



**CAJA RURAL
DE NAVARRA**

CSR REPORT AND NON- FINANCIAL STATEMENTS 2022

CORPORATE SOCIAL RESPONSIBILITY REPORT OF CAJA RURAL DE NAVARRA AND CONSOLIDATED NON-FINANCIAL STATEMENTS OF THE CAJA RURAL DE NAVARRA GROUP 2022

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19 April 2023
www.cajaruraldenavarra.com



In this **Corporate Social Responsibility Report Caja Rural de Navarra** has applied GRI Standards and responded to Act 11/2018 of 28 December, as verified by AENOR as external assurer.

Annex II reports information for the Non-Financial Statements 2022 on the equity investments comprising the Caja Rural de Navarra Consolidated Group, in accordance with Act 11/2018 (applying international GRI standards).

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CHAIRMAN'S LETTER

1

CAJA RURAL DE NAVARRA

This Report explains in detail the financial and non-financial activities that the Caja Rural de Navarra Consolidated Group engaged in during 2022 and so continues our ongoing relationship with stakeholders. The Report also reaffirms our commitment to transparency and to sustainability, which requires us to balance the management of financial results with the protection of the environment and commitment to wider society.

In 2022, we completed the 2020-2022 Strategic Plan, successfully achieving almost all our targets. This success inspires us to press ahead, with both passion and responsibility, to continue the Bank's transformation into a solid, modern and sustainable project for the future. We have also prepared a new materiality analysis, to update and re-prioritise the issues that matter most to our organization and stakeholders. Another major milestone was our EUR 500 million issue of "green" mortgage covered bonds. The proceeds will go to fund the building, acquisition and renovation of energy-efficient buildings as we aim to align with European regulations.

All of this must be done amid a complex international environment that, hampered by the invasion of Ukraine, pressures on supply chains and inflation has led to a sharp slowdown in global growth. We must therefore continue to exercise the utmost rigour and responsibility in our financial intermediation business, while also confronting

a range of challenges, including the ageing population and the transitions to clean energy and digitisation, to cite but a few.

After years of low and even negative interest rates, the world's leading central banks have started to tighten monetary policy in recent months, at a faster pace than anticipated, by raising interest rates and withdrawing part of the money supply in circulation. The idea is to bear down on the current inflationary environment. The policy shift contributed to the Bank's ending 2022 with net income of EUR 115.16 million, a 30.47% increase on the prior year. This should allow a strengthening of Caja Rural de Navarra's solvency, which, measured by its Common Equity Tier 1 (CET1) ratio of 20.35 %, is among the most solid in the Spanish financial sector.

These figures are indicative of a profitable and solvent institution, but our business is also shot through with social commitment, one of our hallmarks. We work to provide financial backing for the investment projects of individuals, companies and institutions, but, we have to put in the same amount of effort to ensuring ethical behaviour and transparent relations with our stakeholders. This is the only way to hear and understand the concerns that affect our community, which demands that we respond with a different value proposition that is not only financial but also more social, more human and more sustainable.

In 2022, we continued to support third sector institutions and organisations through our Acción Social initiatives, so encouraging the development of many support, cultural, sporting or environmental initiatives that contribute to the development of our region and enhance its social cohesion.

Finally, we should turn the spotlight on all the customers, partners, employees and suppliers who together make up the Caja Rural de Navarra Group, so we can continue to have faith in a cooperative model for the future, that advances in step with its environment. A model of proximity banking, designed to transform its local community and support the well-being of citizens, backing economic development, social cohesion and environmental balance.

IGNACIO TERÉS LOS ARCOS
Chairman

ABOUT THE REPORT

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2.1 ABOUT THE REPORT

This is the sixth Corporate Social Responsibility Report, based on data at 31 December 2022 and compiled in accordance with GRI standards with a close focus on the most significant disclosures and the same scope as the reports published in previous years.

In Annex II Caja Rural de Navarra publishes the Non-Financial Statements for the consolidated Group in accordance with Law 11/2018 of 28 December, on non-financial information and diversity, including European Commission Communications 2017/EC/215/01 on Guidelines for the presentation of non-financial reports.

The report seeks to give an overview of Caja Rural de Navarra's progress in 2022, its management model, its place in the Spanish financial system and its exercise of corporate social responsibility in the various areas where it applies.

The report contains the most relevant economic and financial and corporate governance information, as well as information on the social and environmental issues that have been judged material by our stakeholders.

Regarding **the reporting scope**, we report on Caja Rural de Navarra, as a financial institution, and in Annex II we also report on the set of companies in which it invests and those included in its scope of consolidation.

Regarding **dissemination of the Report**, we plan to issue it through the following channels:



Made available to people and agents who contributed to its preparation.



Publication on

www.cajaruraldenavarra.com



Request for information:

Information that is not included in this report can be found at www.cajaruraldenavarra.com, or requested by applying to the contact addresses below:



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In 2017, Caja Rural de Navarra prepared its first CSR report. In 2018, it published the second CSR report for Caja Rural de Navarra and the Non-financial Statements for the Caja Rural de Navarra Consolidated Group, with external assurance by Aenor. Aenor has also assured the 2022 report and Non-financial Statements for Caja Rural de Navarra for the fifth year.

2.2 DIALOGUE WITH STAKEHOLDERS

Dialogue with stakeholders was seen not only as an essential tool to determine what should be included in the report but also as a channel through which the Bank's different **stakeholders could play an active part** in its CSR strategy.

Caja Rural de Navarra has identified the people or groups of people which have an impact on or are affected by its activities, products and services and which therefore have a stake in Caja Rural de Navarra.

It is important to **embed a commitment to stakeholders**. This means initiating a range of actions and efforts to understand and involve these groups in the Bank's activities and decision-making.

The participating stakeholders were:

	Retail customers
	Companies and self-employed customers
	Private Banking customers
	Institutional customers
	Employees
	Suppliers
	Partner social organizations

Caja Rural de Navarra's management of its stakeholders is based on **trust and open dialogue**, which allows us to forge close relationships with each of them, **understand their needs and expectations, and commit to areas of improvement**.

The abovementioned groups have been consulted by Caja Rural de Navarra to determine which CSR issues they see as most pressing for Caja Rural de Navarra and this has been distilled into a single prioritised list of relevant material issues for the stakeholders consulted.

CHANNELS FOR COMMUNICATION WITH STAKEHOLDERS:

Caja Rural de Navarra has set up a number of channels and mechanisms to generate dialogue with its stakeholders. All the information collected and analysed through these dialogue processes feeds into future CSR guidelines and initiatives.

The materiality analysis is run every three years to coincide with Caja Rural de Navarra's strategic planning cycle.

CUSTOMERS

-  Retail
-  Private banking
-  Companies
-  Institutional customers

- Customer services department
- Social networks
- Customer satisfaction survey
- Suggestion box
- cajaruraldenavarra.com website
- General business relationships
- Materiality survey conducted to prepare this Report
- Materiality focus group conducted to prepare this Report.

EMPLOYEES

- Employee portal
- Caja Rural de Navarra intranet
- Works Council (Comité de Empresa)
- Internal Communications Group
- Materiality focus group convened to prepare this Report.
- Weekly business meeting
- Area meetings
- Business coordination through management committee

SUPPLIERS

- Business and contractual relationships
- Quality surveys
- Materiality survey conducted with the Bank's biggest suppliers

2.3 EXTERNAL MATERIALITY ANALYSIS AND INTERNAL VISION

As part of the process of preparing the CSR report in accordance with GRI standards (<https://www.globalreporting.org/standards>), Caja Rural de Navarra has conducted a new materiality analysis for the 2021 CSR report, covering two scopes: one for the Bank (Caja Rural de Navarra) and another using data from Caja Rural de Navarra's Investee Companies.

The work was outsourced to AFI (Analistas Financieros Internacionales), consultants specializing in the preparation of these reports.

The aim is to identify those issues that most impact the organization and its stakeholders and which it is therefore essential to report on.

The guidelines state that sustainability reporting should be based on the following principles:

stakeholder inclusiveness, sustainability context, materiality and completeness.

In applying these principles to report content, Caja Rural de Navarra has defined and applied a number of methodologies to identify which issues are material.

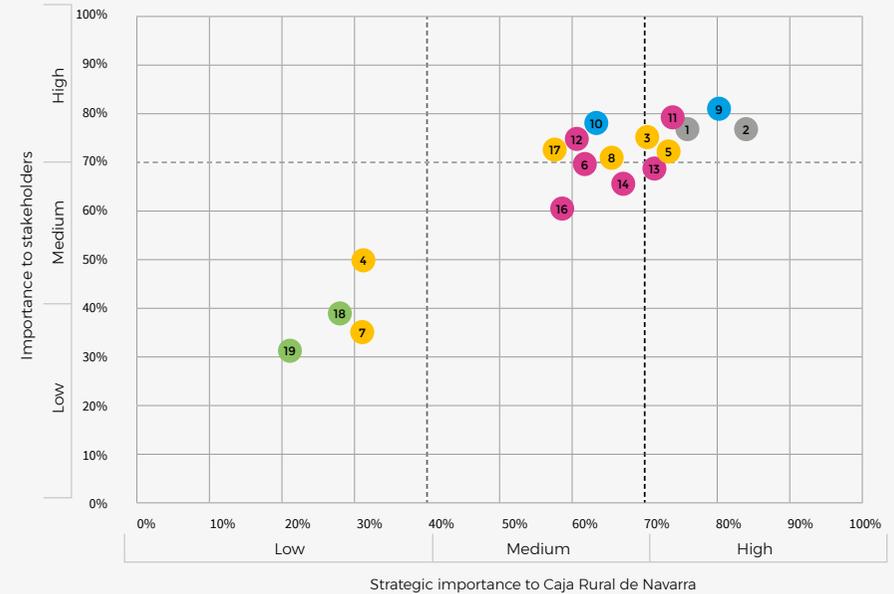
This document summarises the main conclusions of Caja Rural de Navarra's materiality analysis, carried out in March 2022 based on information covering the whole of financial year 2021.

The materiality analysis seeks to identify and prioritise the economic, environmental, social and governance priorities for customers, employees, suppliers, partner social organizations and authorities (external materiality) and the Bank's strategy based on its potential impact for the Bank (internal materiality).

This new materiality analysis by Caja Rural de Navarra identified **19 material issues**:

- Economic
- Sustainability
- Environmental
- Social
- Governance

Caja Rural de Navarra Materiality Matrix



PRIORITY	ISSUE	SCOPE
High	2 Profitability, solvency and risk management	Economic
	9 Ethics, integrity and good governance	Governance
	1 Strategy	Governance
	11 Responsible and transparent marketing	Social
	3 Mission, vision and values of the Bank	Sustainability
Medium-High	5 Digitization	Sustainability
	10 Transparency and responsible communications	Governance
	12 Customer services department	Social
	17 Contribution to economic growth and development	Sustainability
Medium	13 Personal development	Social
	8 Marketing channels	Sustainability
	6 Range of products and services	Social
	14 Equality, diversity and work-life balance	Social
Medium - Low	16 Social action	Social
	15 Responsible purchasing	Sustainability
Baja	4 Sustainability strategy	Sustainability
	18 Support for environmental protection initiatives	Environmental
	7 Sustainable finances	Sustainability
	19 Reducing the environmental footprint	Environmental

Materiality involves identifying the Bank's most relevant stakeholders and which economic, environmental, social and governance issues were most relevant or material for them (external materiality) and for the corporate strategy and actions (internal materiality). This makes it possible to identify the Bank's impacts on these stakeholders and consider how best to manage them.

RESULTS OF THE MATERIALITY ANALYSIS

1.1. IDENTIFICATION AND CLASSIFICATION OF STAKEHOLDERS

An essential prior step before analysing the results of the opinion survey of Caja Rural de Navarra's stakeholders is to profile the group's that responded and their key features.

We summarise below the system for identifying and classifying the main stakeholder group's surveyed for the materiality analysis.

CUSTOMERS

A total of 6,155 Caja Rural de Navarra customers responded to the survey. Most of its customers are individuals (98%), split between retail and Private Banking customers. The remaining 2% were companies, self-employed or institutional customers. **Three focus groups** were also conducted with up to 8 members in each, comprising individuals, companies, self-employed and institutional customers, to provide more detailed information and calibrate the results of the surveys.

- **Individual customers:** the number of individual customers responding was 5,894 (95.8% of total customer responses). By gender, 56.4% of respondents were men, 43.3% women and

0.2% preferred not to identify a gender. By age, the largest segment of respondents were 55-64 (30.3%), followed by 45-54 year olds (29.8%) and 35-44 (18.1%). Note that 78% of customers have been with the Bank for more than 5 years and, by region, 56% live in the region of Navarre, followed by Vizcaya (15%), Guipúzcoa (13%) and Álava (8%). A focus group was also arranged for this stakeholder group, composed of 5 adults.

- **Companies and self-employed customers:** the number of business and self-employed customers responding was 88 (1.4% of total customer responses). By legal status, 96.6% of responses were from companies, the other 3.4% from self-employed customers. Of the companies, 81% have been working with the Bank for more than 5 years and 69% have annual turnover of between EUR 2 million and EUR 50 million, while 67% of the self-employed customers have been with the Bank for more than 5 years. By geographical region, the largest percentage are active in multiple regions (41%) and 5% are active abroad. Note that 25% conduct their activity only in Navarre and 10% only in La Rioja. A focus group was also organized with 6 adults representing their respective businesses.

- **Private Banking customers:** the number of individual customers responding was 118 (1.9% of total customer responses). By gender, 77% of Private Banking customers are men, all older than 45, the remainder being women, of whom 3% are younger than 35. Note that 96% of respondents have been customers of the Bank for more than 5 years. By region, 71% of Private Banking customers live in Navarre, followed by Guipúzcoa (9%) and Vizcaya (8%). A focus group was also organized, attended by XX of the Bank's Private Banking customers.

- **Institutional customers:** the number of institutional customers responding was 55 (0.9%



of total customer responses). By legal status, 36% of responding institutional customers are private or state-assisted organisations of which 90% are non-profits, while 25% are public and 38% other types of institution such as charities or sports clubs. Note that 69% of institutional customers respondents have been working with the Bank for more than 5 years. They mainly operate in the regions of Navarre, Vizcaya, La Rioja and Guipúzcoa. A focus group was also organized with 6 adults attending.

EMPLOYEES

There were 262 responses from Bank employees. These fell into three groups: executives, non-executives and employees of auxiliary services. There was also a focus group for executives and non-executives, to calibrate the results from the surveys.

- **Executives:** 4 executives responded (1.5% of all employee responses). Of these, 75% work in central services and 25% in a branch, all in Navarre. By gender, all executive respondents were men and

75% had worked with the Bank for more than 25 years. In terms of qualifications, 3 are university graduates and one of them also has a postgraduate qualification. The other respondent has second-grade professional training. A focus group was conducted among executives with 8 executive employees taking part.

- **Non-executives:** 244 responses were received from non-executive employees (93.1% of all employee responses). This was a gender balanced sample, with 50% women and 50% men. Of these, 78% work in branches and 22% in central services. 84% of the employees have a permanent employment contract, 47% being men and 38% women. Of the women, 16% are on work experience contracts. In terms of qualifications, 95% of employees are university graduates and 26% also have a postgraduate qualification. A focus group was conducted among non-executives with 8 non-executive employees taking part.

- **Auxiliary services staff:** 14 responses were received from non-executive employees working in auxiliary services (5.3% of all employee responses). Note that all the responses from auxiliary services were from non-managerial staff. By gender, 79% were women and 21% men. Of the men, 100% have a permanent contract, while of the women 64% are on permanent contracts, 27% on training contracts and 9% on temporary contracts. By age, note that 29% of auxiliary employee respondents are under 30, 57% are 31-50 and only 14% older than 51.

SUPPLIERS

total of 6 responses were received from suppliers. Of these, 83% have had a relationship with the Bank for more than 5 years, while the other 17% have supplied the Bank for between 1 and 5 years. All of the latter are international suppliers. As for the type of service supplied to the Bank, 33% provide cleaning, 17% financial consultancy and the remaining 50% provide insurance, advertising equipment and furniture sales.

PARTNER SOCIAL ORGANIZATIONS

The number of partner social organizations responding was 5. Of these, 100% are institutions and private or state-assisted organizations. 40% have worked with the Bank for more than 5 years and the remaining 60% for less than 5 years, of which 67% started working with the Bank this year. None of the partner social organizations responding to the survey were for-profit. Regarding the form of collaboration, the vast majority (80%) receive financing from the Bank while the remainder work with the Bank in other ways. Note that for 40% of these social organizations, the collaboration with the Bank is the only or one of the most important such relationships they have. A **focus group** was also organised with eight partner social organizations.

1.2 PRIORITIZATION OF STAKEHOLDER THEMES

The section below shows, first, the importance stakeholders give to each of the 8 main blocks and, second, their importance for all stakeholders (external vision) and for the Bank (internal vision).

- High priority (score equal to or higher score than 70%)
- Medium priority (score equal to or higher than 40% and lower than 30% and 70%)
- Low priority (score below 40% and below 30% and 70%)

Material Issue	Private Customers	Business and Self-employed Customers	Private Banking Customers	Institutional Customers	Customers	Management Employees	Non-management Employees	Non-management Auxiliary Employees	Non-management employees (group)	Suppliers	Investors	Collaborating Social Entities	External view	Internal View
Satisfaction of the Caja's customer	●	●	●	●	●	●	●	●	●		●		●	●
Ethics, transparency and integrity of the Caja	●	●	●	●	●	●	●	●	●	●	●	●	●	●
The management of the Caja by its directors and employees	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Support for society	●	●	●	●	●	●	●	●	●	●		●	●	●
Environmental protection by the Caja	●	●	●	●	●	●	●	●	●	●		●	●	●
The measure adopted by the Caja during the pandemic	●	●	●	●	●	●	●	●	●	●		●	●	●
Employment conditions						●	●	●	●				●	●
Management in relation to the Caja's suppliers										●			●	●



The table further shows how significant each stakeholder group considers each of the 19 specific themes derived from the consultation and which comprise the materiality matrix.

Block	Nº	Material Issue	Private Customers	Business and Self-employed Customers	Private Banking Customers	Institutional Customers	Customers	Management Employees	Non-management Employees	Non-management Auxiliary Employees	Non-management employees (group)	Suppliers	Investors	Collaborating Social Entities	External view	Internal View	
Strategy and management	1	Strategy	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	2	Profitability, solvency and risk management	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	3	Mission, vision and values	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	4	Sustainability strategy	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	5	Digitalisation	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Business model	6	Range of products and services	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	7	Sustainable finances	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	8	Customer care and marketing channels	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Ethics, transparency and integrity	9	Ethics, integrity and good governance	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	10	Responsible communication and transparency	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Customer satisfaction	11	Responsible marketing and transparency	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	12	Customer care service	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Employment conditions	13	People development	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	14	Equality, diversity and reconciliation	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Management of suppliers	15	Responsible purchasing	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Support for society	16	Social action	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	17	Contribution to development and economic growth	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Environmental protection	18	Promotion of environmental protection initiatives	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	19	Reduction of the environmental footprint	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●

- High priority (score equal to or higher score than 70%)
- Medium priority (score equal to or higher than 40% and lower than 30% and 70%)
- Low priority (score below 40% and below 30% and 70%)

1.3 MATERIALITY MATRIX

As well as consulting stakeholders, the Group conducted a comprehensive benchmarking exercise of the level of sustainability achieved by comparable institutions in the sector and the economic, environmental, social and governance priorities in their respective materiality matrices. The Bank's materiality matrix has been compiled in light of both this sector report and the ranking of material issues for each stakeholder group. The materiality matrix (detailed in section 1 of this chapter) considers 19 issues ranked in order of their importance to the Bank's stakeholders and to the Bank itself.

Caja Rural de Navarra also conducted an internal materiality analysis, in which the area managers of all Departments involved quantified the potential impact and likelihood of key ESG risks occurring. The results of this self-assessment are set out in **Section 3.7 "Materiality self-assessment"**.

2.4 MANAGEMENT FOCUS

Guided by the conclusions of the materiality analysis following consultation with our stakeholders, Caja Rural de Navarra bases its relationship with its stakeholders on the following criteria:

CUSTOMERS

The Bank focuses overwhelmingly on local and retail banking. Little surprise then that the main points identified in our materiality matrix have to do with how we relate to our customers (retail, private banking, corporate and institutional).

The Bank prioritises responsible banking with a long-term view of its customers' needs regarding

products (transparency and advice on investment and financing products) and in its marketing processes, emphasising local connections and quality of service.

See the "Customers" section below for further details of the Bank's activities in this area.

THE TEAM

Regarding employees, the materiality analysis identified a number of key points to which the Bank is paying special attention. Particularly important were the issues of involving the team in strategy, career management plans, training and a policy on professional selection and development based on merit and effort.

All this is being implemented over a long-term horizon, something we believe is fundamental to avoid conflicts of interest and make sure the work being done by our teams aligns with the aims of our different stakeholder groups, a crucial point for a services company if it is to flourish over the long term.

THE COMPANY

Our relationship with wider society is a differentiating factor for Caja Rural de Navarra. Our structure as a regional cooperative bank inevitably implies a **close relationship with the region where we operate** and a longer term vision. This reflects its cooperative ownership and business structure, which **helps limit the risk of taking decisions on too short term a basis** or where the interests of one group take excessive precedence over the rest.

On this point, it is essential for the Bank that society in the regions where we operate continues to see us as a local institution, supporting local initiatives, which has a far more direct knowledge

of the economic and social realities of the towns and cities in our regions, and which supports key social groups to support long-term community development, such as SMEs, entrepreneurs, grassroots sport, educational and cultural activities, etc. with an inclusive focus for the different social groups that is sustainable over time.

ENVIRONMENT

As a financial services institution, the Bank has limited direct material impact on environmental issues. Nonetheless, the Bank is developing multiple initiatives not only by reducing the negative impact of its own activities but also by supporting initiatives designed to improve the environment in our regions through training, awareness-raising, direct investment in environmental business projects (forest development, renewable energy, etc.) and by supporting projects to improve the environment through its financing lines (sustainable farming, sustainable forestry, waste management, renewable energy and energy efficiency).

SUPPLIERS

Caja Rural de Navarra seeks to maintain with its **suppliers** and partner companies a close, respectful, trusting and transparent relationship which promotes in-depth knowledge of the companies we contract with and confidence in the quality of the services provided, as we explain in greater detail below.

In its selection processes, the Bank measures suppliers against its own set of ethical principles, which besides including quality and financial costs, also requires that companies respect workers' rights, behave transparently and have a clean record on social and environmental issues.

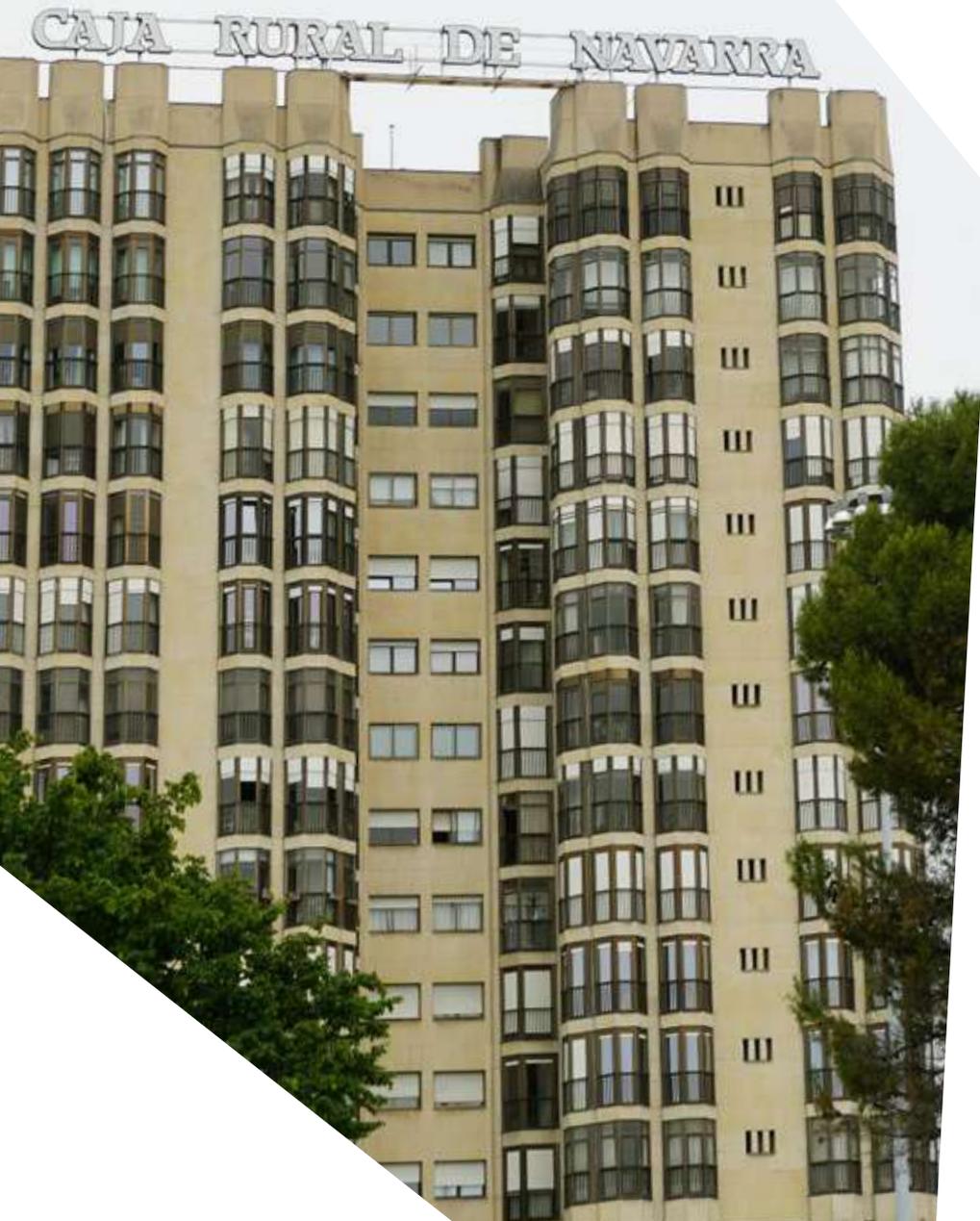
2.5 STRATEGY

Caja Rural de Navarra is a cooperative institution specialising in retail and regional banking, which serves its customers through a network of 255 branches (one new branch was opened in 2022) in the regions of Comunidad Foral de Navarra, the Basque Autonomous Region and La Rioja as well as through its virtual channels.

The Bank is drawing up a new three-year strategic plan. This was the final year of the 2020-2022 Plan. The three-year plan is always accompanied by specific annual plans.

The key principles of strategic planning are based on balanced growth which allows the Bank to keep growing market share in all areas where it operates while maintaining its differentiating model of a regional retail cooperative bank, consistently seeking to provide added value for its customers backed by local high-quality advice.

The aim is to maintain the levels of profit, efficiency, solvency and liquidity set out in the Strategic Plan, as well as to develop a marketing approach that meets the needs of customers and adapts as necessary to the needs of each segment and type of demand, with a mixed model of branches to deliver the local high-quality advice and alternative channels that customers can use. An important tool for this is the service the Bank offers its customers through Ruralvía, its digital banking facility, accessible through a range of devices including computers, smart phone, tablet and other IT apps (Ruralvía pay, etc.) as well as the ATM network.



The Bank also belongs to the Caja Rural Group, a financial group based on a federal banking model. This overcomes the limitations of its member Rural Credit Cooperatives regarding scale and the geographical reach of their business while safeguarding their full autonomy and the essential requirement of banking effectiveness and business efficiency.

To run its business, the Caja Rural Group relies on shared central services provided by the companies set up by the group and covering each of the main business areas of the member Rural Credit Cooperatives. The Banco Cooperativo Español, Seguros RGA and Rural Servicios Informáticos give the group a competitive edge in meeting the challenges of an increasingly innovative and demanding market.

The main challenges and strategies of the Bank can be summed up as achieving the profitability to guarantee its future sustainability through a high-quality financial offer and a cost structure that provides the necessary competitiveness.

The strategy is to be a leader, or a benchmark institution, in its natural market. The Bank is an integral part of society and, by virtue of its origins and deep roots in local communities, is an important and energizing contributor to social development.

It is also fully committed to its environment, on which the Bank is completely dependent for its own development, while always taking a long-term view.

The Bank has been developing its own sustainability strategy for some time. Nevertheless, in 2021 its Governing Board, as a member of the nationwide Caja Rural group, approved the adoption of the Guiding Plan for sustainability prepared by group member Banco Cooperativo

Español as its benchmark for strategy and the actions the Bank pursues in this area.

The Caja Rural de Navarra network has grown to 255 branches in Navarre, the Basque Autonomous Region and La Rioja (including a commercial office in Madrid).

2.6 CAJA RURAL DE NAVARRA STRATEGIC PLAN

As for the current 2020-2022 Plan, now in its third and final year and heavily affected by the Covid pandemic from the outset, we can say that most targets have been met although with some shortfalls in various areas, as follows:



LOANS AND ADVANCES

Although we fell somewhat short of our targets during the Plan's first two years, it was in 2022 when, despite the good start to the year, two factors came into play that really held back growth of the Bank's loan book. First, the general climate of economic uncertainty and, second, intense pressure on mortgage pricing.

We are now a long way off the target for 2020-2022 Strategic Plan. The target was 25.93% and we only achieved 16.54%.

In terms of regional share of the loan book, Navarre fell back in relative terms, with constant sustained growth in the contribution by the rest of the regions, which now make up 56.05% between them.



LIABILITIES

After heavily outperforming its target in 2020, liabilities growth in 2021 was very low, just 0.62% (EUR 61 million), though part of this reflected a deliberate drive to rationalise the different types of liabilities and cut surplus cash costs.

2022 began on a similar trend, diversification into funds and fees from the various types of liabilities. But the rise in interest rates is starting to make cash positions worth holding. What is more, the looming maturity of the TLTROs ("Targeted Longer-Term Refinancing Operations") is good for growth in liabilities, leading us to raise yields even for some deposits for the first time in years. As a result, the year ended with growth of near 8%.

We beat the end-2022 target in the 2020-22 Strategic Plan. We had a growth target of 22.50% and grew liabilities by 25.19% with a surplus of over EUR 230 million.

Breaking liabilities down by region, Navarre contributed more than half the total (60%). Other regions are growing their share but more slowly than in loans and advances.



NEW CUSTOMERS

This is where we saw the biggest effects of the pandemic. In both years the pace of new customer capture fell off, especially individual customers, leaving us short of target by around 7,000 new customers in the Plan's two first years. The same was true of Legal Entities in 2021, with a shortfall of 449 fewer new captures than expected, whereas in 2020 performance was nearer to its annual target.

In 2022, we significantly improved on both indicators and although falling short of the targets we were able to attract more than 36,500 new customers.

Plan-wise, we are short of 15,000 new natural persons and more than 1,000 Legal Entities compared to forecasts. This will be a key target for the next Strategic Plan.



NON-PERFORMING LOANS

Despite the pandemic, and the alerts that it could trigger, NPL budgets were similar to those forecast for all years of the Strategic Plan, ending 2022 on an NPL ratio of near 2%.



NET INCOME

We ended 2022 with net income of EUR 113 million, greatly helped by better net interest income and exceeding the annual target. Total income generated was close to the forecasts in the Strategic Plan.



SOLVENCY

The definitive solvency ratio – measured as the fully loaded Common Equity Tier 1 (CET1) ratio, the highest-quality capital – at 31/12/2022 was 19.82%. The end-Plan objective was 17.66%. The phase-in CET1 ratio at the same date was 20.35%. The difference between the two ratios is that during the transitional phase extraordinary provisions taken for Covid can be counted as capital.

The Bank still enjoys a very robust level of solvency. All capital is of the highest quality. No other instruments are counted toward capital.

We can claim we are broadly in line with most of the economic targets set in the Plan, having improved market share and expanded our network by two branches, one in Álava and the other in Navarre.



CAJA RURAL
DE NAVARRA

3

ABOUT US

STRUCTURE OF THE BANK

- 3.1_ About us
- 3.2_ Profile of the organization
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- 3.4_ Corporate culture
- 3.5_ Equity investments
- 3.6_ Key figures
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3.1 ABOUT US

Caja Rural de Navarra S. Coop. de Crédito (or “Caja Rural de Navarra”, “Caja Rural”, the “the Bank” or the “Company”) is a credit institution that operates in Spain. Its origins date back to 1910 when the institution acted as central body for the different cooperatives in the region of Navarre but Caja Rural de Navarra in its current legal form was founded in 1946.

It is a member of the Deposit Guarantees Fund and registered in the Special Register of Banks and Bankers under number 3008, and is governed by the regulations applicable to credit institutions, credit cooperatives, and by its internal regulations, in particular, its Articles of Association.

The Bank heads a group of companies active in various areas of the economy and together with them forms the Caja Rural de Navarra Group (“CRN Group”).

The Group also belongs to an Institutional Protection Scheme” (IPS) set up under Article 113.7 of EU Regulation 575/2013, of the European Parliament and Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms, amending EU Regulation 648/2012 (the CRR) and Royal Decree Law 11/2017, of 24 June, created as part of the Asociación Española de Cajas Rurales (the AECR), alongside the other Caja Rurales belonging to the AECR, the Banco Cooperativo Español S.A. and Grucajrural Inversiones S.L.

Caja Rural de Navarra has been, since the early 1990s, a founding member of the “Grupo Caja Rural” (the “Group” or “Caja Rural Group”) in which regional cooperative banks came together as a way to generate synergies and economies of scale. This association is not, however, a “Group” in the sense of Article 42 of the Spanish Commercial Code. The system of association based on a federated banking model means members can retain their autonomy, without sacrificing the essential prerequisites of banking activity and business efficiency, while overcoming the potential limitations of small scale and regional scope.

Currently, the Group’s corporate structure looks as follows:

GROUP’S CORPORATE STRUCTURE



1. SPANISH ASSOCIATION OF CAJAS RURALES

An association constituted under Organic Act 1/2002 of 22 March regulating the Right of Association in Spain and additional regulations, with its own legal personality and authorised to work, on a not-for-profit basis, for the fulfilment of the corporate purposes for which it is founded, these generally being to foment cooperation between its member institutions, so strengthening their solvency and stability and improving their functioning and financial results.

The Association was created in 1989 and currently includes 30 Rural Credit Cooperatives, all of which are independent of each other. It is governed by its articles of association and, in matters not covered by these, by applicable regulations. These include as an integral part the Regulations and Disciplinary procedures of the IPS (Institutional Protection Scheme).

The governing bodies of the Association are the General Meeting, attended by all member banks, and the Management Board, which statutorily has between 6 and 12 members. Caja Rural de Navarra, because of its size, has always been a part of the Association's Management Board since its creation. The IPS, constituted in 2018, is an intercooperative mutual support and defence scheme created within the Association for the benefit of its members. It is an Institutional Protection Scheme in the sense of Article 113.7 of Regulation (EU) no. 575/2013 of the European Parliament and Council of 26 June 2013.

The IPS has no legal personality and is understood as the complex set of assets, rights, obligations and commitments included in the Association's articles of association and its protocols. The purpose of the IPS is to help sustain the financial stability of



its members individually and as a whole and help reduce the risk profile of its members.

The IPS's membership is made up of banks belonging to the Spanish Association of Cajas Rurales, the Banco Cooperativo Español S.A. and the Holding Company (Grucajrural inversiones S.L.).

The Holding Company is owned by the member Rural Credit Cooperatives pro rata their average total assets (ATA) in the Group. The Holding

Company's name is "Grucajrural Inversiones S.L.". It also owns the shares in the following companies belonging to the Caja Rural Group:

• **Seguros RGA**, which is composed of the following companies:

- RGA Seguros Generales Rural S.A. de Seguros y Reaseguros
- RGA Rural Vida S.A. de Seguros y Reaseguros
- RGA Rural Pensiones S.A.
- RGA Mediación OBSV S.A.
- RGA Rural Grupo Asegurador

• **Banco Cooperativo Español**

Caja Rural de Navarra, because of its weighting within the Group has a seat on the Board.

The IPS has a Management Committee, constituted as a Delegated committee of the Association's Management Board, which is responsible for day-to-day management of the IPS and acts as its main management body. Caja Rural de Navarra, due to its weight in the Group, is a member of the Management Committee.

2. BANCO COOPERATIVO ESPAÑOL S.A.

BCE is an equity investment of the Caja Rural Group, whose capital is 87.98% owned by the member Banks – either directly or indirectly via Grucajrural Inversiones S.L. – and 12.02% owned by DZ Bank, a similarly inspired German cooperative banking group. Since being set up, BCE has contributed considerable know how and experience to the Group and given it an international dimension.

The main purpose of Banco Cooperativo Español, set up in 1990, is to help the Group's banks achieve an appropriate market position and exploit the synergies and competitive advantages offered by their association. To achieve this, the bank is segmented into different specialist areas, responsible for dealing efficiently with

shareholders and customers. These are: Retail, Corporate, Private Banking, Treasury and Capital Markets, International, Human Resources, Organisation and Legal Affairs and Tax.

Caja Rural de Navarra, because of its weighting within the Group, sits on the Board of Directors of BCE. It also currently chairs the Board.

The Group has its own fund manager, Gescooperativo S.G.I.I.C, SA, whose management is controlled by BCE, which is responsible for managing and marketing its in-house Investment Funds.

Links:

www.ruralvia.com/bancocooperativo/inicio
www.gescooperativo.es

3. SEGUROS RGA

Seguros RGA was founded in 1986 with the aim of allowing Rural Credit Cooperatives to offer their customers a broad range of insurance and comprehensive provident solutions.

Members of Caja Rural Group own 100% of the company's capital either directly or indirectly (via Grucajrural Inversiones S.L.). The component companies of Seguros RGA are as follows:

- **RGA SEGUROS GENERALES RURAL, SA de Seguros y Reaseguros.**
- **RGA RURAL VIDA, S.A. de Seguros y Reaseguros.**
- **RGA RURAL PENSIONES, S.A. Entidad Gestora de Fondos de Pensiones.**
- **RGA MEDIACIÓN, Operador de Banca-Seguros Vinculado, S.A.**
- **RGA GRUPO ASEGURADOR, Agrupación de Interés Económico.**

Caja Rural de Navarra is represented on the Boards of Directors of RGA Seguros Generales Rural, SA and RGA Rural Vida, SA.

Links:

www.segurosrga.es

4. RURAL SERVICIOS INFORMÁTICOS (RSI)

Rural Servicios Informáticos, created in 1986, is Caja Rural Group's vehicle for defining and implementing the shared strategy for automated data processing at the Caja Rural Group. It is a Banking IT firm that designs, develops and manages solutions and services for Caja Rural Group Banks and now also for other customers.

RSI's share capital is wholly owned by the Caja Rural Group institutions. Caja Rural de Navarra, because of its weighting within the Group has always had a seat on the Board. It currently has a 18.70% stake in the company.

The company also includes another investee company whose activity is closely linked to RSI.

Docalia S.L.

Docalia was created in 2003 when it was spun out of RSI's Post-Production Services Area. It is now a benchmark in Spain for integrated management and personalization of documents, cheques and cards.

At the moment, it is governed by a Sole Director who acts as its top representative and management body.

Links:

www.ruralserviciosinformaticos.com
www.docalia.com

5. UNACC

Caja Rural de Navarra is also a member of UNACC (the National Union of Cooperative Credit Institutions). UNACC was created in 1970 as the trade body for cooperative credit institutions representing the sector at institutional level.

It is a free association and its membership includes all the Cooperative Credit Institutions in Spain. Its core purpose is to represent and defend the interests of its members, promote the credit cooperative model and act as interlocutors and representatives with public authorities and other bodies.

Its governance bodies are: The General Meeting of the 42 cooperatives that are currently members and a 14-strong Governing Board, which Caja Rural de Navarra currently sits on and vice-chairs.

UNACC has an international presence through the EACB (European Association of Cooperative Banks) an umbrella organization for Europe's cooperative credit institutions, which, with a market share of 20%, play an important role in the continent's economic and financial system.

The association represents the interests of its 27 members, with their 2,700 affiliated cooperative banks, 720,000 employees and 89 million members, in European institutions.

Links:

www.unacc.com
www.eacb.coop

As a credit institution, whose corporate purpose includes banking, Caja Rural's Governing Board must comply with a number of governance obligations, while retaining its general responsibility to define and oversee a governance system that ensures effective and prudent management of the Bank. These obligations include EBA guidelines on internal governance [EBA/GL/2017/11], which require it to set up and oversee an appropriate and effective framework for internal control and governance that defines an organizational structure which, among other matters, governs the internal risk management, compliance and audit functions, ensuring they have the independence, authority, range and resources to properly fulfil their duties.

Caja Rural de Navarra has more than 182,000 members representing a wide diversity of economic and social sectors. It has no majority or controlling members.

The Bank's business is focused on the Retail Network and, as a Credit Cooperative, its main function is to meet the financial needs of its members and third parties by offering banking services in accordance with Article 1 of the Spanish Credit Cooperative Law.

The Bank's business is mainly structured around the following business lines and areas: Retail Banking, Corporate Banking, Private Banking and Institutions.

- Retail Banking delivers financial services to individuals and organisations with the principal objective of meeting their needs with a comprehensive range of products and services, that can be contracted and managed through multiple channels (physical branches, online, telephone, mobile, ATMs, etc.).

- Corporate Banking provides financial services to medium and large companies, either directly or by contributing to syndicated financing.

- Private Banking: this area of the business recruits, serves and looks after the Bank's Private Banking customers. It provides personalised investment advisory services and individual portfolio management.

Institutions: this area offers a comprehensive service to institutional customers from public and private sectors.

The Bank carries out these activities primarily in the Spanish market, but also collaborates with other institutions to develop the international aspects of its business. It offers a range of products and services appropriate to its business structure as a credit institution.

As a credit institution, whose corporate purpose includes banking, the Bank's Governing Board must comply with a number of governance obligations, while retaining its general responsibility to define and oversee a governance system that ensures effective and prudent management of the Bank. These obligations include guidelines on internal governance [EBA/GL/2021/05], which require it to set up and oversee an appropriate and effective framework for internal control and governance that defines an organisational structure which, among other matters, governs the internal risk management, compliance and audit functions, ensuring they have the independence, authority, range and resources to properly fulfil their duties.



² Article 88 of Directive 2013/36/EU of the European Parliament and Council, of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, and Article 29.2 of Act 10/2014, of 26 June, On the Organisation, Supervision and Solvency of credit institutions.



100%



**GRUPO
CAJA RURAL**



Cajas Rurales
(miembros AECR)



100%



88%



12%



9,296
employees



2,334
branches



3,096
ATMs



+1.5M
members



+6.3M
customers

3.2 PROFILE OF THE ORGANIZATION

1. NAME

CAJA RURAL DE NAVARRA, Sociedad Cooperativa de Crédito.

2. AL PERSONALITY (FORM)

Credit Cooperative

3. CORPORATE PURPOSE

To engage in all types of lending and deposit-taking operations and provide services typical of the financial institutions that comprise the Spanish Financial System.

4. REGISTERED OFFICE

Its registered office is in Pamplona, Navarre. Plaza de los Fueros , 1.

5. REGISTRATION AND LICENSES

Registered in the Register of Cooperatives and Limited Partnerships of the Directorate General for the Spanish Labour and Social Security Ministry with number 2163/344. S.M.T., in the Bank of Spain with number 3008 and the Navarre Companies Register in volume 11, page 175, sheet NA 183.

6. TAX IDENTIFICATION NO.

F/31021611

7. CORPORATE BODIES

- A. General Meeting
- B. Governing Board

8. SCOPE OF OPERATIONS

Caja Rural de Navarra's territorial scope of operation covers the whole of Spain, although the bank currently operates in the regions of Navarre, La Rioja, Madrid, Guipúzcoa, Álava and Vizcaya.

3.3 GOVERNING BODIES

EBA Guidelines on internal governance [EBA/GL/2021/05] require that the Governing Board of Caja Rural assumes ultimate and overall responsibility for the institution and defines, oversees and is accountable for the implementation of the governance arrangements within the institution that ensure effective and prudent management of the institution.

In line with the Company's permanent commitment to best corporate governance practice, the Governing Board of Caja Rural de Navarra, defined a System for Internal Governance for Caja Rural de Navarra (the "System"). Its implementation and development will be overseen by the Governing Board with the support of its delegated committees.

The System has the following aims:

1. To promote transparent, independent, effective and prudent management of the Company and the CRN Group, in compliance with the requirements of regulators and supervisors.
2. To clearly attribute responsibilities and competences for internal control, including defining audit and internal control units and functions;
3. To make sure that decisions are taken in an appropriately informed manner and in the interest of Caja Rural de Navarra and hence its members and to look after the interests of investors, customers, employees and other stakeholders.



GENERAL PRINCIPLES:

To comply with its aim of ensuring sound and prudent management of the Company, the System and the policies and procedures for its development are based on a number of principles, including the following:

- A. Promoting **efficient and organised functioning of the Governing Board in coordination with its Committees**. The stated core mission of the Governing Board is to represent, administer, manage and control the Company and CRN Group. It is therefore responsible for reviewing and steering corporate strategy, the most important action plans, risk policies, annual budgets and plans, setting targets, overseeing their implementation and achievement in the corporate sphere and delegating day-to-day management of the Company to the Management team.
- B. **Defining appropriately the essential bases of the structure, organization and functioning of Caja Rural de Navarra, guaranteeing efficient strategic coordination.**
- C. Establishing a **robust system of supervision and internal control**, as part of the corporate governance System, based on a clearly defined framework for relations between the Companies governance bodies and Management.
- D. Commitment to transparency, fulfilled by defining a System based **on clear, transparent and documented decision-making processes**.
- E. Embedding a corporate culture based on **ethical and sustainable action** by the Company's governing bodies, control units, Management and employees.

F. Compliance and application of best practice in governance, ensuring that the Company complies at all times with applicable law and implements best practice in governance, including all current and future international standards and guidelines approved by competent authorities and applicable to the Company and the CRN Group.

3.3.1 GOVERNING BODIES

Caja Rural de Navarra has a clear organizational structure and an appropriate and transparent model for operational management and control. The model seeks to ensure business is conducted efficiently and in accordance with good corporate governance principles. It is a key function of the Governing Board to make sure the Company's structure is appropriate to its business and risk model and the Board therefore conducts regular reviews of the organisation and how any changes affect the Company and CRN Group, refining its structure and processes as necessary.

The corporate governance model for the Company and CRN Group also applies to internal Management bodies. At the highest level is the Managing Director supported by the Management Committee. The former is the permanent channel for relations and Communications between the Governing Board and the Company's executive arm, represented by its senior management.

The corporate structure of Caja Rural de Navarra is as follows:

CORPORATE STRUCTURE OF CAJA RURAL DE NAVARRA



MEMBERS

Caja Rural de Navarra is a cooperative bank with 182,244 members at 31/12/2022, contributing EUR 210.03 million to the Bank's share capital. The number of members rose by 4,062 since the previous year and the contribution to capital rose by EUR 39.7 million.

GENERAL MEETING

The General Meeting, constituted by the members or their representatives, is the supreme decision-making body for the Caja Rural de Navarra. The General Meeting is held following a system of Preparatory Meetings. Members, whether individuals or legal entities, take part in Meetings via delegates appointed at the Preparatory Meetings and cannot reserve the right to attend the General Meeting in person.

GOVERNING BOARD

The Governing Board is the Bank's highest decision-making body, except in matters reserved by law or Articles of Association to the General Meeting. It acts on a collegiate basis with support from its Committees and focuses on setting strategic and management guidelines and the supervision and control of the day-to-day ongoing management of senior Management to make sure the Bank is being run prudently and effectively.

It is the collegiate body responsible for governance, management and representation of the Bank. Its responsibilities include as a minimum the oversight of executives and representing the cooperative. Its representative powers cover all actions relating to the activities constituting its corporate purpose. It is competent to set general guidelines for actions and to exercise all powers that are not reserved by Law or by the Articles of Association to other corporate bodies. It shall conduct its business in accordance with the law, the Articles of Association and the general policy set by the General Meeting.

To this end, the Governing Board approves the general policies of the Bank, which set the guidelines for action in the different management areas, oversees implementation of these policies and sets up the necessary structures for communication and information exchange. It is also responsible for defining the internal governance framework of the Bank and CRN Group. It keeps the framework under constant review to ensure appropriate demarcation and coordination between the various levels of management responsibility.

Members of the Governing Board are chosen from among the Cooperative's members according to the procedure set out in articles 44 and 45 of the Bank's articles of association. These can be found (in Spanish) at:

<https://www.cajaruralnavarra.com/sites/default/files/gobierno-cooperativo/ESTATUTOS-Caja%20Rural%20de%20Navarra-2022.pdf>

The Board is made up of a minimum of 5 and a maximum of 15 members: Chairman, Vice-Chairman, Secretary and up to twelve other Board members. Up to 14 members are chosen from among the members by the General Meeting, by secret ballot based on the greatest number of votes. The remaining member is an employee of the Bank appointed by its permanent-contract employees.

The eleven other Board seats, excluding that for the employee representative, are assigned to the different regions where the Bank operates so that all have a member from their region on the Governing Board.

The Chairman, Vice-Chairman and Secretary can come from any of the regions where the Bank operates.

All Board members must be fit and proper persons who have the knowledge, competences and experience to carry out their functions and can act with honesty, integrity and independence of ideas and dedicate sufficient time to fulfil their functions in the Bank.

When selecting Governing Board members, consideration is given to the joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06). The Bank regularly reviews the suitability of each member of the Governing Board and of the Board as a whole, in accordance with the Guidelines.

The aim of the process is to assemble a wide range of qualities and skills that provide a diversity of views and experiences and promote independent opinions and sound decision-making within the Governing Board. The Bank strives to ensure adequate representation of all genders on the Governing Board and to respect the principle of equal opportunities in selecting its members.

The Bank has a sufficient number of independent directors, who play a key role in making the Company's controls, checks and balances more effective, improving oversight of management decisions, making sure the interests of all stakeholders are fairly considered and that conflicts of interest are properly managed.

The functions, composition and structure of the Governing Board, the status of its members and the functioning and composition of its Committees are set out in the Bank's corporate rules, essentially in the Articles of Association and Governing Board Rules of Procedure. The Rules define the principles of action of the Governing Board and the basic rules for its functioning and codes of conduct for its members and those of its Committees.





GOVERNING BOARD

presentation of the Bank, high-level management and supervision of Management. Each year it analyses issues relating to CSR and regularly reviews economic and social impacts, risks and opportunities.



EXECUTIVE COMMITTEE

A statutory body delegated by the Governing Board to provide more agile decision-making on any matter within the Board's remit except where these cannot be delegated by law.



AUDIT COMMITTEE

A statutory body delegated by the Governing Board to oversee the internal audit services, understand the financial reporting process and internal control systems and oversee compliance with codes of conduct and the Bank's Compliance rules.



APPOINTMENTS COMMITTEE

A delegated body of the Governing Board. It identifies candidates for the Governing Board, assesses the suitability of its members and the balance of expertise, capacities, diversity and experience of the Board as a whole. It defines targets for improving the representation of the gender least represented on the Board.



REMUNERATION COMMITTEE

A delegated body of the Governing Board. It proposes the general remuneration policy to the Governing Board, carries out an independent annual review of its application and reports on the remuneration policy for executives classed as "identified staff".



RISK COMMITTEE

A delegated body of the Governing Board. It advises the Board on management and supervision of all relevant risks and on correct application of the global risk appetite in light of the Bank's strategy.

The Rules also define the duties of diligence and loyalty for directors and the associated rules on non-competition, disclosure, recusal in the event of conflict of interest and ban on using corporate assets or exploiting business opportunities arising in the course of the Bank's or CRN Group's business for their own benefit.

The Bank also has a Director Remuneration Policy, which specifies, among other matters, the procedures for setting the remuneration of Governing Board members, the frequency with which it is reviewed, its general features, its compatibility with proper and effective risk management and with the strategy, objectives, values and long-term interests of the Bank, the general principles of the Remuneration Policy, and the different remuneration schemes applied.

The Governing Board has rules of procedure setting out measures and guidance for its actions and basic organizational and functional rules and codes of conduct for its members, to improve efficiency, transparency and unity of criteria in the management of Caja Rural de Navarra (the "Bank" or "CRN"). For full rules of procedure see:

www.cajaruraldenavarra.com/es/gobierno-corporativo

GOVERNING BOARD DELEGATED COMMITTEES

Apart from the power of the Governing Board to delegate powers to individuals and, to the extent permitted by the Bank's Articles of Association, its power to constitute Executive and Mixed Committees, the Governing Board is also supported in its duties by specialist internal Committees, which have no executive role and whose members address constructively, objectively and where appropriate, critically the different issues in their remit.

In particular, the Bank has an Audit Committee, a Risk Committee, an Appointments Committee and a Remuneration Committee, all with powers to submit reports, offer advice and make proposals.

These Committees support the Governing Board in the exercise of its supervisory duties in their specific area, analysing, preparing and, where appropriate, proposing resolutions for the Board, and thereby helping develop and embed a solid, comprehensive and effective framework of internal governance.

Committees report to the Governing Board through their Chairmen or women on the exercise of their respective supervisory duties, and make the minutes of their meetings available to all Governing Board members.

The specific functions of these bodies are in the left block.

Membership of the committees is as follows: Appointments and Risk Committees: 3 directors, Remuneration and Audit Committees: 4 directors, Executive Committee: 5 directors. Currently, 10 of the 14 directors sit on at least one of these Delegated Committees.

The rules of procedure for these committees are available at:

www.cajaruraldenavarra.com/es/gobierno-corporativo

The Bank has 3 control functions, reporting to their respective governing bodies: the risk management unit, reporting to the Risk Committee; the Internal Audit unit, reporting to the Audit Committee; and the Compliance Function reporting to the Governing Board.

The Bank also has an Internal Control unit, set up by and reporting to the Governing Board, with representation from various areas of the business.

This body oversees implementation of the Bank's policies and procedures to combat money laundering and terrorist financing. There is also a director designated to specialise in this area, who gives it special attention.

The Bank has a Sustainability Committee which acts as a consultative body reporting to the Governing Board. The Bank's executive and operational structure is as follows:

GENERAL MANAGEMENT

Caja Rural de Navarra is obliged to have a General Management body. It therefore has a Managing Director, who constitutes the top tier of executive management under the direct supervision of the Governing Board. The Managing Director is supported by the Management Committee and the heads of the Bank's different areas/departments, promoting a balanced and appropriate framework for relations between Governing Board's strategic management and supervisory duties and the exercise of powers by the Bank's areas/departments under the responsibility of the General Manager.

The Bank's Management Committee is an internal committee with no delegated or executive duties. It acts as a consultative and advisory body to the Managing Director.

The Bank's Governing Board is responsible for appointing the Managing Director, the only position in the Bank classed as senior management. The Managing Director reports solely and directly to the Governing Board and must have the experience and other qualifications specified in applicable regulations as well as meeting the requirements set out in the Bank's "Internal Rules for the

Suitability Assessment of senior management and holders of key roles", including the requirements for commercial and professional good repute and the knowledge and experience required for the role.

Also, as part of the Bank's Suitability Assessment, the Bank's Appointments Committee identifies and conducts annual reviews of the key staff of the Bank, who are also subject to the same requirements of commercial and professional repute, knowledge and experience.

The governance structure is based on the essential framework of relations between the Governing Board and the exercise of their powers by members of the Bank's and CRN Group's ordinary and permanent management.

The remit of the General Management shall include all matters related to the ordinary business or dealings of the Bank. It shall be free to exercise all powers and functions granted to it in pursuit of this aim. These powers and functions must be listed in the corresponding public deed of attorney which must be established. The General Management may, to this end, take whatever measures are in the Cooperative's interest in accordance with the guidelines indicated and within the powers conferred on it.

The Managing Director's duties shall be those set out in his/her contract and in the general guidelines for action defined by the Governing Board. Within three months of the end of each financial year, he/she must present the financial statements and management report on the company to the Governing Board, for its report and subsequent consideration by the General Meeting.

He/she must also notify the Chairman of the Bank of any issue that he/she considers requires the convocation of the Governing Board and/or General Meeting or whose importance requires that it be made known to the Governing Board.

INTERNAL AREAS/DEPARTMENTS: OPERATING STRUCTURE

Under the supervision of the Managing Director, the Bank is structured into a number of Internal Areas/Departments which play a significant role in segmenting its different functions and areas of responsibility, contributing to effective internal governance of the Bank and CRN Group. Within their fields of responsibility, these Internal Areas/Departments can decide, report on, consult, coordinate or propose on all issues within their fields of activity or relating to their internal or business areas.

Specifically, Caja Rural de Navarra has created Internal Areas/Departments with responsibilities appropriate to their fields of activity, such as corporate governance, covered by the Legal and Tax Department and Compliance, control and risk management, covered by the Department of General Intervention and Risk, or business, covered by the Corporate Banking, Sales, Companies and Private Banking Departments, among others.

The Bank also has separate internal units addressing these functional areas, such as Human Resources, Organization and Technology, Advisory, Legal, Compliance, Internal Audit, General Intervention, Credit Risk Management, Equity Investments, Treasury and Markets and Housing and Property Assets.

The chart below (next page) summarises the Bank's structure:

3.3.2 INTERNAL CONTROL

Caja Rural de Navarra has a clear organizational structure and an appropriate operational management and control model.

1. Principles and responsible bodies

Caja Rural de Navarra has a clear organizational structure which includes an appropriate distribution of functions with well-defined, transparent and coherent reporting lines and which permits sound and prudent management of the Bank and CRN Group.

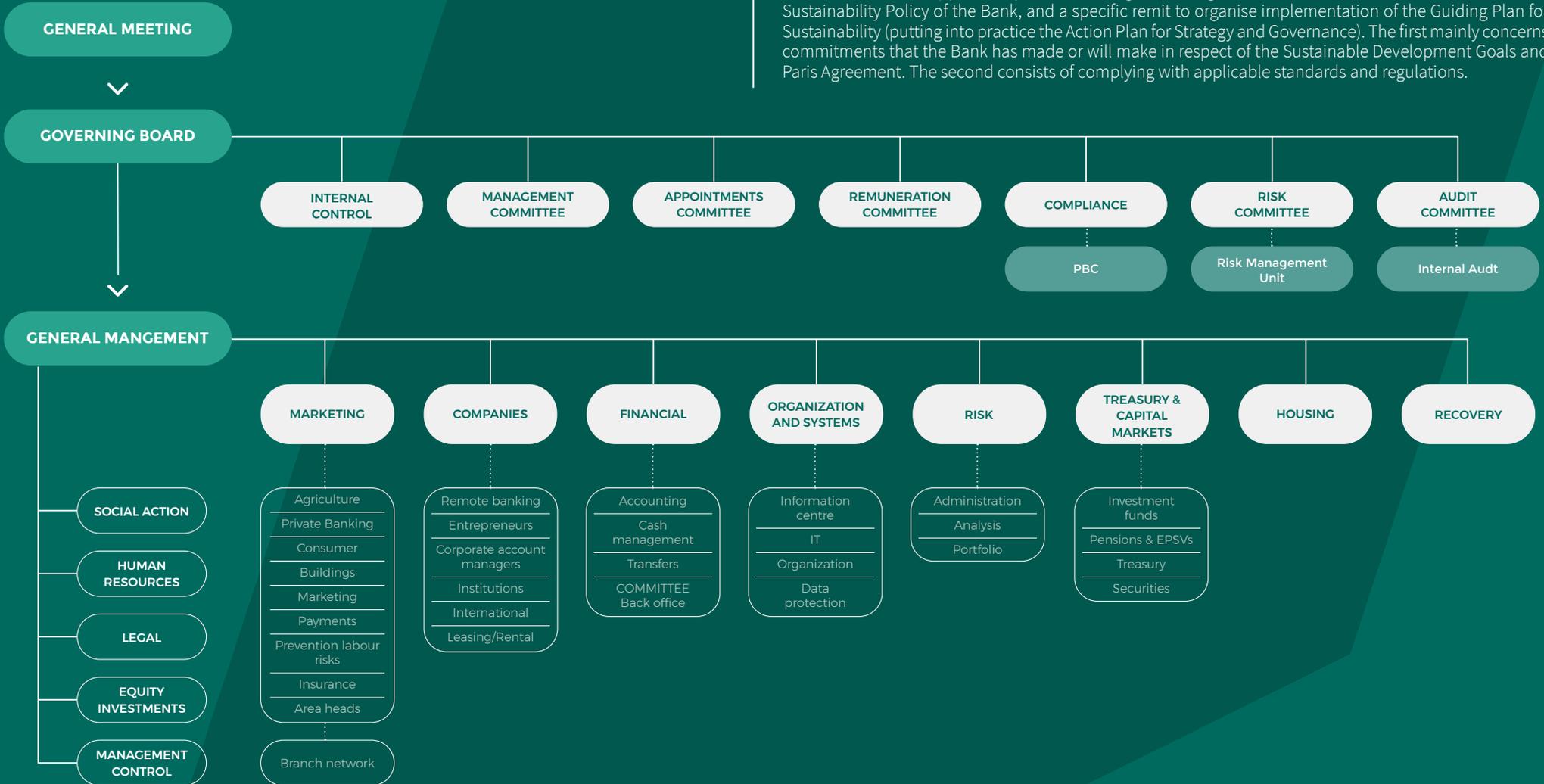
A key element is that the Company's internal control framework is tailored to the specific features of Caja Rural de Navarra's business, its complexity and the associated risks, and takes into account the context of the Bank and CRN Group.

