

Banco BPI

Mortgage Covered Bond Programme Presentation

September 2024



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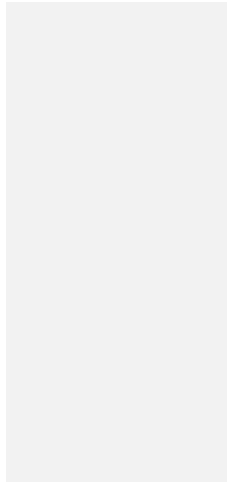
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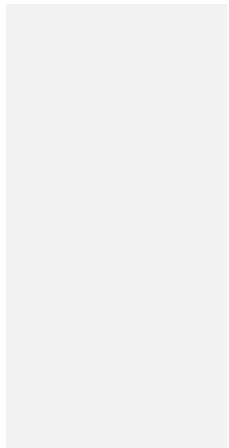
1	BPI at a Glance
2	Financial Highlights / Results
3	Asset Quality
4	Liquidity and Capital
5	Mortgage Covered Bond Programme

Appendices

- a. Macro-economic Data on Portugal
- b. Ratings
- c. Income Statement and Balance Sheet



1 BPI at a Glance



BANCO BPI KEY FINANCIAL DATA

June 2024

Total assets (Banco BPI)	40.5 Bi.€
Customer resources	39.3 Bi.€
Gross loan portfolio	30.3 Bi.€
Loan to deposits ratio ¹⁾	95%
NPE ratio	1.4%
Coverage by impairments and collateral	152%
CET1 ratio ²⁾	13.8%
Tier1 ratio ²⁾	15.2%
Total Capital ratio ²⁾	17.5%
MDA buffer ²⁾	4.6%
Leverage ratio ²⁾	7.1%
MREL ratio (as % of RWA) ²⁾	24.7%

- ✓ **Forth largest bank in Portugal, by business volume** ³⁾
- ✓ **Commercial banking focus**
- ✓ **Fully owned by CaixaBank, representing around 6% of its consolidated assets**
- ✓ **Market shares of 11.6% in loans and 11.2% in total Customer resources** ⁴⁾
- ✓ **Rating of long term debt at investment grade: A- by Fitch, Baa1 by Moody's and BBB+ by S&P**

1) (Net loans to Customers - Funding obtained from the EIB, which is used to provide credit) / Deposits and retail bonds

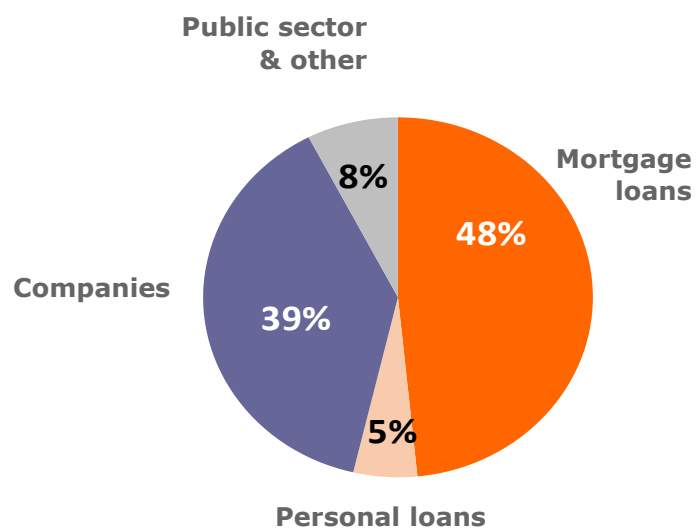
2) Phasing-in.

3) Loans, guarantees and total customer resources

4) Market share in loans as of June 2024 and in Customer resources as of May 2024. Source: BPI, Bank of Portugal, APFIPP, APS, BPI Vida e Pensões.

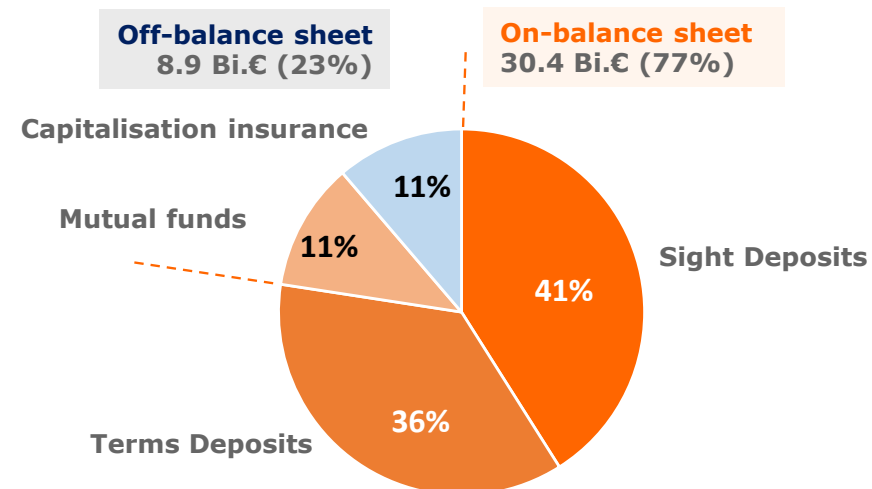
BUSINESS VOLUME BREAKDOWN (as of June 2024)

Gross loan portfolio (30.3 Bi€)



Market shares	June 24
Total loan portfolio	11.6%
Mortgage loans	14.4%

Customer resources (39.3 Bi€)



Market shares	May 24
Customer resources ¹	11.2%
Deposits ²	10.6%
Off-Balance	13.8%

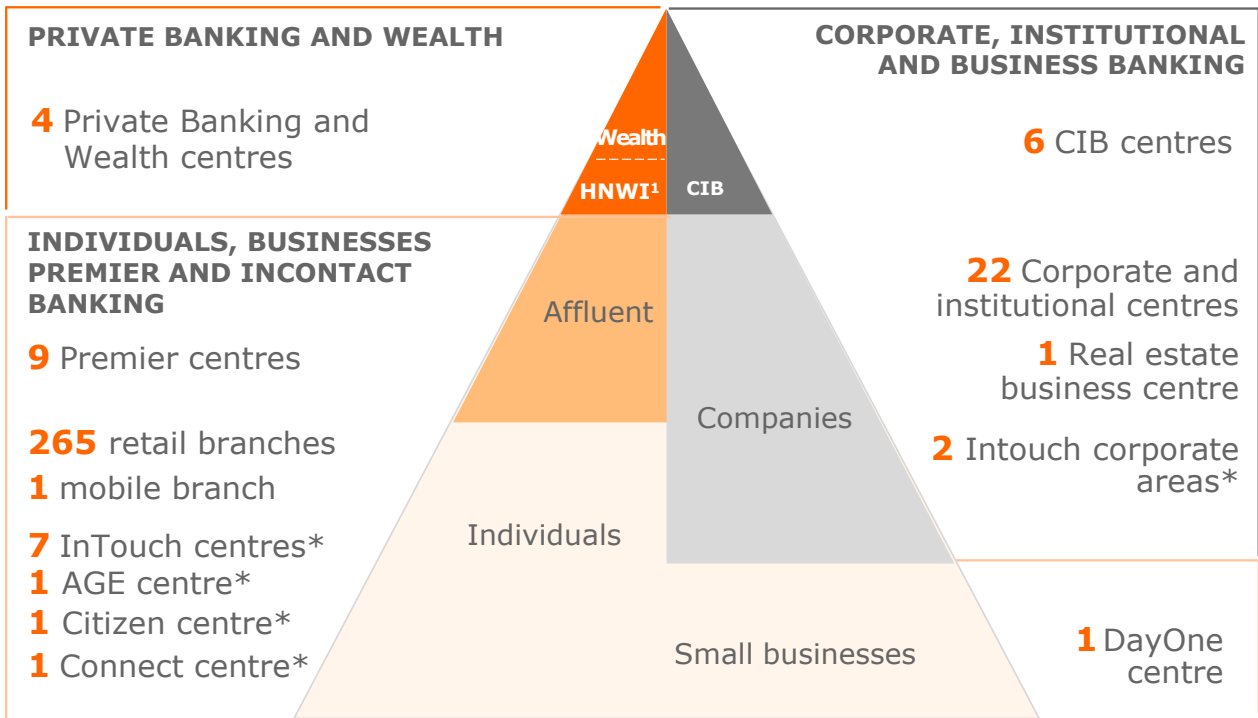
Source: BPI, Bank of Portugal, APFIPP, APS, BPI VP.

- 1) Deposits, mutual funds and capitalisation insurance.
- 2) Market share as of June 2024

DISTRIBUTION NETWORK & CUSTOMER SEGMENTATION

30 June 2024

1.8 Million Customers **308** Commercial units (physical network) **4 255** Employees



Continuous innovation in new channels

1 Branch in metaverse

1st virtual reality informative branch in Portugal



D-VERSE Platform

for buying and selling digital collectibles



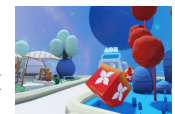
App for Small Businesses

based in Openbanking



Planet AGE Craft Tycoon

1st Bank in Roblox promotes financial education



1) HNWI = High net worth individuals
* Without in-person servicing at the centre.

DIGITAL BANKING GAINS MORE RELEVANCE



Subscription to digital channels

(30 Jun. 2024)

60%

Digital customers (1st active holders, individuals and companies)

90%

Digital individual clients actively use the BPI App



More digital Clients

(30 Jun. 2024)

+52 th.

BPI App active users (Δ yoy)



More digitally-supported sales

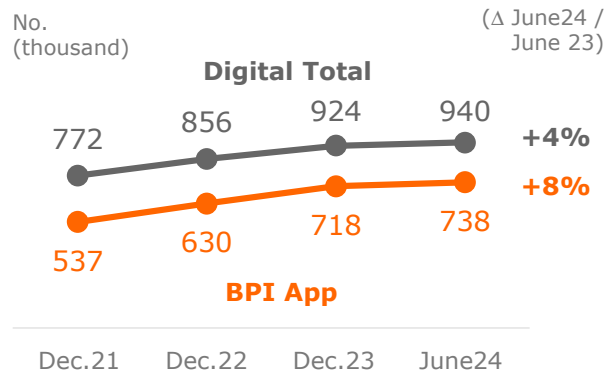
(Jan-Jun 2024)

