REGISTRATION DOCUMENT

CAJA RURAL DE NAVARRA, SOCIEDAD COOPERATIVA DE CRÉDITO

This Registration Document has been approved by and registered with the official registers of the Comisión Nacional del Mercado de Valores on 17th May 2022, and prepared in accordance with Annex 7 of Commission Regulation (EU) 2019/980 of 14 March 2019.

This Registration Document forms only one part of the prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and Council of 14 June 2017 and will be complemented, where applicable, by the respective securities notes and, in the case of base prospectuses, by the final terms and conditions that will be registered in the official register of the Comisión Nacional del Mercado de Valores, and available at the company website (www.cajaruraldenavarra.com) and on the CNMV website (www.cnmv.es)*. The information contained in the company website is not part of the Registration Document for Wholesale Non-Equity Securities and has not been examined or approved by the CNMV, except for that information that has been incorporated by reference in the Registration Document for Wholesale Non-Equity Securities.

INDEX

1. RISK FACTORS

Caja Rural de Navarra (the “Issuer”, “Entity” or “Bank”) states that the information contained in this Registration Document for Wholesale Non-Equity Securities (the “Registration Document”), has taken account of any instructions and recommendations made by the prudential supervisor, the Bank of Spain, that might have a material effect on the financial statements and on the risks described below.

The risks described below are those currently considered to be specific to the Bank that will materially affect an informed investment decision and are considered in this Registration Document.

However, there are currently other risks that, because they were considered of lesser importance or generic, such as reputational risk, business risk, leverage risk, money-laundering risk, or business continuity risk, have been omitted from this section of the Registration Document in accordance with Regulation (EU) 2017/1129 of the European Parliament and Council of 14 June 2017. Also, in the future, risks that are currently unforeseen or considered immaterial to the Bank could have a substantial negative impact on the business, results, financial position or assets of the Bank.

- **Credit risk**

This is the most significant risk assumed by the Bank, since its activities are concentrated mainly on the retail banking business and derives from the possible loss caused by a failure to meet financial obligations to the Bank, in full or in part. Furthermore, the current economic field is conditioned by the latest inflationary trends which might potentially increase financial instability.

Because of the Bank's focus on retail business, of total credit risk exposures at 31 December 2021, 29.19% were to wholesale counterparties (mainly “Debt securities” and “Loans and advances - Credit institutions”), with the remaining 70.8% being retail risks with customers. In the item “Loans and advances to customers - net (after valuation adjustments)”, non-financial corporations make up 41.1%. The Bank's retail exposures are very granular, focused on small and medium-sized enterprises and individuals.

The table below shows figures for the loan book at 31 December 2021 and 2020*:

Thousands of euros	2021	2020
Total doubtful assets in Loans and advances to customers (impaired assets)	179,511	176,466
Loans and advances to customers, gross (before valuation adjustments)	9.628,551	9.497,353

* Based on notes 6.a) and 10 to the Consolidated Financial Statements

Loans and advances to customers, gross, excluding balances with financial corporations	9,595,530	8.961,797
Valuation adjustments for impairment of financial assets	212,716	204,202
Write-offs*	258,117	250,110
Total assets acquired in settlement of debt (foreclosed), gross book value	50,211	56,479
Loans and advances to customers, net (after valuation adjustments) (a)	9,446,163	9,313,938
Loans and advances – Credit institutions (b)	145,291	123,963
Debt securities (c)	4,788,966	4,379,268
Derivatives (d)	9,877	16,980
Guarantees given (e)	965,363	729,699
TOTAL RISK (a + b + c + d + e)	15,355,660	14,563,848
Credit lines drawable by third parties	1,611,291	1,396,654
TOTAL EXPOSURE TO CREDIT RISK	16,966,951	15,960,502

* Full title of item: “Details of the movements in impaired financial assets derecognized because the likelihood of their recovery was considered remote but where the Group is still seeking to recover the amounts receivable are as follows”

The Non-Performing Loans (NPL) Ratio at the end of 2021 was 1.87% and at the end of 2020 it was 1.97%. The Non-Performing Loans (NPL) Coverage at end-2021 was 118.50%, and 115.71% in 2020. The Coverage Ratio of Loans and advances to customers was 2.21% in 2021 and 2.15% in 2020.**

Assets acquired in settlement of debt at end-2021 totalled EUR 50,211 thousand which, net of 18,890 thousand in cumulative impairment, was EUR 31,321 thousand, i.e. 0.33% of Loans and advances to customers, net (after valuation adjustments), a reduction of EUR 6,017 thousand from the net balance of EUR 37,338 thousand at end-2020. In 2020, assets acquired in settlement of debt totalled EUR 56,479 thousand which, net of 19,141 thousand in cumulative impairment, was EUR 37,338 thousand, i.e. 0.40% of Loans and advances to customers, net (after valuation adjustments).

Loans for construction and real estate development (including land)*, on 31 December 2021 totalled EUR 465,876 thousand, of which EUR 8,244 (1.77%) are doubtful. This EUR 465,876 thousand represents 4.8% of gross loans and advances to customers (excluding balances with financial corporations). It represents a 29.5% increase on 2020, when this item totalled EUR 359,747 thousand, including EUR 6,166 thousand (1.71%) doubtful loans. This EUR 359,747 thousand in 2020 represents 3.8% of gross loans and advances to customers excluding balances with financial corporations.

* See Note 6.e) to the Annual Financial Statements

** The NPL Ratio, the NPL Coverage and the Coverage Ratio of Loans and advances to customers are Alternative Performance Measures (APM). See Section 14 of this Registration Document.

Loans secured by mortgages at 31 December 2021 totalled EUR 5,423 million (57.1% of gross loans and advances to customers, excluding balances with financial corporations), compared to EUR 5,107 million (57.4%) at 31 December 2020.

Home loans at December 2021 totalled EUR 4,191 million (44.16% of gross loans and advances to customers, excluding balances with financial corporations) and at December 2020, EUR 3,862 million (43.43%).

As of the date of registration of this document, the Long-term Issuer Default Rating (LT IDR) rating that credit rating agency Fitch assigns to Caja Rural de Navarra S.C.C. is BBB+ with a stable outlook, in accordance with the review of the same made by the aforementioned agency on 12 July 2021. Likewise, the long-term deposits rating of Caja Rural de Navarra S.C.C. according to the credit rating agency Moody's is Baa1, according to its rating of 26 November 2021. The credit rating may be reviewed, suspended, or withdrawn at any time by the rating agency.

- **Risk of dependency on the economic environment. Situation regarding the Covid-19 pandemic**

Caja Rural de Navarra is a financial institution that conducts its business entirely in Spain and nearly entirely in the regions of Navarre, Basque Country and Rioja, such that any adverse change in the economy of its area of operations or unfavourable economic climate could negatively affect the Issuer.

Taking into account the global health and economic crisis caused by the Covid-19 pandemic, the Spanish Government and Parliament, during year 2021, pushed through a series of measures that, among other steps, imposed a mortgage moratorium and provided loans underwritten by ICO, implemented through a series of new laws with potentially substantial impact on the Issuer's operations and results.

On this point, the Bank participated during 2020 and 2021 in the following measures to support customers impacted by the Covid-19 pandemic:

Moratoria:

The economic impact of the Covid-19 pandemic meant that some customers needed adjustments to the repayment schedules on their loans, whether secured or unsecured by mortgages. These support measures were implemented by applying moratoria as provided for in Article 16 bis of Royal Decree-Law 8/2020, of 17 March and Article 27 of Royal Decree-Law 11/2020, of 31 March (“legislative moratoria”).

The moratoria supported by the Royal Decrees (legislative moratoria) was focused on especially vulnerable groups. These measures involved deferring payments of principal or principal and interest, as applicable.

These moratoria were focused on individuals, companies and self-employed customers and are the only measures in which the Bank participated. It did not join in with the sector moratoria.

The breakdown of moratoria granted by credit risk at 31 December 2021 is as follows:

	Thousands of euros			
	Moratoria			
	Phase 1	**Phase 2**	**Phase 3**	**Total**
Amount granted	65,736	3,660	978	70,374
% of total	*93.41%*	*5.20%*	*1.39%*	*100.00%*
No. of transactions	698	38	15	751

By 31 December 2021, 751 moratoria had been granted with a total balance of EUR 70,374 thousands (of which, as of that date, 2 files, for a residual amount of 199,000 euros, were in force).

With data as of 31 March 2022, no more moratoria had been granted, leaving the total moratoria granted at 751 loans, whose outstanding balance is EUR 61.5 million. Of these moratoria, as of that date, none are in force.

Guaranteed financing:

The Instituto de Crédito Oficial (ICO) announced a number of support programmes for the self-employed, SMEs and companies, underwriting between 60% and 80% for up to 5 years on new lending. The amount and term of the guarantee depends on the size of the company and type of product. Customers also took advantage of programmes offered by other public bodies, such as Sociedad de Desarrollo de Navarra, S.L., Compañía de Seguros y Reaseguros, Compañía Española de Seguros de Crédito a la Exportación, S.A., Sociedad Mercantil Estatal (CESCE), and Sociedades de Garantía Recíproca such as Elkargi, S.G.R., which offered support on similar terms and conditions to ICO.

The breakdown of ICO guaranteed financing granted at 31 December 2021 by credit risk is as follows:

	Thousands of euros			
	Guaranteed financing			
	Phase 1	**Phase 2**	**Phase 3**	**Total**
Amount granted	765,252	19,863	13,024	798,140
% of total	*95.88%*	*2.49%*	*1.63%*	*100.00%*
No. of transactions	5,399	102	54	5,555

As of March 31, 2022, the outstanding amount of the different ICO-Covid lines amounted to 799,351 thousand euros.

Regarding the structure of the Bank's loan exposures in the context of Covid-19, the following information is relevant. See also “Concentration risk” below for additional information:

- In “Loans and advances to customers, net” at 31 December 2021, home loans made up 55.70% with the remainder comprising business loans (to non-financial corporations) 41.13%, financial corporations 0.79% and General government 2.38%.
- Regarding sector exposure to self-employed, SMEs and other companies, at 31 December 2021, the Bank identified exposures to business sectors with a potentially high impact from Covid-19 - i.e. those more reliant on the physical attendance of customers to deliver their service - as follows: automotive industry, retailers, travel, hotels & catering, and artistic, leisure and entertainment activities. The total exposure to these sectors at this date was EUR 902 million, representing 10.03% of all loans and advances to customers in the resident sector (non-financial corporations and homes). At the date of this document, the sector breakdown of the Bank's exposure to sectors with potentially high impacts from Covid-19 is not materially different from the figures given above.

In 2020, the entity created a fund with additional generic provisions due to the potential impact of Covid-19 for an amount of 52.5 million euros, which have been maintained during 2021, with the accumulated balance of the item "Value adjustments for impairment of assets” as of December 31, 2021 of 212,716 thousand euros.

In this sense, it must be taken into account that, as of the date of this document and by virtue of Royal Decree-Law 27/2021, of January 19, 2022, the extension of the term for the granting of ICO guarantees has been approved until June 1, 2022, with the maximum repayment period set at 10 years and the maximum grace period at 24 months. Additionally, and by virtue of Royal Decree Law 5/2021 of March 12, 2021, in which a package of extraordinary measures to support business solvency was approved, three types of measures are contemplated to make loans with public guarantees more flexible, for the renegotiation of the financial debt of companies and the self-employed with financial entities adhering to the Code of Good Practices (ICO). The measures are as follows: extension of the maturity period, conversion of guaranteed financial operations into non-convertible equity loans and transfers by the State to reduce the part of the publicly guaranteed principal of the financing operation.

In addition, and also as of the date of this document, there is the possibility of legislative changes that imply new moratorias, and therefore, there is also the risk that the number of mortgage moratorias files and consumer loans increases in the coming months, although, analysing the behaviour of the evolution of the moratorias to date, it is considered that their amount will not be relevant for the entity's solvency.

As a result, the final impact that coronavirus will have on the business and results of the Bank will largely depend on the evolution and scale of the pandemic over the next few months, on the ability of the economic agents affected to react, and on the legal measures taken. As a result, the Covid-19 health crisis and its overall economic and social consequences, although still uncertain, could have a substantial negative impact on the Bank's business, results and/or financial position and assets.

- **Liquidity risk**

Should Caja Rural de Navarra lack the liquidity to meet its payment obligations it could be forced to pay more for its financing or change its lending practices. The regulatory ratios measuring liquidity and its timing are:

-LCR (Liquidity Coverage Ratio), regulatorily defined as the ratio of high quality (no lien) liquid assets divided by total net cash outflows over the following 20 calendar days:

Thousands of euros	31/12/2021	31/12/2020
Weighted liquid assets	3,187,555	3,272,794
Weighted net outflows	958,955	836,820
LCR ratio	332.4%	391.1%
Legal requirement	100%	100%

-NSFR ("Net Stable Funding Ratio"), regulatorily defined as available stable funding divided by required stable funding

Thousands of euros	31/12/2021	31/12/2020
Available stable funding	14,592,752	14,780,182
Required stable funding	10,854,409	9,972,747
NSFR ratio	134.44%	148.21%

- **Margin risk**

Margins in the financial sector have been negatively affected by the current environment of historically low interest rates (which might potentially change in the future), despite the search for alternative ways to adapt. In the Issuer's case, return on assets* has been on a downtrend the previous years which has turned into stable

* APM, Alternative Performance Measures. See Item 14 of this Registration Document.

in 2021 (0.75% in 2019, 0.55% in 2020 and 0,55% in 2021). It is also worth mentioning that recent economic environment shows an increasing trend on inflation levels, which could derive on a potential impact on margins.