CRN's internal control framework therefore rests on the following main principles:

- A well-defined and appropriate organizational and operational structure with an efficient internal control and governance framework.
- The creation of appropriate procedures for exchanging information between the Governing Board and Managing Director on the different business lines and between the Governing Board and heads of internal control through the Board's Internal Committees.
- A risk management and control model based on three lines of defence with differentiated functions and responsibilities.
- Segregation of functions, establishing the information barriers needed to ensure good governance.

Organization chart

The chart below summarises the Bank's structure:



In 2022, the sustainability function, which had already been operating in the Bank for some time, was put on a formal footing with the creation of the Sustainability Committee as a consultative body reporting to the Governing Board on sustainability issues. Caja Rural de Navarra's Sustainability Committee has two missions, both approved by the Governing Board: a general mandate to drive forward the General Sustainability Policy of the Bank, and a specific remit to organise implementation of the Guiding Plan for Sustainability (putting into practice the Action Plan for Strategy and Governance). The first mainly concerns commitments that the Bank has made or will make in respect of the Sustainable Development Goals and Paris Agreement. The second consists of complying with applicable standards and regulations.

- A comprehensive risk management framework covering all business lines and internal units.
- Procedures to ensure monitoring and control of the outsourcing of certain functions or departments based on the EBA/GL/2019/02 outsourcing guidelines.

The Governing Board of Caja Rural de Navarra is the body responsible for defining the general framework for internal control and risk management. The Audit Committee supports the Board in overseeing the effectiveness of internal control, internal audit, regulatory compliance and risk management systems and also liaises with the auditor on potential material weaknesses in the internal control system identified in the course of the audit, without impairing its independence. To this end, the Committee can put recommendations or proposals to the Governing Board and conduct regular follow-ups where appropriate.

The Risk Committee advises the Governing Board on the Bank's overall propensity to risk, current and future, and risk strategy.

2. The Bank's three lines of defence

The Bank's internal Control Framework is based on a decentralised structure that applies the three lines of defence model recommended by the Basel Committee on Banking Supervision (see diagram below).

The functions and responsibilities of each line of defence are as follows:



1ST LINE OF DEFENCE

Business unit

- Head of operational risk management in business areas.
- Reinforced by the separation of risk management from business areas.
- **Associated functions:**
 - Responsible for the identification, measurement or assessment, management, mitigation and communication of the key risks affecting the Bank in the conduct of its business.
 - Responsible for day-to-day risk management, especially of risks derived from its day-to-day operations.
 - Development of first level risk management control.

3RD LINE OF DEFENCE

Internal Audit

- Responsible for independent supervision of the application of controls and Internal Control Systems.
- **The Internal Audit Function assesses and checks:**
 - Whether the Internal Control Framework is efficient and effective.
 - Compliance with the policies and procedures associated with all activities.
 - Validation of procedures implemented for risk management areas.

2ND LINE OF DEFENCE

Risk management, Compliance

- Responsible for management and supervision of their respective areas of risk.
- **Associated functions:**
 - Responsible for setting up the Bank's Internal Control Framework and overseeing its compliance.
 - Risk measurement and monitoring to ensure appropriate control and internal/external reporting.
 - Review of compliance with policies and their integration into management practice.
 - Validation of procedures implemented for risk management areas.
 - Advises the 1st line of defence.

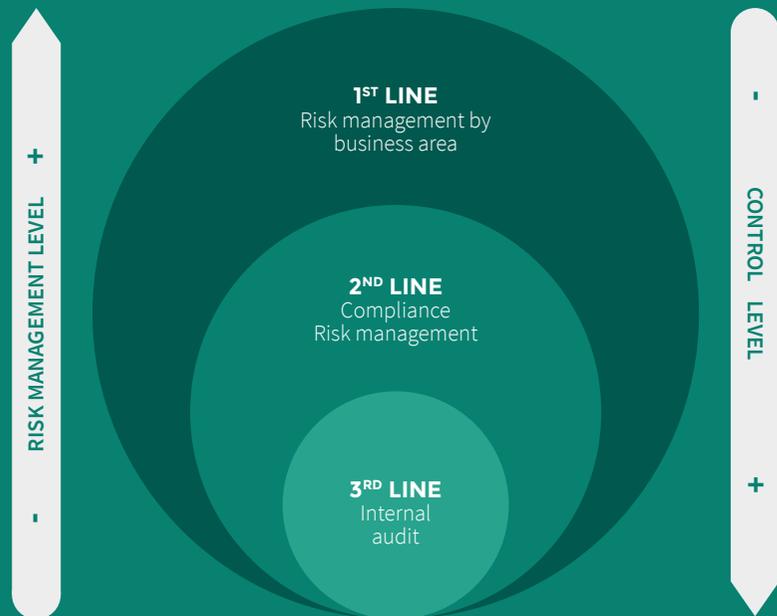
4TH LINE OF DEFENCE

External Auditors and Supervisors

- External auditors determine the Bank's compliance with required regulatory standards.
- **Regulator:** Bank of Spain, CNMV (stock market regulator), DGS (insurance regulator)



The chart below illustrates the interplay between these three lines of defence:



3. Internal control functions

Caja Rural de Navarra's internal control functions (risk management, regulatory compliance and internal audit) act separately and independently. They report to the Internal Committees or to the Bank's Governing Board itself, as a guarantee of their independence. Their role is to make sure that the policies, mechanisms and procedures laid down in the internal control framework are being correctly applied in their areas of competence.

For this purpose, the Governing Board ensures, with the help of the Audit and Risk Committees, that the heads of internal control functions can act independently and present recommendations or proposals.

Notwithstanding their reporting obligations within each business area or to other areas, internal control functions must also immediately report any significant case of regulatory non-compliance, incident or anomaly that they identify to the Governing Board, its Committees and the Managing Director.

1_ The Risk Management Function

The quality of our risk management is one of the Bank's hallmarks and a priority area of action. It is a differentiating factor in the running of the Bank which, through a combination of prudent policies and the use of different methodologies and procedures, helps generate sound and recurrent profits and a robust solvency position.

Note that the Bank is also a member of an Institutional Protection Scheme (as defined by EU Regulations), created as a tool for mutual support and defence between cooperatives in the Spanish Association of Cajas Rurales for the benefit of its members.

The Bank's Risk Management is conducted by the Risk Management unit which, reporting directly to the Governing Board via the Bank's Risk Committee as a guarantee of its independence, is charged with implementing all actions and procedures required to fulfil its functions.

To maintain its moderate and prudent risk profile, Caja Rural de Navarra monitors a set of key metrics for different risks, quality and recurrence of earnings, liquidity and solvency. Specific risk tolerance levels are defined for each of these metrics for the Bank and CRN Group. The most important metrics also include long-term targets. These targets and levels are updated and approved at least annually by the Governing Board on proposal of the Risk Committee.

All metrics come with an assigned target, tolerance and limit. In each metric, the target is the value achieved at a defined risk appetite. Tolerance is the (alert) threshold at which the Bank starts taking additional management, control and follow-up measures to get back onto target. The limit is the level that the Bank and the CRN Group never want to breach and, if attained, triggers decisive measures to get back to the Board's guidelines.

Regular reports are prepared for the Governing Board on risks taken and their breakdown, Caja Rural de Navarra's capitalization, risk measurement and control and the internal control system and whether it can guarantee orderly and prudent management of the Company's business and risks, with special focus on indicators and metrics approved under the Risk Appetite Framework and Recovery Plan.

2_Compliance Function

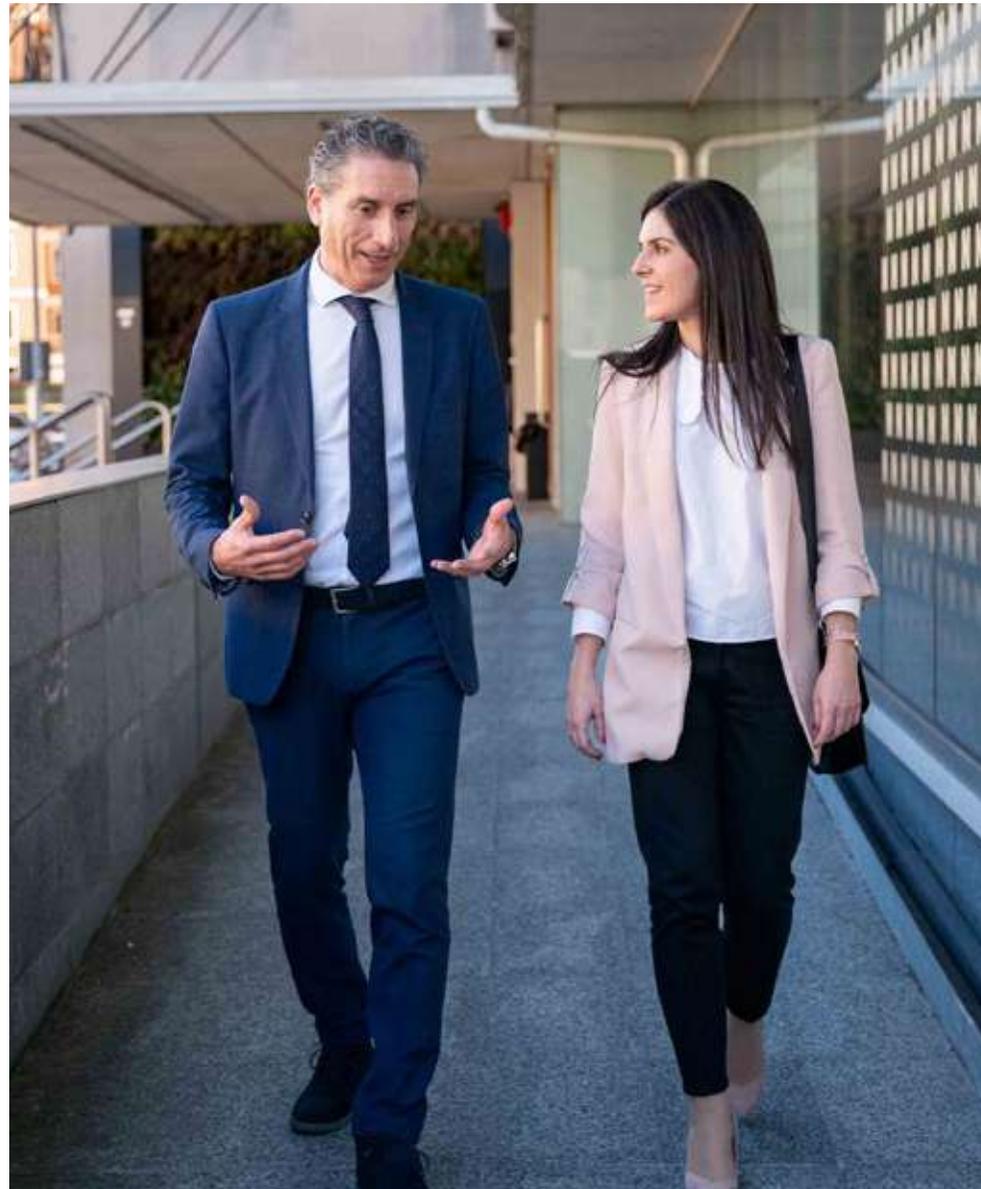
Caja Rural de Navarra is committed to strict compliance with all national and international regulations governing its activities and proper conduct and development of its business. To this end, it has a permanent and effective Compliance Function. The aim of the Compliance Function is to manage prevention and, where applicable, mitigation of risks, including financial, criminal and reputational risks that could arise if regulatory compliance fails to meet the standards required of a credit institution.

Regulatory compliance is conducted by the Compliance unit which, reporting directly to the Bank's Governing Board as a guarantee of its independence, is charged with implementing all actions and procedures required to oversee fulfilment of its obligations under regulations in force, acting independently of the services and activities it controls.

To this end, the unit has a Compliance Methodology and an Annual Action Plan approved by the Bank's Audit Committee. Also, the unit designs and maintains systems to identify the degree of compliance with different regulations, continually assessing the Bank's regulatory compliance and reporting on its work quarterly to the Audit Committee and annually to the Governing Board.

In turn, the Compliance Function supports the Governing Board on upcoming regulations to guarantee compliance with applicable laws, regulations and standards at all times.

Certain activities to guarantee regulatory compliance are directly managed through specialist units, with Compliance taking a coordination and monitoring role. These include Combating Money Laundering and Terrorist



Financing through Internal Control, personal data protection through the Data Protection Officer (DPO), customer protection in the distribution of banking and investment products through the Product Committee and criminal liability through Corporate Compliance.

3_Internal Audit

Caja Rural de Navarra has an independent and effective Internal Audit function, with the scope and resources to properly carry out its remit.

This function is fulfilled by the Bank's Internal Audit Department which reports directly to the Governing Board via the Audit Committee. To this end, an annual working plan is drawn up in coordination with the Committee. Its principle aims are to verify the existence and maintenance of an adequate and effective system of internal control, a system for measuring the different risks affecting the Bank's activities and appropriate procedures to oversee compliance with law, regulations and internal supervisory policies.

The Internal Audit Department reports regularly to the Audit Committee on the effectiveness of the Bank's and CRN Group's risk management policies, methods and procedures, ensuring that these are appropriate, implemented effectively and regularly reviewed.

4_Control of delegation or outsourcing of functions or services

Outsourcing is defined as any type of agreement between a credit institution and a service provider under which the provider performs a process, service or activity that would otherwise be done by the institution itself.

In the current environment, many institutions are considering outsourcing services or functions to a third party for a mix of reasons: to access specialist expertise not available in-house, to better scale up production models and/or to streamline unit production costs without sacrificing quality of service.

Outsourcing by its nature involves a number of underlying risks including operational, legal and compliance risks as well as reputational risks, concentration risks and country risk. Suppliers may fail to provide the outsourced services or the service may be interrupted. Their security systems may be inadequate. Employees could prove unreliable. Or they might fail to comply with applicable regulations. All these events can have serious consequences for the Bank in the shape of financial losses, regulatory sanctions or damage to its reputation.

The Bank writes systems for audit and control into all agreements that outsource any of its internal functions or activities to third parties, as required by applicable regulations on outsourcing and specifically by the EBA Guidelines on outsourcing arrangements EBA/GL/2019/02.

The Bank has an Outsourcing Policy which sets out appropriate procedures for the internal governance of outsourcing, identifies the associated risks and specifies how they should be managed. The Bank's Department of Intervention is responsible for this Policy.

There is also an internal "Outsourcing operating procedure", which incorporates all the rules and regulations applicable in this area. The procedure boils down the guidelines in the Bank's Outsourcing Policy into usable form for outsourcing services and functions, particularly essential or important services and functions. The procedure ensures

compliance with the internal governance process for outsourcing and sets out how to identify and manage the associated risks. It prescribes the pre-categorization of services and processes for their monitoring and control.

5_Product Committee

The Bank has product governance and monitoring policies and procedures in place, including appropriate internal control mechanisms. These make sure banking products and services are designed with the needs, characteristics and aims of the target market in mind and are marketed through appropriate channels.

Specifically, Caja Rural de Navarra has a Product Committee that operates in accordance with the Product Manual and whose core task is analysis and approval of new financial products and services, monitoring of the Bank's commercial strategy, and the review and approval of the policies, procedures and applications necessary for the marketing of the different products. The Manual regulates and controls, among other matters, the way to handle linked and combined sales of products to retail customers, in accordance with current regulations.

At the same time, it works as a method for orderly and effective management of the Bank's rules of Conduct regarding transparency and customer protection.

The Products Committee's organisation and functioning is governed by a Policy approved by the Bank's Governing Board.

6_Business Continuity Plans

CCaja Rural de Navarra has established a Continuity Plan that is defined as a continuous process of planning, development, verification

and implementation of procedures and recovery for emergency situations.

The process is designed to ensure the Bank's vital functions can be restored efficiently and effectively in the event of a major disruption to the IT and/or telecommunications resources in the Bank's main building, in compliance with the recovery windows established for each of the applications and services considered critical.

7_Customer Services Department

As required by regulations in force, the Bank has a Customer Services Department to deal with complaints and claims by our customers relating to their legally recognised interests and rights. The Bank approves the Internal Regulations of the Customer Services Department and appoints the head of department.

The Customer Services Department is there to attend to and resolve complaints and claims by customers where these are grounded in legally recognized rights and interests derived from contracts, transparency regulations, customer protection rules or good financial usage and practice.

The role of the Department is not limited to resolving complaints and claims by customers. It also presents reports, recommendations and proposals to the Management where, in its view, these can potentially reinforce the good relations and mutual trust that should exist between the Bank and its customers. Finally, the Department has a responsibility to check that financial business is conducted in accordance with rules on transparency of banking operations and customer protection.

3.3.3 CORPORATE CULTURE

1. Code of Conduct and other rules of conduct at Caja Rural de Navarra

The Bank's Governing Board defines the Bank's corporate principles and values. These are then set out in the Company's internal procedures and rules of conduct.

In particular, the Bank has its own Internal Rules of Conduct, the purpose of which is to regulate the actions of the Bank, its governing bodies and its employees in accordance with regulations in force on insider trading, so as to promote transparency in the securities markets and safeguard the interests of market users at all times.

Caja Rural de Navarra also has a Code of Conduct for Managers and Employees. The Code of Conduct's main purpose is to instil confidence in members, customers, employees and the wider community by ensuring the Bank acts at all times in an ethical manner that meets their expectations and deepens existing relationships.

These core documents on standards of conduct are expanded on and supplemented by other internal provisions and procedures such as the Principles of Action for the Prevention of Criminal Risks, part of its policy of zero tolerance for behaviour that is illegal, prohibited or contrary to banking best practice, and the prevention of money laundering and terrorist financing, all within the framework of the Bank's commitment to promoting an ethical corporate culture, compliance and responsible behaviour within the Company.

2. Criminal Compliance Management System

On 23 September 2016, the Bank's Governing Board approved the draft of an initial Model for the Prevention of Criminal Risks, which would apply to the Bank, its associates and subsidiaries, and which met all the requirements in Article 31a of the Spanish Criminal Code on models for preventing crime and reducing criminal risk.

This model was transformed into a Criminal Compliance Management System (CCMS) in line with the UNE 19601 standard on Criminal Compliance Systems and approved by the Governing Board on 25 October 2019. The criminal compliance body is responsible for managing and overseeing the CCMS as well as the Bank's Ethics Channel.

The new CCMS is based on a Criminal Compliance Policy whose principles are available to the public and other stakeholders on the Bank's website and which, like the old Model for the Prevention of Criminal Risks, also applies to the following controlled entities: Informes y Gestiones Generales S.A., Tax ID number A31437635 and Promoción Estable del Norte S.A. Tax ID number A31663651, as companies discharging activities complementary to those of Caja Rural de Navarra.

Convinced that the CCMS was both robust and effective, in 2020 the Bank had the system independently audited by AENOR, resulting in the award on 18 May 2021 of the Certificate confirming the Bank has a Criminal Compliance Management System in place in accordance with UNE 19601:2017, as revised on 17 May 2022.

3. Policy on conflicts of interest

Caja Rural de Navarra's Governing Board is obliged to define a system for corporate governance that

guarantees sound and prudent management of the Company and, among other matters, addresses the issue of conflicts of interest.

Caja Rural de Navarra has put in place a series of measures to identify those types of conflict of interest that could potentially arise in the course of its relationships and put in place procedures to manage them and ensure business is conducted independently and without harming the interests of the customers or the Bank itself.

To this end, the Bank has a Policy on the Management of Conflicts of Interest approved by the Governing Board. This Policy provides for a register of all different types of conflict that could seriously damage the interests of one or more customers and which have arisen or may arise in relation to regulated services or business activities. The register also identifies and documents conflicts of interest related to the structure and sales practices that may arise due to the different services and transactions that the Bank engages in.

The organizational and functional structure of the Bank provides appropriate segregation of functions which allows it to conduct activities that could potentially give rise to conflicts of interest, by persons or segregated areas, while avoiding undue interference.

This segregation is complemented by the establishment of barriers to information between the functional departments or areas vulnerable to the potential conflicts of interest identified.

The main areas where it was felt likeliest conflicts of interest could occur are as follows:

Relationships of Governing Board members with the Bank. To address this risk, the Governing Board's Rules of Procedure specify the duties and

prohibitions that Board members must comply with to exercise their role in accordance with the Bank's good governance guidelines.

Employees and Executives with the interests of customers and the Bank. Both groups must tailor their actions to the policies and procedures that govern the different areas/departments and comply with the principles in the Code of Conduct for Executives and Employees referred to in section A above. The same Code of Conduct contains the principles of action and rules to prevent employees acting in ways likely to produce conflicts of interest, whether with customers or with the Bank itself, especially in the area of targets and variables.

Related Party finance. Caja Rural de Navarra has Policies on Credit Risk, including definitions and reporting and control requirements for such financing transactions, which in any case must be done on an arm's length basis.

The Bank has policies and procedures in place for granting loans, pledges and guarantees to members of its Governing Board and their related parties and to its General Managers or similar senior staff. All documentation on these loans is made available to the Bank of Spain and is passed to the supervisor when standards require. These policies govern the processes of pre-authorisation by the Bank of Spain or immediate notification, as applicable.

Remuneration: The Bank's Remuneration Policy contains the principles of action and rules to prevent employees acting in ways likely to produce conflicts of interest, whether with customers or with the Bank itself, especially in the area of targets and variables.

The Policy governs, among other matters, the parameters to be applied when remunerating

people involved in the marketing of banking products and services. The Bank's Policy is aimed at encouraging responsible conduct, and promotes sound and effective risk management, with no incentives to take risks that exceed the Bank's risk tolerance. It also seeks to ensure fair treatment for customers and to avoid conflicts of interest.

The Bank also has another Remuneration Policy especially for Directors.

Outsourcing of services: The Bank has a policy of outsourcing services in line with the EBA/GL/2019/02 Guidelines on outsourcing arrangements, including checks to identify and manage any possible conflict of interest in the contracting of external services.

4. Confidential channels for 'whistleblowing' and communication

To promote its values throughout the organization and create a structured path for the resolution of ethical dilemmas that may arise, the Bank has created an Ethics Channel for employees and third parties. Both groups can use this to securely and confidentially report any potential irregularities so that they can be investigated and studied by the competent bodies, with the aim of preventing inappropriate or unauthorised actions or conduct. This is in addition to the ordinary internal control and review work instituted by the Company.

Suggestions and queries related to possible violations of the regulations can also be raised through the Ethics Channel.

The Bank has an Ethics Channel Regulation, approved by the Governing Board, which sets out the procedure for using it as a communication channel to receive complaints.

5. Sustainability strategy

The Bank has a Sustainability policy and strategy approved by the Governing Board on 29 October 2021.

The General Principles of Caja Rural de Navarra's Sustainability Plan are based on aligning its business and financial services with social and environmental objectives, embedding a culture of long-term thinking and continuous improvement, and with long-term management that respects stakeholders.

Alignment is achieved thanks to the following sustainability principles around which the policy revolves:

1. Establish a fair, transparent and service-oriented corporate governance system, with prudent and balanced risk management.
2. To advance in our measures to protect the environment by integrating the Sustainable Development Goals (SDGs) into our business model and the Bank's management. Taking as a reference the principles promulgated by the United Nations, the Paris Agreement on Climate Change, the Action Plan of the European Commission on Sustainable Finance and the European Green Deal.
3. To responsibly and efficiently manage the supply chain, incorporating circular economy principles.
4. To develop products, services and initiatives for action, internal and external, that focus on the environment and the decarbonization of the economy and that therefore help curb climate change and its consequences.
5. To defend human rights, combat poverty and create policies to promote equality and financial inclusion.

6. To promote personal and professional development for all employees.

7. To maintain the Caja Rural Group's leadership role in sustainability.

3.4 CORPORATE CULTURE

Staff and governance bodies in Caja Rural de Navarra share a **Mission**, a **Vision** and **Corporate Values** that lend coherence to the Organization's behaviour.

The Corporate Social Responsibility Code of Conduct is a guide to the principles and duties that must govern all actions by employees and the Bank itself, forming part of the corporate culture.

In the last two years Caja Rural de Navarra has conducted an exhaustive investigation into its brand, with a qualitative and quantitative study involving customers, non-customers and employees of the organisation. The Bank has developed a new Brand Centre to comprehensively

define the two brands (Caja Rural de Navarra and Rural Kutxa), coordinate strategy, define the corporate offering, mission, vision and values, brand personality, its archetype and the brand pillars that make it up.

The four pillars on which brand transformation has been based are:





1 Local

Caja Rural de Navarra/Rural Kutxa continues to count on its **local model** and the human factor. We count on the **confidence and transparency** of being a local institution offering personal advice, because *we are people who work for people*.

2 Modernise without losing the essential

Caja Rural de Navarra/Rural Kutxa has retained its local model and advice, **social commitment** in our environment and the **security** of being a stable solvent bank.

3 Accessible

Personal advice and **social commitment** are key pillars of the Bank's operations and it also provides **digital channels** that simplify and digitise processes to support growth and development in all the communities where it is active.

4 Promote future growth and development

Life evolves and changes and Caja Rural de Navarra/Rural Kutxa offers **new forms and focuses to make life easier for their customers**. This is all based on the premise of **consistency over time and social responsibility**.

THE ELEMENTS CONTRIBUTING TO CORPORATE CULTURE ARE:

Our offering:

The offering of Caja Rural de Navarra/Rural Kutxa is its reason for existence and the guiding light for the Bank's strategy.

“ Construct relationships of trust and transparency with our customers to support them in their growth and economic and social well-being **”**

Our tagline:

The “tagline” of Caja Rural de Navarra/Rural Kutxa is the phrase that embodies our philosophy and the values that sum up the Bank's essence. It is something intrinsic to our existence.



Our Mission, Vision and Values

The mission, vision and values of Caja Rural de Navarra/Rural Kutxa determine its business model, working philosophy and how it relates to its environment.

They are key elements of its culture. Its principles influence the business strategy and business model and determine the Bank's working philosophy and how it relates to its internal and external stakeholders.



Mission:

To improve people's future, with best-in-class personal advisory and digital service to the customer, being a benchmark in socially responsible banking.

Vision:

Support our customers' financial and social development, showing we are a solid and solvent financial institution that is always there for you, because behind Caja Rural de Navarra/Rural Kutxa are people you can trust.

Values:

1. Reliable and stable

We are a solvent financial institution in the Spanish financial system licensed to administer government lending package which provides stability and credibility to its customers and members



2. Socially committed

We take seriously our social responsibility and how we can support the environment and help develop our region, as we know that the community and culture is a valuable asset that needs preserving.



3. Local

Our fundamental value is proximity and familiarity to our customers, getting to know them as people and dealing with them on a personal basis, thanks to our deep roots in the local community.



3.5 EQUITY INVESTMENTS

EQUITY INVESTMENT POLICY

Traditionally, Caja Rural de Navarra has maintained a portfolio of equity investments in the field of finance and in other business sectors.

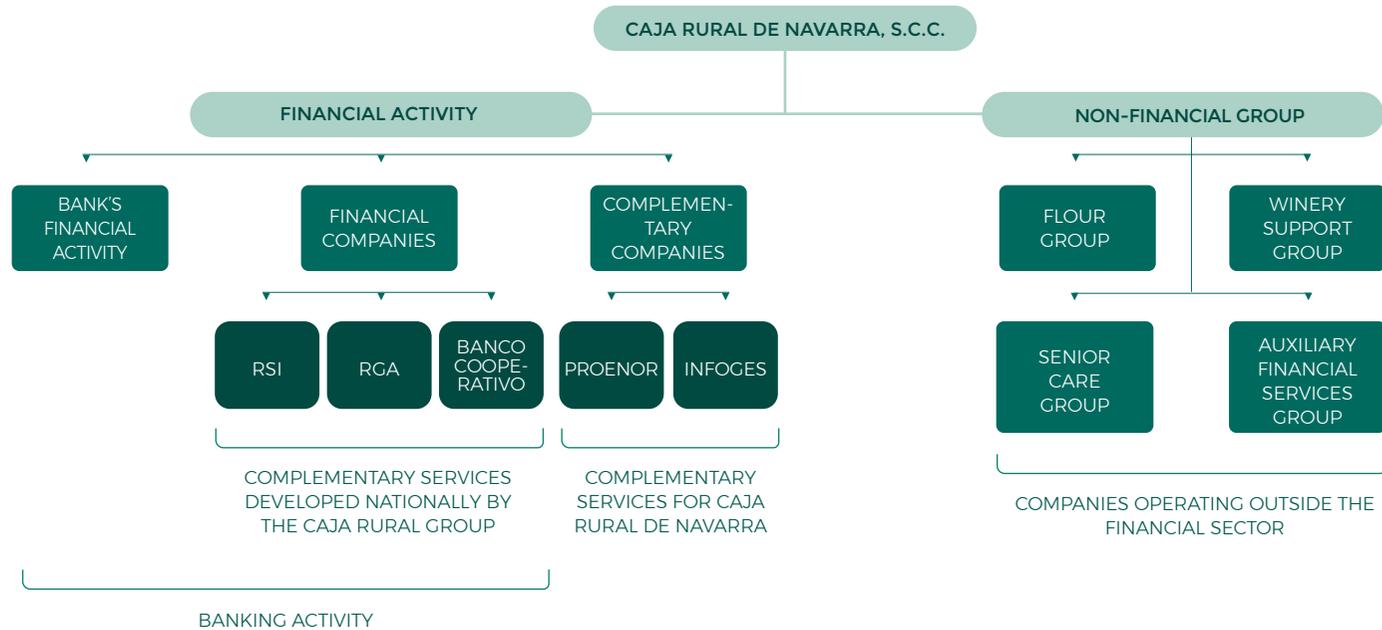
One of Caja Rural de Navarra’s defining features is the rooting of its financial activities in its regional environment, with its proximity to cooperative members and customers as the nucleus of its operations.

Every day, Caja Rural de Navarra receives requests to invest in companies in various sectors and, through its activity and that of its equity investments, also analyses opportunities for innovation and/or growth.

As a financial entity with a dense presence in its community, **Caja Rural de Navarra bases its investment or divestment decisions on the following fundamental criteria:** (i) avoiding any distortion of sector competition and recurrent activities of its cooperative members and customers; (ii) supporting the regional economy in an omnidirectional form, but with special relevance to the agri-food and agri-industrial sector reflecting its historical origins; (iii) verifying the viability and profitability of the business being analysed, and, (iv) creating synergies with the operations of Caja Rural de Navarra and/or its equity investments.

Caja Rural de Navarra carries on its financial business in the Basque Country, La Rioja and Navarre. But the industrial or services activities of its equity investments are global in reach and some of these companies export very significant percentages of their output.

We divide the activities of Caja Rural de Navarra’s equity investments into companies in the financial sphere, support companies for the financial business and non-financial business groups (see chart):



According to the Bank of Spain circular, for an equity investment to be classed as a “qualifying holding” an institution must own at least 10% of its capital or voting rights. Exercising significant influence over management is defined as appointing at least 20% of the Board. Caja Rural de Navarra has equity investments in different percentages. But its investments in its complementary services and non-financial businesses are usually controlling. Exceptions to this rule are attributable to policies to support a newly emerging area, an also in companies that are jointly owned by the Grupo Cooperativo de Cajas Rurales to provide shared services (A single company, Rural de Servicios Informáticos, runs the data processing centre for all the Rural

Credit Cooperatives, and also provides the same services to third parties, such as shared insurer RGA).

Companies offering complementary services at national level provide the Caja Rural Group with a way to act efficiently despite the regional size of each of its member Banks individually. They also offer their services to other small-scale or foreign financial firms.

The companies provide non-financial but related services to Caja Rural de Navarra or its customers across the same regional footprint as Caja Rural de Navarra.

Of the companies comprising the **Caja Rural de Navarra Group**, we distinguish between those wholly owned by the Bank and **fully consolidated in the annual financial statements** (classed as subsidiaries in the table below) and those which the bank does not control and which are reported in the financial statements by other methods (associates or equity investments) in financial and other business sectors. The table below sets out the companies comprising the Group at end-2022, by business area:

COMPANY	STATUS
FOOD	
Cereal transformation	
HARIVENASA, S.L.	Subsidiary
ESPIGA I&D ALIMENTARIA, S.L.	Subsidiary
HARINERA DEL MAR, S.L.U.	Associate
HARINERA LA META, S.A.U.	Associate
MHM GRUPO, S.L.	Associate
CERELIA AGRO	Associate
HRVS Eood	Associate
Vineyards and wineries	
RIOJA VEGA, S.A.	Associate
PRINCIPE DE VIANA, S.L.	Associate
BOUQUET BRANDS, S.A.	Subsidiary
EXCLUSIVAS BAHÍA DE CÁDIZ, S.L.	Subsidiary
INDUSTRIA TONELERA DE NAVARRA	Subsidiary
TONNELLERIE DE L'ADOUR	Subsidiary
MERRANDERIE DE L'ADOUR	Subsidiary
Dairy	
IPARLAT	Associate
Support for Cooperatives, Farmers and Stock-raisers	
SERVICIOS EMPRESARIALES AGRO INDUSTRIALES, S.A. - SENAI	Associate
ECOLOGICAL TRANSITION, RENEWABLE ENERGY	
Renewable energy generation	
COMPAÑÍA EOLICA DE TIERRAS ALTAS	Associate
RENOVABLES DE LA RIBERA	Associate
MINICENTRALES CANAL BARDENAS	Equity investment
RURAL ENERGIAS ARAGONESAS, S.A.	Associate
IBERJALON	Associate
RURAL DE ENERGIA DE TIERRAS ALTAS, S.A.	Associate
Poplars	
BOSQALIA	Associate

COMPANY	STATUS
REAL ESTATE	
Rental of state-subsidized housing	
ERROTABIDEA, S.L.	Associate
PROMOCION ECONOMICA REGIONAL	
Venture capital and seed finance	
START UP	Equity investment
Mutual guarantee societies (Sociedades de garantía recíproca)	
SONAGAR	Equity investment
ELKARGUI	Equity investment
IBERAVAL	Equity investment
CARE	
Senior care	
SOLERA ASISTENCIAL	Subsidiary
SOLERA NAVARRA	Subsidiary
TORRE MONREAL	Subsidiary
SERESGERNA	Subsidiary
ENGINEERING	
Civil engineering and testing	
LABORATORIOS ENTECSA	Associate
IGEO2	Associate
AREA OF SUPPORT SERVICES FOR CAJA RURAL'S BUSINESS	
Real estate	
PROMOCIÓN ESTABLE DEL NORTE	Subsidiary
Complementary services	
INFORMES Y GESTIONES GENERALES	Subsidiary
INFORMES TÉCNICOS Y VALORACIONES GENERALES	Subsidiary
BANCO COOPERATIVO ESPAÑOL	Equity investment
SEGUROS GENERALES RURAL, S.A. DE SEGUROS Y REASEGUROS	Equity investment
GRUCAJRURAL INVERSIONES	Equity investment
ESPIGA CAPITAL INVERSIÓN	Equity investment
ESPIGA CAPITAL INVERSIÓN II	Equity investment
ESPIGA EQUITY FUND	Equity investment
RURAL SERVICIOS INFORMÁTICOS	Equity investment
DOCALIA	Equity investment

Annex II contains details of the Non-Financial Statements for 2022, covering the Group scope (full consolidation), in accordance with Act 11/2018.

In 2020, the Governing Board of Caja Rural de Navarra approved the “Policy and procedures for investing in equity investments” which defines issues relating to the following actions in this group:

- 1 Scope and general principles
- 2 Limits on equity investments
- 3 Approval
- 4 Planning and monitoring
- 5 Management and control
- 6 Dividend policy
- 7 Divestment procedure

Each quarter, the Governing Board receives a report on key figures and management of the equity investments, and further reports wherever significant events of any kind so require. The General Management is responsible for more detailed management oversight

3.6 KEY FIGURES

Caja Rural de Navarra key figures

	2017	2018	2019	2020	2021	2022
TURNOVER						
Total assets	11,557,130	12,038,254	12,945,945	15,632,289	16,073,014	15,996,801
Shareholders' equity	1,018,716	1,092,019	1,176,846	1,261,282	1,349,392	1,506,057
Customer deposits	7,533,517	8,020,973	8,741,063	10,211,373	10,281,452	10,957,191
Loans and advances to customers	7,315,406	7,781,407	8,127,188	9,266,436	9,375,082	9,495,886
SERVICES						
Branches	250	252	253	254	254	255
ATMs	302	312	316	322	316	320
PEOPLE						
Number of employees	959	965	963	948	947	956
PROFIT						
Net interest income	142,907	138,135	145,467	148,976	142,709	163,333
Gross income	217,372	206,911	222,115	214,270	229,915	255,422
Administrative expenses	86,322	88,971	87,389	89,447	93,010	97,102
Income from operating activities	90,557	N/A (1)	N/A (1)	N/A (1)	N/A (1)	115,163
Profit before tax	86,792	91,250	85,153	81,392	88,262	66,460
DISTRIBUTION OF WEALTH GENERATED						
1. Directly generated economic value	278,345	229,554	247,063	241,767	258,364	289,547
Gross income (excluding other operating expenses)	274,425	223,058	242,969	239,368	253,964	284,594
Proceeds of sales, property and equipment and foreclosed assets	3,920	6,496	4,094	2,399	4,400	4,952
2. Distributed economic value	143,820	118,496	119,081	126,991	127,733	140,986
Payments to suppliers (operating expenses)	83,248	43,525	47,409	52,288	52,206	56,396
- Other general administrative expenses	35,620	37,340	35,831	36,047	37,776	39,827
- Other operating expenses	47,628	6,184	11,578	16,241	14,430	16,569
Personnel expenses	50,702	51,631	51,558	53,400	55,234	57,275
Income tax	-1,518	11,793	9,163	10,768	8,987	12,876
Interest on investment capital	1,963	1,585	1,676	1,678	1,688	1,837
Investment/Donations to the community	9,425	9,963	9,275	8,857	9,619	12,603
- Education and Development Fund (EDF)	9,425	9,963	9,275	8,857	9,619	12,603
3. Retained economic value (1-2)	134,525	111,058	127,981	114,777	130,631	148,560

Financial information used for key figures has been extracted from the audited annual financial statements, which can be found at: www.cajaruraldenavarra.com (Institutional information)

CAJA RURAL DE NAVARRA CONSOLIDATED GROUP – KEY FIGURES

Companies comprising the Caja Rural de Navarra Group, which are wholly owned by the Bank and consolidated in the financial statements.

	2017	2018	2019	2020	2021	2022
TURNOVER						
Total assets	11,726,238	12,202,865	13,133,114	15,849,799	16,333,118	16,097,105
Shareholders' equity	1,049,187	1,122,515	1,223,266	1,313,888	1,409,555	1,557,086
Customer deposits	7,524,305	8,011,914	8,729,469	10,198,137	10,261,080	10,939,238
Loans and advances to customers	7,334,762	7,789,185	8,176,553	9,313,939	9,446,163	9,500,293
PROFIT						
Net interest income	140,947	135,957	143,634	147,007	140,924	160,065
Gross income	278,719	276,758	293,966	288,760	306,710	344,114
Administrative expenses	141,274	150,334	151,605	152,364	157,598	175,041
Income from operating activities	89,304	N/A (1)	N/A (1)	N/A (1)	N/A (1)	110,469
Profit before tax	92,418	93,502	98,449	86,935	91,386	69,512
DISTRIBUTION OF WEALTH GENERATED						
1. Directly generated economic value	557,151	534,622	556,801	560,597	633,825	783,584
Gross income (excluding other operating expenses)	553,231	528,126	552,707	558,197	629,425	778,632
Proceeds of sales, property and equipment and foreclosed assets	3,920	6,496	4,094	2,399	4,400	4,952
2. Distributed economic value	416,781	415,866	422,594	435,666	492,501	625,114
Payments to suppliers (operating expenses)	334,442	316,211	324,151	333,759	388,548	508,890
- Other general administrative expenses	69,355	74,806	74,685	73,179	75,452	86,976
- Other operating expenses	265,087	241,405	249,466	260,580	313,096	421,914
Personnel expenses	71,919	75,528	76,920	79,185	82,146	88,065
Income tax	-968	12,579	10,571	12,187	10,501	13,719
Interest on investment capital	1,963	1,585	1,676	1,678	1,688	1,837
Investment/Donations to the community	9,425	9,963	9,275	8,857	9,619	12,603
- Education and Development Fund (EDF)	9,425	9,963	9,275	8,857	9,619	12,603
3. Retained economic value (1-2)	140,370	118,756	134,207	124,930	141,323	158,471
Public Subsidies received	920	1,068	1,067	161	252	1,009

3.7 INFORMATION PROVIDED IN COMPLIANCE WITH REGULATION EU 2020/852 CONCERNING ENVIRONMENTALLY SUSTAINABLE ECONOMIC ACTIVITIES

accordance with European Commission Delegated Regulation EU 2021/2178 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation, Caja Rural de Navarra presents below the required disclosure including key quantitative results indicators and qualitative information to support this information and the market's understanding of these indicators.

In any event, the present section must be read alongside the rest of the information contained in this CSR Report and Non-financial Statements.

3.7.1 Proportion in total assets of exposures to Taxonomy non-eligible and Taxonomy-eligible economic activities.

Note that all figures reported in this section on the taxonomy are gross carrying amounts for all items (as recommended by the European Commission). Note too that exposures to undertakings that are not obliged to publish non-financial information pursuant to Articles 19a or 29a of Directive 2013/34/EU have been deducted from the balance of eligible assets.

No comparable figures are given for end-2021 (in this section or the next) since the methodology used to calculate the eligibility of exposures to legal persons and identify the obliged organisations changed this year, meaning that figures are not comparable across the two years. Similarly, there is no published data from legal entity counterparts

prior to this date, which makes it impossible to construct a pro-forma comparison base.

Methodology: To measure total eligible assets in terms of exposures to legal persons, the Bank used an external service provider to collect eligibility data published by the obliged counterparties on eligible Turnover and Capex. Also included as eligible was the whole portfolio of loans and advances to households, for property and vehicle purchases essentially. Exposures to counterparties that might have been eligible based on their activity but are excluded from eligibility as they are

not obliged to publish non-financial information under European law have been deducted from the total eligible assets based on the above criteria.

On this point, it should be noted that in the case of subsidiaries of parent companies or heads of group that are obliged to publish non-financial information, based on its interpretation of the standard the Bank assigns them the eligibility data published by the parent. Similarly, exposures to sovereign issuers, the trading book, Central Banks and supranational issuers (Delegated Regulation EU 2021/2178 7.1) and other items specified in the

same Regulation, have been excluded from the numerator and denominator.

Regarding companies that are not obliged to publish non-financial information under Articles 19a or 29a of Directive 2013/34/EU, foreign organisations or issuers of non-Spanish securities which provide no balance sheet or employee figures and whose obligation cannot therefore be evaluated are treated as non-obliged and hence ineligible. Off-balance sheet exposures are not included.

3.7.2 Proportion in total assets of exposures to central government, central banks and supranational issuers, derivatives and the trading book

Methodology used: This figure was calculated by adding together exposures in the Bank's following asset items:

- Central government
- Central banks
- Supranational issuers
- Derivatives and trading book (classed as non-eligible).

3.7.3 Proportion in covered assets of exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU

Methodology and criterion: This figure is derived by adding together exposures to legal entities with fewer than 500 employees in the last year on which data is available. It also applies the specific issue with identification explained in 1.1.

In thousands of euros	CAPEX	TURNOVER
GAR – covered assets in numerator or denominator	4,532,406	4,529,608
Total GAR	12,979,725	12,979,725
Total assets	16,381,272	16,381,272
% Eligible/Covered assets	34.92%	34.90%
% Eligible/Total assets	27.67%	27.65%

Table for section 3.7.1.

In thousands of euros	Amount	% Total assets
Sovereign issuers (local and central govt. & supranational)	3,095,149	18.89%
Central bank exposures	300,033	1.83%
Other trading book and trading derivatives	6,365	0.04%
Total assets	16,381,272	20.76%

Table for section 3.7.2

In thousands of euros	Amount	% Total assets
Financial companies	1,088,702	8.39%
Non-financial companies	4,099,740	31.35%
Counterparties in non-EU countries not obliged to disclose non-financial information	0	0.00%
Total assets	12,979,725	39.74%

Table for section 3.7.3

3.7.4. Proportion in covered assets of non-trading derivatives portfolio and on demand inter-bank loans

Methodology: This figure was calculated by adding together exposures in the Bank's following asset items: "On-demand interbank loans" and "Hedging derivatives".

All balances in previous sections are gross figures.

In thousands of euros	Amount	% Total assets
Hedging derivatives	454	0.00%
On-demand interbank loans	636,121	4.90%
Total GAR assets	12,979,725	4.90%

The Bank has a range of investment and financing products designed to channel capital flows into sustainable investments, which in the Bank's view will promote sustainable and inclusive growth. In addition to the specific features of each of these products, it is a primary aim of the Bank to promote the development of the region where it operates, thereby contributing actively to inclusive growth by facilitating access to banking services for populations and customers at risk of social exclusion.

To help manage the financial risks associated with climate change, natural disasters, the deterioration of the environment and social problems, the Bank has developed a range of initiatives including the following:

- **Obtaining energy efficiency certificates for almost the whole of the mortgage portfolio.** Mortgages make up around 50% of the Bank's total loan book and the Bank considers it important to establish how far the collateral underlying the mortgage portfolio meets European Taxonomy criteria, as a way

to monitor and manage potential climate risks, both physical and transitional, particularly in areas such as funding rehabilitation of buildings to improve energy efficiency. Certificates are based either on direct information provided by customers, which has been automatically analysed by the Bank's systems for all new transactions since 2019, or on official records held by appraisal company Sociedad de Tasación. Sociedad de Tasación has also run

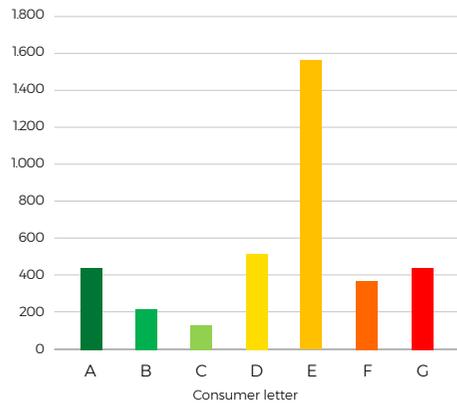
a simulation of the certification process (for certifiable classes of property) on buildings that lack official certification.

Using the above methods the Bank obtained information on 75% of its mortgage portfolio (48,011 loans at end-December 2022) which it then ranked by the energy efficiency classification of the underlying properties. Of these, 61% are ranked based on estimates made by Sociedad de Tasación and 39% on data obtained individually from the borrower or searches of official records.

The rankings of the mortgage portfolio by energy efficiency certificates are as follows:



Value of mortgages (Millions of euros) by energy efficiency rating



Note: No information on energy efficiency ratings is available for 30% of mortgages.

The Bank also assesses the impact of physical risks on its mortgage portfolio from river and sea flooding, fire, earthquakes and desertification, again using Sociedad de Tasación data.

At the end of 2022, Caja Rural de Navarra and Sociedad de Tasación continue to work on completing the data set on physical risks.

The table below shows data for physical risks to the mortgage portfolio available at February 2022.

BUILDINGS		
Risk of river flooding	n°	%
No reported risk of flooding	40,703	89.5%
Zone at high risk of flooding (10 years)	540	1.2%
Zone at frequent risk of flooding (50 years)	978	2.2%
Zone at average or occasional risk (100 years)	1,365	3.0%
Zone at low or exceptional risk (500 years)	1,868	4.1%
Total	45,454	

BUILDINGS		
Risk of sea flooding	n°	%
No risk of flooding	45,135	99.3%
Zone at average or occasional risk (100 years)	303	0.7%
Zone at low or exceptional risk (500 years)	16	0.0%
Total	45,454	

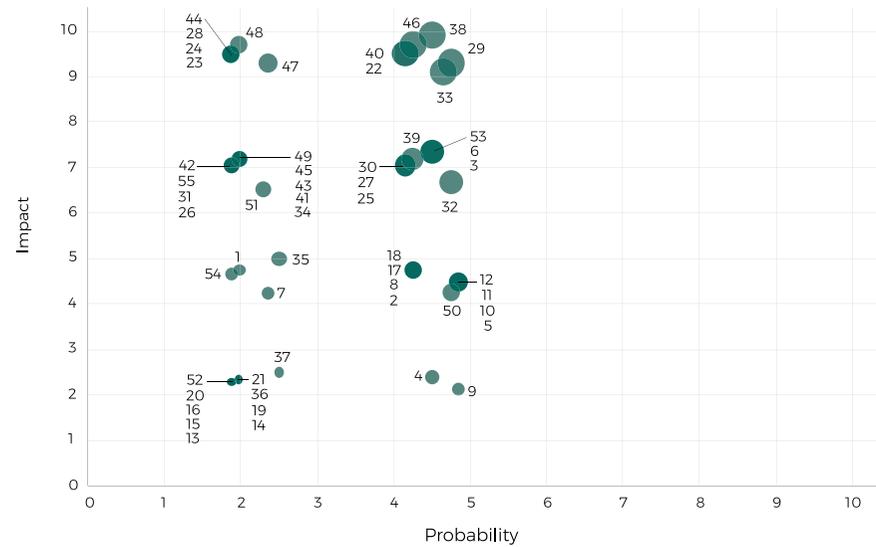
BUILDINGS		
Risk of desertification	n°	%
Very high	29	0.1%
High	1,072	2.4%
Average	1,860	4.1%
Low	6,427	14.1%
Water layers		0.0%
Urban	3,154	6.9%
Wetlands	32,912	72.4%
Total	45,454	

BUILDINGS		
Seismic risk	n°	%
Very high	121	0.3%
High	25,325	55.7%
Average	12,737	28.0%
Low	7,271	16.0%
Total	45,454	

BUILDINGS		
Risk of fires	n°	%
1 to 5	10,426	22.9%
6 to 10	7,825	17.2%
11 to 25	11,872	26.1%
26 to 50	11,287	24.8%
51 to 100	1,949	4.3%
101 to 500	2,086	4.6%
501 to 1,000	6	0.0%
1,001 to 1,511	3	0.0%
Total	45,454	



► **Materiality self-assessment:** the Bank carries out regular materiality self-assessments through a questionnaire that quantifies the potential impact and probability of the key ESG risks.



Category	N1	IMPACT	N2	IMPACT	IMPACT	LIKELIHOOD	TIME HORIZON	SEVERITY
E. Environment and climate change	1	Non-compliance with regulations or standards	1	Non-compliance with environmental and/or climate-related regulations / sectoral best practices.	4.75	1.98	3.00	9.38
			2	Slow adaptation to the new regulatory environmental and/or climate-related requirements	4.75	4.25	3.00	20.19
	2	Lack of a consolidated environmental and/or climate-related risk management system	3	Failure to include the environmental and climate change risks in the estimation of different financial ratios and risks; particularly with regard to credit risk (granting, monitoring, pricing and collaterals), market (instrument valuation), operational and others.	7.35	4.50	3.00	33.08
			4	Lack of or limited integration of an environmental operational efficiency strategy	2.40	4.50	3.00	10.80
			5	Lack of or limited control environment for the adaptation and mitigation of the impacts resulting from climate change	4.50	4.85	3.00	21.83
			6	Lack of environmental or climate change-related factors in the company's financing and investment policies	7.35	4.50	3.00	33.08
			7	Depreciation of balance sheet assets as a result of physical or regulatory risks	4.25	2.35	3.00	9.99
	3	Changes in market conditions resulting from environmental or climate-related impacts	8	Impossible to respond to the changes in customers' preferences by providing an option with more sustainable products due to a lack of such products in the entity's range	4.75	4.25	2.00	20.19
			9	Increase in stranded assets in the balance sheet due to a transition towards a low-carbon economy	2.13	4.85	4.00	10.31
			10	Changes in market trends due to climate change-related impacts	4.50	4.85	3.00	21.83
	4	Financings and investments in entities with poor environmental performance	11	Change in the valuation of a customer by data providers resulting in a portfolio impact	4.50	4.85	3.00	21.83
			12	Increased risk of payment default by financed customers due to their high exposure to environmental and/or climate-related consequences	4.50	4.85	3.00	21.83

Category	N1	IMPACT	N2	IMPACT	IMPACT	LIKELIHOOD	TIME HORIZON	SEVERITY		
S. Employees	5	Inadequate action or misunderstandings in labour relations	13	Failure to promote diversity and equal opportunities	2.30	1.88	1.00	4.31		
			14	Failure to attend to the advancement and well-being of employees, leading to a drop in productivity	2.35	1.98	1.00	4.64		
			15	Non-compliance with fundamental human and labour rights, based on ILO conventions or similar	2.30	1.88	1.00	4.31		
			16	Mass layoffs (ERE- Statutory Layoffs, ERTE - Temporary Layoffs, etc.).	2.30	1.88	1.00	4.31		
			17	Difficulty to attract and retain talent	4.75	4.25	1.00	20.19		
	6	Shortcomings in HR policies or actions	18	Lack of agreement between the entity and the employees' representatives	4.75	4.25	1.00	20.19		
			19	Lack of or inefficiencies in the reconciliation, equality and diversity policies	2.35	1.98	1.00	4.64		
			20	Lack of or inefficiencies in the policies on occupational health and safety, etc.	2.30	1.88	1.00	4.31		
			21	Failure to adapt the corporate policies to employee demands	2.35	1.98	1.00	4.64		
			7	Inadequate and/or lack of transparency in the design and marketing of products	22	Lack of clarity in the description of the product and its contract clauses	9.50	4.15	3.00	39.43
					23	Complex products that are not in line with the customer's profile	9.50	1.88	2.00	17.81
24	Drive an aggressive business culture that results in inadequate sales	9.50			1.88	2.00	17.81			
S. Customer	8	Policies and processes that are either inefficient and/or largely impracticable with regard to customer care and aftersales service	25	Failure to respect diversity and customer discrimination	7.05	4.15	2.00	29.26		
			26	Lack of guarantees in the products marketed	7.05	1.88	2.00	13.22		
	9	Inability to meet customer needs	27	Inefficient equipment / processes with regard to dealing with and resolving customer complaints and claims and/or non-availability of the systems required to provide customer service	7.05	4.15	2.00	29.26		
			28	Inability to offer products and business lines that are attractive to customers	9.50	1.88	2.00	17.81		
			29	The product range does not cover the changes in the social and/or demographic profile of customers	9.30	4.75	2.00	44.18		
	10	Shortcomings in relations with local communities	30	Lack of solutions directed at customers at risk of social exclusion (vulnerable customers due to low income or other socio-economic situations, etc.).	7.05	4.15	2.00	29.26		
			31	Difficulty adapting to the needs of customers with difficulties accessing bank services (financial inclusion).	7.05	1.88	2.00	13.22		
32			Depopulation (rural exodus) in the areas in which the entity operates, involving a loss of retail and business customers alike	6.68	4.75	2.00	31.71			
S. Society / local communities	10	Shortcomings in relations with local communities	33	Ageing of the local population, leading to a loss of customers due to the inability to adapt to their needs	9.10	4.65	2.00	42.32		
			34	Lack of policies and procedures to identify and assess the needs of the local communities in which the entity operates	7.20	1.98	2.00	14.22		
			35	No contribution or inadequate contribution to the needs of the social environment (e.g.: educational, healthcare needs, etc.)	5.00	2.50	4.00	12.50		
			36	Lack of dialogue with the local communities in the areas in which the entity operates	2.35	1.98	4.00	4.64		
			37	Loss of social legitimacy to operate in the different territories (social licence)	2.50	2.50	1.00	6.25		

Category	N1	IMPACT	N2	IMPACT	IMPACT	LIKELIHOOD	TIME HORIZON	SEVERITY
G. Governance, ethics and transparency	11	Shortcomings in the structure and management of the governing bodies and senior management	38	Structure of the Board not in accordance with good practices: independence, diversity, etc.	9.90	4.50	3.00	44.55
			39	Mistakes when designing the organisation's ESG strategy (suppliers, investments, etc.)	7.20	4.25	3.00	30.60
			40	Shortcomings in data management and protection and cybersecurity	9.50	4.15	1.00	39.43
			41	Low level of responsibility of Senior Management in relation to aspects of governance in ESG matters	7.20	1.98	2.00	14.22
	12	Scandals linked to senior management	42	Carrying out abusive operations or tax evasion (tax havens).	7.05	1.88	1.00	13.22
			43	No action taken by senior management to deal with scandals or controversies relating to the entity	7.20	1.98	2.00	14.22
			44	Inadequate, unethical or non-exemplary senior management policies or processes.	9.50	1.88	2.00	17.81
			45	Lack of transparency in the entity's governance model.	7.20	1.98	1.00	14.22
			46	Inadequate action or declarations against the Entity's ethical values (conduct that is not honest, cannot be seen as a role model and exemplary)	9.70	4.25	2.00	41.23
	13	Relationships with third parties	47	Relationship or link of senior management with some scandal relating to corruption, fraud or other illegal activities.	9.30	2.35	1.00	21.86
			48	Confirmed cases of corruption, fraud, bribery and tax evasion by senior management.	9.70	1.98	1.00	19.16
			49	Relationship of senior management with the political power	7.20	1.98	1.00	14.22
			50	Improper, controversial or scandalous practices by suppliers	4.25	4.75	1.00	20.19
G. Relationship with third parties	13	Relationships with third parties	51	Connection to improper or controversial activities by customers associated with the company	6.53	2.30	1.00	15.01
			52	Irresponsible management of the supply chain (payment to suppliers, discriminatory practices in selection and operation, abusive clauses, etc.).	2.30	1.88	1.00	4.31
			53	Questionings due to the connection of the organisation, whether this be true or not, to political parties or leaders or to social mobilizations of a political nature. Active and visible positions of the organisation and its leaders in the political agenda.	7.35	4.50	1.00	33.08
			54	Shortcomings in the communication and relationship with supervisors.	4.65	1.88	1.00	8.72
			55	Failure to attract investors due to poor performance of ESG indicators	7.05	1.88	1.00	13.22



► **Quarterly report valuing the wholesale fixed-income portfolio.** These reports are based on scoring by an external provider of recognised prestige in the industry and give a detailed analysis of each issuer/counterparty (ESG scores, Sustainable Development Goals).

Caja Rural de Navarra has an internal control framework for investment in its wholesale portfolio which prioritises issues with better ESG performance.

In December 2022, the EUR 4,882 million securities portfolio scored as follows on a scale of 1 (worst) to 100 (best):

 **Environment (E)**
68

 **Social (S)**
67

 **Corporate Governance (G)**
69

TOTAL ESG **68**

At the same date, the Bank's fixed-income portfolio had invested EUR 258 million in securities rated as "Social bonds" (EUR 30 million), "Green bonds" (EUR 142 million) and "Sustainable bonds" (EUR 86 million).

