



THE FUTURE IS ALWAYS NOW

12M21
BANCO BPI
CONSOLIDATED
RESULTS



02 FEBRUARY 2022

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BPI IN 2021

Permanent support to Families, Businesses, and Society

31 Dec. 2021



Consolidated net income of 307 M.€ (vs 105 M.€ in 2020)

Recurrent net income from the activity in Portugal of 200 M.€ (vs 84 M.€ in 2020);



Strong commercial dynamism,

in a very adverse environment: loans grew by 7.1% YoY and total Customer resources by 9.0% YoY;



Gross income increased by 7.6% YoY,

commissions grew significantly (+18%) and net interest income shows resilience (+1.2%);



Focus on digital transformation and the Customer experience:

772 thousand digital clients, of which 537 thousand with BPI app (+75 th. YoY);



Strong economic and financial position:

NPE of 1.6%, and NPE coverage at 149%;
CET1 ratio of 14.2% and total capital of 17.4%;
Investment grade ratings by the three main agencies;



Commitment to People, Society and the Environment

30 M.€ to support Society with "la Caixa" Foundation;



BPI was considered the Best Reputed Bank

in Portugal, according to the latest survey of the independent consulting firm OnStrategy.

Profit

Consolidated **307** M.€

In Portugal **200** M.€
(recurrent net profit)

Commercial activity (ΔYoY)

Loan portfolio **+1.8** Bi.€

Customer Resources **+3.3** Bi.€

Asset quality

NPE **1.6** %

Coverage **149** %

Capitalisation

CET1 ratio **14.2** %

Total ratio **17.4** %

CONSOLIDATED NET PROFIT OF 307 M.€ IN 2021

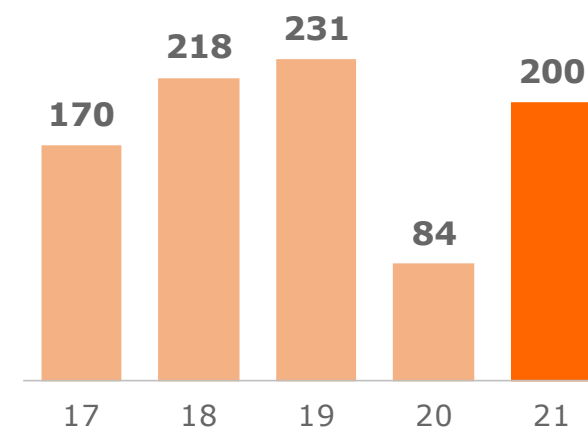
Recurrent net profit in Portugal of **200 M.€**

In M.€	Dec 20	Dec 21
Activity in Portugal		
Recurrent net profit	84	200
Non-recurrent impacts ¹⁾	-18	-22
Net profit in Portugal	66	179
BFA contribution	30	106
BCI contribution	8	23
Consolidated net profit	105	307

Of which	Δ YoY
Commercial Banking Gross Income ⁽²⁾	+53 M.€
Reduction in loan impairments	+104 M.€
Costs	-2 M.€
Income tax and other	-40 M.€

Activity in Portugal

Recurrent net profit (M.€)



Recurrent ROTE

2020	2021
2.7%	6.8%

BFA and BCI contribution

- **BFA contribution of 106 M.€.** It includes 40 M.€ of 2020 ordinary dividend and 50 M.€ of free reserves distribution recorded in the income statement.
- **BCI contribution of 23 M.€**

LOAN PORTFOLIO GREW 7.1%

Loans to Customers by segments

Gross portfolio, in Bi.€	Dec 20	Dec 21	YoY
I. Loans to individuals	13.7	14.9	8.3%
Mortgage loans	12.0	13.1	9.0%
Other loans to individuals	1.7	1.8	3.8%
II. Loans to companies	10.1	10.5	4.5%
III. Public sector	1.9	2.1	12.5%
Total loans	25.7	27.5	7.1%

Note:

Loan portfolio net of impairments	25.2	27.0	7.1%
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Total loan portfolio grew **1.8 Bi.€**

- > **Mortgage loans** increased **9.0%** (+1.1 Bi.€)
- > **Loans to companies** increased **4.5%** (+0.5 Bi.€)

Market share

of total loan portfolio

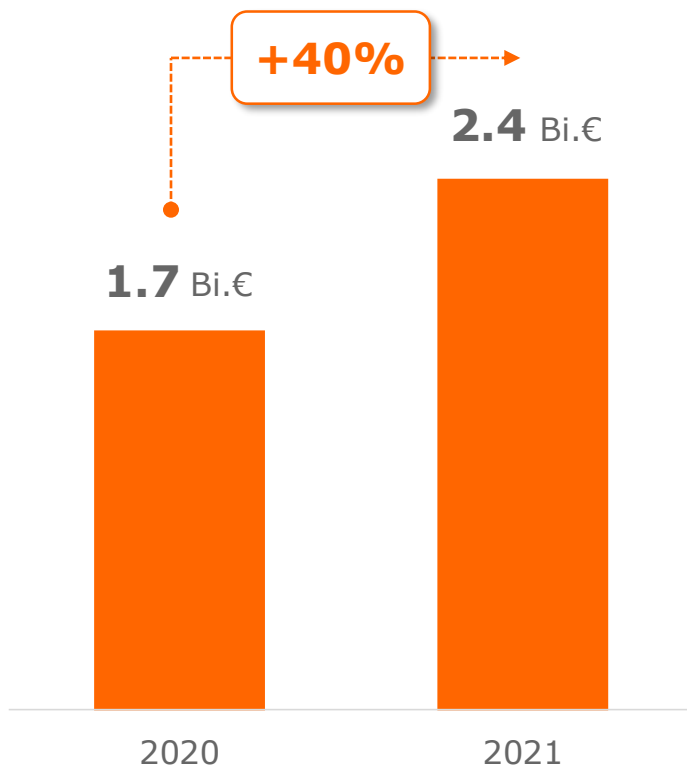
11.1% +0.4 p.p. YoY

(Nov. 2021)

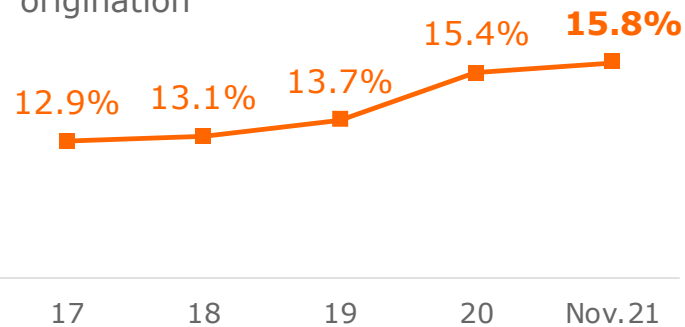
MORTGAGE LENDING ORIGINATION INCREASED 40% YoY

Mortgage loans

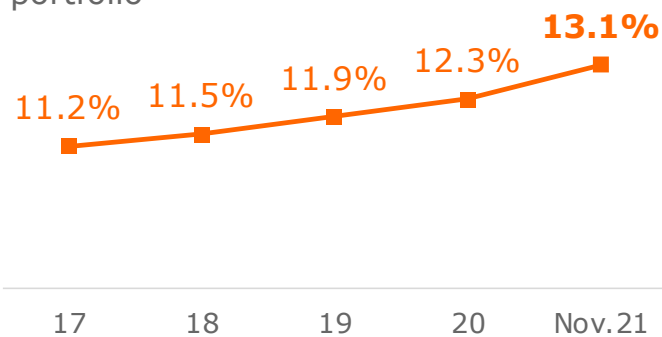
Loan origination (Bi.€)



Market share in origination

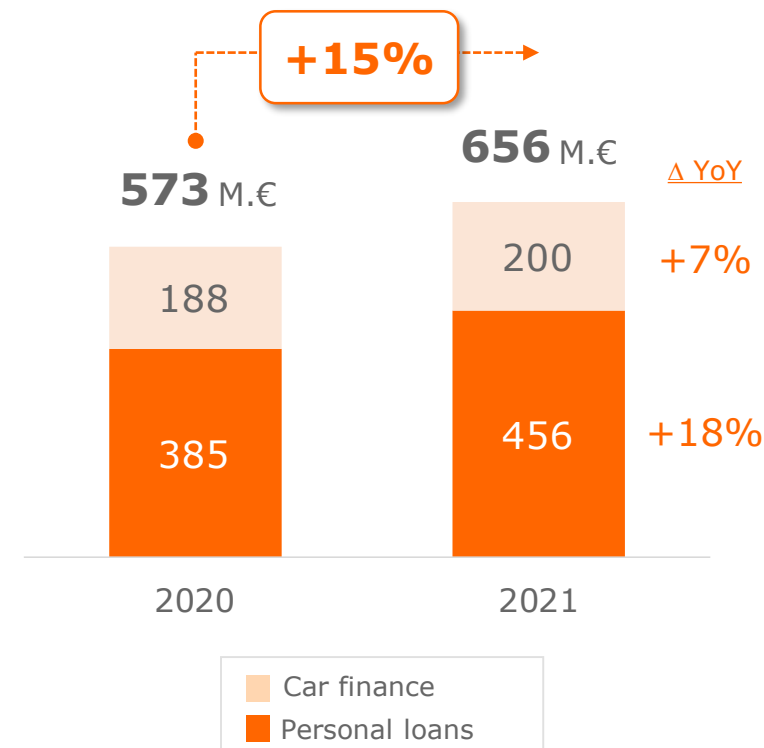


Market share in loan portfolio



Personal loans and Car Finance

Loan origination (M.€)



TOTAL CUSTOMER RESOURCES GREW 9%

Deposits **+11%** YoY and Assets under management **+12.6%** YoY

Customer resources

In Bi.€	Dec 20	Dec 21	YoY
I. Customer deposits	26.0	28.9	11.0%
II. Assets under management	9.6	10.9	12.6%
Mutual funds	5.3	6.3	18.2%
Capitalisation insurance	4.3	4.6	5.9%
III. Public offerings	1.3	0.6	-57%
Total	37.0	40.3	9.0%

Market shares

	Nov 21	Δ YoY
Customer resources¹	11.3%	+0.2 p.p.
Deposits	10.8%	+0.2 p.p.
Mutual funds	10.5%	-0.1 p.p.
Capitalisation insurance	18.2%	+1.2 p.p.
Retirement savings plans	11.8%	+0.4 p.p.

