CREDIT OPINION

31 July 2026

Update

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RATINGS

Caja Rural de Navarra

Domicile	Pamplona, Spain
Long Term CRR	A2
Type	LT Counterparty Risk Rating - Dom Curr
Outlook	Not Assigned
Long Term Debt	Not Assigned
Long Term Deposit	A3
Type	LT Bank Deposits - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Caja Rural de Navarra

Update following rating affirmation

Summary

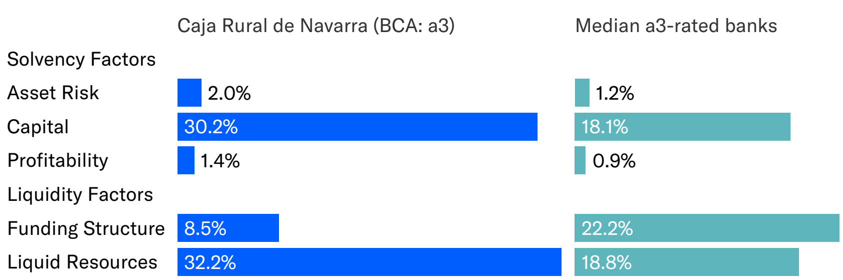
CRN's deposit ratings reflect the bank's Baseline Credit Assessment (BCA) of a3; a high probability of affiliate support from the entities integrated into the Institutional Protection Scheme (IPS), which does not trasnlate into any uplift and therefore results in an Adjusted BCA of a3; and the result of our Advanced Loss Given Failure (LGF) analysis, which does not translate into any rating uplift. CRN's Counterparty Risk (CR) Assessment is A2(cr)/Prime-1(cr) and its Counterparty Risk Ratings (CRRs) are A2/Prime-1.

CRN's BCA of a3 reflects the bank's sound financial fundamentals, namely its strong asset quality performance coupled with very high coverage levels, its sound capitalization and its improved earnings generation capacity. The bank's BCA also takes into consideration its comfortable funding and liquidity position underpinned by a low reliance on wholesale funding and a large and resilient deposit base.

While CRN's current creditworthiness points to a higher standalone financial profile, Moody's caps the bank's BCA at the level of the Spanish sovereign rating (A3) in recognition of the significant interconnectedness between the creditworthiness of the bank and that of the Spanish sovereign.

Exhibit 1

Rating Scorecard - Key financial ratios



Source: Moody's Ratings

Credit strengths

» Stronger asset-quality indicators than the system average

» Sound solvency levels

» Low reliance on market funding, most of which is secured

Credit challenges

» Improved recurrent profitability will be challenged by the repricing of the loan book to lower rates.

» Exclusive exposure to Spain heightens dependency on the sovereign, constraining the bank's creditworthiness.

Outlook

The stable outlook on CRN's long-term deposit rating is driven by the stable outlook on Spain's sovereign debt rating.

Factors that could lead to an upgrade

CRN's BCA could be upgraded if the Spanish government bond rating is upgraded, as a bank's BCA will not typically exceed the sovereign rating under our Banks methodology without any factor that reduces the dependency between the creditworthiness of the bank and the sovereign.

CRN's deposit ratings could be upgraded as a result of changes in its liability structure, which indicate a lower loss given failure to be faced by deposits.

Factors that could lead to a downgrade

A downgrade of CRN's BCA due to a weakening of its financial fundamentals is currently unlikely, given that the current creditworthiness already points to a higher standalone financial profile. Negative pressure on the bank's BCA could result from a downgrade of the Spanish sovereign rating.

Any change in the BCA would also likely affect the deposit ratings. CRN's deposit ratings could also change as a result of alterations to the bank's liability structure, which would indicate a higher loss given failure to be faced by deposits.