► **On integrating ESG risks** into its processes, the Bank is working on an action plan that will strengthen the consideration given to ESG risks and criteria in the processes of credit risk management: approvals, pricing, collateral, monitoring and reporting.

► **On operational risk**, the Bank considers ESG risks when designing and implementing contingency and business continuity plans. These are reviewed and approved annually by the Governing Board. The contingency and business continuity plans prescribe and assign functions, responsibilities and delegated powers to all Bank departments and areas involved or affected, detailing the corresponding activation procedures.

► In accordance with the Spanish Climate Change and Energy Transition Act, the Bank is currently analysing all available information and its alignment with the EU Taxonomy, in preparation for setting its **decarbonisation strategy and goals**.

► **Also, regarding qualitative information on the trading books**, these portfolios are immaterial for the Bank as there is no methodology for scoring them by ESG criteria for the purposes of the Taxonomy. Nevertheless, the Bank monitors all issuers of fixed-income securities and equities based on the ESG scores assigned by a reputable external provider.

CUSTOMERS

- 4.1_ Caja Rural de Navarra customers
- 4.2_ Profile and distribution of customers
- 4.3_ Dialogue with customer
- 4.4_ Customer relation channels
- 4.5_ Products and services

4.1 CAJA RURAL DE NAVARRA CUSTOMERS

The focus of the Bank's corporate activity is the customer in general and, particularly the member in their dual role as both owner and customer. For this reason, one of the core principles that has always run through the Bank's business is customer focus.

Customers have financial needs that they seek to address with the products and services offered by the Bank, but also have expectations on the service they expect from the Bank. The Bank's response on both issues (needs and expectations) is what differentiates us from the competition.

The **principles underlying** the Bank's relationships with its customers are as follows:

- To maintain a clear Communications and information policy.
- Not to use publicity that might be misleading, ambiguous or insufficiently clear for customers.
- To promote a socially responsible investment policy, by giving the right advice on customers' investment decisions, taking into consideration the customers' sustainability preferences in savings products and maintaining a set of lending policies based on sustainability criteria.
- To improve quality and accessibility for customers to the Bank and vice versa, promoting the use of new channels and technologies and developing innovative products and services.
- To protect the confidentiality of all data collected on customers as a consequence of business relationships.

The Bank took the following actions in this area in 2022:

IMPROVING COMMUNICATION CHANNELS

One of Caja Rural de Navarra's priorities is to constantly improve our digital channels, without sacrificing our principals of local service and proximity to our customers. A big element here is the Bank's investment in technology to make it easier for customers who wish to conduct any transaction through digital channels.

Notable advances in 2022 include:

A new version of the Ruralvía digital banking service, available as an app and website.

The new digital banking service was developed in the second and third quarters of 2021 and steadily rolled out through 2022. By the end of the year, more than 30% of users were accessing the latest version of Ruralvía.

New functionalities include a better navigating experience for users, new security systems such as device linking and others such as:

- The "Ruralvía Broker" securities trading tool
- Registration of tax residence using Ruralvía
- Request information on personal loans and mortgages from the Ruralvía digital banking app
- Optional dark mode (better vision in low light), secret mode (encrypt positions for greater privacy), in-app Bizum, and a chatbot to help deal with common issues.

- The new "My Wall" app lets certain customers contact their designated asset manager through a special section of the new Ruralvía

As well as the new digital banking service, we have continued to improve the digital tools available on the public-facing website (cajaruraldenavarra.com and ruralkutxa.com) to make day-to-day life easier for our customers.

Digital tools for individuals:

- "Become a customer" is an easy, agile and simple online process for users to sign up as a Caja Rural customer in just five minutes. Available on the website and app.
- Personal loan and mortgage simulators in the relevant sections of our public website: cajaruraldenavarra.com
- Home insurance price calculator with online subscription option (via phone call).

Digital tools for companies and the self-employed:

- Search engine for support and subsidies available to companies and self-employed, with a special focus on the European Next Generation funds.
- Online card and PoS terminal recommendation engine, available on our public website: cajaruraldenavarra.com.
- Recommender for loans, leasing and renting in the companies section of the website: cajaruraldenavarra.com
- A blog for companies including weekly articles on current events in the economy, and weekly reports on the main news on the currency markets.

- A specific website where confirming institutions can access, check and anticipate payments from their supplier.

We also offer customers all the new payment systems: Bizum, Pay Gold, e-commerce with all its possibilities and, thanks to agreements with Apple, Google, Samsung and Ruralvía Pay, our customers can make payments using their mobiles.

On cybersecurity, the Bank has been working on two initiatives with external customers:

- A digital communications service on cybersecurity where customers can learn how to minimise the risk of fraud. Keeping customers regularly updated through all available channels (email, ATMs, public-facing website, Ruralvía digital banking, etc.)
- Corporate training on fraud prevention. Training can take the form of training days, such as that held with the Asociación de Empresarios de la Ribera, or by offering companies a free course developed by specialist firm Entelgy using a gamified methodology. More than 150 companies have signed up to this course so far.

DIGITAL TRANSFORMATION

The Bank's digital transformation has two aims: first, to make the banking system more accessible for customers by any channel as easily as possible, and, second, to combine this with the provision of personal advice services through its branch staff. A special Digital Transformation manager is charged with coordinating the process across all Bank areas and for all Caja Rural Group companies.

TRANSPARENCY IN MARKETING

Caja Rural de Navarra has been a member of Autocontrol since January 2011. Autocontrol is an association that seeks to promote responsible advertising that is true, legal, honest and fair. In 2022,, Caja Rural de Navarra ran 32 communication projects, including 73 publicity items, of which 56 obtained copy advice approval from Autocontrol. The rest went through the Bank’s internal control process.

IMAGE

The new Corporate Identity Handbook was launched at the end of 2021, setting out Caja Rural de Navarra’s communication strategy and purpose, based on the corporate values that make the Bank stand out in the market. In 2022 all communication actions by the Bank were tailored to comply with this Handbook.

OFFICE COMMUNICATION MEDIA

To improve transparency and clarity in the way the branch network markets products and services, in-branch customer communications were updated monthly in 2022.

PRODUCT COMMITTEE

The Product Committee continued its work in 2022. It was set up in 2016 to bring all the products and services offered by the Bank under a validation process.

The Bank also continued to customise to the Bank’s needs the documents highlighted and designed by BCE’s Compliance Department and to update and approve standard documents such as the “Banking Product and Services Marketing Policy” and the Product Committee’s own handbook.

This Committee met quarterly as planned, and there were also 27 sessions of the Permanent Committee to approve one-off measures that were subsequently ratified in a full Product Committee meeting. Overall, 40 internal product brochures and 44 other documents were approved and/or revised.

QUALITY SURVEYS AND MYSTERY SHOPPING

In January 2018, the Bank launched its “Measuring customer service in branches” project. The project involves all Banks in the Caja Rural Group and has two aims:

- To comply with regulations laid down by the European Banking Authority (EBA) and European Securities Markets Authority (ESMA) on criteria for defining and setting remuneration policies in the branch network so that they incorporate quality variables.
- To improve the customer experience by introducing procedures and methodologies to analyse contacts with new customers and set metrics for how to deal with existing customers. The project is based on two methodologies, which run simultaneously:
- Mystery Shopping: The points tested, each of which is given a weighting in the overall score are: physical aspects of the branch, speed, treatment, explanation of products, sales approach. Scores in 2022 are as follows:

	2020	2021	2022
Sales approach	62.93	67.70	60.69
Physical aspects	98.46	97.52	94.56
Explanation of products	57.80	63.22	55.71
Speed	94.63	93.34	90.48
Treatment	95.43	96.51	89.16
Total	72.84	76.17	69.56



- **Satisfaction/Recommendation** questionnaire: The points tested, each of which is given a weighting in the overall score are: emotional value = 20% service + 20% explanations + 20% documentation + 40% NPS recommendation.

The Bank's results in 2022 and comparison with prior years are as follows:

	2020	2021	2022
Service	9.2	9.2	9.4
Explanation of products	9.1	9.0	9.2
Documentation provided	8.9	8.9	9.0
NPS recommendation	66%	63%	69%
Emotional value	80.7%	79.7%	82.6%

A working group coordinated by the Bank is gradually incorporating improvements to both methodologies. These improvements focus on finding out first-hand from customers what they think and listening to what they have to say, to try and improve the experience of the Bank's customers.

CODE OF PRACTICE

When customers have difficulties paying their mortgage, the Bank applies Royal Decree-Law 6/2012 of 9 March on urgent measures to protect low-income mortgage debtors for borrowers in danger of exclusion, and Royal Decree-Law 19/2022, of 22 November, on mortgage borrowers at risk of vulnerability, who can show they meet the necessary requirements.

On 22 November 2022, Royal Decree-Law 19/2022

was published establishing a new Code of Practice for mortgage borrowers at risk of vulnerability and amending some aspects of Royal Decree-Law 6/2012.

Caja Rural de Navarra has been compliant with Royal Decree-Law 6/2012 since March 2012, and Royal Decree-Law 19/2022 since December 2022. It has taken advantage of Royal Decree-Law 6/2012 in 59 transactions with primary residence guarantees, involving a cumulative total of EUR 6,148,989.17. In 2022, 2 mortgages on homes with guarantee of primary residence were restructured.

Customers can get all the information they need on both codes at their branch, on the noticeboard of the Bank's website: www.cajaruraldenavarra.com, and from the Bank. The specific personal communications required by Royal Decree-Law 19/2022 have been sent out to mortgage customers informing them about each of the codes and the possibility of benefiting from their provisions.

SALE OF INVESTMENT FUNDS THROUGH INVESTMENT SERVICES MARKETING BY CAJA RURAL DE NAVARRA

In 2022, Caja Rural de Navarra continued to market Investment Funds through the same services as in 2021 and continued to prioritise service quality, transparency and investor protection. It pursues continuous improvement by taking any action that adds to or enhances the service for Caja Rural de Navarra customers.

The following services within the bank offer investment funds:

- **Non-independent advisory*** service This offers customers advice* on investment funds managed by Gescooperativo, with a view to recommending the investment best suited to

the knowledge, experience, financial resources, investment aims and sustainability preferences of the customer, following a suitability test and corresponding investment proposal. As part of our commitment to offer the best service, subscribers to investment funds recommended by our advisory* services also have an annual opportunity to review the suitability of their investments in the recommended funds to make sure their investment remains appropriate to their risk profile and sustainability preferences based on information provided through the suitability test. Accordingly, once a year, all investors in funds recommended by advisory services are sent a communication with the Bank's proposal on the best allocation of assets to suit their profile and sustainability preferences in the current state of the markets.

In this Caja Rural de Navarra service, all investment funds are marketed through a face-to-face channel (in branch).

The Bank's non-independent advisory* service also continued to market the investment funds of third-party managers in 2022. As in the non-independent advisory* service for in-house funds, we commit to recommending to our customers the investment funds best suited to their knowledge, experience, financial resources, investment aims and sustainability preferences, following a suitability test and corresponding investment proposal. Each year, the managers responsible for these customers also send them an annual reallocation proposal.

This service is only available to Private Banking customers via the face-to-face channel (Private Banking managers).

*Based on the definitions in Directive 2014/65/EU advice is given on a "non-independent" basis

• Discretionary Portfolio Management service.

Using this service, Caja Rural de Navarra customers can delegate management of their assets to the Bank, following an assessment of their investor profile and sustainability preferences by the Bank's professionals. Once they have subscribed for investment funds through this service, customers remain in continuous contact with Caja Rural to monitor the investments and check any changes to the instructions and limits in the investment management contract.

In this Caja Rural de Navarra service, all investment funds are marketed through a face-to-face channel.

• **Marketing or RTO service.** Through this service, Caja Rural de Navarra customers can access a wide range of investment funds offered by well-known third-party managers unconnected to the Bank. We also make available to our customers straightforward tools that provide objective information and help them choose the funds that best suit their needs. Similarly, customers can compare various alternatives to see how they differ and take their own decisions.

In this Caja Rural de Navarra service, all investment funds are marketed through the digital channel.

Transparency and investor protection in subscribing for investment funds

In 2022, Caja Rural de Navarra continued working to make sure that any funds offered through the various investment services are marketed with the maximum possible transparency and protection for the investor. It provides all necessary resources to improve precontractual, contractual and post-contractual information for our customers and ensures customers receive this information within the regulatory time limits.

Improvements to contracting and information on investment funds via digital channels

As in the previous section, Caja Rural de Navarra continued to make progress throughout 2022, making it easier for customers to conduct most of their investment fund transactions through digital channels, and receive all communications through these same channels, when regulations allow.



SOCIALLY RESPONSIBLE INVESTMENT

In 2022, Caja Rural de Navarra continued to make progress on socially responsible investments on 3 different fronts:

Sales

- Pension Plans and Voluntary Social Welfare Plans (EPSVs), continued the trend of previous years, and this entire range of products is managed according to Socially Responsible Investment (SRI) criteria.
- In May 2022, the Bank launched its first Impact Fund, **RURAL IMPACTO GLOBAL**, FI, an Article 9 fund under regulation EU 2019/2088. It is an investment fund directly invested in international equities whose investment policy seeks to pursue the UN Sustainable Development Goals (SDGs). To measure its sustainability outcomes, the fund takes advice from independent consultants **AFI Inversiones Globales, SGIIC**, which measures the portfolio's contribution to the Sustainable Development Goals, in accordance with the ESG methodology developed for the fund. The fund ended 2022 with net assets of EUR 10 million.
- At end-2022, the range of sustainable funds that the Bank offers is as follows: 5 funds promoting environmental and social issues, and an environmental and social impact fund.

- **Rural Rendimiento Sostenible, FI.**
- **Rural Sostenible Conservador, FI**
- **Rural Sostenible Moderado, FI Fondo Sostenible y Solidario**
- **Rural Sostenible Decidido, FI**
- **Rural Futuro Sostenible, FI Fondos Sostenible y Solidario. This fund changed its name at the start of 2023 to Rural Futuro ISR, FI.**
- **Rural Impacto Global, FI.**

- This range of funds now makes up 21.58% of the Bank's total fund assets, down from 24% in 2021, as a result of the shrinking of fixed income and equity markets, which had a disproportionately greater impact on socially responsible investment funds.
- A video and brochures explaining the socially responsible investment funds marketed by the Bank were made available to the commercial network and customers, completing a project begun in 2021.
- In 2022, neither Gescooperativo nor RGA signed up the UN principles for responsible investment (PRI) as planned, but the Caja Rural Group continues working to achieve this in 2023.
- This year, all the model portfolios used by the Discretionary Portfolio Management service transitioned to being managed according to socially responsible criteria.

Regulations

Regulatory requirements on socially responsible investment have been implemented, **following the principle of better compliance**, allowing for the lack of regulatory clarity that persists in the sector. Key actions in this area included the following:

- Various policies were reviewed at Bank level.
- Pre-contractual, contractual and post-contractual information on investment products (investment funds, discretionary portfolio management and IBIPs - insurance based investment products) was adapted.
- Governance of investment products was also amended to update the target market and product brochures to the new requirements for socially responsible investment.
- And most importantly, the measure that had the most impact in 2022 was the development of the sustainability module within the MiFID Suitability Test and its consequent impact on controlling sustainability percentages in fund portfolios, both advisory and those sold by GDC. The sustainability module for the IBIPs knowledge and experience test was also refined.

Employee training

To align the commercial network with the new requirements for socially responsible investment, during 2022 we carried out a number of training and awareness initiatives on this theme:

- As we mentioned, we made brochures and a sales video available to the whole commercial network, which explained the key features of our socially responsible fund range.

- We also posted a **sustainable finances module** on our Bank intranet, which briefly presents sustainability and how it can be applied in conversation with customers. The aim is to give employees a clearer idea of how these regulatory changes can be applied on the ground in commercial relations with our customers.

Looking ahead to 2023, we have various initiatives planned in this area:

- To develop the sustainability module both for MiFID Suitability Tests and IBIP knowledge and experience tests, in accordance with the latest regulatory requirements.
- To put all the Bank's employees through a course on the new standards (Green MiFID). At the time of writing, the majority of employees have already taken the course.
- Possibility to further increase the range of socially responsible investment funds and create the Caja Rural Group's first impact pension plan.
- To include sustainability annexes required by regulations in socially responsible investment funds, **to clarify the features of these funds to the Bank's customers.** This has already been done at the time of writing.

4.2 PROFILE AND DISTRIBUTION OF CUSTOMERS

At 31/12/2022, Caja Rural de Navarra had a total of 641,192 customers. Of these 56,778 (8.86%) were classed as "Companies, institutions" and 584,414 (91.14%) were "Individuals".

The table below shows the breakdown by customer type:

SEGMENT	CUSTOMERS
Individuals	584,414
Legal entities	56,778
COMPANIES	45,379
INSTITUTIONS	11,042
OTHER	357
TOTAL (individuals + legal entities)	641,192

The distribution of customers between the different regions where the Bank operates and the associated business volumes are as follows:

GEOGRAPHICAL AREA	LOANS AND ADVANCES	DEPOSITS	CUSTOMERS
Navarre	43.98%	59.31%	51.64%
Basque Country	43.85%	31.00%	38.68%
La Rioja	10.70%	9.18%	9.65%
Madrid	1.48%	0.50%	0.03%
TOTAL	100.00%	100.00%	100%



4.3 DIALOGUE WITH CUSTOMERS

1. LISTENING AND PARTICIPATING IN SOCIAL NETWORKS

Caja Rural de Navarra uses the following methods to communicate with its stakeholders:

cajaruraldenavarra.com/atencion-cliente

blog.cajaruraldenavarra.com

Caja Rural de Navarra and Rural Kutxa

Caja Rural de Navarra and Rural Kutxa

Caja Rural de Navarra and Rural Kutxa

Joven IN – Caja Rural de Navarra

Caja Rural de Navarra and Rural Kutxa

Caja Rural de Navarra and Rural Kutxa

info@crnavarra

2. CUSTOMER SERVICES DEPARTMENT

The Customer Services Department is responsible for resolving all complaints and claims received from Caja Rural de Navarra customers.

The regulations governing Caja Rural de Navarra’s Customer Services Department were created by Act 44/2002 of 22 November, on Measures to Reform the Financial System, and Ministerial Order ECO/734/2004 of 11 March, on customer services departments or services of financial institutions and other applicable rules.

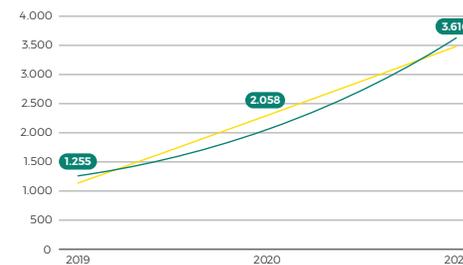


There are several channels that customers can use to make submissions to this Service: post, burofax, fax, email, official forms of the Autonomous Regions where Caja Rural de Navarra operates or through the Bank’s official documents and online forms.

In 2022, this Service received 2,548 complaints or claims. These were resolved as shown in the table below, which includes a comparison with the previous year.

CONCLUSION OF COMPLAINTS AND CLAIMS

Type of conclusion	2022	2021	2020
Not accepted	421	363	986
Rejected	1,485	2,359	496
Fully upheld	540	709	378
Partly upheld	102	185	199
Claims addressed	2,548	3,616	2,059



Unlike in 2021, complaints and claims received during 2022 dropped sharply, reflecting a fall-off in the number of claims about “mortgage administration costs”. In 2021, these made up 63.83% of the total but in 2022 this proportion had fallen to 42.47%.

The Customer Services Department prepares an annual report for the Governing Board in accordance with Article 17 of Ministerial Order

ECO/734/2004, including a summary of all complaints and claims received, the processes applied by the Bank following their reception, the general criteria applied when resolving complaints and claims and the recommendations and suggestions made during the year. The report is available to the Supervisor.

In addition, any critical concerns identified in the year are brought to the attention of the Governing Board. In 2022, no critical complaint or claim was identified as having to be reported up to the Board. Every four months, there is a meeting of the Quality Committee, which is the forum used to review how complaints and claims were dealt with, identify possible risks, decide on criteria to apply and make appropriate recommendations. The Committee is attended by people from a range of departments.

We analyse a number of specific issues below:

1. Fraudulent use of payment media, phishing and product security

The Customer Services Department received 48 claims for fraud perpetrated through cards, transfers and Bizum payments, or retailers’ PoS terminals. Of these, 22 were upheld in full or in part in favour of the customer. 9 were not accepted for processing because they lacked essential data requested from the claimants or because they had already been resolved. Finally, 17 were not upheld, on the grounds either that the transactions in question had been authorized by the customers and therefore were not a fraudulent use of the payment media in question or that the customer had not kept the payment media sufficiently secure, in which circumstances regulations say claims cannot be accepted.

Two of the above claims were received through the Bank of Spain. One of them had already been

resolved in favour of the client before it was sent to the supervisor. The second is currently pending resolution.

There were no penalties, warnings or cases of non-compliance in this area in 2022.

2. Information on products and services

No complaints were received in this section in 2022.

There were no penalties, warnings or cases of non-compliance in this area in 2022.

3. Publicity for products and services

The Customer Services Department received one complaint about the advertising for a gift promotional campaign targeting children with live accounts. In this case there had been a mistake in the branch, where the gift was meant to be collected. The problem was solved by the giving of one of the gifts in the brochure to the holder of the savings book.

There were no penalties, warnings or cases of non-compliance in this area in 2022.

4. Breach of data protection rules

In 2022 the Department dealt with 1,644 requests not to receive marketing communications and 34 customers asked to delete and cancel their personal data held by the Bank. The Department also received 3 complaints, 7 requests and 1 suggestion related to data protection. Two files were also referred to the Spanish Data Protection Agency (AEPD).

There were no penalties, warnings or cases of non-compliance in this area in 2022.

helps sustain economic activity and so over the medium term helps prevent depopulation in these areas. This is part of the Bank's social commitment to the rural world, the market where it began many decades ago.

Architectural barriers to accessibility: At Caja Rural de Navarra we have long been aware of the need to have an accessible network of branches, not only to comply with Accessibility Regulations but also to benefit our employees and customers.

There are now no architectural barriers in most branches. However, some, due to the features of the building where it is located, do present some minor accessibility problems. Whenever a branch undergoes renovation work, we take the opportunity to make improvements designed to improve its accessibility. In 2022, we carried out such work on 1 branch.

2. PAYMENT MEDIA (cards, PoS terminals and ATMs)

At the end of the year, the Bank had 320 ATMs, of which 308 were in branches and 12 elsewhere.

It also had 28,127 PoS terminals in 23,049 stores and other businesses.

We have begun installing PoSs based on Android, which will allow customers to install value-added apps and, in the future, text or email paperless receipts to their customers.

The Bank continues to modernise its ATMs so that they can accept deposits, payments for receipts and non-domicilable taxes, by card or in cash (customers and non-customers).

During the year the Bank continued to issue cards in recycled plastic, taking forward our CSR policy.

4.4 CUSTOMER RELATION CHANNELS

1. BRANCH NETWORK

The branch is the usual place for conducting relationships with the customer in accordance with a business model based on local service and advice. Caja Rural de Navarra had 255 branches to serve its business at the end of 2022, distributed among the Autonomous Regions as follows (aside from the one in Madrid):

	NAVARRA	140
	CAV	90
	LA RIOJA	24

Access to financial services is identified as a fundamental factor in social cohesion. In Spain, the erosion of branch networks in the banking industry over recent years could increase levels of financial exclusion in the regions.

Caja Rural de Navarra stands out against this trend, as the number of branches in locations with fewer than 3,000 inhabitants is 73 and none has closed in recent years. The Bank's presence in these locations is fundamental to its provision of a full financial service, which unquestionably



3. DIGITAL

Caja Rural de Navarra's digital banking service is branded as Ruralvía. A Ruralvía contract allows the customer to access a wide range of financial products and services as well as conducting nearly all banking operations online through a computer, tablet or smartphone (Ruralvía móvil).

To guarantee secure delivery of financial services Ruralvía, Rural Servicios Informáticos (RSI) is developing security protocols that comply with legal standards.

Caja Rural de Navarra offers its customers a number of apps, including;



Rvía Pay: lets customers make payments on Android devices and make small transfers free of charge using Bizum.



Ruralvía Móvil: mobile version of our remote banking "Ruralvía" application. This app offers customers the DIMO option to withdraw cash from ATMs using their mobile number.



Mi Negocio; an app to help traders with their day-to-day banking by managing data.



4.5 PRODUCTS AND SERVICES

2022 LOAN PORTFOLIO IMPACT REPORT

SUSTAINABLE FINANCE INSTRUMENTS

Caja Rural de Navarra, as a cooperative, retail and regional institution, has always had close ties with the agri-food sector and supported its responsible development. Over the years, the Bank's business has changed with the increasing industrialization of the regions where it operates, while always remaining true to its culture of transparency, responsibility and sustainability as documented in the published financial information of Caja Rural de Navarra³.

The organization is now subject to Environmental, Social and Governance (ESG) standards that determine the focus, targets and policies of the Bank regarding different aspects of sustainability. This is why Sustainalytics, the leading ESG rating company, gave Caja Rural de Navarra an ESG risk rating for 2022 of negligible, one of the best in the financial sector.

As part of its focus on ESG issues⁴ Caja Rural de Navarra some years ago created a sustainability framework⁴ (the "Framework") for its loan portfolio in order to promote those financing lines that have the greatest social and environmental impact in the regions where the bank is active. These lines are consistent with its commitment to the local social and natural environment.

The Framework is **regularly reviewed and if necessary updated**, since the categories it addresses change, evolving and developing to keep pace with responsible social and environmental practices. The Framework was last updated in 2021 to incorporate the latest developments in sustainability, including bringing it into line with the EU's taxonomy of sustainable activities⁵ and with the United Nations Sustainable Development Goals (SDGs)⁶.

Links

- ³ www.cajaruraldenavarra.com/es/informacion-inversores
- ⁴ www.cajaruraldenavarra.com/sites/default/files/files/2017-Sustainability-Bond-Framework-Caja-Rural-de-Navarra.pdf
- ⁵ ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en
- ⁶ sdgs.un.org/goals

Caja Rural de Navarra SCC

Regional Banks Spain

ESK Risk Rating

9.8

Update Nov 25, 2022

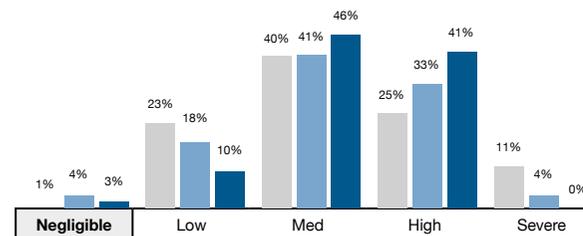
-0.6

Momentum

Negligible Risk

NEGL	LOW	MED	HIGH	SEVERE
0-10	10-20	20-30	30-40	40+

ESK Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	BANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top score)
Global Universe	207/15478	2nd
Banks INDUSTRY	34/997	4th
Regional Banks SUBINDUSTRY	7/396	3rd

Caja Rural de Navarra has been active in wholesale markets with issues of sustainable financial instruments (bonds or loans) that fit into the Framework:

- EUR 90 million in European Investment Bank loans taken out in 2018 and 2019 to fund lending to SMEs that combat climate change by improving energy efficiency
- A EUR 500 million Sustainable mortgage-backed covered bond (European covered bond (Premium)) maturing in 2023
- A EUR 600 million Sustainable mortgage-backed covered bond (European covered bond (Premium)) maturing in 2025.
- A €500 million Green mortgage-backed covered bond (European covered bond (Premium)) maturing in 2029

The successive versions of the Framework are supervised by Sustainalytics⁷ whose “Second-Party Opinion”⁸ (last issued in December 2021) looks at the Bank’s commitments to devote at least the amount raised by these sustainable/green issues to financing or refinancing future or existing projects identified by the Bank as meeting the criteria for its sustainability framework and to produce a regular sustainability impact report on the projects. Caja Rural de Navarra’s transparency policy meets generally accepted international criteria for defining such activities. It also requires the regular publication of the allocation report with updated details on the sustainability lines, and of the impact report covering the Bank’s area of operations, as well as the Bank’s involvement in environmental and social actions in fulfilment of its commitment to support enough projects that comply with the Framework. Caja Rural de Navarra’s CSR Report includes the information

from the allocation and impact reports and is verified by a third party (AENOR)⁹.

Sustainalytics ratifies in its report that the Bank’s Framework is aligned with the principles and objectives mentioned above, including the ICMA’s “Green Bond Principles”¹⁰ and “Social Bond Principles”¹¹ and that the Bank finances projects that contribute to environmental sustainability, social challenges and the United Nations Sustainable Development Goals (SDG) in accordance with their guidelines on transparency, communication and reporting. Categories cited in the Framework are aligned with the UN Sustainable Development Goals (SDGs)¹² which set global objectives for all humanity. The local focus that is at the heart of Caja Rural de Navarra’s mission thus closely correlates with the UN’s basic goals to promote social prosperity while protecting the planet.

Links

- ⁷ www.sustainalytics.com/
- ⁸ www.cajaruraldenavarra.com/sites/default/files/info-inversores/Sostenibilidad/Sustainalytics/crn-sustainability-bond-framework-second-party-opinion-2021.pdf
- ⁹ www.aenor.com/certificacion/certificado/?codigo=220390
- ¹⁰ www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/
- ¹¹ www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/
- ¹² sdgs.un.org/goals




The Green Bond Principles

The Green Bond Principles (GBP) are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the Green Bond market by clarifying the approach for issuance of a Green Bond.

The green bond market will allow and encourage debt markets to play a key role in financing projects that contribute to environmental sustainability.

The GBP are intended for broad use by the market; they provide issuers with guidance on the key components involved in launching a credible green bond; they aid investors by promoting availability of information necessary to evaluate the environmental impact of their green bond investments; and they assist underwriters by moving the market towards expected disclosures that will facilitate transactions.

GBPs have four main components:

1. Use of proceeds
2. Process for project evaluation and selection
3. Management of proceeds
4. Reporting


The Social Bond Principles

The Social Bond Principles (SBP) are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the social bond market by clarifying the approach for issuance of a Social Bond.

Social bonds are any type of bond instrument where the proceeds will be exclusively used to finance or Refinancing finance in part or in full eligible social projects. Some social projects may also have environmental benefits.

The SBPs are intended for broad use by the market; they provide issuers with guidance on the key components involved in launching a credible social bond; they aid investors by promoting availability of information necessary to evaluate the positive impact of their social bond investments; and they assist underwriters by moving the market towards expected disclosures that will facilitate transactions.

SBPs have four main components:

1. Use of proceeds
2. Process for project evaluation and selection
3. Management of proceeds
4. Reporting

OBJETIVOS DE DESARROLLO SOSTENIBLE

On 25 September 2015, global leaders adopted a set of 17 global goals (the “SDGs”) to eradicate poverty, protect the planet and ensure prosperity for all as part of a new sustainable development agenda. Each of the 17 goals includes specific targets to be met in the next 15 years. Caja Rural de Navarra has mapped each of the Framework’s sustainability lines against the UN SDGs.



In the interests of transparency, in the case of its mortgage covered bonds, Caja Rural de Navarra publishes quarterly analyses of its loan book data following the standards set by the Covered Bond Label¹³ which guarantees transparency to investors and allows easy comparison of results against other labelled entities.

Current issues of covered bonds are tagged by the EMF-ECBC (European Mortgage Federation – European Covered Bond Council) with the green leaf symbol for being sustainable/green and with a yellow star on a blue background for complying with the European Covered Bonds Directive .



In addition, the ESG teams at the DZ Bank (German cooperative banking group) analysed the full range of sustainability issues affecting Caja Rural de Navarra and awarded it the DZ Bank Sustainability certification with above-average scores in all four areas considered: Economy, Environment, Social and Governance.



Besides adhering to these certifications and standards, Caja Rural de Navarra takes part in a range of international initiatives and working groups to develop green finance and to promote energy efficient homes which meet the environmental and social goals set out in the UN Paris Agreement, including stimulating investment and creating employment:

- **EeMAP-EEMI¹⁴** (“Energy Efficient Mortgage Action Plan-Energy Efficient Mortgage Initiative”)
- **Energy efficient mortgage label¹⁵**

Links

¹³ coveredbondlabel.com/issuers/directory

¹⁴ energyefficientmortgages.eu/

¹⁵ www.energy-efficient-mortgage-label.org/

The Framework of the Caja Rural de Navarra loan book consists of 9 different credit lines whose customer base has evolved over recent years as follows:

SUSTAINABLE PORTFOLIO – LOANS OUTSTANDING

2022	2021	2020	2019	2018
€ 4,538,225,085	€ 4,422,381,157	€ 4,159,965,114	€ 3,144,616,831	€ 3,148,273,076

NÚMERO DE ACREDITADOS

2022	2021	2020	2019	2018
€ 49,692	€ 53,184	€ 52,064	€ 43,608	€ 44,121

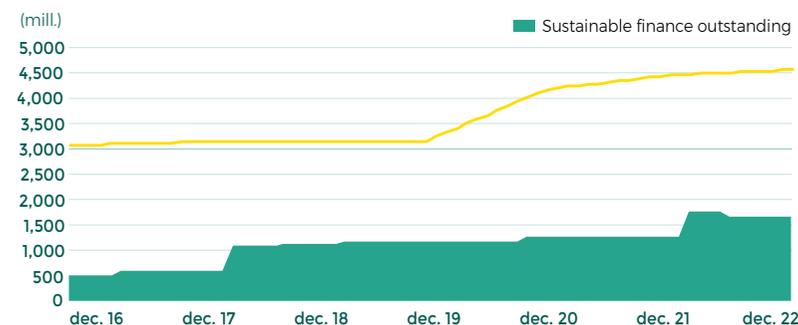
As the table above shows, at 31 December 2022 the sustainable portfolio totalled more than EUR 4,500 million allocated as follows:

ASSIGNMENT OF CAJA RURAL DE NAVARRA'S SUSTAINABLE ASSETS AND LIABILITIES*

SUSTAINABLE PORTFOLIO CATEGORIES	ASSETS	LIABILITIES AND EQUITY	ALLOCATION OF SUSTAINABLE FINANCE
Sustainable farming	€ 117,272,717	€ 500,000,000	Mortgage covered bond CRUNAV 0.750 16/02/2029
Renewable energy	€ 22,347,887	€ 500,000,000	Mortgage covered bond CRUNAV 0.625 01/12/23
Energy efficiency	€ 1,583,902,937	€ 600,000,000	Mortgage covered bond CRUNAV 0.875 08/05/2025
Sustainable forestry	€ 1,433,587	€ 40,000,000	EIB loan to SMEs (2018)
Waste management	€ 17,014,634	€ 10,000,000	EIB loan for SMEs and climate change (2018)
Social housing	€ 372,471,552	€ 40,000,000	EIB loan to SMEs (2019)
Social inclusion	€ 51,678,727		
Education	€ 26,509,565		
Economic inclusion	€ 2,345,593,478		
		€ 2,848,225,086	Unassigned sustainable portfolio
Total Sustainable Portfolio	€ 4,538,225,085	€ 4,538,225,086	Maximum potential Sustainable Finance

Figures are for sustainable lending made by Caja Rural de Navarra and outstanding at 31 December 2022

seeks to improve the “additionality” of its sustainability framework. This means that the total of outstanding sustainable loans made by Caja Rural de Navarra since launch of the Framework has exceeded its issuance of sustainable bonds.



Loans made under the Framework have grown 49% since it was established in 2016, benefiting 60,924 people and companies in 2022.

The sustainable loans portfolio grew again in 2022, as the Bank pulled out all the stops to support companies in our region, helping sustain jobs and the business fabric on which social and economic development depend.

Other major elements in growing the sustainable portfolio were better internal identification of energy efficient homes (in line with the EU taxonomy), and financing building renovations to improve their energy efficiency.



We present below a breakdown of sustainable financing for each of the UN SDGs supported by Caja Rural de Navarra and included in the Framework:

4 QUALITY EDUCATION	2022	26,509,565 €
	2021	25,041,131 €
	2020	26,747,946 €
	2019	24,028,003 €
	2018	-
	2017	-

11 SUSTAINABLE CITIES AND COMMUNITIES	2022	372,471,553 €
	2021	519,940,487 €
	2020	595,814,908 €
	2019	628,560,131 €
	2018	2,533,004,109 €
	2017	2,685,353,502 €

7 AFFORDABLE AND CLEAN ENERGY	2022	1,606,250,824 €
	2021	930,394,552 €
	2020	623,854,030 €
	2019	504,305,152 €
	2018	482,853,904 €
	2017	281,168,595 €

12 RESPONSIBLE CONSUMPTION AND PRODUCTION	2022	134,287,351 €
	2021	146,381,150 €
	2020	130,044,118 €
	2019	157,603,620 €
	2018	132,415,063 €
	2017	87,934,406 €

8 DECENT WORK AND ECONOMIC GROWTH	2022	2,345,593,478 €
	2021	2,748,036,910 €
	2020	2,725,578,705 €
	2019	1,777,932,762 €
	2018	-
	2017	-

15 LIFE ON LAND	2022	1,433,587 €
	2021	1,681,489 €
	2020	1,274,623 €
	2019	1,298,688 €
	2018	-
	2017	-

10 REDUCED INEQUALITIES	2022	51,678,727 €
	2021	50,905,439 €
	2020	56,650,785 €
	2019	50,888,474 €
	2018	-
	2017	-

TOTAL	2022	4,538,225,086 €
	2021	4,422,381,157 €
	2020	4,159,965,114 €
	2019	3,144,616,831 €
	2018	3,148,273,076 €
	2017	3,054,456,504 €

BREAKDOWN OF SUSTAINABILITY LINES¹⁶

SUSTAINABLE FARMING
12.2

“By 2030, achieve sustainable management and efficient use of natural resources”

This category includes loans intended to reduce greenhouse gas emissions by making farms more efficient, reusing waste products, maintaining the rural environment, etc.

It is important to stress that Caja Rural de Navarra retains a special commitment to farming, both because of its origins and because of the important role played by the rural world in sustainable development and the future of the regions and communities in which the Bank operates.

The Bank tested each loan included in this category for compliance with the above aims. Based on an analysis of information collected, we calculate that at 31 December 2022 the current sustainable farming line totals EUR 117 million, spread across 1,742 loans to 1,285 borrowers.

Lending history:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	117.3	126.1	108.4	134.7	103.3	69.9
Number of loans	1,742	2,001	1,653	1,688	1,22	808
Number of borrowers	1,285	1,435	1,265	1,284	963	671

The Bank's is committed to supporting the new generation that will sustain a vigorous primary sector and rural environment in the future. So 25.03% of loans to individual customers went to young farmers under 40. Another 22.92% of loans went to cooperatives, Sociedades Agrarias

de Transformación (SATs, agri-development partnerships) and other agricultural associations, maintaining the traditional support for collective initiatives and cooperatives.

Caja Rural de Navarra's customers in the agri-food sector are also committed to sustainability, a number of them having obtained European ecological certification for organic production.



The table below breaks down lending by purpose as a percentage of the category total:

PURPOSE OF LOANS	
Consolidation and strengthening of farms	32.7%
Improved agricultural transportation (energy efficiency)	13.9%
Irrigation and improved watering systems (energy efficiency and reduction of CO ² emissions)-irrigation associations.	5.6%
Construction of buildings and greenhouses	14.6%
Financial support for adverse weather conditions	0.6%
Investments under European rural development plans	4.7%
New farmer and stock-raiser start-ups	12.0%
Other	15.8%

¹⁶ Figures are derived from internal data following the generally accepted principles set out in Caja Rural de Navarra's Sustainability framework for the loan book and sustainable bond issues and European regulations and guidance. That said, it is not always possible to obtain detailed information on each loan exposure, which means the sustainable portfolio (understood as loans meeting the Framework criteria) could be substantially larger than indicated here, as the above figures exclude loans where full information was unavailable.



RENEWABLE ENERGO

7.2

“By 2030, achieve sustainable management and efficient use of natural resources”



This category includes loans to fund the generation of electricity from renewable sources – solar, wind, geothermal, hydro-electric, etc. – and the use of bio-fuels, development of infrastructure or systems for renewable energy and the manufacture of components for these industries. – and the use of bio-fuels, development of infrastructure or systems for renewable energy and the manufacture of components for these industries. Based on an analysis of information collected, we calculate that the total sustainable energy credit line amounted to EUR 22.3 million at 31 December 2022, spread across 45 loan transactions to 38 borrowers.

The Bank analysed loans in this category individually, classifying them into the following types based on their purpose:

- **Renewable energy generators:** solar-PV and wind operators being the most important in this sector.
Loans outstanding: EUR 20.8 million
Number of loans: 35
- **Builders of renewable energy plants.**
Loans outstanding: EUR 1.6 million
Number of loans: 10

Lending history:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	22.3	20.7	30.4	40.5	39.7	29.4
Number of loans	45	57	68	87	80	71
Number of borrowers	38	44	49	53	57	52



ENERGY EFFICIENCY

7.2

“By 2030, achieve sustainable management and efficient use of natural resources”

This category covers loans whose purpose is to develop products and technologies that reduce energy consumption or manufacture components that contribute to this aim.

Based on an analysis of information collected, we calculate that in 2022 the current loan book for these purposes totalled EUR 1,583.9 million, spread across 12,191 loans to 11,579 borrowers.

Lending history:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	1,583.9	909.7	593.4	463.7	443.0	251.6
Number of loans	12,191	6,194	4,575	3,968	3,711	2,132
Number of borrowers	11,579	6,018	3,892	3,086	3,024	1,537

The Bank analysed loans in this category individually, classifying them into the following types based on their purpose:

- ▶ **Modernization of industrial facilities** to reduce their environmental footprint, improving insulation and reducing CO₂ emissions).
Loans outstanding: EUR 57.8 million
No. of transactions: 88
- ▶ **Modernization of production processes** to reduce inputs and make more efficient use of raw materials and energy:
Loans outstanding: EUR 60 million
No. of transactions: 204
- ▶ **Renewing equipment** to use materials with a lower ecological impact and/or reduce consumption by the equipment produced.
Loans outstanding: EUR 11.0 million
No. of transactions: 116
- ▶ **Cogeneration or combined-heat-and-power** plants that improve overall energy efficiency:
Loans outstanding: EUR 1.3 million
No. of transactions: 3
- ▶ **Electric bikes for urban mobility schemes:**
Loans outstanding: EUR 42,960
No. of transactions: 1
- ▶ **Engineering, consultancy and manufacture of energy efficiency equipment:**
Loans outstanding: EUR 389,494
No. of transactions: 2
- ▶ **Energy efficient homes:**
Loans outstanding: EUR 1,453.3 million
No. of transactions: 11,777

At 31 December 2022 there were a total of 11,777 loans outstanding to finance the acquisition or renovation of buildings.

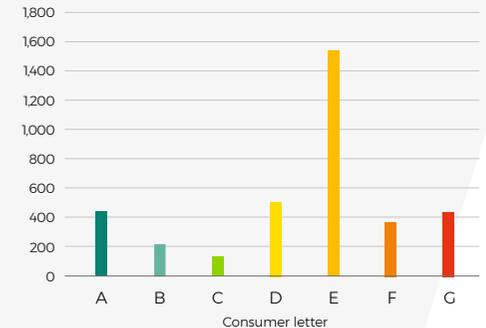
The buildings have energy ratings compliant with the EU Taxonomy (Activities 7.1, 7.2 and 7.7):

- 15% more efficient for acquisition and ownership
- 30% energy efficiency improvement for renovation

Based on these criteria, the Bank has included energy efficiency data into its system for all new mortgages since 2019. Also, Sociedad de Tasación conducted a general third-party review of the mortgage portfolio in 2021 to 2022 which obtained additional data, such that 70% of the mortgage portfolio is labelled with energy efficiency data in 2022.

Energy efficiency ratings of the mortgage portfolio at 31 December 2022:

Value of mortgages (millions of euros) by energy efficiency rating



Note: No information on energy efficiency ratings is available for 30% of mortgages.



SUSTAINABLE FORESTRY

15.2

“By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally”



This category covers loans whose purpose is forestation, reforestation and the development of forestry plantations. Based on an analysis of information collected, we calculate that the loan book for these purposes totalled EUR 1.4 million in 2022, spread across 6 loan transactions to 3 borrowers.

All the loans in this category were for sustainably managed woodlands certified by the PEFC (Programme for the Endorsement of Forest Certification) which verifies that forests around the world are being sustainably and responsibly managed and that their many functions are being safeguarded for current and future generations or by the FSC (Forest Stewardship Council)¹⁷ which guarantees that products are sourced from well-managed woodland that provides environmental, social and economic benefits.

Lending history:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	1.4	1.7	1.2	1.2	3.2	2.1
Number of loans	6	5	4	4	8	6
Number of borrowers	3	2	3	3	5	4

Links

¹⁷ www.pefc.org/



5. WASTE MANAGEMENT

12.2

“By 2030, achieve sustainable management and efficient use of natural resources”



This category includes loans to develop equipment and technology that make more efficient use of resources and/or reduce waste generation. Based on an analysis of information collected, we calculate that the current loan book for these purposes totalled EUR 17 million at 31 December 2022, spread across 56 loans to 34 borrowers as follows:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	17.0	20.3	21.6	22.8	25.8	15.8
Number of loans	56	65	67	70	74	46
Number of borrowers	34	39	33	42	51	32

The Bank analysed loans in this category individually, classifying them into the following types based on their purpose:

- ▶ **Recycling of industrial waste (metal, tyres, etc.).**
Loans outstanding: EUR 10.8 million
Number of loans: 27
- ▶ **Manufacture of commercial products from recycled materials.**
Loans outstanding: EUR 2.7 million
Number of loans: 15
- ▶ **Clean-up of waste.**
Loans outstanding: EUR 3.4 million
Number of loans: 14



SOCIAL HOUSING

11.1

“By 2030, ensure universal access to adequate, safe and affordable housing and basic services and upgrade slums”



Social housing falls into two types: VPO, officially protected housing, or VPT, regulated price housing – are price-capped homes intended as principal residence for their occupants. They are allocated by public tender on terms that include requirements such as income level, number of family members, etc. The objective of the VPO/VPT is to encourage citizens with lower incomes (among other criteria) to acquire or rent decent and adequate housing, at affordable prices within their possibilities. The aim of VPO/VPT projects is to allow citizens with lower incomes (or who meet other qualifying criteria) to buy or rent good quality and appropriate housing at accessible prices.

In our case, before lending to customers to buy such homes we must have prior authorization from

the local authority which guarantees to us that the borrower meets all necessary requirements.

In general, loans included of this type are to:

- **PEOPLE** taking out a mortgage to buy a VTO/VPT home.
- **DEVELOPERS AND OTHER LEGAL ENTITIES** who take out a mortgage to build a VTO/VTP building which will subsequently be sold on or let out at a social rent to people meeting the necessary requirements..

Key indicators report:

A. st, the basic figures are:

- Total investment of EUR 372.5 million.
- To 4,769 borrowers, of whom 32 are legal entities and the rest are individuals.

Lending history:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	372.5	519.9	595.8	628	644	723
Number of loans	4,769	6,41	7,047	7,165	7,127	8,178
Number of borrowers	4,615	6,224	6,827	6,93	6,882	7,742

B. Current state of loans, only 0.6% of these loans by value is more than 90 day past due, very close to the ratio for the Bank's other mortgages. This indicates that although the customers are normally on lower incomes they are just as likely to meet their payments as the Bank's other home mortgage borrowers and that their household finances can generally bear the cost of buying a home under these schemes.

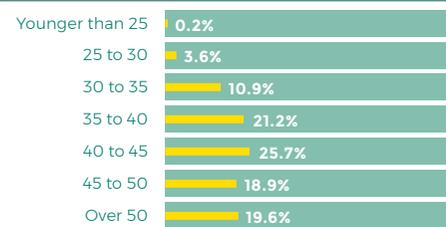
C. Regarding the distribution of these loans:

Distribution of loans:

- 89.60% were to individuals (of which 38.2% had two or more signatories and 61.8% had a single signatory).
- 10.40% were to legal entities.

D. The age distribution of amounts lent (at the time they take out the mortgage) is as follows:

Age

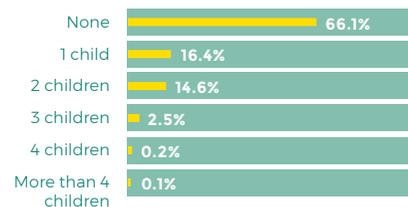


More than 14% of lending granted to individuals went to people aged under 35, suggesting that this type of financing is making it possible for young people to access their first home.

Likewise, just over 19% of loans were to people over 50 who, due to various life circumstances, need a home later on in their lives.

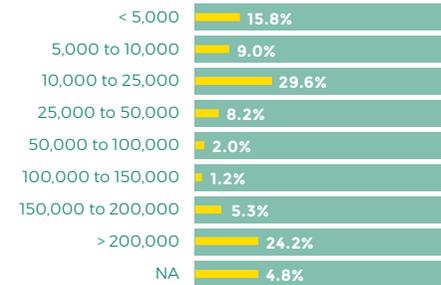
E. The conclusions of the first paragraph above are confirmed by analysis of the **number of children** of those taking out these loans. Nearly 70% have no children at the time they sign the mortgage.

Number of children



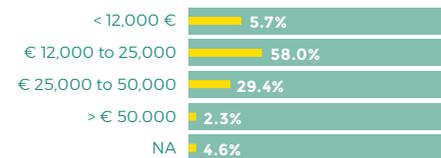
F. Also, data collected means we can show (see table below) that nearly 55% of loans granted were in towns with a population of less than 25,000 residents with just over 15% going to villages of less than 5,000 inhabitants, helping sustain small populations and counter the risk of rural depopulation.

Habitantes por población



G. The table below shows the average income per person in the family unit taking out the mortgage:

Average income per person



ADDITIONAL INFORMATION ON OFFICIAL REQUIREMENTS

For further details of the criteria and requirements for accessing social housing see the websites of the Navarre, La Rioja and Basque regional governments.





SOCIAL INCLUSION

10.2

“By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status”

Caja Rural de Navarra has a special relationship with bodies working for social and economic integration and social and economic development in the areas where it is active. Caja Rural’s involvement with these bodies takes a variety of forms, not limited to financing their social projects, and in some cases involving the Bank meeting part of the costs of the activities it is promoting. Specifically, we can break down promotion of social and economic development into several categories:



DISABILITY: training, rehabilitation and employment. Caja Rural de Navarra has for many years supported organizations that bring together people with a disability. These organizations run training and rehabilitation centres as well as special employment centres to support people into work. Caja Rural de Navarra devotes EUR 4.6 million to this financing line, which allows 10 organizations to do their work managing Special Employment Centres, residential facilities and day centres. Altogether they offer training and rehabilitation to over 7,000 people and employ more than 6,000. In this way they support a substantial proportion of those with disabilities in Navarre, the Basque Country and La Rioja.

The Bank also developed the Soziala Digitala programme in 2022. This is a support programme for digitisation of institutions that bring together and work with people with disabilities in the Basque Country. The programme subsidises

10% of any investment in digitisation up to a maximum of EUR 3,000. EUR 30,102 was allocated to the programme, which helped fund 42 social organizations, comprising more than 1,000 persons with disabilities.



SPORTS: Caja Rural de Navarra has an important commitment to sport and the personal development and inclusion of people through sport. We fund infrastructure and sports equipment for the different sports clubs and federations that focus on regulating and facilitating controlled and directed sports activities that meet the criteria of equality, health and preventative care. Actions focus on grass-roots sport, which is where our financing has most impact. This financing line has lent a total of EUR 19.7 million to fund 46 bodies helping more than 100,000 people of all ages.



CULTURE: Rural de Navarra also provides EUR 9.6 million of funding for investments designed to foster social integration through culture. The money goes to 108 cultural bodies active in fields such as music, language, food, customs, folk traditions, literature, theatre, cinema and many others. Together, they generate social cohesion irrespective of the circumstances of those who take part.



SOCIAL AND HEALTH CARE: We live in an ageing population and Caja Rural de Navarra supports the building of infrastructure and equipment to provide healthcare and social and health inclusion of the elderly and young people with some degree of dependence. We currently support 4 residential homes that look after more than 160 elderly people. Total financing for this segment is EUR 2 million.



SOCIO-ECONOMIC: The social and economic background in which Caja Rural de Navarra operates is rich in charities, professional associations and research centres. Caja Rural de Navarra firmly supports this social fabric by financing the essential infrastructure such groups rely on. These associations help ensure that small businesses and the self-employed are kept permanently informed on tax, employment, legal and financial matters. They also have representative bodies speaking to the government and different private organizations. We have invested EUR 3.5 million to support a total of 31 professional associations whose membership includes more than 3,000 professionals and organizations from various sectors of the economy.



INCLUSIVENESS: Caja Rural de Navarra has a clear commitment to people of any age, origin and social class. For this reason we firmly support organizations working to include groups at risk of social exclusion: immigrants, the gypsy community, young people, drug users and the older unemployed. We provide EUR 12.3 million in financing to support 37 social organizations supporting the social inclusion of more than 3,000 people.

Based on an analysis of information collected, we calculate that the current loan book for these purposes totals EUR 51.7 million to 236 borrowers.

4 QUALITY EDUCATION



EDUCATION

4.2

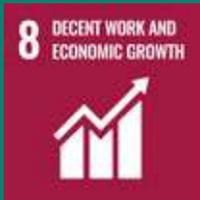
"By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship"



Caja Rural de Navarra is clearly committed to basic, intermediate and advanced training. It is in direct contact with public and private training providers. The Bank's involvement with these bodies takes a variety of forms, not limited to financing their education projects, and in some cases involving the Bank meeting part of the costs of their educational activities:

• **Financing investments:** new buildings, new equipment and other infrastructure (sports, cultural, etc.). Caja Rural de Navarra currently has EUR 26.5 million committed to financing investments by 67 training centres with more than 35,000 students between them.

• **International scholarships:** for university students and professional training. This provides financial support for students wanting to study for some time in educational institutions or companies abroad so that none is prevented from doing so through lack of money. The scheme has now returned to its normal levels of activity after Covid 19 and is helping 674 students (581 at UPNA, the Public University of Navarre, 49 on Erasmus Plus schemes and 44 on Global Scholarships by Caja Rural de Navarra).



ECONOMIC INCLUSION

8.3
 “Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services”

The Covid-19 pandemic took a heavy toll in recent years on the economic fabric of the regions where Caja Rural de Navarra operates. A key economic policy measure taken by regional governments and the Spanish national government was to work with lending institutions to offer companies, particularly SMEs, financing lines that would avoid a tightening of access to credit and consequent destruction of employment and the business fabric.

Caja Rural de Navarra was especially active in Covid financing lines, as well as loans to small and medium-sized enterprises, borrowers in remote districts and entrepreneurs.

The Bank’s local roots and neighbourhood presence in the region’s population centres, large and small, meant that companies, particularly small and mid-sized enterprises, were able to get agile access to these lines of finance.

Overall, the category comprises 41,676 loans totalling EUR 2,345 million spread across 35,715 borrowers.

Lending history:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	2,345.6	2,748.0	2,725.5	1,777.9	1,810.7	1,896.8
Number of loans	41,676	45,403	46,37	37,329	38,274	34,556
Number of borrowers	35,715	39,109	39,682	31,895	32,771	28,98

This category includes loans that meet the following requirements:

Small loan that support economic inclusion, whether because of their small amount or because

they provide access to finance for remote areas (where the Bank has a special presence). To qualify, a loan must meet one of the following criteria:

- It must be for less than EUR 25,000.
- It must be made through a Caja Rural branch in a village of less than 3,000 population with below average income for the Autonomous Region.

Loans to entrepreneurs (for details see section “8 – Our relationship with wider society”).

Loans to SMEs as defined by the European Union¹⁸

Covid-19 lines, under different government schemes to support and maintain economic activity and jobs in the face of the Covid-19 pandemic.

¹⁸ Commission Regulation (EU) 651/2014

Small loans and remote areas

Based on available data, we calculate that the current loan book for these purposes totals EUR 587 million, consisting of 30,309 loans to 26,988 borrowers.

Lending history for “Small loans and remote areas”:

	2022	2021	2020	2019	2018	2017
Loans outstanding (Millions of euros)	587.3	433.6	406.5	376.5	598.2	676.9
Number of loans	30,309	31,721	32,718	30,302	33,556	30,796
Number of borrowers	26,988	28,555	29,191	27,054	29,48	26,775

As a result this is a highly diversified line reaching a great many people, particularly in rural areas and small population clusters. Specifically, 35% of financing in the economic inclusion segment goes to populations at risk of financial exclusion.

Financing SMEs

Note that the data below include the SMEs not referred to in earlier sections. At 31 December 2022, SME financing totalled EUR 1,011 million consisting of 4,697 loans to 3,466 borrowers.

Lending history:

	2022	2021	2020	2019	2018	2017
Importe línea (millones de euros)	1.011,7	1.393,0	1.448,4	1.344,4	1.159,7	1.179,0
Número de préstamos	4.697	6.399	6.572	5.775	4.539	3.759
Número de acreditados	3.466	4.406	4.466	3.914	3.221	2.549

The following data, based on our analysis, show a significant number of positive social impacts:

1. Regarding the **current state** of these loans, 0.2% of the total amount is more than 90 days in arrears. This is an excellent figure given the average for the financial sector.

2. . Secondly, we present below the **number of transactions** in micro-enterprises, medium-sized companies and SMEs. These categories are classified under Commission Regulation (EU) 651/2014, which categorises firms by headcount and annual revenue or total assets:

	NUMBER OF EMPLOYEES	SALES	TOTAL ASSETS
Micro	Less than 10	< € 2 mill.	< € 2 mill.
Small	10 to 49	< € 10 mill.	< € 10 mill.
Medium-sized	50 to 249	< € 50 mill.	< € 43 mill.
Large	Over 250	> € 50 mill.	> € 43 mill.

The table below shows that more than 86% of financing in this category went to micro-enterprises (74.7%) and small companies (11.8%), underlining the penetration and the Bank’s concern to maintain the local business fabric.

COMPANY SIZE	
Micro	74.7%
Small	11.8%
Medium	13.5%

3. Caja Rural de Navarra has always supported SMEs, building up the essential business fabric for the regions to develop and remain competitive in their production. This is evidenced by the fact that over 28% of **companies have been loyal customers of the Bank for more than 10 years**. In addition, the Bank continues to support new companies. More than 6% of companies initiated their relationship with the Bank in the last year.

LENGTH OF RELATIONSHIP WITH CRN	
< 1 year	6.0%
1-5 years	38.2%
5-10 years	27.7%
10-20 years	19.7%
> 20 years	8.4%

Financing SMEs

4. The Bank's involvement in rural development is an important strand of its work. Nearly 22% of sums lent went to companies based in **populations** of less than 10,000 people, which means the scheme is not only developing the local economy but also reinforcing the social fabric in rural zones.

POP. PER TOWN/VILLAGE	
< 5,000	15.9%
5,000 to 10,000	6.1%
10,000 to 25,000	18.3%
25,000 to 50,000	5.8%
50,000 to 100,000	4.5%
100,000 to 150,000	1.2%
150,000 to 200,000	33.1%
>200,000	15.0%

5. Also, regarding **type of customer**, figures show that most are limited companies (consistent with the points made above) and more than 8% are cooperatives (mostly in the primary sector), figures in line with our origins as a cooperative credit institution and business philosophy.

TYPE OF COMPANY	
Public limited companies	11.4%
Limited companies	73.8%
Cooperatives	8.8%
Other	6.0%

6. For a deeper analysis of the real state of companies we have financed under this line, we attach two tables **showing sales and number of employees** in each:

SALES	
<1 million	72.2%
1 to 10 million	18.6%
10 to 20 million	3.2%
20 to 30 million	2.0%
30 to 45 million	3.4%
≥45 million	0.7%

NUMBER OF EMPLOYEES	
<10	79.5%
10 to 50	15.2%
50 to 100	3.4%
100 to 150	1.0%
150 to 200	1.0%
>200	0.0%

These two tables show the small scale of most companies financed by this line. More than 90% of funds went to firms with turnover of less than EUR 10 million and more than 94% to firms with less than 50 employees. Our financing, therefore, contributes to maintaining this important business fabric and the employment it generates.