37%

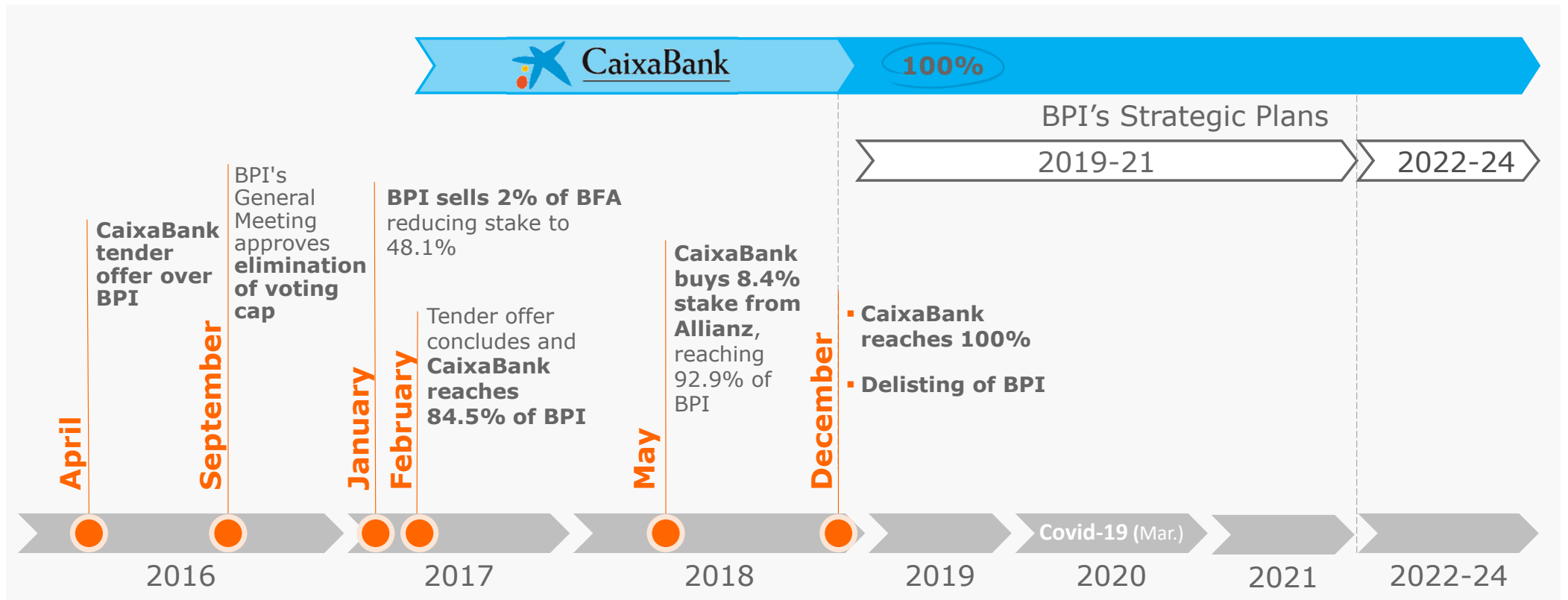
of sales of focus products to individual clients are digitally initiated ¹



> Digital Banking regular users



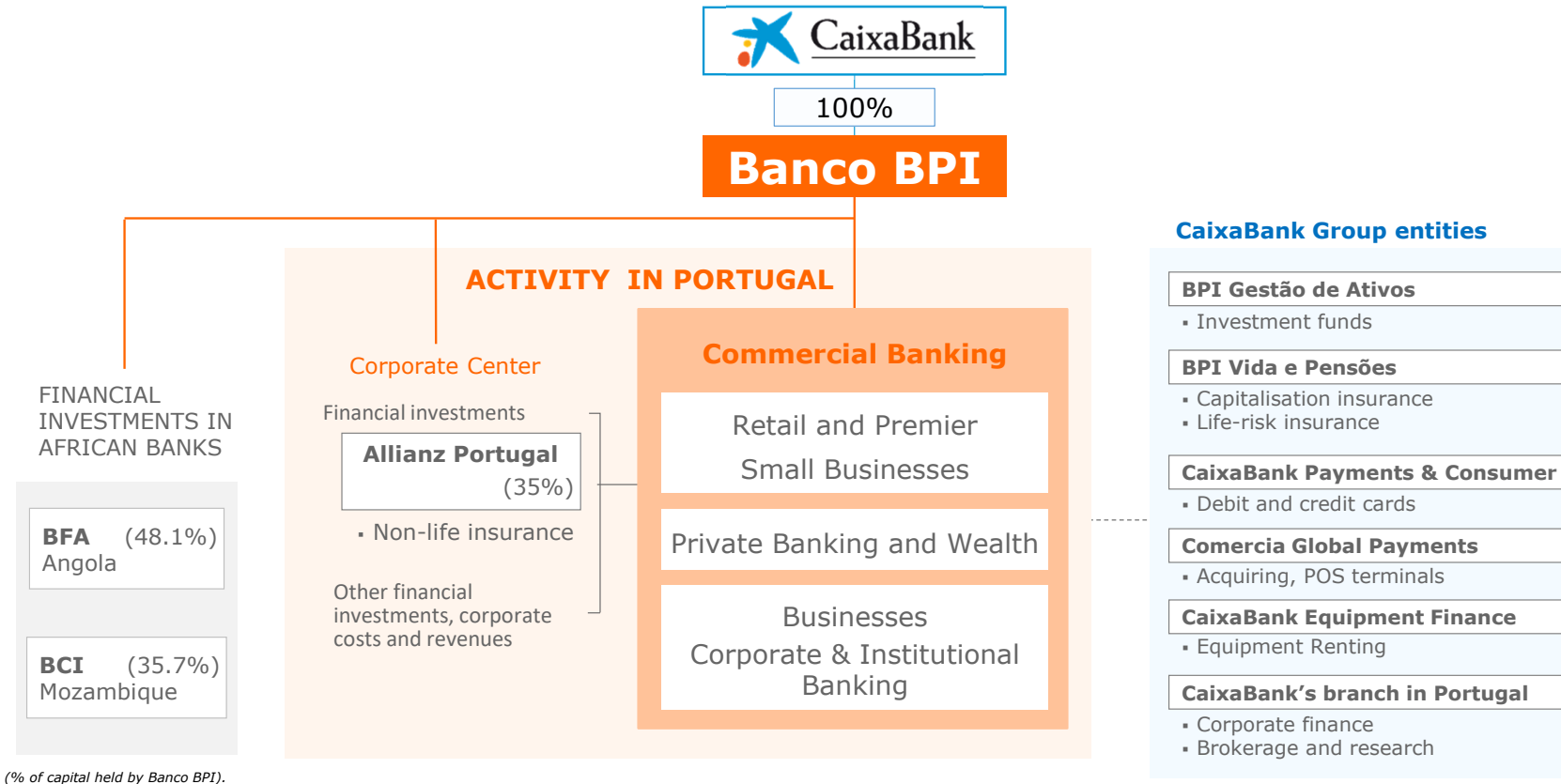
MILESTONES SINCE CAIXABANK'S OFFER IN 2016



FOCUS ON CORE BANKING BUSINESS IN PORTUGAL

BPI's financial and business structure

30 June 2024



STRATEGIC LINES 2022/24

3 Strategic priorities



Client experience leveraged on:



- Skills and talent management
- Employee commitment and involvement
- Advanced analytics and Artificial Intelligence capabilities
- Modernise technological Infrastructure

- Reference in service quality, service model adjusted to the needs of each Customer segment
- Intensify the omnichannel experience and complete the digital transformation of the main Customer Journeys
- Expand the Customer base and grow business
- Explore the potential of ecosystems
- Support the sustainable transition of Companies and Society
- Lead in social impact and promote social inclusion
- Lead in governance best practices

Focus on quality of service, business growth and achievement of ESG objectives

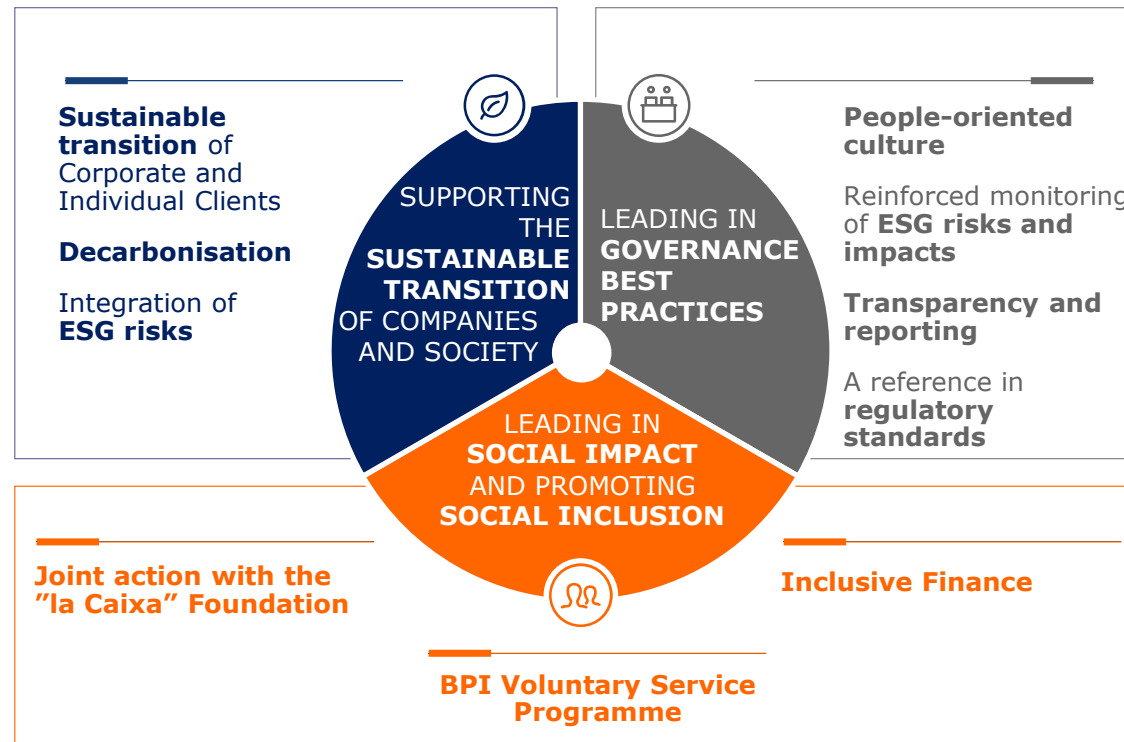
**BPI 2022-24:
To grow more,
to grow better**

SUSTAINABILITY MASTER PLAN

7 priority Sustainable Development Goals



2022-2024 Sustainability Master Plan Three ambitions



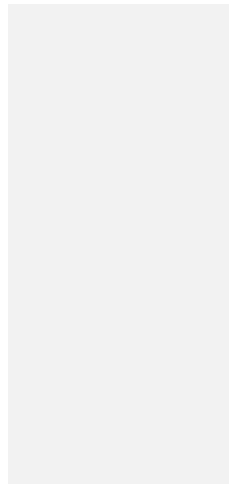
A BANK COMMITTED TO SUSTAINABILITY



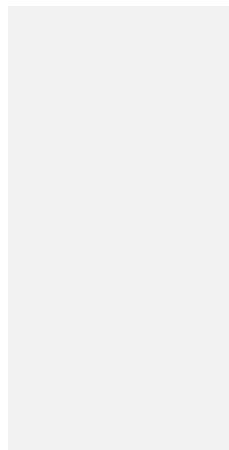
2022-2024 Sustainability Master Plan

			OBJETIVES
 To support the sustainable transition of companies and society	Global	Sustainable business	4 Bn.€ ✓
 To lead in social impact and promote social inclusion	Social	Investment by BPI "la Caixa" Foundation Beneficiaries	120 M.€ 200 th. ✓
 To lead in Governance best practices	Governance	Women in management positions	43% ✓





2 Financial Highlights / Results



1st HALF 2024 RESULTS

Commercial activity in Portugal	Loans Δ YoY +0.5 Bn.€ +2%	Deposits Δ YoY +1.8 Bn.€ +6% Total customer resources +1.9 Bn.€ +5%	Gross income Δ YoY +18% Net interest income +13%
Risk and capitalisation	NPE ratio 1.4% (EBA criteria) Coverage 152% (by impairments and collaterals)	Cost of Risk 0.06% (as % of loans and guarantees; last 12 months)	CET1 13.8% T1 15.2% Total 17.5% (Phasing-in)
Profit and profitability	Net profit Δ YoY 327 M.€ +28%	Cost-to-income in Portugal 37% (last 12 months)	Recurrent ROTE in Portugal 19.0% (last 12 months)

