S4-1	Policies related to consumers and end-users, paragraph 16	4.2.2.1. S4-1: Policies related to consumers and end-users	x			
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	4.2.2.1. S4-1: Policies related to consumers and end-users	x		x	
ESRS S4-4	Human rights issues and incidents, paragraph 35	4.2.2.4. S4-4: Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	x			
	United Nations Convention against Corruption, paragraph 10 (b)	5.2.2.G1-1: Corporate culture and business conduct policies and corporate culture	x			
ESRS G1-1	Protection of whistle-blowers, paragraph 10 (d)	5.2.2.G1-1: Corporate culture and business conduct policies and corporate culture	x			
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	5.3.1.G1-4: Confirmed cases of corruption or bribery	x		x	

CSRD	Description	Report Section	SFDR[1]	Ref to Pillar 3[2]	Regulation Reference Indexes [3]	Reference in European Climate Law[4]
ESRS G1-4	Standards of anti-corruption and anti-bribery, paragraph 24 (b)	5.3.1.G1-4: Confirmed cases of corruption or bribery	x			

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation, «CRR») (OJ L 176, 27.6.2013, p. 1).

(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016. p. 1).

(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401(209 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p.1).