Key indicators

Exhibit 2

Caja Rural de Navarra (Consolidated Financials) [1]

	12-25 [2]	12-24 [2]	12-23 [2]	12-22 [2]	12-21 [2]	CAGR/Avg. [3]
Total Assets (EUR Million)	18,295.0	17,419.3	16,315.3	16,097.1	16,333.1	2.9 [4]
Total Assets (USD Million)	21,486.7	18,037.7	18,022.8	17,179.6	18,507.2	3.8 [4]
Tangible Common Equity (EUR Million)	2,331.1	2,064.0	1,791.4	1,557.1	1,399.3	13.6 [4]
Tangible Common Equity (USD Million)	2,737.8	2,137.2	1,978.9	1,661.8	1,585.5	14.6 [4]
Problem Loans / Gross Loans (%)	2.0	2.1	2.0	1.8	1.9	2.0 [5]
Tangible Common Equity / Risk Weighted Assets (%)	30.2	27.1	20.1	16.9	15.1	21.9 [6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	7.9	8.6	9.3	10.0	11.1	9.4 [5]
Net Interest Margin (%)	1.7	1.9	1.7	1.0	0.9	1.4 [5]
PPI / Average RWA (%)	3.3	3.6	2.7	1.6	1.4	2.5 [6]
Net Income / Tangible Assets (%)	1.5	1.5	1.3	0.7	0.6	1.1 [5]
Cost / Income Ratio (%)	41.9	34.9	38.1	57.0	57.4	45.9 [5]
Gross Loans / Due to Customers (%)	74.0	75.0	78.0	88.8	94.1	82.0 [5]
Core Banking Liquidity (HQLA) / Tangible Banking Assets (%)	32.2	29.6	--	--	--	--
Less-stable Funds (LCR) / Tangible Banking Assets (%)	8.5	8.6	--	--	--	--

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Further to the publication of our revised methodology in November 2025, only ratios from annual 2024 onwards included in this report apply reported risk weights for all exposures, discontinuing our previously applied standard adjustment for certain government securities.

Sources: Moody's Ratings and company filings

Profile

With total assets of €18.3 billion as of year-end 2025, Caja Rural de Navarra (CRN) is the second-largest rural cooperative bank in Spain and the first of the Spanish Rural Cooperatives Association (Asociacion Espanola de Cajas Rurales, AECR), composed of CRN and 29 other rural cooperatives.

CRN has a strong brand recognition and market position in its home region. It is primarily based in Navarre, with reported market shares of 27% in lending and 33% in deposits in this region as of the end of December 2025. The bank also operates as the only rural credit cooperative in the neighbouring regions of the Basque Country and La Rioja.

CRN is integrated since March 20218 into an IPS, together with the 28 other Spanish rural cooperatives under the AECR and Banco Cooperativo Español, S.A. This IPS is a contractual scheme that ensures support through recourse to a private-sector fund, to which members have to contribute according to the terms and conditions established by a contractual agreement. This private fund will be an effective resource to assist IPS members in times of difficulty and before any resolution or liquidation, with the objective of preserving the financial stability of the IPS members and improving their risk profile.

Members of the IPS, including CRN, continue to be regulated on an individual basis, although they are required to publish consolidated accounts for the group.

This IPS entails some regulatory privileges for these entities, in particular capital relief on cross-sector lending and stakeholdings; higher permissible single-borrower exposures, if these exposures are to fellow members of the group; and lower contributions to the Deposit Guarantee Fund.