GROSS INCOME INCREASED 7.6%

Commercial banking gross income increased **7.4%**

Gross income in the activity in Portugal

In M.€	Dec 20	Dec 21	Δ%
Net interest income	450	456	1.2%
Dividends and equity accounted income	21	25	19.7%
Net fee and commission income	245	288	17.7%
COMMERCIAL BANKING GROSS INCOME	716	769	7.4%
Other income (net) ¹	(18)	(17)	1.5%
Gross income	698	751	7.6%

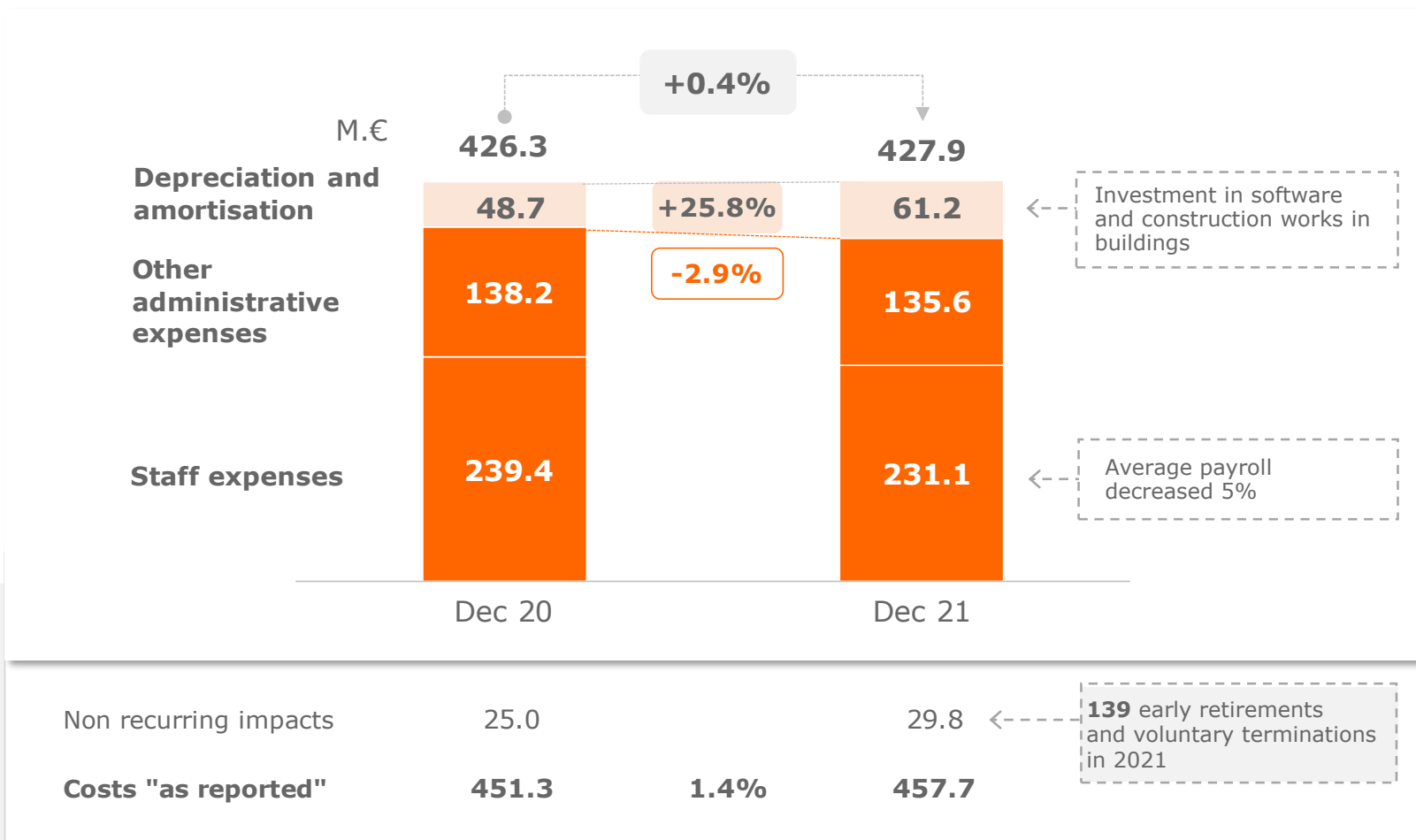
Resilience of net interest income, +1.2%

- ↑ Growth in loan volume
- ↑ ALCO management
- ↓ Intermediation margin narrowed

Net fee and commission income grew 18%

- ↑ Mutual funds and capitalisation insurance (+29%)
- ↑ Loans (+27%)
- ↑ Accounts and related services (+21%)
- ↑ Insurance intermediation (+5%)

STABLE OPERATING EXPENSES

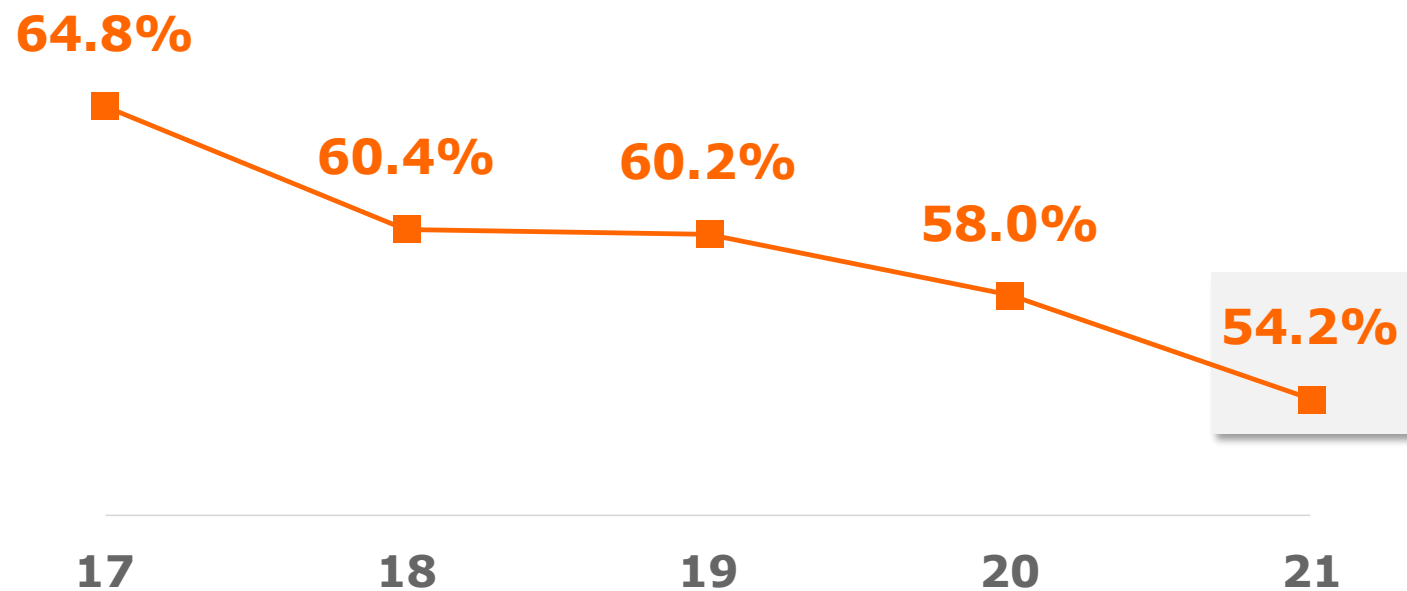


	Dec 21	Δ YoY
Staff	4 478	-144
Distribution network	349	-76
Of which:		
Retail branches	297	-63
Premier Centres	19	-8
Private Banking Centres	3	-
Mobile branch	1	-
Corporate and Institutional Centres	29	-5