Exposure to interest rate risk due to a mismatch between reset dates (when the benchmark rate governing a variable-rate contract is updated) and the maturity dates of its asset and liability components, and the different market rates to which they are benchmarked, is analysed by the Bank from a dual perspective - its impact on the Income Statement and its Economic Value.

Regarding the Bank's income statement, the analysis looks at the sensitivity of Net Interest Income to rate movements using the prescribed regulatory criteria. At 31 December 2021, a 200 basis point fall in interest rates is estimated to have a negative impact on Net Interest Income of EUR 9.6 million, or 6.67%, while a 200 basis point interest rate rise would have a positive impact of EUR 1.7 million, or 1.23%.

Regarding Economic Value, the Bank estimates that a 200 basis point fall in rates would have an EUR 27.5 million negative impact, equivalent to 1.93% of the Bank's regulatory capital**, while a 200 basis point increase would have a negative impact of EUR 64.7 million, or 4.54% of capital. The Bank's regulatory capital, as of 31st December 2021, was EUR 1,425 million.

- **Concentration Risk**

Concentration risk refers to the accumulation or concentration of credit risk positions in a single geographical region or sector of activity that generates excessive dependence on the performance of these areas or sectors.

At 31 December 2021, there are three “large exposures”: GruCajRural Inversiones, S.L., for EUR 214,941 thousand (15.08% of the Bank´s regulatory capital), Elkargi, S.G.R., totalling EUR 221,914 thousand (15.57% of the Bank´s regulatory capital) and Banco Santander Group for EUR 169,392 thousand (11.89% of the Bank´s regulatory capital). Taking the previous into account, the large exposures amount to a total of EUR 606.248 thousand and a 42.54% of the capital. At 31 December 2020, only two group exposures were considered to be a “large exposure” as it exceeded 10% of regulatory capital: GruCajRural Inversiones, S.L., for EUR 183,682 thousand (13.95% of the Bank´s regulatory capital) and Elkargi, S.G.R., for EUR 199,214 thousand (15.13% of the Bank´s regulatory capital), totalling EUR 382,896 thousand (29.08% of the Bank´s regulatory capital).

Exposure to this group totals EUR 382,896 thousand, equivalent to 29.08% of capital. GruCajRural Inversiones, S.L. is a holding company of the Spanish Caja Rural Group with majority stakes in the Banco Cooperativo

** For the purposes of this document, “Bank’s regulatory capital” is understood as computable capital for the purposes of solvency regulation, in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (“CRR”).

Español and Seguros RGA. Elkargi SGR is a Guarantee Society (SGR), whose activity is focused on loans granted by banks to SMEs and the self-employed

The Bank's retail business is mainly conducted in the Comunidad Foral de Navarra, Comunidad Autónoma del País Vasco and Comunidad Autónoma de la Rioja. Out of the total “Loans and advances to customers” at end-2021, 46.96% corresponds to the Comunidad Foral de Navarra, 42.1% to the Comunidad Autónoma del País Vasco, 9.82% to the Comunidad Autónoma de La Rioja and 1.13% to the Comunidad Autónoma de Madrid. At end-2020, the breakdown was 51.47% Navarre, 38.73% Basque Country, 9.62% La Rioja and 0.19% Madrid.

Regarding sector breakdown of the credit exposures, data is distributed between the following activities:

	2021	2020
Farming and cattle-raising	3.39%	3.30%
Industry and construction	21.54%	22.32%
Services	22.85%	21.79%
Individuals and other	52.22%	59.59%

For further information on the specific impact of the situation caused by Covid-19 on the Bank's sector structure and concentration, see “Risk of dependency on the economic environment”.

In light of the above, the Bank's results could be affected if one of the major sectors of economic activity in the regions where it operates were to suffer a significant economic impact that reduced its future viability.

- **Geopolitical risks: Impacts arising from the geopolitical and macroeconomic environment**

Given that the main activity of Caja Rural de Navarra is focused on the territories of Navarra, the Basque Country and La Rioja, its direct and indirect exposure to Ukraine or Russia is practically non-existent or no material.

However, and although the indirect consequences of this conflict have not yet had impacts neither at the business level nor at the asset quality level, there are factors such as its impact on inflation, interest rates and economic activity, which evolution may be significantly affected in the short and medium term by said conflict, both domestically and in other economies in our economic environment, and therefore have repercussions on the entity's business, not being possible at this time to make an estimate of said impact.

- **Operational and legal risks**

Operational risks can be defined as the possibility of the Group incurring in losses arising from inadequate or failed internal process (such as financial internal reporting, risk management or compliance processes), processing errors, system failures, low productivity, inadequate qualifications of staff, cyber-attacks, fraud or criminal acts carried out by the Group employees or against the Group, deficient customer service, as well as from external events (such as breakdown in communications or the electrical supply or external system failures (such as administrative or accounting mistakes or errors in the computer or communication systems)). The Group also faces the risk that the design of its controls and procedures prove to be inadequate or are circumvented. The implementation of a prior risk assessment is not a sufficient guarantee of an accurate estimate of the costs deriving from such errors.

This type of risk is especially relevant in the banking business because it depends on the ability to process a large number of transactions efficiently and accurately on a daily basis and given the large number of transactions carried out, mistakes derived from the above referred factors could be made repeatedly and be accumulated before they are discovered and remedied.

Any weakness in the internal processes or system or any other of the above factors could adversely affect the Group results or the reporting of such results, and also affect the ability of the Group to deliver appropriate customer services. Also, losses incurred by the Group's customers as a result of any security breaches, errors, omissions, malfunctions, system failures or disaster could subject it to claims from clients for recovery of such losses. The Group could also be subject to penalties and disciplinary sanctions as a consequence of the above (for example in the event of any delay or omission by it in the processing and registration of transactions or any breach in internal control). All of the foregoing could cause financial damages and/or damage to the image of the Group, which in turn might have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's operations are also subject to ongoing regulation and associated regulatory risks, including the effects of changes in laws, regulations, policies and interpretations, in Spain and the EU. This is particularly the case in the current market environment, which is witnessing increased levels of government and regulatory intervention in the banking sector which is expected to continue for the foreseeable future. This creates significant uncertainty for the Bank and the financial industry in general. The regulations which most significantly affect the Group, or which could most significantly affect the Group in the future, include regulations relating to capital, liquidity and funding requirements. It is also particularly noteworthy how regulation has also increased in terms of customer and investor protection and digital and technological matters, including: (i) the Directive on credit agreements for consumers relating to residential immovable property; (ii) the Basic Payment Accounts Directive; (iii) the Second Payment Services Directive; (iv) the General Data Protection Regulation; (v) the Markets in Financial Instruments Directive; (vi) the Insurance Distribution

Directive; (vii) the Benchmarks Regulation; and, in connection with insurance business, (viii) the Solvency II framework. Other rules and regulations that significantly affect the Group are those related to money laundering, corruption and the financing of terrorism which have become increasingly complex and detailed and have become the subject of enhanced government supervision.

Any of the foregoing may have a material adverse effect on the Group's business, financial condition and results of operations. As an example of how regulations and their application by regulators impact the Group, the regulators of the Group, as part of their supervisory function, periodically review the Group's allowances for loan losses. Those regulators may require the Group, if and as the case may be, to increase such allowances, to recognise further losses or to increase the regulatory risk-weighting of assets or may increase its combined buffer requirement or increase its P2R (Pillar 2 Requirement). Any such measures, as required by these regulatory agencies, whose views may differ from those of the management of the Group, could have an adverse effect on its earnings and financial condition and, as the case may be, on the Common Equity Tier 1 ("CET1") ratios. In addition, the accounting standard setters and other regulatory bodies periodically change the financial accounting and reporting standards that govern the preparation of the stand-alone and consolidated financial statements. These changes can materially impact how the Group records and reports its financial condition and results of operations. In some cases, the Group could be required to apply a new or revised standard retroactively, resulting in the restatement of prior period financial statements.

2. REGISTRATION DOCUMENT

In accordance with Annex 7 of Commission Delegated Regulation (EU) 2019/980, of 14 March 2019, the section below includes the information required for the Registration Document for Wholesale Non-equity Securities.

This Registration Document for Wholesale Non-equity Securities forms only one part of the prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017. Should the Company make use of this Registration Document for Wholesale Non-equity Securities, while it remains in force, to prepare a prospectus under the abovementioned Regulation, it will publish the corresponding Securities Note on its website (www.cajaruraldenavarra.com)* and on the CNMV website (www.cnmv.es)

2.1 PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL

2.1.1 INDICATION OF THE PERSONS RESPONSIBLE FOR THE INFORMATION IN THE REGISTRATION DOCUMENT

Mr. Miguel García de Eulate Martín-Moro, Treasury Director of Caja Rural de Navarra, takes responsibility for the information contained in this Securities Note in representation of Caja Rural de Navarra Sociedad Cooperativa de Crédito by virtue of the powers granted in the deed of 19 April 2021, verified by Pamplona Notary Mr. Francisco Salinas Frauca in his protocol 885, and registered under volume 387, folio 63, page NA-183, record 319 in the Navarre Mercantile Register on 4 May 2001.

2.1.2 DECLARATION BY RESPONSIBLE PERSON

Mr. Miguel García de Eulate Martín-Moro declares, after acting with reasonable care to guarantee that this is the case, that the information contained in this Securities Note is, to the best of his knowledge, in accordance with the facts and does not contain any omission that could affect its content.

2.1.3 EXPERTS' STATEMENTS OR REPORTS

N/A

* The information on this website does not form part of the Registration Document for wholesale non-equity Securities and has not been reviewed or approved by the CNMV, except for the information included by reference in the Registration Document for wholesale non-equity Securities.

2.1.4 DECLARATION ON THE INFORMATION THAT COMES FROM A THIRD PARTY INCLUDED IN THE DOCUMENT

N/A

2.1.5 DECLARATION ON THE APPROVAL OF THE REGISTRATION DOCUMENT BY THE COMPETENT AUTHORITY

The Bank states that:

- This Registration Document for Wholesale Non-equity Securities has been approved by the Comisión Nacional del Mercado de Valores (CNMV) as the competent Spanish supervisory authority under Regulation (EU) 2017/1129.
- The CNMV only approves this Registration Document for Wholesale Non-equity Securities as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129
- Such approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document for Wholesale Non-equity Securities.

2.2 STATUTORY AUDITORS

2.2.1 NAME AND ADDRESS OF THE ENTITY'S AUDITORS

The individual and consolidated accounts of the Bank for 2020 and 2021 were audited, receiving a favourable opinion, without comment, by Ernst & Young SL, tax identification no. B95580601, registered office: Calle Raimundo Fernández Villaverde, 65, Madrid. This company is registered in the Official Register of Auditors under no. S0530.

2.2.2 RESIGNATION, TERMINATION OR REAPPOINTMENT OF AUDITORS

Ernst & Young has not resigned or been removed from their functions during the period covered by the historical information referred to in this Registration Document.

The General Meeting of Caja Rural de Navarra of 30 June 2020 agreed to appoint Ernst & Young as external auditors for the years 2020, 2021 and 2022.

2.3 RISK FACTORS

The information on risk factors that could affect the Issuer's ability to meet its obligations to investors is summarised in the "Risk Factors" chapter of this Registration Document for Wholesale Non-equity Securities.

2.4INFORMATION ABOUT THE ISSUER

2.4.1 HISTORY AND DEVELOPMENT OF THE ISSUER

2.4.1.1 Legal and commercial name of the issuer

The full name of the Issuer is Caja Rural de Navarra, Sociedad Cooperativa de Crédito, and its commercial names are "Caja Rural de Navarra" or "Rural Kutxa". Its tax identification code is F-31021611.

2.4.1.2 Place of registration of the issuer and legal entity identifier ('LEI')

Caja Rural de Navarra is registered in the General Register of Cooperatives of the Labour and Social Security Ministry with number 2163/344. S.M.T., in the Navarre Companies Register volume 387, sheet NA-183, Folio 1, Record 161a.

Caja Rural de Navarra, approved by the Labour Ministry, is a national scale Cooperative Credit Company, registered in the Bank of Spain's Special Register of Banks and Bankers under number 3008 as a Caja Calificada (legal status allowing the credit co-operative to administer government lending). The Bank is also a member of the Credit Institution Deposit Guarantee Fund.

The Legal Entity Identifier (LEI code) of Caja Rural de Navarra is 95980020140005439549

2.4.1.3 Date of incorporation and the length of life of the issuer

Caja Rural de Navarra was incorporated under the name "Caja Central Cooperativa de Ahorros y Préstamos de Navarra" on 23 January 1946, for an indefinite period, as stated in Article 4 of the Articles of Association.

On 19 December 1968 the Articles of Association were duly amended to change its name to the current "Caja Rural de Navarra".

2.4.1.4 Domicile and legal form of the Issuer, the legislation under which the issuer operates, its country of incorporation, the address and telephone number of its registered office

The Issuer's registered office is plaza de los Fueros, 1, 31003 Pamplona (Spain) and its telephone number is +34 948 168 100.

Caja Rural de Navarra is a Sociedad Cooperativa de Crédito (cooperative credit insitution). Under Article 1) of Act 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions, Cooperativas de Crédito are considered credit institutions. Also, Article 104 of the General Cooperatives Act 27/1999 defines credit cooperatives as a class of cooperatives.