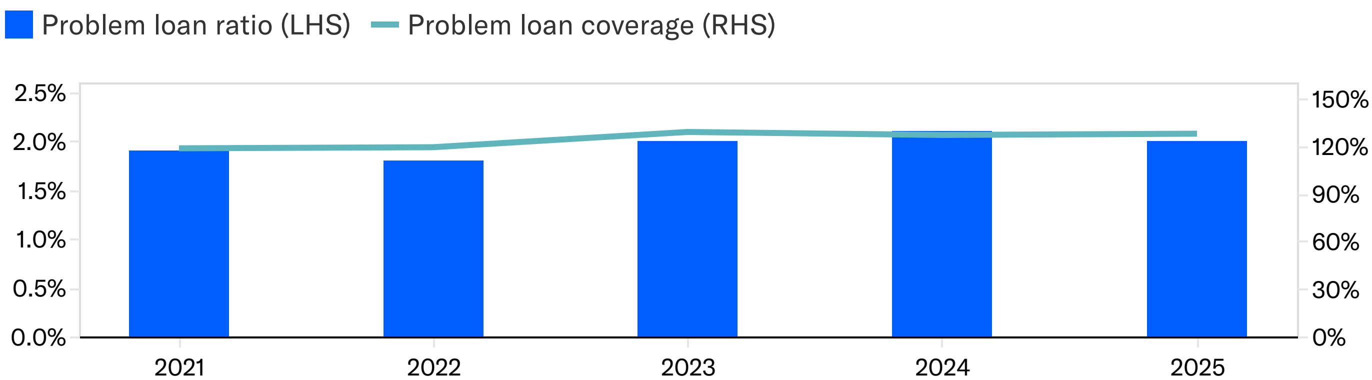
Detailed credit considerations

Stronger asset-quality performance than system average

We assign an a2 asset risk score that reflects: (1) the bank's very low level of nonperforming assets (NPA; defined as nonperforming loans (NPLs) plus real estate assets) relative to the banking system, with a Problem loans to Gross Loans ratio of 2.0%, which we consider to be Strong; and (2) our expectation that asset quality will remain broadly stable amid benign economic conditions and lower debt servicing costs.

CRN's asset-quality indicators have historically performed better than the Spanish banking system average because of the bank's more prudent risk management, with a relatively low exposure to the real estate sector and its activities being limited to its home territories. As of year-end 2025, the bank reported an NPL ratio of 2.0%, broadly stable year-on-year, while the ratio for the banking system was 2.9%[1] as of the same date. In addition to NPLs, CRN has a low amount of real estate assets repossessed. If these assets are added to the bank's NPLs, the NPA ratio would be 2.5% as of year-end 2025, below the 2.8% reported a year earlier and still comparing very favorably with the 3.6%[2] average for its domestic peers as of the same date.

Exhibit 3
Stable asset quality with strong and sustained coverage



Source: Moody's Ratings

The bank's cost of risk stood at 19 basis points (bps) in 2025. This contributed to a coverage ratio (measured as loan-loss reserves as a percentage of NPLs) of 128% as of the end of December 2025, well above the system average of 77% for the same period.

CRN displays sound solvency levels

We assign an aa1 score for capital that reflects our Tangible Common Equity to Risk Weighted Assets ratio of 30.2%, which we consider to be Very Strong.

In 2025, the capital ratio strengthened, primarily reflecting strong internal capital generation. CRN's capital is mainly composed of retained earnings and contributions from cooperative members on which it pays dividends. In line with the Spanish legislation, CRN allocates a part of its net profit to a welfare fund, although it retains most of the profit to support capital generation and fund future growth, which translates into the bank's higher-than-average capital ratios

In terms of regulatory capital ratios, CRN reported a phase-in Common Equity Tier 1 capital ratio of 30.2% as of year-end 2025, compared to 27.1% a year earlier and above the European Union (EU) average of 16.3%[3] as of the end of December 2025.