7. It is also important to remember that despite the small size of these companies we are in one of Spain's most industrialised regions and this is reflected in the **heavy exporting activity** of these businesses.

EXPORT/IMPORT	
Importing	2.7%
Exporting	2.0%
Both	5.3%
Neither	90.0%

8. Finally, to illustrate the **diversification** of financing granted, we include below a table of the different sectors to which the companies we have financed belong, by financing granted.

SECTORS OF ACTIVITY	
Water supply, sanitation, waste management and depollution	0.5%
Agriculture, livestock, forestry and fisheries	2.2%
Manufacturing	8.9%
Construction	24.0%
Wholesale and retail commerce	6.7%
Transport and warehousing	2.9%
Hospitality	8.8%
Property	14.0%
Professionals, scientific and technical	10.7%
Administration and auxiliary services	1.5%
Other/NA	19.9%

Caja Rural de Navarra has channelled substantial funds to support SMEs in difficulty through its different financing lines, and in collaboration with the central government, helping keep in business many companies of all sizes, as well as self-employed workers, in sectors that have been impacted by the economic effects of the war in Ukraine, such as the increase in the prices of energy, raw materials and electricity.

In numbers, loans outstanding at 31 December 2022 totalled EUR 75 million, supporting 300 customers with 308 loans.

This financing is targeted mainly at SMEs and has successfully mitigated the rise in costs, giving customers the liquidity they need to keep their businesses going and sustain the associated jobs.

Covid-19 financing

Through its different financing lines, working in collaboration the central and regional governments, Caja Rural de Navarra has provided substantial funds, keeping many companies of all sizes in business and supporting self-employed workers, so helping maintain employment throughout the crisis brought on by the Covid-19 pandemic.

Specifically, its Covid-related loans outstanding at 31 December 2022 totalled EUR 914 million, supporting 5,594 companies with 6,866 transactions.

Some of these funds are incorporated into other sustainable lines and we have therefore only reported in this “Covid-19 financing” section the loans that are not mixed in with other lines, a residual amount of EUR 707.2 million, comprising 5,796 loans to 5,041 borrowers.

The supply of this finance had a massive positive impact of this action to mitigate the pandemic’s impact and sustain jobs in our regions, particularly in small and medium-sized enterprises.



The team

- 5.1_ The team
- 5.2_ Distribution of staff and types of contract
- 5.3_ Remuneration policy
- 5.4_ Corporate profit for the year
- 5.5_ Right to disconnect
- 5.6_ Developing professionals
- 5.7_ Structures for dialogue with employees
- 5.8_ Training policies
- 5.9_ Absenteeism index at caja rural de navarra
- 5.10_ Measures to promote gender equality of treatment and opportunities
- 5.11_ Integration of talent and commitment to employment
- 5.12_ Protocol on sexual and gender harassment and against any kind of discrimination
- 5.13_ Preventing work related risks
- 5.14_ Human rights



5.1 THE TEAM

The people who make up the Caja Rural de Navarra team are the bedrock of the Bank, along with our customers, suppliers and the wider society where we live and work. For this reason, we seek to help the people in all these stakeholder groups, which constitute the heart of the Company, to develop and evolve personally and professionally.

The corporate culture and the values we bring to work every day reflect this focus on people, their well-being, and our general determination to stand with our people, “always close”. Maintaining existing branches and opening new ones shows our determination to stay close to society in all urban and rural areas, and represents a guarantee of support for business in all zones, with particular emphasis on less populated areas that are of great importance in the integral development of our region.

Responsibility is a key element in how we see our environment, with high levels of continuous training tailored to individual circumstances and the people involved. This approach extends throughout Spain and internationally, thanks to our national and European alliances, in partnership with the European Union cooperative banking sector.

We see ourselves as partners with our team and customers, working together with the whole of wider society and our community.

We are a diverse and egalitarian team. We include all ages and there is collaboration between those starting out and experiencing the world of work for the first time and people with long track records and experience. Collaboration is a learning process for both sides, about advice and business focus on the one hand and about digitisation of the business and innovations in customer relationships on the other. An egalitarian workforce, with increasingly homogeneous access to managerial responsibilities. A team with very different backgrounds and diverse options that strive to integrate and work together every day.

A team that is constantly evolving and developing, where the engine of progress is personal and professional development, supporting our social engagement and the well-being of society, thanks to our diligence and hard work, with demanding standards and mutual trust.

5.2 DISTRIBUTION OF STAFF AND TYPES OF CONTRACT

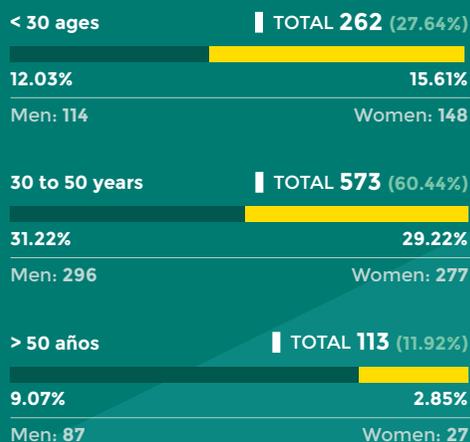
5.2.1. TOTAL HEADCOUNT AND BREAKDOWN BY SEX, AGE, COUNTRY AND PROFESSIONAL CLASSIFICATION

2020 **948**
TOTAL EMPLOYEES

BY SEX



AGE RANGE



BY PROFESSIONAL CLASSIFICATION



* Employee data is taken at 31/12 of the year analysed

Professional classification has three groups: **Group I** is the Managing Director, who prepares for and works with the Governing Board in its decision-making when defining and proposing the business strategy, drawing up the Annual Operating Plan, setting targets for the income statement and expansion of the Bank and monitoring budgets.

Group II is administrative and management personnel. This group involves heads of department and other executives responsible for carrying through the day-to-day business in the different areas. **Group III**, support staff, includes employees doing tasks that are not specifically related to banking but are support roles, such as qualified staff drivers and maintenance personnel. **Group II** is divided into a number of pay grades.

There are 10 pay grades for different functions within the same group. In addition to these 10 grades there are two starting grades, first-year entry and second-year entry. There is a professional promotion system within the **Group II** grades that means workers pass from grade 10 to 9, 9 to 8 and 8 to 7, and in the case of managers from 7 to 6 based on time served and the completion of commercial tasks.

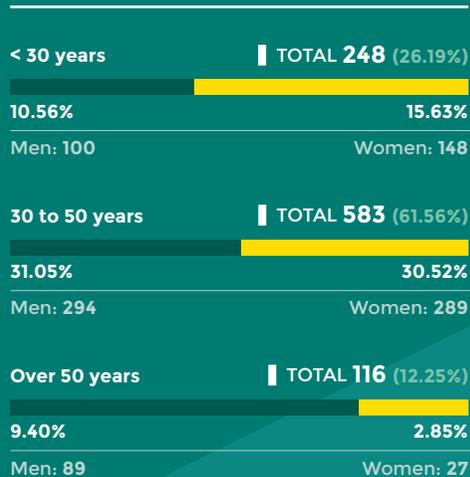
2021

947
TOTAL EMPLOYEES

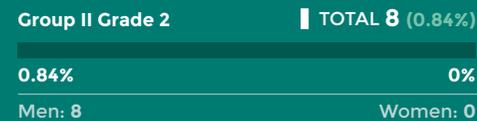
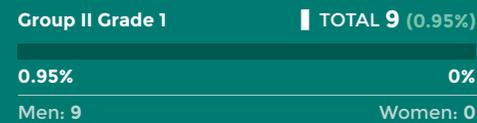
BY SEX



BY AGE



POR CLASIFICACIÓN PROFESIONAL

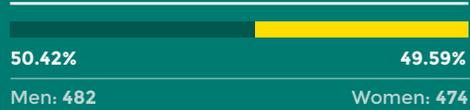


* Employee data is taken at 31/12 of the year analysed

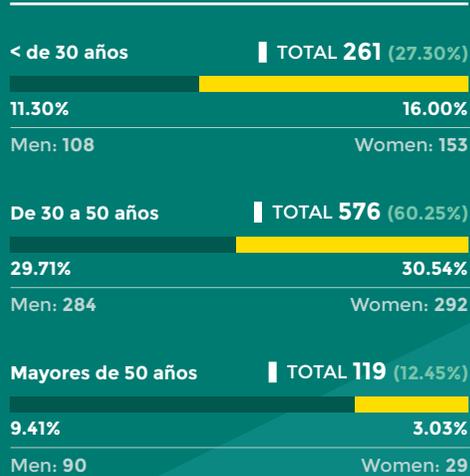
2022

956
TOTAL EMPLOYEES

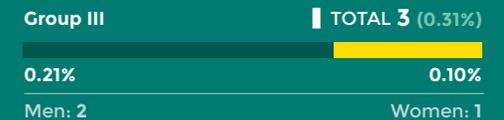
BY SEX



BY AGE



BY PROFESSIONAL CLASSIFICATION



* Los datos de empleados están sacados a 31/12 del año analizado

5.2.2. TOTAL HEADCOUNT AND BREAKDOWN BY TYPE OF EMPLOYMENT CONTRACT
2020 TOTAL EMPLOYEES
948

TYPE OF CONTRACT	EMPLOYEES	% OF TOTAL
1 Permanent F/T	740	78.06%
200 Permanent P/T	2	0.21%
401 F/T fixed-term work or services	7	0.74%
402 F/T circumstances of production	57	6.01%
502 P/T circumstances of production	0	0.00%
410 Temporary F/T	10	1.05%
420 Apprenticeship F/T	131	13.82%
520 Work experience P/T	1	0.11%
Total	948	100.00%


2021 TOTAL EMPLOYEES
947

TYPE OF CONTRACT	EMPLOYEES	% OF TOTAL
1 Permanent F/T	772	81.52%
200 Permanent P/T	2	0.21%
401 F/T fixed-term work or services	0	0.00%
402 F/T circumstances of production	40	4.22%
502 P/T circumstances of production	0	0.00%
410 Temporary F/T	11	1.16%
420 Apprenticeship F/T	121	12.78%
520 Work experience P/T	1	0.11%
Total	947	100.00%

2022 TOTAL EMPLOYEES
956

TYPE OF CONTRACT	EMPLOYEES	% OF TOTAL
1 Permanent F/T	803	84.00%
200 Permanent P/T	1	0.10%
401 F/T fixed-term work or services	0	0.00%
402 F/T circumstances of production	0	0.00%
502 P/T circumstances of production	0	0.00%
410 Temporary F/T	14	1.46%
420 Apprenticeship F/T	137	14.33%
520 Work experience P/T	1	0.10%
Total	956	100%

* In both types of contract (F/T & P/T) the distribution by gender is similar.

The breakdown by sex and number of contracts is similar for both full-time and part-time contracts.
* F/T: Full time / * P/T: Part time

5.2.3.ANNUAL AVERAGE OF PERMANENT/TEMPORARY CONTRACTS

PERMANENT CONTRACTS 2022

804

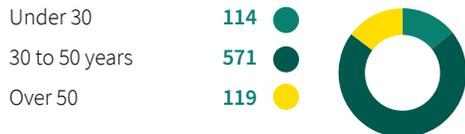
TOTAL PERMANENT CONTRACTS F/T **803**

TOTAL PERMANENT CONTRACTS P/T **1**

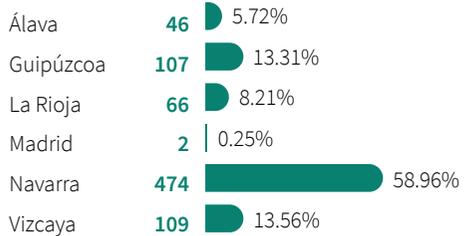
BY SEX



BY AGE



BY REGION



BY PROFESSIONAL CLASSIFICATION

PROFESSIONAL CATEGORY	EMPLOYEES 2022	% OF 2022 TOTAL
Group I	1	0.12%
Group II Grade 1	7	0.87%
Group II Grade 2	8	1.00%
Group II Grade 3	1	0.12%
Group II Grade 4	10	1.24%
Group II Grade 5	17	2.11%
Group II Grade 6	241	29.98%
Group II Grade 7	278	34.58%
Group II Grade 8	43	5.35%
Group II Grade 9	113	14.05%
Group II Grade 10	82	10.20%
Group III Assistants	3	0.37%

TEMPORARY CONTRACTS 2022

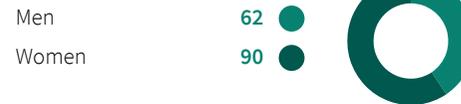
152

Temporary F/T **14**

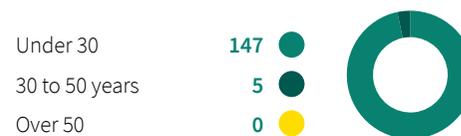
Apprenticeship F/T **137**

Work experience P/T **1**

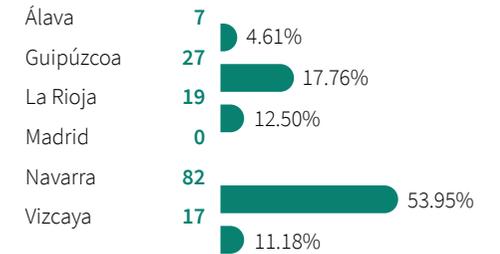
BY SEX



BY AGE



BY REGION



BY PROFESSIONAL CLASSIFICATION

	EMPLOYEES 2021	% OF TOTAL 2021
Group II Grade 10	149	98.03%
Group II Access to Profession I	3	1.97%

5.2.4. DEPARTURES BY SEX, AGE, COUNTRY AND PROFESSIONAL CLASSIFICATION

2020 TOTAL DEPARTURES
10

	EMPLOYEES	% OF TOTAL
By sex		
Men	6	60.00%
Women	4	40.00%
By age		
Under 30	2	20.00%
30 to 50 years	3	30.00%
Over 50	5	50.00%
By professional classification		
Group II Grade 6	5	50.00%
Group II Grade 7	2	20.00%
Group II Grade 9	2	20.00%
Group II Grade 10	1	10.00%

2021 TOTAL DEPARTURES
4

	EMPLOYEES	% OF TOTAL
By sex		
Men	3	75.00%
Women	1	25.00%
By age		
Under 30	1	25.00%
30 to 50 years	1	25.00%
Over 50	2	50.00%
By professional classification		
Group II Grade 6	1	25.00%
Group II Grade 7	1	25.00%
Group II Grade 8	1	25.00%
Group II Grade 10	1	25.00%



2022 TOTAL DEPARTURES
10

	EMPLOYEES	% OF TOTAL
By sex		
Men	6	60.00%
Women	4	40.00%
By age		
Under 30	0	0.00%
30 to 50 years	5	50.00%
Over 50	5	50.00%
By professional classification		
Group II Grade 4	1	10.00%
Group II Grade 5	1	10.00%
Group II Grade 6	2	20.00%
Group II Grade 7	3	30.00%
Group II Grade 8	1	10.00%
Group II Grade 10	1	10.00%
Group II Grade 2	1	10.00%

5.2.5. EMPLOYEES AT YEAR-END, BY REGION

* Employee data is taken at 31/12 of the year analysed

ÁLAVA



2020

TOTAL EMPLOYEES:
52

By sex	
Men	29
Women	23

By age	
Under 30	17
30 to 50 years	34
Over 50	1

2021

TOTAL EMPLOYEES:
55

By sex	
Men	22
Women	23

By age	
Under 30	15
30 to 50 years	39
Over 50	1

2022

TOTAL EMPLOYEES:
53

By sex	
Men	33
Women	20

By age	
Under 30	11
30 to 50 years	41
Over 50	1

GUIPÚZCOA



2020

TOTAL EMPLOYEES:
126

By sex	
Men	64
Women	62

By age	
Under 30	38
30 to 50 years	82
Over 50	6

2021

TOTAL EMPLOYEES:
135

By sex	
Men	69
Women	66

By age	
Under 30	42
30 to 50 years	88
Over 50	5

2022

TOTAL EMPLOYEES:
134

By sex	
Men	68
Women	66

By age	
Under 30	41
30 to 50 years	84
Over 50	9

VIZCAYA



2020

TOTAL EMPLOYEES:
124

By sex	
Men	58
Women	66

By age	
Under 30	44
30 to 50 years	78
Over 50	2

2021

TOTAL EMPLOYEES:
119

By sex	
Men	52
Women	67

By age	
Under 30	35
30 to 50 years	82
Over 50	2

2022

TOTAL EMPLOYEES:
126

By sex	
Men	52
Women	74

By age	
Under 30	39
30 to 50 years	85
Over 50	2

NAVARRA



2020

TOTAL EMPLOYEES:
564

By sex

301	263
Men	Women

By age

Under 30	139
30 to 50 years	323
Over 50	102

2021

TOTAL EMPLOYEES:
553

By sex

289	264
Men	Women

By age

Under 30	133
30 to 50 years	313
Over 50	107

2022

TOTAL EMPLOYEES:
556

By sex

286	270
Men	Women

By age

Under 30	145
30 to 50 years	308
Over 50	103

LA RIOJA



2020

TOTAL EMPLOYEES:
81

By sex

43	38
Men	Women

By age

Under 30	24
30 to 50 years	55
Over 50	2

2021

TOTAL EMPLOYEES:
82

By sex

37	45
Men	Women

By age

Under 30	22
30 to 50 years	59
Over 50	1

2022

TOTAL EMPLOYEES:
85

By sex

41	44
Men	Women

By age

Under 30	25
30 to 50 years	56
Over 50	4

MADRID



2020

TOTAL EMPLOYEES:
1

By sex

1	
Men	Women

By age

Under 30	0
30 to 50 years	1
Over 50	0

2021

TOTAL EMPLOYEES:
3

By sex

3	
Men	Women

By age

Under 30	1
30 to 50 years	2
Over 50	0

2022

TOTAL EMPLOYEES:
2

By sex

2	
Men	Women

By age

Under 30	0
30 to 50 years	2
Over 50	0

* Employee data is taken at 31/12 of the year analysed

2.6 INTEGRATED REPORT 2022

EXPERIENCE (AVERAGE SENIORITY) 2022

2020	13.32 years
2021	13.66 years
2022	13.65 years

DIVERSITY

2020

52.32%	47.68%
Men	Women

2021

51%	49%
Men	Women

2022

50.42%	49.58%
Men	Women

PERSONAS CON NECESIDADES ESPECIALES

2020	4
2021	5
2022	5

UNIVERSITY GRADUATES

2020

6.75%	93.25%
Non-graduates	Graduates

2021

5.91%	94.09%
Non-graduates	Graduates

2022

5.13%	94.87%
Non-graduates	Graduates

5.3. REMUNERATION POLICY

The core aim of remuneration policy is to align the actions of teams with the long-term aims of the Bank.

The Legal Representation of Employed People (LREP) is involved in designing and planning remuneration policy through the National Collective Agreement for Credit Cooperatives, management of the Bank and has the approval of the Remuneration Committee and, finally, the Governing Board.

Long-term aims include the need to generate financial profit but also take account of other key issues for a cooperative organization with strong local roots, such as growing its customer base, increasing the number of products held by each customer, building customer loyalty and fostering a positive market image of the services and value we provide.

The basic criteria that flow from this core aim are as follows:

- A.** Individual remuneration shall fairly reflect each employee's responsibility and professional career. It must be reviewed regularly (at least annually) and changed where appropriate.
- B.** Individual remuneration shall fairly reflect each employee's responsibility and professional career. It must be reviewed regularly (at least annually) and changed where appropriate.
- C.** Variable remuneration must be capped as a proportion of fixed income and can never be more than 100 % of fixed remuneration, as required by regulations in force.

D. It should always be based on the qualitative issues most closely related to long-term performance (maintenance of the customer base, customer satisfaction, balanced growth, etc.).

E. Part of variable remuneration shall be deferred for between 3 and 5 years, tied to completion of the Strategic Plan for this period.

F. Customer satisfaction data feeds into the design of remuneration policy.

G. Variable remuneration shall include a clawback clause allowing the Cooperative Back to retrieve sums paid in the event of fraud, disciplinary dismissal or misconduct that causes serious damage to the Bank.

H. Before agreeing any payment, the Bank must make sure that minimum solvency requirements will continue to be met so its solvency is not imperilled and check it against the detailed indicators in the Risk Appetite Framework.

Basic pay structure is set out in the Collective Agreement of Cooperative Credit Institutions, agreed between the employers of the National Union of Cooperative Credit Institutions and the unions, which sets the standard for all employees.

Once regulatory requirements have been met, the remuneration of each employee is set individually based on their individual career. Fair treatment is ensured by looking at a set of standardised functions for which they are responsible.

In accordance with Caja Rural de Navarra's Equality Plan and applicable regulations, the salary gap is analysed and conclusions drawn on reducing gender pay gaps. Also, a new Equality Plan is being negotiated through the Negotiating Committee.



Data from individual pay awards are aggregated to check they match the Bank's budget and ensure there is no overrun during the year.

1. REMUNERATION SYSTEM

Caja Rural de Navarra structures its remuneration system to achieve an internal coherence between the elements of remuneration and the posts and responsibilities being rewarded, and gender equality, which is tailored to the realities of the market and provides a path of professional progress and promotion for its staff.

	2020	2021	2020
Collectively negotiated salary	67.39	69.99	65.51
Voluntary salary	21.61	20.71	19.10
Incentives	11.01	9.30	15.38

* 2020 includes incentive payments on the Strategic plan

Caja Rural de Navarra has approved its Remuneration Policy linked to Risk management which is designed to fulfil its stated obligations.

The Policy is based on a number of principles, including the following:

- **Fixed individual remuneration** shall fairly reflect each employee's responsibility and professional career. It must be reviewed regularly (at least annually) and changed where appropriate.
- **Variable remuneration** is discretionary and shall take account of employees' performance, results achieved by their team and results achieved by the Bank as a whole. It is based on a qualitative assessment, taking into account aspects relating to the quality and performance of their work.

All salary information refers to the **Average Labour Index** for the Caja Rural de Navarra.

Average remuneration by professional classification:

CATEGORY	AVERAGE SALARY 2022	AVERAGE SALARY 2021	AVERAGE SALARY 2020
Group II Grade 1	3.06	2.91	3.00
Group II Grade 2	2.25	2.28	2.29
Group II Grade 4	1.97	1.98	1.97
Group II Grade 5	1.85	1.85	1.83
Group II Grade 6	1.34	1.35	1.36
Group II Grade 7	0.99	0.99	0.99
Group II Grade 8	0.93	0.89	0.89
Group II Grade 9	0.77	0.74	0.76
Group II Grade 10	0.57	0.55	0.57
Group II Access to Profession I	0.49	-	-
Group III Assistants	0.75	0.83	0.84

** Data based on average labour index

CATEGORY	AVERAGE SALARY 2022	AVERAGE SALARY 2021	AVERAGE SALARY 2020
Group II Grade 1	3.34	3.16	3.26
Group II Grade 2	2.45	2.47	2.49
Group II Grade 4	2.16	2.15	2.14
Group II Grade 5	2.02	2.00	1.98
Group II Grade 6	1.46	1.46	1.48
Group II Grade 7	1.08	1.07	1.08
Group II Grade 8	1.02	0.96	0.97
Group II Grade 9	0.84	0.80	0.83
Group II Grade 10	0.62	0.60	0.61
Group II Access to Profession I	0.54		
Group III Assistants	0.82	0.90	0.91

** Data based on average salary

	MINIMUM STARTING SALARY EUR/H		
2022	19,735.83 €	1,700	11.61 €
2021	22,917.18 €	1,700	13.48 €
2020	22,634.18 €	1,700	13.31 €

	MINIMUM STARTING SALARY EUR/NMW		
2022	19,735.83 €	14,000.00 €	1.41
2021	22,917.18 €	13,510.00 €	1.7
2020	22,634.18 €	13,300.00 €	1.7

*NMW = Spanish national minimum wage in 2022

2. AVERAGE REMUNERATION AND BREAKDOWN BY SEX AND AGE

2020

AVERAGE SALARY	M	W
By sex		
	1.15	0.84
By age		
Under 30	0.58	0.58
30 to 50 years	1.24	0.95
Over 50	1.62	1.03

2021

AVERAGE SALARY	M	W
By sex		
	1.16	0.83
By age		
Under 30	0.58	0.57
30 to 50 years	1.21	0.94
Over 50	1.64	1.11

2022

AVERAGE SALARY	M	W
By sex		
	1.15	0.85
By age		
Under 30	0.60	0.59
30 to 50 years	1.20	0.95
Over 50	1.66	1.11

2020

AVERAGE SALARY 2020/ MEAN	M	W
By sex		
	1.25	0.91
By age		
Under 30	0.63	0.63
30 to 50 years	1.34	1.03
Over 50	1.76	1.12

2021

AVERAGE SALARY 2021/ MEAN	M	W
By sex		
	1.26	0.90
By age		
Under 30	0.63	0.61
30 to 50 years	1.31	1.02
Over 50	1.78	1.21

2022

AVERAGE SALARY 2022/ MEAN	M	W
By sex		
	1.26	0.92
By age		
Under 30	0.66	0.65
30 to 50 years	1.31	1.04
Over 50	1.81	1.21

3. AVERAGE SALARY GAP BY FUNCTION, MEN VS. WOMEN

AVERAGE SALARY

BY FUNCTION	2020		2021		2022	
	M	W	M	W	M	W
Head of Area/Zone	2.60	2.22	2.57	2.05	2.60	2.15
Manager of Branch/CS	1.39	1.13	1.38	1.13	1.39	1.15
Administration-Sales/CS	0.90	0.75	0.92	0.75	0.91	0.77

AVERAGE SALARY/MEAN

BY FUNCTION	2020		2021		2022	
	M	W	M	W	M	W
Head of Area/Zone	2.82	2.41	2.78	2.22	2.84	2.35
Manager of Branch/CS	1.51	1.23	1.50	1.22	1.51	1.26
Administration-Sales/CS	0.98	0.82	1.00	0.81	0.99	0.84

* CS: Central Services

* Data based on average salary

4. SALARY DISTRIBUTION 2022

	2020	2021	2022
Ratio of best-paid person's salary vs. mean employee salary (excluding the top earner)	6.67	6.31	5.89
MEAN % PAY RISE	1.76	1.25	0.31
Ratio of % increase best-paid person's salary vs. mean % increase	0.15	0.95	3.21

5. AVERAGE REMUNERATION OF DIRECTORS AND MANAGERS

BOARD

IGNACIO TERÉS LOS ARCOS	GABRIEL URRUTIA AICEGA
PEDRO JESÚS IRISARRI VALENCIA	JOSÉ JOAQUÍN RODRÍGUEZ EGUILAZ
MARCELINO ETAYO ANDUEZA	JESÚS MARÍA DEL CASTILLO TORRES
FERMÍN ESANDI SANTESTEBAN	ALBERTO ARRONDO LAHERA
MANUEL GARCÍA DÍAZ DE CERIO	CARLOS SÁNCHEZ DIESTRO
IGNACIO ZABALETA JURIO	ANA MARÍA IZAGUIRRE LARRAÑAGA
AINHIZE MURATORI IRURZUN	FERNANDO OLLETA GAYARRE
PEDRO JOSÉ GOÑI JUAMPÉREZ	ROBERTO ZABALETA CIRIZA

Gross total remuneration	67,775.27 €
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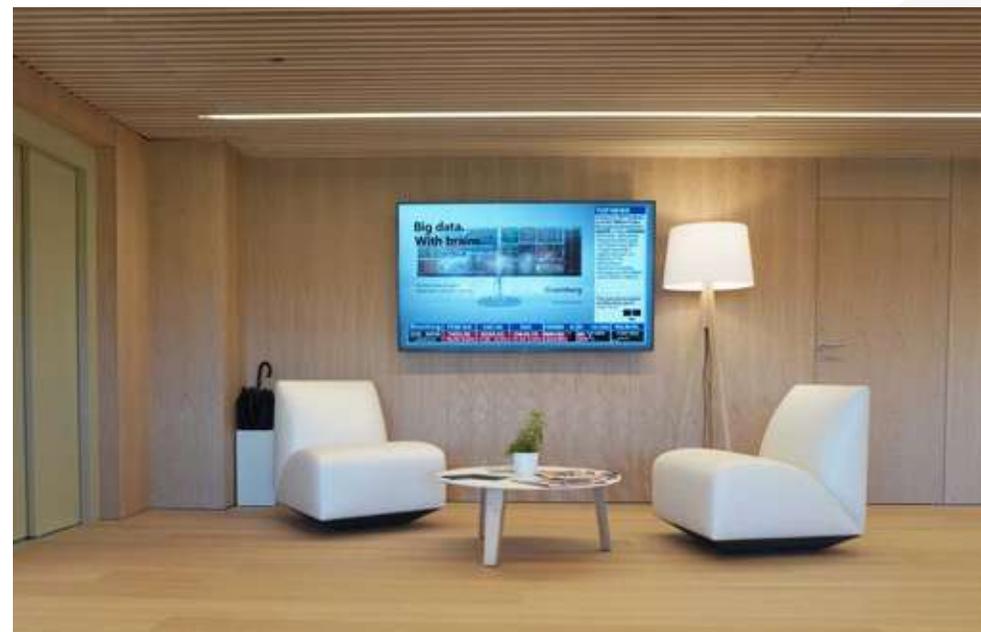
Annual average remuneration per person	4,235.95 €
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MANAGEMENT BOARD

ARRIETA DEL VALLE IGNACIO (A.D.)	BERAZALUCE MINONDO FRANCISCO J. (F.D.)
MAEZTU ZAPATERIA IGNACIO (A.D.)	CAMPOS JIMENEZ FERNANDO (F.D.)
AYECHU REDIN JUAN MARIA (A.D.)	TABOADA PLATAS SERGIO (F.D.)
GARCIA DE EULATE MARTIN MORO M (A.D.)	MORIONES ARAMENDIA MARIA (F.D.)
RODRIGUEZ LASPIUR FRANCISCO J. (A.D.)	MENA SOLA IGNACIO (F.D.)
TURRILLAS RECARI ALBERTO (A.D.)	URDANGARIN TOLOSA MIKEL (F.D.)
SOLA ARRESE FELIX (A.D.)	SORBET LAMPEREZ IÑAKI (F.D.)
SAGASETA GARCIA CARLOS ALBERTO (A.D.)	VERTIZ SUBIZAR JAVIER (O.F.)
SOTRO BELZARENA RODOLFO (F.D.)	IBAÑEZ CORCUERA ANE (O.F.)
	SANZ NICUESA ALBERTO JOSE (O.F.)

Gross total remuneration	2,260.252 €
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Annual average remuneration per person	118,960.63 €
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5.4 CORPORATE PROFIT FOR THE YEAR



BENEFITS IN KIND – FINANCIAL PRODUCTS

- Subsidised loans
 - Employee primary home loan (personal guarantee or mortgage)
 - Home loan under collective agreement (personal guarantee or mortgage)
 - Employee payments (personal guarantee)
 - Loans for other purposes (personal guarantee or mortgage)
 - Second home loans (personal guarantee or mortgage)
 - Pledges
 - Loans
- Subsidised current or savings account
- Subsidised cards and Via-T cards
- Special conditions on international transactions.
- Regular free transfers
- Securities: special terms for employees, spouses and non-adult children
- Car and home insurance with special discounts for employees
- Employee discount on Guuk basic package

5.5 WORK-LIFE BALANCE BENEFITS



WORK-LIFE BALANCE BENEFITS

- Digital disconnection policies
- Flexible working hours
- Paid and unpaid permits and licenses
- Maternity leave
- Shorter working day
- Medical support
- Voluntary leave and leave for care of children under 3

OTHER BENEFITS

- Support with children's studies
- Support with employees' studies
- Family support for children
- Additional orphan's pension for children of deceased employees
- Life and casualty insurance for employees
- Right to receive 100% of real salary for 18 months temporary disability leave

5.6 RIGHT TO DISCONNECT

The right to digital disconnection is a labour law that seeks to adapt the workforce to the new realities of the digital age while ensuring respect for the rights to rest time, leave and holidays, outside legal working hours, and for the personal and family life of workers, creating a healthy work/life balance, goldplating statutory requirements in this area.

The measure also helps prevent risks at work, by reducing mental overload that can result in inattention at work. Hyperconnectivity and a constant attention to and preoccupation with work can cause stress and anxiety. Better time management leads to greater employee motivation and better results in terms of productivity and performance.

Accordingly, in line with the regulations in Article 20a of the Labour Code, the Bank and employees' representatives signed an agreement recognising that workers have the right to digital disconnection to make sure that, outside legal or negotiated working hours, their free time, leave and holidays and their personal and family life are respected.

Article 69.1 of the National Collective Agreement for Credit Cooperatives sets out the agreements regarding the right to disconnect digitally and from work.

5.7 GOING BEYOND PERSONAL DEVELOPMENT

Professional development is based on a combination of personal habits (commitment, effort, responsibility, etc.) and the development of the skills that professional activity demands. When both are working together the result is work satisfaction and better productivity.

The Bank has calculated an overall skills level for itself, this being the sum of the skills of each team member projected as a Talent Map for Caja Rural de Navarra.

This analysis allows us not only to balance the team to meet current needs but also to adjust strategy as we go along to meet the Bank's long-term targets.

The Talent Map is based on three main levels:

A solid Management Structure

That leads the development of the business and teams

Professionals working in teams

With the potential to take on new responsibilities

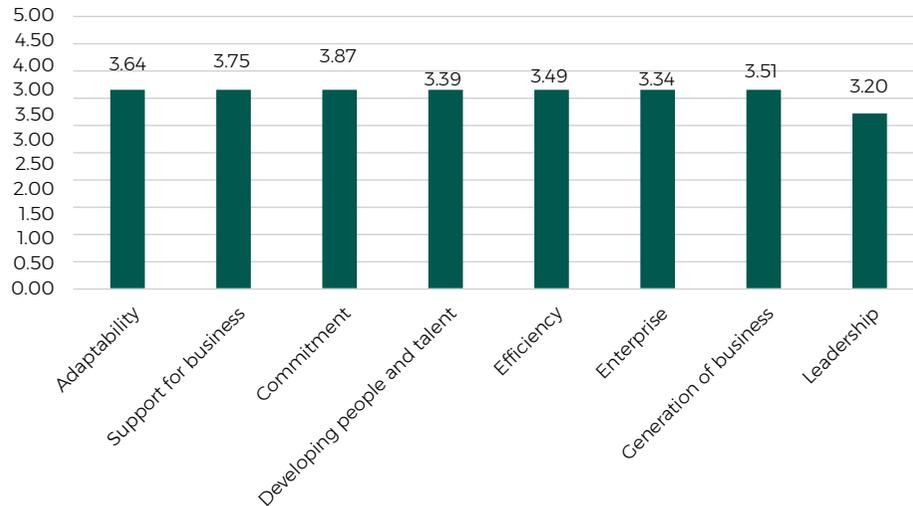
Integration of Talent

With high potential and scope to develop further

The process used to assess performance and produce the diagnostic cited above, is the Improvement Plan.

Competences assessed during the process are linked to the Bank's values. And we lay especial emphasis on Leadership, as we consider that the managerial function is key to the personal development of Bank employees.

In 2022, the average score for each skill was as follows:



The whole assessment process takes as its starting point a formula that will evolve through different phases, which will involve the person being assessed, the head of department, Zone and Area Managers and Human Resources, who have a coordinating role in the process.

The phases of the Improvement Plan are as follows.



The key phase is the one-on-one interview when the line manager meets each member of the team to share the assessment and provide feedback. This is where the improvement targets are set.

RURAL ERASMUS

This year, following the pandemic, we have revived an initiative that pulled together the different areas with central services, sharing knowledge and adding value to professional development.

Five people took part in the programme this year. The programme moves participants to a new area where they have to join in the work of a branch with very different features and environment to what they are used to. During their stay, they can experience the working patterns of different areas of Central Services.

5.8 STRUCTURES FOR DIALOGUE WITH EMPLOYEES

As a Credit Cooperative, Caja Rural de Navarra is overseen by its Governing Board and this body includes one person representing workers, who therefore takes part in corporate governance decisions and has access to all the Bank's management and strategic information.

He/she also sits on the Remuneration Committee, where the Bank's remuneration policy is analysed before being passed on to the Governing Board for approval.

Similarly, the way the Bank organises its human resources means employees have a voice in their day-to-day activities. First, it promotes teamwork so that the branch office is the Company's core operational unit. Accordingly, targets set by the company are all team targets. The criteria to achieve, whether in terms of financial growth, customers or general functioning of the branch, are common goals shared by all.

The company's communications system is also based on team meetings and coordinated decision-

making by managers with the participation of all those involved. All the committees and meetings feed into the branch meeting, which is the core forum for the team and requires the collaboration of the whole group.

Relations with the workers' representation bodies are continuous, providing for consultation and participation in decisions. They are conducted via permanent structures such as the Health and Safety Committee and the Equality Plan Negotiating Committee, and through ongoing communications as part of the Bank's normal conduct of its business.

The collective agreement governing terms and conditions in the sector is negotiated for all credit cooperatives by the UNACC, which includes the Bank, and by ASEMEC on the management side and by the unions Comisiones Obreras (CC.OO.) and Unión General de Trabajadores (UGT) on the workers' side. This sets the basic regulations for the activity of cooperative credit institutions and as such applies directly to 100% of Caja Rural de Navarra employees.

However, in addition to the above negotiation and application of the collective sector agreement, there are other areas which are regulated by internal agreements between employees' legal representatives and management, addressing specific issues that improve on the terms in the collective agreement or regulate matters not covered by the general regulations.

Current agreements in force cover, first, distribution of working hours in light of work-life balance and employees' right to decide some of their working hours, so that work is done at the best time for the business and the employee and coordinated with the working team. It also covers extra holidays. Secondly, employee benefits such as loans for various purposes, various types of insurance protection and support for families with children.

5.9 TRAINING POLICIES

At Caja Rural de Navarra we are committed to the professional development of the entire workforce so that everyone has the opportunity to pursue a professional career and develop as they take on different roles.

This commitment to personal development demands major investments in terms of both money and the time we all give to training, being trained and ultimately making this professional development possible. We foster an environment of continuous learning. Our policy of generational diversity among the staff proves useful here, as it is a fundamental feature of people from different generations working alongside each other that they learn from each other in an organic and sustainable way, transferring our values of proximity, commitment and responsibility.

Also, we make a particular effort with people who join the Bank on the work experience programmes that we help run with Universities every year, investing time and resources to support their personal development and financial education that will be useful in their future lives.

The Caja Rural de Navarra training plan lays the groundwork for the actions that are run during the year with the aim of evolving as an organisation in terms of personal and professional growth, matching the needs of the workforce with our need to adapt to market situations or regulatory changes with the right training for each group.

Training Areas have been highly diverse in 2022, with a strong emphasis on the Bank's current focus on Advisory services, which requires certification of the entire workforce. There is also an Experience

Programme that includes two of the three official certifications (MiFID 2 and Mortgage Act) which we run to develop the skills of new recruits. We also run annual refresher programmes to keep the knowledge of qualified advisors up to date.

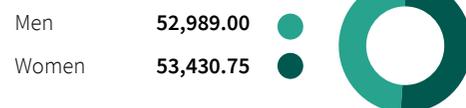
Training courses in cybersecurity and regulatory training regarding Insurance, Prevention of Money Laundering, Compliance and Data Protection make up the rest of the programmes delivered by the Bank.

We should also mention the launch of the creativity groups in the company. These offer an introductory training in dynamisation that is helping us to innovate and focus creatively.

Elsewhere, we have our own Virtual Classroom with a wide range of e-learning programmes that are open to the whole workforce.

In 2022, a total of 106,419.75 training hours were delivered as follows:

BY SEX

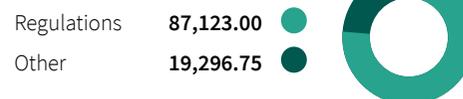


BY AGE



In 2022, average training hours per person were 111.32 hours, ensuring the workforce was kept permanently updated on major issues.

BY TYPE OF TRAINING



Finally, we would point out that 92.96 % of training hours in 2022 were delivered via video-conferencing or e-learning, improving work-life balance and, by reducing travel time, sustainability.

BY TRAINING FORMAT



5.10 ABSENTEEISM INDEX AT CAJA RURAL DE NAVARRA

TYPE OF ABSENTEEISM	2020	2021	2022
Common illness	32,190.00	26,077.50	33,382.50
Covid-19 illness	17,805.00	17,085.00	11,130.00
Non-work accident	1,267.50	1,605.00	1,950.00
Accident at work/Work-related illness	555.00	1,807.50	262.50
Maternity	12,667.50	12,705.00	12,915.00
Paternity/full or part time	7,230.00	10,785.00	10,353.75
Paid leave	N/A	6,187.50	6,545.03
TOTAL HOURS OFF WORK	71,715.00	76,252.50	76,538.78
ABSENTEEISM INDEX	4.45%	4.33%	4.42%

5.11 MEASURES TO PROMOTE GENDER EQUALITY OF TREATMENT AND OPPORTUNITIES

At Caja Rural de Navarra we are implementing an Equality Plan. However, since late 2021 we have been negotiating with the workers' legal representatives to make changes that would embed measures strengthening our commitment to policies of equal treatment and opportunities for men and women.

We see equal management as one of our Corporate and Human Resources principles as well as a key strategic principle. We promote a culture of gender equality throughout the workforce, and act as an equalities trailblazer in the community.

The workforce is evenly split between men and women, and 36.67 % of branch managers, a key role in the Bank, are women. This is one of the highest ratios in the sector.

5.12 A PROFESSIONAL OPPORTUNITY

Our commitment to employment begins at university. We look at the training environment, the pool of talent available to the Bank, and in the spirit of proximity that is our hallmark we take part in various activities to help ease people into the world of work.

Job fairs

We are present at events held in our community, to try to stay close to young talent and communicate our project and professional offering.

This year we attended the following events:

- **Navarra:** Jobs fairs at the Universidad de Navarra and Universidad Pública de Navarra, in Tudempleo and Navarrajobs.
- **Gipuzkoa:** Jobs fair at the Universidad del País Vasco and Gipuzkoa Chamber of Commerce.
- **Vizcaya:** Deusto jobs fair and Career Days run by the Vizcaya Chamber
- **Álava:** Emleogune, organised by Vitoria local authorities and the Universidad del País Vasco.

Practical experience

Our internship programmes are also an example of the commitment to introducing people to working life and building up young talent in our community. They give an opportunity to put into practice acquired knowledge and to develop skills linked to the business.

For Caja Rural de Navarra, these programmes are the main channel for recruiting talent.

The summer internship programme run during July and August welcomed 106 students from the following universities:

Universidad Pública de Navarra

Universidad del País Vasco

Universidad de La Rioja

Universidad de Deusto

Universidad de Navarra

Universidad de Mondragón

Universidad de Valladolid

Universidad de Zaragoza

Universidad Carlos III

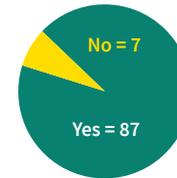
Universidad Rey Juan Carlos

Universidad Francisco de Vitoria

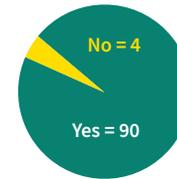
Universidad de Vigo

Each year, we ask for feedback on the lived experience of this group. This anonymous survey also allows us to analyse broad factors related to the Bank's image as an employer. For instance, these two questions which we put to students and the conclusions we drew.

Do you see Caja Rural de Navarra / Rural Kutxa as a possible entry point to professional life?



Do you see Caja Rural de Navarra / Rural Kutxa as a good company to develop your career?



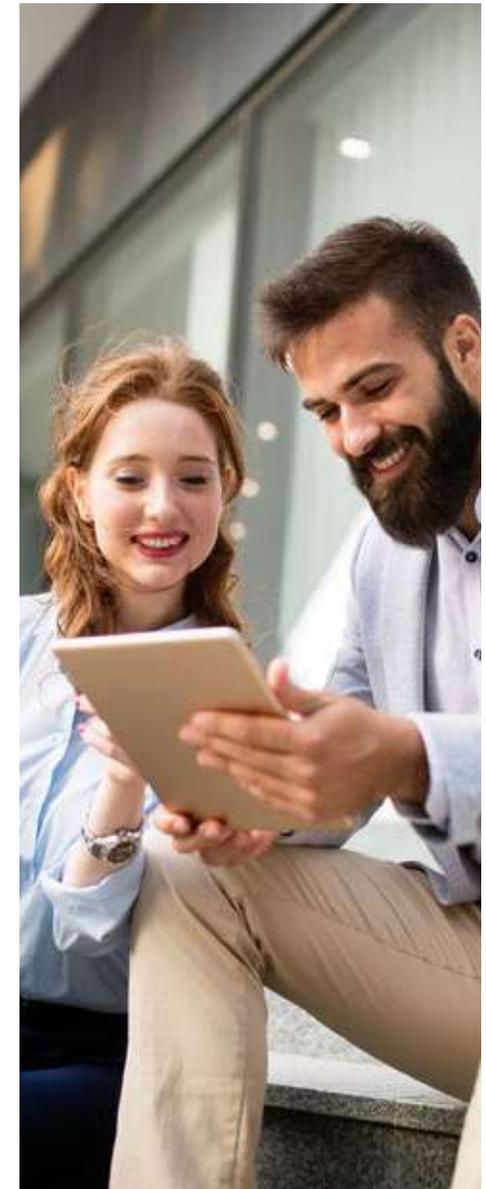
Experience programme

The Experience Programme has a dual format. Recent graduates work in our teams where they can put into practice the knowledge of the Customer Experience Expert while also training for MiFID 2 and Mortgage Act qualifications.

The programme is our "school" for financial advisory professionals. 119 people went through it this year.

CRN Tutoring Programme

Guidance and feedback are key to personal development processes, particularly when onboarding inexperienced young people into the Bank. To provide this, we assign an experienced internal tutor whose functions include:



- Welcoming new recruits
- Organizing their work
- Supporting them in fulfilling their role
- Overseeing, guiding and controlling the development of their work experience

This year, we have launched a training course for branch managers, who will go on to tutor new recruits. 171 people completed it out of 231 who signed up.

A positive environment

We are always aware of the motivation that comes from working in a committed company, which is appealing to customers and those we train in the team.

Proximity implies a commitment to our community, partners, customers, suppliers and, of course, the people who working our team.

Stability is a feature of Caja Rural de Navarra's culture. In 2022, there were 10 voluntary resignations among people on permanent contracts and, in the spirit of sustainable growth, 56 new people were hired on permanent contracts.

5.13 TOCOL ON SEXUAL AND GENDER HARASSMENT AND AGAINST ANY KIND OF DISCRIMINATION

Caja Rural de Navarra is firmly committed to zero tolerance of any discrimination based on sex, gender, race, age, nationality, religion, sexual orientation, disability, family origin, language, political ideology, political or trade union affiliation or any other characteristic that is not objectively related to working conditions or whose consideration for these purposes is prohibited by law.

Management will ensure the working environment remains healthy and safe for all employees and that no-one experiences any harassment of any kind, whether sexual, labour, personal or gender-based. They will also act to prevent any behaviour creating an intimidating, hostile, humiliating or offensive environment within the work teams.

It is vital to remember that a workplace culture that respects people's right to physical and psychological integrity is the responsibility of all employees of the Bank, particularly when it comes to reporting such behaviour.

5.14 OCCUPATIONAL HEALTH AND SAFETY: PREVENTING WORK RELATING RISKS

To comply with applicable Regulations on the prevention of work-related risks and to guarantee the health and safety of its employees, Caja Rural has an In-house Prevention Service which works on prevention and embraces the specialist areas of Safety, Ergonomics and Applied Psychosociology. Industrial Hygiene and health monitoring are coordinated with the external prevention consultants Preving Consultores.

The system for management and prevention of work-related risks is based on the Prevention of Work-related Risks Plan as regards procedures and associated record-keeping. The purpose of the system is to ensure compliance with Caja Rural de Navarra's health and safety policy incorporating preventative actions in all aspects of management and at all levels of the company.

The key elements are as follows:

- Prevention structures at Caja Rural de Navarra.
- Risk assessment at workstations and other work areas.
- Prevention planning.
- Health research and measurements.
- Training and informing employees.
- Emergency and evacuation plans.
- Documentation of work teams and premises.
- Documentation of the Health and Safety Committee.
- Health monitoring: certificates of standards and medical protocols applied.

To achieve the objectives in the annual plans within the Prevention plan, the following actions were taken in 2022:

1. The Prevention plan was revised and updated.
2. Health monitoring actions were carried out.
3. Internal checks were carried out on branches. In some cases, furniture was changed or workstations were overhauled.
4. Regular maintenance was carried out on fire detection systems and air conditioning.

In addition, in response to Covid-19, from March 2020, Caja Rural de Navarra drew up an Action protocol, which is continually updated, following the recommendations and standards laid down by the health authorities and providing the necessary measures and means to safeguard the health of employees and customers at all times. At the moment, given the new situation, it is no longer necessary to update it.

In 2022, there were a total of 12 workplace accidents at Caja Rural de Navarra, involving 7 women and 5 men, of whom 3 required time off work. Of the accidents resulting in time off work 1 took place in the usual workplace during the working day

and only 1 when travelling to or from work. There are no recognised occupational illnesses for the industry.

2022 indicators are as follows:

► **Frequency rate: 7,38**
Number of accidents per million hours worked

► **Severity rate: 0,02**
Working hours lost per 1,000 hours worked

There is also a difference between men and women:

- **Frequency rate: Men: 6.10**
- **Frequency rate: Women: 8.68**
- **Severity rate Men: 0.02**
- **Severity rate: Women: 0.02**

The following actions are planned for 2023:

- Training of new staff members.
- Continued coordination across business.
- Meeting the targets in the annual plan.
- Continuation of the Healthy Company group.
- Continuation of the actions set out in the Covid-19 action protocol for as long as necessary.

At Caja Rural de Navarra we have a Health and Safety at Work Committee representing all employees. It meets quarterly to deal with all actions designed to prevent work-related risks.

5.15 HUMAN RIGHTS

At Caja Rural de Navarra we have a Code of Conduct that governs how we go about our business. Compliance with the Code of Conduct is how we address Human Rights in our business. We ensure compliance, implementing our values of proximity, commitment and responsibility in the different fields of communication with our employees.

To achieve this, it is important we all be aware that it is essential to be aware and work together to avoid and correct any type of inappropriate conduct.

During the induction process, new employees are given a guide to policies that workers must comply with and apply as members of Caja Rural de Navarra, and which is available to all for consultation as necessary.

The Bank's management and employees must always act in accordance with ethical principles and behaviour for the service and benefit of all, which, fundamentally, is the reason the Bank was founded and the basis for all its actions.

Part of this comes down to the people who work in the Bank every day, in the way they behave at work and outside.

Ethical behaviour of employees in the way they relate to other colleagues, members, customers and suppliers is one of the fundamental ways to maintain and improve the Bank's reputation. Again, at the Bank we seek to support various projects to promote cooperation on international development, so fomenting respect for human rights.

We also believe that such ethical behaviour is good for the Bank's growth and profitability over

the long term. Therefore, besides the moral and human imperative, ethics must be included as a basic part of our business policies and objectives.



SUPPLIERS

- 6.1_ Supplier and employee relations
- 6.2_ Control and monitoring of suppliers
- 6.3_ Future planning
- 6.4_ Percentage financing of local suppliers

6.1. SUPPLIER AND EMPLOYEE RELATIONS

Caja Rural de Navarra seeks to maintain with its suppliers and partner companies a close, respectful, trusting and transparent relationship which promotes in-depth knowledge of the companies we contract with and confidence in the quality of the services provided. Relationships always comply with the confidentiality provisions of Organic Law 15/1999, of 13 December, on Personal Data Protection (LOPD).

Caja Rural also has a Suppliers Handbook, approved by the Governing Board which sets, among other internal rules, the criteria for selecting suppliers. In general, supplier selection procedures must meet criteria of objectivity, impartiality and equality of opportunities.

Processes must also give due weight to the qualities imposed by the following ethical principles defined by the Bank:

1. FIT AND PROPER PERSON PRINCIPLE

In no circumstances shall the Bank contract with third-parties which are known to be under investigation for, charged with or guilty of criminal activities.

2. MORALITY AND ETHICS AT WORK

Suppliers shall be eliminated from the selection process if they are known or widely reputed to breach workers' rights recognised in the labour standards or their legal obligations as a business.

3. RECOGNISED EXPERIENCE AND QUALITY

Before being contracted, any new supplier must

provide accreditation of their technical qualifications and experience in providing the services to be contracted. Accreditation may be by quality standards certificates (ISO) or similar, or by any other means that the Bank finds acceptable in the circumstances. To this end, a supplier may be contracted without providing the documentation indicated above when their experience and quality has been publicly recognised in the course of trade.

Caja Rural sets out in the Handbook a number of criteria which prevent suppliers from being selected if any of the following circumstances apply:

- There has been a serious incident in the course of providing a service to the Bank. Any exceptions must be authorised by General Management and the financial officer.
- In the provision of specific services or the supply to be contracted, suppliers who are undergoing bankruptcy proceedings are excluded if it is considered that this could have adverse consequences for the Bank.
- The candidate supplier is not up to date with their social security contributions and/or taxes.
- The candidate supplier has been found guilty of an offence relating to their professional morality (e.g. against their employees), or there are convincing indications of their involvement in money laundering, terrorist financing or similar offences.

6.2. CONTROL AND MONITORING OF SUPPLIERS

Each area contracts with suppliers as its needs and demands dictate.

All areas follow the procedure set out in the Suppliers Handbook, which sets the following



rules to ensure companies obtain a range of offers from potential suppliers depending on the size of the contract:

- **Up to EUR 10,000:** at least one quotation or invoice
- 📌 **EUR 10,001 to EUR 50,000:** at least two quotations
- ⬅️ **EUR 50,001 and higher** at least three quotations

Any exceptions must be authorised by the Procurement and Outsourcing of Services Committee.

Having each department contract its own suppliers ensures better quality control of services provided. Each Area head has first-hand knowledge of any incidents or irregularities.

On cost control, General Management approves annual expense budgets for each Area. Expenses are checked monthly by the Management Committee and two six-monthly controls are run each year by the Procurement and Outsourcing of Services Committee.

Caja Rural de Navarra is fully aware of the importance of a certain group of suppliers on whose services it depends for a significant part of the quality perceived by employees and customers. The Bank has identified the IT, back office and insurance departments as critical services. These services are therefore provided by companies in which Caja Rural de Navarra has an equity stake and which form part of the Caja Rural Group.

In the services the Bank considers most significant, including outsourced services overseen by the Bank of Spain, it requires audits and meetings between the parties, which review service quality and the flow and clarity of communications, to

ensure the satisfactory delivery of final tasks and provide for business continuity for the Bank where services are outsourced. Conclusions from these reviews are presented to the Governing Board in the first half of the following year.

Final quality depends as much on the buyer of the service as on the supplier. Non-economic factors are considered where they affect service quality.

Caja Rural de Navarra complies with the Spanish General Disabilities Act (LGD). It contracts services from special employment companies to promote the social inclusion of these persons in line with its commitment to Corporate Social Responsibility.

6.3. FUTURE PLANNING

Caja Rural de Navarra has implemented a paperless office policy. This is an objective that should improve the productivity of employees while simultaneously reducing the volumes of paper and toner used. Production of both comes with environmental costs.

Caja Rural de Navarra has drawn up a document that is systematically sent out with any request to the service provider. The document is a small survey about suppliers' commitment to social, gender equality, environmental and workforce issues. Caja Rural de Navarra's corporate governance standards ensure this requirement is passed on to bought-in services improving the general quality of suppliers working with the Bank. The effect is wealth-generating, as suppliers deliver a higher quality of service.

Caja Rural de Navarra checks that its critical suppliers are aligned with the Bank's commitments on CSR issues.

6.4. PERCENTAGE FINANCING OF LOCAL SUPPLIERS

The biggest suppliers in the financial sector are institutions' own creditors, who are the source of funding for their business (along with equity capital). Also, one of the peculiarities of banking is that the same individual can appear as a customer (consuming financial and other intermediation services) and as a supplier/creditor (providing funds to the institution as a depositor).

Looking at the figures for local suppliers, the total expense (2022 billings) is EUR 125.7 million, of which 62.6 million are purchases from suppliers in Navarre, the Basque Country and La Rioja (49.80%).

CAJA RURAL DE NAVARRA AND THE ENVIRONMENT

7.1_ Resource consumption and improvement plans

The Rural Credit Cooperatives grew out of the agricultural and credit cooperatives of over a century ago and certain values have been maintained over time.

We view the natural environment as the place where we live, where our parents lived and where we want future generations to live. We are aware of the changing nature and fragility of the environment and the need to make our contribution, with sensitivity and the right focus.

As in the past, in 2022 Caja Rural de Navarra has commissioned a detailed analysis of its carbon footprint which appears in this chapter.

Caja Rural de Navarra conducted its business in 2022 with a sense of responsibility toward the environment, successfully meeting a series of general targets that can be summarised as follows:



Direct actions **to improve the environment** (generation of renewable energy, planting trees, etc.)



Optimising resource consumption (energy, plastics, paper, etc.). **Reduce, remove and recycle.**



Support for cooperativism and the traditional farming sector, which sustains the rural population and ensures farming is done in a way that respects nature.



We do not see rural communities as an unchanging bucolic place for tourists to visit at weekends **but as a place where people want to live with dignity and adequate services.**



For our customers in sustainability projects: renewing transport fleets, energy renovation of buildings, production of renewable



Provision of essential services to customers with face-to-face service in all branches. This is most important in small communities, where there is a higher proportion of older people. Although opening times were streamlined, no branches were closed in small towns.

7.1 RESOURCE CONSUMPTION AND IMPROVEMENT PLANS

Banking is usually thought of as running bureaucratic and largely inflexible structures. This is not true of Caja Rural de Navarra. Caja Rural de Navarra's own management model of lightweight structures close to the customer further reduces the need for paper and makes it easier to introduce systems for electronic processing of data. Although, for regulatory reasons, we are still far from being a paperless organization, over the year we have continued and intensified our strategy of digitising document management internally between the Bank's departments and branches and with customers. This process has many advantages, making management faster and more efficient while reducing storage space and the need for meetings and travel. It has additional environmental benefits such as less fuel used for travel and less consumption of paper.

We sincerely believe that we are developing an increasingly efficient and sustainable branch model with lower energy use.

With this in mind, the Bank has acted to minimise its environmental impact in the following areas:

1. RESOURCE CONSUMPTION

PAPER AND TONER

At Caja Rural de Navarra, we have an internal policy to minimise paper use and, where customers permit, communicate by email, significantly reducing the volume of paper used by branches. In 2022, the process of digitising branches and central departments was completed. Branches now use a document management system that digitises internal processes. Paper is the main commodity used in providing financial services, both in terms

of cost and in its environmental impact, especially A4 paper printouts. For many years now, this paper has had Forestry Stewardship Council certification FSC C015403, which guarantees it has been made using a more environmentally respectful production process.

Over the year, we have continued to roll out procedures to save paper consumption in internal communications and with customers, with a huge increase in virtual mailbox use by customers. The general circumstances created by the onset of Covid-19 have tended to accelerate this process, accelerating adoption of digital banking channels.

For instance, total paper consumption has continued the general downward trend of recent years.



Paper consumption						Actual	Forecast	Actual	Forecast
	2016	2017	2018	2019	2020	kg/2021	kg/2022	kg/2022	kg/2023
Chlorine-free paper (sheets)	65,656	63,278	58,349	50,800	45,825	49,387	49,000	46,512	47,000
PoS thermal paper	340	332	0	0	0	0	0	0	0
ATM paper	294	148	277	1,533	1,415	1,428	1,400	1,352	1,250
Envelopes	4,214	3,568	3,767	2,576	3,618	3,692	3,500	951	2,000
Brochure and poster paper	4,565	4,300	4,200	1,195	416	435	450	4,119	2,000
Total paper consumption	75,069	70,894	66,593	56,104	51,274	54,942	54,350	52,934	52,250

Paper consumption per employee in 2022 (at 31 December the headcount was 956) was 55.37, lower than the ratio of 57.91 in 2021, and previous years, such as 54.08 in 2020.

Toner use has continued to decline, but not very significantly in our view, partly because of the current transparency rules and banking regulations which oblige us to include a lot of information in new customer contracts. However, we are in the midst of a process to reduce the documentation sent out to customers' addresses. Most documentation is now sent via the web, by email and other digital communications channels.