As a credit institution, Caja Rural de Navarra is subject to the legal regime set by Act 13/1989, of 26 May, on Cooperative Credit Institutions, the Cooperative Credit Institution Regulations set out in Royal Decree 84/1993, of 22 January, and its implementing regulations, as well as the regulations set by Bank of Spain circulars in accordance with Article 3 of Act 13/1994, of 1 July, on the Autonomy of the Bank of Spain. As a cooperative, Caja Rural de Navarra is also regulated by Act 27/1999 on Cooperatives, of 16 July.

As an issuer of securities traded on regulated markets, it is also subject to Royal Decree-Law 4/2015, of 23 October, approving the amended Securities Market Act.

The Bank's legal status as a cooperative credit institution requires that least 50% of its lending must be conducted with its members. The Bank achieves a proportion of 95%.

The Bank's website is www.cajaruraldenavarra.com [*]

2.4.1.5 Any recent events particular to the Issuer which are, to a material extent, relevant to an evaluation of its solvency

Constitution of an IPS

In 2017 and the first half of 2018, steps were taken to adapt the structures of the Spanish Association of Cajas Rurales to the requirements of Article 113.7 of the the EU's CRR (Capital Requirements Regulation 575/2013) such that the Rural Credit Cooperatives of this Association voluntarily and maintaining its independence constituted an Institutional Protection Scheme (IPS) as provided for in the CRR and other applicable regulations (including Act 13/1989, of 26 May, on Cooperative Credit Institutions, and Act 10/2014 on the regulation, supervision and solvency of credit institutions), whose purpose is to help safeguard the financial stability of its members.

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 IPS is made up by the

[*] The information on this website does not form part of the Registration Document for wholesale non-equity Securities and has not been reviewed or approved by the CNMV, except for the information included by reference in the Registration Document for wholesale non-equity Securities.

29 Cajas in the Association, plus GruCajRural Inversiones (the holding company for shared financial investments) and Banco Cooperativo Español (BCE).

Belonging to the IPS has several implications, including a number of improvements to solvency. The purpose of the IPS is to safeguard the financial stability of its members, individually and as a whole, notwithstanding the duties and powers of other bodies or persons responsible and the obligation, applicable to each member of the IPS, to safeguard their own solvency.

To achieve the purpose of the IPS, a wide range of possible support measures have been developed, including cash support and direct solvency support, adapted to circumstances that may arise in each case.
Also, the Association checks that each Caja continuously complies with its individual minimum solvency requirements set by applicable regulations and the supervisor.

The main regulatory consequences of the solvency improvements provided by the IPS are as follows:
• 0% weighting for credit exposures between IPS members
• No obligation to deduct holdings of other members' equity instruments.
• Reduction of up to 60% in contributions to the Deposit Guarantee Fund.
• The preventive resolution authority (Bank of Spain) gives special weight to membership of the IPS when setting the minimum requirement for eligible liabilities (MREL) for each entity.

Also, regarding liquidity, because the Bank is part of the Treasury Agreement with Banco Cooperativo Español S.A., membership of an IPS:

- Facilitates management of the Bank's cash balances by eliminating the weighting for credit exposure to Banco Cooperativo Español S.A. as central treasurer of the Caja Rural Group.
- Facilitates central management of access to the Eurosystem's monetary policy operations and compliance with the minimum reserves rate and, in general, access to the European Central Bank's deposit and loan facilities.

Another significant consequence is the constitution of a solidarity fund as a major pillar for the solvency improvements. The fund has an independent legal personality and assets separate from its members. It is constituted from individual contributions by each IPS member with the aim of achieving a volume of funds sufficient to meet its aims, based on the results of the stress tests run by the IPS. This volume was initially set at EUR 300 million. Capital not committed to financial support transactions will be invested in high quality securities. These contributions, unlike the previous system, will have a direct impact on the income statement of each member and are set based on the risk borne by each member. The contributions are calculated based on the relative weighting of risk-weighted assets (RWA) of each member compared to the total volume of RWA, modified by an internal rating calculated by the AECR.

For information on NPL ratios, NPL coverage and coverage of loans and advances to customers see the "Credit risk" section. For information on "large exposures" see "Concentration risk".

The table below sets out the situation of the Bank regarding solvency, capital and non-performing loans in accordance with the EU Capital Requirements Regulation 575/2013 (CRR), Royal Decree 84/2015, Bank of Spain Circular 2/2016 and Royal Decree-Law 14/2013:

SOLVENCY RATIO (thousands of euros)	**31/12/2021**	**31/12/2020**
RISK-WEIGHTED ASSETS	**7,613.344**	**7,202,493**
Required total capital ratio (%)	11.630%	11.630%
Required CET1 ratio (%)	7.636%	7.636%
CAPITAL REQUIREMENT (Pilar 1)	**609,067**	**576,199**
TOTAL ELIGIBLE CAPITAL BASE (Bank´s regulatory capital)**	**1,425,151**	**1,316,522**
TIER 1 CAPITAL	***1,425,151***	***1,316,522***
COMMON EQUITY TIER 1 CAPITAL (CET1)	1,425,151	1,316,522
Paid-up capital instruments	170,286	169,792
Retained earnings	1,087,278	1,007,564
Qualifying profit	86,574	79,714
Accumulated other comprehensive income	48,913	32,900
Other reserves	3,567	2,951
Deductions and adjustments for prudential filters	-17,674	-21,164
Other transitional adjustments to CET1 capital	46,208	44,765
ADDITIONAL TIER 1 (AT1) CAPITAL	*0*	*0*
TIER 2 CAPITAL	***0***	***0***
Standardised approach (SA) general credit risk adjustments	0	0
Other eligible tier 2 capital	0	0
CAPITAL RATIOS AND CAPITAL LEVELS		
PHASE-IN		
Total capital ratio	18.72%	18.28%
Tier 1 capital ratio	18.72%	18.28%
CET1 RATIO	18.72%	18.28%
FULLY LOADED		
Total capital ratio	18.13%	17.66%
Tier 1 capital ratio	18.13%	17.66%
CET1 RATIO	18.13%	17.66%
NPL ratio*	1,87%	1,97%

Further details on the breakdown of requirements:

	Requirement 2022	Requirement 2021	Requirement 2020
Pillar 1 requirement	8.000%	8.00%	8.00%
Pillar 2 requirement	1.125%	1.13%	1.13%
Capital conservation buffer (CCB)	2.500%	2.50%	2.50%
Required total capital ratio	11.625%	11.63%	11.63%

* The NPL ratio is an Alternative Performance Measure (APM).
** For the purposes of this document, "Bank's regulatory capital" is understood as computable capital for the purposes of solvency regulation, in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms ("CRR").

In application of Article 68.2 of Act 10/2014, on December 2021 the Bank of Spain notified Caja Rural de Navarra Sdad. Coop. de Crédito of the outcome of the supervisory review and evaluation process (SREP), which includes the supervisory decision about solvency requirements for the Bank from 1 January 2022. Based on this decision and as of this date, Caja Rural de Navarra Sdad. Coop. de Crédito will have to maintain minimum ratios of phased-in Common Equity Tier 1 (CET1) capital of 7,6333% and Total Capital of 11.625%. The capital requirements include:

- Pillar 1 minimum requirement (4.50% CET1 and 8.00% Total Capital)
- Pillar 2 supervisory requirement (0.633% CET1 and 1.125% Total Capital)
- CCB (2.50%)

At 31 December 2021, Caja Rural de Navarra's CET1 ratio, on a phased-in basis, was 18.72% and its Total Capital ratio was 18.72%. On a fully-loaded basis, at the same date, the figures were 18.13% and 18.13%, respectively.

At 31 December 2020, Caja Rural de Navarra's CET1 ratio, on a phased-in basis, was 18.28% and its Total Capital ratio was 18.28%. On a fully-loaded basis, at the same date, the figures were 17.66% and 17.66%, respectively.

The leverage ratio on 31 December 2021 was 8.87% (phased-in) and 8.61% (fully loaded) and at 31 December 2020 was 7.92% (phased-in) and 7.63% (fully loaded). The leverage ratio (LR) is an additional measure for capital requirements unrelated to risk. Regulation (EU) 575/2013 set the requirements for the calculation, reporting and disclosure of leverage ratios, which were subsequently amended by Regulation (EU) 2019/876, setting its minimum level at 3%.

Risk-weighted assets (RWA) have grown from EUR 7,202,493 in 2020 to EUR 7,613,344 in 2021.

In parallel, it should be remembered that the TLAC Term Sheet established at the international level by the FSB (Financial Stability Board) within the European capital framework, called MREL (Minimum requirement of Eligible Liabilities), was implemented in such a way that systemic entities must comply with the requirements of MREL in a Pillar 1. Within this package of modifications, the modifications of the Regulation and the Resolution Directive (SRMR and BRRD, respectively) were also included, replacing them with the SRMR II and BRRD II where some requirements are established of MREL for all resolution entities, whether systemic or not, where the resolution authority will decide the requirements on a case-by-case basis.

On February 1, 2022, the Bank of Spain has communicated to Caja Rural de Navarra the minimum formal requirement of own funds and eligible liabilities (MREL). According to said decision, as of January 1, 2024, the Bank must have a volume of own funds and admissible liabilities of at least 15.17% of the total amount of its total exposure to risk (TREA) and the 4.36% of its exposure for the purposes of the leverage ratio (LRE).

Additionally, in said communication a binding interim target has been set as of January 1, 2022 with identical requirements to those required for January 1, 2024. As of December 31, 2021, the Bank had an MREL ratio of 18.73% of the amount of its total risk exposure (TREA) and 8.87% of its exposure for the purposes of the leverage ratio (LRE).

No difficulties are expected in meeting the MREL requirements.

2.4.1.6 Credit ratings assigned to the Issuer

The section below summarises (at the date of this document) the credit ratings awarded to Caja Rural de Navarra by various rating agencies:

Agency	Rating			
	Long term	**Short term**	**Outlook**	**Date of latest report**
Moody's Investors Service España S.A.	Baa1	P-2	Stable	26 November 2021
Fitch Rating España S.A.U.	BBB+	F-2	Stable	22 February 2022

Regarding changes in 2021, on 23 June 2021, Fitch Ratings revised its outlook from negative to stable.

The abovementioned rating agencies are established in the European Community and registered with the European Securities and Markets Authority (ESMA) as required by Regulation (EC) 1060/2009 of the European Parliament of 16 September 2009 on Credit Rating Agencies.

2.5 DESCRIPTION OF THE ENTITY

2.5.1 PRINCIPAL ACTIVITIES

2.5.1.1 A brief description of the Issuer''s principal activities stating the main categories of products sold and/or services performed

Its activities include all those directed to meet the financial needs of its members and third-parties by carrying on the activities typical of a credit institution. The Bank may therefore engage in all kinds of lending, deposit and service activities in which other credit institutions are permitted to engage.

Caja Rural de Navarra carries on its financial business in the provinces of Navarre, La Rioja, Guipúzcoa, Álava and Vizcaya. Besides the branch network, the Bank has other alternative distribution channels, mainly the internet and ATMs. Customers can access a wide range of services segmented for individuals, companies and institutions on the Bank's website (www.cajaruraldenavarra.com)*. The website is an entry point to Caja Rural de Navarra's virtual branch, which offers e-banking and online brokerage services. Customers can also conduct cash transactions remotely through ATMs. In general terms, the Bank groups its products into three fundamental areas:

a. Liabilities Products.
b. Asset Products.
c. Services.

The components of these product families are listed below. All of them are generally available to the public and private, resident and non-resident sector.

A) Liabilities

- Public sector
- Private sector
  - Resident
  - Non-resident

In the Resident sector, a distinction is made between euro demand accounts and euro term accounts and in the Non-Resident sector, there are foreign-currency accounts as well as euro products. Foreign-currency accounts and deposits are not only for non-residents. They can also be contracted by residents.

This is a traditional product range for financial institutions to channel their customers' deposits through either savings accounts or current accounts (in various forms). In general, they take the form of deposit agreements that offer greater or lesser liquidity and longer or shorter terms and remunerate the deposits of our customers at rates agreed depending on the above features. Currently these are of the following types:

a) _Demand_

i. Current accounts
ii. Savings accounts
iii. Home savings accounts (*cuentas de ahorro vivienda*)
iv. Internet accounts (online current accounts)

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b) *Term deposits*

i. Term deposits

ii. Structured deposits

B) Assets

a) *Trade*

i. Spanish trade bills

ii. Advances against/management of SEPA invoices

iii. Advances against construction certificates

b) *Credit lines*

i. Agricultural loan account

ii. Working capital financing account

c) *Loans (against personal guarantee or collateral)*

i. Agricultural loan

ii. Personal loan

iii. Consumer loan

iv. SME financing loan

v. Public sector loans

vi. Loans backed by official schemes (ICO, central government, regional government, etc.)

d) *Mortgages*

i. Management and administration of mortgage loans to individuals and developers on free market and regulated housing

ii. Industrial mortgage

iii. Mortgages backed by official home ownership schemes

e) Bank guarantees

C) Services to Caja Rural de Navarra Customers

a) Collection and payment direct debit services

b) Payroll/pension programme

c) *Cards*

i. Credit cards

ii. Debit cards

iii. Company cards

iv. Virtual cards

v. Pre-paid cards

vi. Diesel cards

vii. ATMs

viii. PoS terminals (physical and virtual)

d) *Transfers National and International*

e) *Invoice collection management*

f) *Brokerage services*

g) *Securities trading (online). Equity and fixed-income markets*

h) *Custody*

i) *Discretionary portfolio management and Investment advisory services*

j) *Investment funds/unit-linked/SICAVs*

k) *Leasing, Factoring, Confirming, Renting and Certified Payments, Foreign exchange*

l) *E-banking - Telephone banking*

m) *Savings/Provident products: Pensions, retirement and mutual (EPSV) savings*

n) *Personal and business insurance*

Principal Markets

The principal activity of the Bank as a financial institution is conducted in the regions of Navarre, the Basque Country and La Rioja, where a 99% of the Bank´s deposits are located. Madrid is not considered an operational area, given its scant relevance due to the immateriality of its figures. Group companies conduct almost no business outside Spain.