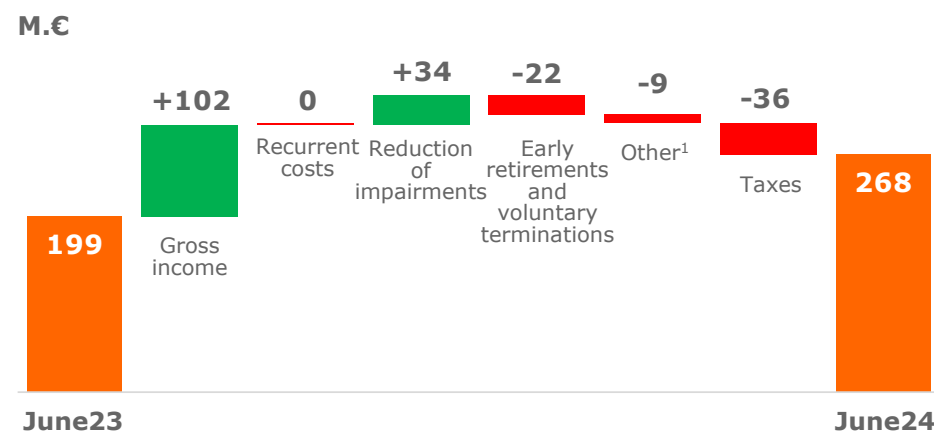
NET PROFIT OF 327 M.€ IN 1H24 (+28%)



In M.€	Jun 23	Jun 24	Δ%
Net profit in Portugal	199	268	+35%
BFA contribution	41	41	+1%
BCI contribution	17	18	+7%
Net profit	256	327	+28%

	June23	June24
Recurrent ROTE in Portugal (last 12 months)	11.6%	19.0%

- Gross income growth
- Stable costs
- Reduction of cost of credit risk



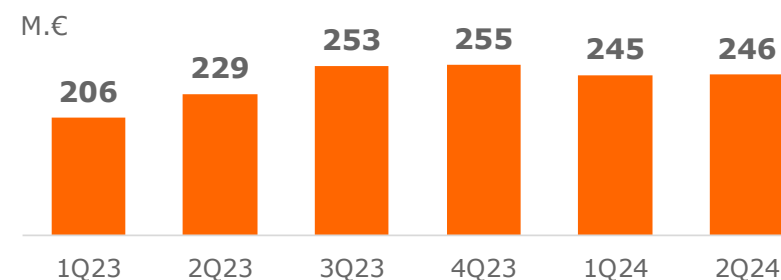
NET INTEREST INCOME AND COMMISSIONS STABLE

> Gross income

In M.€	Jun 23	Jun 24	Δ%
Net interest income	435	491	13%
Net fee and commission income	147	168	14%
Other income (net) ¹	(16)	10	
GROSS INCOME	566	669	18%

Net interest income

Stable net interest income in 2024, after peaking in 4th quarter 2023



Net fee and commissions

Stable net fee and commissions excluding the one-off gain with early settlement of profit sharing on insurance policies sold in previous years.

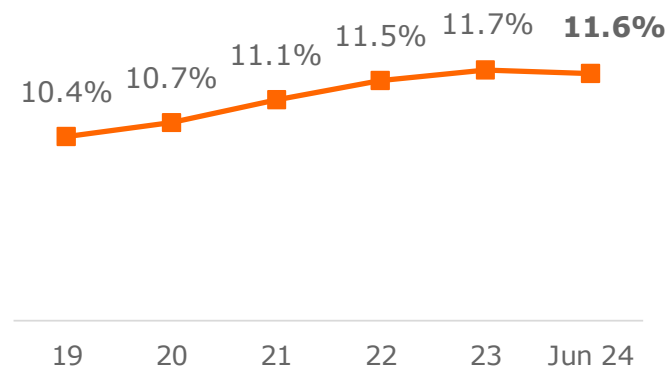
LOAN GROWTH IN HOUSING AND COMPANIES

> Loans to Customers by segment

Gross portfolio, in Bn.€	Jun 23	Jun 24	YoY	YtD
Loans to individuals	16.2	16.3	0%	0%
Mortgage loans	14.4	14.7	2%	1%
Other loans to individuals	1.8	1.6	-10%	-5%
Loans to companies	11.2	11.7	5%	2%
Public sector	2.3	2.3	-2%	-2%
Total loans	29.8	30.3	2%	1%
Loan portfolio net of impairments	29.2	29.8	2%	1%

- Growth of corporate and mortgage loans
- Stable market share

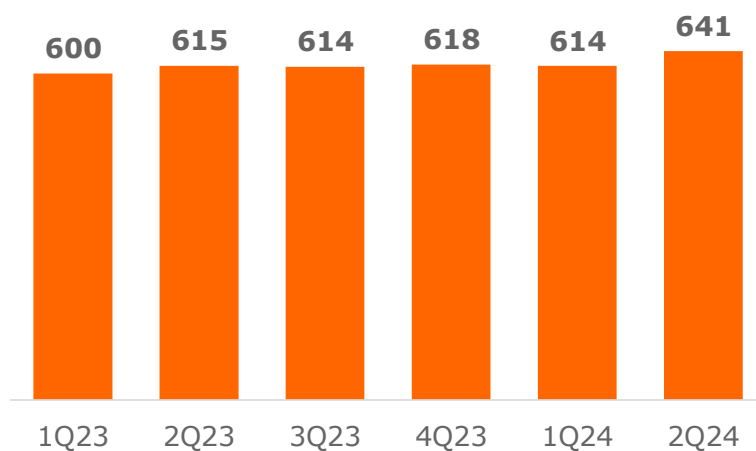
> Market share in total loans



Source: BPI, Bank of Portugal.

MORTGAGE LOANS PRODUCTION KEEPS PACE

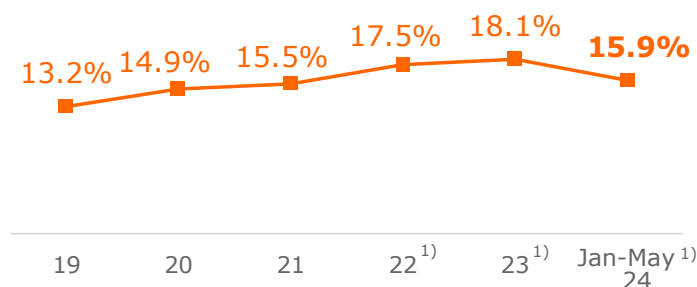
> Loans new production (M.€)



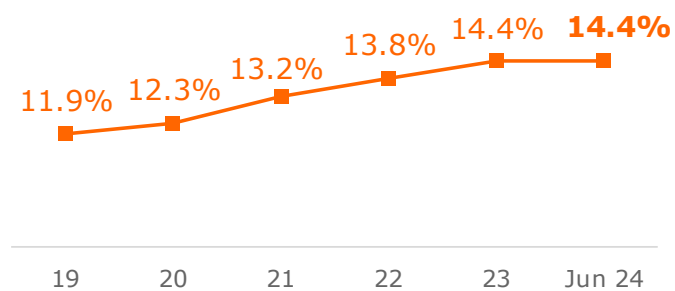
% fixed rate	44%	49%	49%	38%	20%	22%
% mixed rate	-	6%	23%	38%	61%	60%

> Market shares

Share of mortgage loans origination



Share of mortgage loans book



Source: BPI, Bank of Portugal.

DEPOSITS INCREASE 6% YOY

> Customer Resources

In Bn.€	Jun 23	Jun 24	YoY	YtD
Customer deposits	28.6	30.4	6%	4%
Off-balance sheet resources	8.8	8.9	1%	3%
Total	37.5	39.3	5%	4%

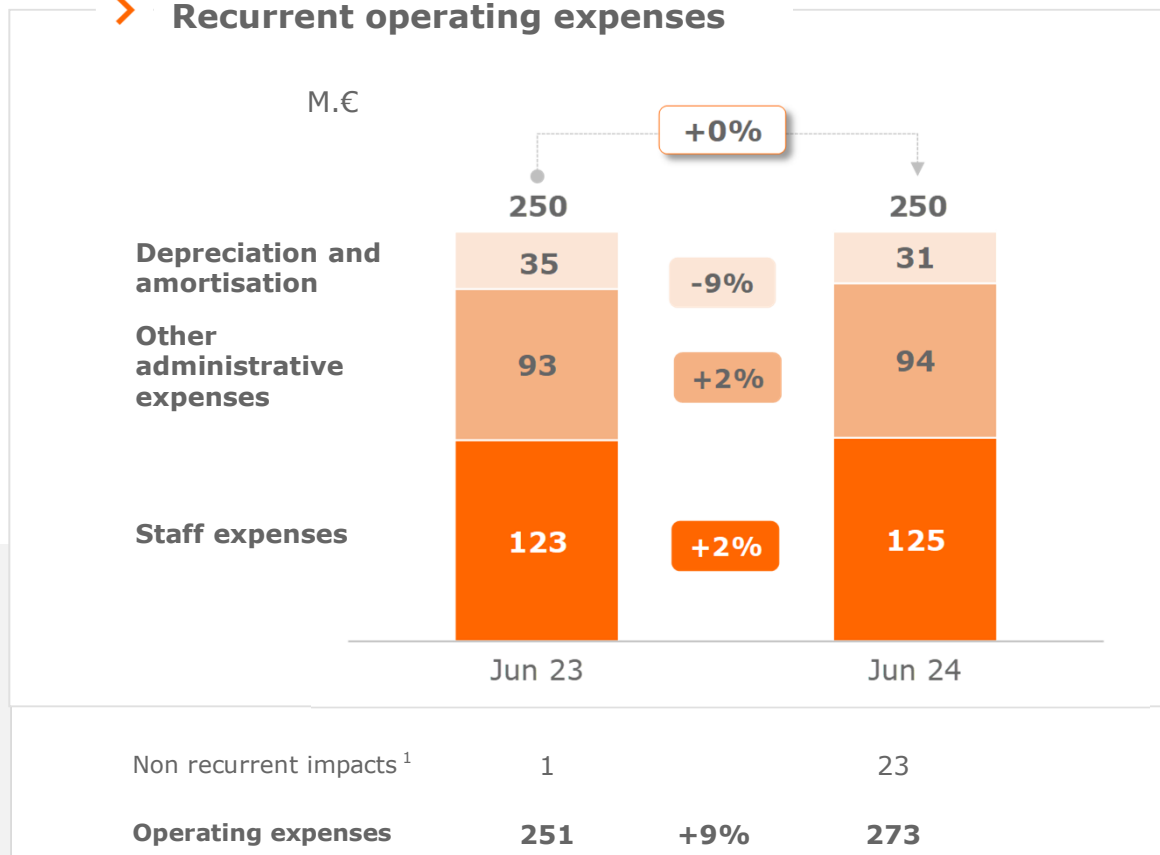
> Market shares

	May 24	Δ YoY
Deposits ¹	10.6%	+0.0 p.p.
Off-balance sheet	13.8%	-0.5 p.p.
Customer resources ²	11.2%	-0.1 p.p.

Source: BPI, Bank of Portugal, APFIPP, APS, BPI Vida e Pensões.