Toner consumption figures:

Toner consumption (units)						Forecast	Actual	Forecast
	2017	2018	2019	2020	2021	kg/2022	kg/2022	kg/2022
Recycled toner	3,276	3,368	1,957	3,183	3,378	3,100	2,526	2,400
Original toner	251	229	106	82	78	80	31	50

Toner consumption per employee in 2022 was 2.64 in recycled toner and 0.03 in original toner, compared to 2021 figures of 3.56 recycled toner and 0.08 original toner.

ENERGY

Caja Rural's branch network consumes no fossil fuels directly. The only energy supply is electricity which means it has no direct emissions. Also, in 2022, nearly all electricity was supplied from renewable sources.

2022 consumption data show a continuing downward trend thanks to the energy efficiency measures in place. The uptick in 2022 was due to the resurgence in customer footfall and activity in the branches compared to the Covid-blighted years of 2020 and 2021.

Consumption was as follows:

Electricity consumption kw/h.						Forecast	Actual	Forecast
	2017	2018	2019	2020	2021	kg/2022	kg/2022	kg/2023
	5,557,303	5,814,696	5,307,239	4,870,619	4,567,736	4,900,000	4,578,442	4,700,000

Energy consumption per employee during the year was 4,789 KWh, compared to 4,823.37 KWh in 2021.

There is another indirect source of consumption, which is the fuel used by employees in the vehicles they use for their day-to-day work (not including journeys to and from home).

Consumption from this source was 3,921 GJ in 2017, 4,280 GJ in 2018, 4,026 GJ in 2019, 2,282.50 GJ in 2020, 2,411.98 GJ in 2021, and 3,297 GJ in 2022, an increase on 2021 which remained an exceptional year due to Covid. Nevertheless, the figures showing in a general downtrend over the years (based on a conversion rate of 1 KWh= 0.0036 GJ, and 1 litre of diesel = 10kwh).

The main energy efficiency measures put in place in 2022 were:

Air conditioning

Replacement of the oldest and least efficient units by inverter heat pumps using variable refrigerant volume technology, which have a nominal consumption 40-50% lower than traditional heat pumps.

In 2022, we replaced units in 9 branches.

Lighting

We continued to replace fluorescent with LED lighting, which is much more efficient and lower consumption. In 2022, much more office lighting was changed than the previous year, specifically in 20 offices.

External signage

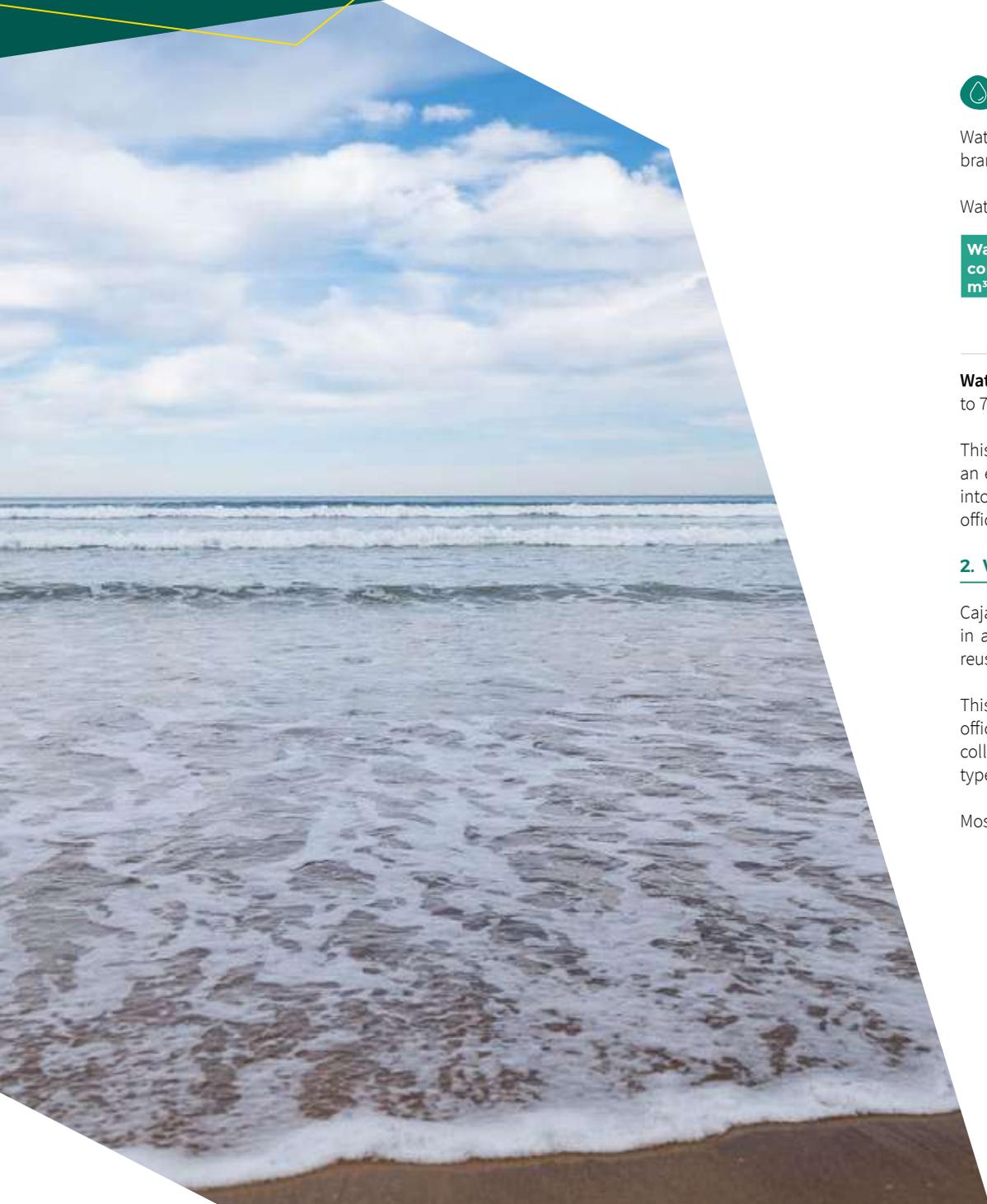
Traditional signs use fluorescent tubes. For more than 10 years we have been gradually replacing these with LED tubes and also reducing and optimising the length of signs as well as reducing the programming for the hours they are lit. In 2022, 18 signs were replaced.

Computers and ATMs

We have planned no actions on this point as it is immaterial.

Travel

We continued to reduce face-to-face meetings with employees and customers, promoting videoconferencing, web-cams on executives' computers and the use of a virtual classroom for online training. Covid-19 gave a huge boost to videoconferencing between employees, at training meetings and even when dealing with customers.



WATER

Water in Caja Rural de Navarra's branches comes from the municipal supply and is basically used for toilets in branches and cleaning. We have no buildings or premises with gardens so use no water for irrigation.

Water consumption in the branch network was as follows:

Water consumption m ³						Forecast	Actual	Forecast
	2017	2018	2019	2020	2021	kg/2022	kg/2022	kg/2023
	12,810	12,220	9,830	8,519	7,428	8,000	5,851	7,000

Water consumption per employee in 2022 (at 31 December the headcount was 956) was 6.12 m3 compared to 7.84 m3 in 2021.

This consumption data was derived from adding up the real consumption of the 7 Central Services offices, plus an estimate of consumption by the branch network based on their real consumption, classifying branches into different types according to the number of employees and extrapolating the branch consumption to all offices of this type.

2. WASTE MANAGEMENT

Caja Rural de Navarra conducts its business through its branch network and the waste it generates is managed in accordance with current best practice, considering both mandatory regulations and ways of reducing, reusing or recycling waste.

This is an extensive network of 255 branches which are mostly small in size and therefore similar to urban offices. As such they require no special waste disposal measures (except for toner) but can use local waste collection services. In this sense, to help cleaning services with separating waste, this year special bins for each type of waste were installed in all branches.

Most of the waste generated is managed as follows:

Waste paper generated in the branches, and organic, plastic and packaging.

Used toner cartridges are collected by a company licensed to recycle and reuse them.

Fluorescent tubes and empty batteries are collected either by the maintenance and cleaning services which take them to a recycling centre or by a licensed waste manager.

Computer hardware which cannot be reused is donated or returned to the supplier whenever possible. Otherwise the equipment is passed to licensed waste managers.

The volume of toner collected for recycling by a licensed waste manager across the branch network was as follows:

Consumption (units)						Forecast	Actual	Forecast
	2017	2018	2019	2020	2021	kg/2021	kg/2021	kg/2022
Toner removed	2,280	684	3,162	3,277	3,035	2,950	3,054	3,060

3. ATMOSPHERIC EMISSIONS

The activity in branches does not generate direct atmospheric emissions. Branches do not cause lighting or noise emissions, so no specific measures need be taken.

Emissions due to electricity consumption in tonnes of CO₂ equivalent, were calculated at 34.65 kg per employee in 2022 and zero in 2021, as the consumption of the Caja Rural is practically all renewable, as confirmed by the corresponding certificates of origin. The certificates are provided as part of a long-term supply agreement struck by the Caja Rural Group's flour companies with an energy supplier, which guarantees to supply all the consumption of the Group's centres and plants with renewably sourced electricity, and supports the building of the Campoliva II and Dehesa de Mallén wind farms, located in Aragon and owned by third parties.

In 2022, this has prevented the emission of 14,190 tonnes of CO₂ (average emission factor of our electricity supplier: 0.258). Of these savings, 1,148 tonnes correspond to Caja Rural de Navarra and the rest to its equity investments.

The vast majority of air-conditioning units in branches use R-407 or R-410 refrigerant gases which have less of a greenhouse effect. The remainder, which use other types of gas, are being replaced by newer units as part of the regular annual renovation plans.

4. WASTE WATER

The only waste water is from the toilets in branches and waste water is therefore not a significant item. It is recycled through the municipal water system.

There has never been any spill or leak which produced any environmental pollution.





5. EMISSIONS AND CARBON FOOTPRINT

Aware of the need to improve our environment, Caja Rural de Navarra decided to map the GHG emissions generated by its business activities in 2022 and investigate ways of reducing them.

The mapping process involved the following steps:

A/ Calculate the carbon footprint

- Define which activities generate most emissions
- Calculate the footprint based on the GHG protocol
- Issue the emissions report

B/ Draw up plan for reducing the carbon footprint

The carbon footprint, included as annex 1 of this document, was calculated using the GHG Protocol methodology on the following scopes:

Scope 1: This includes direct emissions due from the Bank's own business, which basically means emissions from the Bank's own vehicles and air-conditioning units

Scope 2: Indirect emissions generated by consumption of electricity

Scope 3: Emissions induced by the Bank's business. In detail:

Emissiones ocasionadas por el desplazamiento de los trabajadores a su puesto de trabajo. Este valor se obtiene de una encuesta de movilidad realizada a los trabajadores.

- Emissions caused by employees travelling to work. This figure was obtained through a mobility survey of employees

- Emissions caused by employees travelling for work purposes. This figure is for travel reported by the company's workers.

- Emissions caused by IT processing in its own in-house and subcontracted systems. This figure is derived from the carbon footprint study carried out by Rural de Servicios Informáticos in 2021.

- Emissions caused by third parties in transporting goods for the Bank: couriers and cash delivery services, based on an estimate made by the courier company.

We are unable to calculate a number of types of emissions that come under scope 3, such as the energy consumed by Caja Rural de Navarra customers communicating with the Bank or conducting e-banking transactions, by outsourced services dealing with IT incidents and by the work-related travel of outsourced services (legal, cleaning, etc.).

It is reckoned that these uncalculated emissions would not exceed 2% of the total calculated footprint.

We also wish to state that from 2023, Act 7/2021 requires that credit institutions set specific decarbonisation targets for their loan and investment portfolio, aligned with the Paris Agreement, in their Non-Financial Reporting, which will oblige the Bank to set metrics for the carbon footprint of its loan book. Or, otherwise, under the Greenhouse Gas Protocol, the Bank will have to assign loans a portion of the customer's CO₂ equivalent emissions as though they were its own, under scope 3, in accordance with the ECB's Guide on Climate-related and Environmental Risks. Caja Rural's scope 3 emissions in 2022 do not include any carbon footprint from the loan

portfolio. In 2022 the Bank of Spain published its estimate of the carbon footprint in the corporate loan portfolios of credit institutions in Spain in 2019, which was 860T CO₂ eq. per million euros (occasional documents No. 2220, October 2022). However, the focus on corporate lending (excluding mortgages and personal loans) and the sector weighting of this macro-scale Spanish portfolio makes the outcome very different from that of Caja Rural's portfolio. For instance, loans to energy supply companies represent 22% of the total calculation. But Caja Rural de Navarra's loans in this area are concentrated on renewable energy producers.

As Annex 1 shows, Caja Rural de Navarra's carbon footprint for 2022 is calculated at 1,489 T CO₂eq (1,728 T CO₂eq in 2021), or 1,558 kg CO₂eq per employee (1,827 kg CO₂eq in 2021), representing a 14% absolute terms improvement over the year. The largest component of the footprint is commuting.

Scope 1 and 2 carbon footprints were also calculated for subsidiaries more than 50% owned by Caja Rural de Navarra in 2021; and scope 1, 2 and 3 for subsidiaries comprising the group at year-end 2022. These are the companies in Annex I of this Report.

This distinction is made in order to make a reasonable year-on-year comparison. Caja Rural de Navarra's portfolio of investee companies is largely unchanged from last year, but there was one significant corporate transaction. In 2021, the Group included eleven bakery flour manufacturing and marketing companies. In September 2022 these were merged into Harinera del Mar SXXI, S.L., which thereby took over the flour mills of Pontevedra (formerly Reyes Hermanos), Puerto de Sevilla (formerly Haribéricas), Noain, Navarra (Harivasa) Tardienta, Huesca (Harinera

de Tardienta) in addition to the one it has always owned in Almenara, plus the business and assets of Harinas Selectas (Tardienta), Transnoain (logistics) and other auxiliary activities. All the absorbed companies were extinguished during the merger process.

In addition, in December 2022, the flour businesses of the Vall Companys group – spun off into Harinera la Meta, a company that had previously taken over the flour mills Harinera Palentina, Harininas de Torija and Molinos Harineros del Sur – were merged with Harinera del Mar, and a new company created, MHM Grupo, S.L., which owns 100% of the share capital of both Harinera La Meta, S.A. and Harinera del Mar, SXXI, S.L., which, in turn, is jointly owned by Inversión Fenec (50.01%) and Caja Rural de Navarra (49.99%). As a result, neither MHM Grupo nor its subsidiaries Harinera del Mar and Harinas la Meta were fully consolidated in the Caja Rural de Navarra Group at the end of 2022. However, until December Harinera del Mar was part of the Group and for comparative purposes with last year it was considered appropriate to include their scopes 1 and 2 to give a fair picture of the progress of the

Group. Data for Harinera del Mar has been included for the full year 2022.

In total, these companies had a carbon footprint in scopes 1 and 2 of 12,949 tonnes in 2022 (10,813 tonnes in 2021).

Scope 1:

Emissions and particulates emitted into the atmosphere, waste from the Bank’s own activities, including owned vehicles used to transport people (healthcare) and goods (flour companies)

Scope 2:

Indirect emissions generated by consumption of electricity. Electricity consumption rose because of increased production at all factories and the launch of a new factory producing pearls, oat flakes and flour in Etxarren (Navarre).

13,042 T CO₂eq of carbon footprint was avoided by buying renewable source energy.

This comparison does not include scope 3 emissions, which were not measured in 2021 either.

Carbon footprint T CO ₂ eq.	2022		2021	
	Caja Rural de Navarra	Subsidiaries	Caja Rural de Navarra	Subsidiaries
Scope 1	131.58	5,029.7	30	6,004
Scope 2	33.13	7,919.59	0	4,809
Scope 3	1,324.72	N/A	1,698	N/A
Total	1,489.43	12,949.30	1,728	10,813





Also, as part of the process to continuously improve measurement of the carbon footprint, scopes 1, 2 and 3 were measured in 2022 for Caja Rural de Navarra and its group of subsidiaries at the end of 2022. Both the supply of cereal and the delivery to the customer were included in the calculation of scope 3.

The results (taken from Annex I) are:

Carbon footprint	2022	
	T CO ₂ eq.	Subsidiaries
Scope 1	131.58	2,925.21
Scope 2	33.13	1,194.56
Scope 3	1,324.72	47,906.85
Total	1,489.43	52,026.63

Carbon footprint calculations have not been verified by the external auditor. The carbon footprint reduction plan set a number of targets:

	Data 2021	Data 2022	Improvement
Caja Rural de Navarra, parent company, financial activity			
A 5% reduction in carbon footprint by 2024	1,728	1,434	-13.0%
A 2% annual reduction in emissions from travel to/from work	799.6	1,199.7	-33.5%
Double kilometres travelled in electric vehicles in 2022 (vs. 2021)	8,100	25,612	316.2%
Caja Rural de Navarra, subsidiaries			
5% reduction in carbon footprint by 2024 compared to 2022 (scopes 1, 2 and 3) ⁽¹⁾	-	45,999.0	N/A
A 3% reduction in carbon footprint in 2022 compared to 2021	10,813.0	13,042.7	20.6%

(1) Scope 3 was not measured last year and its scope has since changed. In any case, including the supply of cereal in scope 3 (about 400 grams of CO₂ eq. per kg of cereal) means the carbon footprint is automatically linked to production, and whether the target is hit depends not on our internal efficiency but on the scale of activity, farming processes and consumer demand for organic food with a lower carbon footprint.

To manage this, Caja Rural de Navarra planned the following measures for its employees:

- a) A campaign to incentivise urban mobility by bicycle. Done.
- b) A campaign to incentivise the acquisition of plug-in hybrid and pure electric vehicles and to encourage the installation of photovoltaic roofs in homes. Not done.

The following measures are proposed for employees in 2023, focused on reducing the carbon footprint of work travel:

- a) Campaign to incentivise the acquisition of plug-in hybrid and pure electric vehicles.
- b) Intranet campaign to encourage cycling and car sharing when commuting to work.

The 2025 macro carbon footprint intensity targets are set out in the annex to the 2022 carbon footprint calculation.

6. DESIGN OF BRANCHES AND MANAGEMENT OF FIXTURES AND FITTINGS

Branches are designed to help minimise the environmental impact of the business by various means, including the following:

- The network consists of a large number of small offices, which means customers do not need to travel far to receive services.
- Also, our employees tend to live in the same village or nearby, which again reduces mobility. This is an important point, particularly as the current trend in the banking industry is to close more branches every year, particularly in rural areas..

The design, construction and renovation of Caja Rural de Navarra's branches takes into account the formal considerations, regulations for building, fixtures and fittings and an adequate quality of materials to create pleasant working environments, which are comfortable for employees and customers, with ergonomic workstations and environmentally efficient fixtures.

Building materials used for branches and their furnishings are bought from local suppliers in the area where we operate, which contributes to the sustainability of the region and reduces the environmental footprint.

The branch network has a programme of corrective and preventative maintenance to optimise the control and functioning of the fixtures and create healthy and safe working spaces..

7. INITIATIVES TO REDUCE WASTE AND CONSUMABLES IN 2023

- ❄️ **Six air-conditioning units in branches replaced.** By installing new units with VRV technology, we achieved **better results with less electricity** usage. Note that new and renovated branches are all rated A for energy and emissions.
- 💡 **Replacement of fluorescent lighting with LEDs in branches.** This generates **better lighting with less electricity**. It is planned to re-equip 15 more branches in 2023.
- ☀️ **New signage.** There are plans to change 7 luminous displays, **replacing them with lower-consumption LED displays**.
- ✔️ **Monitoring of guidelines and recommendations** in the carbon footprint reduction plan.



CAJA RURAL DE NAVARRA AND SOCIETY

- 8.1_ Regional value
- 8.2_ Social and environmental value
- 8.3_ Institutional value



8.1. Regional value

Caja Rural de Navarra is a regionally based financial institution with 255 branches and employing 956 people at 31 December 2022. Legally constituted as a credit cooperative, it is strongly rooted in the regions where it is active, Navarre, the Basque Country and La Rioja.

Its activity has a direct and indirect impact in developing the local communities where it operates and the well-being of wider society, as well as supporting the social, economic, cultural and linguistic environments.

The local presence and strong commitment to the local community is part of the powerful base formed by its members and customers. The social footprint allows the Bank to interact with the social reality, making it an important social actor. It is a clear competitive advantage, providing a direct line to the real demands and needs of the community. Equally, having local decision centres mean we can offer a swift and flexible response thanks to our knowledge of the territory and its people.

All of which makes it easier for the Bank to maintain close relationships with economic and social agents, which it always seeks to deal with fairly by applying the Corporate Social Responsibility principles in its articles of association.

8.2. Social and environmental value

Caja Rural de Navarra uses its Education and Development Fund (EDF) as the main driver for its Acción Social. This is used to return part of its profits from its financial activity to the community as what we consider to be a social dividend. Each year, it mounts a major effort to support value-generating projects which help improve quality of life in our

community, providing solutions to different social, environmental, sporting and cultural needs.

PRINCIPLES AND GUIDELINES

The EDF follows these guidelines according to its articles of association:

10 per cent of the available surplus (profit) each year is donated to the Fund.

Support activities that fulfil one of the following aims:

- A.** Training and education of Caja Rural members and employees in the principles and values of the cooperative movement or in specific matters relating to its corporate or labour-related activity and other cooperative activities.
- B.** Promoting the cooperative model and fostering relationships between cooperative entities.
- C.** Cultural, business and welfare initiatives serving the local area or community in general, initiatives that enhance quality of life, promote community development and/or protect the environment.

Working in conjunction with other companies and entities in pursuit of the Fund's objectives, in such cases providing either full or partial funding.

Our **social commitment** seeks to address the needs of the community and is channelled through the **four areas of activity**:

- 1.** The promotion of people's health and quality of life.



- 2.** The drive for education and technology, supporting different processes of digitisation.
- 3.** Support for entrepreneurship and innovation to help drive social progress.
- 4.** Protection of the environment and development of local communities where it is active.

ALLOCATION OF BUDGET

We set out below the main budget lines of the EDF approved by the General Meeting for financial year 2022 and their allocation:

Consultancy, training and promotion of the cooperative model

€ 2,059,565.22 **32.88 %**

Teaching and research

€ 1,577,150.43 **25.18 %**

Sports aid

€ 618,763.18 **9.88 %**

Charity work

€ 429,287.35 **6.85 %**

Cultural, recreational and other activities

€ 657,473.98 **10.50 %**

Economic and social development

€ 680,120.65 **10.86 %**

Well-being and quality of life

€ 85,458.00 **1.36 %**

Environmental protection measures

€ 156,037.17 **2.49 %**

TOTAL: 6,263,855.98



(In thousands of euros)	2022	2021	2020	2019
Consultancy, training and promotion of the cooperative model	2,059	1,924	1,788	1,737
Teaching and research	1,577	1,050	769	1,291
Sports aid	618	301	84	152
Charity work	429	147	380	132
Cultural, recreational and other activities	657	363	412	263
Economic and social development	680	579	739	645
Well-being and quality of life	85	-	-	-
Environmental protection measures	156	-	-	-
TOTAL	6,263	4,364	4,172	4,221

Each year, we renew our commitment and provide continuity to many projects we have worked with for years. It is a source of great satisfaction that we continue to organise, sponsor and work with hundreds of institutions and initiatives that are now achieving a scale unimaginable just a few years ago. Caja Rural de Navarra works tirelessly to adapt to new social needs, channelling its contributions to the most in-demand projects at any time.

Through the EDF, Caja Rural de Navarra does its bit to help create a fairer society with greater solidarity. To achieve this, it is a reassuring to work with institutions that have for decades been working for the most disadvantaged segments of society, such as Fundación Ilundain – Haritz Berri, Cáritas, the Asociación Nuevo Futuro, Proyecto Hombre Navarra, Aspace, etc.

INITIATIVES AND PROJECTS SUPPORTED

The most prominent projects supported in 2022 under each of the Fund's guidelines were as follows:

› Cooperative movement and local development

- **The “VIVID” Academy:** a training program developed in San Martín de Unx focusing on wine, viticulture and depopulation. The aim is to attract young people to rural areas and stimulate job opportunities in these spaces through innovation, while building up the local agri-food sector.
- **RADS project** “Rural, Agrarian, Digital and Sustainable” is an initiative to support agro-

sustainable digitisation of farming and stock-raising in La Rioja, led by ARAG-ASAJA and AERTIC.

- **Support for the cooperative movement,** especially in the primary sector, by signing collaboration agreements with farming and stock-raising cooperatives and their representative bodies such as UCAN, the Navarre agricultural cooperatives union, to develop effective training and professionalisation programmes.
- **Entrepreneurship Days,** to encourage young people into the farming sector, run jointly with the public sector company INTIA. The primary aim is to address the problem of next-generation farmers, prevent rural depopulation and promote the empowerment of women.
- **Advice to customers** on processing PAC aid, through a dedicated team of experts.

› Social, charity and sporting projects

- **Training in family care:** practical courses on different aspects of care and management of unforeseen events (falls, rehabilitations, etc.), aimed at family members with elderly dependants, who may be fragile or in the process of becoming dependent.
- **Solera Rural:** pilot social innovation project developed in partnership with Fundación Solera and the Government of Navarre, in the towns of Arguedas and Goizueta. The aim is to improve the quality of life for older people in rural areas, by diagnosing needs and implementing action plans that allow them to access high-quality care and services, maintaining the local population.
- **National Registry of Patients Affected by Amyotrophic Lateral Sclerosis (AKS):** support for the creation of an organised information system promoted by the Luzón Foundation, to help research ways in which the lives of people affected by this disease can be improved.
- **Issue, management and promotion of the Carné Joven Project in Navarre and La Rioja.** Caja Rural de Navarra renewed its partnership agreement with the Navarre and La Rioja regional governments to provide the Carné Joven for another year. Through this initiative, we provide thousands of young people between 14 and 30 with access to services and discounts on accommodation, transport, culture, stores and insurance among other things, through deals struck in Spain and more than 40 other countries which together give them discounts at more than 50,000 establishments.
- **Support** for grass roots sports through dozens of cooperation agreements with clubs in our region, helping boost quality of life and healthy habits.

- **Social and leisure activities** for various groups and organizations of older people.

› Research, education, technology and employment

- **Digitisation for older people:** 165 digital skills training workshops were held in 2022, spread across different locations and neighbourhoods in Navarre, the Basque Country and La Rioja. A total of 1,287 older adults took part, with the aim of closing the digital divide and facilitating their financial inclusion.
- **Soziala Digitala:** a new programme to support investment in digitisation for social centres working with disability. A total of EUR 30,102 direct subsidies were granted to 41 organisations.
- **CIMA scholarships:** EUR 45,000 contributed to the Centre for Applied Medical Research to help build up the research activities of this leading national and international centre of the University of Navarre.

• Universities:

International scholarships: despite Covid-19 restrictions on travel, Caja Rural de Navarra continued to support students at the Universidad de Navarra and Universidad Pública de Navarra through its scholarship programmes, helping them pursue their studies and research in countries around the world. Programmes included Erasmus, Palafox, Martín de Rada, ISEP USA, ISEP Internacional, bilateral arrangements and Alumni UN.

Other activities: the Bank also promotes activities with the university community in the fields of sustainability, dissemination of scientific knowledge, volunteering, sport and health.



Creation and support of an area of enterprise, which can finance special activities that drive and develop enterprise and start-ups throughout the university community.

• **Professional training:**

Support and development of Erasmus Plus, through various international scholarships in collaboration with the Government of Navarre. Students benefit from Professional Training stays in other EU countries which allows them to experience cultural, social and working conditions different from their usual environment.

- **Work Experience at Caja Rural de Navarra:** these are part of our commitment to training and employment and are designed to complement student training, introducing participants to the reality of the financial world, enhancing their knowledge, developing skills and making them more employable. Through these programmes, we have contributed to training more than a thousand students in these last ten years.

➤ **Culture and society**

- **Place names in Aralar:** installing plaques to preserve the traditional place names on the Gipuzkoa side of this natural park, together with geolocation codes for emergencies, in collaboration with the Mountain Federation of Gipuzkoa.
- **II Navarre Book Fair:** promoting reading and boosting the sector thanks to the fair organised by the Navarre Bookstore Association.
- **Music, theatre and dance festivals:** support for the cultural sector through collaborations with the Flamenco on Fire, Confluencias de Estella-Lizarrá, Teatrodix and Navarra en Danza festivals.

- **Huertas Solidarias Project:** in this project the Bank deploys resources so that retired people with the knowledge can cultivate allotments, donating the produce to social projects.
- **Bodas de Oro Navarra:** recognition for all married couples in Navarre who celebrated their 50th wedding anniversary in 2022 and are customers of CRN.



- **Kilometroak and Nafarroa Oinez:** support for the ikastolas festival in Gipuzkoa and Navarre, that works to promote euskera (the Basque language) and defend people's linguistic diversity.
- **VIII. Caja Rural de Navarra photography competition:** the latest competition was held in 2022 attracting hundreds of entries.

➤ **Environment**

- **Forest Plan:** preparation and cleaning of 68.05 hectares, plus replanting of 56.88 hectares through a series of initiatives in Navarre and the Basque Country, which will partly offset CO2 emission and help generate new woodland areas, encouraging biodiversity.

- **Environmental education:** 8 days of training and awareness-raising for young people and adults. More than 382 people took part.
- **“Hau da Green”:** support for an environmental education competition to promote eco-friendly and sustainable behaviour among young people, instilling values of care and respect for the

environment and their own natural surroundings. 468 school students from Álava and Bizkaia took part in 82 projects.

- **“Project Kafea”:** a circular economy initiative that recycles coffee leftovers from cafes, restaurants and caterers in San Sebastián to re-use as new products.
- **Aula de la Naturaleza de Fundación Ilundain – Haritz Berri:** environmental education project, helping sustain it. This is an educational resource visited by 5,000 schoolchildren each year.
- **Pamplona electric bicycle service:** support for sustainable mobility in the city, contributing EUR 45,000 to develop a range of initiatives that introduce new users to this service.

➤ **Entrepreneurship**

CSR REPORT 2022
“LÍNEA INICIA” ENTREPRENEURS

Support for entrepreneurship in all its forms is a key element in Caja Rural de Navarra's strategy. This is why since 2007 Caja Rural de Navarra has been running the “Línea Inicia” programme, designed to support entrepreneurship.

The Bank's Línea Inicia advisors analyse the viability of the business, the experience of the workers and their commitment. Besides more technical points, they gauge enthusiasm and commitment to the projects.

We advise on finance and propose customised solutions, adapting to the specific needs of each project and making sure they are eligible for all types of support and subsidies. To facilitate this action, there are collaboration agreements with development agencies, other business organizations and universities.

“Línea Inicia” solutions are as diverse as people’s needs and the forms of finance are adapted to each enterprise project.

Caja Rural de Navarra’s aim is that everyone presenting a sound project should have initial support and the finance they need to start developing their business. Enterprise is one of the engines of the Navarre economy and in this way Caja Rural de Navarra is supporting the entrepreneurs and SMEs of the near future.

Since its inception, it has provided financial support for 2,487 projects and dealt with 4,299 initial partners. Of these, 181 projects were supported in 2022, led by 343 entrepreneurs who together received total financing of EUR 10 million in 2022.

The typical customer and project profile of a Línea Inicia partner is a man, around 40 years old, with university studies, who is starting a project in the service sector with the legal form of a S.L. The average financing requested is EUR 55,000 and it should be noted that they mostly come from previous employment, most not being unemployed before they start their business.

It is especially important for entrepreneurs to have a network of business agents to help them in the different phases of the start-up of their business and also in the first years of “business consolidation”. For this reason, Línea Inicia for entrepreneurs has collaboration agreements with different agents working on different aspects of business, who can support entrepreneurs in the early stages with specialized training, support through the first steps of the business and passing on experience built up over many years in business. Some of the programmes and resources we made available to entrepreneurs in 2022 were:

:



PROMOTION OF COOPERATIVE ENTREPRENEURSHIP AND THE SOCIAL ECONOMY

Collaboration with ANEL (Asociación Navarra de Empresas de Economía Social).

<https://blog.cajaruraldenavarra.com/caja-rural-de-navarra-renueva-el-acuerdo-de-colaboracion-con-anel/>

Collaboration with Konfekoop (Confederation of Cooperatives of the Basque Country).

Collaboration with ASLE (Asociación Sociedades Laborales de Euskadi).

<https://blog.cajaruraldenavarra.com/adinberri-caja-rural-de-navarra-y-berriup-lanzan-la-silver-economy-call/>

PROMOTION OF ENTREPRENEURSHIP AMONG YOUNG PEOPLE

Mondragon City Challenge project for high school and university students.

<https://blog.cajaruraldenavarra.com/rural-kutxa-caja-rural-de-navarra-empresa-mentora-en-la-primera-edicion-de-mondragon-city-challenge/>

Entrepreneurial skills camps in Excaray (La Rioja), for young people under 30.

MENTORING AND TRAINING SUPPORT FOR INNOVATIVE PROJECTS

Collaboration with CEIN (Impulso Emprendedor programme).

<https://blog.cajaruraldenavarra.com/siete-proyectos-participan-en-la-decima-edicion-de-impulso-emprendedor-con-caja-rural-de-navarra-como-colaborador/>

Collaboration with Consorcio Eder (Ribera Nexo programme).

<https://blog.cajaruraldenavarra.com/tudela-ayudara-a-emprendedores-de-la-ribera-a-desarrollar-sus-negocios/>

o Call for start-ups selection and acceleration: “Silver Economy Call” by Berriup, Adinberri and Fundación Solera.

<https://blog.cajaruraldenavarra.com/adinberri-caja-rural-de-navarra-y-berriup-lanzan-la-silver-economy-call/>

TRAINING FOR ENTREPRENEURS STARTING BUSINESSES IN TRADITIONAL SECTORS

Collaboration agreement with Grupo Integra, to train new entrepreneurs and business consolidation program

PROMOTION OF ENTREPRENEURSHIP AMONG YOUNG UNIVERSITY STUDENTS

Final Degree and Master’s Degree in Entrepreneurship prizes (Public University of Navarre).

<https://blog.cajaruraldenavarra.com/inigo-herrero-y-juan-gangoiti-ganadores-de-los-vi-premios-a-trabajos-fin-de-estudios-con-proyectos-de-emprendimiento-de-la-upna-y-caja-rural-de-navarra/>

Innovation Day 2022 (University of Navarra).

PROMOTION OF ENTREPRENEURSHIP AND DIGITISATION IN RURAL AREAS

Collaboration with the E-Sports team from Rioja Capacitanes.

<https://www.youtube.com/watch?v=iLVJpyWjA-U>

PROFILE OF ENTREPRENEURS/COMPANIES CREATED

TYPICAL PROFILE BY REGION

REGIÓN	SEX	AVERAGE AGE OF PROJECT PROMOTERS	QUALIFICATIONS	EMPLOYMENT STATUS	LEGAL FORM	SECTOR OF ACTIVITY
NAVARRA	Men	38.6 years	University	Better job	Ltd. co.	Services (54%)
	Women					Services (51%)
BASQUE COUNTRY	Men	40.2 years	University	Better job	Ltd. co.	Services (58%)
	Women					Services (39%)
LA RIOJA	Men	42.1 years	University	Better job	Ltd. co.	Services (86%)
	Women					Services (78%)
SUB-ZONES						
GUIPÚZCOA	Men	40.2 years	University	Better job	Ltd. co.	Services (75%)
	Women					Services (50%)
ÁLAVA	Men	37.7 years	University	Better job	Ltd. co.	Services (41%)
	Women					Services (25%)
VIZCAYA	Men	41.2 years	University	Better job	Ltd. co.	Services (56%)
	Women					Services (33%)

PROJECTS SUPPORTED	PARTNERS (JOBS CREATED)				
	TOTAL	MEN	WOMEN	LEGAL ENTITIES	
NAVARRA	63	126	77	43	6
RIOJA	13	23	14	9	0
GUIPÚZCOA	37	65	32	30	3
ÁLAVA	19	39	22	12	5
VIZCAYA	49	92	61	24	7
TOTAL	181	345	206	118	21

AVERAGE AGE

39.81

PARTNERS (without Legal Entities)



BUSINESS FRANCHISE

44 franchises
24% of total transactions

LEGAL FORM

- Limited company 50%
- Self-employed 38%
- Cooperative 9%
- Irregular company 3%



REASON FOR STARTING COMPANY

- Unemployment 6%
- Better job 66%
- Diversify 28%



SECTOR OF ACTIVITY

- Industry 9%
- Services 58%
- Commerce 17%
- Health/sport 15%



WERE THEY CRN CUSTOMERS?

- Non-customers 70%
- Customers 30%



REGION	INVESTMENT TOTAL	EQUITY	%	FINANCE	%
NAVARRA	€4,931,500	€1,216,500	25%	€3,668,000	75%
LA RIOJA	€1,130,000	€310,000	27%	€820,000	73%
GUIPÚZCOA	€2,815,000	€972,400	35%	€1,981,600	65%
ÁLAVA	€2,698,000	€699,200	26%	€1,989,800	74%
VIZCAYA	€2,390,600	€828,000	35%	€1,562,600	65%
TOTAL	€13,956,100	€4,026,100	29%	€10,022,000	71%

	FINANCE DATA		
	TOTAL	PER PROJECT	%
INVESTMENT	€13,956,100	€77,105	100%
FINANCE	€10,022,000	€55,370	71%
EQUITY CONTRIBUTION	€4,026,100	€22,823	29%

ADDITIONAL DATA

Línea Inicia NPL ratio:

- Doubtful/Asset + Guarantees

- NPL ratio at end-2021: EUR 617,000/ (88,375,000 + 1,786,000) = 0.68%

Total projects and direct jobs generated:

CUMULATIVE ANNUAL PROJECTS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PROJECTS IN YEAR	21	76	116	125	132	135	151	170	185	194	199	220	229	156	197	181
CUMULATIVE TOTAL	21	97	213	338	470	605	756	926	1111	1305	1504	1724	1953	2109	2306	2487

CUMULATIVE ANNUAL JOBS GENERATED

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
JOBS GENERATED	50	160	200	230	240	220	254	290	260	299	330	381	391	284	367	343
CUMULATIVE TOTAL	50	210	410	640	880	1100	1354	1644	1904	2203	2533	2914	3305	3589	3956	4299
AVE JOBS/PROJECT	2.38	2.11	1.72	1.84	1.82	1.63	1.68	1.71	1.41	1.54	1.66	1.73	1.71	1.82	1.86	1.90

Survival rate of projects supported (in years, at 3 years and 5 years):

	2016	2017	2018	2019	2020	2021
PROJECTS SUPPORTED	195	197	220	228	156	197
DISCONTINUED	76	59	56	35	20	7
SURVIVAL RATE (%)	61%	70%	75%	85%	87%	96%

	2020	2021	2022
5 YEAR SURVIVAL RATE	70%	75%	83%
3 YEAR SURVIVAL RATE	76%	82%	89%

By these and other actions, Caja Rural de Navarra is keeping its commitment to local economic development, now and in the future, contributing to the region's sustainability.

(*) Success rate calculated in 2022 using project data at end-2021



8.3. Institutional value

Caja Rural de Navarra's business means it is constantly in direct contact with society. As a result, we need to agree policies with different public and private players in the region in order to take effective action. The Bank has therefore struck a range of agreements with public and private sector institutions, the most important of which are listed below:

AGREEMENTS WITH PUBLIC AUTHORITIES AND OTHER AGENCIES

GOVERNMENT OF NAVARRRE - MANAGEMENT OF THE NAVARRRE CARNÉ JOVEN SCHEME

GOVERNMENT OF NAVARRRE - INCOME TAX AND PAC

GOVERNMENT OF NAVARRRE - EDUCATION DEPARTMENT (PROFESSIONAL TRAINING)

GOVERNMENT OF NAVARRRE - MANAGEMENT OF THE LA RIOJA CARNÉ JOVEN SCHEME

BASQUE GOVERNMENT - R&D&I

BASQUE GOVERNMENT - LANGUAGE RIGHTS

GOVERNMENT OF ARAGON - PAC

REGIONAL GOVERNMENT OF VIZCAYA - VIA T REMOTE TOLL SYSTEM

UNIVERSITY OF NAVARRRE

PUBLIC UNIVERSITY OF NAVARRRE

FUNDACIÓN PARA LA INVESTIGACIÓN MÉDICA APLICADA

ALTUBE UNIVERSITY ASSOCIATION

OFFICIAL CHAMBER OF COMMERCE AND INDUSTRY IN NAVARRRE

ELKARGI SDAD. GARANTÍA RECÍPROCA

IBERAVAL, SDAD. DE GARANTÍA RECÍPROCA ANEL

ASSOCIATION OF WORKERS SOCIETIES OF EUSKADI (ASLE)

CONFEDERATION OF COOPERATIVES OF EUSKADI (ERKIDE)

GARAPEN - DEVELOPMENT AGENCIES OF EUSKADI

GRUPO INTEGRRA SOCIAL

UEMA (MANCOMUNIDAD DEL EUSKERA) - GIA

CIALLY RESPONSIBLE PRODUCTS AND SERVICES

In 2022, Caja Rural de Navarra struck agreements or partnership agreements that included social criteria with a number of Institutions:

INSTITUTIONS	SCOPE OF OPERATIONS	AIMS
Public University of Navarre	Navarre	To promote international student mobility, entrepreneurship and dissemination of scientific knowledge.
University of Navarre	Álava Bizkaia Gipuzkoa Navarre La Rioja	Promote international student mobility, enterprise, volunteering, sport and health.
Professional associations	Álava Bizkaia Gipuzkoa Navarre La Rioja	To support events, associations and financial benefits for their members.
Trade Associations	Álava Bizkaia Gipuzkoa Navarre La Rioja	To support events, collegiality and financial benefits for their members.
Small trader associations	Álava Bizkaia Gipuzkoa Navarre La Rioja	To support customer loyalty, associations and financial benefits for their members. Support for digitization at both association and member level by providing the WE ARE YOUR BUSINESS market place. Digitalize project: Digitize yourself p training to help retailers and hospitality businesses make the digital transformation.
Affinity cards	Álava Bizkaia Gipuzkoa Navarre La Rioja	Issue of affinity cards and promotion of customer loyalty. The Bank makes financial contributions to the associations to help them run promotional and loyalty programmes for their customers.
Promueve programme, closer, simpler	Álava Bizkaia Gipuzkoa Navarre La Rioja	The programme gives the self-employed, professionals and businesses financial benefits and helps support enterprise.

MAIN IMPROVEMENT CHALLENGES AND OBJECTIVES

- 9.1_ Environment
- 9.2_ Social
- 9.3_ Economic, financial and corporate governance

9.1 ENVIRONMENT

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Energy efficiency	Continue as an active member of EeMAP-EEMI (Energy Efficient Mortgage Action Plan) and EEML (Energy Efficient Mortgage Initiative).	Objective achieved As a member of the EEML, we published our first Harmonised Disclosure Template (HDT) report, in which lenders with the Mortgage Energy Efficiency Label disclose data on their energy-efficient mortgage products, and continue to work with other members on improving the template.	Continue playing an active part in these initiatives, which help encourage funding for energy efficiency.
	Continue marketing specific products for funding energy efficiency improvements to homes.	Objective achieved Full implementation of the financing model for all entities involved in energy efficiency improvements for buildings.	Consolidate our status as a model funder for communities of home-owners formed to improve energy efficiency.
Volunteering	Continue developing the volunteering strategy	Objective achieved The following volunteering schemes were run as part of various initiatives we support: - Ballariain: 43 CRN colleagues - Bergara: 18 CRN partners - Lapoblación: 20 CRN colleagues and 44 school students. - Lesaka: 50 school students - Sartaguda: 50 school students - Uztarroz: 47 CRN colleagues - Vitoria: 110 colleagues and neighbours. TOTAL VOLUNTEERS: 382	We plan to carry out environmental projects in the following municipalities: Uztarroz, Lesaka, Baztan, Bera, Bergara, Cortes, Goizueta, Güesa, LaPoblación, Tafalla, Torralba del Río, Huarte Araquil, Ciordia, Genevilla, Vitoria, and Portugaleta. These projects also include volunteering initiatives involving colleagues from the Bank, local people and schoolchildren. The expected number of volunteers is 906. In April 2023, a number of projects were run, involving 486 volunteers
Environmental actions in our community	Continue with the Plan for Reforestation activities.	In 2022, 56.88 hectares were planted and we also supported clean-up, clearing and preparatory work on a further 68.05 hectares of mountainside.	In 2023, we have budgeted to plant 64.74 hectares and clean-up or prepare another 438.
Waste in CRN branches	Continue to improve the recycling of solid urban waste from branches.	Objective achieved Elimination of individual bins at Central Services workstations to encourage everyone to use the sorted bins in each working area.	

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
CRN carbon footprint	Continue to measure the carbon footprint. Reduce carbon footprint for employees travelling to and from work (scope 3)	Objective achieved A campaign was run to encourage cycling in the city.	Continue to measure and reduce the carbon footprint from employees travelling to and from work. The following measures are proposed for employees in 2023, focused on reducing the carbon footprint of work travel: a) Campaign to incentivise the acquisition of plug-in hybrid and pure electric vehicles. b) Intranet campaign to encourage cycling and car sharing when commuting to work.
Group CRN carbon footprint	Extend measurement of scope 3 (induced emissions) to all subsidiaries.	Objective achieved Measurement scope was changed to include scope 3.	Continue to measure and reduce carbon footprint. Note: Including the supply of cereal in scope 3 (about 400 grammes of CO ₂ eq. per kg of cereal) means the carbon footprint is automatically linked to production, and whether the target is hit depends not on our internal efficiency but on the scale of activity, farming processes and consumer demand for organic food with a lower carbon footprint.
Capital market finance	Issue a green mortgage covered bond under the sustainability framework which complies with the European Union Taxonomy	Objective achieved CRN's (and Spain's) first green mortgage covered bonds issued successfully in February 2022	Issue another green-format mortgage covered bond under the sustainability framework which complies with the European Union Taxonomy if the mortgage portfolio permits.
Investment products Gescooperativo funds - New products	Market the first sustainable impact fund (SFDR Article 9 fund)	Objective achieved In May 2022 the Group began marketing the Rural Impacto Global, FI fund, which qualifies as an Article 9 fund under the SFDR	Based on the success of the fund, demand from customers, and responses to the sustainability module in the Suitability Test, review whether there is a need to increase the range of impact funds. Investigate the marketing of funds with an exclusively social theme.
Investment products Gescooperativo funds - Current range	Convert existing funds in the range into SFDR Article 8 and/or 9 funds This objective will be conditional on customers' responses to the sustainability question that will be included in the Suitability Test.	There have been no changes in the SFDR Article 8 fund range.	Strike a balance between the range of funds with sustainable features (SFDR Article 8 funds), the demand for such funds among our customers and the requirements of sustainability regulations.

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Investment products Gescooperativo funds - Regulatory requirements	Continue complying with all regulatory requirements set for 2022, including the introduction of a sustainability question to the Suitability Test.	Objective achieved An open question was incorporated following the principle of better compliance, in line with the specifications of sustainability regulations	Develop the sustainability module in the Suitability Test, following ESMA's requirements. Update the Suitability Test for all customers to include the new sustainability module. Create a procedure to manage this process. Adjust the IBIP knowledge and experience tests to the new regulatory requirements.
Investment products Gescooperativo funds - Marketing materials	Finalise drafting of marketing materials and disseminate them through the commercial communication channels.	Objective achieved Video material and marketing brochures were released to offices and customers in the first quarter 2022.	Continue marketing communications, internally and externally, on our range of socially responsible funds, our two solidarity funds and the support for non-profit organisations enabled by these socially responsible funds.
Investment products Third-party funds	Continue to expand the range of Third-Party manager Article 8 and 9 funds.	Objective achieved More qualifying funds were added to the range.	Strike a balance between the range of funds with sustainable features (SFDR Article 8 funds), the demand for such funds by our clients and the requirements of sustainability regulations.
Investment products Portfolio management	Convert existing portfolios to sustainable portfolios. This objective will be conditional on customers' responses to the sustainability question that will be included in the suitability test from 1 August.	Objective achieved All GDC (portfolio management service) portfolios meet the criteria for socially responsible investment (SFDR Article 8).	
Investment products pension plans and EPSV	Market the first pension plan and ESPV to meet Article 9 sustainability criteria	Objective not achieved We did not manage to introduce a SFDR Article 9-compliant pension plan	Market the first pension plan and ESPV to meet Article 9 sustainability criteria
Investment products PRI	Sign up to the UN principles for responsible investment (PRI) on behalf of the group (Gescooperativo and RGA)	Objective not achieved This project was not completed due to discrepancies on how to proceed between RGA, BCE and Gescooperativo	Sign up to the UN principles for responsible investment (PRI) on behalf of the group (Gescooperativo and RGA).
Sustainable finance loans Own consumption	Launch and continue working on sustainable financing lines for own consumption.	Objective achieved In 2022 we worked at full capacity with two solar panel installers. We have brought in more installers to offer the best possible service in all regions.	Give specific training by area, appoint product managers in each branch and increase commissions four-fold in 2022.
Sustainable mobility loans Electric vehicle financing	Continue financing electric cars.	Objective achieved We continue to offer a discounted price for e-vehicle finance.	Assess the option of running a special communication campaign

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
<p>Sustainable renovation loans Renovation financing</p>	<p>An attractive financing line for sustainable renovation projects.</p>	<p>Objective dismissed</p> <p>We are already doing sustainable renovation with façades. Creating specific lines and rates for small-scale renovations could over-complicate maintenance and management.</p>	



9.2 SOCIAL

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Financial inclusion	Implement the Plan for Digital Training of Older People to make sure they are financially included, through training workshops run in retired peoples' associations and clubs in three distinct areas: mobiles, digital banking and ATMs.	Objective achieved More than 167 courses were taught, with 1,287 people taking part, through clubs and associations of retirees from our areas of operation (Navarre, the Basque Country and La Rioja) with the aim of combating the digital divide.	Continue the Plan for Digital Training of Older People, making sure they are financially included and can get on with new technologies.
Environmental education	Continue supporting various activities that help raise environmental awareness among new generations.	Objective achieved Development of awareness-raising activities such as the Hau da green competition to promote green and sustainable behaviour among young people. 468 school students from 19 schools in Álava and Bizkaia took part in 82 projects.	Continue to support initiatives that bring citizens closer to values of respect and care for the environment, as well as their own natural surroundings.
Social action	Creation of the Gainditu Awards for social contributions, honouring best practice and projects run by Bizkaia organisations in various categories.	Objective achieved We held the first Gainditu Awards, publicly recognising the work of four organisations working for inclusion and protection of vulnerable families in Bizkaia.	Continue to organise and promote the Gainditu Awards.
Volunteering	Continue to highlight volunteering actions.	Objective achieved	Integrate the Mueve-T blog into the Bank's new intranet and continue to promote volunteering by staff.
	Continue developing the volunteering strategy Increase volunteering actions in the areas of support for children and older people via the CRN choir, Share a Smile, the Solera seniors' walk, digital training for older people, etc.	Objective achieved Various environment volunteering initiatives in Bergara, Uztarroz, Jundiz, Lapoblación, Aralar and Ballariain The Share a Smile initiative with 397 presents for underprivileged children. Digitisation courses for older people Volunteering in the CRN Choir, singing carols for older people in Solera.	Continue with environmental volunteering actions, digital training for older people and the Share a Smile initiative.
Digitisation of schools	Launch a follow-up programme to Eskola Digitala to improve connectivity between educational institutions and families, thanks to agreements with a telephony operator.	We encountered problems with launching this programme as originally conceived.	Continue to support the digitisation of educational institutions and families.

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Digitisation of social organisations	Call for applications for grants for third sector organisations working in the field of disability in the Basque Country, coupled with a financing line, to facilitate investment in equipment and resources.	Objective achieved Successfully organised an application process for grants to support the digitisation of 41 disability organisations in the Basque Country.	Continue to support the professionalisation and competitiveness of the third sector.
Employability and integration to the labour market for young people	Continue the Experience Programme with UNIR and other collaboration agreements with universities	Objective achieved	Continue the Experience Programme with UNIR and other collaboration agreements with universities
Older people			https://www.fundacionvital.eus/adapta-tu-bano (adapt your bathroom) An idea we want to explore to see if we can replicate it in-house. But for the moment there is nothing to report.
Contribution to society	Continue to prepare and publish the Corporate Social Responsibility Report	Objective achieved Caja Rural de Navarra Group prepared, had verified (by Aenor) and published its Corporate Social Responsibility Report.	Continue to prepare and publish the Corporate Social Responsibility Report
Dialogue with and development of local communities	Maintain dialogue with all stakeholders in Caja Rural de Navarra and all the companies reported as equity investments	Objective achieved Dialogue continued with stakeholder groups, without launching an exhaustive analysis process, but keeping two-way channels open.	Revise the materiality analysis, again opening up the consultation to all stakeholders.
Investment products	Donate the promised percentage of management fees to non-profit organisations and report to customers on donations made. Investigate the feasibility of converting some Article 6 funds into Article 8 or 9 funds, as defined by the EU's SFDR regulation. Article 6 applies to funds whose investment process takes no account of sustainability. Article 8 (promotion of environmental or social characteristics) applies when a financial product promotes, among other features, environment or social characteristics, or a combination of the two, provided the companies they invest in have good corporate governance. Article 9 (products with sustainable investment as its objective) covers products intended for sustainable investments and applies when a financial product has sustainable investment as its objective and has designated a benchmark index.	Objective achieved with donations to non-profit organizations and external communications. The second objective was not achieved. The range of social funds remained the same.	Attempt to market funds with an exclusively social theme.

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Introduction of the loyalty module in local businesses	Implement phase 1 in online marketing and the Somos tu Comercio marketplace.	Objective achieved Roll-out of phase 1 completed with loyalty coupons and discounts for Associations.	Implement phase 2 in online marketing and roll-out the Somos tu Comercio marketplace for traders.
Human resource management (equality and diversity, health and safety etc.)	Continue supporting various initiatives to promote the physical and mental well-being of employees.	Objective achieved the Bank's Equality Plan was negotiated during 2022. Work continues on the Healthy Company project.	Launch the Bank's Equality Plan and implement it for staff.
Employee affinity groups, diversity councils or networking groups	Publicise the Alumni group and enhance content for Affinity groups.	The Bank Choir took part in and won the inter-company competition.	Hold an event involving employees and their families. Hold a sports competition for employees.
Diversity initiatives	Complete negotiations on the Equality plan and start implementing its measures.	Negotiations continue on the Equality Plan.	Complete negotiations and launch the Equality Plan. Create a Diversity Plan for the Bank.
Equal pay	Consolidate the salary recording process.	Objective achieved The Bank carries out annual gender pay audits.	Continue with annual salary audits.

9.3 ECONOMIC, FINANCIAL AND CORPORATE GOVERNANCE

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Training Sustainable practices	Continue the same policy. Personalised advice is a key part of our focus on proximity to customers.	Objective achieved In 2022 special training was given to employees responsible for advising customers. We posted an intranet training module on Sustainable Finance, which presents sustainability and shows how it can be applied in commercial relationships with customers.	Continue training new hires in giving investment advice. Maintain the continuous learning programme for all employees qualified to provide customer advice. Specifically, the Banco Cooperativo Español platform will be delivering a Green MiFID course.
Training	Continue digital training in all fields for the Bank's staff.	Objective achieved All staff went through a special course on cybersecurity. The number of virtual training hours vastly exceeds face-to-face training. New employees take specific courses in using Microsoft 365 tools as part of the onboarding process.	We are delivering a level two training course on cybersecurity for all staff in 2023.
Time register	Consolidating reporting software. Apply flexibility in self-management in collaboration with the team.	Objective achieved Transition from the Woffu app to E-tempo, which allows better monitoring of employees' working hours.	Consolidate the extraction of more specific and accurate data. Apply flexibility in self-management in collaboration with the team.
Customer-focused services	Maintain dialogue with customers through the channels provided by the Bank.	Objective achieved Dialogue continued with customers through the channels provided by the Bank.	We are maintaining the objective of gathering data on customer service quality, and user experience of the products and services the Bank offers.
Socially responsible investment	Maintain the Sustainability Framework	Objective achieved No revision to the Sustainability Framework was necessary in 2022.	Maintain the Sustainability Framework
	Maintain a positive Second-Party Opinion from Sustainalytics on the Sustainability Framework for issuance of sustainable bonds.	As there were no changes to the Sustainability Framework in 2022 there were no revisions to the Sustainalytics report.	Maintain a positive Second-Party Opinion from Sustainalytics on the Sustainability Framework for issuance of sustainable bonds.
	Complete the project to record energy efficiency data in the system, covering as much as possible of the mortgage loan book. Also analyse the possibility of including data on physical climate risk.	Objective achieved Energy efficiency data was successfully incorporated into the system. Data were obtained on physical climate risk.	Set frequency for updates to energy efficiency data and use of physical climate data.
	Continue identifying energy renovation projects on buildings.	Objective achieved A distinct Housing-Renovation area was set up within the Housing Area, with energy renovation projects as part of its remit.	N/A

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Sustainable products	Continue marketing specific financing products for energy efficiency improvements to homes.	Objective achieved Full implementation within the financing model for all firms and other entities involved in improving energy efficiency.	Continue marketing specific new products.
	Continue to adapt to the new sustainability regulations and requirements.	Objective achieved Based on the best execution principle given the lack of specific regulatory guidance in several areas.	Continue to adapt to the new sustainability regulations and requirements for savings/investment products.
Suppliers	Include sustainability policies and progress by our suppliers as a weighting element when contracting products and services, which they must set out when proposing a budget.	Objective achieved Drafting of a supplier introduction letter in which we ask them to report on their social, environmental and governance commitments.	Including the supplier introduction letter every time a new service contract is offered. Collect this information from the Bank's largest existing suppliers.
Regulatory compliance, corporate governance and transparency	Maintain a high ESG risk rating by Sustainalytics. Explore ESG risk ratings offered by other agencies.	Objective achieved In 2022, the Bank renewed its ESG risk rating. The resulting score of 9.8 indicates insignificant exposure to ESG risk and is among the best in the sector. We looked at ratings from other providers and concluded that, for now, the current provider is the one that best meets our needs.	Maintain a high ESG risk rating by Sustainalytics. Explore ESG risk ratings offered by other agencies.
	Continue with the areas for action identified in the Strategic Plan, stabilising actions already in place and, most importantly, completing testing tasks in a more regular and planned fashion. We have also made it a priority to complete the other objectives under this three-year plan outstanding or not yet fully implemented. On this point, our work continues to develop, from a function closely focused on advising the business on regulatory changes and their impact on the Business into a function whose responsibility for testing which allows us to measure how far regulations have been implemented and are being followed by employees/processes/controls, etc., in the Bank.	Objective achieved The targets set were broadly met. Documentation of policies and procedures was compliant in all sections. The process of evaluating sections has begun with a very positive assessment for the Bank. The different sections of the Compliance Engine have been regularly reviewed and a general scorecard has been created to monitor the Bank's compliance risk.	Define the Strategic Plan for the next four years. Enhance the Regulatory Compliance Engine to document the methodology. Upgrade advisory and consultation systems between the Banco Cooperativo Español and the Cajas Rurales it supports.