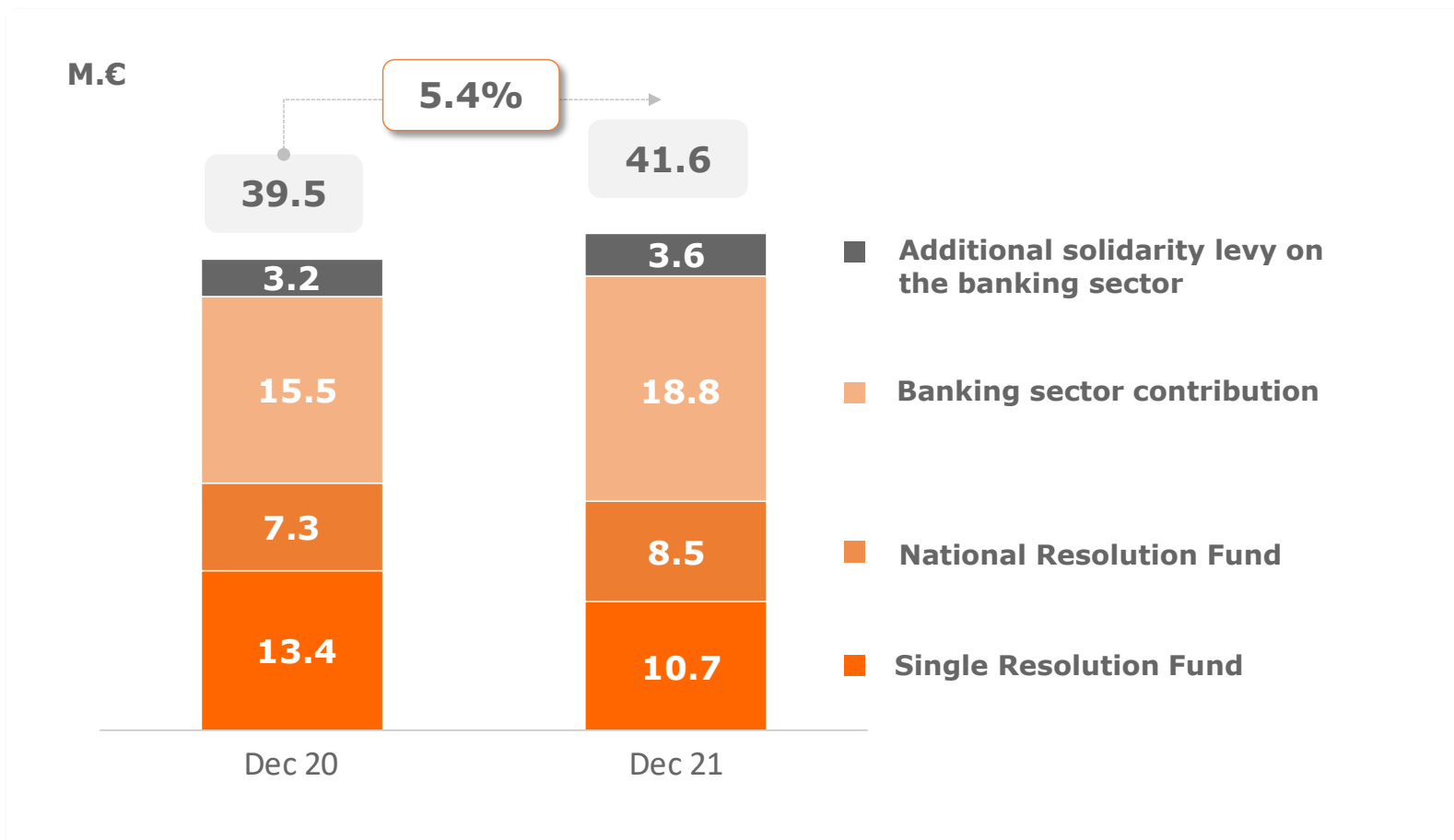
COST-TO-CORE INCOME IMPROVED TO 54.2%

Cost-to-core income

(Recurrent operating expenses as % of commercial banking gross income)



REGULATORY COSTS OF 41.6 M.€ IN 2021



COST OF CREDIT RISK OF 0.17%

- Impairments: **79 M.€** (vs. 164 M.€ in 2020)

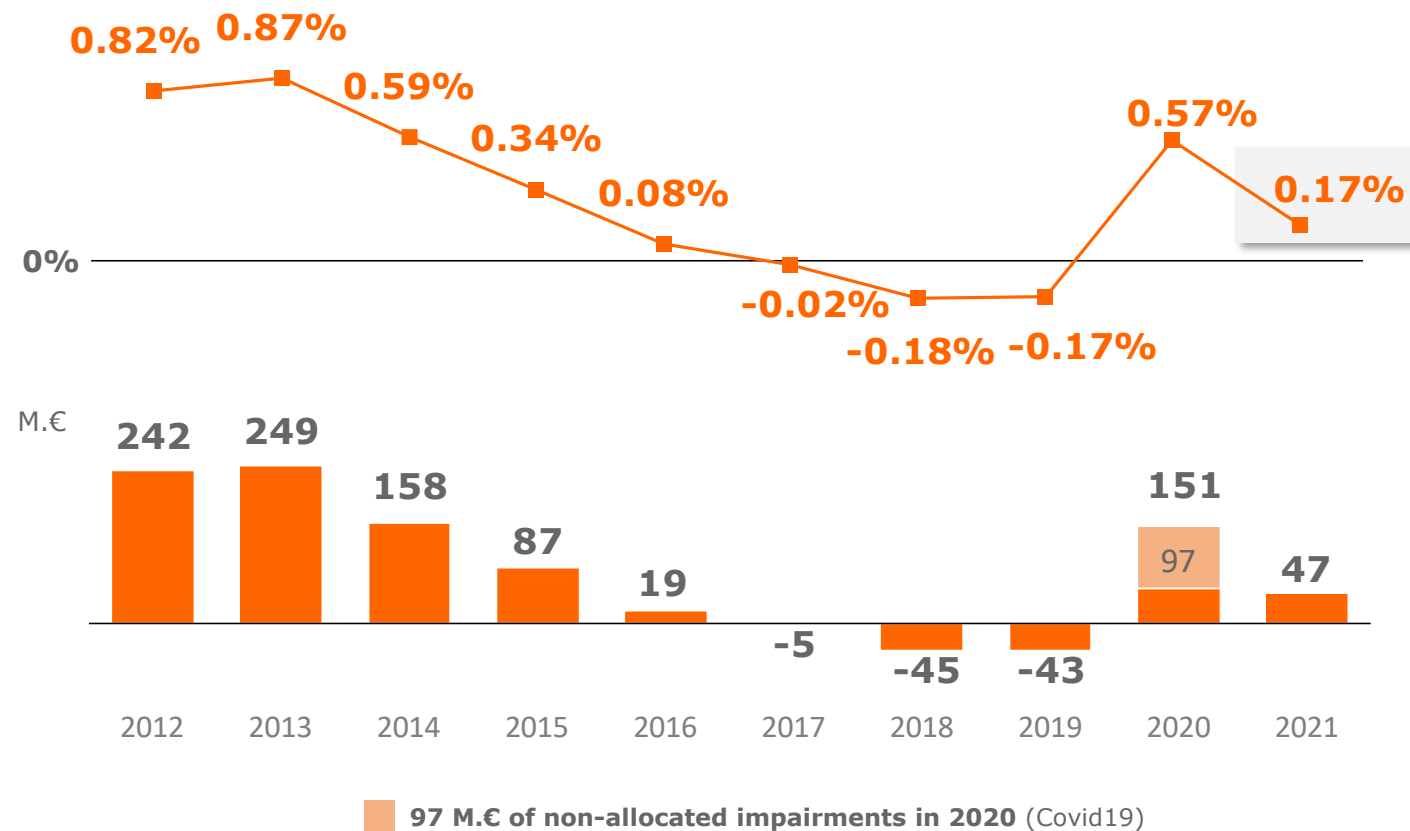
+ Credit recoveries: **32 M.€** (vs. 12 M.€ in 2020)

- Includes a **23 M.€** gain (pre-tax)¹⁾ on the sale in Jan.21 of 30 M.€ of non-performing loans and 266 M.€ of written off loans

On-balance sheet **non-allocated** impairments: **72 M.€** in Dec.21

Loan impairments net of recoveries

— as % of gross loans and guarantees

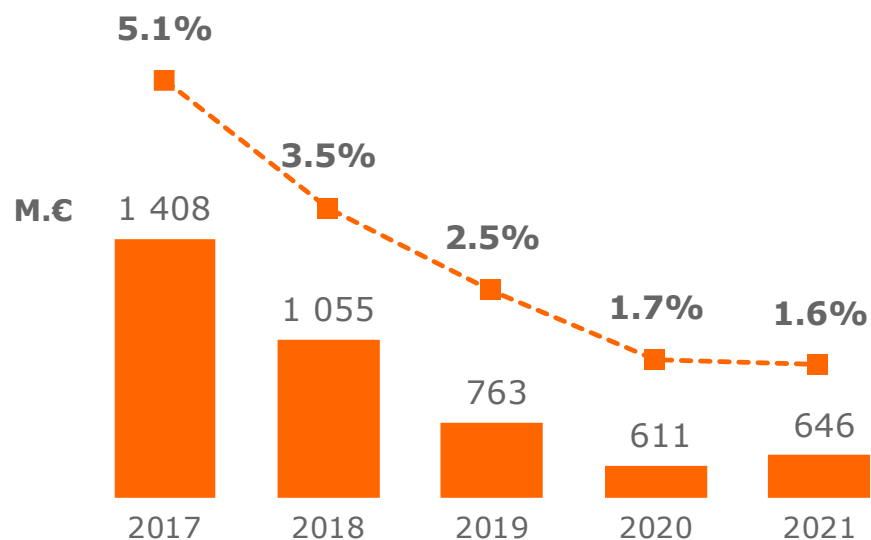


1) In addition, a 2.3 M.€ gain (impairments reversals) was recorded in December 2020, thus making a total gain of 25.7 M.€ from the sale of those loans.

BPI MAINTAINS LOW RISK PROFILE AND INCREASES COVERAGE

Non-Performing Exposures – NPE

(EBA criteria)



Coverage:

by impairments	43%	53%	54%	83%	84%
by impairments and collaterals	117%	127%	124%	140%	149%

Dec.21

NPL ratio

(EBA criteria)

2.0%

Non-Performing Loans (NPL)

634 M.€

NPL coverage

by impairments and collaterals

150%

Foreclosed properties

(net book value)

4 M.€

Corporate restructuring and recovery funds

(book value)

37 M.€

103% PENSION COVERAGE

Employee pension liabilities

M.€	Dec 20	Dec 21
Total past service liability	1 907	1 887
Pension funds net assets	1 873 ⁽¹⁾	1 944
Level of coverage of pension liabilities	98%	103%
Pension fund return	2.7%	7.2%
Discount rate	1.01%	1.26%
Mortality tables	<i>Men:</i> TV 88/90	TV 88/90 - 1 year
	<i>Women:</i> TV 88/90 - 3 years	TV99/01 - 2 years



Actuarial deviations (M.€) 2021

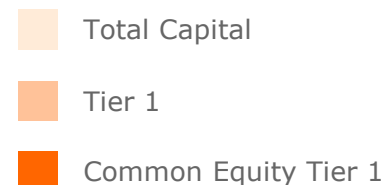
+ Income from investment portfolio	104
+ Change in the discount rate	82
- Change in mortality tables	-51
- Change in the national minimum wage and other	-31

Actuarial deviations 105

BPI MAINTAINS HIGH CAPITALISATION

Consolidated capital ratios

(phased-in)



MDA Buffer

(Maximum Distributable Amount)

Leverage ratio

MREL Ratios

MREL as % of RWA

19.8%

23.7%

MREL as % of LRE

9.3%

10.3%

Capital requirements (SREP)

in 2021

Total Capital 12.875%

T1 10.375%

CET1 8.50%

Leverage 3.0%

MREL requirement ¹⁾

≥ 1 Jan.2022

≥ 1 Jan.2024

19.05% ²⁾

23.95% ²⁾

5.91%

1) As disclosed to the market on 5 Feb. 2021.