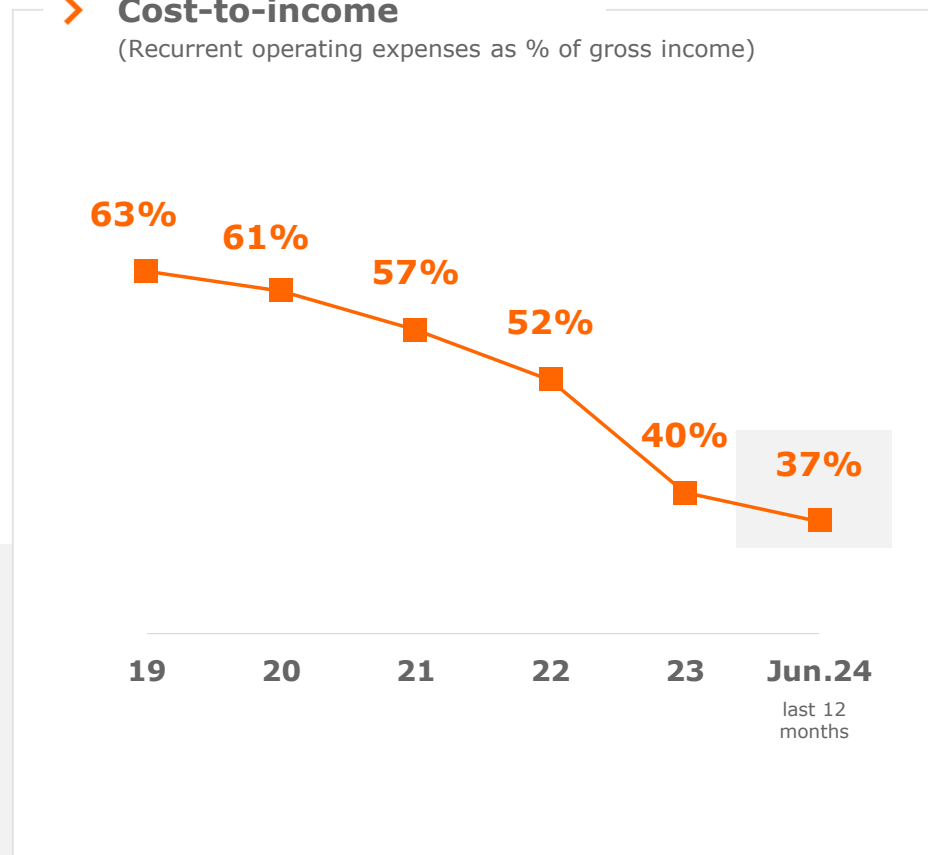
STABLE COSTS

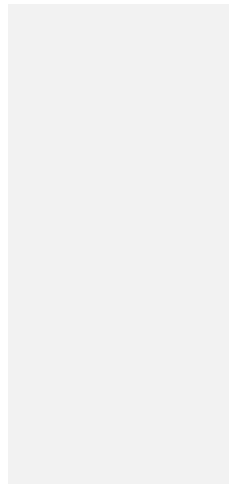
> Recurrent operating expenses



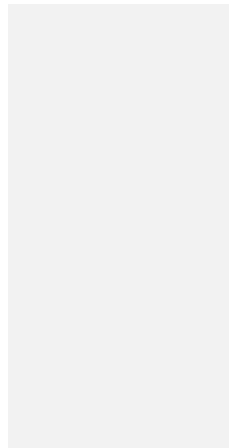
> Cost-to-income

(Recurrent operating expenses as % of gross income)



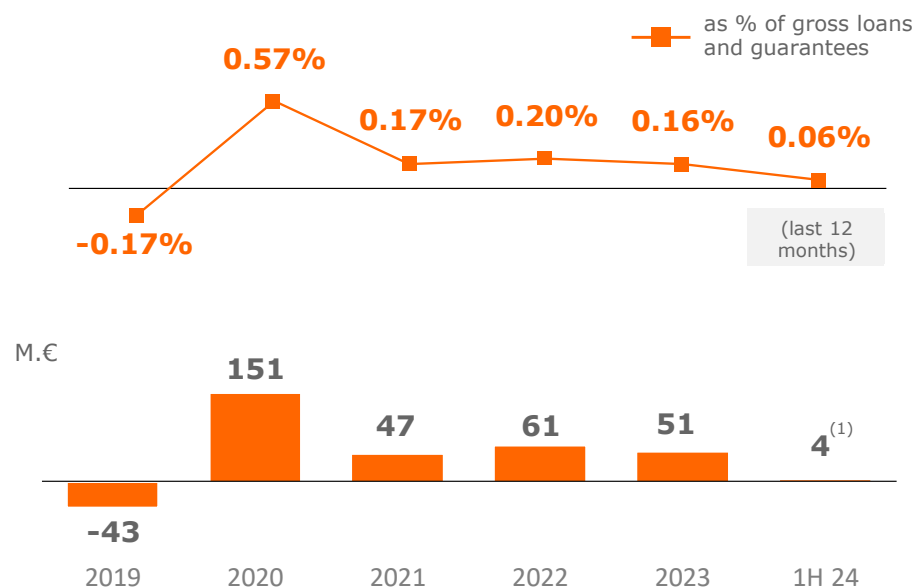


3 Asset Quality



LOW RISK AND HIGH COVERAGE

> Loan impairments net of recoveries

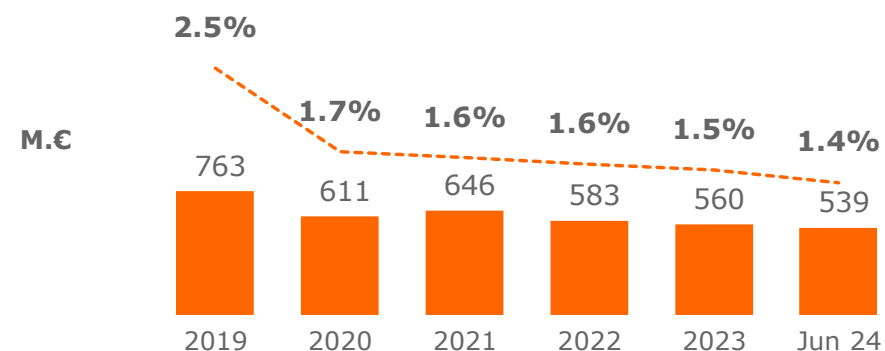


On-balance sheet non-allocated impairments (Jun.24)

34.5 M.€

> Non-Performing Exposures – NPE

(EBA criteria)



Coverage of NPE

	2019	2020	2021	2022	2023	Jun 24
by impairments	54%	83%	84%	94%	98%	95%
by impairments and collaterals	124%	140%	149%	155%	154%	152%

NPL Ratio (EBA)

1.7%

Foreclosed properties ²⁾

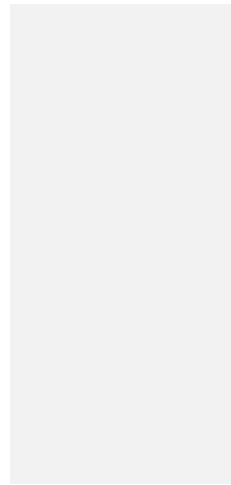
1 M.€

Coverage of NPL
(by impairments and collaterals)

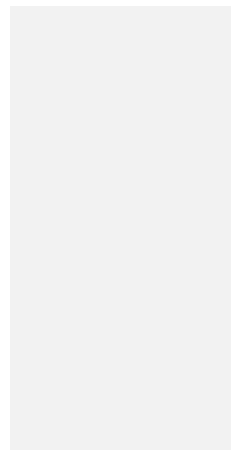
153%

Corporate recovery fund
(Fundo de recuperação FCR) ²⁾

12 M.€



4 Liquidity and Capital



BALANCED FUNDING AND COMFORTABLE LIQUIDITY

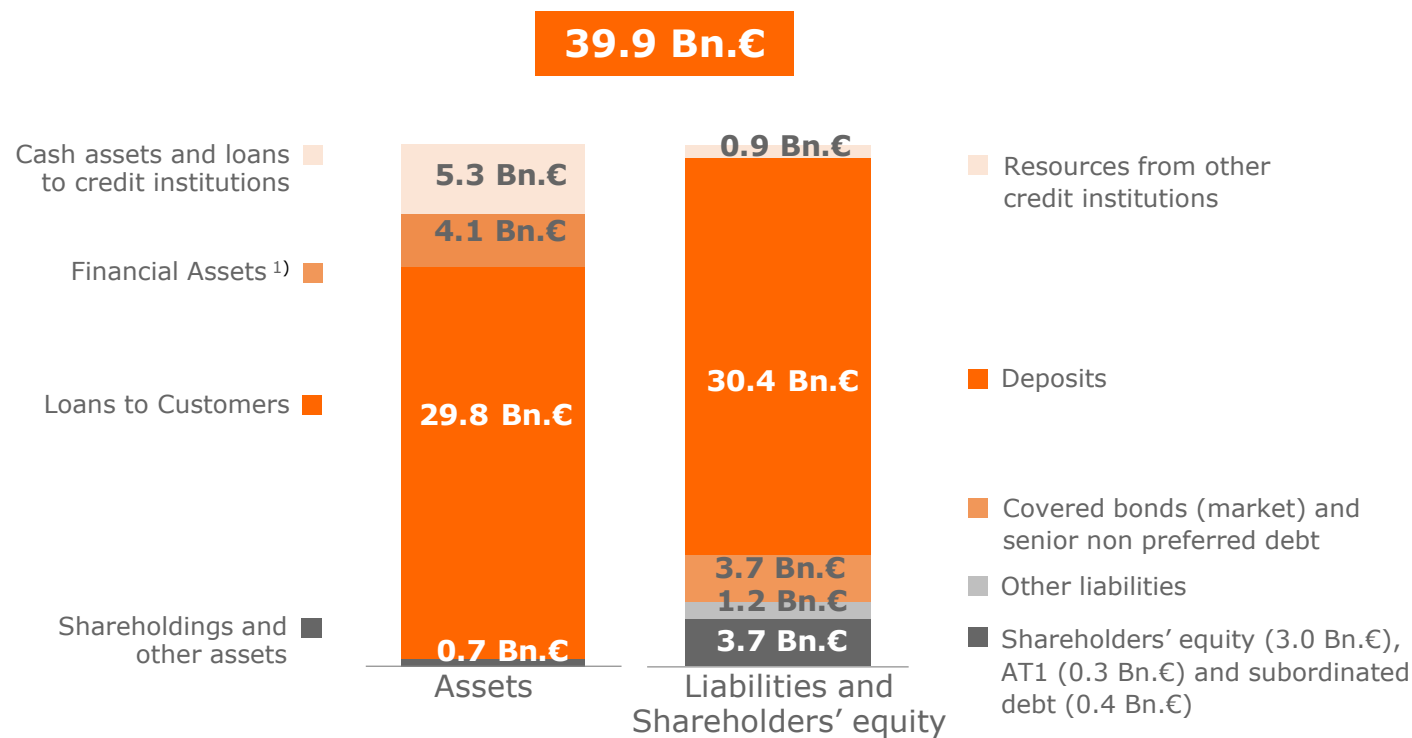
30 June 2024



1) 12-month average, in accordance with the EBA guidelines. Average value (previous 12 months) of the calculation components: Liquidity reserves (6 652 M.€); Total net outflows (3 511 M.€).
2) High Quality Liquid Assets (HQLA) of 7.7 Bn.€ and other assets eligible as collateral with ECB of 5.0 Bn.€

BALANCE SHEET OF THE ACTIVITY IN PORTUGAL

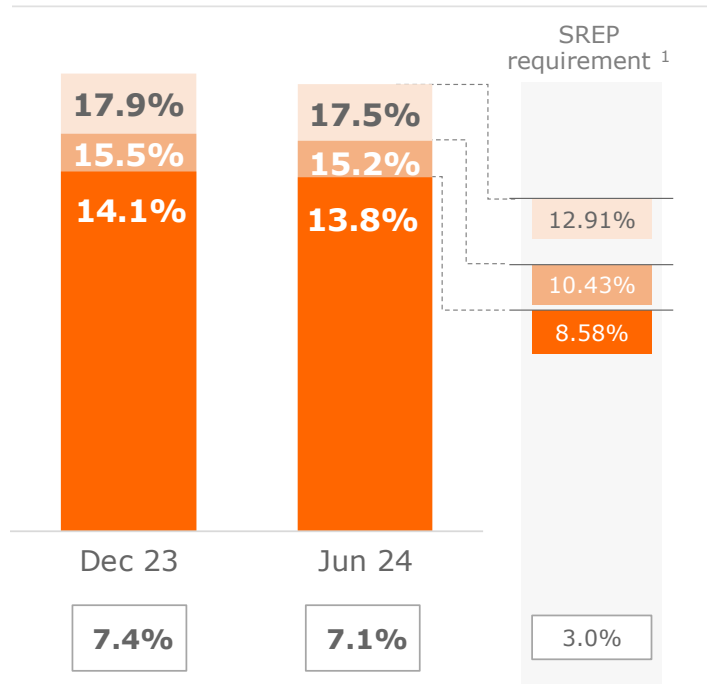
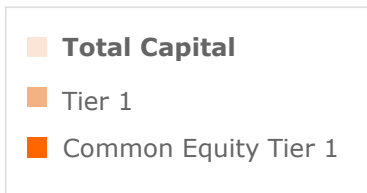
30 June 2024



1) Includes medium and long-term sovereign debt of 3.8 Bn.€ (Portugal 32%; Spain 26%, Italy 17%, European Union 17% and USA 8%), with an average residual maturity of 2.9 years.