The branch network of Caja Rural de Navarra at 31 December 2021 comprised 254 branches. Number of branches:

	31/12/2021	31/12/2020
Navarre	139	139
Guipúzcoa	37	37
Vizcaya	35	35
La Rioja	24	24
Álava	18	18
Madrid	1	1
TOTAL	254	254

2.5.1.2 Basis for statement of competitiveness made in the Registration Document by the Issuer

Market shares of Caja Rural de Navarra in its areas of operations:

	Dec. 2021	Dec. 2020
Market share: private sec. deposits	8.32%	8.43%
Market share: private sec. lending	11.01%	10.14%

Source: Bank of Spain Statistical Bulletin and Caja Rural de Navarra

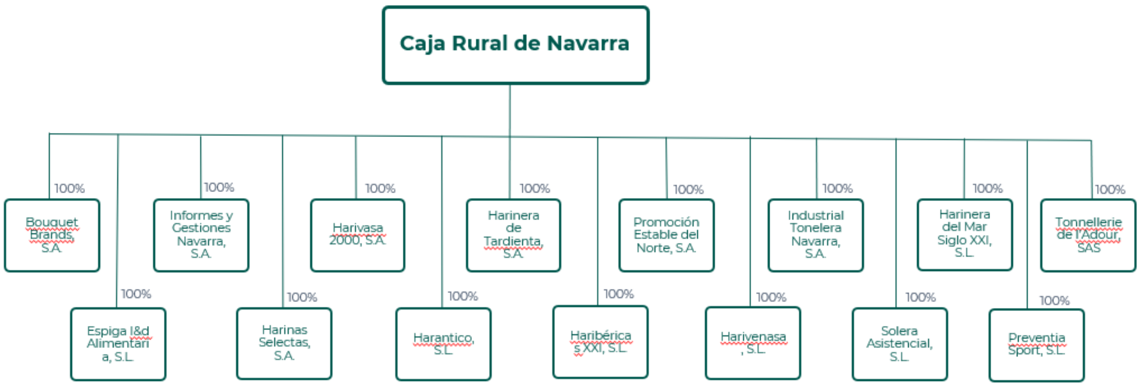
2.6 ORGANISATIONAL STRUCTURE

2.6.1 BRIEF DESCRIPTION OF THE GROUP AND THE ISSUER'S POSITION WITHIN THE GROUP

Caja Rural de Navarra Sociedad Cooperativa de Crédito, is the Parent of the consolidated group formed by "Caja Rural de Navarra Sociedad Cooperativa de Crédito" and subsidiaries.

Subsidiaries are considered to be companies over which the Bank exercises management control, usually, though not exclusively, understood as meaning direct or indirect ownership of at least 50% of the voting and economic rights of the investee company, or where the ownership stake is less than this but the Bank is granted such control under other arrangements such as shareholder agreements. Control is understood as meaning the power to direct the financial and operating activities of the entity so as to obtain benefits from its operations. The financial statements of subsidiaries are fully consolidated with those of the Bank. As a result, all material balances and transactions between consolidated companies and between these companies and the Bank are eliminated in the process of consolidation.

The group's organisational chart, including all group companies at 31 December 2021, is shown below:



The activities and the location of the registered offices of Group companies included in the scope of consolidation are listed below:

Company	Head office location	Line of business
Informes y Gestiones Navarra, S.A.	Pamplona	Document preparation and processing
Harivasa 2000, S.A.	Noain (Navarre)	Manufacture and sale of flour

Harinera de Tardienta, S.A.	Tardienta (Navarre)	Manufacture and sale of flour
Promoción Estable del Norte, S.A.	Pamplona	Real estate development
Industrial Tonelera Navarra, S.A.	Monteagudo (Navarre)	Manufacture and sale of barrels and casks
Solera Asistencial , S.L	Pamplona	Development and operation of senior care centres
Preventia Sport, S.L.	Pamplona	Preventative medicine
Bouquet Brands, S.A.	Pamplona	Distribution of agri-foodstuffs
Harinera del Mar Siglo XXI, S.L.	Valencia	Manufacture and sale of flour
Harantico, S.L.	Pontevedra	Manufacture and sale of flour
Haribericas XXI, S.L.	Seville	Manufacture and sale of flour
Tonnellerie de l'Adour, SAS	France	Manufacture and sale of barrels and casks
Harivenasa, S.L.	Pamplona	Manufacture and sale of flour
Harinas Selectas, S.A.	Zaragoza	Manufacture and sale of flour
Espiga I&d Alimentaria, S.L.	Pamplona	Food Business

The financial position of the companies is sufficiently sound that the Group anticipates no needs for recapitalisation that might have a material impact on the Parent.

The activities and the location of the registered offices of Group associated companies are listed below:

Company	Head office location	Line of business
Bodegas Príncipe de Viana, S.L.	Pamplona	Production and sale of wine
Omegageo, S.L.	Pamplona	Civil engineering and building projects
Reivalsa Gestión, S.L	Vitoria (Álava)	Administrative services to general government
Renovables de la Ribera, S.L.	Pamplona	Construction and operation of wind farms
Bosqalia, S.L.	Pamplona	Forestry
Errotabidea, S.L.	Pamplona	Development and management of rent-controlled housing

Servicios Empresariales Agroindustriales, S.A.	Pamplona	Management of cooperative services
Rioja Vega, S.A.	Viana (Navarre)	Production and sale of wine
Rural de Energías Aragonesas, S.A.	Zaragoza	Generation and sale of renewable energy
Harivenasa, S.L.	Noain (Navarre)	Manufacture and sale of flour
Compañía Eólica de Tierras Altas, S.A.	Soria	Construction and operation of wind farms
Iparlat, S.A.	Urnieta (Guipúzcoa)	Production of dairy products
Iberjalón, S.A.	Zaragoza	Construction and operation of wind farms

The investment in Harinas Selectas, S.A., previously owned by Harinera de Tardienta, S.A., became a direct investment by Caja Rural de Navarra on 30 June 2020.

As from 31 December 2021 until the date of this Registration Document there has been no change in the percentage ownership of these companies.

The Group fully consolidates subsidiaries and reports associates, as defined in IAS 28, by the equity method.

2.6.2 GROUP ENTITIES ON WHICH CAJA RURAL DE NAVARRA IS DEPENDENT

Caja Rural de Navarra does not legally depend on any other entities, although it has agreements to provide services to a number of entities, including Banco Cooperativo Español, Rural Rural Servicios Informáticos and Rural Grupo Asegurador, in all of which it holds shares.

Specifically, Banco Cooperativo Español's principal purpose is to provide centralized services to the Cajas Rurales that are its shareholders. In Retail Banking, its business is to develop and promote products for the Cajas Rurales and their customers, while in Corporate Banking it acts as sales support, advisor and business developer for the Group's member companies. In Portfolio Management and Private Banking it supports the creation, consolidation and training of private banking departments in the member Cajas and customer relations. It also provides advisory, portfolio management and investment product distribution (mainly funds and securities) services, for investment vehicles offered by Gescooperativo SGIIC and by third parties.

As well as performing tasks directly related to the retail business, it supports training for Group employees in the areas of Organisation, Regulatory reporting, Compliance, Legal and Tax Advisory and Human Resources, provides services to the money markets and currency markets areas where it can offer economies of scale, and provides various services to the Capital Markets Area, including brokerage and specialist, technical and legal support for their investment, liquidity management and market issuance businesses. It also coordinates member Cajas' access to European Central Bank monetary policy operations.

Banco Cooperativo Español also accesses the international payments system, to make it easier to offer this type of product, support international trade and advise on these activities.

At 31 December 2021, the Bank had a 21.16%% holding in the company "GruCajRural Inversiones, S.L.", structured as a holding company for shares in Seguros RGA and Banco Cooperativo Español.

2.7 TREND INFORMATION

2.7.1 STATEMENT THAT THERE HAS BEEN NO CHANGE IN THE PROSPECTS OF THE ISSUER SINCE THE DATE OF ITS LAST PUBLISHED AUDITED FINANCIAL STATEMENTS

There have been no changes in the prospects of the Issuer between 31 December 2021 (date of the last published audited financial statements) and the registration date of the prospectus, other than those reported under "Risk Factors" or in other sections of the Registration Document and explicitly labelled as information subsequent to the last audited financial statements.

2.8 PROFIT FORECASTS OR ESTIMATES

The Issuer has opted not to include a profit forecast or estimate in this Registration Document.

2.9 ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES

2.9.1 NAME, BUSINESS ADDRESSES AND FUNCTIONS WITHIN THE ISSUER OF THE MEMBERS OF THE CORPORATE, MANAGEMENT OR SUPERVISORY BODIES AND THE PRINCIPAL ACTIVITIES PERFORMED BY THEM OUTSIDE OF THE ISSUER WHERE THESE ARE SIGNIFICANT WITH RESPECT TO THE ISSUER

Chapter IV of the Articles of Association states that the corporate bodies of the issuer are, by legal mandate:

General Meeting

The General Meeting, constituted by the members or their representatives, is the supreme decision-making body for the Bank.

Governing Board

The Governing Board 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.

The Governing Board shall be able to grant and revoke powers, including appointing and dismissing the Managing Director, as the principal attorney of the Bank. All powers to direct, manage and represent the Bank shall be set out in the power of attorney.

The **Governing Board** of the Bank shall have at least five and at most fifteen permanent members: Chairman, Deputy Chairman, Secretary and twelve other Board members. Fourteen members are chosen from among the members by the General Meeting, by secret ballot based on the greatest number of votes. The remaining member shall be an employee of the Bank with a permanent contract, cannot be in any kind of active employment of another company, shall form part of the Governing Board as a member, with the same term of office and rules of procedure as the other Board members, and shall be elected and dismissed by the Works Council (*Comité de Empresa*). If there is more than one Works Council the employee representative member shall be elected by the fixed-contract employees. Appointments to the Governing Board shall be for a four-year term. Half of the Governing Board shall be renewed every two years. There is no limit to the re-election of the members of the Governing Board.

The composition of the Governing Board at the date of this Registration Document is as follows:

Name	Position	Date of first appointment	Date of latest appointment	Status
Ignacio Terés Los Arcos	Chairman	8 May 09	3 May 19	Other external/non-executive
Pedro Jesús Irisarri Valencia	Deputy Chairman	8 May 15	3 May 19	Independent
Marcelino Etayo Andueza	Secretary	5 May 17	14 May 21	Independent
Fermín Esandi Santesteban	Member	3 May 19	3 May 19	Other external/non-executive
Fernando Olleta Gayarre	Member	13 Dec 16	29 Dec 20	Employees' representative
Gabriel Urrutia Aicega	Member	5 May 17	14 May 21	Independent
Ignacio Zabaleta Jurio	Member	3 May 19	3 May 19	Other external/non-executive
Jesús María del Castillo Torres	Member	5 May 17	14 May 21	Independent
Carlos Sánchez Diestro	Member	5 May 17	14 May 21	Independent
Manuel García Díaz de Cerio	Member	5 May 17	14 May 21	Independent
Ainhize Muratori Irurzun	Member	14 May 21	14 May 21	Other external/non-executive
José Joaquín Rodriguez Eguilaz	Member	3 May 19	3 May 19	Independent
Pedro Jose Goñi Juamperez	Member	3 May 19	3 May 19	Independent
Alberto Arrondo Lahera	Member	8 May 15	3 May 19	Independent
Ana María Eizaguirre Larrañaga	Member	14 May 21	14 May 21	Other external/non-executive

For the purposes of this Registration Document, the business address of members will be the address of Caja Rural de Navarra.

The Governing Board shall hold ordinary meetings monthly. Extraordinary meetings shall be held when so decided by the Chairman or requested by a majority of members, being duly constituted when a majority of members are present. In 2021, the Governing Board met 12 times. In 2020, it met 12 times and in 2022, as of the date of this document, on 3 further occasions.

Executive Committee

The Governing Board, notwithstanding powers that it may grant to any person, may delegate temporarily or permanently part of its attributes and powers to an **Executive Committee**, which shall include as members the Chairman, Deputy Chairman, Secretary and two members. The Executive Committee shall hold ordinary meetings monthly. Extraordinary meetings shall be held when so decided by the Chairman.

The composition of the Executive Committee at the date of this Registration Document is as follows:

Name	Position	Date of latest appointment	Status
Ignacio Terés Los Arcos	Chairman	29/10/2021	Other external/non-executive
Marcelino Etayo Andueza	Secretary	29/10/2021	Independent
Carlos Sánchez Diestro	Member	29/10/2021	Independent
Ignacio Zabaleta Jurio	Member	29/10/2021	Other external/non-executive
Pedro Jesús Irisarri Valencia	Member	29/10/2021	Independent

For the purposes of this Registration Document for Wholesale Non-equity Securities, the business address of members will be the address of Caja Rural de Navarra.