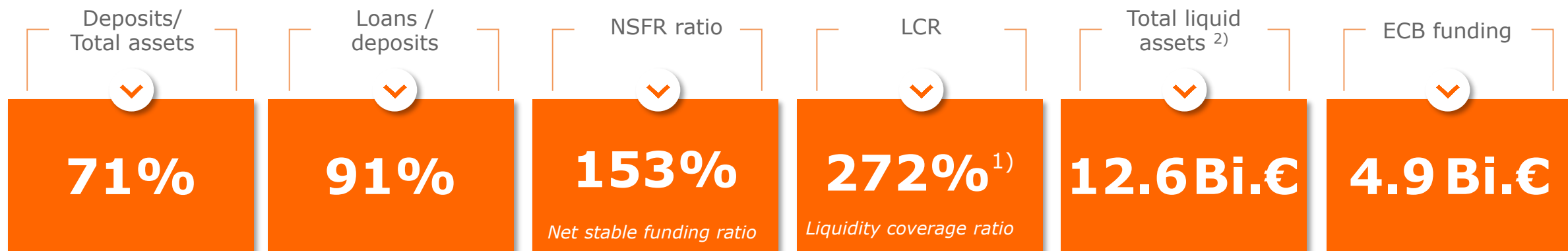
2) Includes combined capital buffer requirement

RWA – Risk Weighted Assets; LRE – Leverage Ratio Exposure.

BALANCED FUNDING AND COMFORTABLE LIQUIDITY

Customer resources are the main source of balance sheet funding

31 December 2021



BPI, A BANK FOR FAMILIES

With proposals and solutions at every step of your life



Simplification of Daily Routines



My Home



Enjoying Life



Looking to the Future



Sleeping Peacefully



NEW PRODUCTS / SERVICES

- ▶ **Mortgage loans:** fixed rate for up to 40 years
- ▶ New **Valor+ and Premier+ accounts**
- ▶ **Immediate Loans** for acquisition of non-financial products
- ▶ Immediate Loans **with Life and Protection insurance**
- ▶ **Insurance:** Launch of security Check-up
- ▶ More information and process simplification in Insurance
- ▶ New **CITIZEN segment** for foreign residents



Customised advisory service covering the 5 Customer experiences

208

Financial Advisors at Branches and Premier Centres

~9.9 Bi.€

business volume

inTouch

(Launched in Jan.20)



Success of new omnichannel service, with remote personal account manager

4 Centres	~2.4 Bi.€
65 Account Managers	business volume
92 thousand Customers	96% acceptance rate

BPI, A BANK FOR COMPANIES

The partner at every step of companies' lives

BPIEmpresas

Solutions adjusted to the needs of each client



Day-to-day management



Companies' economic recovery



Investing in the future



Safety in the business



Use of public aid



NEW PRODUCTS / SERVICES

- ✓ **BPI/RRP Credit Line**
for entities that applied to funds under the Recovery and Resilience Plan (RRP)
- ✓ **BPI/EIF EGF Line**
800 M.€ for Portuguese SMEs, guaranteed by EIF
- ✓ **Visa Mastercard POS**
Simpler, with flexible and dynamic pricing option
- ✓ **Life Business Insurance**
New corporate life insurance from BPI Vida e Pensões



INCREASED PROXIMITY TO THE CLIENTS

In 2021, BPI held **31 events** for Clients, most in digital format

AGRICULTURE, TOURISM AND INTERNATIONAL TRADE

Specialised support to segments



AGRICULTURE



TOURISM



INTERNATIONAL TRADE



Dedicated financial solutions

- **BPI/EIF Agriculture:** Guarantee agreement with the European Investment Fund
- **Support Line to Upgrade the Offer 2021** - Turismo de Portugal
- **Credit risk hedging in partnership with COSEC** (1st mediator, 23% share of global policies)

Partnerships

- **National Agricultural Fair**
- **Ovibeja**
- **Agroglobal**
- **Colóquio do Milho**
- **BTL – Lisbon Tourism Fair.**
- **Tourism Companies Programme 360** from Turismo de Portugal
- **NEST – Centro de Inovação do Turismo** (founding partner)

BPI-CaixaBank Initiatives

- **“Businesses with the World”** (4 editions): meetings between BPI Clients and CaixaBank representatives about several markets.
- **In-Company Sessions** Free-of-charge information sessions held at corporate Clients’ premises.



National Agricultural Awards



National Tourism Awards

Specialist teams

Teams dedicated to finance structuring, offering, risk analysis and business promotion.

BPI FOSTERS BUSINESS INNOVATION AND SUSTAINABILITY

Rewarding and giving visibility to the Portuguese companies



**National
Tourism Awards**

**3rd
edition**

439 applications
(prizes not yet
awarded)



**National
Agricultural Award**

**10th
edition**

+1 300 applications
(prizes not yet
awarded)



**PRÉMIOS
EMPREENDEDOR
XXI**

**5th
edition**

763 applications,
99 in Portugal
(prizes not yet
awarded)



**BPI Woman
Entrepreneur
Awards**

**4th
edition**

2021 Winner:
Sandra Santos,
CEO of BA Glass



**17th
edition**

154 applications
2021 Winner:
ebankIT

inovadora

COTEC Innovator Status

**1st
edition**

+1 000 applications
(18.5% through BPI)
572 companies
awarded

DIGITAL BANKING INCREASINGLY RELEVANT AT BPI

More Clients, more sales with digital contribution, and prominent position



More Digital Clients

+75 th

BPI App active users (ΔYoY)

80%

Digital individual clients actively use the BPI App

(31 Dec. 2021)



More Digitally-supported Sales

71%

of sales are digitally initiated ¹⁾

+7 p.p.

(ΔYoY)

(2021)



Adhesion to and Satisfaction with the digital channels

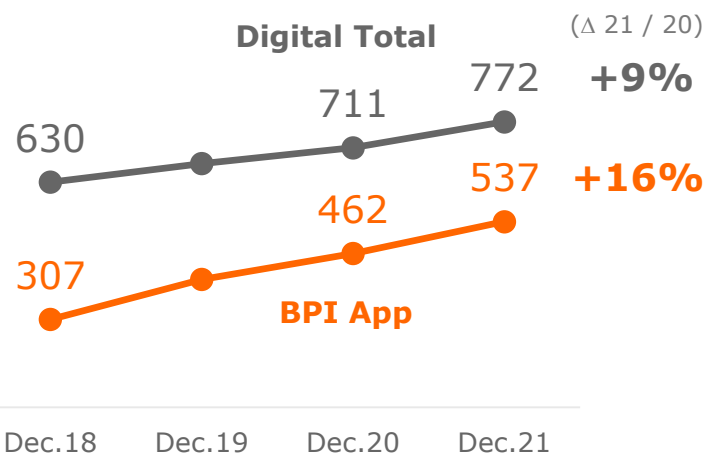
Digital channels penetration

#2 "Net+Mobile" - Individual Clients ²⁾

#2 "Homebanking" - Companies ³⁾

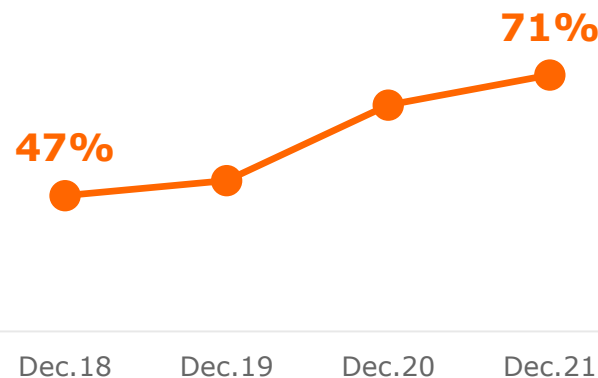
Digital Banking regular users

No. (thousand)



Digital Sales

% of no. of digital sales (individual Clients)



Satisfaction with the digital channels

#2 Global Satisfaction - Individual Clients ²⁾



1) Digitally initiated contracting of Term Deposits and Savings, Mutual Funds and Retirement Saving Plans, Personal loans, Prestige Products, Credit and Prepaid Cards and Cash Advance on Credit Cards

2) BASEF Banks - November 2021 (main banks)

3) Inmark 2021

INNOVATION IN THE DIGITAL CHANNELS

Enhanced Experience of Individual Clients

(new in 2021)

Simplification of Daily Routines

- **Self-confirmation of personal data** made easier
- **Digital Mobile Key** now used to **open an account and update personal details**
- **Easier access to MB WAY Payments**
- Simplification of **contracting, cancellation and replacement of Debit Cards** through the Digital Channels



My Home

- **Mortgage Loan Simulator** for residents and non-resident emigrants
- Start of **Mortgage Loan contracting**, with **online decision**



Enjoying Life

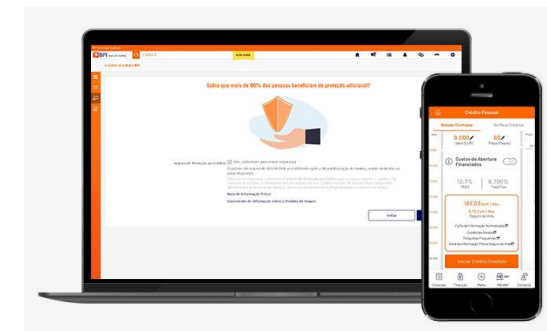
- Acquisition of **Prestige Products** through **Instant Loans**

Looking to the Future

- Launch of **BPI Broker** on BPI Net

Sleeping Peacefully

- **Protection Insurance** in Immediate Loans
- **Occupational Hazards and Civil Liability insurance**
- **Life Insurance** linked to Mortgage and Personal Loans
- **Security Check-up** to assess the Client's level of protection



INNOVATION IN THE DIGITAL CHANNELS

Relevant transformative initiatives of Corporate and Small business clients' experience

Larger offer

- **Credit Cards** offer and **Prestige Products catalogue** available on BPI Net Empresas
- **Closing data inquiries on the new POS** (acquiring Visa/MasterCard) at BPI Net Empresas
- **Instant Loans for companies**, 100% digital at BPI Net Empresas:
 - ❑ Simulation and contracting on BPI Net Empresas, with automated decision
 - ❑ Funds made available on the spot