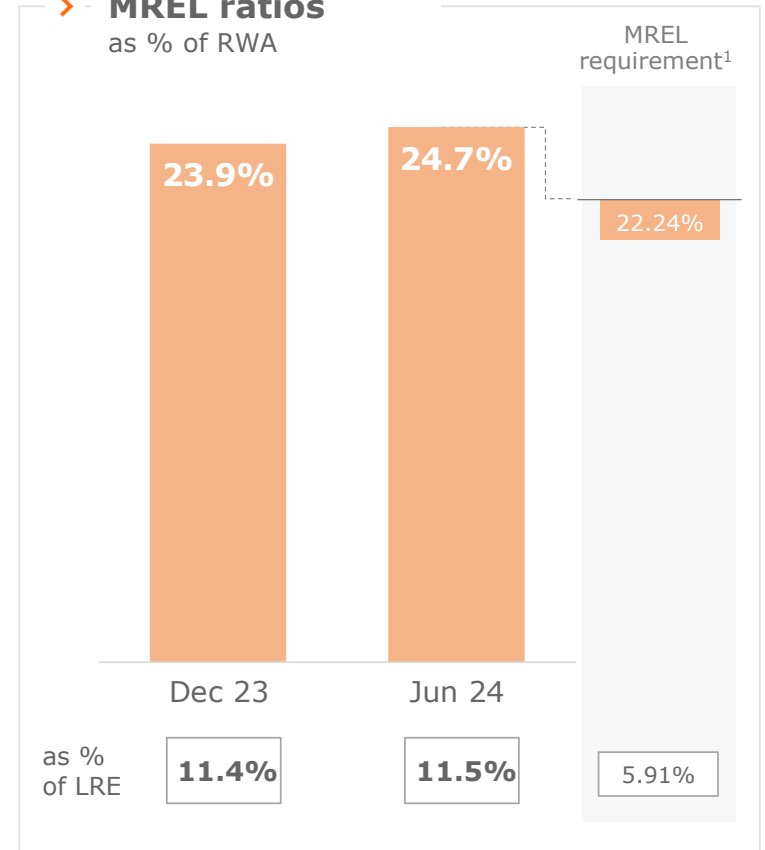
HIGH CAPITALISATION

> Capital Ratios phasing-in



> **MDA (Maximum Distributable Amount) Buffer** **4.6 p.p.**

> MREL ratios as % of RWA



1) Considering the Combined Buffer Requirement (CBR) of 3.01% in December 2023. From October 2024, a buffer requirement for systemic risk in the residential real estate market in Portugal will be added, as communicated to the market on 20 November 2023, which is estimated as approximately 0.8%.



5 Mortgage Covered Bond Programme



COVERED BOND LAW IN PORTUGAL

- New Covered Bond Law in Portugal released in May 2022 (applicable since 1 July 2022) transposing EU Covered Bond Directive
- Former Portuguese Law (DL 59/2006) already complied with most of the CB Directive requirements

BPI CB Programme converted in 2023 ✓

	New Law/Regulation	Former Law/Regulation
Supervising Entity	<ul style="list-style-type: none"> ▪ CMVM (Portuguese Securities Market Authority) 	<ul style="list-style-type: none"> ▪ Bank of Portugal
Liquidity Buffer	<ul style="list-style-type: none"> ▪ 180 days Liquidity buffer covering net outflows of interest and principal (to be met with assets level 1, 2A or 2B or deposits) ▪ Principal considered on the extended maturity date for soft bullet bonds 	<ul style="list-style-type: none"> ▪ Usually agreed with Rating Agencies, although not required by law
Cover Pool Monitor	<ul style="list-style-type: none"> ▪ An entity registered with CMVM that is not the auditor of the issuer ▪ Continuous monitoring cover pool quality and legal/regulatory requirements ▪ Initial report when the Programme is submitted to CMVM's approval and Annual Report with reasonable assurance ("<i>garantia razoável de fiabilidade</i>") 	<ul style="list-style-type: none"> ▪ Cover Pool Monitor could be the issuer's auditor ▪ Annual Report with limited assurance ("<i>garantia limitada de fiabilidade</i>")
Overcollateralization	<ul style="list-style-type: none"> ▪ 0% minimum OC ▪ 5% OC requirement for Covered Bonds to be classified as Premium (CRR, article 129 3a.) 	<ul style="list-style-type: none"> ▪ 5.26% OC requirement for mortgage covered bonds ▪ Higher voluntary OC usually agreed with rating agencies or set according to market requirement or practice
Maturity extension	<ul style="list-style-type: none"> ▪ Only triggered by: (i) loss of banking licence, (ii) foreseeable or effective default on the maturity date ▪ Extension subject to approval from CMVM 	<ul style="list-style-type: none"> ▪ Extension upon failure to redeem at maturity ▪ Supervisory approval not required
Information Reporting	<ul style="list-style-type: none"> ▪ Quarterly Investor Report required by law ▪ Reporting to CMVM mostly in line with previous Bank of Portugal requirement, with some simplifications: <ul style="list-style-type: none"> ▪ Liquidity gap report required semi-annually (previously on a quarterly basis) ▪ Reports on outstanding issues (monthly) and interest rate exposure (semi-annually) eliminated ▪ Information about new issues to be sent to CMVM after the issue 	<ul style="list-style-type: none"> ▪ Investor Reports were already disclosed quarterly according to market practice, although not required by law ▪ Information about new issues sent to the Bank of Portugal before the issue

MORTGAGE COVERED BOND PROGRAMME - SUMMARY

Issuer ¹⁾	Banco BPI, S.A.
Type	Obrigações Cobertas – European Covered Bonds (Premium)
Collateral	Portuguese prime residential mortgages
Maximum Size	€ 9bn
Ratings	Aaa / AA (Moody's / DBRS)
Overcollateralisation	29.5 % as of Jun 24 (Committed 14.0% / Regulatory 5%)
Compliance	ECBC Covered Bond Label / UCITS Article 52 / CRR Article 129
LCR Class	Level 1
Risk Weighting	10% (CRR standardised approach)
Cover Pool Monitor	Deloitte & Associados, SROC SA
Governing Law ²⁾	Portuguese Law
Listing	Euronext Lisbon
Clearing	Interbolsa / Euroclear / Clearstream

1)The covered bonds are unsubordinated obligations of the Issuer secured by a special creditor privilege over the Cover Pool

2) Decree Law 31/2022 ("Regime Jurídico das Obrigações Cobertas")

MORTGAGE COVER POOL

June 2024

Cover Pool Summary

Item	Remaining Term (years)	M.€
		Nominal Amount
Total Cover Pool	14.6	8 874
Mortgage Credit Pool	14.9	8 687
Liquidity Buffer (cash, deposits, eligible securities)	4.7	187
Current overcollateralisation (%)		29.5%
Committed overcollateralisation (%)		14.0%
Minimum overcollateralisation (%) ¹		5.0%

¹ CRR Article 129 compliance for European Covered Bonds (Premium)

Mortgage Cover Pool main statistics

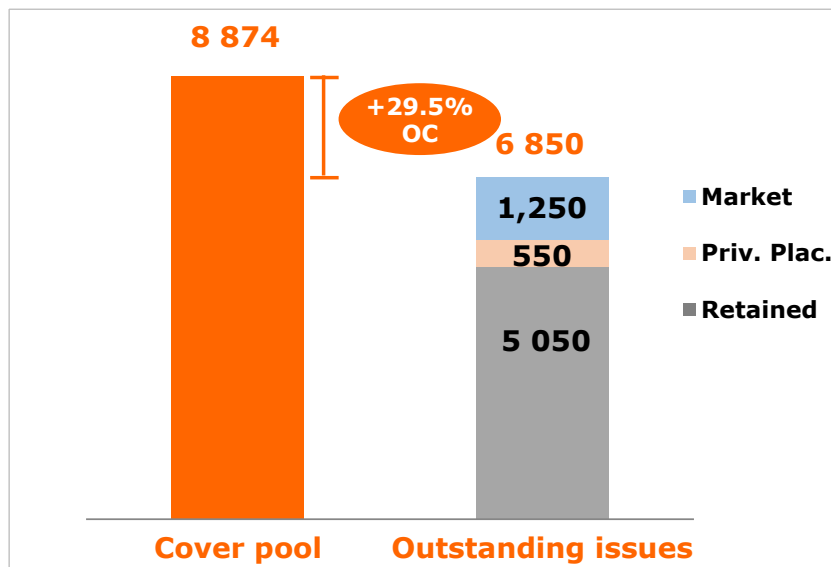
Number of Loans	158 534 loans	Current Principal Balance	8 687 million
Avg. Current Principal Balance	54.8 thousand	W.A. Original Maturity	33.7 years
W.A. Seasoning	9.0 years	W.A. Remaining Term	14.9 years
W.A. Original LTV	71.0 %	W.A. Current LTV	53.9 %
W.A. Interest Rate	4.51 %	W.A. Spread	1.04 %