The Committee is constituted by resolution of the Governing Board. It is composed of a Chairman, Deputy Chairman, Secretary and two members of the Governing Board. Its functions are those delegated by the Governing Board and its attributes and powers are limited to those temporarily or permanently delegated by the Board. The main purpose of the Committee, which meets once a month, is to give the Bank greater flexibility in decision-making and approval of risks. It met 16 times in 2020. In 2021, it met 33 times and in 2022, as of the date of this document, on 9 further occasions.

The Governing Board cannot delegate, even temporarily, all of its powers nor any of those defined as legally indelegable.

Audit Committee

The Audit Committee is made up of at least four and at most six members. The composition of the Audit Committee at the date of this Registration Document is as follows:

Name	Position	Date of latest appointment	Status
Pedro Jesús Irisarri Valencia	Chairman	29/10/2021	Independent
Marcelino Etayo Andueza	Secretary	29/10/2021	Independent
Ignacio Zabaleta Jurio	Member	29/10/2021	Other external/non-executive
Carlos Sánchez Diestro	Member	29/10/2021	Independent

None of the members of this committee are executives or employees of the Bank. Nor do they have material relationships with Caja Rural de Navarra.

For the purposes of this Registration Document, the business address of members will be the address of Caja Rural de Navarra.

The Audit Committee shall hold ordinary meetings each quarter. Extraordinary meetings are held when so decided by the Chairman or requested by a majority of members, being duly constituted when a majority of members are present. It met 5 times in 2021, the four planned quarterly meetings and an extraordinary fifth. In 2022, as of the date of this document, on 1 further occasion, according to the annual plan.

The workings and functions of the Audit Committee are set out in Article 43 bis of the Bank's Articles of Association, which have been approved by the Bank of Spain, and in its Rules of Procedure, approved by the Committee and subsequently by the Governing Board. Specifically, the Committee's core responsibility is to maintain an efficient internal audit system via ongoing monitoring and supervision of its operation, using to this end the services of both the internal audit unit and the external auditors, and its functions therefore include the following:

1) Supervision of the sufficiency, suitability and effective operation of the Bank's internal evaluation or control system and compliance with legal requirements in matters pertaining to this Committee.
2) The Internal Audit supervision.
3) The supervision of regulatory compliance of the Bank, ensuring, in particular, that the internal Codes of Ethics and Conduct meet the regulatory requirements and are appropriate for the Bank, with special control and supervision of compliance and execution of the measures established in the Manual of the Bank's Criminal Compliance Management System.
4) Supervision of the Accounts Auditor´s activity.
5) The supervision, preparation and dissemination of the economic-financial information of the Bank.

Any others that, by law or regulation, or by decision of the Governing Council, are specifically assigned.

In accordance with its cooperative nature, the Bank complies with regulations for credit cooperatives on the minimum functions and composition of the Audit Committee, set out in Article 529 14 of the Capital Companies Act.

Risk Committee

The Risk Committee is made up of at least three and at most five members. The composition of the Risk Committee at the date of this Registration Document for Wholesale Non-equity Securities is as follows:

Name	Position	Date of latest appointment	Status
Marcelino Etayo Andueza	Chairman	29/10/2021	Independent
Pedro J. Goñi Juamperez	Member	29/10/2021	Independent

Fermín Esandi Santesteban	Chairman	29/10/2021	Other external/non-executive

For the purposes of this Registration Document, the business address of members will be the address of Caja Rural de Navarra.

In accordance with Royal Decree 84/2015 as reflected in the Rules of Procedure approved by the Committee and ratified by the Governing Board, its most important functions are as follows:

- To advise the Governing Board on the Bank's overall risk appetite, current and future, and risk strategy and to help oversee the strategy's application.
- Notwithstanding the above, the Governing Board remains responsible for risks taken on by the Bank.
- To participate in the prior analysis and support the Governing Board in all matters related to the Risk Appetite Framework and Recovery Plan.
- Supervise the Risk Management Policy.
- Reassess, at least annually, the list of the most significant financial and non-financial risks and assess their tolerance level, proposing their adjustment to the Board, where appropriate.
- To oversee the pricing policy of assets and liabilities offered to customers, taking fully into account the Bank's business model and risk strategy. Where necessary, the Risk Committee presents a remedial plan to the Governing Board.
- It will evaluate the risks associated with the financial products or services offered and will take into account the coherence between the prices assigned to said products and services and the benefits obtained.
- To oversee execution of the strategies for managing capital and liquidity and all other significant risks to the Bank, including market risk and credit risk, and to monitor loans and advances, equity investments, operational risks including legal, technological and reputational risks, in order to make sure they properly reflect the strategy and risk appetite approved.
- To recommend to the Governing Board any adjustments in risk strategy that may be made necessary by, for instance, changes in the Bank's business model, changes in the market or recommendations of the Bank's Risk Management Function.
- To determine, alongside the Governing Board, the nature, quantity, format and frequency of the risk information that the Committee and Governing Board should receive.

- To work to establish rational remuneration policies and practices. To this end, the Risk Committee will examine, without infringing on the role of the Remuneration Committee, whether incentives policy adequately consider the risks, capital, liquidity and probability and timing of profits.

- Any other matter that they are specifically charged to consider either by law, regulations or resolution of the Governing Board.

The Risk Committee held 6 meetings in 2021 and, in 2022, as of the date of this document, on 2 further occasion.

Appointments Committee

The composition of the **Appointments Committee** at the date of this Registration Document for Wholesale Non-equity Securities is as follows:

Name	Position	Date of latest appointment	Status
Marcelino Etayo Andueza	Chairman	29/10/2021	Independent
Jesús María del Castillo Torres	Member	29/10/2021	Independent
Alberto Arrondo Lahera	Member	29/10/2021	Independent

None of the members of this committee are executives or employees of the Bank. Nor do they have material relationships with Caja Rural de Navarra.

For the purposes of this Registration Document, the business address of members will be the address of Caja Rural de Navarra.

This committee held 3 meetings in 2020. In 2021, it met 5 times and in 2022, as of the date of this document, on 1 further occasion.

Its functions include:

- To identify and recommend for approval by the Governing Board, candidates for vacant posts on the Governing Board.
- To assess the balance of expertise, ability, diversity and experience on the Governing Board and draft a description of the functions and aptitudes required for a specific appointment, assessing the time required to fulfil the demands of the post.
- To review periodically and at least once a year the structure, size, composition and work of the Board and to make recommendations to the Board on possible changes.

- To review periodically and at least once a year the suitability of the members of the Bank's Board and the Board in general and report to the Board on its conclusions.
- To periodically review the Board's policy on the selection and appointment of senior management personnel and make appropriate recommendations.
- To establish, in accordance with regulations, a target for representation of whichever gender is least represented on the Governing Board and draw up guidelines on how to increase the number of members of the under-represented gender so as to meet this target.

In accordance with its cooperative nature, the Bank complies with regulations for credit cooperatives on the minimum functions and composition of the Appointments Committee, set out in Article 529, 15 of the Capital Companies Act.

Remuneration Committee

The composition of the **Remuneration Committee** at the date of this Registration Document for Wholesale Non-equity Securities is as follows:

Name	Position	Date of latest appointment	Status
Pedro Jesús Irisarri Valencia	Chairman	29/10/2021	Independent
Fernando Olleta Gayarre	Member	29/10/2021	Other external members*
Marcelino Etayo Andueza	Secretary	29/10/2021	Independent
Ignacio Terés Los Arcos	Member	29/10/2021	Other external/non-executive

* Employee representative

The Remuneration Committee is made up of one employee, in accordance with regulations in force, and three additional members who are not executives or employees of the Bank, and do not have material relationships with Caja Rural de Navarra.

For the purposes of this Registration Document, the business address of members will be the address of Caja Rural de Navarra.

This committee held 3 meetings in 2019. In 2020, it met once and in 2021 three times. As of the date of this document, no meeting has been held in 2022.

Its functions are as follows:

- Annually issue an evaluation report on the general remuneration policy for the members of the Governing Board, directors belonging to the identified group.
- Supervise the remuneration of those responsible for the risk, audit, internal control and regulatory compliance functions, as well as that of those employees who have significant remuneration and

whose professional activities have a significant impact on the entity's risk profile, in accordance with the principles of proportionality due to the entity's size, internal organisation, nature and scope of activity.

- Report to the Governing Board on the implementation and correct application of the remuneration policy established in the Bank, ensuring compliance with said remuneration policy and the transparency of remuneration and the inclusion of the necessary information in the corresponding reports (Annual Report, Corporate Governance Report, Prudential Relevance Report, etc.).
- Review, if applicable, the degree of compliance with the extraordinary long-term variable remuneration.
- Evaluate and validate, at the time of payment of the extraordinary long-term variable remuneration, the degree of compliance with the objectives that give rise to its receipt.
- Propose to the Governing Board for it to submit to the General Assembly, where appropriate, the detailed recommendation that sets out the reasons and the scope of the decision that the variable remuneration of the categories of staff whose professional activities have a significant impact on the risk profile of the Bank is greater than one hundred percent of the fixed component of the total remuneration of each employee without being able to exceed two hundred percent of the fixed component.
- Those others that have been assigned in the Regulations or were attributed by decision of the Governing Council.

In accordance with its cooperative nature, the Bank complies with regulations for credit cooperatives on the minimum functions and composition of the Remuneration Committee, set out in Article 529, 15 of the Capital Companies Act.

Management Committee

The Management Committee conducts top-level management of the Bank. At the date of the information in this Registration Document its members are:

- Ignacio Arrieta del Valle, Managing Director
- Alberto Turrillas Recari, Director of Credit Investment Area
- Ignacio Maeztu Zapatería, Commercial Director
- Juan Maria Ayechu Redín, Business Area Director
- Miguel García de Eulate Martín-Moro, Director of Treasury and Capital Markets
- Félix Sola Arrese, General Secretary and Regulatory Compliance
- Carlos Sagaseta García, Internal Audit Director
- Francisco José Rodríguez Laspiur, Management Control Director
- Fernando Campos Jimenez, Human Resources Director

- Sergio Taboada Platas, Organization Director
- María Moriones Aramendia, Director of the Housing and Real Estate Assets Area
- Iñaki Sorbet Lampérez, Director of the Intervention Department
- Alberto Sanz Nicuesa, Commercial Management Control
- Mikel Urdangarín Tolosa, Head of the Risk Control Unit
- Rodolfo Sotro Belzarena, Responsible for Recovery and delinquency

For the purposes of this Registration Document for Wholesale Non-equity Securities, the business address of Management Committee members will be the address of Caja Rural de Navarra.

Principal activities of members of the Governing Board outside the Issuer and its Group and activities of these members outside the Issuer that are material to Caja Rural de Navarra

- Ignacio Terés Los Arcos

  - Representative of the Director Caja Rural de Navarra on the Board of Directors of Bodegas Principe de Viana y Rioja Vega.
  - Representative of Caja Rural de Navarra on the Management Board of the Asociación Española de Cooperativas de Crédito
  - Deputy Chairman of Servicios Empresariales Agroindustriales, S.A

- Manuel García Díaz de Cerio

  - Member of the Governing Board of the cooperative Cerealista Odron

- Ignacio Arrieta del Valle

  - Banco Cooperativo Española: Chairman of the Board, Non-executive
  - Iparlat, S.A.: Representative of the Director Caja Rural de Navarra
  - UNION NACIONAL DE COOPERATIVAS DE CRÉDITO; Representative of the Deputy Chairman Caja Rural de Navarra
  - RGA Seguros Generales Rural S.A. de Seguros y Reaseguros: Board member
  - Rural Servicios Informáticos S.L.: Representative of the Director Caja Rural de Navarra
  - Gestión Arrendadora Social S.L.: Director
  - RGA Rural Vida S.A. de Seguros y Reaseguros: Board member
  - MEPLUS ITG S.L.: Board member
  - CANPLY ITG S.L.: Board member

- Alberto Arrondo Lahera

  - Chairman of the Governing Board of S. Coop. Agrícola Tamariz

- Marcelino Etayo Andueza

  - Rioja Vega S.A.: Board member Representative of Caja Rural de Navarra
  - Sociedad Cooperativa Limitada Cerealista Lokiz: Chairman of the Board
  - Bodegas Príncipe de Viana S.L.: Board member Representative of Caja Rural de Navarra

- Fernando Olleta Gayarre

  - Employee of Caja Rural de Navarra
  - Representative of the workers in the Governing Board of Caja Rural de Navarra

- Pedro Jesús Irisarri Valencia

  - Chairman of the Cooperativa San Isidro de Peralta
  - Comunidad de Regantes de la Acequia Bayunga: Member of the Board

- Ana María Eizaguirre Larrañaga

  - Chairwoman of the Rural Women's association of Guipuzcoa
  - Chairwoman of URKOME, rural development association
  - Chairwoman of the Federation of Rural Development Associations of Guipuzcoa (LANDAOLA)

- Ainhize Muratori Irurzun

  - Manager of the friesian association of Navarra (AFNA)

2.9.2 CONFLICTS OF INTEREST

On the issue of conflict of interest, with reference to Articles 226 to 231 inclusive, of the Capital Companies Act, approved by Royal Decree-Law 1/2010, of 2 July, and Article 42 of the Cooperatives Act 27/1999 of 16 June, it is stated that none of the persons mentioned in section 9.1 of this Registration Document have any kind of conflict between their personal interests and those of Caja Rural de Navarra, at the registration date of this document.