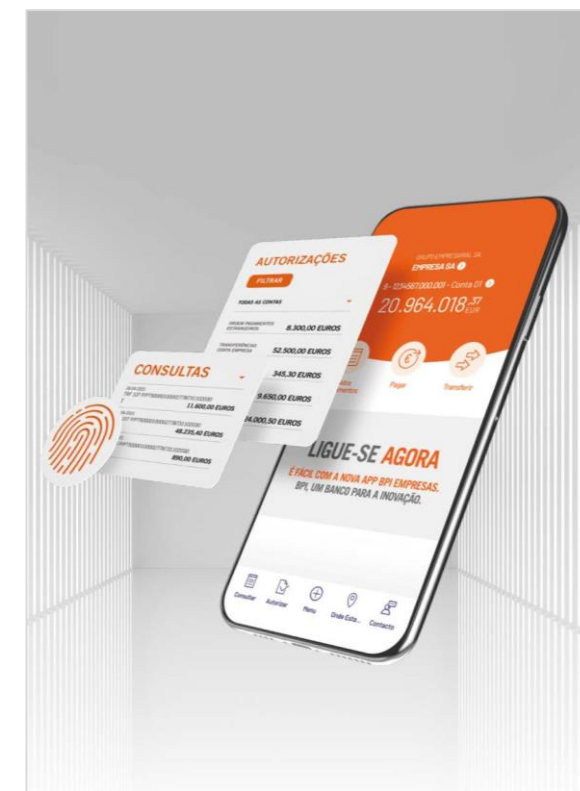


Better experience

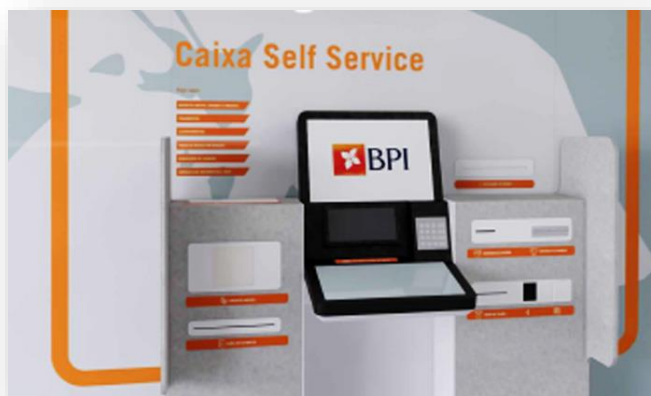
- **Simplification of Customer contact** with the Commercial Networks, to contract more services through the Contact with Account Manager
- Extension of **BPI Drive** solution to new commercial partners
- New **App BPI Empresas**:
 - ❑ Improved design and simpler browsing
 - ❑ Biometric authentication and new functionalities



(new in 2021)



FOCUS ON THE CUSTOMER EXPERIENCE: A CLOSER, SIMPLER AND FASTER BANK



Automation



97% of Branches with cash deposit machines

+ 87% of operations through the Automated Areas

+ Functionalities



Mobility and Digitisation



85% of Processes with digital signature

+ Sale support tools

+ Sale and remote service solutions



Simplification of the Offer



Simplification of Processes



COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

Commitment to People

- ◇ **Employee health and wellbeing**
"More movement, more health" programme
- ◇ **Balance between professional, personal and family life**
Conect@r to improve balance.
MásFamilia conciliation (efr).
- ◇ **Diversity and Inclusion**
"Unconscious Bias" training.
"Gender Diversity" Guide.
- ◇ **Attracting and retaining talent**
University events.
Best reputation as an employer in the banking sector (OnStrategy).
- ◇ **Human capital development**
Specific training and self-learning.
BPI Talks (digital format).

Commitment to Society


Commitment to the Environment

- ◇ **BPI Volunteer Service Programme**
Launched in March.

1st Volunteering Week
From 18 to 24 October - up to half working day per Employee.


+120
initiatives


1 300
volunteer
workers


+ 10 thousand
direct
beneficiaries


5 500
hours of
voluntary
service



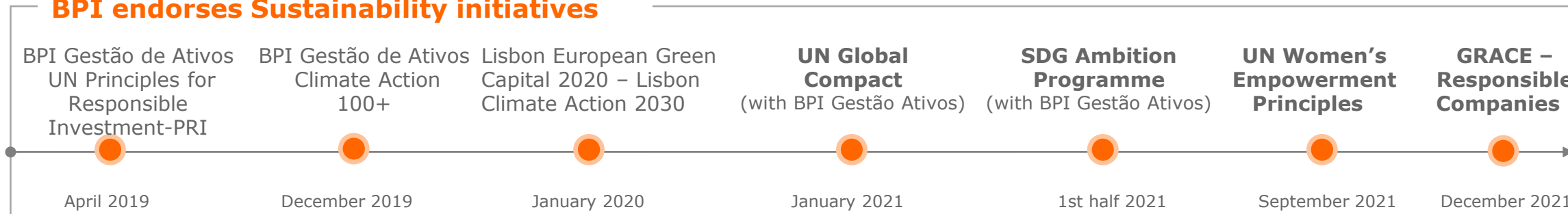
COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

Commitment to People

Commitment to Society

Commitment to the Environment

BPI endorses Sustainability initiatives



30 M.€ in 2021

“la Caixa” Foundation initiative with the collaboration of BPI



> Social Programmes



> Culture and Science



> Education and Scholarships



> Research and Health



COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

Commitment to People

Commitment to Society

Commitment to the Environment



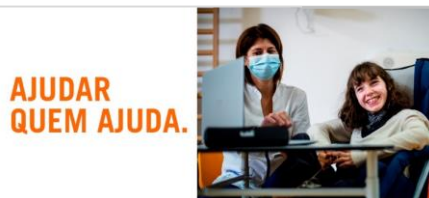
2.5 M.€
raised

#TODOSJUNTOS

BPI and "la Caixa" Foundation, nine other banks and more than 30 companies joined forces, for the first time, to support **people in situations of social vulnerability** due to the crisis provoked by COVID-19.

A total of 2.5 million euros was raised for the **purchase of basic foodstuffs**, and of this total, 20% was earmarked for the **acquisition of urgent medicines**.

The amount raised was distributed by the **Food Emergency Network**.



4 M.€
in 2021

5 BPI "la Caixa" Foundation Awards

To improve the **quality of life of people in social vulnerability**.

Since 2010:

- **781** projects supported
- **23 M.€** in aid
- **+ 175 thousand** Portuguese supported

Portugal Social Innovation: in 2021, 9 applications raised +220 th.€ from social investors, to apply to +660 th.€ in non-repayable grants.



1.2 M.€
in 2021

Decentralised Social Initiative

Support to **local social projects** through **BPI's Commercial Networks**.

In 2021:

- **188** projects
- **1.2 M.€** invested
- **+ 42 thousand** direct beneficiaries

COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

Commitment to People

Commitment to Society

Commitment to the Environment

Environmental Management System

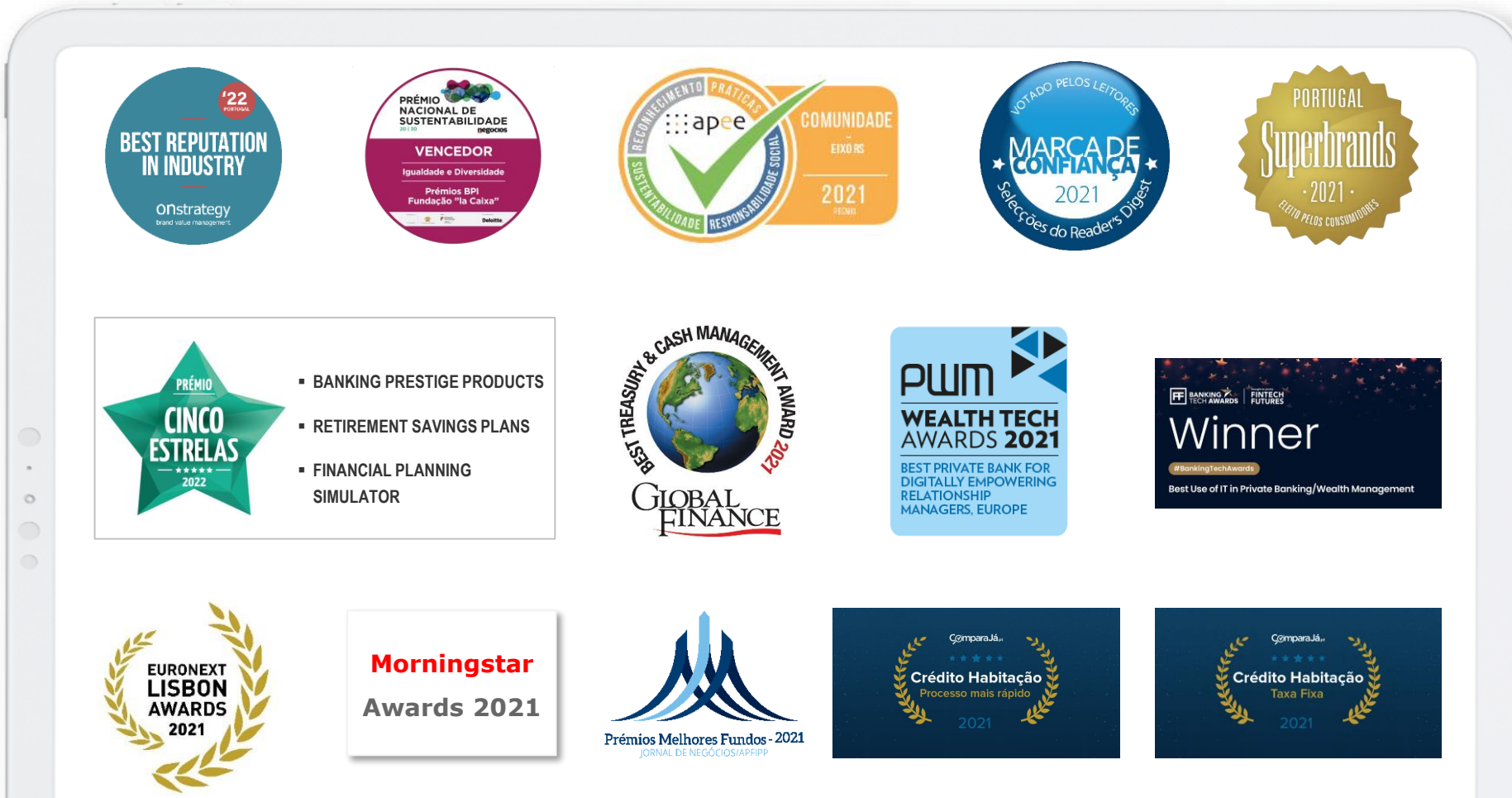
- First **Environmental Management System (EMS) certification** awarded to the banking and support activity of the Avenida Casal Ribeiro building. The certificate proves the EMS compliance with **ISO 14001:2015**.
- **Environmental Information Map** for all the Employees.
- Reduction of **energy and paper consumption**, more efficient use of **water** and drive towards **sustainable mobility**.
- **Energy** consumption **100% green**.
- **Employee awareness** initiatives.
- **Products and services** with environmental criteria (Corporate and Individual Clients).