ISSUE	OBJECTIVE 2022	DEGREE OF ACHIEVEMENT 2022	OBJECTIVE 2023
Regulatory compliance, corporate governance and transparency	Appoint another woman to the Board as employee representative, raising the total number of women members to three by the end of 2022.	Objective achieved Alatz Salvatierra was appointed as a representative Director for the Bank's employees.	At the election to be held at the 2023 General Meeting, the aim is to have a new female director elected to the Governing Board, such that by end-2023 the number of female directors will be 4, 26.6% of the total.
	Establish automatic calculations for the risk appetite framework (RAF) or lower reporting levels.	Objective achieved The most appropriate metrics were identified in 2022 and the specifications for their implementation were defined (calculation engine, data sourcing, etc.). As a result, in 2023 four indicators will be included in the RAF.	Incorporate 4 level 2 indicators in the Risk Appetite Framework, two classifying property collateral based on physical risk certificates and another two for, respectively, investments in green, social and sustainable bonds, and for exposure to carbon-intensive sectors.
	Record sustainability factors for mid-sized companies and large corporates.	Objective achieved A methodology and calculation tool were devised for scopes 1, 2 and 3 carbon footprints.	Calculate exposure to carbon-intensive sectors.
	Publish these ratios as part of the Bank's external reporting, adapting measurement to meet the newly published standards.	Objective achieved The following data was calculated and published in the Non-Financial Statements: <ul style="list-style-type: none"> - Proportion of total assets exposed to eligible and non-eligible economic activities - Proportion of total assets exposed to companies that are not obliged to publish non-financial information pursuant to Article 19a or 29a of the Accounting Directive - Proportion of total assets exposed to central government, central banks and supranational issuers, and derivatives and the trading book - Proportion of hedging derivatives and interbank demand loans in total assets. 	Publish these ratios externally and progressively adapt them to comply with new standards

Annex I

GRI INDEX

(MANDATORY AND MATERIALS)

10.1_ GRI Standards Mandatory Indicators

10.2_ GRI standards material indicators



Declaration of application of standards: Caja Rural de Navarra reports in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022 (GRI 2-3)

GRI applied: GRI 1 - Foundation 2021

No sector standard applicable in 2022

GRI STANDARDS – MANDATORY INDICATORS

INDICATORS		LOCATION IN THIS REPORT
2-1	Details of the organisation	
2-2	Entities included in the scope of sustainability reporting	The scope of the report covered by GRI standards is Caja Rural de Navarra, rather than Caja Rural de Navarra Group. However, the organization prepares consolidated financial statements and the information on companies consolidated within the Caja Rural de Navarra Group is given in Chapter 3.5 (<i>page 38</i>) with full information reported in Annex II (<i>page 144</i>)
2-3	Reporting period, frequency and contact	This report, which was verified in April 2023, and the financial report, cover the period from 1 January to 31 December 2022. This report is prepared on an annual cycle. For any questions about this report please contact Caja Rural de Navarra at: comite.sostenibilidad@crnavarra.com
2-4	Restatement of information	No information has been restated
2-5	External assurance	Caja Rural de Navarra's practice is to submit both the Non-Financial Statements and the CSR Report to an independent auditor for review. In 2022, this review was carried out by Aenor. Annex IV: Independent Assurance Report. The Governing Board commissions the external assurance review each year.
2-6	Activities, value chain and other business relationships	CHAPTER 3: About us. There were no significant changes to Caja Rural de Navarra's business operations in 2022
2-7	Employees	CHAPTER 5: THE TEAM, (<i>page 77</i>)
2-8	Workers who are not employees	CHAPTER 5: THE TEAM, (<i>page 77</i>)
2-9	Governance structure and composition. Nominating and selecting the highest governance body	CHAPTER 3.3: GOVERNING BODIES , (<i>page 23</i>)
2-10	Appointing and selecting the highest governance body	The Bank's articles of association can be found on its website: https://www.cajaruraldenavarra.com/sites/default/files/gobierno-cooperativo/ESTATUTOS-Caja%20Rural%20de%20Navarra-2022.pdf (in Spanish)
2-11	Chair of the highest governance body	CHAPTER 3.3: GOVERNING BODIES AND FURTHER INFORMATION: (<i>page 23</i>) https://www.cajaruraldenavarra.com/sites/default/files/gobierno-cooperativo/ESTATUTOS-Caja%20Rural%20de%20Navarra-2022.pdf (in Spanish)
2-12	Highest governance body's role in supervision of impact management	CHAPTER 3.3.2: INTERNAL CONTROL FRAMEWORK , (<i>page 29</i>)

GRI STANDARDS – MANDATORY INDICATORS		
INDICATORS	LOCATION IN THIS REPORT	
2-13	Delegation of responsibility for impact management	CHAPTER 3.3.2: INTERNAL CONTROL FRAMEWORK AND SUSTAINABILITY POLICY, (page 29) https://www.cajaruraldenavarra.com/sites/default/files/gobierno-coorporativo/politica-de-sostenibilidad-v2.pdf
2-14	Highest governance body's role in sustainability reporting	CHAPTER 3.3: GOVERNING BODIES AND SUSTAINABILITY POLICY: , (page 23) https://www.cajaruraldenavarra.com/sites/default/files/gobierno-coorporativo/politica-de-sostenibilidad-v2.pdf
2-15	Conflicts of interest	Caja Rural de Navarra's Governing Board is obliged to define a system for corporate governance that guarantees sound and prudent management and addresses the issue of conflicts of interest.
		Caja Rural de Navarra has put in place a series of measures to identify different types of conflict of interest.
		Caja Rural de Navarra's supervisory policy for its Compliance Function includes a section on Conflicts of Interest. The policy gives detailed guidance on the following issues: definition of a conflict of interest, scope of application, situations likely to generate conflicts of interest, measures to prevent, remedy or mitigate conflicts of interest, notification and registration of a conflict of interest, register of conflicts of interest, and review and maintenance of the policy on conflicts of interest.
2-16	Communication of critical concerns	CHAPTER 3.3 GOVERNING BODIES, (page 23) As well as: Sustainability Policy, Sustainability Committee, Anti-Corruption: Internal Audit control, Corporate Governance
2-17	Collective knowledge of highest governance body	Risk Management, Sustainability Management, Environmental Issues; Sustainability Committee, Appointments Committee
2-18	Performance evaluation of the highest governance body	CHAPTER 3.3: GOVERNING BODIES, (page 23) Appointments Committee. Review of the Board and its committees.
2-19	Remuneration policy	CHAPTER 5: THE TEAM, (page 77)
2-20	Process for determining remuneration	CHAPTER 5: THE TEAM, (page 77)
2-21	Annual total compensation ratio	CHAPTER 5: THE TEAM, (page 77)
2-22	Statement on the sustainable development strategy	Chairman's letter, (page 7)
2-23	Policy and commitments	CHAPTER 2.2 DIALOGUE WITH STAKEHOLDERS, (page 8) CHAPTER 3.5 STRATEGY OF THE BANK. Risk Management, Sustainability Management, Environmental Issues, (page 38)
2-24	Integration of commitments and policies	CHAPTER 4.5 PRODUCTS AND SERVICES. SUSTAINABLE FINANCE, (page 59)

GRI STANDARDS - MANDATORY INDICATORS

INDICATORS		LOCATION IN THIS REPORT
2-25	Processes for remediating negative impacts	CHAPTER 4. CUSTOMERS. CUSTOMER SERVICES DEPARTMENT, <i>(page 49)</i> Dialogue with Stakeholders. Sustainability Management, Anti-Corruption, Human Rights, Social and Personnel Issues: Equality plans and measures to promote equal opportunities
2-26	Systems for seeking advice and raising concerns	Anti-Corruption: Professional Ethics. Social and Personnel Issues: Equality plans
2-27	Compliance with laws and regulations	In 2022, there were no reported cases of non-compliance with laws and regulations
2-28	Membership of associations	CHAPTERS: CAJA RURAL DE NAVARRA AND SOCIETY <i>(page 111)</i> AND ABOUT US <i>(page 17)</i>
2-29	Approach to stakeholder engagement	SUSTAINABILITY MANAGEMENT: CHAPTER 2.2 DIALOGUE WITH STAKEHOLDERS AND MATERIALITY ANALYSIS, <i>(page 8)</i>
2-30	Collective bargaining agreements	CHAPTER 5: THE TEAM, <i>(page 77)</i>

GRI STANDARDS MATERIAL INDICATORS		
KEY ISSUE	CONTENT	LOCATION IN THIS REPORT
1/ Financial strength of the Bank and global risk manageme 2/ Strategy of the organization 3/ Transparency in marketing 4/ Quality of service and customer satisfaction	3.1 Process to determine material issues	Dialogue with stakeholders and Materiality analysis. There have been no changes in the list of material issues since the period covered by the previous report
5/ CSR policy and Social Engagement 6/ Corporate culture 7/ Management approach	3.2 Materiality analysis	CHAPTER 2.2 DIALOGUE WITH STAKEHOLDERS (page 8)

GRI STANDARDS MATERIAL INDICATORS

KEY ISSUE	CONTENT	LOCATION IN THIS REPORT
1/ Financial strength of the Bank and global risk management	3.3 Management of material issues	ABOUT THE REPOR , (page 6) AND ABOUT US, (page 17)
	201-1 Direct economic value generated and distributed	CHAPTER 3. ABOUT US, (page 17)
	201-2 Financial implications and other risks and opportunities due to climate change	<p>Caja Rural de Navarra provides financial services and the key risks and opportunities due to climate change arise not from the Bank's own activities but from the businesses carried on by its customers, particularly those conducted by its borrowers using the Bank's loans.</p> <p>For this reason, several years ago, the Bank implemented a Sustainability Framework for its loan portfolio in order to promote those financing lines that have the greatest social and environmental impact in the regions where the bank is active.</p> <p>These lines are consistent with its principles of commitment to its local social and natural environment. The framework is dynamic. It evolves and develops over time in tandem with responsible social and environmental practices.</p> <p>The latest update to the Framework was conducted in December 2021.</p> <p>The consultancy Sustainalytics has ratified through its Second-Party Opinion (SPO) that the Bank's framework is aligned with the principles and objectives mentioned above, including the "Green Bond Principles" (GBP) and "Social Bond Principles" (SBP) of the ICMA (International Capital Market Association) and that it finances projects that contribute to environmental sustainability, social challenges and the United Nations Sustainable Development Goals (SDG) in line with guidelines on transparency, communication and reporting. These principles and objectives are consistent with the commitments the bank makes in its Sustainability Framework.</p> <p>The latest SPO published by Sustainalytics on the Bank's Sustainability Framework is dated December 2021.</p> <p>The Framework and SPO are available on the investors' website: https://www.cajaruraldenavarra.com/en/information-investors</p>
	201-3 Obligations of the defined benefit plan and other retirement plans	There is no Pension Plan, but the Bank has obligations under the national collective agreement on life and accident insurance and widow/er and orphan supplements.

GRI STANDARDS MATERIAL INDICATORS

KEY ISSUE	CONTENT	LOCATION IN THIS REPORT
1/ Financial strength of the Bank and global risk management	201-4 Financial assistance received from government	CHAPTER 3. ABOUT US, <i>(page 17)</i>
	202-2 Proportion of senior executives hired from the local community	All the senior executives come from the local community.
	203-1 Infrastructure investments and services supported	<p>Caja Rural de Navarra provides financial services and the key risks and opportunities due to climate change arise not from the Bank's own activities but from the businesses carried on by its customers, particularly those conducted by its borrowers using the Bank's loans.</p> <p>For this reason, several years ago, the Bank implemented a Sustainability Framework for its loan portfolio in order to promote those financing lines that have the greatest social and environmental impact in the regions where the bank is active.</p> <p>These lines are consistent with its principles of commitment to its local social and natural environment. The framework is dynamic. It evolves and develops over time in tandem with responsible social and environmental practices.</p> <p>The latest update to the Framework was conducted in December 2021.</p> <p>The consultancy Sustainalytics has ratified through its Second-Party Opinion (SPO) that the Bank's framework is aligned with the principles and objectives mentioned above, including the "Green Bond Principles" (GBP) and "Social Bond Principles" (SBP) of the ICMA (International Capital Market Association) and that it finances projects that contribute to environmental sustainability, social challenges and the United Nations Sustainable Development Goals (SDG) in line with guidelines on transparency, communication and reporting. These principles and objectives are consistent with the commitments the bank makes in its Sustainability Framework.</p> <p>The latest SPO published by Sustainalytics on the Bank's Sustainability Framework is dated December 2021.</p> <p>The Framework and SPO are available on the investors' website: https://www.cajaruraldenavarra.com/en/information-investors</p>

GRI STANDARDS MATERIAL INDICATORS

KEY ISSUE	CONTENT	LOCATION IN THIS REPORT
1/ Financial strength of the Bank and global risk management	203-2 Significant indirect economic impacts	<p>Caja Rural de Navarra provides financial services and the key risks and opportunities due to climate change arise not from the Bank's own activities but from the businesses carried on by its customers, particularly those conducted by its borrowers using the Bank's loans.</p> <p>For this reason, several years ago, the Bank implemented a Sustainability Framework for its loan portfolio in order to promote those financing lines that have the greatest social and environmental impact in the regions where the bank is active.</p> <p>These lines are consistent with its principles of commitment to its local social and natural environment. The framework is dynamic. It evolves and develops over time in tandem with responsible social and environmental practices.</p> <p>The latest update to the Framework was conducted in December 2021.</p> <p>The consultancy Sustainalytics has ratified through its Second-Party Opinion (SPO) that the Bank's framework is aligned with the principles and objectives mentioned above, including the "Green Bond Principles" (GBP) and "Social Bond Principles" (SBP) of the ICMA (International Capital Market Association) and that it finances projects that contribute to environmental sustainability, social challenges and the United Nations Sustainable Development Goals (SDG) in line with guidelines on transparency, communication and reporting. These principles and objectives are consistent with the commitments the bank makes in its Sustainability Framework.</p> <p>The latest SPO published by Sustainalytics on the Bank's Sustainability Framework is dated December 2021.</p> <p>The Framework and SPO are available on the investors' website: https://www.cajaruraldenavarra.com/en/information-investors.</p>
2/ Strategy of the organization	3.3 Management of material issues 201-1 Valor económico directo generado y distribuido	CHAPTER 2. ABOUT THE REPORT , (page 6) AND 3. ABOUT US (page 17) CHAPTER 3.6: KEY FIGURES, (page 40)

GRI STANDARDS MATERIAL INDICATORS		
KEY ISSUE	CONTENT	LOCATION IN THIS REPORT
2/ Strategy of the organization	201-2 Financial implications and other risks and opportunities due to climate change	Risk management: risk of climate change. Non-financial risk management: environmental risks, emerging risks. Environmental issues: Climate change strategy, Carbon footprint
	201-4 Financial assistance received from government	No assistance of any kind was received from General governments
3/ Transparencia en la comercialización	417-1 Requirements for product and service information and labelling	CHAPTER 4. CUSTOMERS, <i>(page 49)</i>
	417-2 Incidents of non-compliance concerning product and service information and labelling	CHAPTER 4. CUSTOMERS, <i>(page 49)</i>
	417-3 Incidents of non-compliance concerning marketing communications	CHAPTER 4. CUSTOMERS, <i>(page 49)</i>
	418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data	CHAPTER 4. CUSTOMERS, <i>(page 49)</i>
4/ Quality of service and customer satisfaction	103-1 Explanation of the material topic and its boundary	CHAPTER 2. ABOUT THE REPORT, <i>(page 6)</i>
	103-2 The management approach and its components	CHAPTER 2. ABOUT THE REPORT, <i>(page 6)</i> AND CHAPTER 4. CUSTOMERS, <i>(page 49)</i>
	103-3 Evaluation of the management approach	CHAPTER 2. ABOUT THE REPORT, <i>(page 6)</i>
	FS15 Description of policies for the fair design and sale of financial services and products.	CHAPTER 4. CUSTOMERS, <i>(page 49)</i>

GRI STANDARDS MATERIAL INDICATORS

KEY ISSUE	CONTENT	LOCATION IN THIS REPORT
5/ CSR policy and Social Engagement	103-1 Explanation of the material topic and its boundary	CHAPTER 2. ABOUT THE REPORT, (page 49)
	103-2 Management approach	CHAPTER 4. CUSTOMERS, (page 49)
	103-3 Evaluation of the management approach	CHAPTER 2. ABOUT THE REPORT, (page 6)
6/ Corporate culture	3.3 Management of material issues	CHAPTER 2. ABOUT THE REPORT, (page 6)
	202-2 Proportion of senior executives hired from the local community	All the senior executives come from the local community
	207-1 Tax approach	CHAPTER 3.6: KEY FIGURES, (page 40)
	207-2 Tax management, control and risk management	Tax practice: Annual Corporate Governance Report
	207-3 Involvement of Stakeholders, and management of concerns in tax matters	The Stakeholders played no part in managing these matters
	405-1 Diversity in governance and employee bodies	CHAPTER 5: THE TEAM, (page 77)
7/ Management approach	205-1 Operations assessed for risks related to corruption	There were no transactions assessed in this area in 2022
	205-2 Communications and training on anti-corruption policies and procedures	The Bank has introduced a Code of Conduct, communicated to all employees, whose latest version is dated 18 June 2020. This Code of Conduct in general is also available on the employee portal. The Bank has introduced a Criminal Compliance Management System that meets the requirements of the Spanish UNE 19601 standard which all employees are familiar with. Employees and the general public can access an Ethics Channel to report any kind of conduct they detect.
	205-3 Confirmed incidents of corruption and actions taken	There were no cases of corruption in 2022

ANNEX II

NON-FINANCIAL STATEMENTS FOR THE COMPANIES COMPRISING THE CONSOLIDATED CAJA RURAL DE NAVARRA GROUP

1 | GENERAL INFORMATION

- 1.1_ Business model description
- 1.2_ Description of the group's policies
- 1.3_ Administrative body remuneration
- 1.4_ Caja rural de navarra group - cross-group management
- 1.5_ Key indicators for non-financial results
- 1.6_ Main sector risks
- 1.7_ Disconformidades y quejas

2 | ENVIRONMENTAL ISSUES

- 2.1_ Energy and pollution metrics
- 2.2_ Climate change and energy model transition

3 | SOCIAL AND PERSONAL ISSUES

- 3.1_ Employment
- 3.2_ Employee relations
- 3.3_ Training
- 3.4_ Equality

4 | RESPECT FOR HUMAN RIGHTS

- 4.1_ Extension of human rights policies to suppliers and customers

5 | CORRUPTION AND BRIBERY

6 | SOCIAL CONTEXT

- 6.1_ The company's commitments to wider society
- 6.2_ Impact on the local economy
- 6.3_ Food safety
- 6.4_ Senior care
- 6.5_ Covid-19
- 6.6_ Tax information

1 GENERAL INFORMATION

This Annex refers to the companies that make up the Caja Rural de Navarra Consolidated Group with the exception of the activity of the parent financial institution (Caja Rural de Navarra). The information is presented in accordance with Law 11/2018 of 28 December on non-financial information and diversity and also takes into account European Commission Communication 2017/C 215/01, Guidelines on Non-financial Reporting.

These statements take a concise approach by disclosing only the most relevant information, presented in accordance with the standards of the Global Reporting Initiative (GRI), on which Caja Rural de Navarra bases its CSR Report.

In 2020 and 2021, the measures taken to alleviate the effects of Covid affected all sectors to a lesser or greater degree and was a very important factor for those years. Since the second half of 2021, the dominant impact on the economy has been inflation, with the greatest effects being felt in 2022, and the interest rate rises put through in response at the end of 2022. Caja Rural de Navarra Group companies suffered no direct impacts from the Ukraine war. However, they were severely affected by the EU's sanctions on Russia and their repercussions for international commodity markets.

Caja Rural de Navarra's portfolio of investee companies is largely unchanged from last year, but there was one significant corporate transaction. In 2021, the Group had eleven bakery flour manufacturing and marketing companies. In September 2022 these were merged into Harinera del Mar SXXI, S.L., which thereby took over the flour mills of Pontevedra (formerly Reyes Hermanos), Puerto de Sevilla (formerly Haribéricas), Noain,

Navarra (Harivasa) Tardienta, Huesca (Harinera de Tardienta) in addition to the one it has always owned in Almenara, plus the business and assets of Harinas Selectas (Tardienta), Transnoain (logistics) and other auxiliary activities. Cerelia Agro and HRVs Eood are now subsidiaries of Harinera del Mar and conduct their farming business in Spain and other EU countries. All the absorbed companies were extinguished during the merger process.

In addition, in December 2022, the flour businesses of Inversiones Fenec (head of the Vall Companys group), were spun off into Harinera la Meta, a company that had previously taken over the flour mills Harinera Palentina, Harinas de Torija and Molinos Harineros del Sur. Harinera la Meta was then merged with Harinera del Mar and a new company created, MHM Grupo, S.L., which now



owns 100% of the share capital of both Harinera La Meta, S.A. and Harinera del Mar, SXXI, S.L., which, in turn, is jointly owned by Inversión Fenec (50.01%) and Caja Rural de Navarra (49.99%). As a result MHM Grupo and its subsidiaries Harinera del Mar and Harinas la Meta ceased to be fully consolidated in Caja Rural de Navarra in 2022.

Below is a list of the subsidiaries (all of which are wholly owned) at 31 December 2022:

COMPANY	LOCATION	TAX ID	% HOLDING	EXTERNAL AUDIT
Harivenasa S.L	Noain (Navarre)	B71075774	100%	Yes
Espiga I&D Alimentaria, S.L.	Pamplona (Navarre)	B71434427	100%	No
Industria Tonelera de Navarra S.L	Monteagudo (Navarre)	B31688336	100%	No
Tonnellerie de L'Adour S.A.S	Plaisance du Gers (France)	FR96425029972	100%	No
Merranderie de L'Adour (antes Oroz Fils STE Exploitation)	Plaisance du Gers (France)	FR94379700966	100%	No
Bouquet Brands S.A	Esquiroz (Navarre)	A31884000	100%	Yes
Bahia de Cádiz S.L	Pamplona (Navarre)	B84996743	100%	No
Solera Asistencial S.L	Pamplona (Navarre)	B71150866	100%	Yes
Solera Navarra S.L	Pamplona (Navarre)	B71186654	100%	Yes
Torre Monreal S.L	Tudela (Navarre)	B31872872	100%	Yes
SERESGERNA S.A	Pamplona (Navarre)	A31697808	100%	Yes
Promoción Estable del Norte S.A	Pamplona (Navarre)	A31663651	100%	Yes
Informes y Gestiones Generales, S.A.	Pamplona (Navarre)	A31437635	100%	No
Informes Técnicos y Valoraciones Generales, S.L.	Pamplona (Navarre)	B31917305	100%	No



We also show the sectors and regions where each company offers its products and services:

COMPANY	REGIONS
Cereal sector	
ESPIGA I&D ALIMENTARIA	Not active in 2022
HARIVENASA	Spain, exports to twenty countries
Winery supplies	
INDUSTRIA TONELERA DE NAVARRA	Spain
TONNELLERIE DE L'ADOUR	Global
MERRANDERIE D'ADOUR	France
BOUQUET BRANDS	Navarre
BAHIA DE CADIZ	Cadiz
Senior care	
SOLERA ASISTENCIAL	Navarre
SOLERA NAVARRA	Navarre
TORRE MONREAL	Navarre
SERESGERNA	Navarre
Support for Caja Rural de Navarra customers	
INFORMES Y GESTIONES GENERALES, S.A.	Navarre. Rioja, Basque Country
INFORMES TÉCNICOS Y VALORACIONES GENERALES, S.L.	Navarre. Rioja, Basque Country
PROMOCION ESTABLE DEL NORTE	Navarre. Rioja, Basque Country
PREVENTIA SPORT	Navarre

In addition to these subsidiaries controlled by CRN, the Bank also has a number of investments where it shares control or that it does not control, in a range of sectors. The full list of investments can be found in the financial report but the purpose of this document is to highlight the Group's businesses and how and why they are run.

Caja Rural de Navarra's investments are stable. There have been investments and divestments over the course of time, but the aim of this business is not speculative and many of the companies mentioned have been consolidated in CRN for more than twenty years.

Any new equity investment in a new or existing company – excluding any short-term portfolio investments in the stock market – must be approved by the Governing Board. Factors considered will include whether:

- It has a reasonable expectation of generating adequate returns, either directly from the investee company or indirectly through business induced by the new equity investment.

- It adheres to corporate and managerial values consistent with those of the Bank.

- Caja Rural de Navarra's presence will not have a negative impact on other participants in the market, either by significantly diminishing competition or by creating an unbalanced competitive situation.

Below we lay out a formal list of the Group's investee companies and their business activities in accordance with the regulatory guidelines. This annex includes non-financial reporting information for the companies listed as subsidiaries below, but not for the companies over which the Group does not exercise financial control, listed as associates or equity investments. We list the activity of all companies comprising our equity investment area by sector of activity. For associates and equity investments we only include the parent plus, in a few cases, their biggest investee, omitting some of their functional subsidiaries:

COMPANY	STATUS IN GROUP
FOOD	
Cereal transformation	
HARINERA DEL MAR, S.L.	Associate
HARINAS LA META, S.A.	Associate
MHM GRUPO, S.L.	Associate
HARIVENASA, S.L.	Subsidiary
ESPIGA I&D ALIMENTARIA	Subsidiary
Vineyards and wineries	
RIOJA VEGA, S.A.	Associate
PRINCIPE DE VIANA, S.L.	Associate
BOUQUET BRANDS, S.A.	Subsidiary
INDUSTRIA TONELERA DE NAVARRA	Subsidiary
TONNELLERIE DE L'ADOUR	Subsidiary
MERRANDERIE DE L'ADOUR	Subsidiary
Dairy	
IPARLAT	Associate
Support for Cooperatives, Farmers and Stock-raisers	
SERVICIOS EMPRESARIALES AGRO INDUSTRIALES, S.A. - SENAI	Associate
ECOLOGICAL TRANSITION, RENEWABLE ENERGY	
Renewable energy generation	
COMPAÑÍA EOLICA DE TIERRAS ALTAS	Associate
RENOVABLES DE LA RIBERA	Associate
MINICENTRALES CANAL BARDENAS	Equity investment
RURAL ENERGIAS ARAGONESAS, S.A.	Associate
IBERJALON, S.A.	Associate
RURAL DE ENERGIA DE TIERRAS ALTAS, S.A.	Associate
Poplars	
BOSQALIA	Associate

COMPANY	STATUS IN GROUP
REAL ESTATE	
Rental of state-subsidized housing	
ERROTABIDEA	Associate
PROMOCION ECONOMICA REGIONAL	
Venture capital and seed finance	
START UP	Equity investment
Mutual guarantee societies (Sociedades de garantía recíproca)	
SONAGAR	Equity investment
ELKARGUI	Equity investment
IBERAVAL	Equity investment
CARE	
Senior care	
SOLERA ASISTENCIAL	Subsidiary
ENGINEERING	
Civil engineering and testing	
LABORATORIOS ENTECSA	Associate
IGEO2	Associate
AREA OF SUPPORT SERVICES FOR CAJA RURAL'S BUSINESS	
Real estate	
PROMOCIÓN ESTABLE DEL NORTE	Subsidiary
Complementary services	
INFORMES Y GESTIONES GENERALES	Subsidiary
INFORMES TECNICOS Y VALORACIONES GENERALES	Subsidiary
BANCO COOPERATIVO ESPAÑOL	Equity investment
SEGUROS GENERALES RURAL, S.A. DE SEGUROS Y REASEGUROS	Equity investment
GRUCAJRURAL INVERSIONES	Equity investment
ESPIGA CAPITAL INVERSIÓN	Equity investment
ESPIGA CAPITAL INVERSIÓN II	Equity investment
ESPIGA EQUITY FUND	Equity investment
RURAL SERVICIOS INFORMÁTICOS	Equity investment
DOCALIA	Equity investment

A glance at this list makes clear that these are companies well embedded in their markets, but with a focus on three additional areas: sustainability of the primary sector – farming, climate change and renewable energy converging towards the ecological transition, to use the vogue term, plus clean energy – senior care and support for the economic and social environment.

Finally, investee companies must themselves be viable, even as many of them pursue aims that go beyond the merely financial, as this is the only way to sustain their activity consistently over the long-term.

The rest of this chapter and the two following focus in detail on the subsidiaries.

1.1 BUSINESS MODEL DESCRIPTION

CEREAL SECTOR

As mentioned above, Caja Rural de Navarra retains major investments in manufacturers of bakery flours, semolina and mixes of flour and other cereals for human consumption, but these companies have now become associates.

Nevertheless, as they were still part of the Group until early December 2022, we have retained their data in the 2022 figures for some year-on-year comparative metrics, including the carbon footprint and employee measurements, to give an accurate picture of progress in that year. Similarly, we will publish figures both with and without the flour subgroup for this year, so that accurate comparisons can also be made from 2023 using the ex-flour figures.

The flour subgroup now headed by MHM Grupo consists of production centres (factories) throughout Spain, along with two companies



specialising in farming of high-quality wheat and oats in Spain and abroad.

Meanwhile, Harivenasa, S.L., which manufactures and markets pearls, flour and oat flakes and oat flake mueslis, remains a subsidiary of Caja Rural de Navarra and in 2022 recentred its activity in its new Etxarren factory (Arakil, Navarra).

The wheat flour and oat markets are very different, with different uses for each product. Wheat flour is mainly used in bread and biscuit production, where cakes and pastries are less important. In Spain, consumption of bread and other flour derivatives per head has been declining for decades, as it has changed from being a staple food to an optional extra which is not always highly valued.

As a consequence, traditional bakers are disappearing, with industrial bakers taking over. Spanish industrial producers (whose production is concentrated on biscuits and pre-baked bread) have a strong presence in foreign markets and this has helped keep demand and manufacturing reasonably steady in recent years.

Spain consumes more cereals than it produces. An average of 20-25 million tonnes of cereals are produced annually, of which about 35% is wheat. An additional 10-15 million tonnes of cereals are imported to make up the total domestic consumption - animal and human - of 35-38 million tonnes.

Looking at wheat alone, 6-7 million tonnes are produced each year and around 4.5-6 million tonnes imported, most of it from EU. This represents domestic consumption of around 11 million tonnes. Of this, around 45% million is eaten by humans with the rest going to animal feed, biofuels and seeds for re-sowing crops.

Oat flakes, pearls, flour and bran go into pastry

products, biscuits, drinks and breakfasts, as well being consumed directly. These are traditional products in Anglo-Saxon countries that have now established a strong foothold in Spain.

In 2021 and 2022 the international cereal market was marked by high prices and massive volatility, mainly because Ukraine, south Russia and Kazakhstan are major global cereal producers, exporting through the Black Sea and their ability to get their goods to market has been severely curtailed.

As this is a mature market, with a significant overcapacity in milling, the key issues are efficient production and food safety.

This Group is involved alongside some of its customers in projects that take an end-to-end approach to sustainability – from planting to the customer – considering all factors, applying environmentally friendly practices and taking great care of food safety. Such initiatives remain in a minority, but a phase of formal certification is under way which brings together farmers, cooperatives and production plants.

The impact of prices on exports to African countries has been enormous. These countries simply cannot pay for these products and are restricting themselves to consuming locally produced goods, mainly cereals and rice.

WINERY SUPPLIES GROUP

The Grupo de Servicios Auxiliares a Bodegas comprises the oak barrel factories in Navarre (Spain) and Gers-Occitanie (France), and the wine and spirits distributor Bouquet Brands which has a physical presence in Navarre and Cadiz.

The details of each activity are as follows.

THE COOPERAGE GROUP

The Navarra barrel factory is located in Monteagudo and trades as Industrial Tonelera de Navarra (INTONA). It manufactures and markets oak barrels for ageing wine and spirits.

The French barrel factory is located in Plaisance du Gers and the company is called Tonnellerie de L'Adour.

The key for both companies is their control over the entire value chain, from procurement of raw materials, thanks to close collaboration with oak suppliers, to technical advice and after-sales service for customers.

The barrel adds characteristic notes to the products it contains, and since wood is a natural product its influence on the wine is so notable that for winemakers and their oenologists the origin – species – of the oak and the working methods used – combining traditional craft with modern methods of wood selection, quality and production control – are a vital part of the business case they offer wineries.

Worldwide, French barrels are still considered to be the premium category in this industry, and this is why the decision was taken a few years ago to invest in Tonnellerie de L'Adour, which is an established factory. This also explains the differences in mission and business vision between the French and Spanish companies.

There are seven main manufacturers of oak wine casks in Spain, some of which are owned by French cooperage groups. INTONA competes on an equal footing and alternates yearly between being the second or third largest producer by units produced. INTONA has to differentiate itself by the consistency and quality of its products and its service.



There are around one hundred French cooperages, but four groups account for 70% of global sales, so L'Adour is among the smaller firms. However, it does have a recognised product, which allows it to maintain a selling price above the average for the French market.

Adour's business model is therefore to manufacture and market French oak barrels, in the French style. Its strength lies in working from the origin, producing its own staves (via Merranderie de L'Adour), and with a wide range of products thanks to its vocation as a retail-scale company with a craft spirit.

Having explained these differences, we note the following:

INTONA's mission: to supply the wine and spirits sector with a versatile, comprehensive tool based

on knowledge and tradition, that allows its customers to achieve the notes they seek in their products.

INTONA's vision: to be a benchmark in the world of wine ageing due to our commitment to research, respect for the environment and personalised local customer service. Standing out on quality.

Adour's mission: from the heart of Armagnac in rural France, to export around the world a near century-old coopering tradition, which is based on tight control of the raw materials and craftwork in small batches.

Adour's vision: to become a global cooperage, established in the premium barrel sector, with a worldwide presence and trading on its image as a rural artisan company.

Bouquet Brands

Bouquet Brands distributes wine and spirits under its own brand in Navarre, Madrid and Malaga and through its subsidiary, Exclusivas Bahía de Cádiz, in Andalusia.

This gives it a strong commercial network and optimal logistics system.

The wines distributed include those from Caja Rural de Navarra's investee wineries, Príncipe de Viana and Rioja Vega (non-Group scope).

Bouquet Brands' mission: to market the products from our suppliers, providing our customers with prestigious wines, beers and spirits that support their local positioning.

Bouquet Brands' vision: to develop a competitive product portfolio and enthuse the hospitality sector by persuading them that our portfolio of Navarre and La Rioja wines – and other beverages and premium beers – will be appreciated by their customers and deliver the leisure experience they are looking for. Plus streamlined logistics and a punctual and friendly service.

The key issues in wine and spirits distribution are: a wide portfolio of products to meet customer demand, close customer focus and service.

Business development in 2022 was as follows. Domestic hospitality services and tourism opened up after the pandemic, though with some lingering restrictions, and business gradually improved although mostly without reattaining pre-Covid levels. Against this backdrop, wine production continued at low levels and investment in new barrels contracted.



SENIOR CARE GROUP

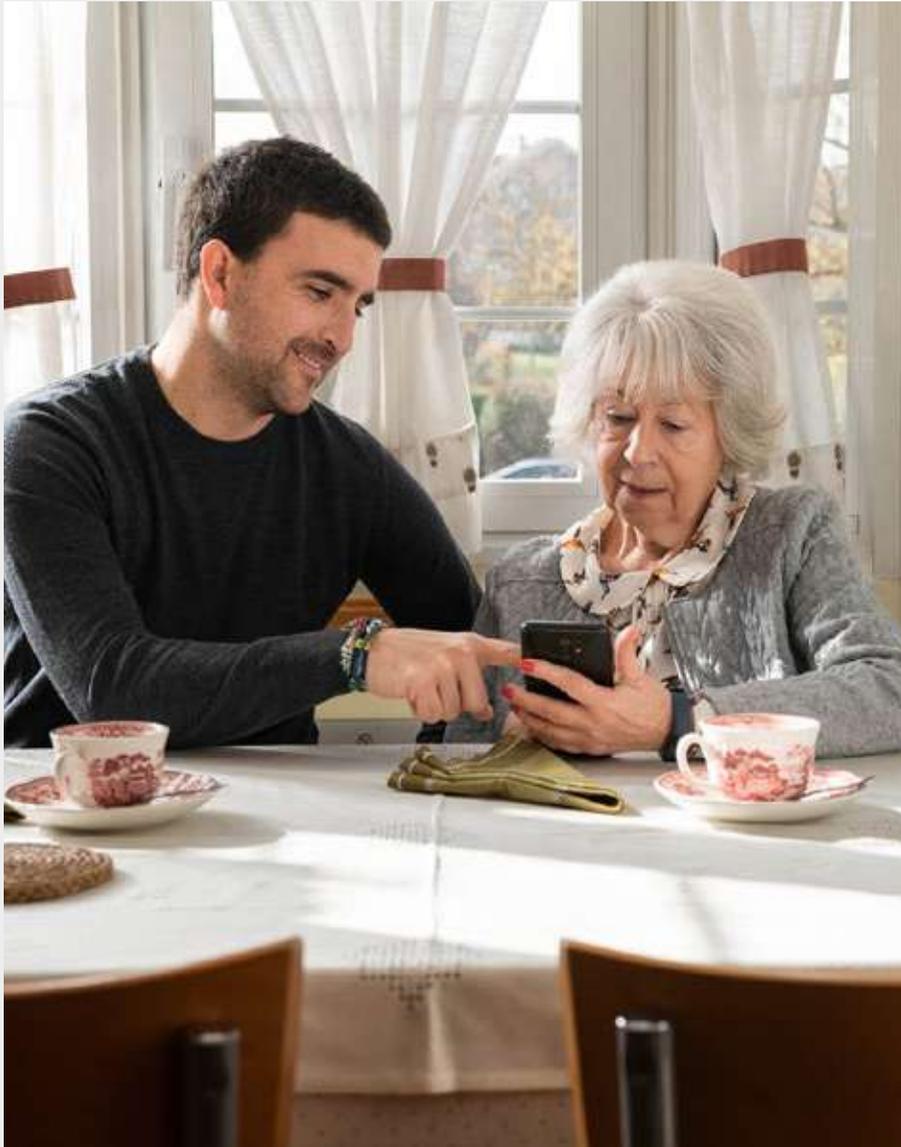
Solera Asistencial was set up to offer comprehensive services for the elderly. Its objective is to give families access to a service that meets their economic needs and the physical and cognitive needs of the elderly person, with services tailored to their own organizational constraints.

Spain has a generally adequate network of services for the elderly. The public support that older people receive means that in recent decades good facilities and infrastructure have been created to provide the care they need. The current network of services is sufficient for their needs, but perhaps the sector's greatest weakness is that the cost of the services is beyond the reach of many people.

The Dependency Act allowed economic agents from other areas, such as construction companies and investment funds with little knowledge of the elderly care sector, to enter the market in the hope they could run the service over the long-term as a conventional business. Many of them have not achieved the returns they anticipated and have opted for concentration in a sector that has traditionally been fragmented.

In parallel, municipalities and, to a lesser extent, regional governments, have also established services for the elderly. Their implementation has been partially frustrated by budgetary constraints, the increase in the supply of places and Spain's economic crisis.

Thus, at the national level, the insufficient budget allocated to these activities has resulted in public under-funding of places, a smaller number of people covered by the benefits system – only dependent persons have the right to the benefits, with delays between the need for assistance being recognized and the start of payment – and the



elimination of non-guaranteed services, leaving other essential services outside the basic portfolio of publicly funded services.

The situation in Navarre can be considered as one of the best in the country, but with progressive adjustments in the funding and in the services financed. The local administrations are supporting part of the basic services provided for the elderly, including day centres, respite care and care services provided in the home.

As an operator providing comprehensive services for the elderly, Solera Asistencial has a good market position, offering a full range of welfare services. It is dependent on government policies, but in recent years, it has identified and set up a number of services that do not depend on the public purse.

Our two old people's homes, La Vaguada and Torre Monreal, focus on providing a high level of service and the residents' families clearly understand and appreciate this.

The services provided in the day centres, the only ones of their kind in Navarre, focus on responding flexibly to the needs of users and their families, including activity workshops which help users continue to live independently.

The "Solera en casa" (Solera at Home) home care services have grown thanks to the community's appreciation of their structured and professional organization.

The group has developed as follows:

- **Solera Asistencial:** central services in the areas of Planning, Marketing, Administration, Human Resources and Maintenance.
- **Seresgerna:** residential service developed in the La Vaguada home.

- **Torre Monreal:**
 - Residential service in Torre Monreal Social-Medical Centre.
 - Solera Urban "Mendabaldea"

- **Solera Navarra:**
 - La Vaguada Day Centre
 - Solera Ensanche Day Centre
 - Torre Monreal Day Centre
 - Ribaforada Day Centre
 - Larraga Day Centre
 - Pio XII Day Centre
 - Home Care Service: "Solera en casa"
 - Physiotherapy Unit
 - Wounds Unit

Mission

Committed to the elderly, our mission is to achieve the best comprehensive care for seniors through high-quality care services that ensure the well-being and satisfaction of our users, families and residents.

Vision

To be a benchmark and pioneer in implementing quality care models for the elderly, structuring ourselves as a comprehensive services operator that provides innovative and pioneering responses to society's present and future needs. Solera Asistencial seeks to be a benchmark in the sector for its quality, specialization in high value-added care services and capacity to respond to all the needs that seniors may have.

The core action principles to ensure quality of service are:

- Individual attention to users and residents
- Attention to families, advice, support and facilitating their participation in the daily life and activities of our residences and centres

- Professional and personal development of the team, maintaining a high level of motivation and professional qualifications
- Innovation in services and management models, seeking excellence in processes and activities. Versatility and adaptation to new needs and demands
- Clarity, transparency and trust in the institution, with regular communication
- Measurement, monitoring and control of our services to maximize their quality
- Investment in technical resources to support therapeutic programmes and a high level of comfort for our users and their relatives

The sector is still recovering from the earth-shaking impacts of the Covid pandemic, and the efforts made by residents, staff and their families in 2020 and, to a lesser extent, 2021. The pandemic injected a sense of urgency and social awareness of the changes needed in the sector, but these centres will inevitably be the last to reach their “new normal”. Public pressure for the essential adaptations has fallen and society is once again neglecting the needs of older people. But we remain aware of the need to reconfigure these centres irrespective of the pace of regulatory changes. The Solera Group continues to analyse how we should plan and implement this reconfiguration.

AUXILIARY FINANCIAL SERVICES GROUP TO CAJA RURAL DE NAVARRA

This group comprises three companies whose business model is to provide a service to Caja Rural de Navarra and/or its customers.

First, we look at Promociones Estable de Norte. This company used to build residential developments in the Bank’s area of operation, either alone or with partners. When the property crisis hit, it was decided to suspend – for a few years – all development and participation in third-party developments and to transfer certain real estate assets from the Bank to this company, which as a specialist had a greater chance of selling them on successfully.

Informes y Gestiones Generales, S.A. provides processing services for all types of public and private documents associated with the property, trade and assets registers. Its other services include carrying out checks and providing responses to public and private queries, defining and processing powers of attorney, mortgage services, drafting wills and acceptance of inheritances, etc.

Other areas of activity include legal, labour, tax and accounting consultancy.

Every year, between four and five thousand customers rely on Informes y Gestiones, which manages around ten thousand documents and requests for more than 20,000 registry entries and certificates.

Informes y Gestiones has professional teams in Pamplona, San Sebastian, Bilbao, Vitoria and Logroño and can therefore serve all customers of Caja Rural de Navarra and third parties.

Finally, “Preventia Sport” is the nucleus of a sports medicine centre that provides some of the support given to the Caja Rural-RGA cycling team. It also has facilities that are open to the general public. Medical tests are carried out at the centre on an athlete’s capacity to adapt and improve in their sporting discipline. It has also made some small-scale sales of cycling equipment.

1.2 DESCRIPTION OF THE GROUP’S POLICIES

The Group’s companies have the following processes for risk analysis, control and monitoring:

CEREAL SECTOR

The Group’s activity in this sector is now conducted solely through Harivenasa, S.L., a company with a three-strong Board of Directors, two being Caja Rural de Navarra executives and the third drawn from the flour group.

Its associates – MHM Grupo, Harinera la Meta and Harinera del Mar, S.L. – have different Boards of Directors in which both directors composed of executives from the two partners and executives of the companies themselves.

On the management and functional side, each company has a matrix management structure, which combines management reporting lines in each area with the group level functional structures, providing coordination of purchasing, manufacturing, quality and R&D and sales and marketing to large industrial groups.

Each factory has a management committee in which all areas are represented.

The committee meets at least monthly. Monthly meetings are also held to monitor and coordinate

the activities at each factory, attended by key executives from the Flour group’s functional areas and the Bank’s management.

The strategies of the Caja Rural de Navarra managers in these companies are clear: top priority goes to food safety and health and safety at work, plus strengthening medium- and also long-term strategies that enable the companies to maintain sustainable commercial and economic competitiveness.

WINERY SUPPLIES GROUP

This group, which has a much smaller staff, has three Sole Directors, one for each of the three subsidiaries.

Each company also has a managing director, reporting to these Sole Directors, who runs the operational dynamics for their company. These, in turn, always have a manager for each operational area.

The cooperages have an chief administration-finance officer and a production manager, who is in charge of managers for each production area, and a sales team. This team meets regularly with the managing director.

The distributor has a chief financial officer, a sales team manager and a logistics and warehouse manager, who meet with their manager at least weekly.

In the case of INTONA and Bouquet Brands, the Sole Director is an executive at Caja Rural de Navarra. For Tonnellerie de L'Adour, the Director is INTONA's managing director.

SENIOR CARE GROUP

The Solera Asistencial group has a Sole Director at its head, who is an executive at Caja Rural de Navarra.

At least once a month, the Quality Committee and Management Committee meet, attended by all the different area managers: Managing Director, Head of Quality, Care Manager, Chief Administration-Finance Officer, Head of Maintenance, General Services Manager, Day Centres Manager.

Teamwork is an essential factor in successfully implementing and coordinating the social and welfare objectives of each of the residents.

The team consists of doctors, nurses, nursing assistants, social workers, occupational therapists, psychologists, physiotherapists, podiatrists, pharmacy personnel, sociocultural therapists and dieticians who all interact with each other.

AUXILIARY FINANCIAL SERVICES GROUP TO CAJA RURAL DE NAVARRA

Most companies in this group are again headed by a Sole Director, including Promoción Estable de

Norte, Informes y Gestiones and Preventia Sport. Each company employing its own staff has a full-time manager as its chief operating officer.

In the case of Informes y Gestiones, the managing director is supported by area managers, and the management system is based on weekly meetings with area managers and monthly meetings with all the members of each department, to review key indicators and set general strategy and specific goals.

Promoción Estable del Norte actively collaborates with the Caja Rural de Navarra housing area through continuous contacts and regular meetings to analyse progress in different actions and toward achieving targets. These meetings are attended by the management from Promoción Estable del Norte managers and managers from Caja Rural de Navarra's housing area.

Preventia Sport is closely tied into the Bank's institutional life and involved in training the cycling team. It therefore holds regular meetings with the Bank's Head of Institutions.



1.3 ADMINISTRATIVE BODY REMUNERATION

As we said, the subsidiaries have directors linked to Caja Rural de Navarra or its subsidiaries. No director receives any financial or other consideration, attendance fees, pension plans or similar. They are remunerated for work done for the Bank or subsidiary depending on their job category, in accordance with the salary tables in this document.

There is no bonus for belonging to subsidiaries' administrative bodies.

Grupo Cooperativo, and Caja Rural de Navarra within it, have civil liability insurance for managerial positions. This covers their activity as both employees and directors of the subsidiaries.

1.4 CAJA RURAL DE NAVARRA GROUP – CROSS-GROUP MANAGEMENT

As we have seen, the companies in which Caja Rural de Navarra has equity investments work mostly in the agri-food and welfare sectors as well as supporting the Bank's activities.

The agri-food sector has traditionally had significant strategic weight in Caja Rural de Navarra's financial operations. Its share in gross domestic product is falling, but the sector's professionalisation and initiatives to produce frozen and pre-prepared convenience foods are pushing to maintain the economic importance of these activities, meaning it can offer sustained value added over time so helping halt the decline in rural population and reduce the population drift toward provincial and county capitals.

For an institution like Caja Rural de Navarra, which was born alongside agricultural cooperatives in small and medium-sized population centres, it is both consistent with its values and rewarding to back initiatives that help sustain our farming and stock-raising fabric and encourage cooperativism as a driver of economic sustainability in the sector. Part of the Social Welfare Fund is dedicated to this purpose.

In the case of the care services, we wanted to respond to a growing need in our community. First religious institutions and subsequently public authorities have for many years been the basic support for the sector, which now needs to adapt to the greater demands of an ageing population, who nonetheless still have the capacity to enjoy life and maintain family ties.

We would also like to highlight the activities carried out by other investee companies in protecting the

environment, even though they do not form part of the Consolidated Group. As an example, we would draw attention to renewable energy companies (Compañía Eólica de Tierras Altas, Renovables de la Ribera, etc.) and the forestry company (Bosqalia).

1.5 KEY INDICATORS FOR NON-FINANCIAL RESULTS

Caja Rural de Navarra began by compiling its first Corporate Social Responsibility Report in 2017, following the guidelines established by the GRI (Global Reporting Initiative).

The report includes a materiality analysis to determine the issues most relevant to the stakeholders that Caja Rural de Navarra interacts with. In preparation for these 2021 non-financial statements, a materiality analysis was conducted, focusing for these corporate sub-groups on their individual definitions of stakeholders, giving their voices the weight prescribed in the procedures.

In light of the characteristics and results of this materiality analysis, it was felt unnecessary to update it every year. The results would probably be very similar from year to year and it would be preferable to update it over a longer timescale.

The materiality analysis conducted in 2021 with external support from a specialist consultancy focused on identifying and prioritising the economic, environmental, social and governance priorities for customers, employees and suppliers (external materiality) and the companies' strategy based on its potential impact for the Bank (internal materiality).

Surveys and opinion panels were held, which worked as follows:



- **Flour group:** a survey focused on three opinion groups: customers, suppliers and employees, plus opinion panels.

- **Elderly services group:** not done because it would have overlapped with quality questionnaires being completed by residents and their relations.

- **Winery supplies group:** a survey focused on three opinion groups: customers, suppliers and employees, plus opinion panels.

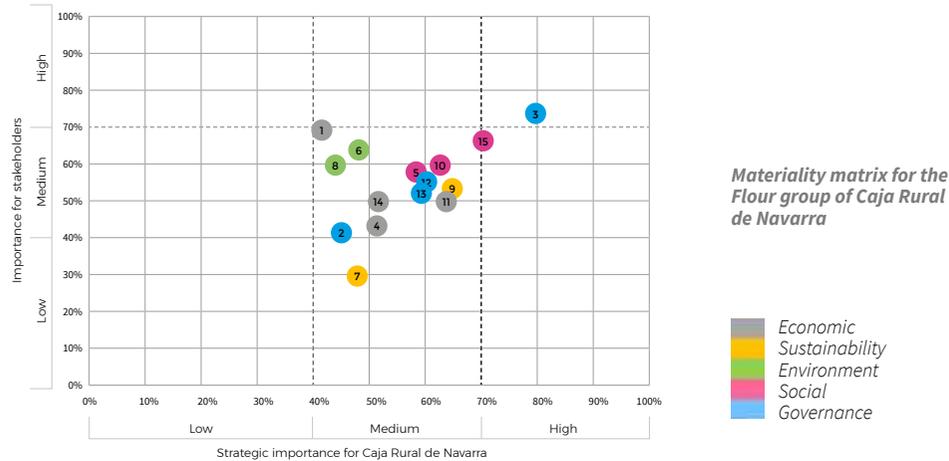
- **Auxiliary financial services group to Caja Rural de Navarra:** as their customers and other stakeholders are identical with those of the parent, the analysis used the surveys and panels done by the Bank.

- **Energy companies group:** in this case, the only stakeholders were workers and suppliers.

We detail the conclusions of the materiality analysis below:

CEREAL GROUP

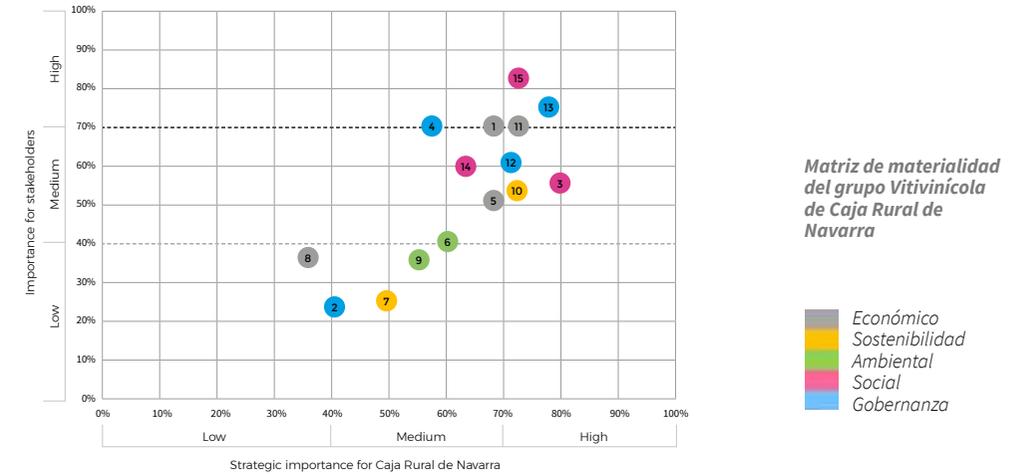
This new materiality analysis by Caja Rural de Navarra identified 15 material issues:



PRIORITY	ISSUE	AREA
High	3 Sales and customer service channels	Governance
Medium-High	1 Range of products and services	Economic Sustainability
	15 Relations with suppliers	Social
Medium	8 Reducing the environmental footprint	Environment
	6 Environmental protection	Environment
	5 Contribution to economic growth and development	Social
	10 Working conditions	Social
	14 Staff training	Economic Sustainability
	12 Transparency and responsible communications	Governance
Medium-Low	13 Internal communications	Governance
	9 Responsible purchasing	Environment
	11 Product management	Economic Sustainability
	2 Ethics, integrity and good governance	Governance
Medium-Low	4 Strategy	Economic Sustainability
Medium-Low	7 Social and environmental sustainability	Environment

One surprisingly low priority for stakeholders was social and environmental sustainability in general, which is consistently the main plank of CSR policies, although there was specific support for reducing the carbon footprint and general environmental protection.

WINERY SUPPLIES GROUP



PRIORITY	ISSUE	AREA
High	15 Relations with suppliers	Social
	13 Internal communications	Social
	11 Staff training	Economic Sustainability
Medium-High	1 Range of products and services	Economic Sustainability
	4 Sales and customer service channels	Social
	3 Contribution to economic growth and development	Social
	12 Transparency and responsible communications	Social
	10 Responsible purchasing	Environment
Medium	14 Working conditions	Social
	5 Strategy	Economic Sustainability
	6 Environmental protection	Environment
	9 Reducing the environmental footprint	Environment
Medium-Low	7 Social and environmental sustainability	Environment
	2 Ethics, integrity and good governance	Social
Medium-Low	8 Product management	Economic Sustainability

AREA OF SERVICES FOR THE ELDERLY

The external consultant reviewed the following documents from the previous year, with Covid at its core:

- “Solera Residencias annual review of the quality system 2020”
- “Satisfaction survey on departure 2020”
- “Satisfaction survey during stay 2020”
- “Staff survey 2020”.

Based on this information, the consultant conducted a preliminary non-financial materiality

analysis (assessing the importance of various issues for stakeholders).

- **The stakeholders covered** by these methods and the analysis of the **Group’s services for the elderly are:** customers (relatives of service users), users themselves and employees. The big stakeholder group omitted was suppliers.
- **The material issues identified** in these methods and analysis of the Senior Care Group services related to Social issues. The material issues that were omitted were: Environmental and Governance.

The consultant thus focused the questions on the material issues and analysed the results, management targets, comments by interviewees and results of indicators.

- **Management targets:** Management has set a series of targets relating to different areas and reports back on progress or otherwise in each area year-on-year and whether or not the targets were met.
- **Comments by interviewees:** The report includes a number of comments by employees, which add depth to its findings.

- **Change in indicators:** The responses sought in surveys and management targets have evolved over time, with possible positive or negative effects on the record of achievement.

Based on this analysis it was concluded that the following issues were material for each stakeholder group:

Area	Material issue	Stakeholder group		
		Customers Individuals	Customers Institutions	Staff
Business model	Innovation and digitisation	•	•	•
	Corporate compliance		•	
Corporate governance	Good governance and transparency	•		•
	Ethics and anti-corruption	•	•	•
Customer relations/Customer satisfaction	Service quality and user satisfaction	•	•	•
	Accessible services	•		
	Privacy and data security	•	•	
	Communications with those involved	•		
Employee management	Work culture			•
	Equality and non-discrimination			•
	Work-Life balance			•
	Job creation and stability			•
	Staff turnover			•
	Staff training	•		•
	Career development	•		•
Environmental management	Equal pay			•
	Energy consumption	•	•	•
	Waste management and food wastage	•	•	•
	Climate change impact	•	•	•
Health and safety	Health and safety at work			•
	Architecture and sustainable buildings	•		
	Covid 19	•	•	•
Human rights				
Community engagement	Crecimiento y sostenibilidad ecológica	•	•	

1.6 MAIN SECTOR RISKS

Group companies face the following sector risks, which can be mitigated in the following ways. The analysis here is not based on economic risks, which are reflected in their respective annual reports, but on corporate social responsibility issues:

FLOUR GROUP

- **Baker's asthma:** En España el asma provocada por la manipulación de harina está reconocida como enfermedad profesional desde 1978. La harina es desde hace milenios un alimento básico, pero que genera a determinadas personas que trabajan con ella alergias. El motivo es la respiración del polvo de harina suspendido en el aire y, por ello, ya en la antigua Roma, los esclavos que trabajaban en la molienda y en las tahonas usaban máscaras. Este sistema, evidentemente con los filtros actuales, además de protección que cubre piel y ojos, es el adecuado para mitigar los efectos. Complementariamente, las revisiones médicas periódicas.
- **Explosion and/or fire (due to explosive atmospheres):** Atmospheres saturated with wheat flour and powder are classified as an explosion hazard. The process and procedures have been adjusted to minimize this risk. This is one of the key points of focus to achieve year-on-year improvements.
- **Usual risks of any industrial environment:** Working at height, getting caught in machinery, electric shocks, etc. Like the abovementioned risks, these are analysed by the health and safety manager in each factor, and advice is sought from external consultants leading to action plans for each factory.
- **Cereal contamination:** Cereals are susceptible

to contamination, especially in the transportation, unloading and storage phases. This risk can be mitigated by taking appropriate measures when buying and transporting the raw material, through a maintenance and cleaning programme and by having a laboratory constantly checking the control parameters.

SENIOR CARE GROUP

- **Risks for personnel derive from the physical nature of the job.** Musculoskeletal disorders are the most frequent. These can be mitigated by measures to reduce the effort used, varying standing and sitting positions, having processes and equipment in place to avoid excessive physical loads, and training employees in best practice.
- **Emotional risk for staff derived from working in shifts and due to the condition of certain residents:** Actions to alleviate them include allowing breaks, sufficient rest between working days, dynamics to allow the sharing of experiences and training in how to deal with these situations.
- **Risks of transmitting illnesses** between staff and patients or within these groups, more acute for infectious diseases
- **Injuries to residents:** From the physical point of view, the use of handling equipment and procedures also reduces the risk of injury to residents. Falls by residents moving independently. Emotional stress should be picked up by staff, which is why operational procedures and staff training are key.
- **Risks in administering drugs, including administration errors,** checks that they have been correctly taken, checks on the state of the patient, etc.

WINERY SUPPLIES GROUP

This business is exposed to the risks of both a manufacturing environment and a distribution company.

- **Usual risks of any industrial environment:** Working at height, getting caught in machinery, electric shocks, etc. These are analysed by external consultants leading to action plans for each factory.
- **Risks derived from the continuous movement of freight:** Organization of the warehouse and routes. Optimal packaging. Use of auxiliary methods. Time off between working days and each week.
- **Risks derived from urban mobility:** Proper vehicle maintenance. Sensible and balanced routes. Management of distribution schedules. Rest between work days.

AUXILIARY FINANCIAL SERVICES GROUP TO CAJA RURAL DE NAVARRA

These are essentially office-based companies, therefore, their main risks are:

- **Risks deriving from the work environment:** These risks are essentially related to posture and lighting. Rules relating to comfort are updated periodically and devices that improve postural comfort are provided.
- **Risks deriving from stress at work:** These risks are alleviated by adjusting workload and a policy of recognizing work done.

KEY RISKS AND SIGNIFICANCE

The key risks to the equity investments, both in absolute terms and as they affect Caja Rural de Navarra, are:

(i) food safety, (ii) proper treatment of seniors, (iii) health of employees, suppliers and customers, (iv) poor management systems involving unethical practice and (v) economic downturn affecting the Parent Company.