Details of the balances arising from related party transactions in the consolidated statement of financial position at 31 December 2021 and 2020 and in the consolidated income statements for 2021 and 2020 are as follows:

	Associates		Governing Board and senior management		Other related parties (*)	
	2021	2020	2021	2020	2021	2020
Assets						
Loans and advances to customers	26,924	32,429	780	768	4,650	6,245
Liabilities						
Customer deposits	31,395	16,063	1,265	844	21,782	21,683
Other						
Contingent exposures	34,290	30,712	-	-	1,054	1,054
Commitments	4,810	1,243	62	128	4,226	4,385
Income						
Interest income	373	361	9	9	55	76
Interest expense	-	5	-	-	1	4
Income from equity investments	2,387	717	-	-	-	-
Fee and commission income	156	86	1	2	18	22

(*) "Other related parties" includes direct family members and companies related to members of the Governing Board and senior management team.

All transactions with related parties were performed at arm's length in the course of the Bank's day-to-day business.

2.10 MAJOR SHAREHOLDERS

2.10.1 STATE WHETHER THE ISSUER IS DIRECTLY OR INDIRECTLY OWNED OR CONTROLLED AND BY WHOM AND DESCRIBE THE NATURE OF SUCH CONTROL AND THE MEASURES IN PLACE TO ENSURE THAT SUCH CONTROL IS NOT ABUSED

Due to the Bank's ownership structure, there is no member who controls it.

In accordance with Ministerial Order EHA/3360/2010 of 21 December, approving regulations on accounting for cooperative companies, the share capital comprises the contributions of members, although these only count as equity when the Governing Board or General Meeting has an unconditional right to refuse their reimbursement, if the member leaves, or when this is prohibited by law or by the Articles of Association.

Capital contributions made to the Bank by members in 2021 and 2020, and changes in capital occurring in those years, are shown in the table below:

Thousands of euros		
Balance at 31 December 2019	**167,659**	
Subscriptions		4,042
Redemptions		(1,909)
Balance at 31 December 2020	**169,792**	
Subscriptions		4,391
Redemptions		(3,898)
Balance at 31 December 2021	**170,285**	

Pursuant to prevailing legislation and the Parent's Articles of Association, the minimum contribution for individuals is EUR 60.11, while the minimum contribution for legal entities is EUR 120.22.

Contributions at 31 December 2021 and 2020 were represented by 2.832.899 and 2.824.691 fully paid-up registered shares, respectively, with a nominal value of EUR 60.11 each. At 31 December 2021 and 2020 the Bank had no own contributions in its portfolio.

The Parent Company satisfies its minimum capital requirement of EUR 4,808,096.83, established pursuant to the provisions of the enacting regulations of Act 13/1989, of 26 May, on Cooperative Credit Institutions.

The remuneration that may be paid on capital contribution is limited to no more than six percentage points above the legal interest prevailing in the reporting period. The rate of remuneration for contributions is determined at the Parent Company's General Meeting each year, where members authorise the Governing Board to set the rate of remuneration and the payment schedule. In 2021, remuneration paid to cooperative members in respect to their capital for the financial year 2020, amounted to EUR 1,261 thousand. Additionally, an amount of EUR 417 thousand has to be added, as it was pre-paid as interim dividend in 2020. The Governing Board will propose to the General Meeting to be held in 2022, that the total remuneration for capital holders in 2022 (in respect of the 2021 financial year) should amount to EUR 1,688 thousand. No interim dividend was pre-paid in 2021.

In accordance with prevailing regulations, the sum of mandatory and voluntary contributions must not exceed 2.5% of share capital in the case of individuals and 20% in the case of legal entities. Legal entities that are not cooperative entities cannot hold more than 50% of capital. None of the aforementioned limits had been exceeded at 31 December 2021 and 2020.

2.10.2 DESCRIPTION OF ANY ARRANGEMENTS, THE OPERATION OF WHICH MAY AT A SUBSEQUENT DATE RESULT IN A CHANGE IN CONTROL OF THE ISSUER

There are no arrangements, known to the Issuer, the operation of which may result in a change in control of the Issuer.

2.11 FINANCIAL INFORMATION ON THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSS

2.11.1 HISTORICAL FINANCIAL INFORMATION

2.11.1.1 Historical financial information covering the latest two audited financial years (2021 and 2020) and the audit report in respect of each year

The consolidated financial statements for the years 2021 and 2020 (audited data) are included by reference and available on the Issuer's website:

- 2021 https://www.cajaruraldenavarra.com/sites/default/files/info-inversores/info-economica/INFORMES-ANUALES-CCAA/2021-informe-anual-cuentas-consolidadas.pdf
- 2020 https://www.cajaruraldenavarra.com/sites/default/files/2021-05/cr-navarra_ccaa-2020_consolidadas.pdf

These financial statements have been filed with the Comisión Nacional del Mercado de Valores.

The individual and consolidated accounts of the Bank for 2021 and 2020 were audited, receiving a favourable opinion, without comment, by Ernst & Young SL, tax identification no. B95580601. The annual financial statements were prepared in accordance with accounting standards, with Bank of Spain Circular 4/2004 (in its latest version) and specifically with International Financial Reporting Standards (IFRS) as adopted by the European Union, including IFRS 3 and IFRS 9.

The 2021 and 2020 audited consolidated statement of financial position, income statement and cash flow statement of the Issuer and its Group are shown below.

A) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED BALANCE SHEET	31/12/2021	31/12/2020 (*)	THOUSANDS OF EUROS	CHANGE %
Cash, cash balances at central banks and other demand deposits	**1,138,650**	**1,282,136**	**-143,486**	**-11.19%**
Financial assets held for trading	**5,744**	**6,002**	**-258**	**-4.30%**
Derivatives	2,067	3,124	-1,057	-33.83%
Equity instruments	3,677	2,878	799	27.76%
Debt securities	0	0	0	-
Memorandum items: lent or given in guarantee with right of sale or pledge	*0*	*0*	*0*	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**4,218**	**7,570**	**-3,352**	**-44.28%**
Debt securities	472	1,975	-1,503	-76.10%
Loans and advances	3,746	5,595	-1,849	-33.04%
Memorandum items: lent or given in guarantee with right of sale or pledge	*0*	*0*	*0*	-
Financial assets at fair value through other comprehensive income	**1,410,809**	**1,358,754**	**52,055**	**3.83%**
Equity instruments	290,745	248,603	42,142	16.95%
Debt securities	1,120,064	1,110,151	9,913	0.89%
Financial assets at amortized cost	**13,256,139**	**12,699,450**	**556,689**	**4.38%**
Debt securities	3,668,431	3,267,142	401,289	12.28%
Loans and advances	9,587,708	9,432,308	155,400	1.64%
Credit institutions	145,291	123,963	21,328	17.20%
Customers	9,442,417	9,308,345	134,072	1.44%
Memorandum items: lent or given in guarantee with right of sale or pledge	*1,779,795*	*309,655*	*1,470,140*	*474.76%*
Derivatives – hedge accounting	**7,810**	**13,856**	**-6,046**	**-43.63%**
Investments in joint ventures and associates	**64,942**	**60,460**	**4,482**	**7.41%**
Jointly-controlled entities	0	0	0	-
Associates	64,942	60,460	4,482	7.41%
Tangible assets	**271,519**	**248,925**	**22,594**	**9.07%**
Property and equipment	253,071	232,004	21,067	9.08%%
For own use	252,405	231,834	20,571	8.87%
Assigned to social projects (savings banks and credit cooperatives)	666	171	495	289.47%
Investment property	18,447	16,920	1,527	9.02%
Of which: assigned under operating leases	*1,554*	*2,402*	*-848*	*-35.30%*
Memorandum items: acquired under leases	*173*	*847*	*-674*	*-79.57%*
Intangible assets	**10,297**	**10,801**	**-504**	**-4.66%**
Goodwill	8,297	8,301	-4	-0.04%
Other intangible assets	2,000	2,500	-500	-20%
Tax assets	**31,042**	**30,741**	**-301**	**-0.98%**
Current tax assets	2,129	3,978	-1,849	-46.48%
Deferred tax assets	28,913	26,763	2,150	8.03%
Other assets	**100,628**	**94,716**	**5,912**	**6.24%**
Inventories	74,191	67,704	6,487	-9.58%
Other	26,437	27,012	-575	-2.12%
..Non-current assets and disposal groups held for sale	**31,321**	**36,288**	**-4,967**	**-13.68%**
TOTAL ASSETS	**16,333,182**	**15,849,799**	**483,383**	**3.05%**

Financial liabilities held for trading	**1,362**	**1,732**	**-370**	**-21.36%**
Derivatives	1,362	1,732	-370	-21.36%
Financial liabilities at amortized cost	**14,606,820**	**14,333,854**	**272,966**	**1.90%**
Deposits	12,687,580	12,459,613	227,967	1.82%
Central banks	2,113,514	1,936,340	177,174	9.15%
Credit institutions	312,986	325,136	-12,150	-3.73%
Customers	10,261,080	10,198,137	62,943	0.61%
Debt securities issued	1,764,655	1,770,192	-5,537	-0.31%
Other financial liabilities	154,585	104,049	50,536	48.57%
Memorandum items: subordinated liabilities	*0*	*0*	*0*	-
Derivatives – hedge accounting	**66,612**	**97**	**66,515**	**68,572.16%**
Provisions	**51,195**	**34,475**	**16,720**	**48.50%**
Pensions and other defined-benefit post-employment obligations	1,596	1,417	179	12.63%
Commitments and guarantees given	13,178	10,809	2,369	21.91%
Other provisions	36,421	22,249	14,172	63.69%
Tax liabilities	**16,436**	**15,461**	**975**	**6.30%**
Current tax liabilities	9,112	9,135	-23	-0.25%
Deferred tax liabilities	7,324	6,326	998	15.77%
Other liabilities	**132,225**	**117,392**	**14,833**	**12.63%**
Of which: assigned to welfare projects	41,339	36,400	4,939	13.56%
TOTAL LIABILITIES	**14,874,651**	**14,503,011**	**371,640**	**2.56%**
Shareholders' equity	**1,409,555**	**1,313,888**	**95,667**	**7.28%**
Share capital	170,286	169,792	494	0.29%
Called up paid capital	170,286	169,792	494	0.29%
Memorandum items: uncalled capital	*0*	*0*	*0*	-
Retained earnings	1,087,278	1,007,564	79,714	7.91%
Other reserves	60,605	50,014	10,591	21.17%
Accumulated reserves or losses from joint ventures and associates	13,427	12,303	1,124	9.13%
Other	47,178	37,711	9,467	21.10%
(-) Treasury shares	0	0	0	-
Profit or (-) loss attributable to owners of the parent	91,386	86,935	4,451	5.12%
(-) Interim dividends	0	-417	417	100%
Accumulated other comprehensive income	**48,913**	**32,901**	**16,012**	**48.66%**
Items that will not be reclassified to profit or loss	43,732	20,153	23,579	117%
Items that may be reclassified to profit or loss	5,181	12,748	-7,567	-59.35%
Non-controlling interests	**0**	**0**	**0**	**-**
Accumulated other comprehensive income	0	0	0	-
TOTAL EQUITY	**1,458,468**	**1,346,788**	**111,680**	**8.29%**
TOTAL EQUITY AND LIABILITIES	**16,333,118**	**15,849,799**	**483,319**	**3.05%**
MEMORANDUM ITEMS: OFF-BALANCE SHEET EXPOSURES				
Contingent commitments given	**1,611,291**	**1,396,654**	**214,637**	**15.36%**
Financial guarantees given	**68,216**	**60,287**	**7,929**	**13.15%**
Other commitments given	**897,147**	**669,412**	**227,735**	**34.02%**

(*) Presented for comparative purposes only.

Assets and liabilities

The two main items on the Bank's statement of financial position, “Loans and advances – Customers” at amortized cost and “Deposits - Customers” changed by 1.44% and 0.61%, respectively, in an environment heavily affected by strong growth in financing from fiscal support measures (ICO-Covid lines) and the general growth of liquidity caused by expansionary monetary policies.

In absolute terms, “Loans and advances – Customers” at amortized cost rose from EUR 9,308 million at end-2020 to EUR 9,442 million at end-2021, and “Deposits - Customers” rose from EUR 10,198 million to EUR 10,261 million over the same period.

Within “Loans and advances”, the sub-item “Loans and advances - Credit institutions” also grew (from EUR 123 million to EUR 145,2 million over the period), but its relative weight is small compared to “Loans and advances - Customers”, because of the retail-heavy nature of the Bank's business.

“Financial assets at amortized cost”, meanwhile, grew by EUR 556 million (from EUR 12,699 million in 2020 to EUR 13,256 million in 2021), driven by the growth of the “Loans and advances” item above, and the substantial increase (EUR 401 million) in “Debt securities”, from EUR 3,267 million in 2020 to EUR 3,668 million in 2021. The rise in “Debt securities” is explained by the abovementioned rise in liquidity.

Among the other asset and liability items, “Deposits - Central banks” increased around EUR 177 due to the Bank's participation in the Eurosystem's monetary policy operations, which were increased by the European Central Bank in the course of 2021.