Main Sustainable Finance operations

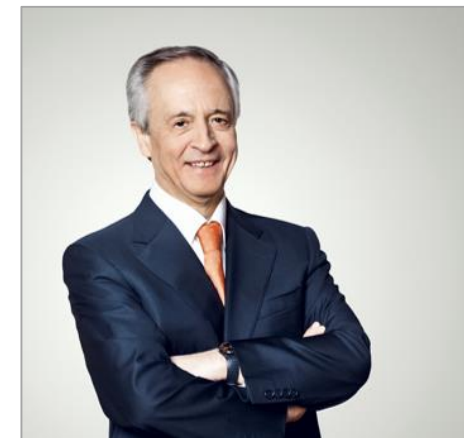
- 112 M.€** **EDP Renováveis:** BPI 47 M.€ and EIB 65 M.€
- 750 M.€** **EDP:** BPI/CaixaBank in syndicate (Joint Bookrunner)
- 75 M.€** **BA Glass:** Organisation, 100% subscribed by BPI
- 30 M.€** **NOS:** Organisation, 100% subscribed by BPI
- 100 M.€** **Navigator:** Co-organiser, 50% subscribed by BPI
- 41 M.€** **Sonae Capital:** Co-organiser, 50% subscribed by BPI



BPI'S QUALITY, INNOVATION AND DEDICATION TO ITS CLIENTS CONTINUE TO BE DISTINGUISHED



Fernando Ulrich
"Personality of the Year"
 for APFIPP - Portuguese Association of Investment Funds, Pensions and Wealth Management



HIGHLIGHTS OF 2021 RESULTS



Strong commercial dynamism, despite the adverse economic environment



High capitalisation, low risk profile and comfortable liquidity position



Gross income growth and efficiency improvement



Commitment to People, Society and the Environment



Digital transformation and innovation on track



BPI was considered the Best Reputed Bank

BPI RESULTS

In 2021



Commercial activity in Portugal

Loan portfolio

+1.8 Bi.€

+7.1% Δ YoY

Customer resources

+3.3 Bi.€

+9.0% Δ YoY

Gross income

+7.6%

Net Interest Income

+1.2%

Fee & commission income

+17.7%

Δ YoY

Digital Banking

Regular users

772 th.

BPI app users

+75 th. Δ YoY

Risk and capitalisation

NPE Ratio (EBA)

1.6%

NPE coverage

149%

(by impairments and collaterals)

Cost of Risk

0.17%

(as % of loans and guarantees)

CET1 **> 14.2%**

T1 **> 15.7%**

Total **> 17.4%**

(Phasing-in)

Profit and profitability

Recurrent net profit in Portugal

200 M.€

Recurrent ROTE in Portugal

6.8%

Cost-to-core income in Portugal

54.2%

Consolidated net profit

307 M.€

ANNEXES

- 01 BPI Ratings**
versus peers
- 02 Income Statements and Balance sheet** in accordance with IAS / IFRS and consolidated indicators
- 03 Reconciliation** between BPI reported figures and BPI Segment contribution to CaixaBank Group
- 04 Alternative Performance Measures**

BPI RATINGS VS. PEERS

On 28th January 2022

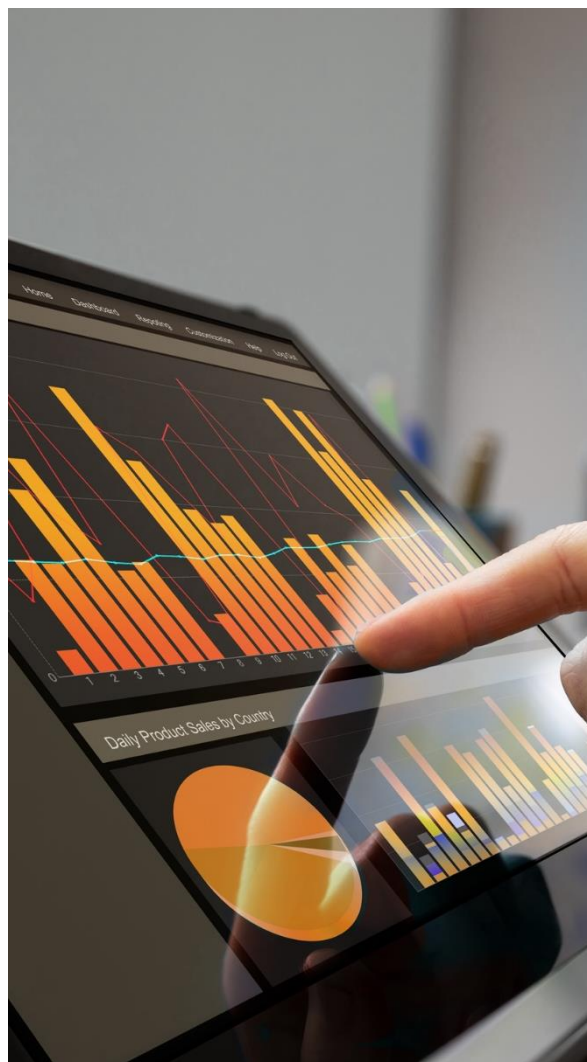
	S&P Global (Long Term Debt/ Issuer Credit Rating)	MOODY'S (Long Term Debt/ Issuer rating)	FitchRatings (Issuer Default Rating)	DBRS (Long-Term Debt/ Issuer Rating)
Investment Grade	...AA+ e AAA	...Aa1, e Aaa	...AA, AA+ e AAA	...AA, AA (high), AAA
	AA	Aa2 BPI Mortgage bonds	AA	AA
	AA-	Aa3	AA-	AA (low) BPI Mortgage bonds
	A+	A1	A+	A (high)
	A	A2	A	A
	A-	A3 BPI Deposits	A-	A (low)
	BBB+	Baa1	BBB+ BPI Deposits Senior debt	BBB (high)
	BBB BPI Bank 1	Baa2 BPI Bank 1 Bank 3	BBB BPI	BBB
	BBB-	Baa3	BBB-	BBB (low)
	Non-Investment grade	BB+	Ba1	BB+
BB		Ba2	BB	BB
BB-		Ba3	BB-	BB (low)
B+		B1	B+	B (high)
B		B2	B	B
B-		B3	B-	B (low)
CCC+		Caa1	CCC+	CCC (high)
CCC		Caa2	CCC	CCC

S&P (20 Jan.22) reaffirmed **BPI** and its **long term senior debt rating of BBB**, with Stable outlook.

Moody's (21 Sep.21) **upgraded the rating on BPI long term deposits to A3** and maintained the **rating on BPI and its LT senior debt at Baa2**. The outlook on ratings is Stable.

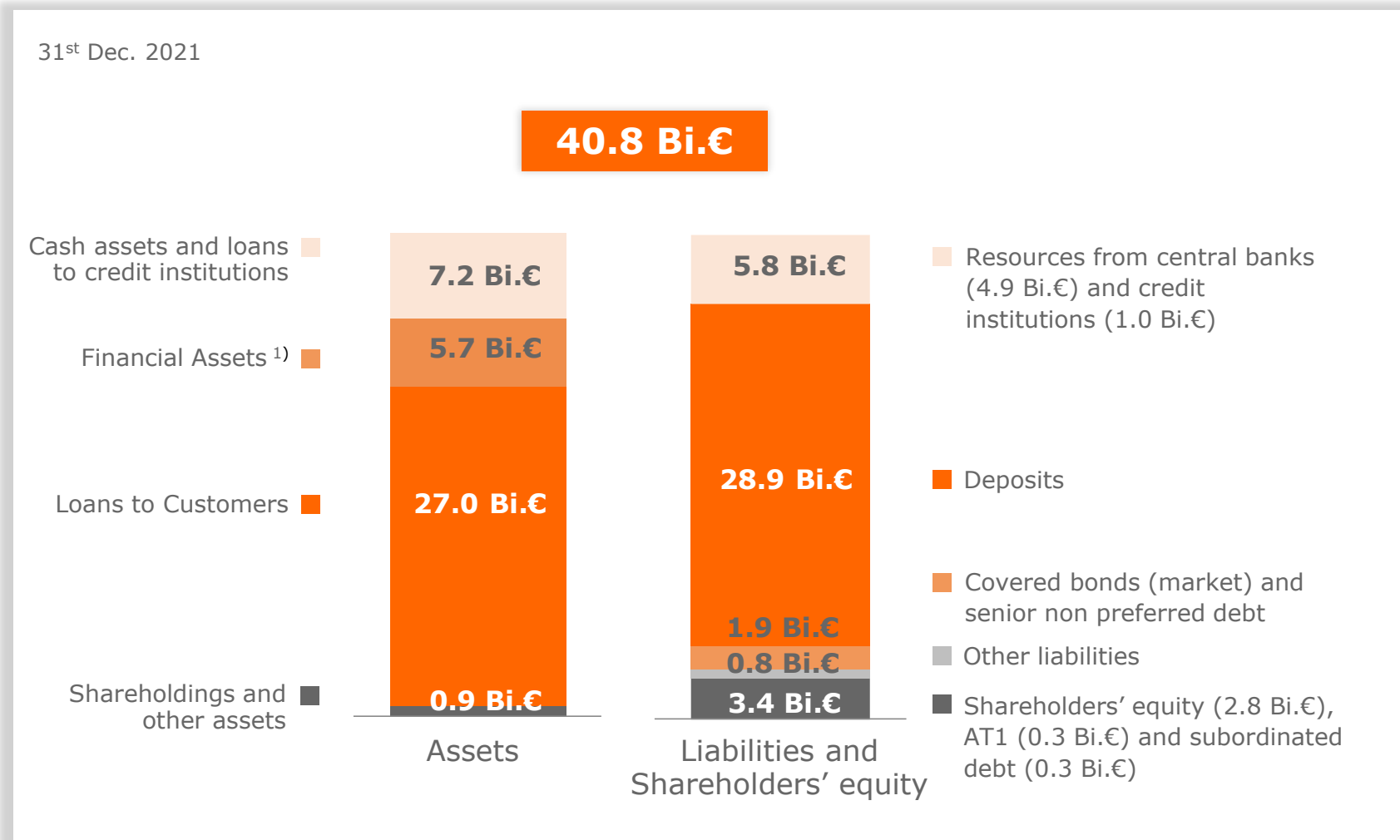
Fitch (7 Oct.21) reaffirmed **BPI rating of BBB**, with Stable outlook. and the ratings on its **senior debt and deposits (BBB+)**.

INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL



In M.€	Dec 20	Dec 21	Δ%
Net interest income	450.1	455.6	1.2%
Dividend income	2.4	1.9	-19.3%
Equity accounted income	18.5	23.1	24.6%
Net fee and commission income	244.9	288.2	17.7%
Gains/(losses) on financial assets and liabilities and other	-2.9	10.0	-
Other operating income and expenses	-14.7	-27.4	-86.1%
Gross income	698.3	751.3	7.6%
Recurrent staff expenses	-239.4	-231.1	-3.5%
Other administrative expenses	-138.2	-135.6	-1.9%
Depreciation and amortisation	-48.7	-61.2	25.8%
Recurring operating expenses	-426.3	-427.9	0.4%
Non-recurrent costs	-25.0	-29.8	19.5%
Operating expenses	-451.3	-457.7	1.4%
Net operating income	247.0	293.6	18.9%
Impairment losses and other provisions	-159.2	-50.9	-68.0%
Gains and losses in other assets	0.3	-0.6	-
Net income before income tax	88.1	242.2	175.0%
Income tax	-21.9	-63.6	-
Net income	66.2	178.6	169.9%

BALANCE SHEET OF THE ACTIVITY IN PORTUGAL



1) Includes medium and long-term sovereign debt of 4.9 Bi.€ (Portugal 49%; Spain 28%, Italy 15% and USA 9%), with an average residual maturity of 4.2 years.

LOAN PORTFOLIO AND CUSTOMER RESOURCES

Loan portfolio

Gross portfolio, in M.€	Dec 20	Dec 21	YoY
I. Loans to individuals	13 745	14 892	8.3%
Mortgage loans	12 008	13 089	9.0%
Other loans to individuals	1 737	1 803	3.8%
II. Loans to companies	10 072	10 523	4.5%
III. Public sector	1 879	2 115	12.5%
Total loans	25 695	27 529	7.1%
Note:			
Loan portfolio net of impairments	25 208	27 008	7.1%

Customer resources

In M.€	Dec 20	Dec 21	YoY
I. Customer deposits	26 009	28 872	11.0%
II. Assets under management	9 644	10 861	12.6%
Mutual funds	5 309	6 273	18.2%
Capitalisation insurance	4 334	4 588	5.9%
III. Public offerings	1 336	572	-57.2%
Total	36 989	40 305	9.0%

CONSOLIDATED INCOME STATEMENT



In M.€	Dec 20	Dec 21
Net interest income	450.1	460.5
Dividend income	42.6	99.8
Equity accounted income	27.7	47.8
Net fee and commission income	244.9	288.2
Gains/(losses) on financial assets and liabilities and other	-12.3	26.5
Other operating income and expenses	-18.0	-35.3
Gross income	735.1	887.5
Staff expenses	-264.4	-260.9
<i>Of which: Recurrent staff expenses</i>	-239.4	-231.1
<i>Non-recurrent costs</i>	-25.0	-29.8
Other administrative expenses	-138.2	-135.6
Depreciation and amortisation	-48.7	-61.2
Operating expenses	-451.3	-457.7
Net operating income	283.8	429.8
Impairment losses and other provisions	-159.2	-50.9
Gains and losses in other assets	0.3	-0.6
Net income before income tax	124.9	378.4
Income tax	-20.1	-71.6
Net income	104.8	306.8
EARNINGS PER SHARE	Dec 20	Dec 21
Earnings per share (€)	0.06	0.20
Average weighted nr. of shares (in millions)	1 456.9	1 456.9

CONSOLIDATED BALANCE SHEET



In M.€	Dec 20	Dec 21
ASSETS		
Cash and cash balances at central banks and other demand deposits	4 535.2	6 245.8
Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income	2 258.5	1 884.1
Financial assets at amortised cost	30 004.0	32 137.8
Of which: Loans to Customers	25 207.8	27 007.7
Investments in joint ventures and associates	238.2	273.9
Tangible assets	152.9	209.2
Intangible assets	87.0	98.4
Tax assets	271.0	200.9
Non-current assets and disposal groups classified as held for sale	7.9	5.1
Other assets	231.0	323.0
Total assets	37 785.6	41 378.3
LIABILITIES		
Financial liabilities held for trading	141.3	103.9
Financial liabilities at amortised cost	33 695.7	37 200.6
Deposits - Central Banks and Credit Institutions	5 504.3	5 826.3
Deposits - Customers	26 008.6	28 872.1
Debt securities issued	1 804.9	2 206.3
Of which: subordinated liabilities	304.3	304.3
Other financial liabilities	378.0	295.9
Provisions	48.7	52.5
Tax liabilities	23.2	20.1
Other liabilities	620.3	333.7
Total Liabilities	34 529.3	37 710.8
Shareholders' equity attributable to the shareholders of BPI	3 256.3	3 667.5
Non controlling interests	0.0	0.0
Total Shareholders' equity	3 256.3	3 667.5
Total liabilities and Shareholders' equity	37 785.6	41 378.3

CONSOLIDATED INDICATORS

Profitability, Efficiency and Liquidity Indicators

(Bank of Portugal Instruction no. 16/2004 with the amendments of Instruction 6/2018)

	Dec 20	Dec 21
Gross income / ATA	2.1%	2.2%
Net income before income tax and income attributable to non-controlling interests / ATA	0.4%	1.0%
Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	3.8%	10.7%
Staff expenses / Gross income ¹⁾	32.6%	26.0%
Operating expenses / Gross income ¹⁾	58.0%	48.2%
Loans (net) to deposits ratio	97%	94%

NPE ratio and forbore (according to the EBA criteria)

	Dec 20	Dec 21
Non-performing exposures - NPE (M.€)	611	646
NPE ratio	1.7%	1.6%
NPE coverage by impairments	83%	84%
NPE coverage by impairments and collaterals	140%	149%
Ratio of forbore not included in NPE ²⁾	0.5%	0.4%

"Crédito duvidoso" (non-performing loans) (according to Bank of Spain criteria)

	Dec 20	Dec 21
"Crédito duvidoso" (M.€) ³⁾	630	683
"Crédito duvidoso" ratio	2.3%	2.3%
"Crédito duvidoso" coverage by impairments	81%	80%
"Crédito duvidoso" coverage by impairments and collaterals	134%	140%



1) Excluding early-retirement costs.

2) Forbore according to EBA criteria and considering the scope of prudential supervision. On Dec.21, the forbore was 422 M.€ (forbore ratio of 1.0%), of which 187 M.€ was performing loans (0.4% of the gross credit exposure) and 235 M.€ was included in NPE (0.5% of the gross credit exposure).

3) Includes guarantees provided (recorded off-balance sheet).

RECONCILIATION BETWEEN BPI REPORTED FIGURES AND BPI SEGMENT CONTRIBUTION TO CAIXABANK GROUP

Profit & loss account

Dec 21 (M.€)	As reported by BPI	Adjustments ¹⁾	BPI contribution to CABK Group	BPI segment	Equity investments and other segment
Net interest income	460	(9)	451	453	(2)
Dividends	100		100	2	98
Equity accounted income	48		48	23	25
Net fees and commissions	288		288	288	
Trading income	27	1	28	11	17
Other operating income & expenses	(35)	3	(32)	(24)	(8)
Gross income	888	(6)	882	753	129
Recurrent operating expenses	(428)	(16)	(444)	(444)	
Extraordinary operating expenses	(30)	29	(1)	(1)	
Pre-impairment income	430	7	437	308	129
[Pre-impairment income without extraordinary expenses]	460	(22)	438	309	129
Impairment losses on financial assets	(47)	7	(40)	(40)	
Other impairments and provisions	(4)	(33)	(37)	(37)	
Gains/losses on disposals & others	(1)	(5)	(6)	(6)	
Pre-tax income	378	(24)	354	225	129
Income tax	(72)	11	(61)	(55)	(6)
Profit for the period	307	(14)	293	170	123
Minority interests & other					
Net income	307	(14)	293	170	123

Loan portfolio & customer resources

December 2021 (M.€)	As reported by BPI	Adjustments	BPI contribution to CABK Group (BPI segment)
Loans and advances to customers, net	27 008	(77)	26 931
Total customer funds	40 305	(4 628)	35 677

> Profit & loss account

The difference between the earnings released by BPI and the earnings attributable to CaixaBank Group is largely a result of consolidation adjustments and the net change in the fair value adjustments generated from the business combination.

Additionally, BPI contribution to CaixaBank Group results is broken down into BPI segment and Investments segment contributions, the latter including the contributions from BFA and BCI.

> Loan portfolio & customer funds

The difference between BPI reported figures and those reported by CaixaBank for the BPI segment can largely be explained by:

- In **loans and advances to customers, net**, by the associated fair value adjustments generated by the business combination at 31st Dec. 2021 and consolidation adjustments (elimination of intra-group balances: BPI credit to CaixaBank Payments);
- In **total customer funds**, by the liabilities under insurance contracts and their fair value adjustments at 31st Dec. 2021, as generated by the business combination, which have been reported in the banking and insurance business segment of CaixaBank following the sale of BPI Vida to VidaCaixa de Seguros y Reaseguros.

1) Consolidation, standardisation and net fair value adjustments in the business combination.