As far as possible, some risks may be mitigated by taking out specific insurance policies, such as civil liability insurance.

Nonetheless, these risks pose the dual threat of impacting the subsidiary's activities and reputational harm to the Parent Company, which is why we opt to prioritize some risks over others.

Risk	Mitigation actions
Food safety	- Integrated process control - Quality metrics - Staff training Insurance
Transmission of disease	- Cleaning and work protocols - Use of collective and personal protective equipment
Treatment of residents	- Selection process - Staff training - Quality metrics
Employee ethics	- Selection process - Working environment and training plans - Internal and external audits of Caja Rural de Navarra
Economic downturn	- Regular business reporting - Internal audit

1.7 QUALITY, DISPUTES AND COMPLAINTS

Quality assurance policies are naturally worked into the design of the production process. The various manufacturing and services companies set metrics to measure the quality – as seen by the producer – of the services and products that customers or users receive.

Nevertheless, a process needs to be put in place to handle customer complaints. The channel to make comments, complaints and claims changes from sector to sector, but we think each is appropriate and accessible for customers, consumers or our service users:

A) In the cereal sector, each company has a general phoneline to deal with claims and comments, reporting to the quality control department.

This group works with street-front stores, who receive most of the complaints from the craft bakery and technical staff working with industrial customers, which are usually dealt with via the general complaints channel.

Complaints from final consumers, such as complaints about a kilo of flour bought in a supermarket, the complaint is always dealt with through the customer service department of the chain concerned. Some also submit dummy complaints to test the response.

Looking more closely at the flour, pearls and oat flakes producer, the company produces raw materials for third-party industrial manufacturers (as ingredients for their

vegetable drinks, energy bars, processed foods, biscuits, etc.), repackaged as the distributor's brand and in small half-kilo packets, oats and

oat flakes, mueslis, both white label and under the own-brand Alea. Each product/channel is tailored to its distinctive market and customised. For instance, its own brand Alea guarantees that its source oats have been grown within 100 km of the manufacturing plant, to improve the carbon footprint and support local farming.

B) In the care sector, although there is a phone line, complaints are usually dealt with through two fundamental channels: the manager of the institution or day centre, in the case of a complaint that needs to be resolved on the spot, and through customer satisfaction surveys when dealing with less urgent or less specific issues.

Many centres have a suggestion box and comments and complaints can be registered at reception, but this is usually a secondary channel.

C) In the winery supplies sector, there is a public relations phone number but, given the nature of the clientele, complaints and comments are always received by the sales team.

D) For companies providing support services to Caja Rural de Navarra, complaints are generally made directly by phone. Occasionally, they are made through the Caja Rural branch network or in person.

The next section looks at customer complaints, by sector:

CEREALS GROUP

All customer suggestions and complaints are recorded. All incidents are answered by the Quality Department, regardless of the size of the customer.

Incidents are catalogued by category which can be grouped into functional issues (product fails to meet customer needs for moisture, kneadability, protein, etc.), logistical or administrative issues

(incorrect shipments, shipping note mix-ups, torn sacks on pallets, etc.), and issues relating to food safety (broken threads in sacks, metal filings from piping, etc.). In addition, they are classified as Serious or Minor. All those that affect food safety are considered serious. Minor incidents only include administrative or logistics incidents that do not result in a product being returned.

That said, a product can still trigger an incident even if it has not been returned. To take a simple

example, a customer who orders 20 sacks of one type and 8 of another, and receives 19 and 8, respectively, will generate a logistics incident but probably no returns. An industrial flour can have 4 to 12 parameters and if one of them falls even minimally short, for instance with moisture being 0.1% too high or low, it always generates a functional incident, whether or not the sack is returned.

Flour plants handle large volumes of products:

Units	2022	2021	2020
Baker's sack	11,831,444	10,006,075	8,874,250
Tanker/Big Bag	52,338	20,947	24,245
1/5/10 kg packet	29,867,226	19,164,056	33,311,752

Incidence was 20 in 2022 (36 in 2021) per million units delivered. Percentage of total incidents classed as serious: 22.2% (40.1% in 2021).

Breakdown by type:

Household use (0.5kg/1kg/5kg packet): Incidence of less than 1 per million packets in 2022 (4.4 in 2022)

Industrial use (25kg sack/tanker/big bag): Incidence of 67 per million packets in 2022 (531.1 in 2021). Of these, 15 per million were considered serious (68 in 2021) as they related directly or indirectly to food safety and 24 (128 in 2021) related to functional or quality issues. Complaints due to logistics comprised 42% of the total.

Industrial customers will obviously check all deliveries individually.

SENIOR CARE GROUP

Quality policies are a key element in the group's management. The approach taken is multi-faceted and includes:

- a) Surveys of residents and relatives
- b) Multi-year targets
- c) Specific annual improvement targets
- d) External audits, conducted by the Social Welfare Department

Following the tumultuous years of 2020 and 2021, which were particularly hard for the sector, the Group again ran its annual perceived quality measurement exercise, with surveys of relatives when a resident's stay ends and of families and residents during their stay.

The section below looks at the focus and outcomes of these working methods.



A) The annual satisfaction survey asks residents to score from 0 (terrible) to 5 (excellent) various aspects of their day-to-day experience and is broken down by activity and even by floor in residences. They are also asked for comments or suggestions for improvements.

The target was 4.0/5. In 2022 the average score on all parameters was 3.88 compared to 3.97 in 2021, 4.04 in 2020, 3.97 in 2019, respectively.

Responses are subjective – i.e., assessed by each resident or relative – and the percentage of residents completing the survey improved on 2021 (68% vs. 60%).

There are always areas for improvement and our duty is to identify and work on them, but we are now at scores that will be very difficult to beat year on year.

B) End-of-stay surveys of relatives

Stays may end in other ways than death. Sometimes due to illness or an accident, and other times because the resident has recovered and can go back to their former life.

The target to beat is 4.45/5 and this year's score was 4.92 (4.81 in 2021).

Also, Solera has set some multi-year targets. 13 general targets were set, to measure one or other of the associated indicators. These are maintained over several years to allow progress tracking.

One target is for complaints, which were 38 compared to 34 in 2021. All complaints are recorded, whether made formally in writing or verbally.

C) An annual improvement plan is developed based on the surveys, audits, incidents and

training, which is broken down by activities and departments. Indicators are set for direct monitoring. In 2021, 106 actions for improvement were identified all told, irrespective of their scale or complexity, and of these 71% were deemed to be successfully concluded.

We also repeated in 2021 and 2022 the internal assessment survey of employees, first carried out in December 2020, measuring stress and effort, especially in the elderly care groups. The percentage responses to the survey fell this year, to 48%. The general satisfaction score was 3.24 compared to 3.12 in 2021 and, as in previous years, routes for improvement were identified.

WINERY SUPPLIES GROUP

This group attracts few complaints and they are addressed immediately and directly. The cooperages do not receive many complaints but they are more common for the distributor, particularly regarding late deliveries and logistical errors.

This sector reported a number of complaints about administration (wrong shipping note, wrong products) and also three complaints about the functional performance of the barrels.

AUXILIARY FINANCIAL SERVICES GROUP TO CAJA RURAL DE NAVARRA

These are companies providing services to final customers where complaints mainly relate to disagreements about the cost of services and delays.

In 2022, complaints were received about 0.014% of actions involving third parties (0.016% in 2021).



COST OF QUALITY

In 2020 and 2021, the following costs of maintaining the quality of products and services were identified for all companies taken together and therefore for Group scope:

	2021	2020
Internal quality costs	€ 1,281,315.64	€ 1,058,490.45
External quality spending	€ 323,043.57	€ 415,999.34
Food defence spending	€ 176,922.73	€ 161,486.84
Quality audits (customers, FSC, etc.)	€ 53,167.93	€ 39,287.58

Once the Group resized in December 2022, this data had to be completely redefined, with a close focus on food quality, and continues to be published for the investee Harivenasa but this makes little sense in the context of this breakdown by sectors such as senior care.

In 2022, internal quality costs plus external quality expenses and quality audits in the group companies (not including Harinera del Mar) was:

Internal quality costs	€457,640
Quality audits (customers, FSC, etc.)	€26,114

2 ENVIRONMENTAL ISSUES

The activities carried out by the Group's companies are not considered to be a special source of direct pollution.

We will try to provide a qualitative analysis of the different forms of pollution and what can be done about them, given the processes and activities being carried out. We will not go into the production of raw materials or the use of products here. These will be briefly analysed later in this document.

Type of pollution	Cereal sector ⁽¹⁾	Winery supplies companies ⁽¹⁾	Senior care services	CRN support services
Waste water	Draining only (pumps, cooling units) Sewage to sanitation network	Limitados Draining only (pumps, cooling units). Sewage to sanitation network a purgas (compresores, torres). Fecales a red de saneamiento.	Corresponding to sewage network	Corresponding to sewage network
Waste	Packaging and scrap metal, etc.	Packaging and scrap metal, etc.	Packaging and food waste, etc.	Paper, etc.
Emissions	Essentially derived from heat used in some processes, silos and cereal cleaning. Leaks from air conditioning units	Leaks from air conditioning units	Leaks from air conditioning units	Leaks from air conditioning units
Indirect emissions	Electricity consumption Travel by employees and for product delivery	Electricity consumption Travel by employees and for product delivery	Electricity consumption Travel by employees and resident services	Electricity consumption Travel by employees
Noise	24h milling process Trucks coming and going Location in industrial estate	Trucks coming and going Manufacturing location in industrial estate	Minimal, residential business	Minimal, office business
Light	Lighting of 24h plants only	None	None	None

⁽¹⁾ These industrial activities are subject to national, regional and sector environmental standards.

For more information on this point see section 2.2 in this Annex.

The flour-producers, which were eliminated from the scope of consolidation at the end of 2022, take in more than million tonnes of wheat a year, which are converted into three-quarters of a million tonnes of wheat for food and a quarter of a million tonnes of side products used for animal feed.

The principles of the circular economy require us to prioritise proximity, reduced need for products, re-use and recycling. Each of the four business groups achieves this to different degrees and, while this is an area that will be primarily developed in future reports, we give more details below on actions in these areas and the pollution metrics listed above. All Group companies reuse products wherever possible. Otherwise, more usually, used products are sent for recycling either through specialist companies or city recycling containers.

Food left over in nursing homes and day centres at the end of the day are deposited in the organic

waste container. In future reports we will try to quantify the metrics for disposal of prepared foods. We will also collect data on waste generated and its ultimate destination (recycling or landfill).

A) CEREAL SECTOR

The aim is to source all raw materials from close to each factory, but only 30-50% can be obtained within a reasonable radius.

Spain consumes much more wheat than it produces, importing as much as it grows domestically. In oats, most domestic production is of seed intended for animal feed.

Accordingly, for nearly a decade now we have had an action plan to produce wheat and oat seeds for human food within a catchment area of around 200 km from each factory. This project is based on building up the farming of specific varieties

by farmers within these areas, renting land where Group companies can do their own farming and striking long-term partnerships with farmers who continue as before but planting seeds provided by the Group.

That said, not all climates and land-types are able to produce the best varieties for human consumption on reasonable terms and animal and human consumption are competing for this production capacity. As a result, the balance of domestic production to imports will remain negative.

As noted above, we also launched an AENOR-certified sustainable crops programme with the support of agricultural cooperatives and selected customers.

The shortage of domestically grown cereals means that all the vegetable waste (straw, seed husks, bran, etc.) generated by the factories is sold to feed factories, which are local due to the high demand for this product throughout Spain.

Therefore, the best flour for each type of customer product is selected (biscuit flour is completely different from bread flour, for example) and trucked to the factory from its source (Spain or France) or from the port (flour sourced in the Baltic countries, Great Britain, Bulgaria, Romania, and, in past years, Ukraine and Russia, now practically impossible due to the war).

Cereal + Transport + Process (energy) + Labour = Food product + by-product (animal feed)

Quantitatively, the Flour group uses the most energy in the Caja Rural Group. Wheat milling is a power intensive process and in 2022 the flour group consumed approximately 80 GWh (compared to 73 GWh in 2021 and 68 GWh in 2020). This breaks

down as a 3.2% increase in flour production and a 1.2% increase in its energy density, plus a 21% increase in oat flake production accompanied by a 56% increase in energy density, partly due to the move to a new factory but also because this new factory was running at only half capacity in 2022.

Of this, in 2022, 50.55 GWh (compared to 50.4 GWh in 2021) was assigned to renewable sources with certificate of origin (i.e. irrespective of the grid mix) to cover the production of organically sourced flour and bran, wholemeal flours and the production of certain specific products.

Also, the heat treatment and softening process of oat flakes used 12.7 GWh of mains natural gas (7.8 GWh in 2021).

Electricity consumption depends not only on the annual volume of flour produced, but also on other factors such as the cereal varieties milled, temperature and humidity, level of micronized flour, etc. Therefore, a year-to-year comparison may not reflect the work undertaken by the flour production group to improve its energy performance.

In order to reduce the environmental impact due to energy consumption, in December 2018 the Group entered into a long-term power purchase contract that, among other objectives, aims to support the construction of two wind farms. Since the second half of 2020, these wind farms provide approximately 80% of the group's estimated electricity consumption.

As indicated in Chapter 7, this year carbon footprints were calculated for the subsidiaries covered in this Annex. The merged Harinera del Mar and Harivensa investees emitted a combined 11,943 tCO₂eq in scopes 1 and 2 in 2022, compared to 8,412 tCO₂eq in 2021. Total



emissions for scopes 1, 2 and 3 by all subsidiaries of Caja Rural de Navarra at the end of 2022 were 51,421 tCO₂eq in 2022.

All factories in the cereal sector work to ISO 14001 standard procedures and have their respective certifications. Waste levels are very low in this sector and generally related to non-hazardous waste. Most of it consists of broken poles, plastics and paper from unusable bags, which are recycled, and more contaminated waste in the form of sawdust or soil mixed with fuel or oil, which is recovered if a spill occurs in a truck.

In parallel, in recent years, significant investment has been made to upgrade the lorry fleet to the current Euro6 standard, the highest possible environmental rating.

B) WINERY SUPPLIES GROUP

As the group consists of two companies manufacturing barrels and casks, and a distributor of wine, beers and spirits, the main basic raw material is oak wood.

This is sourced from the USA, France and Spain. European and American oak species differ in the fineness or coarseness of their grains which means the oak notes are instilled in the wine in a different manner. As a result, some winemakers prefer one origin, others another, and yet others a mix through the ageing process, decanting wine from one type of barrel to another.

Spain is also short of oak wood and INTONA (Navarre) sources much of its production in the USA. However, the French cooper works with native varieties.

We would highlight the actions of INTONA, which works with PEFC-certified oak¹⁹ and is certified annually as having a zero-carbon footprint. In

order to compensate for its manufacturing carbon footprint, it is planting sessile oak in the Navarre Pyrenees. The cooperages are also compensating for their emissions by collaborating in building up sessile oak populations that will, in the future, be a source of the high-quality raw materials they need for their barrels.

Some of the waste from barrel-making – wood cutoffs, chips and sawdust – is burnt according to the traditional method to toast the casks. The rest is sold for re-use, generally to make pellets.

Other waste is generated by breaking wooden pallets and plastics from industrial wrappers, which are recycled.

Bouquet Brands' business requires it to buy in wines and spirits from across Spain and regional wines make up 60-70% of sales for all the company's branches.

The main waste is glass from broken bottles, plus wood from broken pallets and plastics from industrial packaging, which are recycled

C) ELDERLY SERVICES GROUP SERVICES

In this sector are obviously local.

Regarding Reduce, Re-use and Recycle, the sector is highly sensitive to health imperatives so that some items have to be disposable.

Other waste produced comprises waste from accommodation and catering: worn textiles, glass, cardboard and used oils, all of which are recycled. In the Senior Care Group, energy consumption in 2022 was 1.1 GWh of electricity, the same as in 2021, and 1.9 GWh of mains natural gas (compared to 0.9 GWh in 2021, 1.6 in 2020 and 2.1 in 2019). 32,150 litres of diesel were consumed in the transport of



¹⁹ Certified timber from sustainable plantations.

people and goods (compared to 12,700 litres in 2021, 8,600 in 2020 and 12,300 in 2019). The effect of reviving activity was in evidence here. In 2020 day centres were temporarily closed and there were far less movements between centres.

In the group's two nursing homes various hybrid systems were installed in 2022 and integrated on the roofs of La Vaguada and Torre Monreal. These supply hot water to reduce gas consumption and photovoltaic electricity to reduce the need to buy in power.

At La Vaguada it is expected to generate 200 MWh of thermal energy and 65 MWh of electricity, which will prevent around 100 tCO₂e annually and self-consumption of 66% of thermal energy and 20% of electricity.

At Torre Monreal, it is expected to generate 153 MWh of thermal energy and 40 MWh of electricity, which will prevent around 67 tCO₂e annually and self-consumption of 25% of thermal energy and 10% of electricity.

Both came onstream in 2022 and within a few months of operation generated 24.25 MWh of electricity.

D) BANK'S AUXILIARY FINANCIAL SERVICES GROUP

Power consumption by these companies are counted as part of Caja Rural de Navarra's own consumption, whose branch offices it shares.

On measures to reduce environmental impacts, - Industria Tonelera de Navarra, S.L. is still pending installation of 100 kWh of rooftop photovoltaic panels in Monteagudo, which will deliver around 80% self-consumption.

Finally, we would point out that a large part of the environmental impact of the activities by Caja Rural and its equity investments are offset by the results of other investee companies that are not consolidated (equity investments of 25-50%).

- Compañía Eólica de Tierras Altas, SA produces between 240 GWh and 260 GWh of renewable electricity per year.

- Renovables de la Ribera launched four wind farms in August 2020, with total capacity of 111 MW in the south of Navarre and annual output of 270-300 GWh.

In each of the Group's companies is integrated into production considerations by the Steering Committee. No special committee has been appointed to date.

The costs of managing environmental risks break down as follows:

CEREAL SECTOR	2022	2021
Removing urban waste and waste water	133	24,714
Removing hazardous waste	0	3,106
Removing non-hazardous waste	32,327	47,421
Environmental management audits	3,550	8,628
Spending on energy efficiency	0	7,500
Environmental consultancy	2,900	5,093
Total	38,910	96,462

Costs shown for 2022 are for Harivenasa only, as it was the only company still in the Group at year end, whereas those for 2021 are for the Group as then constituted, including all the flour companies.

In 2021, as Harivenasa was operating inside Harivasa's plants, part of the costs of removing waste were directly charged to the service provider to Harivasa, which meant that the total actual cost attributable to Harivenasa for waste-related costs in 2021 was €4,595.

SENIOR CARE GROUP

SENIOR CARE GROUP	2022	2021
Direct expenses charged to the EMS (€)		
Maintaining the Environmental Management System	0	0
Waste management	29,801	50,638
Total (€)	29,801	50,638

WINERY SUPPLIES	2022	2021
Direct costs imputed to the EMS (€)		
Maintaining the Environmental Management System	3,073	3,488
Waste management	2,602	8,072
Total (€)	5,675	11,560

As noted above, the Auxiliary Financial Services Sector does not report separate figures. These figures are included in those for Caja Rural de Navarra.

2.1 ENERGY AND POLLUTION METRICS

Below are the values for energy and water consumption and the implied pollution levels, comparable between 2022 and 2021.

These calculations are based on measurements of the carbon footprint for these companies, in scopes 1 and 2, or scopes 1, 2 and 3 as indicated in each section, and show the change between the two years.

1) CEREAL SECTOR

We should again emphasise the disruptive effect of transforming the flour companies from being subsidiaries, and therefore a fully consolidated part of the Group, to being associates not controlled by Caja Rural de Navarra. As a result, we again present a double comparison base, one compiled according to the same metrics as in 2021 and another based on scopes 1, 2 and 3 for Harivenasa only, which is the sole cereals sector company still in the Group.

In 2021, this activity accounted for more than 90% of the Caja Rural Group's total consumption and nearly all its consumption of gas and diesel.

HARINERAS	2022		2021	
	Units	tCO ₂ eq	Units	tCO ₂ eq
Water				
Consumption in m ³ ⁽¹⁾	74,782	6	68,771	0
Gas				
Natural MW.h	12,720	2,315	7,789	1,418
Propane litres	0	0	5,658	12
Electricidad				
Non-renewable consumption, MWh	29,267	7,551	22,310	4,462
Renewable consumption, MWh	50,550	0	50,399	0
Fuel consumption				
Processes (litres)	0	0	115,202	309
Diesel - own fleet (litres)	821,924	2,071	823,338	2,211
Total CO₂ equivalent emissions (T)	11,943		8,412	

(1) Water consumption at the flour mills of Almenara, Noain and Seville is estimated here as the actual data is unavailable.

A more rigorous calculation is made, based on the GHG Protocol, taking into account the following sources of emissions:

► **Scope 1**

This includes direct emissions from each entity's own business, which basically means emissions from the Bank's own vehicles and air-conditioning units

► **Scope 2**

Indirect emissions generated by consumption of electricity.

► **Scope 3**

Emissions induced by the Bank's business In detail this means:

- Emissions caused by employees travelling to work. This figure was obtained through a mobility survey of employees.

- Emissions caused by employees travelling for work purposes. This figure is for travel reported by the company's workers

- Emissions caused by waste from business activity and water consumption

- Emissions generated by third parties transporting raw materials and finished products from supplier to factory and factory to customer

- Emissions caused by third parties in transporting goods for the Bank: couriers and cash delivery services, based on an estimate made by the courier company.

- Internalised carbon footprint for the production of raw materials, in this case, cereal.

HARIVENASA	T CO ₂ Eq
Scope 1	
Fuel consumption	
Natural gas consumption	2,315.0
Refrigerant greenhouse gases	
Scope 2	
Consumption of non-renewable electricity (3,200 MWh)	
Consumption of renewable electricity (4,550 MWh)	825.7
Scope 3	
Travel to/from work	63.3
Travel for work	5.3
Waste	5.4
Drinking water	6.6
Transport of finished products	1,404.7
Transport of raw materials	6,893
Purchase of raw materials	39,350
Total CO₂ eq.	50,872.17

2) OTHER SECTORS (SENIOR CARE, AUXILIARY FINANCIAL SERVICES AND WINERY SUPPLIES)

Pollution figures given in last year's non-financial statements for other sectors cumulatively were as follows:

	2021	
	Units	T CO ₂ Eq
Water		
Consumption in m ³	52,238	-
Gas		
Natural MW.h	10,523	1,915
Electricity		
Non-renewable consumption, MWh	1,630	349
Fuel consumption, own fleet		
Diesel, litres	51,641	140
Total CO₂ equivalent emissions (T)		2,404

The carbon footprint was calculated for other Group companies at end-2022 in the same way as for Harivenasa:

	Solera	Wineries	CRN
Scope 1			
Fuel consumption	62.2	130.7	-
Natural gas and propane consumption	351.3	65.9	-
Refrigerant greenhouse gases	-	0.2	-
Scope 2			
Consumption of electricity	289.5	48.4	30.9
Scope 3			
Travel to/from work	13.0	33.5	7.4
Travel for work	11.4	12.3	3.4
Waste	47.4	1.2	0.8
Drinking water	4.6	0.6	0.0
Transport of goods	-	39.8	-
Total CO₂ equivalent emissions (T)	779.4	332.5	42.6

The full carbon footprint for scopes 1, 2 and 3 for subsidiaries at year-end 2022 totals 52,027 tCO₂eq, including 46,243 for acquisition and transport to the oat factory.

The ratio per employee is 90,956 kg CO₂eq (80,845 kg for oats; 10,111 kg for the rest).

The data reported has not been verified externally. As for consumption of paper and toner, the following cumulative figures were reported for all Group companies at the end of 2022 and 2021, which were included in the calculation of the scope 3 carbon footprint for this year:

	2022	2021
Paper, kg	3,205	10,891
Toner, units	16	381

The spin-off of all the flour companies has obviously reduced all consumption figures.

2.2 CLIMATE CHANGE AND ENERGY MODEL TRANSITION

The activities carried out by the Group's companies produce very low levels of direct pollution. In general, they do not produce waste, as the by-products generated are reused as feed, livestock bedding, raw material for pellets and some oak wood chippings are even burned directly to toast the barrels, following the traditional method.

Therefore, the main direct wastes produced are those derived from the staff changing rooms and toilets, those produced by the users and residents in the residential and day centres and certain packaging of primary and replacement materials, which are segregated and removed by waste collection companies.

Other items are also sorted and collected including plastics, packaging, waste pallets, scrap from maintenance and, when it happens, small ground spillages of fuel and its impregnation material.

As indicated, a calculation was made of the carbon footprint of these companies, limited to scopes 1 and 2 with an outcome of 12,949.30 tCO₂eq (10,816 tonnes in 2021).

These figures do not include the attributable generation of renewable energy in Group investee companies.

3 SOCIAL AND PERSONAL ISSUES

3.1 EMPLOYMENT

Comparisons of employment figures were also affected by the deconsolidation of the flour mills at December 2022: To allow a correct comparison of 2022 with 2021 figures and the coming 2023 figures with those for 2022, we present the main comparative lines both with and without the flour mills, in the interest of comprehensive reporting.

It also seems more relevant to give information for Group metrics including the flour mills, as they were only actually deconsolidated in December 2022.

Accordingly, the employment figures by country and region (including flour mills) is as follows:

COUNTRY	2022			2021		
	Total	Men	Women	Total	Men	Women
Spain	916	428	488	881	413	468
France	28	20	8	22	16	6
Total active employees at Dec. 31	944	448	496	903	429	474

COUNTRY	2022			2021		
	Total	Men	Women	Total	Men	Women
Navarre	613	195	418	581	186	395
Comunitat Valenciana	85	67	18	90	69	21
Andalucía	83	64	19	73	57	16
Aragón	80	62	18	87	66	21
Galicia	40	30	10	37	28	9
Madrid	8	8	0	4	4	0
Euskadi	5	2	3	76	23	53
La Rioja	2	0	2	12	0	12

Stripping out the flour companies:

COUNTRY	2022			2021		
	Total	Men	Women	Total	Men	Women
Spain	544	132	412	509	121	388
France	28	20	8	22	16	6
Total active headcount at 31 December	572	448	496	531	137	394

COUNTRY	2022			2021		
	Total	Men	Women	Total	Men	Women
Navarre	522	116	406	493	110	386
Andalucía	7	6	1	6	5	1
Madrid	8	8	0	4	4	0
Euskadi	5	2	3	5	2	3
La Rioja	2	0	2	2	0	2

The flour group, which remains an investee but whose companies are no longer subsidiaries, is composed of six production centres in Andalusia, Aragon, Galicia, Navarre and Valencia employing 372 people at 31 December 2022

The following is a breakdown of selected statistics relating to the staff in subsidiaries, grouped by activities:

A) FLOUR GROUP

We report below figures for the whole Group until December 2022, i.e. including employees at the food flour factories:

	2022			2021		
	Total	Men	Women	Total	Men	Women
Total headcount at 1 January	416	329	87	394	315	79
Average headcount in the year	419	332	87	403.1	321.9	81.3
New contracts in the year	78	47	31	91	58	33
Contracts terminated in the year	75	45	30	55	35	20
Voluntary resignation	3	0	3	34	24	10
Voluntary departure	38	26	12	34	24	10
Retirement (and early retirement)	3	3	0	5	4	1
End of contract	30	15	15	24	15	9
Dismissal	1	1	0	6	2	4
Total headcount at 31 December	419	331	88	416	329	87
Departure rate	17.9%	13.6%	34.0%	13.6%	10.9%	24.6%

Stripping out the flour mills to reflect the Group as it was on 31 December 2022 (with Harivenasa only):

	2022			2021		
	Total	Men	Women	Total	Men	Women
Total headcount at 1 January	40	34	6	45	38	7
Average headcount in the year	44.5	33.8	10.7	42.5	36	6.5
New contracts in the year	16	5	11	6	4	2
Contracts terminated in the year	9	4	5	11	8	3
Voluntary resignation	2	0	2	3	2	1
Voluntary leave	-	-	-	-	-	-
Retirement (and early retirement)	3	3	0	1	1	0
End of contract	3	0	3	4	3	1
Dismissal	1	1	0	3	2	1
Total headcount at 31 December	47	35	12	40	34	6
Departure rate	19.15%	11.4%	41.7%	27.5%	23.5%	50.0%
Employees earning more than 2.5 times minimum wage	19	17	2	-	-	-

Below we give details of employees who worked for sector subsidiaries during the year but not all year. Figures are not given as an annual average but show the contracts of everyone who worked this year for however short a time.

It is particularly important to deal with all contracts, of whatever duration, to give a clear picture of salary relativities by activity and gender.

Accordingly, the figures for 2022 and 2021 were as follows:

► By age range:

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Under 30	40	8.1%	28	5.7%	42	8.9%	29	6.2%
31 to 40	92	18.6%	43	8.7%	89	18.9%	36	7.7%
41 to 50	125	25.3%	33	6.7%	128	27.2%	28	6.0%
51 to 60	93	18.8%	12	2.4%	88	18.7%	7	1.5%
Over 60	24	4.9%	2	0.4%	20	4.3%	3	0.6%
Total	376	76.1%	118	23.9%	367	78.1%	103	21.9%

There was one person with recognised disability in 2022 and three in 2021, all men.

► By professional category:

	2022			2021		
	Total	Men	Women	Total	Men	Women
General and area management	41	34	7	48	40	8
Engineers and graduates, reporting to a function area manager	13	10	3	25	20	5
Administrative, workshop and shift managers, Sales	67	46	21	36	34	2
First-grade managers, administrators and production or quality	165	123	42	77	47	30
Second-grade managers, administrators and production or quality	105	83	22	213	168	45
Administrative assistants, third-grade workers, assistants, labourers.	102	79	23	68	57	11
Trainees and work experience	1	1	0	3	1	2
Totales	494	376	118	470	367	103

► Figures by education are as follows:

	2022			2021		
	Total	Men	Women	Total	Men	Mujer Women es
PhD	0	0	0	1	1	0
Graduate	92	57	35	97	52	45
Higher professional qualification or long working experience	144	117	27	106	90	16
Professional training 2	132	93	39	100	76	24
High school or Professional training 1	107	94	13	128	114	14
No qualifications	19	15	4	38	34	4
Totales	494	376	118	470	367	103

► By type of contract:

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Permanent full-time	344	69.6%	96	19.4%	349	74.3%	88	18.7%
Permanent part-time or discontinuous	6	1.2%	0	0.0%	2	0.4%	8	1.7%
Work experience, trainees and apprentices	2	0.4%	1	0.2%	2	0.4%	3	0.6%
Temporary contract (replacing those on parental, sick or political activity leave)	8	1.6%	5	1.0%	1	0.2%	1	0.2%
Temporary full-time contracts for time-limited work or services	15	3.0%	16	3.2%	13	2.8%	3	0.6%
Temporary part-time contracts for time-limited work or services	1	0.2%	0	0.0%	0	0.0%	0	0.0%
Total	376	76.1%	118	23.9%	367	78.1%	103	21.9%

Focusing on Harivenasa, which is the only remaining subsidiary in the sector at end-2022, the breakdown by age and gender was:

► By age

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Under 30	12	20.0%	9	15.0%	11	21.2%	6	11.5%
31 to 40	14	23.3%	7	11.7%	14	26.9%	3	5.8%
41 to 50	10	16.7%	1	1.7%	9	17.3%	1	1.9%
51 to 60	4	6.7%	0	0.0%	7	13.5%	0	0.0%
Over 60	2	3.3%	0	0.0%	1	1.9%	0	0.0%
Total	43	71.7%	17	28.3%	42	80.8%	10	19.2%

► By professional category

	2022				2021		
	Total	Men	Women	Total	Men	Women	
General and area management	9	8	1	8	7	1	
Engineers and graduates, reporting to a function area manager	6	4	2	7	5	2	
Administrative, workshop and shift managers, Sales	0	0	0	0	0	0	
First-grade managers, administrators and production or quality	3	1	2	1	0	1	
Second-grade managers, administrators and production or quality	42	30	12	35	30	5	
Administrative assistants, third-grade workers, assistants, labourers	0	0	0	0	0	0	
Trainees and work experience	0	0	0	1	0	1	
Totales	60	43	17	52	42	10	

► By training

	2022			2021		
	Total	Men	Women	Total	Men	Women
PhD	0	0	0	0	0	0
Graduate	15	9	6	13	9	4
Higher professional qualification or long working experience	5	4	1	6	5	1
Professional training	15	9	6	12	9	3
High school or Professional training	18	14	4	14	12	2
No qualifications	7	7	0	7	7	0
Total	60	43	17	52	42	10

► By contract type

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Permanent full-time	42	70.0%	17	28.3%	40	76.9%	8	15.4%
Permanent part-time or discontinuous	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Work experience, trainees and apprentices	1	1.7%	0	0.0%	1	1.9%	1	1.9%
Temporary contract (replacing those on parental, sick or political activity leave)	0	0.0%	0	0.0%	0	0.0%	1	1.9%
Temporary full-time contracts for time-limited work or services	0	0.0%	0	0.0%	1	1.9%	0	0.0%
Temporary part-time contracts for time-limited work or services	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	43	71.7%	17	28.3%	42	80.8%	10	19.2%

B) CARE SECTOR

In this group the reported staff changes, highs and lows (one person may account for more than one) are as follows:

	2022			2021		
	Total	Men	Women	Total	Men	Women
Total headcount at 1 January	377	33	344	336	30	306
Average headcount for the year	319.3	28.44	290.87	285	25	260
New contracts in the year	1106	139	967	975	99	876
Contracts terminated in the year	1077	133	944	936	96	840
Voluntary resignations	52	4	48	31	-	31
Voluntary leave	6		6	4	-	4
Retirement (and early retirement)	1		1	1	-	1
End of contract	1005	129	876	893	96	797
Dismissal	13		13	7		7
Total headcount at 31 December	405	39	366	377	33	344
Departure rate	328.6%	386.0%	323.1%	328.6%	386.0%	323.1%

Among the personnel, nobody was reported as having a disability in 2021 or 2022

Below we give details of employees who worked in the sector during the year but not all year. Figures are not given as an annual average but show the contracts of everyone who worked this year for however short a time.

Accordingly, the figures for 2022 and 2021 were as follows:

► By age range:

	2020				2021			
	Men	%	Women	%	Men	%	Women	%
Under 30	23	3.2%	164	23.0%	19	3.3%	124	21.6%
31 to 40	24	3.4%	144	20.2%	13	2.3%	123	21.4%
41 to 50	12	1.7%	170	23.8%	17	3.0%	135	23.5%
51 to 60	11	1.5%	127	17.8%	6	1.0%	105	18.3%
Over 60	2	0.3%	36	5.0%	0	0.0%	33	5.7%
Total	72	10.1%	641	89.9%	55	9.6%	520	90.4%

► By professional category:

	2020			2021		
	Total	Men	Women	Total	Men	Women
General and area managers	4	2	2	1	1	0
Doctors, psychologists	7	0	7	8	0	8
Nurses, nutritionists and physiotherapists	89	10	79	90	12	78
Nursing and geriatric assistants	3	1	2	4	2	2
Administrators and technical staff in socio-cultural activities	387	39	348	311	28	283
Administrative assistants, cleaners, wardens	223	20	203	161	12	149
Total	713	72	641	575	55	520


► By academic qualifications:

	2022			2021		
	Total	Men	Women	Total	Men	Women
PhD	0	0	0	0	0	0
Graduate	107	11	96	98	13	85
Higher professional qualification or long working experience	365	27	338	319	32	287
No qualifications	241	34	207	158	10	148
Total	713	72	641	575	55	520

► By contract type:

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Permanent full-time	20	2.8%	218	30.6%	17	3.0%	183	31.8%
Permanent part-time or discontinuous	9	1.3%	107	15.0%	4	0.7%	42	7.3%
Work experience, trainees and apprentices	0	0.0%	0	0.0%	0	0.0%	1	0.2%
Temporary contract (replacing those on parental, sick or political activity leave)	19	2.7%	145	20.3%	23	4.0%	176	30.6%
Temporary full-time contracts for time-limited work or services	20	2.8%	96	13.5%	3	0.5%	29	5.0%
Temporary part-time contracts for time-limited work or services	4	0.6%	75	10.5%	8	1.4%	89	15.5%
Total	72	10.1%	641	89.9%	55	9.6%	520	90.4%

C) WINERY SUPPLIES GROUP

	2022			2021		
	Total	Men	Women	Total	Men	Women
Total headcount at 1 January	77	60	17	72	57	15
Average headcount in the year	82	63	19	65.70	52.33	13.37
New contracts in the year	31	23	8	21	17	4
Contracts terminated in the year	20	16	4	16	14	2
Voluntary resignations	8	7	1	10	8	2
Voluntary leave	1	1	0	0	0	0
Retirement (and early retirement)	0	0	0	1	1	0
End of contract	9	6	3	4	4	0
Dismissal	2	2	0	1	1	0
Total headcount at 31 December	88	67	21	77	60	17
Departure rate	22.7%	23.9%	19.1%	20.8%	23.3%	11.8%

Below we give details of employees who worked in the sector during the year but not all year. Figures are not given as an annual average but show the contracts of everyone who worked this year for however short a time. Accordingly, the figures for 2022 and 2021 were as follows:

► By age range

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Under 30	13	12.3%	2	1.9%	5	5.4%	2	2.2%
31 to 40	16	15.1%	9	8.5%	17	18.5%	8	8.7%
41 to 50	25	23.6%	11	10.4%	23	25.0%	7	7.6%
51 to 60	23	21.7%	3	2.8%	15	16.3%	4	4.3%
Over 60	4	3.8%	0	0.0%	4	4.3%	0	0.0%
Total	81	76.4%	25	23.6%	71	77.2%	21	22.8%

► By professional category

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Permanent full-time	72	67.9%	19	17.9%	53	57.6%	14	15.2%
Permanent part-time or discontinuous	1	0.9%	3	2.8%	3	3.3%	3	3.3%
Work experience, trainees and apprentices	0	0.0%	0	0.0%	1	1.1%	0	0.0%
Temporary contract (replacing those on parental, sick or political activity leave)	1	0.9%	0	0.0%	8	8.7%	4	4.3%
Temporary full-time contracts for time-limited work or services	7	6.6%	3	2.8%	6	6.5%	0	0.0%
Temporary part-time contracts for time-limited work or services	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	81	76.4%	25	23.6%	71	77.2%	21	22.8%

► By academic qualifications

	2022			2021		
	Total	Men	Women	Total	Men	Women
PhD	0	0	0	0	0	0
Graduate	10	3	7	10	3	7
Higher professional qualification or long working experience	78	66	12	43	40	3
Professional training	3	0	3	3	0	3
High school or Professional training	12	11	1	36	28	8
No qualifications	3	1	2	0	0	0
Total	106	81	25	92	71	21

Figures included one person with a recognized partial disability in 2022 and 2021.

D) AUXILIARY FINANCIAL SERVICES GROUP

In this business, Informes y Fincas, a company belonging to the subsidiary Informes y Gestiones Generales, was sold in January 2022 to a legal entity outside the Caja Rural Group and its seven employees are therefore now removed from the Group's headcount. Accordingly:

	2022			2021		
	Total	Men	Women	Total	Men	Women
Total headcount at 1 January	40	10	30	35	8	27
Removed due to exit from Group	7	2	5	-	-	-
Number of Group employees at 1 January	33	8	25	-	-	-
Average headcount in the year	30.1	8	22.1	36.38	9.34	27.04
New contracts in the year	3	0	3	14	3	11
Contracts terminated in the year	6	0	6	9	1	8
Voluntary resignation	2	0	2	2	0	2
Voluntary leave	0	0	0	0	0	0
Retirement (and early retirement)	0	0	0	0	0	0
End of contract	4	0	4	6	1	5
Dismissal	0	0	0	1	0	1
Total headcount at 31 December	30	8	22	40	10	30
Departure rate	27.5%	53.5%	18.5%	25%	10.0%	18.5%

Below we give details of employees who worked in this business during the year but not all year. Figures are not given as an annual average that shows the contracts of everyone who worked this year for however short a time. Accordingly, the figures for 2022 and 2021 were as follows:

► By age

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Under 30	0	0.0%	10	27.8%	10	0.0%	12	26.7%
31 to 40	43	8.3%	5	13.9%	34	8.9%	7	15.6%
41 to 50	54	11.1%	8	22.2%	5	11.1%	12	26.7%
51 to 60	1	2.8%	5	13.9%	1	2.2%	4	8.9%
Over 60	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	108	22.2%	28	77.8%	10	22.2%	35	77.8%

► By professional category

	2022			2021		
	Total	Men	Women	Total	Men	Women
General and area management	2	2	0	2	2	0
Engineers and graduates, reporting to a function area manager	0	0	0	0	0	0
Administrative, workshop and shift managers, Sales	1	0	1	1	0	1
First-grade managers, administrators and production or quality	11	3	8	14	5	9
Second-grade managers, administrators and production or quality	13	3	10	20	3	17
Administrative assistants, third-grade workers, assistants, labourers	9	0	9	8	0	8
Trainees and work experience	0	0	0	0	0	0
Total	36	8	28	45	10	35

► By academic qualifications

	2022			2021		
	Total	Men	Women	Total	Men	Women
PhD	0	0	0	0	0	0
Graduate	26	108	18	29	10	19
Higher professional qualification or long working experience	0	0	0	0	0	0
Professional training 2	10	0	10	16	0	16
High school or Professional training 1	0	0	0	0	0	0
No qualifications	0	0	0	0	0	0
Total	36	8	28	45	10	35

► Por tipo de contrato

	2022				2021			
	Men	%	Women	%	Men	%	Women	%
Permanent full-time	8	22.2%	21	58.3%	9	20.0%	21	46.7%
Permanent part-time or discontinuous	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Work experience, trainees and apprentices	0	0.0%	4	11.1%	0	0.0%	4	8.9%
Temporary contract (replacing those on parental, sick or political activity leave)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Temporary full-time contracts for time-limited work or services	0	0.0%	3	8.3%	1	2.2%	10	22.2%
Temporary part-time contracts for time-limited work or services	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	8	22.2%	28	77.8%	10	22.2%	35	77.8%

In this sub-sector there was no-one with a recognized disability.

Regarding the introduction of policies and procedures to disconnect from work, a common Group procedure is currently being drawn up for all equity investments in line with those applying in Caja Rural de Navarra.



REMUNERATION

Remuneration is based on sector collective agreements, supplemented in some jobs by professional performance bonuses. There are no differences based on age or sex, beyond supplements for years of service with the company that appear in certain agreements.

Selected remuneration parameters are provided below. The data are recorded as a value that represents the annual gross salary multiplier for the sector analysed, so that the metrics can be compared without breaching the confidentiality of the data and also to cast light on the remuneration in each sector.

To arrive at these comparative figures, we took the total remuneration received by each worker on the payroll in 2022 or 2021, irrespective of type or duration of their contract, divided by the number of hours worked. For the sector figures, we took the value assigned to a worker in a specific category of each collective agreement, shown for each sub-sector, divided by the number of annual working hours stated in the agreement.

	vs. collective agreement base		Subgroup companies only	
	2022	2021	2022	2021
Men	1.71	1.78	1.04	1.04
Women	1.42	1.45	0.86	0.84
Average for subsector	1.75	1.73	1.00	1.00
Difference M/W	0.30	0.33	0.18	0.19

So, if the value was greater than one, the group being analysed earned more per hour on average than the benchmark worker in the collective agreement, and vice versa.

Group averages are calculated weighted by the total number of hours worked by all workers in this group in the comparison year.

A) FLOUR GROUP

The sector benchmark is taken to be a person classed as lab assistant in the sector collective agreement (National Collective Agreement for Companies in the Bread Flour and Semolina Sector). A new Collective Agreement was signed in June 2020 which remained in force until the end of 2022.

Average figures by gender of worker, compared to the sector benchmark and the average for companies in this sub-sector of the Caja Rural Group are as follows, for all companies in this subgroup, including the flour mills:

Breakdown for employees still in the Caja Rural Group at year-end, i.e. Harivenasa only:

	vs. collective agreement base		In Group companies	
	2022	2021	2022	2021
Men	1.99	1.97	1.06	1.04
Women	1.52	1.51	0.81	0.80
Average for subsector	1.88	1.92	1.00	1.00
Difference M/W	0.47	0.46	0.25	0.24

We repeat that this comparison is based on everyone on the payroll during the year, even if they were only temporary workers, and for the comparative figures we analyse the resulting hourly salary per person.

The following breakdowns are compared against the benchmark salary in the collective agreement for the sector, first for all companies in the Caja Rural Group until December 2022, and then for all Group employees at the end of the 2022 financial year, who are also included in the first table for each group.

► By age

	2022			2021		
	Total	Men	Women	Total	Men	Women
Under 30	1.36	1.43	1.25	1.39	1.45	1.30
31 to 40	1.50	1.55	1.39	1.54	1.57	1.45
41 to 50	1.67	1.71	1.52	1.79	1.84	1.53
51 to 60	1.86	1.89	1.58	1.89	1.90	1.62
Over 60	1.85	1.92	0.49	2.13	2.25	1.25
Total	1.65	1.71	1.42	1.71	1.78	1.45

Harivenasa

	2022			2021		
	Total	Men	Women	Total	Men	Women
Under 30	1.60	1.71	1.37	1.53	1.55	1.47
31 to 40	1.93	2.05	1.64	1.94	2.02	1.57
41 to 50	2.28	2.37	N/I	2.31	2.40	N/I
51 to 60	1.72	1.72		1.87	1.87	
Over 60	1.53	1.53		N/I	N/I	
Total	1.88	1.99	1.52	1.89	1.97	1.51

In this table and below a blank box means that no employee meets the relevant conditions. N/I means that the figures are for one or two people only and have been omitted as they could otherwise be used to identify the persons concerned and their remuneration.

► By category

	2022			2021		
	Total	Men	Women	Total	Men	Women
General and area management	3.11	3.30	2.09	3.17	3.35	2.26
Engineers and graduates, reporting to a function area manager	1.74	1.81	1.55	1.86	1.95	1.44
Administrative, workshop and shift managers, Sales	1.63	1.77	1.30	1.94	1.93	2.04
First-grade managers, administrators and production or quality	1.61	1.66	1.44	1.37	1.37	1.37
Second-grade managers, administrators and production or quality	1.47	1.50	1.32	1.59	1.64	1.34
Administrative assistants, third-grade workers, assistants, labourers	1.18	1.18	1.20	1.11	1.11	1.11
Trainees and work experience	N/I	N/I		1.22	0.76	1.26
Total	1.65	1.71	1.42	1.71	1.78	1.45


Harivenasa

	2022			2021		
	Total	Men	Women	Total	Men	Women
General and area management	3.02	3.16	N/I	2.87	3.04	N/I
Engineers and graduates, reporting to a function area manager	1.98	2.11	1.77	1.75	1.84	1.54
Administrative, workshop and shift managers Sales	-	-	-	-	-	-
First-grade managers, administrators and production or quality	1.41	N/I	1.36	N/I	-	N/I
Second-grade managers, administrators and production or quality	1.59	1.63	1.41	1.66	1.68	1.50
Administrative assistants, third-grade workers, assistants, labourers.	-	-	-	-	-	-
Trainees and work experience	-	-	-	N/I	-	N/I
Total	1.88	1.99	1.52	1.89	1.97	1.51

► By training

	2022			2021		
	Total	Men	Women	Total	Men	Women
PhD	-	-	-	N/I	N/I	-
Graduate	2.23	2.64	1.54	2.33	2.90	1.61
Higher professional qualification or long working experience	1.61	1.66	N/I	1.86	1.93	N/I
Professional training 2	1.57	1.62	1.40	1.55	1.61	1.29
High school or Professional training 1	1.33	1.34	1.27	1.34	1.36	1.13
No qualifications	1.45	1.54	1.10	1.41	1.43	0.80
Total	1.65	1.71	1.42	1.71	1.78	1.45

Harivenasa

	2022			2021		
	Total	Men	Women	Total	Men	Women
Graduate	2.47	2.97	1.62	2.43	2.77	1.56
Higher professional qualification or long working experience	1.99	2.10	1.53	1.84	1.94	N/I
Professional training 2	1.73	1.85	1.44	1.67	1.70	1.58
High school or Professional training 1	1.44	1.45	1.32	1.60	1.63	1.21
No qualifications	1.58	1.58	-	1.78	1.78	-
Total	1.88	1.99	1.52	1.89	1.97	1.51

► By contract type

	2022			2021		
	Total	Men	Women	Total	Men	Women
Permanent full-time	1.67	1.73	1.43	1.73	1.79	1.46
Permanent part-time or discontinuous	1.93	-	-	1.46	-	1.38
Work experience, trainees and apprentices	1.28	1.31	0.97	1.41	1.48	1.37
Temporary contract (replacing those on parental, sick or political activity leave)	0.92	0.85	1.06	1.17	N/I	N/I
Temporary full-time contracts for time-limited work or services	1.23	1.19	1.32	1.18	1.19	1.04
Temporary part-time contracts for time-limited work or services	N/I	N/I	-	-	-	-
Total	1.65	1.71	1.42	1.71	1.78	1.45

Harivenasa

	2022			2021		
	Total	Men	Women	Total	Men	Women
Permanent full-time	1.89	1.99	1.52	1.93	1.99	1.55
Permanent part-time or discontinuous	-	-	-	-	-	-
Work experience, trainees and apprentices	N/I	N/I	-	N/I	N/I	N/I
Temporary contract (replacing those on parental or sick leave, departure or political activity)	-	-	-	N/I	-	N/I
Temporary full-time contracts for time-limited work or services	-	-	-	1.53	1.53	-
Temporary part-time contracts for time-limited work or services	-	-	-	-	-	-
Totales	1.88	1.99	1.52	1.89	1.97	1.51

B) SENIOR CARE GROUP

In this case, we also prepared a comparison with the collective agreement – VII official state collective agreement on personal care of dependent people and development of the promotion of personal autonomy (private residences for the elderly and home care services), working in geriatric care, Group C. Figures refer all those on the payroll in each year, for however short a time.

	vs. collective agreement base		Group companies	
	2022	2021	2022	2021
Men	1.86	1.88	1.25	1.26
Women	1.44	1.46	0.97	0.98
Average for subsector	1.55	1.53	1.00	1.00
Difference M/W	0.41	0.42	0.28	0.28

► By age:

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
Under 30	1.36	1.61	1.33	1.44	1.57	1.43
31 to 40	1.52	1.57	1.51	1.46	1.54	1.45
41 to 50	1.60	2.66	1.51	1.62	2.43	1.54
51 to 60	1.37	2.00	1.34	1.39	2.37	1.36
Over 60	1.58	1.20	1.58	1.54	-	1.54
Total	1.48	1.86	1.44	1.50	1.88	1.46

► By professional category

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
General and area managers	2.79	2.84	2.75	N/I	N/I	-
Doctors, psychologists	3.08	-	3.08	3.31	-	3.31
Nurses, nutritionists and physiotherapists	1.86	1.87	1.85	1.89	1.77	1.90
Nursing and geriatric assistants	2.05	N/I	2.10	2.30	2.58	2.01
Administrators and technical staff in socio-cultural activities	1.33	1.47	1.31	1.33	1.44	1.32
Administrative staff Administrative assistants, cleaners, wardens	1.27	1.48	1.25	1.26	1.55	1.24
Total	1.48	1.86	1.44	1.50	1.88	1.46

Data that could be easily used to identify a specific person have been eliminated.


► By qualification

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
PhD	-	-	-	-	-	-
Graduate	2.05	2.86	1.97	2.13	2.74	2.05
Higher professional qualification or long working experience	2.23	2.39	2.07	1.88	1.67	2.23
Professional training 2	1.13	1.13	-	2.65	3.12	2.42
High school or Professional training 1	1.31	1.38	1.31	1.34	1.45	1.33
No qualifications	1.31	1.57	1.25	1.23	1.91	1.22
Total	1.48	1.86	1.44	1.50	1.88	1.46

► By contract type

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
Permanent full-time	1.53	2.05	1.48	1.55	2.05	1.50
Permanent part-time or discontinuous	1.42	1.55	1.42	1.41	1.59	1.40
Work experience, trainees and apprentices	-	-	-	2.75	-	2.75
Temporary contract (replacing those on parental, sick or political activity leave)	1.32	1.41	1.32	1.39	1.57	1.37
Temporary full-time contracts for time-limited work or services	1.37	1.42	1.36	1.26	1.20	1.26
Temporary part-time contracts for time-limited work or services	1.45	2.38	1.43	1.48	1.40	1.49
Total	1.48	1.86	1.44	1.50	1.88	1.46

C) WINERY SUPPLIES GROUP

Comparisons are with the post of lab assistant in the Collective Agreement for Wood-workers of Navarre. As explained above, the comparison is based on the hourly salary of all workers who appeared on the payroll at any time.

	vs. collective agreement base		In Group companies	
	2022	2021	2022	2021
Men	1.44	1.76	1.00	1.01
Woman	1.42	1.71	0.99	0.98
Average for subsector	1.52	1.86	1.00	1.00
Difference M/W	0.02	0.05	0.01	0.03

► By age:

	2020			2021		
	Total	Men	Woman	Total	Men	Woman
Under 30	0.98	0.95	1.18	1.55	1.55	1.57
31 to 40	1.20	1.17	1.27	1.34	1.21	1.60
41 to 50	1.67	1.68	1.63	2.12	2.17	1.92
51 to 60	1.43	1.46	1.19	1.70	1.74	1.51
Above 60	1.53	1.53	-	1.16	1.16	-
Total	1.44	1.44	1.42	1.75	1.76	1.71

► By professional category

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
General and area management	3.34	3.39	N/I	4.14	4.22	2.66
Administrative, workshop and shift managers Sales	1.81	1.69	2.13	1.79	1.66	2.82
First-grade managers, administrators and production or quality	1.16	1.15	-	N/I	N/I	-
Second-grade managers, administrators and production or quality	1.11	1.12	1.10	1.17	1.17	1.15
Administrative assistants, third-grade workers, assistants, labourers.	1.17	1.14	1.21	1.61	1.70	1.54
Trainees and work experience	0.89	0.89	-	N/I	N/I	-
Total	1.44	1.44	1.42	1.75	1.76	1.71

Not included (N/I) when data could be easily used to identify a specific person.

► By qualification

	2022			2021		
	Total	Hombres	Mujeres	Total	Hombres	Mujeres
Graduate	2.19	3.09	1.77	2.34	2.89	2.04
Higher professional qualification or long working experience	1.36	1.39	1.21	1.66	1.70	0.98
Professional training 2	1.34	-	1.34	1.74	-	1.74
High school or Professional training 1	1.20	1.21	N/I	1.64	1.66	1.52
No qualifications	0.96	N/I	0.95	-	-	-
Total	1.44	1.44	1.42	1.75	1.76	1.71

► By contract

	2022			2021		
	Total	Hombres	Mujeres	Total	Hombres	Mujeres
Permanent full-time	1.48	1.48	1.50	1.82	1.81	1.86
Permanent part-time or discontinuous	1.00	N/I	1.09	1.13	1.14	1.12
Work experience, trainees and apprentices	-	-	-	N/I	N/I	-
Temporary contract (replacing those on parental or sick leave, departure or political activity)	N/I	N/I	-	1.38	1.39	1.37
Temporary full-time contracts for time-limited work or services	1.02	1.04	0.95	1.44	1.44	-
Total	1.44	1.44	1.42	1.75	1.76	1.71

D) Financial services group

For this group comparisons are with the Group V post (tasks carried out under supervision but under own initiative, with professional knowledge or trial period) under the Collective agreement of office of Navarre.

	vs. collective agreement base		In Group companies	
	2022	2021	2022	2021
Men	1.84	1.72	1.37	1.37
Woman	1.15	1.10	0.88	0.88
Average subsector	1.34	1.25	1.00	1.00
Difference M/W	0.68	0.62	0.49	0.49

► By age

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
Under 30	0.78	-	0.78	0.82	-	0.82
31 to 40	1.27	1.30	1.25	1.16	1.31	1.08
41 to 50	1.49	1.80	1.33	1.31	1.59	1.19
51 to 60	N/I	N/I	1.22	1.69	3.55	1.23
Total	1.34	1.84	1.15	1.25	1.72	1.10

Data is not included (N/I) when it could be easily used to identify an individual salary.


► By professional category

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
General and area management	3.47	3.47	-	3.26	3.26	-
Senior managers, Administrative, workshop and shift managers Sales.	N/I	-	N/I	1.69	-	1.69
Sales First-grade managers, administrators and production or quality	1.37	1.42	1.35	1.30	1.36	1.27
Second-grade managers, administrators and production or quality	1.13	1.16	1.12	1.03	1.08	1.02
Administrative staff Administrative assistants, third-grade workers, assistants, labourers.	0.75	-	0.75	0.82	-	0.82
Total	1.34	1.84	1.15	1.25	1.72	1.10

► By qualification

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
Graduate	1.44	1.84	1.22	1.35	1.72	1.15
Professional training 2	1.02	-	1.02	1.02	-	1.02
Total	1.34	1.84	1.15	1.25	1.72	1.10

► By contract type

	2022			2021		
	Total	Men	Woman	Total	Men	Woman
Permanent full-time	1.41	1.84	1.22	1.36	1.74	1.19
Work experience, trainees and apprentices	0.71	-	0.71	0.60	-	0.60
Temporary part-time contracts for time-limited work or services	0.84	-	0.84	0.94	1.07	0.93
Total	1.34	1.84	1.15	1.25	1.72	1.10

In all tables “N/I” is used to mean no information, where those concerned would be easily identifiable.

ORGANIZATION OF WORK. HEALTH AND SAFETY

All group companies table working time is in compliance with the working hours laid down by the collective agreement. Shifts have to be worked in some areas to cover (nearly) the whole year.

Health and Safety is relevant to all areas, but the continuation of Covid measures has required different procedures to be put in place in all companies.

Accident statistics are collected in all manufacturing centres, even for accidents that do not require medical attention or time off since improvements can be made if these figures are analysed.

The data on accidents and resulting time off work are presented below.