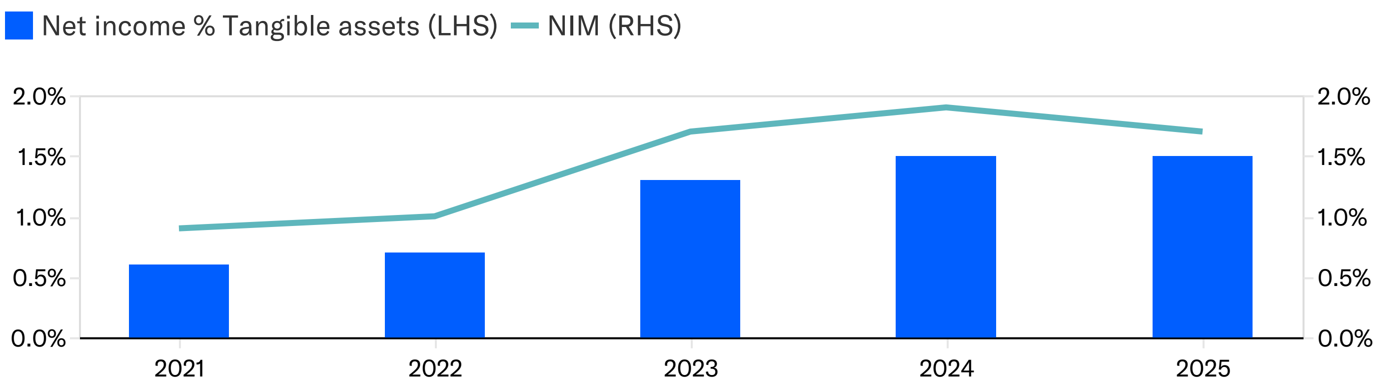
Improved recurrent profitability will be challenged by the repricing of the loan book to lower rates

We assign an a3 score for profitability that reflects: (1) an adjusted Net Income to Tangible Assets ratio of 1.4%[4], which we consider to be Strong; and (2) our expectation that CRN's improved profitability metrics will be challenged by the repricing of the loan book to lower rates, although they will remain above historical levels. As such, we expect CRN's net income to remain between 1%-1.25% of tangible assets over the outlook period.

CRN reported a net income of €269 million in 2025, up from €259 million a year earlier and equivalent to a net income/tangible assets ratio of 1.5% (stable year-on-year). The increase was primarily driven by an 11% growth in fee income and lower provisioning, which more than offset a 6% decline in net interest income and a 14% rise in operating expenses, mainly driven by higher IT costs (+21% year-on-year). CRN's net income in 2025 also included €14 million attributable to the sale of the stake in Compañía Eólica de Tierras Altas. When excluding the sale of this stake, the net income/tangible asset ratio would go down to 1.4%.

As a result of the significant increase in operating expenses, CRN's cost-to-income ratio increased to 42% in 2025, above the 35% reported a year earlier but still slightly below the system average of 43%[5] in 2025.

Exhibit 4
Profitability remains resilient despite NIM easing in 2025



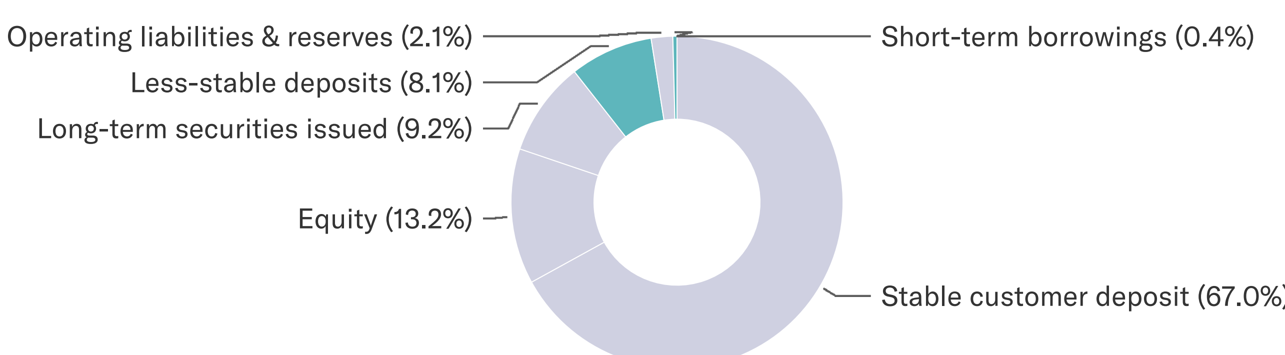
Source: Moody's Ratings

Strong funding profile underpinned by retail deposits and limited wholesale reliance

We assign an a1 score for funding structure that reflects our Less Stable Funds to Tangible Banking Assets ratio of 8.5%, which we consider to be Strong, and is adjusted to reflect our view of the bank's through-the-cycle debt maturity profile. We expect the bank's normalized ratio to remain close but above 10% in the next 12-18 months.