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of the profit & loss account structure

- The European Securities and Markets Authority (ESMA) published on 5th October 2015 a set of **guidelines relating to the disclosure of Alternative Performance Measures** by entities (ESMA/2015/1415). These guidelines are mandatory to issuers with effect from 3rd July 2016.
- In addition to the financial information prepared in accordance with the International Financial Reporting Standards (IFRS), **BPI uses a set of indicators for the analysis of performance and financial position, which are classified as Alternative Performance Measures**, in accordance with the abovementioned ESMA guidelines. The information relating to those indicators has already been the object of disclosure, as required by ESMA guidelines.
- In the current presentation, the information previously disclosed is inserted by way of cross-reference and **a summarized list of the Alternative Performance Measures** is presented next.

The following table shows, for the consolidated profit & loss account, the reconciliation of the structure used in this document (Results' Presentation) with the structure adopted in the financial statements and respective notes of the Report and Accounts.

Adopted acronyms and designations

YtD	>	Year-to-date change
YoY	>	Year-on-year change
QoQ	>	quarter-on-quarter change
ECB	>	European Central Bank
BoP	>	Bank of Portugal
CMVM	>	Securities Market Commission
APM	>	Alternative Performance Measures
MMI	>	Interbank Money Market
T1	>	Tier 1
CET1	>	Common Equity Tier 1
RWA	>	Risk weighted assets
TLTRO	>	Targeted longer-term refinancing operations
LCR	>	Liquidity coverage ratio
NSFR	>	Net stable funding ratio

Units, conventional sings and abbreviations

€, Euros, EUR	>	euros
th.€, th.euros	>	thousand euros
M.€, M.euros	>	million euros
Bn.€, Bi.€	>	billion euros
Δ	>	change
n.a.	>	not available
0, -	>	null or irrelevant
vs.	>	versus
b.p.	>	basis points
p.p.	>	percentage points
E	>	Estimate
F	>	Forecast

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of the consolidated profit & loss account structure

Structure used in the Results' Presentation	Dec 21	Dec 21	Structure presented in the financial statements and respective notes
Net interest income	460.5	460.5	Net interest income
Dividend income	99.8	99.8	Dividend income
Equity accounted income	47.8	47.8	Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method
Net fee and commission income	288.2	308.2	Fee and commission income
		-20.0	Fee and commission expenses
Gains/(losses) on financial assets and liabilities and other	26.5	0.2	Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net
		5.4	Gains or (-) losses on financial assets and liabilities held for trading, net
		-5.2	Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
		-2.1	Gains or (-) losses from hedge accounting, net
		28.2	Exchange differences [gain or (-) loss], net
Other operating income and expenses	-35.3	29.3	Other operating income
		-64.6	Other operating expenses
Gross income	887.5	887.5	GROSS INCOME
Staff expenses	-260.9	-260.9	Staff expenses
Other administrative expenses	-135.6	-135.6	Other administrative expenses
Depreciation and amortisation	-61.2	-61.2	Depreciation
Operating expenses	-457.7	-457.7	Administrative expenses and depreciation
Net operating income	429.8	429.8	
Impairment losses and other provisions	-50.9	-5.3	Provisions or (-) reversal of provisions
		-45.6	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	-0.6	-0.2	Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates
		-0.9	Impairment or (-) reversal of impairment on non-financial assets
		0.0	Gains or (-) losses on derecognition of non financial assets, net
		0.5	Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations
Net income before income tax	378.4	378.4	PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS
Income tax	-71.6	-71.6	Tax expense or income related to profit or loss from continuing operations
Net income from continuing operations	306.8	306.8	PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS
Net income from discontinued operations			Profit or (-) loss after tax from discontinued operations
Income attributable to non-controlling interests			Profit or (-) loss for the period attributable to non-controlling interests
Net income	306.8	306.8	PROFIT OR (-) LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT

ALTERNATIVE PERFORMANCE MEASURES

EARNINGS, EFFICIENCY AND PROFITABILITY INDICATORS

The following earnings, efficiency and profitability indicators are defined by reference to the above structure of the profit and loss account used in this document.

Gross income	Net interest income + Dividend income + Net fee and commission income + Equity accounted income + Gains/(losses) on financial assets and liabilities and other + Other operating income and expenses
Commercial banking gross income	Net interest income + Dividend income + Net fee and commission income + Equity accounted income excluding the contribution of stakes in African banks
Operating expenses	Staff expenses + Other administrative expenses + Depreciation and amortisation
Net operating income	Gross income – Operating expenses
Net income before income tax	Net operating income – Impairment losses and other provisions + Gains and losses in other assets
Cost-to-income ratio (efficiency ratio)¹⁾	Operating expenses / Gross income
Cost-to-core income ratio (core efficiency ratio)¹⁾	Operating expenses, excluding costs with early-retirements and voluntary terminations and (only in 2016) gains with the revision of the Collective Labour Agreement (ACT) – Income from services rendered to CaixaBank Group (recorded under Other operating income and expenses) / Commercial banking gross income
Return on Equity (ROE)¹⁾	Net income for the period, less the interest cost of AT1 capital instruments recorded directly in shareholders' equity / Average value in the period of shareholders' equity attributable to BPI shareholders, excluding AT1 capital instruments
Return on Tangible Equity (ROTE)¹⁾	Net income for the period, less the interest cost of AT1 capital instruments recorded directly in shareholders' equity / Average value in the period of shareholders' equity attributable to BPI shareholders (excl. AT1 capital instruments) after deduction of intangible net assets and goodwill of equity holdings
Return on Assets (ROA)¹⁾	(Net income attributable to BPI shareholders + Income attributable to non-controlling interests - preference shares dividends paid) / Average value in the period of net total assets
Unitary intermediation margin	Loan portfolio average interest rate, excluding loans to employees – Deposits average interest rate

BALANCE SHEET AND FUNDING INDICATORS

On-balance sheet Customer resources²⁾	<p>Deposits + Capitalisation insurance of fully consolidated subsidiaries + Participating units in consolidated mutual funds</p> <ul style="list-style-type: none"> ▪ Deposits = Demand deposits and other + Term and savings deposits + Interest payable + Retail bonds (Fixed rate bonds placed with Customers) ▪ Capitalisation insurance of fully consolidated subsidiaries (BPI Vida e Pensões sold on Dec.17)
Assets under management³⁾	<p>Mutual funds + Capitalisation insurance + Pension plans</p> <ul style="list-style-type: none"> ▪ Mutual funds = Unit trust funds + Real estate investment funds + Retirement-savings and equity-savings plans (PPR and PPA) + Hedge funds + Assets from the funds under BPI Suisse management + Third-party unit trust funds placed with Customers. ▪ Capitalisation insurance⁴⁾ = Third-party capitalisation insurance placed with Customers ▪ Pension plans⁴⁾ = Pension plans under BPI management (includes BPI pension plans)
Subscriptions in public offerings	Customers subscriptions in third parties' public offerings

(1) Ratio referring to the last 12 months, except when indicated otherwise. The ratio can be computed for the cumulative period since the beginning of the year, in annualised terms.

(2) The amount of on-balance sheet Customer resources is not deducted from the applications of off-balance sheet products (mutual funds and pension plans) in on-balance sheet products.

(3) Amounts deducted from participating units in the Group banks' portfolios and from off-balance sheet products investments (mutual funds and pension plans) in other off-balance sheet products.

(4) Following the sale of BPI Vida e Pensões in Dec.17, the capitalisation insurance placed with BPI's Customers are recorded off balance sheet, as "third-party capitalisation insurance placed with customers" and pension funds management is excluded from BPI's consolidation perimeter.

ALTERNATIVE PERFORMANCE MEASURES

BALANCE SHEET AND FUNDING INDICATORS (continuation)

Total Customer resources	On-balance sheet Customer resources + Assets under management + Subscriptions in public offerings
Gross loans to customers	Gross loans and advances to Customers (financial assets at amortised cost), excluding other assets (guarantee accounts and others) and reverse repos + Gross debt securities issued by Customers (financial assets at amortised cost) <i>Note: gross loans = performing loans + loans in arrears + receivable interests</i>
Net loans to Customers	Gross loans to Customers – Impairments for loans to Customers
Loan-to-deposit ratio (CaixaBank criteria)	(Net loans to Customers - Funding obtained from the EIB, which is used to provide credit) / Deposits and retail bonds

ASSET QUALITY INDICATORS

Impairments and provisions for loans and guarantees (income statement)	Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss relative to loans and advances to Customers and to debt securities issued by Customers (financial assets at amortised cost), before deduction of recoveries of loans previously written off from assets, interest and others + Provisions or reversal of provisions for commitments and guarantees
Cost of credit risk	Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other
Cost of credit risk as % of loan portfolio⁽¹⁾	(Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other) / Average value in the period of the gross loans and guarantees portfolio.
Performing loans portfolio	Gross Customer loans - (Overdue loans and interest + Receivable interests and other)
NPE Ratio	Ratio of non-performing exposures (NPE) in accordance with the EBA criteria (prudential perimeter)
Coverage of NPE	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments] / Non-performing exposures (NPE)
Coverage of NPE by impairments and associated collaterals	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments + Collaterals associated to NPE] / Non-performing exposures (NPE)
Non-performing loans ratio (“credito dudoso”, Bank of Spain criteria)	Non performing loans (“credito dudoso”, Bank of Spain criteria) / (Gross Customer loans + guarantees)
Non-performing loans coverage ratio	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments] / Non performing loans (“credito dudoso”, Bank of Spain criteria)
Coverage of non-performing loans by impairments and associated collaterals	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments + Collateral associated to credit] / Non performing loans (“credito dudoso”, Bank of Spain criteria)
Impairments cover of foreclosed properties	Impairments for real estate received in settlement of defaulting loans / Gross value of real estate received in settlement of defaulting loans

(1) Ratio referring to the last 12 months, except when indicated otherwise. The ratio can be computed for the cumulative period since the beginning of the year, in annualised terms.



Grupo  CaixaBank

BANCO BPI, S.A.

Registered office: Avenida da Boavista, 1117, 4100-129 Porto, Portugal

Share capital: € 1 293 063 324.98

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under registration number PTIRNMJ 501 214 534
and tax identification number 501 214 534