“Debt securities issued” at 31 December 2021, totalled EUR 1,770 million, mainly comprising market issues of mortgage covered bonds (EUR 1,650 million nominal value) and Senior debt (EUR 100 million nominal value). Issues of mortgage covered bonds in the wholesale market outstanding at 31 December 2021 consist of two public issues of EUR 500 million each and another, also publicly offered, issue of EUR 600 million (maturing in 2022, 2023 and 2025, respectively) plus a EUR 50 million private placement.

The liabilities item “Deposits - Central banks” increased by 9,15% (EUR 177,174 million), due to the Bank’s abovementioned participation in the European Central Bank's new monetary policy operations.

Retail financing (“Customer deposits”) totalled EUR 10,261 million after a rise of EUR 63 million.

The Bank has historically had a policy of growing its retail business in line with the change in customer deposits and lending, such that at end-2021 there was a positive difference of EUR 819 million between “Customer deposits” and “Loans and advances – Customers” at amortized cost.

“Debt securities” grew significantly as a whole driven by the general increase in the Bank's liquidity position, basically in the form of highly liquid fixed-income notes (mainly public debt). Although these debt securities carried at fair value through other comprehensive income remained stable in volume terms, securities at amortized cost increased from EUR 3,267 million to EUR 3,668 million (a rise of 12.3%). Most of the Bank's investment is placed in liquid assets as defined by the relevant regulations, notably the LCR ratio. This means that a large portion of debt securities are invested in general government instruments.

“Non-current assets and disposal groups held for sale” consist almost entirely of foreclosed assets. At 31 December 2021, this item stood at EUR 31.32 million, a reduction of EUR 4.96 million (13.68%) on the balance of EUR 36.28 million recorded at end-2019.

Total assets and total liabilities and equity at 31 December 2021 stood at 16,333 million, up 3.05% on December 2020 reflecting the changes in the main balance sheet items explained above.

The Bank's turnover at 31 December 2021 and 2020 was 23,182,905 EUR thousand and EUR 22,539,803thousand, respectively.[*]

- EQUITY: Shareholders’ equity grew by 7.28% and Total Equity by 8.29%. These changes were fundamentally due to the capitalization of profit for the year, which increased “Retained earnings” by EUR 79.7 million, and an increase in “Accumulated other comprehensive income” from EUR 32.9 million to EUR 48.9 million, caused by the increase in the market value of assets. For further information see Section 4.1.5

[*] APM, Alternative Performance Measures. See Item 14 of this Registration Document.

B) CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT	31/12/2021	31/12/2020 (*)	EUROS	CHANGE %
Interest income	**157,789**	**164,897**	**-7,108**	**-4.31%**
(Interest expense)	**-16,865**	**-17,890**	**1,025**	**5.73%**
(Expense on share capital redeemable on demand)	**0**	**0**	**0**	**-**
A) NET INTEREST INCOME	**140,924**	**147,007**	**-6,083**	**-4.13%**
Dividend income	**15,202**	**13,793**	**1,409**	**10.21%**
Profit (loss) of companies accounted for using the equity method	**3,437**	**79**	**3,358**	**4,250.63%**
Fee and commission income	**90,091**	**74,078**	**16,013**	**21.61%**
(Fee and commission expense)	**-6,688**	**-5,308**	**-1,380**	**-26%**
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	**1,295**	**2,398**	**-1,103**	**46%**
Gains or (-) losses on financial assets and liabilities held for trading, net	**2,019**	**341**	**1,678**	**492.08%**
Gains or (-) losses on financial assets not held for trading mandatorily measured at fair value through profit or loss, net	**-1990**	**-2,273**	**283**	**12.45%**
Gains or (-) losses on financial assets or liabilities designated at fair value through profit or loss, net	**0**	**0**	**0**	**-**
Gains or (-) losses from hedge accounting, net	**154**	**63**	**91**	**144.44%**
Gains or (-) losses from translation differences, net	**1,080**	**764**	**316**	**41.36%**
Other operating income	**383,892**	**327,255**	**56,637**	**17.30%**
(Other operating expenses)	**-322,715**	**-269,437**	**-53,278**	**-19.77%**
Of which: mandatory provisions assigned to welfare projects	-9,619	-8,857	-762	-8.60%
B) GROSS INCOME	**306,710**	**288,760**	**17,950**	**6.21%**
(Administrative expenses)	**-157,598**	**-152,364**	**-5,234**	**-3.43%**
(Personnel expenses)	-82,146	-79,185	-2,961	-3.74%
(Other operating expenses)	-75,452	-73,179	-2,273	-3.10%
(Depreciation and amortization)	**-15,640**	**-15,590**	**-50**	**-0.32%**
(Provisions or (-) reversals)	**-18,539**	**58,078**	**-76,617**	**-131.92%**
(Impairment or (-) reversal of impairment and gains or losses from cash flow modifications of financial assets not measured at fair value through profit or loss and net modification losses or (-) gains)	**-15,853**	**-78,996**	**63,143**	**79.93%**
Financial assets at fair value through other comprehensive income	-1,606	-357	-1,249	-349.85%
Financial assets at amortized cost	-14,247	-78,639	64,392	81.88%
(Impairment or (-) reversal of impairment on investments in joint ventures and associates)	**0**	**0**	**0**	**-**
(Impairment or (-) reversal of impairment on financial assets)	**159**	**-106**	**265**	**250%**
(Tangible assets)	-3	-13	10	76.92%
(Intangible assets)	0	0	0	-
(Other)	162	-93	255	274.19%
Gains or (-) losses on derecognition of non-financial assets, net	**-128**	**-901**	**773**	**85.79%**
Negative goodwill recognized in profit or loss	**0**	**0**	**0**	**-**
Gains or (-) losses from non-current assets and disposal groups held for sale not classified as discontinued operations	**2,776**	**241**	**2,535**	**1,051.86%**
C) PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	**101,887**	**99,122**	**2,765**	**2.79%**
(Tax expense or (-) income on profit from continuing operations)	**-10,501**	**-12,187**	**1,686**	**13.83%**
D) PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	**91,386**	**86,935**	**4,451**	**5.12%**
Profit or (-) loss after tax from discontinued operations	**0**	**0**	**0**	**-**

E) PROFIT FOR THE YEAR	**91,386**	**86,935**	**4,451**	**5.12%**
Attributable to non-controlling interests	**0**	**0**	**0**	**-**
Attributable to owners of the parent	**91,386**	**86,935**	**4,451**	**5.12%**

(*) Presented for comparative purposes only.

Income

On the income statement, net interest income decreased by 4.13%, Gross income increased 6.21% (from EUR 289 million in 2020 to EUR 306 million in 2021), and Profit before tax increased 2.79%. This pattern of change in income items reflects a rise in volumes that failed to fully offset a narrowing of unit margins.

Specifically, the drop in net interest income was driven by narrowing unit margins (‘price effect’), despite higher lending (‘volume effect’), as net interest income dropped by 4.13% over the year, while “Loans and advances - Customers” grew by 1.44%.

At the end of 2021, net fee income was EUR 83.4, up 21.2% from EUR 68.8 million in 2020, which represented 27.2% of 2021 gross income (compared to 23.8% at 31 December 2020).

“Other operating income” mainly consists of revenue from the industrial companies and non-financial services. These derive from non-financial corporations and their contribution to Gross income should therefore be seen in relation to “Other operating expenses”, which is mostly the corresponding cost of sales of investments in non-financial corporations. Netting these two items gives a balance of EUR 61.1 million in 2021 and EUR 57.8 million in 2020, i.e. 19.92% and 20% of Gross income, respectively.

In 2021, the group took total provisions of EUR 14.24 million for impairment of financial assets at amortized cost, compared to EUR 78.6 million in 2020.

The reason is that the Bank opted to take EUR 52.5 million in additional generic provisions in 2020 for potential Covid-19 impacts, raising the cumulative balance of “Valuation adjustments for impairment of financial assets”, as of 31 December 2021 to EUR 223,745 thousand.

The change in “Gains or (-) losses from non-current assets and disposal groups held for sale not classified as discontinued operations” includes net income from management of foreclosed assets (net of provisions, reversals and proceeds of disposal), and went from EUR 241 thousand in 2020 to EUR 2,776 thousand in 2021.

As a result of all the above, the Bank posted “Profit before tax” of EUR 101.88 million at 31 December 2021, up 2.79% on the prior year (EUR 99.1 million in December 2020) and “Profit for the year” of EUR 91.3 million in 2021, an increase of 5.12% on the prior year (2020 Profit for the year was EUR 86.9 million).

C) CONSOLIDATED CASH FLOW

Consolidated cash flow statement for the year ended 31 December 2021

(Thousands of euros)

	Note	2021	2020 (*)
A) CASH FLOW FROM OPERATING ACTIVITIES		**(118,605)**	**896,584**
Profit for the year		**91,386**	**86,935**
Adjustments to obtain cash flows from operating activities		**36,423**	**(20,887)**
Depreciation and amortization	**15 and 16**	15,640	15,590
Other adjustments		20,783	(36,477)
Net (increase) decrease in operating assets		**(616,086)**	**(1,852,762)**
Financial assets held for trading		259	715
Financial assets not held for trading mandatorily measured at fair value through profit or loss		3,351	4,390
Financial assets at fair value through other comprehensive income		(53,662)	(20,625)
Financial assets at amortized cost		(570,936)	(1,845,672)
Other operating expenses		4,902	8,430
Net (increase) decrease in operating liabilities		**380,172**	**2,688,844**
Financial liabilities held for trading		(369)	878
Financial liabilities at amortized cost		271,704	2,669,223
Other operating expenses		108,837	18,743
Company income tax receipts (payments)		**(10,500)**	**(5,546)**
B) CASH FLOWS FROM INVESTING ACTIVITIES		**(26,463)**	**(29,318)**
Payments		**(43,220)**	**(41,384)**
Tangible assets	**15**	(39,294)	(40,440)
Investments in subsidiaries, joint ventures and associates	**14**	(1,045)	(944)
Non-current assets and liabilities held for sale		(2,881)	-
Other payments related to investing activities		-	-
Receipts		**16,757**	**12,066**
Tangible assets	**15**	4,872	2,312
Investments in subsidiaries, joint ventures and associates	**14**	-	2,126
Non-current assets and liabilities held for sale		11,885	7,628
Other receipts related to investing activities		-	-
C) CASH FLOWS FROM FINANCING ACTIVITIES		**493**	**1,716**
Payments		**(3,896)**	**(2,326)**
Dividends	**20**	-	(417)
Subordinated liabilities		-	-
Cancellation of own equity instruments	**20**	(3,896)	(1,909)
Acquisition of own equity instruments		-	-
Other payments related to financing activities		-	-
Receipts		**4,391**	**4,042**
Subordinated liabilities		-	-
Issue of own equity instruments	**20**	**4,391**	**4,042**
Disposal of own equity instruments		-	-
Other receipts relating to financing activities		-	-
D) EFFECT OF EXCHANGE RATE FLUCTUATIONS		**1,089**	**764**
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**(143,486)**	**869,746**
F) CASH AND CASH EQUIVALENTS AT START OF YEAR		**1,282,136**	**412,390**
G) CASH AND CASH EQUIVALENTS AT END OF YEAR		**1,138,650**	**1,282,136**
MEMORANDUM ITEMS			
CASH AND CASH EQUIVALENTS AT END OF YEAR			
Cash		47,815	49,572
Cash equivalents in central banks		-	-
Other demand deposits		1,090,835	1,232,564
Other financial assets		-	-
Less: Bank overdrafts repayable on demand		-	-

(*) Presented for comparative purposes only.

D) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Source of changes in equity	Share capital	Retained earnings	Other reserves	(-) Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income	Non-controlling interests	Total
Balance at 1 January 2021 (*)	**169,792**	**1,007,564**	**50,014**	**-**	**86,935**	**(417)**	**32,900**	**-**	**1,346,788**
Adjustments due to error correction	-	-	-	-	-	-	-	-	-
Adjustments due to changes in accounting policies	-	-	-	-	-	-	-	-	-
Balance at 1 January 2021 (*)	**169,792**	**1,007,564**	**50,014**	**-**	**86,935**	**(417)**	**32,900**	**-**	**1,346,788**
Total recognized income and expenses for the year	**-**	**-**	**-**	**-**	**91,386**	**-**	**16,012**	**-**	**107,399**
Other changes to equity	**493**	**79,714**	**10,591**	**-**	**(86,935)**	**417**	**-**	**-**	**4,280**
Ordinary shares issued	4,391	-	-	-	-	-	-	-	4,391
Preference shares issued	-	-	-	-	-	-	-	-	-
Other equity instrument issued	-	-	-	-	-	-	-	-	-
Exercise or maturity of other equity instruments issued	-	-	-	-	-	-	-	-	-
Debt/equity conversion	-	-	-	-	-	-	-	-	-
Capital reduction	(3,898)	-	-	-	-	-	-	-	(3,898)
Dividends (or payments to members)	-	-	-	-	-	-	-	-	-
Buyback of treasury shares	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury shares	-	-	-	-	-	-	-	-	-
Transfers of financial instruments from equity to liabilities	-	-	-	-	-	-	-	-	-
Transfers of financial instruments from liabilities to equity	-	-	-	-	-	-	-	-	-
Transfers between equity items	-	79,714	5,544	-	(86,935)	417	-	-	(1,262)
Increase (-) decrease in equity due to business combinations	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
Other increases (-) decreases in equity	-	-	5,048	-	-	-	-	-	5,048
Of which: discretionary allocation to social projects and funds	-	-	-	-	-	-	-	-	-
Balance at 31 December 2021	**170,286**	**1,087,278**	**60,605**	**-**	**91,386**		**48,913**	**-**	**1,458,468**

(*) Presented for comparative purposes only.