CRN is predominantly retail funded. As of year-end 2025, deposits accounted for around 87% of the bank's total funding, and the loan to deposit ratio stood at 74%. The bank's regional identity adds a component of stability to its retail funding base, which has consistently grown over the years. Most of CRN's issued debt is composed of covered bonds (€1.7 billion), a secured funding source

Exhibit 5
Deposit-driven funding profile with limited market reliance
As of year-end 2025



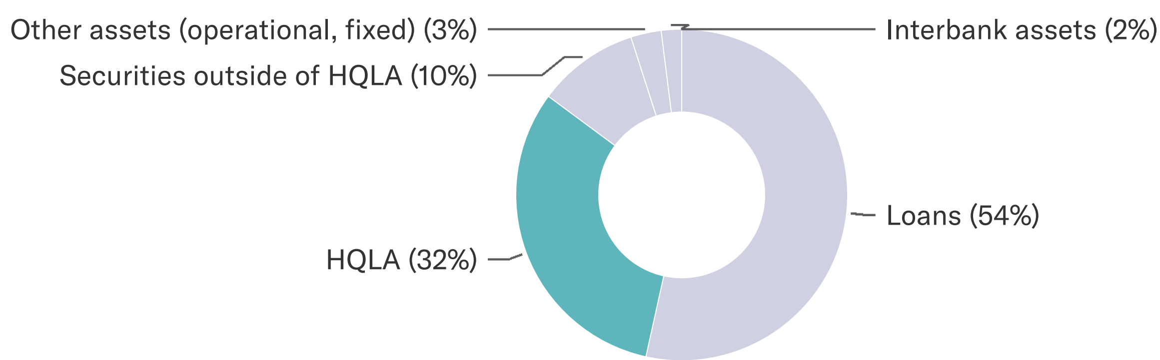
Source: Moody's Ratings

Robust core liquidity position

We assign an a1 score for liquid resources that reflects our Core Banking Liquidity to Tangible Banking Assets ratio of 32.2%, which we consider to be Strong, and reflects CRN's large holdings of High-Quality Liquid Assets (HQLA), of which around 70% are represented by sovereign bonds.

As of year-end 2025, CRN's stock of HQLA was of €5.9 billion, of which 95% were of the highest quality (level 1). The bank's liquidity coverage ratio and net stable funding ratio increased to 460% and 172% from 441% and 157%, respectively, over the same period.

Exhibit 6
Asset Mix Remains Skewed Toward Loans, with Limited Non-HQLA Exposure
As of year-end 2025



Source: Moody's Ratings

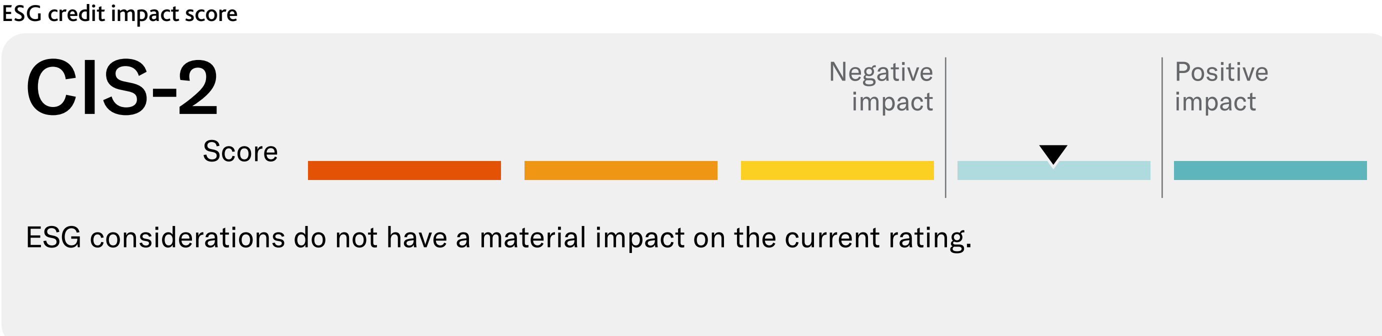
Weighted Macro Profile

We assign a Strong+ Macro Profile to CRN, reflecting its large exposure to Spain (100%).