MORTGAGE COVER POOL AND OUTSTANDING ISSUES

June 2024

Cover Pool
and
Outstanding
Issues

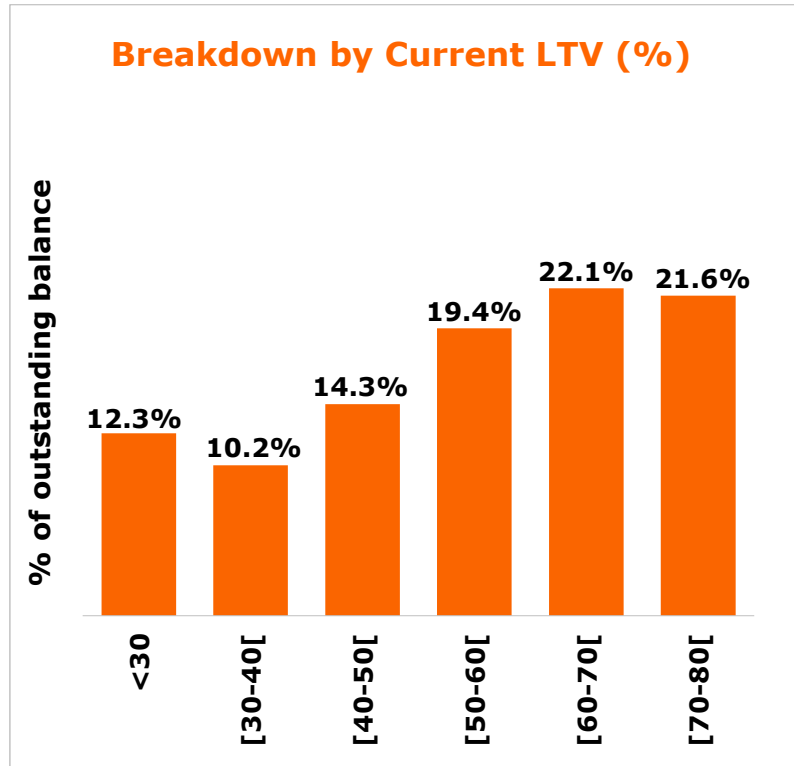
Outstanding
Issues



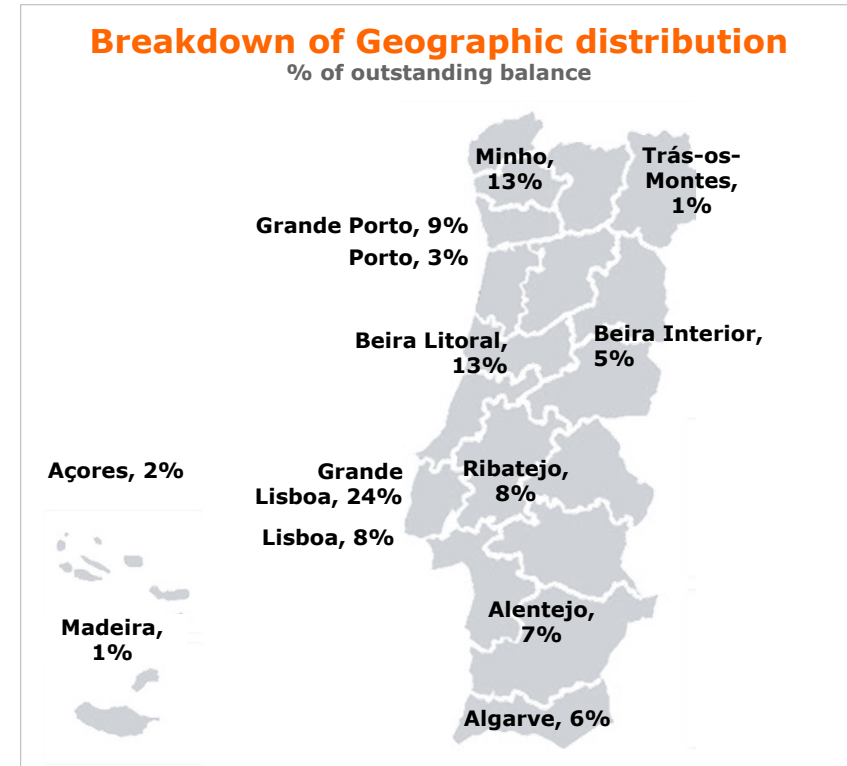
Outstanding issues	Nominal Amount (M.C)	Coupon type	Issue Date	Maturity Date	Remaining Term (years)
Covered Bonds Outstanding	6 850				3.0
Market Issues	1 250				4.7
Series 25 (ISIN PTBPIDOM0031)	750	Fixed	2023-07-04	2028-07-04	4.0
Series 26 (ISIN PTBPIZOM0035)	500	Fixed	2024-02-22	2030-03-22	5.7
Private Placements	550				4.9
Series 20 (ISIN PTBPIYOM0028)	250	Floating	2018-09-26	2025-09-26	1.2
Series 27 (ISIN PTBPIEOM0030)	300	Fixed	2024-06-27	2032-06-27	8.0
Retained Issues	5 050				2.4
Series 9 (ISIN PTBBP6OE0023)	350	Floating	2010-05-21	2025-05-21	0.9
Series 14 (ISIN PTBBRROE0048)	1 250	Floating	2015-03-30	2025-03-31	0.8
Series 23 (ISIN PTBPIHOM0037)	1 400	Floating	2019-12-20	2024-12-20	0.5
Series 24 (ISIN PTBPIMOM0022)	2 050	Floating	2022-06-08	2029-06-08	4.9

MORTGAGE COVER POOL – MAIN CHARACTERISTICS

June 2024



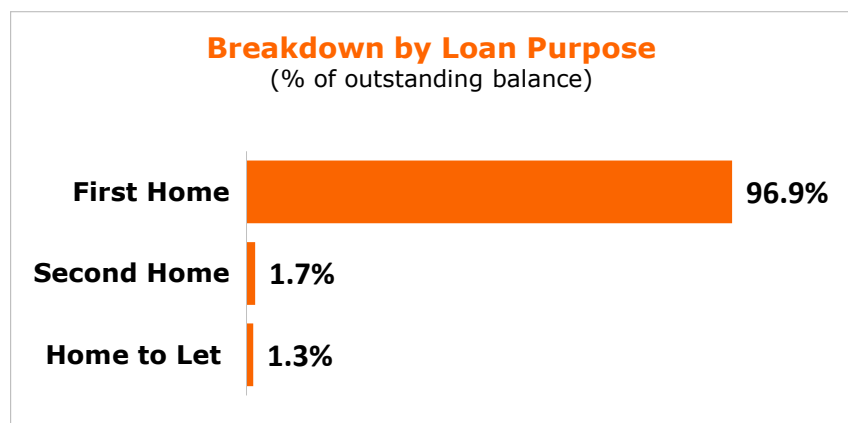
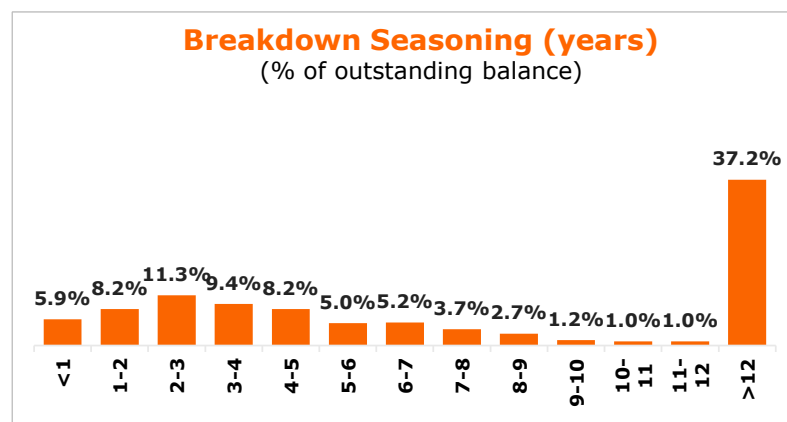
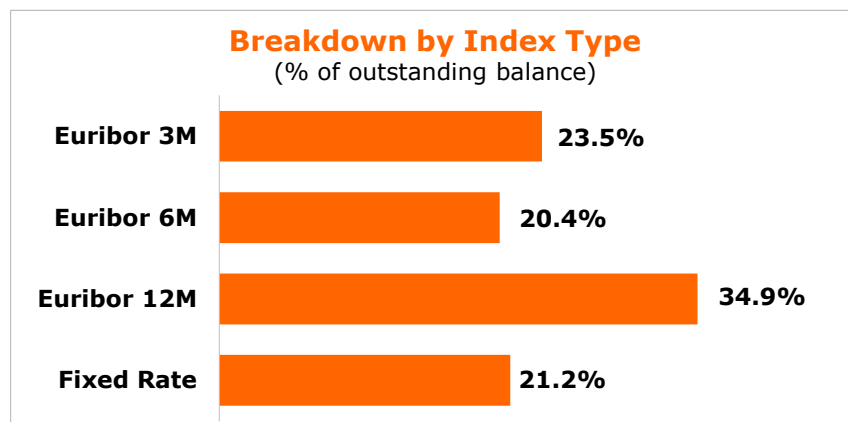
- Low weighted average current LTV of 53.9%



- Geographical exposure in line with Portuguese demographics with more concentration in the large cities along the coast

MORTGAGE COVER POOL – MAIN CHARACTERISTICS

June 2024



- Pool mostly floating rate, 78.8% indexed to Euribor
- Weighted average seasoning of 9 years
- First homes represent 97% of the pool



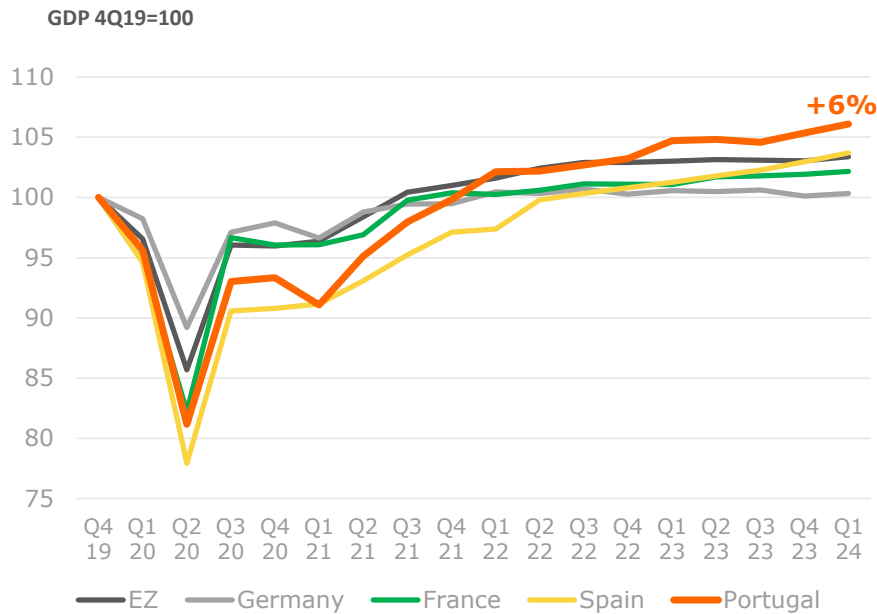
Appendices



- a. Macro-economic Data on Portugal**
- b. Ratings
- c. Income Statement and Balance Sheet

CONVERGENCE WITH EMU SHOULD CONTINUE

Portugal compares favorably within EMU



Source: BPI Research, with data from INE and Eurostat

2.3% GDP growth in 2023; 4.3% average inflation; 6.5% unemployment rate

Main economic forecasts* %, YoY

% , yoy	2016	2017	2018	2019	2020	2021	2022	2023	Forecasts	
									2024	2025
GDP	2.0	3.5	2.8	2.7	-8.3	5.7	6.8	2.3	1.7	2.3
Private Consumption	2.6	2.1	2.6	3.3	-7.0	4.7	5.6	1.7	1.7	2.2
Public Consumption	0.8	0.2	0.6	2.1	0.4	4.5	1.4	1.0	1.2	0.8
Gross Fixed Capital Formation (GFCF)	2.5	11.5	6.2	5.4	-2.2	8.1	3.0	2.5	3.6	5.1
Exports	4.4	8.4	4.1	4.1	-18.8	12.3	17.4	4.1	3.4	5.3
Imports	5.0	8.1	5.0	4.9	-11.8	12.3	11.1	2.2	4.4	5.7
Unemployment rate	11.4	9.2	7.2	6.6	7.0	6.7	6.2	6.5	6.8	6.5
CPI (average)	0.6	1.4	1.0	0.3	0.0	1.3	7.8	4.3	2.5	2.1
External current account balance (% GDP)	1.2	1.3	0.6	0.4	-1.0	-0.8	-1.1	1.4	1.2	1.4
General Government Balance (% GDP)	-1.9	-3.0	-0.3	0.1	-5.8	-2.9	-0.3	1.2	0.4	0.6
General government debt (% GDP)	131.5	126.1	121.5	116.6	134.9	125.5	112.4	99.1	98.6	93.7
Risk premium (PT-Bund) (average)	307	269	138	100	90	60	100	70	76	80