2.11.1.2 Change of accounting reference date

N/A

2.11.1.3 Accounting standards

The consolidated financial statements of Caja Rural de Navarra, Sociedad Cooperativa de Crédito and subsidiaries, are presented in accordance with International Financial Reporting Standards (including IFRS 3 and IFRS 9) adopted by the European Union at 31 December 2018, with reference to Bank of Spain Circular 4/2017 of 22 November. The Circular develops and adapts IFRS-EU to the Spanish banking sector.

2.11.1.4 Where the audited financial information is prepared according to national accounting standards

N/A

2.11.1.5 Consolidated financial statements

Caja Rural de Navarra prepares separate and consolidated financial statements. The audited Financial Statements for the last two financial years are filed with the CNMV and can be found on its website:

- 2021 (https://www.cajaruraldenavarra.com/sites/default/files/info-inversores/info-economica/INFORMES-ANUALES-CCAA/2021-informe-anual-cuentas-consolidadas.pdf)
- 2020 (https://www.cajaruraldenavarra.com/sites/default/files/2021-05/cr-navarra_ccaa-2020_consolidadas.pdf)

Financial statements cited in this Registration Document refer to the consolidated financial statements.

2.11.1.6 Date of financial information

This Registration Document includes audited financial information for the year ended 31 December 2021, which is therefore no more than 18 months previous to the approval date of this Registration Document for Wholesale Non-equity Securities.

2.11.2 AUDITING OF HISTORICAL FINANCIAL INFORMATION

2.11.2.1 Declaration that historical financial information has been audited

The Bank's individual and consolidated financial statements of for 2019 were audited, receiving a favourable opinion, without comment, by PricewaterhouseCoopers Auditores, S.L., tax identification no. B79031290. Also, the individual and consolidated accounts of the Bank for 2020 and 2021 were audited, receiving a favourable opinion, without comment, by Ernst & Young S.L., tax identification no. B95580601.

2.11.2.2 Source of audited financial data

The audit reports were prepared in accordance with EU Directive 2014/56, Act 22/2015 on Auditors, and EU Regulation 537/2014.

No information included in this Registration Document has been audited other than that mentioned above.

2.11.2.3 Source of unaudited financial data

Unaudited data, both financial and APM, are derived from the Bank's in-house figures (see 14 “Alternative Performance Measures”).

2.11.3 LEGAL AND ARBITRATION PROCEEDINGS

The Issuer states that there are currently no governmental, administrative, judicial or arbitration proceedings (including pending proceedings or others that the Issuer is aware will affect it), in the 12 months prior to the filing of this Registration Document, that have had or may have material impacts that might endanger the solvency of the Issuer. Although the Bank considers that none of the proceedings or lawsuits that may involve the Bank will have a material impact on its solvency, the outcome of these matters is inherently uncertain and the Bank therefore takes a prudent position, maintaining sufficient provisions to cover an adverse scenario.

As of December 31, 2021, various legal proceedings and claims filed against the Bank were in progress as a result of the regular development of its activities. Both the Entity's legal advisers and its Directors understand that the conclusion of these procedures and claims will not produce a significant additional effect, if any, to that included as a provision in the attached annual accounts, amounting to 36,421 thousand euros at 31 December 2021 (22,184 thousand euros as of December 31, 2020), recorded under the heading "Provisions - Remaining provisions" of the balance sheet.

“Floor clauses”

Caja Rural de Navarra, like nearly all financial institutions in the Spanish sector that included “floor clauses” in their consumer mortgage agreements, has been receiving claims, both judicial and extra-judicial, against these clauses.

Accordingly, in 2015 Caja Rural de Navarra began to agree with its customers to cancel application of the floor clause in the loans concerned. By the first half of 2016 it had eliminated such clauses from nearly all its loan book. Work is ongoing to resolve the situation of the residual remaining number of mortgages where these clauses still apply. Also, on 11 November 2020, the Supreme Court allowed the cassation appeal filed by the Bank, upholding as valid the agreements renegotiating the floor clauses.

In light of the above, regarding the elimination of the application of floor clauses to our customers a few years ago and recent case law on this point, the Bank expects no material impact from this issue. It nevertheless maintains a high level of provisions (EUR 36,421 thousand euros for all legal proceedings outstanding at end-2021) to cover the contingent exposure that may arise if circumstances were to change.

These “Other provisions” on the consolidated statement of financial position at 31 December 2021, basically comprise the estimated amount to settle obligations from litigation and other unquantifiable obligations arising from the Group’s activities, including compensation for floor clauses.

“Mortgage expenses”

Regarding claims received by the entity in respect of mortgage expenses, the Bank expects no material impact from this issue. It nevertheless maintains a high level of provisions (EUR 36,421 thousand euros for all legal proceedings outstanding at end-2021) to cover the contingent exposure that may arise if circumstances were to change.

“IRPH”

The Bank maintains a portfolio of mortgage loans benchmarked to the Bank of Spain’s official mortgage loan reference index (the *Índice de Referencia de Préstamos Hipotecarios* or IRPH), in accordance with Article 27 of Order EHA/2899/2011 of 28 October, on transparency and the protection of banking service customers, and Bank of Spain Circular 5/2012 of 27 June, to credit institutions and payment service providers, on transparency in banking services and responsible lending.

Various proceedings were filed against most Spanish credit institutions, alleging that clauses linking the interest rate on mortgages to the IRPH breach the European transparency regulation. On 14 December 2017, the Supreme Court confirmed the clauses were valid as they were benchmarked to an official index which was therefore exempt from transparency requirements. The case was referred up to the European Court of Justice for a preliminary ruling.

On 10 September 2019, the Advocate-General of the EU Court of Justice issued a non-binding opinion that the IRPH clause does not fall outside the scope of the Directive 93/13 and the exemption under the same Directive’s Article 4 does not apply. The Advocate General concluded that the information provided to the consumer must be sufficient to allow them to come to a decision prudently and in full knowledge of the facts as regards the method of calculating the interest rate applicable to the mortgage agreement and its component elements, explaining not just the full definition of the index used but also the provisions of national legislation that determine it and also giving an indication of past fluctuations in the index. The Advocate-General adds that it is within the powers of the Spanish judicial authorities to judge the transparency of this clause, and to check, bearing in mind all circumstances that applied when the mortgage was agreed, first, whether it sets out the way the interest rate is calculated transparently, such that the consumer can assess on clear and comprehensible criteria the economic consequences of the agreement, and, second, whether this mortgage agreement meets all its obligations under national law.

On 3 March 2020, the preliminary ruling was resolved by the EU ECJ as follows:
• A clause in a mortgage loan between a consumer and a professional which stipulates the interest rate applicable to the loan based on an official benchmark rate provided for in national regulations and which credit institutions can apply to mortgages is subject to Directive 93/13.
• In this respect, Directive 93/13 should be interpreted as meaning that the courts of a member state are obliged to determine whether a contract clause referring to the main purpose of the agreement is clear and comprehensible.
• To meet the transparency requirements for a contractual clause setting a variable interest rate in a mortgage agreement, the clause must not merely be comprehensible in a formal grammatical way but must also allow the borrower to specifically understand how the interest rate calculation works and so be able to assess, based on specific and comprehensible criteria, the potentially significant economic consequences of the clause with regard to their financial obligations.
• Articles 6.1 and 7.1 of Directive 93/13 should be interpreted as permitting a national judge to impose an applicable official index in the event that an abusive clause setting a mortgage interest rate is declared null and void and the parties do not agree another solution, provided the mortgage agreement could not continue without the struck-down abusive clause and would be cancelled in its entirety.

It must be stressed that the ECJ finds that for the clause to be deemed comprehensible, its financial impacts have to be foreseeable by an average consumer. To establish this, courts must specially consider whether the information on the index is accessible – the IRPH is officially published – and the information provided on the IRPH when the mortgage agreement is signed. A clause is not abusive if, when the mortgage was signed, the lender adequately met its information obligations regarding the reference index under national law applicable at the time. It seems clear that the Bank generally complied with applicable regulations on mortgage lending and therefore no quantified estimates of mortgages likely to be cancelled for this reason have been made.

On 6 November 2020 the Supreme Court ruled that, as the case concerned an official index, it found no lack of transparency in the way the index was compiled, and no evidence that financial institutions had abused their position in their marketing.

Having handed down these rulings, the Supreme court denied the cassation appeals, finding that case law already existed on the matter and there was no cassational interest.

Therefore, Caja Rural de Navarra considers that the ruling by the EU ECJ should have no material impacts on the Bank's financial position or income. It nevertheless maintains a high level of provisions (EUR 36,421 thousand euros for all legal proceedings outstanding at end-2021) to cover the contingent liability that may arise if circumstances were to change.

"Other proceedings"

Caja Rural de Navarra has no ongoing proceedings for multi-currency loans or tax issues that reach the materiality threshold.

That said, the outcome of these matters is inherently uncertain, and the Bank therefore takes a prudent position, maintaining sufficient provisions to cover an adverse scenario (EUR 36,421 thousand euros for all outstanding legal proceedings at end-2021).

2.11.4 CHANGES IN THE ISSUER'S FINANCIAL POSITION

This Registration Document includes audited financial information for the year ended 31 December 2021, which is therefore no more than 18 months previous to the approval date of this Registration Document.

From the end of 2021 until the registration date of this Document, there has been no significant change in the Issuer's financial position.

2.12 MATERIAL CONTRACTS

There are no material contracts that are not entered into in the ordinary conduct of the Issuer's business, which could result in any Group member being under an obligation or entitlement that materially affects the Issuer's ability to meet its obligations to security holders.

2.13 DOCUMENTS AVAILABLE AND INFORMATION INCLUDED BY REFERENCE

For the period for which this Registration Document for Wholesale Non-Equity Securities is in force the following documents can be consulted in electronic format:

• The Issuer's current financial statements are available on the Issuer's website:
https://www.cajaruraldenavarra.com/es/informacion-inversores

• Prudential relevance report 2020:
(https://www.cajaruraldenavarra.com/sites/default/files/info-inversores/info-economica/RELEVANCIA-PRUDENCIAL/2020-informe-relevancia-prudencial-caja-rural-de-navarra.pdf)

• The following documents are included by reference:

- Consolidated financial statements 2020:
  https://www.cajaruraldenavarra.com/sites/default/files/2021-05/cr-navarra_ccaa-2020_consolidadas.pdf
- Consolidated financial statements 2021:
  https://www.cajaruraldenavarra.com/sites/default/files/info-inversores/info-economica/INFORMES-ANUALES-CCAA/2021-informe-anual-cuentas-consolidadas.pdf

Those sections of the above documents that are not included by reference in this Registration Document are either not relevant to the document or dealt with elsewhere within it.

2.14 ALTERNATIVE PERFORMANCE MEASURES (APM)

In addition to financial information prepared under applicable international financial reporting standards, this document also contains “Alternative Performance Measures” (APM), as defined by the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on 30 June 2015 (ESMA/2015/1057).

These guidelines define an APM as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

The Bank uses certain APMs, which were not audited, to help better understand its financial situation. These measures should be viewed as additional information and not as a substitute for the financial information compiled under international financial reporting standards. These measures may differ in their definition and methods of calculation from other similar measures calculated by other companies and may therefore not be comparable.

NPL ratio		Total doubtful assets in loans and advances to customers/loans and advances to customers, gross, excluding balances with financial corporations
NPL coverage		Valuation adjustments for impairment of financial assets/doubtful loans and advances to customers
Coverage ratio of loans and advances to customers		Valuation adjustments for impairment of financial assets/loans and advances to customers, gross
Turnover		Loans and advances to customers, net (including valuation adjustments) + Deposits - Customers + Off-balance sheet funds + Securities deposits (administration and custody)
Return on assets		Net profit/total assets

At 31 December 2021 and 2020 the above indicators were as follows:

	Dec 21	Dec 20
NPL RATIO	1.87%	1.97%
Total doubtful assets in Loans and advances to customers (available in the Financial Statements)	179,511	176,466
Loans and advances to customers, gross, excluding balances with financial corporations (available in the Financial Statements)	9,595,530	8.961,797
NPL coverage	118.50%	115.71%
Valuation adjustments for impairment of financial assets (available in the Financial Statements)	212,716	204,202
Total doubtful assets in Loans and advances to customers (available in the Financial Statements)	179,511	176,466
COVERAGE RATIO OF LOANS AND ADVANCES TO CUSTOMERS	2.21%	2.15%
Valuation adjustments for impairment of financial assets (available in the Financial Statements)	212,716	204,202
Loans and advances to customers, gross (available in the Financial Statements)	9,628,551	9.497.353
TURNOVER	23,253,986	22.539.801
Loans and advances to customers, net (after valuation adjustments) (available in the Financial Statements)	9,446,163	9.313.938
Customer deposits (internal data)	10,261,080	10,198,137
Off-balance sheet funds (internal data)	2,935,782	2,435,490
Securities deposits (administration and custody) (internal data)	610,961	592,236
RETURN ON ASSETS (This data is available in the Annual Accounts)	0.56%	0.54%
Net profit	91,386	86,935
Total assets	16,333,182	15,849,799

Pamplona, 13th May 2022

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Miguel García de Eulate Martín-Moro

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