ESG considerations

Caja Rural de Navarra's ESG credit impact score is CIS-2

Exhibit 7
ESG credit impact score

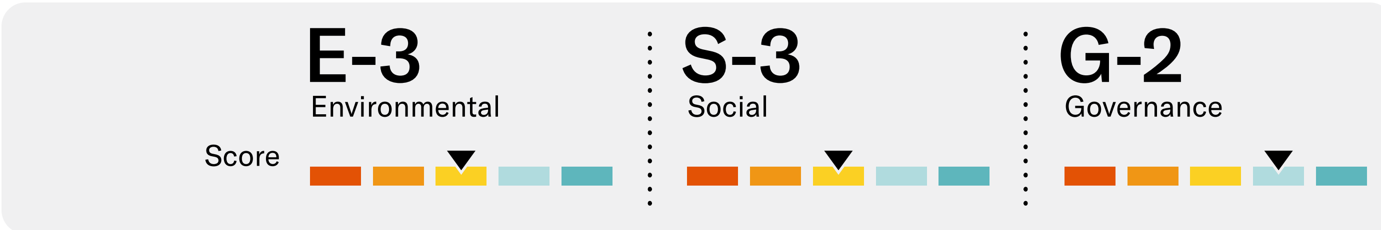


Source: Moody's Ratings

Caja Rural de Navarra's **CIS-2** indicates that ESG considerations do not have a material impact on the current rating.

Exhibit 8

ESG issuer profile scores



Source: Moody's Ratings

Environmental

Caja Rural de Navarra faces moderate environmental risks primarily because of its portfolio exposure to carbon transition risk as a diversified bank. In line with its peers, the bank is exposed to mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, Caja Rural de Navarra is developing its climate risk and portfolio management capabilities and is actively transitioning its lending portfolios to achieve carbon neutrality targets.

Social

Caja Rural de Navarra faces moderate social risks mainly related to customer relations as well as to demographic and societal trends. The bank's developed policies and procedures mitigate conduct risk associated with the distribution of financial products such as regulatory and reputational risks, as well as exposure to litigation. Continued investments in technology and the bank's long track record of handling sensitive customer data, as well as appropriate culture and governance that ensure adherence to regulatory standards, help to manage high cyber and personal data risks. Caja Rural de Navarra operates mainly in Spain, which faces challenges from adverse demographic trends affecting long-term economic growth prospects and impacting the demand for certain banking products. Product diversity as well as an ability to adapt to consumer preferences, regulatory changes and societal trends such as digitization are key to address these risks.

Governance

Caja Rural de Navarra is exposed to low governance risks, with a corporate governance framework in line with industry best practices. The bank applies conservative financial policies and has a strong track record of achieving its strategic and financial targets, supported by an outstanding risk management function. As a rural cooperative, the bank's capital is composed of retained earnings and contributions from customers which show no concentration.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Affiliate support

Our cross-sector support assessment is based on CRN's integration into the IPS, which includes the 30 rural cooperatives associated under the AECR and BCE, and results in a contractually binding support arrangement among member banks. Cross-sector support materially reduces default risk, as it would be available to stabilize a distressed member bank, and not just compensate for losses in resolution/liquidation.

We consider the readiness of the group to support its members to be high. Under our methodology, this high support translates into no uplift from CRN's BCA of a3.

Loss Given Failure (LGF) analysis

CRN is domiciled in Spain and subject to the EU Bank Recovery and Resolution Directive, which we consider an operational resolution regime. Thus, we apply our advanced Loss Given Failure (LGF) analysis, using most of its standard assumptions. These assumptions include a residual tangible common equity of 3%, post-failure losses of 8% of tangible banking assets, a 25% runoff in junior wholesale deposits and a 5% runoff in preferred deposits, and assign a 25% probability to deposits being preferred over senior unsecured debt.