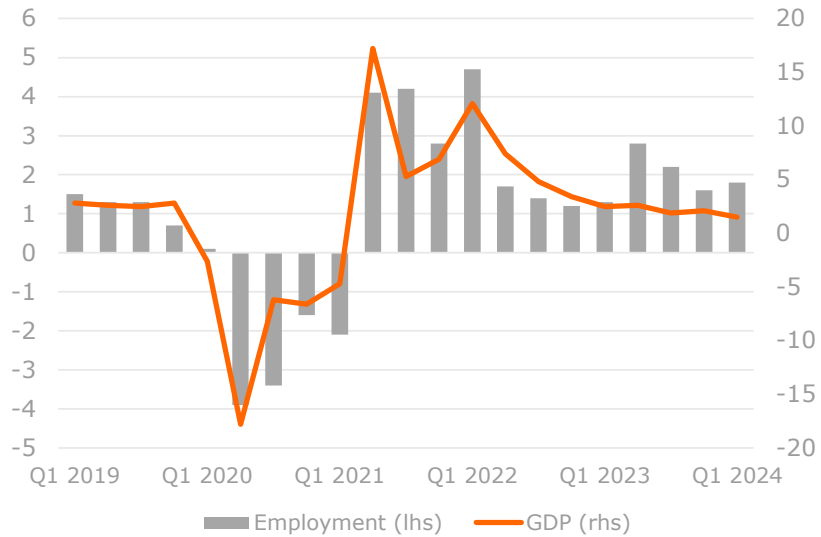
Source: BPI Research

* Portugal Macroeconomic and financial outlook| July 2024: BPI Forecasts have been revised for 2024 GDP by 0.1% (1.8%) and 2024 Unemployment rate by -0.2% (6.6%)

RESILIENT LABOUR MARKET

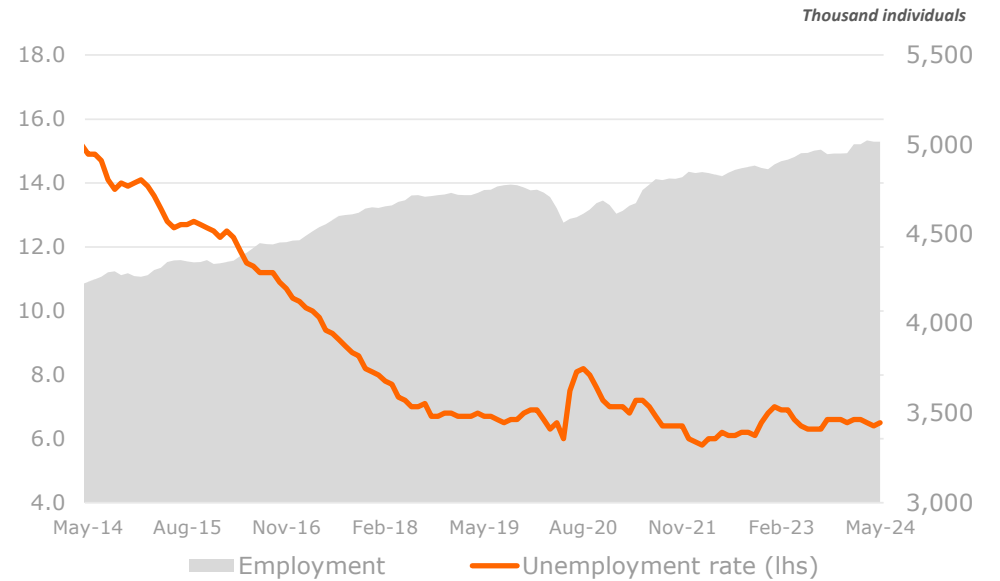
Employment continues to evolve positively supporting activity

Employment and GDP
YoY (%)



Unemployment rate below historical figures

Unemployment rate and employed population (monthly figures)
% of active population

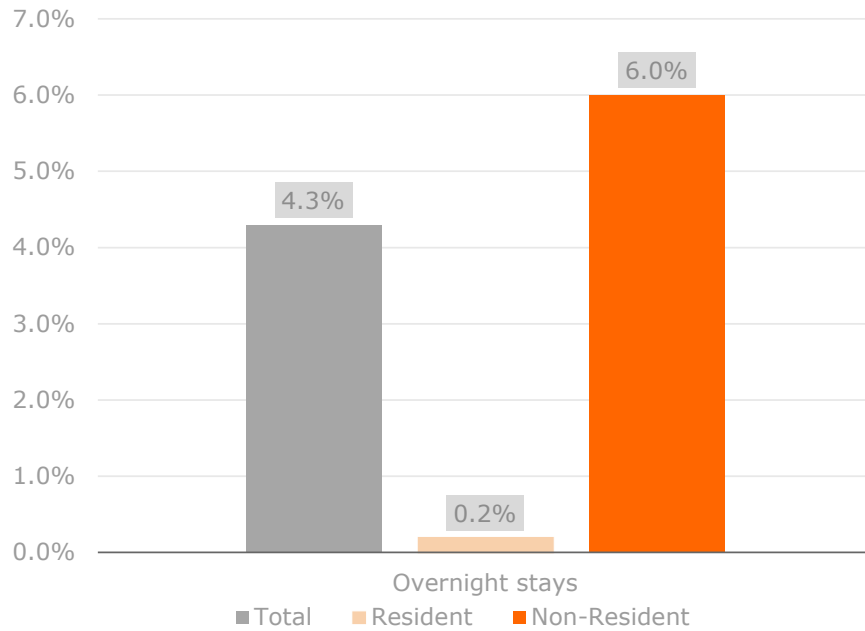


Source: BPI Research, with data from INE

TOURISM AT CRUISING SPEED

Growth fueled by Non-Residents

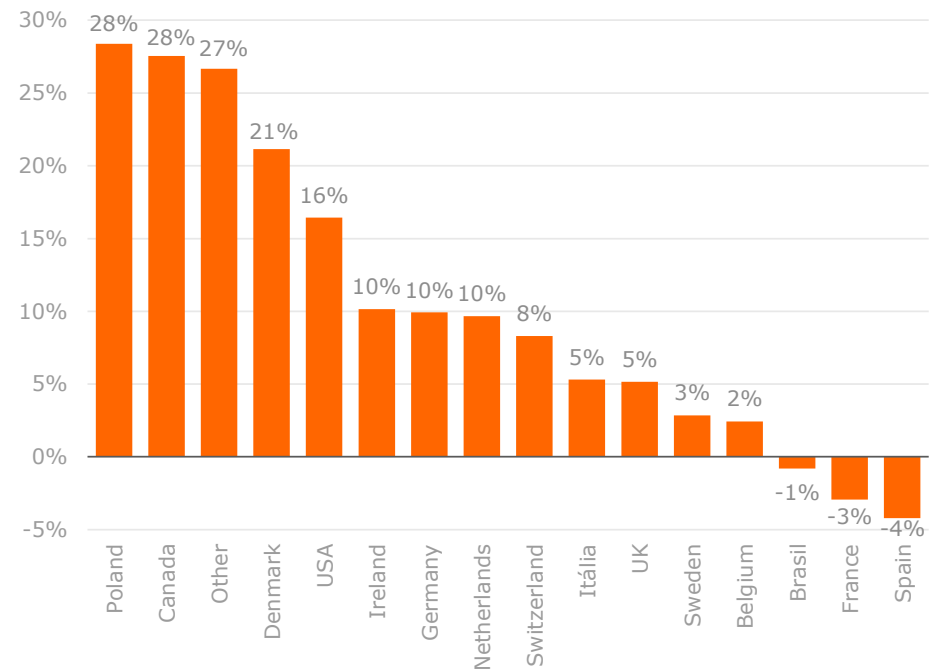
Overnight stays
Ytd May 2024 versus May 2023 (%)



Source: BPI Research, with data from INE

Diversified origin of guests

Non-resident guests
Ytd May 2024 versus May 2023 (%)

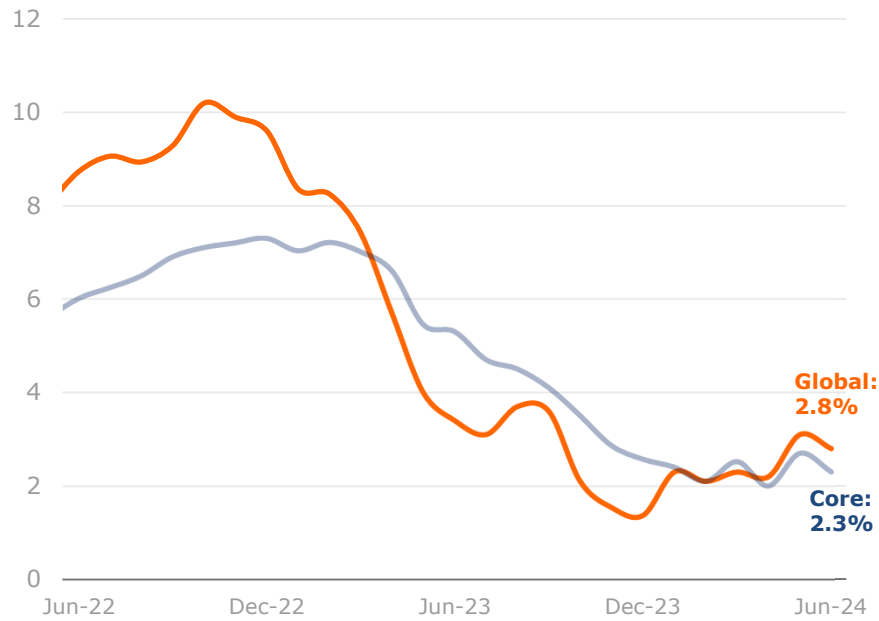


INFLATION RESUMES DOWNWARD TREND

Global CPI at 2.8% and Core CPI at 2.3% in June

Portugal CPI: Global & Core

Year-on-year (%)

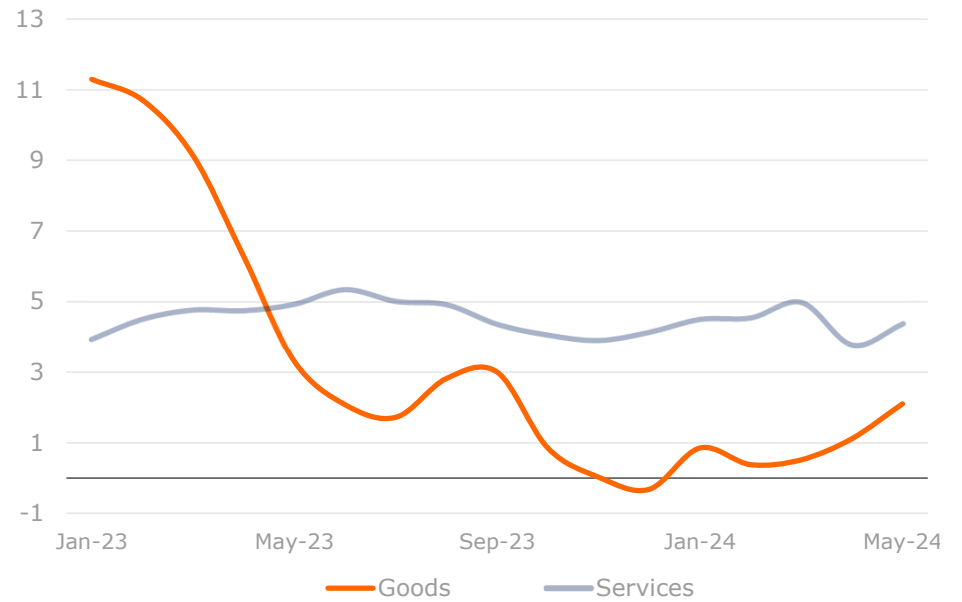


Source: BPI Research, with data from INE

Services inflation supported by resilient demand (driven by tourism and recovery in household disposable income)