A) CEREAL SECTOR

Workplace accidents	2022	2021
Accidents without time off work	1	4
Accidents resulting in time off work	9	6
Total accidents	10	10
Accident incidence ¹	0.09745322	0.07669496
Accident severity ²	21.3097713	7.36271602

Hours off work and absenteeism rate (hours)	Hours 2022		Total	Hours 2021		Total
	Men	Woman		Men	Woman	
Accidents	1872	96	1968	576	0	576
Common illness	728	296	1024	904	64	968
Covid (in addition to illness)	480	128	608	2128	280	2408
Maternity	0	0	0	0	0	0
Paternity	352	0	352	440	0	440
Childcare	0	0	0	0	0	0
Care of the sick	0	0	0	64	0	64
Other personal motives	0	0	0	0	0	0
Jury service, union work, etc.	16	0	16	40	0	40
Total hours lost	6896	480	7376	4152	344	4496
Total working hours	69264	23088	92352	65786	12446	78232
Total hours off work	6896	480	7376	4152	344	4496
Absenteeism rate			5.86			5.01

Las horas de absentismo recogen todas las horas perdidas salvo aquellas causadas por accidente

B) SENIOR CARE GROUP

Workplace accidents	2022	2021
Accidents without time off work	14	18
Accidents resulting in time off work	33	29
Total accidents	47	47
Accident incidence	0.48	0.066
Accident severity	6.15	13.19

Hours off work and absenteeism rate	Hours 2022			Hours 2021		
	Men	Woman	Total	Men	Woman	Total
Accidents	114	3,293	3,407	28	5,944	5,972
Common illness	2,614	36,741	39,355	2,659	32,720	35,379
COVID	214	7,402	7,616	285	2,465	2,750
Maternity	-	11,505	11,505	0	7,780	7,780
Paternity	542	-	542	0	-	0
Childcare	0	0	0	0	-	0
Care of the sick	0	0	0	0	-	0
Other personal motives	84	1,440	1,524	468	120	588
Jury service, union work, etc.	0	4,368	4,368	0	1,260	1,260
Total hours lost	3,568	64,749	68,316	3,092	50,757	53,849
Total working hours	49,368	504,649	554,017	43,100	450,580	493,680
Total hours off work	3,568	64,749	68,316	3,092	48,909	51,881
Absenteeism rate			12.33		10.91	

C) WINERY SUPPLIES GROUP

Data reported for 2022 and 2021:

Workplace accidents	2022	2021
Accidents without time off work	2	4
Accidents resulting in time off work	9	9
Total accidents	11	13
Accident incidence	0.08	0.08
Accident severity	22.92	28.21

Horas y tasa de absentismo	Hours 2022			Hours 2021		
	Men	Woman	Total	Men	Woman	Total
Accidents	2,778	8	2,786	3,087.45	7.75	3,095
Common illness	4,163	764	4,927	1,301.50	2,140.76	3,442
COVID	212	234	446	88.00	74.00	162
Parental leave	392	896	1,288	950.50	504	1,454.50
Childcare	0	0	0	4.00	4.00	8
Care of the sick	116	0	116	42.25	0	42.25
Other personal motives	15	0	15	35.75	0	35.75
Jury service, union work, etc.	0	0	0	0	0	0
Total hours lost	7,676	1,901	9,577	5,509.45	2,730.51	8,240
Working hours	95,043	25,346	120,389	88,265.81	21,447.62	109,713
Absenteeism rate	7.47	6.98	7.37	6.24	12.73	7.51

The table below gives a more detailed comparison between 2022 and 2021:

D) FINANCIAL SERVICES GROUP

Workplace accidents	2022	2021
Accidents without time off work	0	0
Accidents resulting in time off work	0	1
Total accidents	0	1
Accident incidence	0	0.016
Accident severity	0	0



Hours off work and absenteeism rate	Hours 2022			Hours 2021		
	Men	Woman	Total	Men	Woman	Total
Accidents	0	0	0	0	0	0
Common illness	0	666	666	0	468	468
COVID	0	154	154	0	435	435
Parental leave	0	0	0	820	0	820
Childcare	0	0	0	0	0	0
Care of the sick Other personal motives	0	0	0	0	0	0
Jury service, union work, etc.	0	0	0	0	0	0
Temporary lay-off	0	0	0	0	0	0
Total hours lost	0	0	0	0	0	0
Total working hours	0	820	820	820	903	1,723
Absenteeism rate	13,838	38,159	51,997	15,630	47,186	62,816
Tasa de absentismo	0.00	2.10	1.55	5.25	1.91	2.74

3.2 EMPLOYEE RELATIONS

Each group of companies identified in each sector has its own collective agreement, as follows:

- **Cereal sector:** National collective agreement for the bread flour and semolina sector
- **The Senior Care group** is subject to the state collective framework agreement for care services for dependent persons
- **In the Winery Supplies group**, each of the three companies is subject to its own agreement. For INTONA this is the agreement relating to the wood industries, the French equivalent in the case of Tonnellerie de L'Adour and, for Bouquet Brands, the agreement relating to the Navarre food storage sector.
- **The auxiliary financial services group** is governed by the regional agreement for branches and offices.

3.3 TRAINING

In previous years, face-to-face training, which is important in industrial environments, was reduced due to Covid restrictions and online training systems became established.

Training for customers and other stakeholders, which had been halted in 2020, also restarted in 2021 in the flour-producing companies. The following tables summarise training delivered during the year.

CEREAL SECTOR

Data in 2022 is for the only sector company that remains in Caja Rural Group, Harivenasa.

Courses taken by employees	Hours		Attendees	
	Men	Woman	Men	Woman
Administration	30	78	14	6
Sales	2	0	1	0
Quality	30	29	12	9
R&D	0	0	0	0
Management	0	0	0	0
Total courses				
External cost of these training courses, net of subsidies and other support	6.849€			

The previous year, with the Group's composition in that year:

Training 2021	Hours			No. of attendees		
	Men	Woman	Total	Men	Woman	Total
Courses taken by employees						
Administration	87	91	178	3	12	15
Sales	400	46	446	19	13	32
Quality	238	183.5	421.5	10	14	24
R&D	10.5	8	18.5	24	15	39
Management	0	1	1	0	16	16
Production	0	100	100	0	17	17
Total	735.5	429.5	1165	56	87	143
External training costs	15,305€					

SENIOR CARE GROUP

In 2022 and 2021, the following courses were delivered:

Training 2022	Hours		No. of attendees	
	Men	Woman	Men	Woman
Administration				
Sales	20	20	1	1
Quality	3	36	1	12
R&D	80		1	
Management	42	752.5	10	187
Total courses	145	808.5	13	200
External training costs	6,200€			

Training 2021	Hours		No. of attendees	
	Men	Woman	Men	Woman
Courses taken by employees				
Administration	2	-	-	-
Sales	1	-	-	-
Quality	2	-	-	-
R&D	1	-	-	-
Management	54	726	-	-
Total courses	60	726	6	80
External training costs	15,109€			

WINERY SUPPLIES GROUP

In 2022 and 2021 we recorded the following training courses:

Training 2022	Hours		No. of attendees	
	Men	Woman	Men	Woman
Courses taken by employees				
Administration	0	181	0	10
Sales	39	0	2	0
Quality	40	0	1	0
R&D	0	0	0	0
Management	64	0	4	0
Production	283.3	120	29	12
Total	426.3	301	36	22
Cost	24,490€			

Training 2021	Hours		No. of attendees	
	Men	Woman	Men	Woman
Courses taken by employees				
Administration		18		4
Sales	51.5	3	7	1
Management	17		3	
Total	68.5	21	10	5
Cost	6,168			

AUXILIARY FINANCIAL SERVICES GROUP TO CAJA RURAL DE NAVARRA

In 2021 and 2020, there were no structured training activities

3.4 EQUALITY

Recruitment processes are based on the merits of the candidates, without considering other external factors or gender.

Internal promotion policies are applied, as well as cross-promotion between companies in the same sector.

As from March 2022, all companies with more than fifty employees are required to draft an equalities plan. All companies with this headcount, and those with fewer people but who want to voluntarily advance their gender equality processes, have drafted a plan or are going through the internal drafting process.

Companies required to draft plan:

- Solera Asistencial: completed, in force.
- Harivenasa, in final approval phase with support of external consultant.

Companies voluntarily drafting plans:

- Industria Tonelera de Navarra

4 RESPECT FOR HUMAN RIGHTS

Caja Rural de Navarra's corporate securities policies extend to the companies controlled via equity stakes. Human and labour rights are respected not only because this is required by law, but because this is the way we understand our work in Cooperative Credit Institutions.

Respect for a decent wage, adequate working conditions, job security, freedom of association, adequate hours and respect for labour regulations are core to our investee companies and the policy is also extended to include our suppliers.

4.1 EXTENSION OF HUMAN RIGHTS POLICIES TO SUPPLIERS AND CUSTOMERS

These values are not only respected within Spain but are also considered in certain transactions with an international scope, even beyond the borders of the EU, such as importing cereals, when we work with other international cooperatives or companies with recognised CSR values.

Procedural checks have not been established for transactions involving clients and suppliers within the European Union.

Outside the EU, where we carry out operations in Africa and Asia, care is taken to get to know our customers' and/or suppliers' key characteristics. For sales, given the small volume of each transaction in these countries (from one to four containers, essentially flour, semolina or oats), it is not possible to establish an exhaustive customer monitoring system and we rely on information obtained directly from the customer, the financial insurer for the deal or the internet. In cereal purchasing operations, which are high volume, we work exclusively with companies with defined and known ethical values.

There are no reports of human rights violations among the group's suppliers or customers.

5 CORRUPTION AND BRIBERY

The Group's values start at the top and are projected down through the company. When selecting key managers their ethical values and management qualities are as important as their technical knowledge and capabilities in the business world.

For Caja Rural, more important than achieving our set targets is the manner in which they are achieved. We strive to do this in a way that creates a motivated, autonomous and capable work team along with optimal conditions for future growth, where behaviour that is unethical or dubious is unacceptable, even though it may not fall within the criminal definition of corruption.

6 SOCIAL CONTEXT

6.1 THE COMPANY'S COMMITMENTS TO WIDER SOCIETY

We take the view that our commitment to our community should be considered for the Caja Rural Group as a whole and not on a company by company basis. This is why, as explained above, the Group's values are projected into all its companies and employees as well as the Bank's Social Welfare Fund.

Secondly, each company must adapt to its type of business and location. Let's explain that a little. In certain cases, our investee company is an important part of the industrial development of a region and a major employer in the region, such as Harinera de Tardienta or Harinera del Mar. Others help fix employment in the local and adjacent municipalities, such as INTONA and Adour. Sustaining high levels of activity and employment

is far more important to its community than the collaboration of NGOs in the local area.

In sections 6.2 and 6.3 we will more precisely define two key aspects of our investee companies, and we wish to emphasise the following key aspects in our commitment to wider society:

a) Management of our activities

- Products and services produced must meet the customer's needs and be of the highest quality.
- R&D makes the business sustainable and adapts our products and services to changing needs.
- Productive investments tied to quality

b) The team

- Training
- Shift planning and work-life balance
- Internal promotion
- Ownership interest in the organization and procedures through lean manufacturing and associated programmes
- Rigorous recruitment policy based on the merits of each candidate

c) Wider society

- Involvement in specific charitable initiatives or those with a high local social impact
- Solera Asistencial is involved in numerous activities focused on improving the health of the elderly, whether residents or not, and inclusion in their families

6.2 IMPACT ON THE LOCAL ECONOMY

Detailed information on the impact of our subsidiaries' business activities on the local and regional economy is not available.

6.3 FOOD SAFETY

In recent years, the Caja Rural de Navarra Group's food companies have focused on achieving excellence in food safety, both in investments and procedures.

In addition to obtaining the appropriate approvals from certification bodies (OCA) and industrial customers, we are aware that our product is a food or a food ingredient, and that if we do not take extreme care of this aspect, efficiency and productivity are meaningless.

All plants have IFS certification.

Our Group is an active member of the Spanish Flour and Semolina Manufacturers' Association (AFHSE), one of its areas of focus is food hygiene, generally in collaboration with the Ministry.

Our factories carry out periodic training workshops with craft bakers, mainly to improve their product range and competitiveness in the face of big industry. The best methods for product preparation and care are also defined at these workshops.

The main incidents relating to quality or safety each month are reviewed by the Management Committees and at regular meetings with Caja Rural de Navarra executives. The implementation of "lean manufacturing" methodologies and the involvement of personnel in them has been an important way to improve this aspect. Incidents

are grouped by type and their severity is assessed, so that measuring these variables can feed into future improvements. Similarly, non-conformities in raw materials are also analysed.

For each incident, a responsible party is identified along with an alert date and a resolution date, as well as, if applicable, a conclusion from the customer regarding the event and its resolution.

We must be grateful for the demands of certain industrial customers as they push us to improve sustainably and maintain our commitment to food safety.

Harinera de Tardienta and Harinas Selectas were both granted the RSA "Social Responsibility of Aragon" award in 2020, which continues to apply.

6.4 SENIOR CARE

Service quality metrics have been defined for Solera Asistencial's residential Days and home care services to determine compliance with our objectives and the level of satisfaction of residents and families.

These metrics cover a number of aspects:

- Global satisfaction survey
- Response time in resolving complaints
- Aspects related to cleaning, laundry, food, diets, time taken to formalise an admission, etc.
- Health care, medication Administration, punctuality of treatments, etc.
- Entertainment activities
- Physiotherapy and cognitive stimulation activities.
- Staff training, absenteeism.
- Metrics related to facility maintenance.

Goals are set for these indicators each year and performance is reviewed monthly and annually.

A quality model is in the course of preparation, based on the UNE 158101 standard (covering services for the promotion of personal autonomy) and ISO 9001, tailored to its needs and services. The system is being incorporated at all levels of the organisation, particularly into the Care model and the Social Work Department.

6.5 TAX INFORMATION

The Group complies with its local, regional and state tax obligations. Figures for all subsidiaries in respect of 2022 and 2021 reported by the Group's companies at year-end were as follows:

	2022			2021		
	ES	FR	Total	ES	FR	Total
Accrued income tax	633,528.09	0.00	633,528.09	1,307,558.10	0.00	1,307,558.10
Economic activities tax	51,540.14	0.00	51,540.14	314,683.74	5,034.00	319,717.74
Property tax	57,321.17	7,418.25	64,739.42	165,707.35	9,592.00	175,299.35
VAT (Reclaimed-due=VAT paid)	121,498.41	0.00	121,498.41	-235,948.18	0.00	-235,948.18
Other taxes and levies (except waste)	11,278.08	5,391.95	16,670.03	243,680.73	9,721.45	253,402.18

The figures for Value Added Tax are negative because flour production pays a reduced rate of 4% (both cereals and flour) which its consumption of inputs, investment and outsourced services are taxed at the standard rate. Also, some activities are for export.

Subsidies: investee companies request, when appropriate, subsidies for investment or operations. Any amounts approved are linked to the restriction that the Group remains a large company.

There are no data on subsidies received in 2022 and 2021.

The subsidiaries located in the Common Tax Territory are consolidated into a single tax group for the purposes of Company Income Tax.



Annex III

CALCULATION OF THE CARBON FOOTPRINT OF CAJA RURAL DE NAVARRA AND GROUP COMPANIES UNAUDITED REPORT

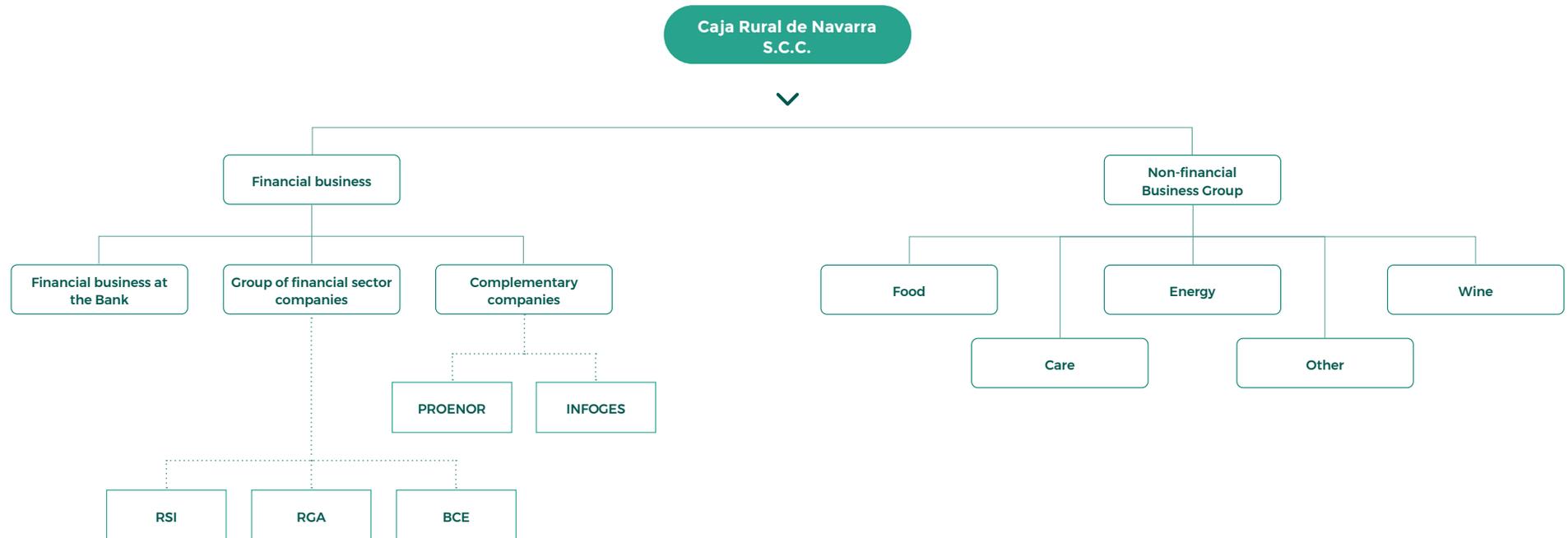
- 12.1_ Activities of Caja Rural de Navarra and its Group companies
- 12.2_ Methodology
- 12.3_ Limits
- 12.4_ Scope and emissions
- 12.5_ Quantification of emissions
- 12.6_ Results summary
- 12.7_ Uncertainty estimate
- 12.8_ Targets for improvement

1 ACTIVITIES OF CAJA RURAL DE NAVARRA AND ITS GROUP COMPANIES

ACTIVITY

Caja Rural de Navarra, head of a business group

Caja Rural de Navarra, for historical reasons, has a range of equity investments in companies that complement or service its financial business, but also has a portfolio of companies in the industrial field:



The companies working in non-financial industries are as follows, grouped by sector:

Food

Bakery Flour Sector

- 49.9% of Harinera la Meta and Harinera del Mar, with an annual production of over 1 million tons of flour

Oat flakes and muesli

- 100% of Harivenasa

Dairy

- Minority stake in IPARLAT, with an annual production of 500 million litres of milk.

Wine sector

Wineries (50.0%)

- Rioja Vega
- Príncipe de Viana
- Finca Albret
- Clunia

Cooperage Intona (100%)

- Tonnellerie L'Adour (France) (100%)

Distributor Bouquet Brands (100%)

Energy Sector

Wind energy:

- Compañía Eólica de Tierras Altas (100 MW, 25%)
- Renovables de la Ribera (111 MW, 49.9%)
- Iberjalón (23 MW, 20%)
- Rural de Energía de Tierras Altas (under development)
- Minicentral del Canal de la Bardenas (5 MW, 15%)

Face-to-face

Solera Asistencial, 100%

- Senior residences
- Senior hotels
- Day centres

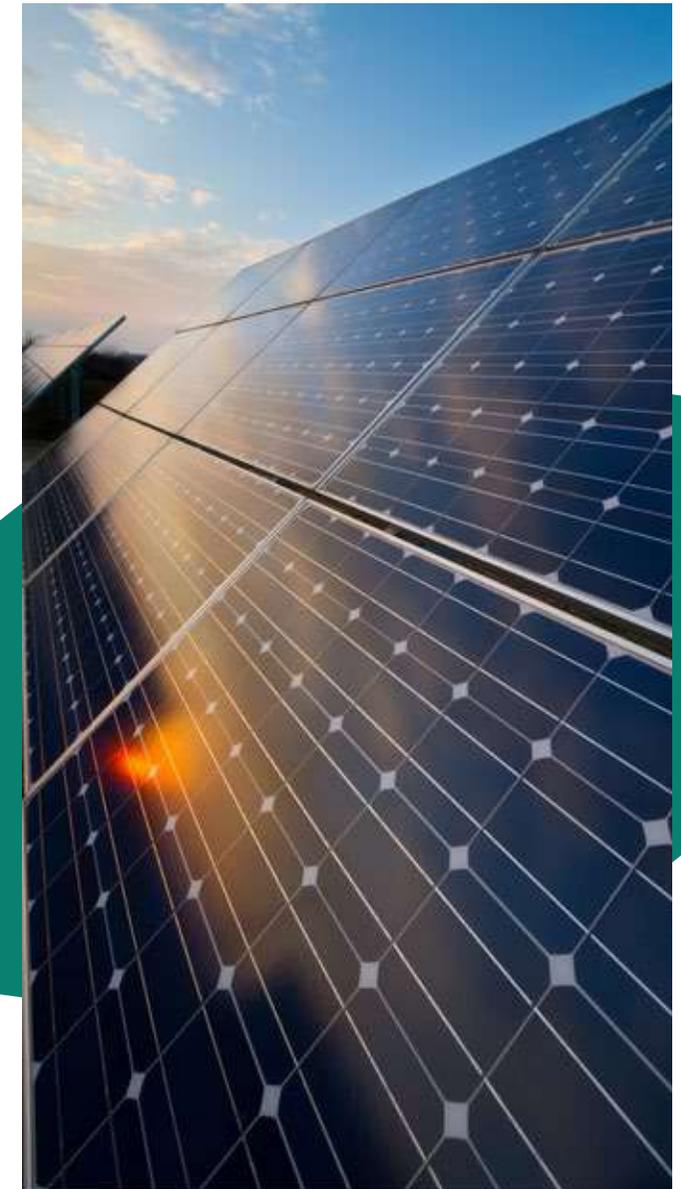
Other Sectors

Construction (up to 50%)

- Real estate developer
- Housing rentals
- Construction engineering companies

Wood (less than 50%)

- Poplar forestry



2 — METHODOLOGY

GHG Protocol/UNE 14064

Climate change is now one of the biggest issues confronting society. The scientific and political consensus in the EU and other OECD countries is that the increase in greenhouse gas emissions caused by human activity is a key driver of global warming. The need for a set of international metrics to identify and then reduce the impact of human activity on the atmosphere is therefore well recognised internationally.

The GHG Protocol developed by the World Business Council for Sustainable Development and World Resources Institute has become the benchmark first for an inventory of emissions (scopes 1 and 2) and subsequently for the definition of the carbon footprint (scope 3). ISO/UNE 14064 on inventory, and ISO/UNE 14069 on calculating the carbon footprint of organisations are the established standards for measuring and, if applicable, offsetting and reducing carbon footprints. In Spain, the Ministry for the Ecological Transition has published a range of guidelines and calculators to measure the carbon footprint of companies and factories, and maintains a voluntary register for companies that wish to submit their calculations. Caja Rural de Navarra did not submit or audit its carbon footprint calculation either this year or last.

As we explain below, it has opted for the GHG Protocol methodology in measuring its Carbon Footprint.

The carbon footprint calculation can focus either on a product (by measuring the GHGs emitted in its life cycle, from sourcing of raw materials to disposal or final recycling), or on an organisation, as in this document, in which it is a question of

measuring all GHGs emitted directly or indirectly in pursuit of its corporate purpose over a specific period, usually a financial year.

The carbon footprint identifies the **volume of emissions** that are **released into the atmosphere** in the normal course of the organisation's business, breaks it down into **different sources** and establishes effective **measures to reduce them** in future.

The GHG methodology structures GHG emissions into direct, where the sources of emission are under the company's control, and indirect, where they are controlled by third parties but at the request of the organisation. In many cases, GHG emissions will be correlated with the company's business volumes in the year, and much of their volume may derive from the GHG-generating activities required to extract or produce the raw material inputs.

There are therefore ways to offset GHG emissions so as to fully or partly mitigate the organisation's individual footprint.

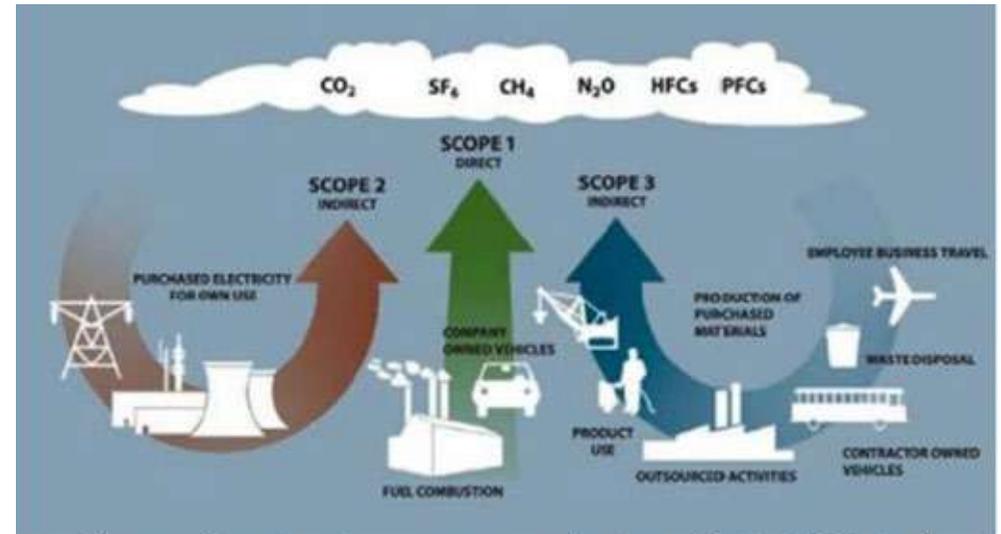
Own and induced GHG emissions are identified according to their Scope:

► Scope 1

Direct emissions, caused by machinery or actions under the control of the organisation: natural gas used in boilers, fuel from vehicle fleets, etc., as well as the equivalent emissions of refrigerant gases leaked from heat pumps or gas pipes.

► Scope 2

Indirect GHG emissions from the electricity consumed by the organisation.



Factors contributing to each scope Source: GHG Protocol

► Scope 3

Other indirect emissions: outsourced transport fleets, raw material inputs, work travel, etc.

Having determined the volume of each gas emitted, a conversion factor is applied to convert it into units of CO₂ equivalent. So, for example, for the commonly used refrigerant gas R-410A it only takes 0.5 grammes to leak to cause the same atmospheric damage as a kilogramme of CO₂.

Measuring volumes therefore requires an exhaustive count of all sources of emissions and the application of the right unit conversions. Conversion factors for the direct scope 1 emissions and indirect scope 2 emissions are well up-to-date and standardised. But for scope 3 emissions, which are far more specific to each business, it is

harder to establish consistent and comparable data. Chapter 4 describes the emission factors and relevant literature for these cases.

There are also ways to mitigate or offset GHG emissions. One basic method to avoid the carbon footprint of emissions from electricity consumption (scope 2) is by buying renewable energy or, more exactly, buying guarantees of origin redeemed against the organisation's facilities. In the case of Caja Rural de Navarra, the amounts redeemed at each investee company's electricity-consuming factory cannot be offset against other consumption by the Group. The Caja Rural parent company has more than 260 individual consumption points and therefore asks its supplier of power and guarantees of origin that they all be redeemed at one of the energy meters of the headquarters, which is the registered office.

Finally, there are physical ways to offset the carbon footprint, the most common in Spain being to plant long-term forest cover on virgin land or woodlands previously denuded by fire. This does not apply in this case.

Calculation of uncertainty

Given the practical impossibility of an organisation achieving a rigorously accurate calculation of its footprint (it would need to count the myriad individual actions of its employees at work or when commuting, e.g. sweets eaten on the way to work or coffee drunk in breaks), the UNE standard requires that companies complete and document an assessment of the uncertainty of their emissions and removals, including the uncertainty associated with the emission and removal factors, and include a description of how this uncertainty affects the accuracy of the data in the report.

For instance, industrial electricity metres are class 0.5, i.e. their maximum nominal error is thought to be 0.5% and the uncertainty in a natural gas meter is 1.5%. Or again, the emission factors used in this document for production of local and imported oats are linked to uncertainties relating to climate, regional fertiliser practices, fertiliser prices, etc.

Targets for improvement

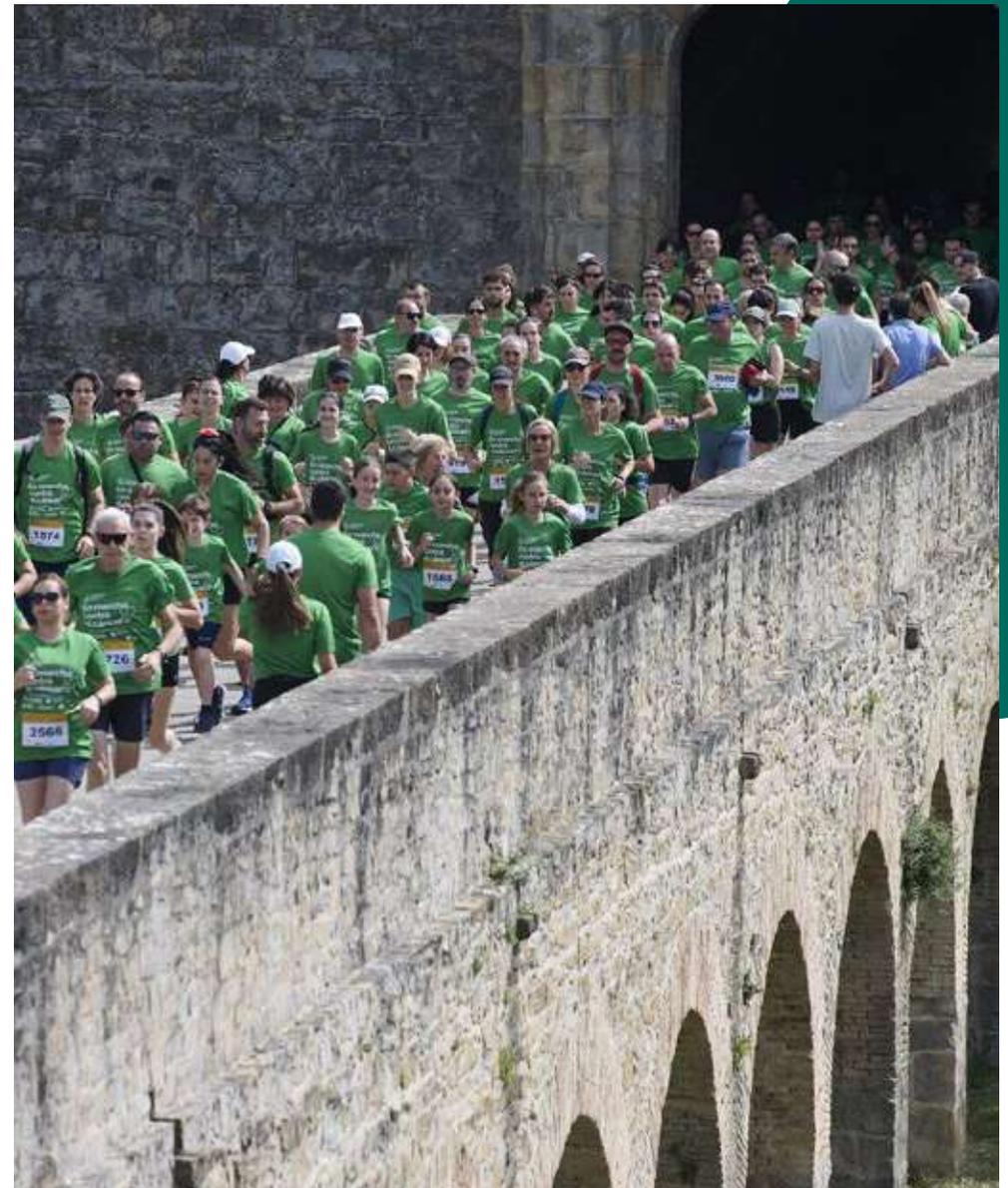
It is also mandatory to define areas for improvement to reduce effective carbon intensity year on year. This involves a new concept that looks beyond absolute GHG emissions in tonnes of CO2 equivalent, to reflect the effects of company's changing in scale or business model. To capture this, European Commission Regulation 2020/1818 defines the terms 'greenhouse gas (GHG) intensity': absolute GHG emissions divided by millions of euros in enterprise value including cash, and 'enterprise value including cash' or EVIC: the sum,

at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents.

The same Regulation sets an improvement target of an average 7% per year in three-year periods.

Audit

This report, which is annexed to Caja Rural de Navarra's Non-Financial Statements 2022, has not been audited and is outside the scope of AENOR's audit of the Non-Financial Statements



3 — LIMITS

Types of limits considered:

- Organisational limits
- Operating limits

Limits of the organisation: scope of consolidation

The methodology used limits the scope to Group companies, this being understood as all those activities where Caja Rural de Navarra exercises

direct or indirect control over a specific company (as defined in Article 42 of the Spanish Commercial Code).

This means that this document will include all companies where the Bank has a shareholding of over 50%.

Scope limits

Within the companies falling within this scope, all associated offices, factories, day centres and nursing homes must be included and measured, except for Explotación Agrícola Las Limas, a civil

farming company (sociedad civil agraria) that grows rice on land owned by Caja Rural de Navarra. In 2023 it will become a limited company and will then be included, despite its nature as a farm, in the scope of the calculation.

Loans and Advances of Caja Rural de Navarra

In accordance with Act 7/2021, on climate change and energy transition, as from 2023 financial institutions must consider the impact on the carbon footprint of their investment and loan portfolio, and set specific decarbonisation targets for it. They may also incorporate it into Scope 3.

This document does not include the carbon footprint induced by Caja Rural de Navarra's lending business

Limits of the organisation: scope of consolidation

Besides Caja Rural de Navarra, S.C.C. (F31/021.611), the following companies comprised the Group at end-2022:

Company	Location	TAX ID	Ownership interest	Participación directa CRN
Harivenasa S.L	Noain (Navarra)	B71075774	100%	Yes
Espiga I&D Alimentaria, S.L.	Pamplona (Navarre)	B71434427	100%	No
Industria Tonelera de Navarra S.L	Monteagudo (Navarre)	B31688336	100%	No
Tonnellerie de L'Adour S.A.S	Plaisance du Gers (France)	FR96425029972	100%	No
Merranderie de L'Adour (formerly Oroz Fils STE Exploitation)	Plaisance du Gers (France)	FR94379700966	100%	Yes
Bouquet Brands S.A	Esquiroz (Navarre)	A31884000	100%	No
Bahia de Cádiz S.L	Pamplona (Navarre)	B84996743	100%	No
Solera Asistencial S.L	Pamplona (Navarre)	B71150866	100%	No
Solera Navarra S.L	Pamplona (Navarre)	B71186654	100%	Yes
Torre Monreal S.L	Tudela (Navarre)	B31872872	100%	No
SERESGERNA S.A	Pamplona (Navarre)	A31697808	100%	Yes
Preventia Sport, S.L.	Pamplona (Navarre)	B71008783	100%	Yes
Promoción Estable del Norte, S.A.	Pamplona (Navarre)	A31663651	100%	Yes
Informes y Gestiones Generales, S.A.	Pamplona (Navarre)	A31437635	100%	No
Informes Técnicos y Valoraciones Generales, S.L.	Pamplona (Navarre)	B31917305	100%	Yes

4 SCOPE AND EMISSIONS

SCOPES

Caja Rural de Navarra

► Scope 1

This includes direct emissions from the Bank's financial business. This business has neither vehicles nor boilers of its own, so, for the Bank, this scope includes leaks from air conditioning units and water consumption. Refrigerant gas leaks are measured by the annual refills, except in the case of Bouquet Brands, which assumed annual leakage of 2% of the gas by weight.

► Alcance 2

Indirect emissions from electricity use, largely mitigated by buying renewable energy guarantees of origin.

► Alcance 3

Emissions induced by the Bank's business but emitted by third parties. In this document, we detail:

- Emissions caused by employees travelling to work. This figure was obtained through a mobility survey of employees, extrapolated to all employees.
- Emissions caused by employees travelling for work purposes. This figure is for travel reported by the company's workers.
- Emissions caused by waste from business activity and water consumption.
- Emissions derived from the outsourcing of IT processes to RSI, which provides IT services for the whole Caja Rural group.

- Emissions caused by third parties in transporting goods for the Bank: couriers and cash delivery services, based on an estimate made by the courier company.

Equity investments (Investees)

► Scope 1

Direct emissions, corresponding to natural gas consumption, emissions caused by the company's own vehicles and derived from air-conditioning units, and water consumption.

► Scope 2

Indirect emissions from electricity use, partly mitigated by the redemption of renewable energy guarantees of origin at its manufacturing sites, and consumption savings from photovoltaic self-production.

► Scope 3

Emissions induced by the Bank's business In detail this means:

- Emissions caused by employees travelling to work. This figure was based on a mobility survey of workers at each company or estimates by the HR managers.
- Emissions caused by employees travelling for work purposes. This figure is for travel reported by the company's workers.
- Emissions caused by waste from business activity and water consumption.
- Emissions generated by third parties transporting raw materials and finished products from supplier to factory and factory to customer.

- Emissions attributable to the raw materials purchased, particularly cereals because of their substantial impact.



MEASUREMENT OF EMISSIONS, CONVERSION FACTORS

Caja Rural and Investees

The same emission factors are used in each line.

Scope	Source of emission	Source of conversion factor
Scope 1	Fuels	Ministerial Emission Factors Document v22 June 2022 https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemission_tcm30-479095.pdf
	Refrigerant gases	UK Government Conversion Factors for Companies' GHG Reporting v.2 31/7/2022 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021
Scope 2	Electricity	Ministerial Emission Factors Document v22 June 2022 https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemission_tcm30-479095.pdf
Scope 3	Travel by car/motorcycle	UK Government Conversion Factors for Companies' GHG Reporting v.2 31/7/2022 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021
	Bus/train/subway/plane journeys	IDAE website, 2023 https://www.movilidad-idae.es/destacados/emisiones-de-co2-por-modos-de-transporte-motorizado
	Fuels	Ministerial Emission Factors Document v22 June 2022 https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemission_tcm30-479095.pdf
	Transport of goods (van/truck)	UK Government Conversion Factors for Companies' GHG Reporting v.2 31/7/2022 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021
	Transport of goods (boat)	UK Government Conversion Factors for Companies' GHG Reporting v.2 31/7/2022 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021
	Waste (glass, cardboard, office paper, etc.)	Ihobe, the public environmental management company of the Basque Government, calculation tool for organisations, December 2022 https://www.ihobe.eus/publicaciones/huella-carbono-en-organizaciones-herramienta-calculo
	Raw materials	INTIASA, Navarre, Cereals carbon footprint https://www.navarraagraria.com/categories/item/257-huella-de-carbono-de-los-cereales-analisis-de-la-emision-de-gases-de-efecto-invernadero-en-el-sector-agroalimentario
	Water	Ihobe, Public Environmental Management Company of the Basque Government, December 2022 https://www.ihobe.eus/publicaciones/huella-carbono-en-organizaciones-herramienta-calculo

5 QUANTIFICATION OF EMISSIONS

Scope 1

Emissions generator Company	Fuels assigned to the process			Heating	Replenished greenhouse gas emissions			GHG emissions, refrigerant in equipment by weight			
	Own vehicles	Natural gas	Propane	Heating oil	Heat pumps, kg of gas refills			Heat pumps, kg of gas			
	Diesel (l.)	Petrol (l.)	kW.h	kg	litres	R-32	R-410A	R-407C	R-32	R-410A	HFC-134a
Caja Rural de Navarra	-	-	-	-	-	-	57,5	6	-	-	-
Harivenasa	-	-	12,719,602	-	-	-	-	-	-	-	-
INTONA	5,062	-	222,310	-	-	-	-	-	-	-	-
Adour	7,344	-	-	8,559	-	-	-	-	-	-	-
Bouquet Brands	39,453	-	-	-	-	-	-	-	0.550	5.700	-
INFOGES	-	-	-	-	-	-	-	-	-	-	-
Proenor	-	-	-	-	-	-	-	-	-	-	-
Solera	24,681	-	1,930,071	-	-	-	-	-	-	-	-
Total Caja Rural de Navarra (kg)	-	-	-	-	-	-	120,060	10,644	-	-	-
Total Group investees (kg)	192,882	-	2,706,701	25,386	-	-	-	-	7	238	-
Conversion factor (kgCO ₂ /l)	2.5200	2.2500	0.1820	2.9660	2.8980	675.00	2.088,00	1.774.00	13.50	41.76	28.60

Scope 2

Company	Electricity consumption			Self-Production	Tonnes of CO ₂ equivalent
	Third party consumption				
	Annual consumption, kW.h	Company	Guarantees of origin		
Caja Rural de Navarra	4,578,422	ENDESA/i-DE	4,450	-	33.13
Harivenasa	7,750,498	ENDESA	4,550	-	825.73
INTONA	259,679	EDP	260	-	0.00
Adour	264,496	EDF	-	-	42.32
Bouquet Brands	23,635	-	-	-	6.10
INFOGES	119,802	ENDESA	-	-	30.91
Proenor	-	-	-	-	-
Solera	1,144,308	EDP	-	24,251	289.51
Total Group investees (kg)	-	-	-	-	1.227,70

Scope 3, travel

Company	Emission factor g/km	Caja Rural	Harivenasa	INTONA	Adour	Bouquet Brands	INFOGES	Proenor	Solera	Scope, kg CO2	
										Caja Rural	Ownership
Travel for work											
Kilometres travelled by private vehicle by staff in the course of their work (not commuting)	169	1,526,961.00	6,711.10	26,034.00	-	1,320.00	-	20,000.00	66,850.00	258,056.41	22,634.52
Kilometres travelled by train by staff in the course of their work (not commuting)	23	45,900.00	0.00	3,244.00	-	-	-	-	-	1,055.70	74.61
Kilometres travelled by bus by staff in the course of their work (not commuting)	32	12,462.00	0.00	0.00	-	-	-	-	2,450.00	-	78.40
Kilometres travelled by plane by staff in the course of their work (not commuting)	192	4,556,664.42	21,443.30	27,996.00	-	-	-	-	-	2,392.70	9,492.35
Travel to/from work											
km in own car	169	4,556,664.42	203,580.00	80.833	70,783.00	41,712.00	11,544.00	24,200.00	26,155.11	770,076.29	77,538.40
km in own hybrid car	71	57,213.44	-	-	-	-	-	-	-	4,062.15	-
km by motorcycle	100,9	87,306.60	-	-	-	-	-	-	-	8,809.24	-
km car-sharing	169	-	170,820.00	-	1,000.00	3,696.00	5,328.00	-	15,406.53	-	33,166.34
km by public transport	49	194,355.74	-	-	-	0.00	6,882.00	3,080.00	121,137.64	9,523.43	6,423.88
km on foot or by bike	0	130,291.64	-	-	1,284.00	0.00	-	-	100,082.92	-	-
km by electric car/bike/scooter	0	43,898.01	-	-	-	4,320.00	-	-	2,527.42	-	-
Train, tram and metro	30	237,008.67	-	-	-	-	-	-	-	7,110.26	-
Transport of goods											
Van or light truck, km	0.24116	-	-	13,733.00	44,469.35	-	-	-	-	-	14,036.08
Articulated truck, km	0.92829	-	-	-	27,787.29	-	-	-	-	-	25,794.66
Cash bags											
Calculation of diesel consumption, l	2.5200 kgCO ₂ /l	8095	-	-	-	-	-	-	-	20,399.40	-
Security vans											
Calculation of diesel consumption, l	2.5200 kgCO ₂ /l	9930	-	-	-	-	-	-	-	25,023.60	-

Scope 3, raw materials

	pe, tCO ₂ eq		
	Tonnes	Transport	Production
Oat purchases			
Ecological oats			
Spain	1,700	13	476
Baltic States	26,000	2,067	7,280
Common oats			
Spain	18,000	27	6,912
Imports	69,300	4,786	26,611

	Tonnes	Imputed/t	Total
	Oat consumption		
Ecological oats			
Spain	1,700	0.280	476
Imports	18,700	0.280	5,236
Common oats			
Spain	18,000	0.384	6,912
Imports	69,600	0.384	26,726
Total			39,350



6 RESULTS SUMMARY

Summary

	tCO ₂ eq					
	Caja Rural	Subsidiaries	Harivenasa	Solera	Wineries	Aux CRN
Scope 1						
Fuel consumption	0.00	192.88	0.00	62.20	130.68	-
Natural gas and propane consumption	0.00	2,732.09	2,314.97	351.27	65.85	-
Refrigerant greenhouse gases	130.70	0.25	0.00	0.00	0.25	-
Scope 2 MW.h						
Consumption of renewable electricity - Bank	4,450.00	-	-	-	-	-
Consumption of renewable electricity - subsidiaries	4,809.68	-	-	-	-	-
Consumption of non-renewable electricity - Bank	128.42	33.13	-	-	-	-
Consumption of non-renewable electricity - subsidiaries	4,752.74	-	1,194.56	825.73	289.51	30.91
Own production subsidiaries	24.25	-	-	-	-	-
Scope 3						
Drinking water	0.87	11.82	6.56	4.62	0.61	0.03
Travel to/from work	799.58	117.13	63.27	12.96	33.47	7.43
Travel for work	261.50	32.28	5.25	11.38	12.27	3.38
Waste	108.21	57.76	8.36	47.42	1.15	0.83
Transport of goods	45.42	1,444.55	1,404.72	-	39.83	-
Data storage and processing	110.01	-	-	-	-	-
Transport of raw materials to factory	0.00	6,892.90	6,892.91	-	-	-
Purchase of raw materials	0.00	39,350.40	39,350.40	-	-	-
Total	1,489.43	52,026.62	50,872.17	779.35	332.53	42.58

Summary, carbon intensity

		2022	2021
Caja Rural de Navarra, S.C.C. (parent)			
Carbon footprint scopes 1, 2 and 3	tCO ₂ eq	1,489	1728
Total assets	€m	15,997	16073
Carbon intensity	TCO ₂ eq/€m	0.093	0.108
Caja Rural de Navarra y sociedades dependientes			
Huella de carbono, alcances 1, 2 y 3	tCO ₂ eq	53,516	
Importe total activos	€m	16,076	
Intensidad huella de carbono	TCO ₂ eq/€m	3.329	

Improvement of the carbon footprint of Caja Rural de Navarra, S.C.C. (parent) 2022/2021:

14%

7 — UNCERTAINTY ESTIMATE

Classification of uncertainties

Measurement uncertainties

This is the degree of error that creeps into measurement of the figures used in the calculation, most significant for scope 3 data, such as figures for people commuting in their private vehicles.

Uncertainty from not counting some actions with greenhouse impacts

Some activities that make direct or indirect contributions to global warming are not accurately counted, either because their impact is so low or because the methodology used overlooks them. One example of the first case is food that workers bring into work. An example of the second is emissions from construction of the production facilities and buildings used for an activity.

Uncertainty from emission factors

These include two types of uncertainty: failure to count the full life cycle of some items (e.g. in transport kilometres, the acquisition of the truck, spare parts, tyres, etc.) and the wide variation in factors taken from different sources (e.g. we use the Ilobe factor for water consumption, which is derived from the general figure for the United Kingdom, while the Food Bank of Navarre uses the figure provided by the Pamplona Region, which is a third of the Ilobe figure).

Quantification of uncertainties

Measurement uncertainties

It is estimated that measurement uncertainties are very small, since 85% of the carbon footprint comes from the acquisition of cereals. The error in scope 1 and 2 measurements is thought to be less than 1% and the error in scope 3 less than 3%.

Uncertainty from not counting some actions with greenhouse impacts

As noted, Caja Rural de Navarra's loan portfolio is not included in the scope 3 calculation. We do not consider this to be a methodological error. The omissions represent no more than 5% of the footprint calculation.

Uncertainty from emission factors

In the highest-weighted input, cereal farming, we found different values (+/-50%) in the international literature. This is actually quite reasonable as there are many different species, soils, fertilisation practices and crop rotation systems which affect the values obtained. We therefore opted for the study that most closely resembles our business, which gives an upper bound for uncertainty of 15%.

There are also discrepancies between scope 3 emission factors derived from different sources. Especially important in our case are those relating to the transport of people and goods. Although the divergence is more limited, they still generate discrepancies of +/-20%.

8 — TARGETS FOR IMPROVEMENT

Initial reflections

Caja Rural de Navarra

Caja Rural de Navarra is a regional financial institution that carries out traditional commercial banking, that is, it maintains proximity to its customers. In many municipalities in its catchment area it is now the only bank on the ground, while the larger banking industry focuses on the big population centres. Three quarters of its own carbon footprint (not including the loan portfolio) comes from travel by employees, security vans and couriered cash bags.

This is hard to improve on, if the Bank is to maintain an adequate service for older people and rural areas.

Meanwhile, its carbon intensity (i.e., carbon footprint per million euros of assets) is heavily affected by liquidity decisions for public and private sectors taken by the ECB and the Bank of Spain and therefore out of the Bank's hands.

CAJA RURAL DE NAVARRA

20% reduction in carbon intensity between 2021 and 2025

To be achieved by encouraging more sustainable mobility by workers

Equity investments

Cereal is the key source of carbon footprint and so long as the Bank remains in this business, and continues to grow it year-on-year, it is very hard to make much improvement in absolute emissions or carbon intensity as any growth in sales does not generate an equivalent growth in the balance sheet.

That said, although you cannot dispute the maths, oats is a healthy food that is replacing sugary cereals and animal-based foods which require far more water, energy, land, etc. to produce. This creates the contradictory situation that increasing the carbon footprint from oat production decreases the overall footprint of the planet. Obviously, this effect is not factored into the GHG Protocol methodology.

EQUITY INVESTMENTS

5% reduction in carbon intensity between 2022 and 2025

To be achieved by:

- Encouraging more sustainable mobility by workers
- Increasing the proportion of domestic oat production and the relative weighting of ecological oats
- Installing new photovoltaic roofs

ANNEX IV

AENOR VERIFICATION

13.1_ Verification of sustainability report

13.2_ Statement of verification of non-financial statements




VERIFICACIÓN DEL INFORME DE SOSTENIBILIDAD

VMS-2023/0011

AENOR ha verificado el Informe de Sostenibilidad de la organización

CAJA RURAL DE NAVARRA, S. COOP. DE CREDITO

concluyendo que el mismo se ha realizado conforme con los estándares de elaboración de informes GRI y proporciona una visión global de los impactos más significativos de la organización en la economía, el medio ambiente y las personas, incluidos los impactos que afectan a los derechos humanos, y de cómo los gestiona. La verificación se ha realizado según procedimiento que se detalla en el anexo cumpliendo con la ISO/IEC 17029:2019.

Título del informe: MEMORIA DE RESPONSABILIDAD SOCIAL CORPORATIVA DE CAJA RURAL DE NAVARRA Y ESTADO DE INFORMACIÓN NO FINANCIERA DEL GRUPO CAJA RURAL DE NAVARRA CONSOLIDADO 2022

Periodo objeto del informe comprendido entre: 1 de enero al 31 de diciembre de 2022

Domicilio en: DE LOS FUEROS, 1. 31010 - PAMPLONA (NAVARRA)

Emisión: 2023-05-15



Rafael GARCÍA MEIRO
CEO

AENOR INTERNACIONAL S.A.U.
Génova, 6. 28004 Madrid, España
Tel. 91 432 60 00 - www.aenor.com




La organización para la que se emite este certificado ha encargado a AENOR llevar a cabo una verificación externa e independiente, bajo un nivel de aseguramiento limitado, del Informe de Sostenibilidad realizado conforme a los Sustainability Reporting Standards GRI, en lo relativo a la información referenciada en el índice de contenidos GRI publicado en el informe y para el periodo objeto de este.

Para emitir este certificado AENOR ha evaluado el cumplimiento de todos los requerimientos del estándar GRI 1, en la elaboración del Informe de Sostenibilidad de referencia, excepto el requerimiento 9- notificación a GRI, al deberla realizar la organización con posterioridad a la emisión del presente certificado.

Como resultado de la verificación efectuada AENOR emite el presente certificado, del cual forma parte el Informe de Sostenibilidad verificado. El certificado únicamente es válido para el propósito encargado y refleja sólo la situación en el momento en que se emite.

Responsabilidad de la organización. La organización tuvo la voluntad de reportar su desempeño en materia de responsabilidad social, de conformidad con los SRS GRI. La elaboración y aprobación del Informe de Sostenibilidad así como el contenido del mismo, es responsabilidad de la organización. Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el Informe de Sostenibilidad esté libre de incorrección material, debida a fraude o error, así como los sistemas de gestión de los que se obtiene la información necesaria para la preparación del mismo. La organización, ha informado a AENOR que no se han producido, desde la fecha de cierre del ejercicio reportado en el informe de sostenibilidad hasta la fecha de la verificación, ningún acontecimiento que pudiera suponer la necesidad de realizar correcciones al informe.

Procedimiento de verificación conforme a ISO/IEC 17029:2019. AENOR, ha realizado la presente verificación como prestador independiente de servicios de verificación. La verificación se ha desarrollado bajo los principios de "enfoque basado en evidencias, presentación justa, imparcialidad, competencia técnica, confidencialidad, y responsabilidad" exigidos en la norma internacional ISO/IEC 17029:2019 "Evaluación de la conformidad - Principios generales y requisitos para los organismos de validación y verificación".

El personal involucrado en el proceso de verificación, la revisión de conclusiones y la decisión en la emisión del presente certificado, dispone de los conocimientos, habilidades, experiencia, formación, infraestructuras de apoyo y la capacidad necesarios para llevar a cabo eficazmente dichas actividades.

AENOR se exime expresamente de cualquier responsabilidad por decisiones, de inversión o de otro tipo, basadas en el presente certificado.

Durante el proceso de verificación realizado, bajo un nivel de aseguramiento limitado, AENOR realizó entrevistas con el personal encargado de recopilar y preparar el Informe de Sostenibilidad y revisó evidencias relativas a:

- Actividades, productos y servicios prestados por la organización.
- Consistencia, precisión y trazabilidad de la información aportada, incluyendo el proceso seguido de recopilación de la misma, muestreando información sobre la reportada.

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- Cumplimentación y contenido del Informe de Sostenibilidad con el fin de asegurar la integridad, exactitud y veracidad en su contenido referido al periodo objeto del informe.

Las conclusiones por tanto se fundamentan en los resultados de ese proceso de carácter muestral, y no eximen a la Organización de su responsabilidad sobre el cumplimiento de la legislación que le sea de aplicación.



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Declaración de Verificación de Información No Financiera

declaración de Verificación de AENOR para

CAJA RURAL DE NAVARRA, S. COOP. DE CREDITO

relativa al estado consolidado de información no financiera **MEMORIA DE RESPONSABILIDAD SOCIAL CORPORATIVA DE CAJA RURAL DE NAVARRA Y ESTADO DE INFORMACIÓN NO FINANCIERA DEL GRUPO CAJA RURAL DE NAVARRA CONSOLIDADO 2022**

conforme a la ley 11/2018

correspondiente al ejercicio anual finalizado el 31 de diciembre 2022

En Madrid a 15 de mayo de 2023



Rafael García Meiro
Consejero Delegado/CEO



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CAJA RURAL DE NAVARRA, S. COOP. DE CREDITO (en adelante la organización) con domicilio social en: PL DE LOS FUEROS, 1. 31002 - PAMPLONA (NAVARRA) ha encargado a AENOR llevar a cabo una verificación bajo un nivel de aseguramiento limitado de su Estado de Información No Financiera (en adelante EINF) conforme a la Ley 11/2018 por la que se modifica el Código de Comercio, el texto refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio, y la Ley 22/2015, de 20 de julio, de Auditoría de Cuentas, en materia de información no financiera y diversidad (en adelante, la Ley 11/2018).

Como resultado de la verificación efectuada AENOR emite la presente Declaración, de la cual forma parte el EINF verificado. La Declaración únicamente es válida para el propósito encargado y refleja sólo la situación en el momento en que se emite.

El objetivo de la verificación es facilitar a las partes interesadas un juicio profesional e independiente acerca de la información y datos contenidos en el EINF de la organización, elaborado de conformidad con la Ley 11/2018.

Responsabilidad de la organización. La organización tuvo la responsabilidad de reportar su estado de información no financiera conforme a la Ley 11/2018. La formulación y aprobación del EINF así como el contenido del mismo, es responsabilidad de su Órgano de Administración. Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error, así como los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF. La organización de acuerdo al compromiso formalmente adquirido, ha informado a AENOR que no se han producido, desde la fecha de cierre del ejercicio reportado en el informe no financiero hasta la fecha de la verificación, ningún acontecimiento que pudiera suponer la necesidad de realizar correcciones al informe.

Programa de verificación conforme a ISO/IEC 17029:2019. AENOR, de conformidad a la citada Ley, ha realizado la presente verificación como prestador independiente de servicios de verificación. La verificación se ha desarrollado bajo los principios de justa, imparcialidad, competencia técnica, confidencialidad, y responsabilidad exigidos en la norma internacional ISO/IEC 17029:2019 "Evaluación de la conformidad Principios generales y requisitos para los organismos de validación y verificación".



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Igualmente, en el Programa de verificación, AENOR ha considerado los requisitos internacionales de acreditación, verificación o certificación correspondientes a las materias de información contempladas en la Ley:

- Reglamento Europeo EMAS (Verificación Medioambiental)
- SA 8000 (principios y derechos laborales internacionales conformes a la ILO (Organización Internacional del Trabajo), La Declaración Universal de los Derechos Humanos y la Convención sobre los Derechos del Niño, SAAS Procedure 200)
- Sistema de Gestión Medioambiental (ISO 14001).
- Sistema de Gestión de Responsabilidad Social, esquemas IQNet SR 10 y SA8000.
- Sistema de Gestión de la Calidad (ISO 9001).
- Sistema de Gestión de la Energía (ISO 50001).
- Sistema de Gestión de Seguridad y Salud en el Trabajo (ISO 45001).

Adicionalmente, los criterios e información que se han tenido en cuenta como referencia para realizar el Programa de verificación han sido:

- 1) La ley 11/2018 de 28 de diciembre, por la que se modifica el Código de Comercio, el texto refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio, y la Ley 22/2015, de 20 de julio, de Auditoría de Cuentas, en materia de información no financiera y diversidad.
- 2) La Directiva 2014/95/UE del Parlamento Europeo y del Consejo de 22 de octubre de 2014 por la que se modifica la Directiva 2013/34/UE en lo que respecta a la divulgación de información no financiera e información sobre diversidad por parte de determinadas grandes empresas y determinados grupos.
- 3) La Comunicación de la Comisión Europea 2017/C 215/01, Directrices sobre la presentación de informes no financieros (metodología para la presentación de información no financiera).
- 4) La norma internacional ISO/IEC 17029:2019 Evaluación de la conformidad Principios generales y requisitos para los organismos de validación y verificación.
- 5) Los criterios establecidos por la iniciativa mundial de presentación de informes de sostenibilidad en los estándares GRI cuando la organización haya optado por este marco internacional reconocido para la divulgación de la información relacionada con su desempeño en materia de responsabilidad social corporativa.



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AENOR se exime expresamente de cualquier responsabilidad por decisiones, de inversión o de otro tipo, basadas en la presente Declaración.

Durante el proceso de verificación realizado, bajo un nivel de aseguramiento limitado, AENOR realizó entrevistas con el personal encargado de recopilar y preparar el EINF y revisó evidencias relativas a:

- Actividades, productos y servicios prestados por la organización.
- Consistencia y trazabilidad de la información aportada, incluyendo el proceso seguido de recopilación de la misma, muestreando información sobre la reportada.
- Cumplimentación y contenido del estado de información no financiero con el fin de asegurar la integridad, exactitud y veracidad en su contenido.
- Carta de manifestaciones del Órgano de Administración.

Las conclusiones por tanto se fundamentan en los resultados de ese proceso de carácter muestral, y no eximen a la Organización de su responsabilidad sobre el cumplimiento de la legislación que le sea de aplicación.

En la memoria de sostenibilidad se encuentra la información relativa a la Taxonomía de actividades ambientalmente sostenibles elaborada según establece el Reglamento UE 2020/852 del Parlamento Europeo y del Consejo de 18 de junio, relativo al establecimiento de un marco para facilitar las inversiones sostenibles en cuanto a la obligación de divulgar información sobre la manera y la medida en que las actividades de la empresa obligada se asocian a actividades económicas que se consideren medioambientalmente sostenibles según los principios y objetivos ambientales establecidos en dicho Reglamento. Respondiendo a este nuevo requerimiento, los administradores de la organización han incorporado al Informe de Información No Financiera la información que, en su opinión, mejor permite dar cumplimiento a esta nueva obligación, y que se recogen en el apartado 3.7 del Estado de Información No Financiera adjunto.

El personal involucrado en el proceso de verificación, la revisión de conclusiones y la decisión en la emisión de la presente Declaración, dispone de los conocimientos, habilidades, experiencia, formación, infraestructuras de apoyo y la capacidad necesarios para llevar a cabo eficazmente dichas actividades.



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AENOR

Confía



CONCLUSIÓN

Basado en lo anterior, en nuestra opinión, no hay evidencia que haga suponer que la información no financiera reportada en el MEMORIA DE RESPONSABILIDAD SOCIAL CORPORATIVA DE CAJA RURAL DE NAVARRA Y ESTADO DE INFORMACIÓN NO FINANCIERA DEL GRUPO CAJA RURAL DE NAVARRA CONSOLIDADO 2022, que se publica como documento independiente de las Cuentas Anuales Financieras y para la información del periodo objeto del informe, ejercicio anual finalizado el 31 de diciembre de 2022, no proporcione información fiel del desempeño de CAJA RURAL DE NAVARRA, S. COOP. DE CREDITO y sociedades referenciadas en el estado de información no financiera consolidado, en materia de responsabilidad social en lo relativo exclusivamente al contenido requerido por la Ley 11/2018 respecto a cuestiones ambientales, sociales y relativas al personal, incluida la gestión de la igualdad, la no discriminación y la accesibilidad universal, los derechos humanos, lucha contra la corrupción y el soborno y la diversidad.



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**CAJA RURAL
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