Because we assume that CRN's deposit base is essentially retail in nature, we consider a proportion of 10% of junior deposits, below the estimated EU-wide average of 26%.

For CRN's deposits, our LGF analysis takes into consideration the likely impact on loss given failure of the combination of its own volume and subordination. Our LGF analysis indicates a moderate loss given failure for deposits, which leads us to position the bank's Preliminary Rating Assessment at the same level as its Adjusted BCA. Please refer to the Loss Given Failure and Government Support table at the bottom of the scorecard.

Government support

We incorporate a low probability of government support for CRN's deposits, which does not translate into any uplift. Likewise, the CR Assessment does not benefit from any rating uplift from government support.

Methodology and scorecard

About Moody's Bank Scorecard

Our Bank Scorecard is designed to capture, express and explain in summary form our Rating Committee's judgment. When read in conjunction with our research, a fulsome presentation of our judgment is expressed. As a result, the output of our scorecard may materially differ from that suggested by unadjusted accounting data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 9
Rating Factors

Macro Factors						
Weighted Macro Profile	**Strong +**	**100%**				

Factor	**Historic Ratio**	**Initial Score**	**Expected Trend**	**Assigned Score**	**Key driver #1**	**Key driver #2**
Solvency						
Asset Risk						
Problem Loans / Gross Loans	2.1%	a2	↔	a2	Expected trend	
Capital						
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	22.7%	aa1	↔	aa1	Expected trend	
Profitability						
Net Income / Tangible Assets	1.2%	a3	↔	a3	Expected trend	
Combined Solvency Score		a1		a1		
Liquidity						
Funding Structure						
Market Funds / Tangible Banking Assets	6.9%	aa3	↓	a1	Expected trend	
Liquid Resources						
Liquid Banking Assets / Tangible Banking Assets	38.4%	a1	↔	a2	Expected trend	
Combined Liquidity Score		aa3		a1		
Financial Profile		a1		a1		
Qualitative Adjustments				Adjustment		
Business Diversification				0		
Opacity and Complexity				0		
Corporate Behavior				0		
Total Qualitative Adjustments				0		
Sovereign or Affiliate constraint				A3		
BCA Scorecard-indicated Outcome - Range				a2 - baa1		
Assigned BCA				a3		
Affiliate Support notching				-		
Adjusted BCA				a3		

Balance Sheet	**in-scope (EUR Million)**	**% in-scope**	**at-failure (EUR Million)**	**% at-failure**
Other liabilities	3,182	18.3%	4,142	23.8%
Deposits	13,715	78.7%	12,755	73.2%
Preferred deposits	12,343	70.9%	11,726	67.3%
Junior deposits	1,371	7.9%	1,029	5.9%
Equity	523	3.0%	523	3.0%
Total Tangible Banking Assets	17,419	100.0%	17,419	100.0%

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	8.9%	8.9%	8.9%	8.9%	1	1	1	1	0	a2
Counterparty Risk Assessment	8.9%	8.9%	8.9%	8.9%	2	2	2	2	0	a2 (cr)
Deposits	8.9%	3.0%	8.9%	3.0%	0	0	0	0	0	a3

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	1	0	a2	0	A2	
Counterparty Risk Assessment	2	0	a2 (cr)	0	A2(cr)	
Deposits	0	0	a3	0	A3	

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Ratings

Ratings

Exhibit 10

Category	Moody's Rating
CAJA RURAL DE NAVARRA	
Outlook	Stable
Counterparty Risk Rating -Dom Curr	A2/P-1
Bank Deposits -Dom Curr	A3/P-2
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	A2(cr)/P-1(cr)

Source: Moody's Ratings

Endnotes

1 Moody's calculations

2 Moody's estimated

3 As per the European Banking Autority (EBA) risk dashboard

4 Excluding one-off items

5 According to data disclosed by EBA

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CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454