Goods inflation vs Services inflation

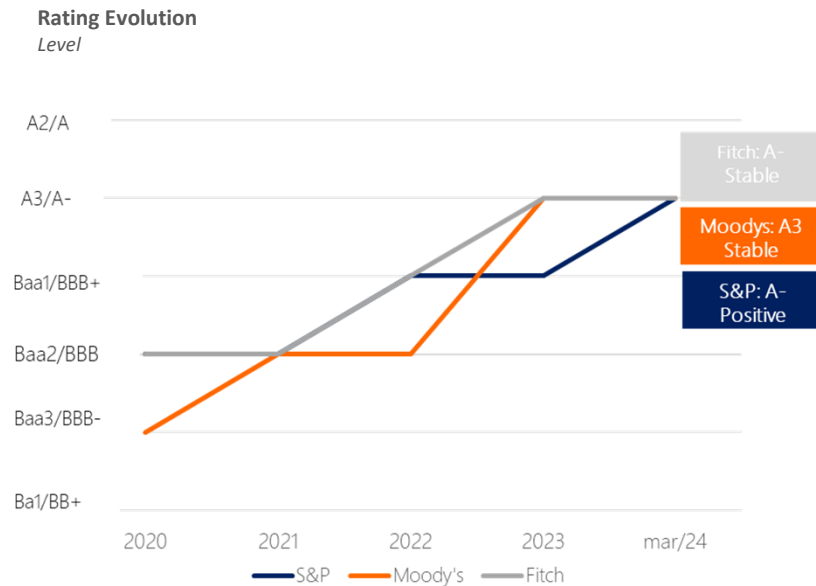
Year-on-year (%)



Source: BPI Research, with data from INE

PORTUGUESE RATING PERFORMANCE EMPHASIZING IMPROVEMENT IN EXTERNAL LIQUIDITY RISKS

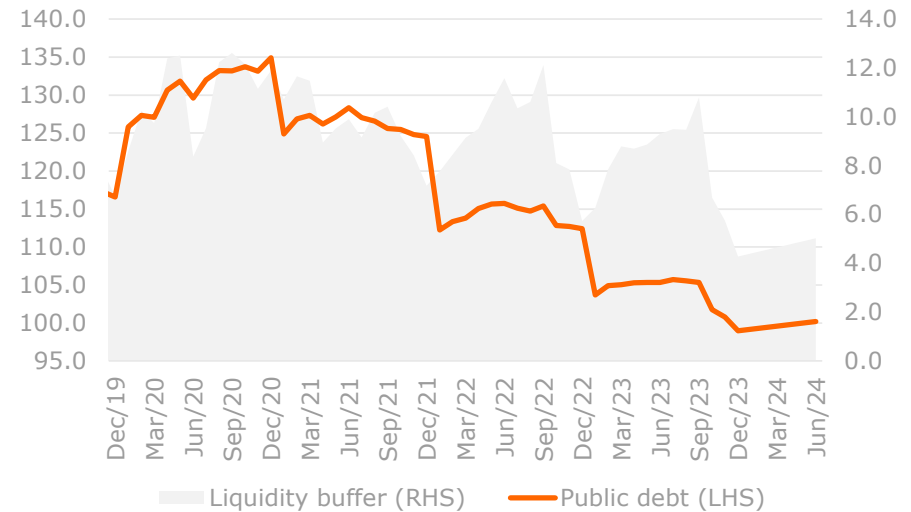
Portugal is rated A3/A- by the 3 major rating Agencies since March 24



Source: BPI Research, Rating Agencies

Swift reduction of Public Debt ratio until 2023 (99.1%); slight deficit at the beginning of 2024

Public debt ratio and liquidity buffer
% of GDP; Bn EUR

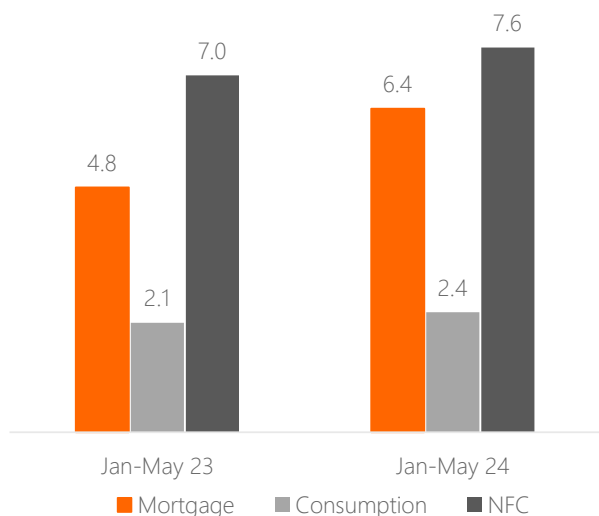


Source: BPI Research, based on INE

PORTUGUESE BANKING SYSTEM: A SOLID POSITION TO FACE THE ECONOMIC SLOWDOWN

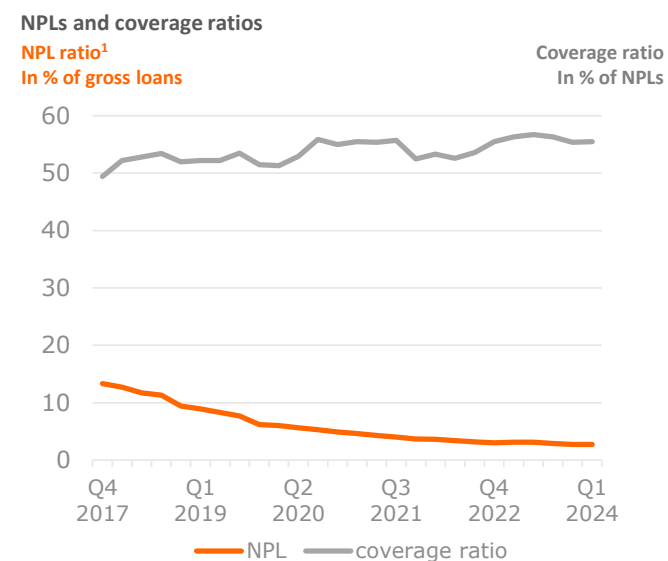
Stable to positive new lending activity, Mortgage credit stock declined 0.2% in May, but new lending growth of 32.2% shows changing future path

New lending activity by sector
Accumulated in the year (B€)



Source: BPI Research, base on data from Bank of Portugal and ECB

NPLs stable at 2.7% in 4Q and 1Q 2024



Cost of risk¹
0.5% in Q4 2019
0.2% in Q1 2024

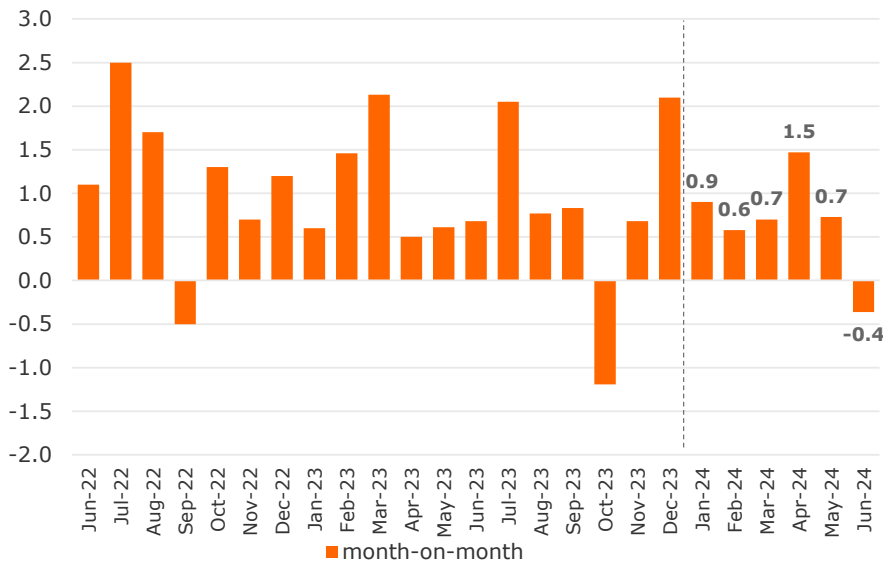
Notes (1) Flow of impairments to credit as a percentage of total gross loans
Source: Bank of Portugal

HOUSING MARKET: POSITIVE PRICE MOVEMENTS

House prices grew 8.2% in 2023 (INE data) and remains resilient in 2024

House Price Index (Confidencial Imobiliário)

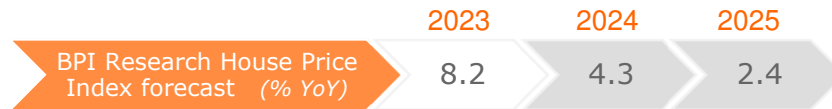
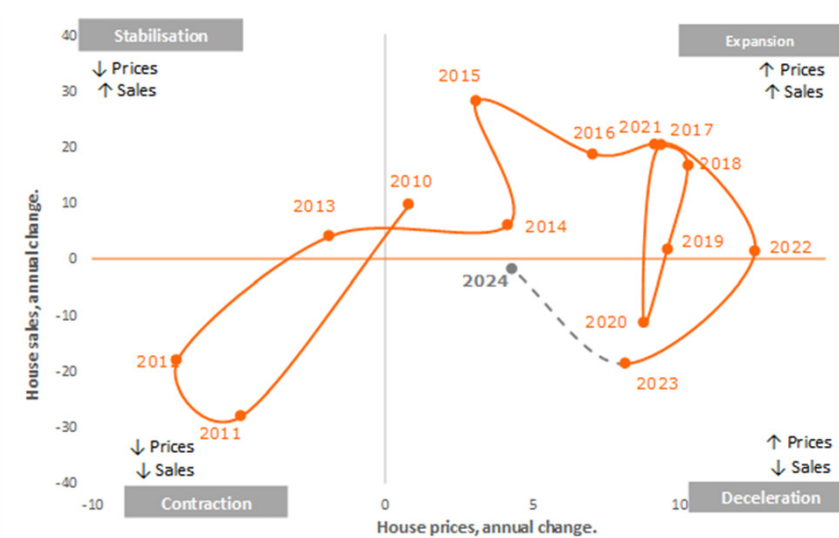
Month-on-month (%)



Residential Property Clock away from contraction scenario

Residential Property Clock

Annual change (%)



Source: BPI Research, with data from Confidencial Imobiliário

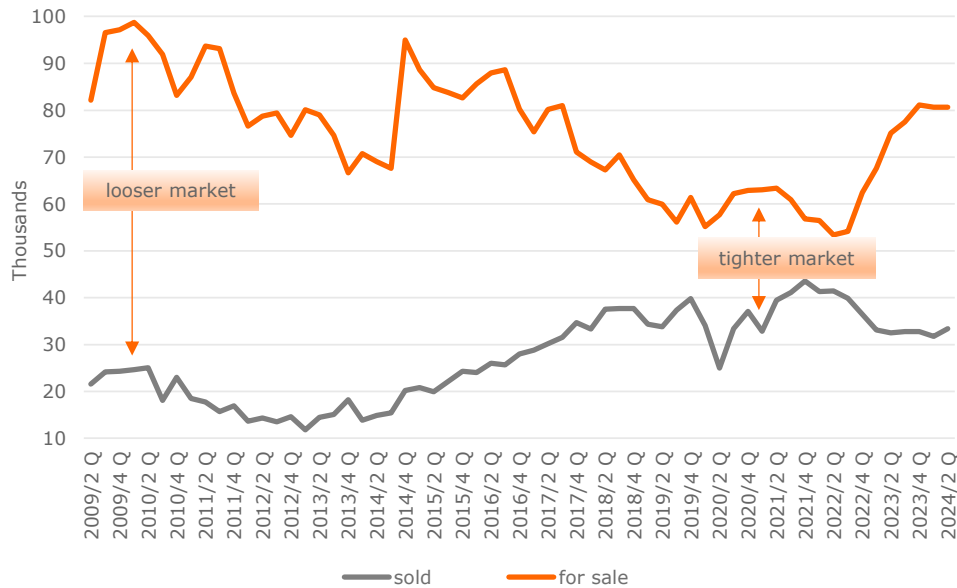
Source: BPI Research, with data from INE

HOUSING MARKET: LACK OF SUPPLY AND FOREIGN DEMAND

Lack of supply supporting prices

Sold houses vs houses for sale

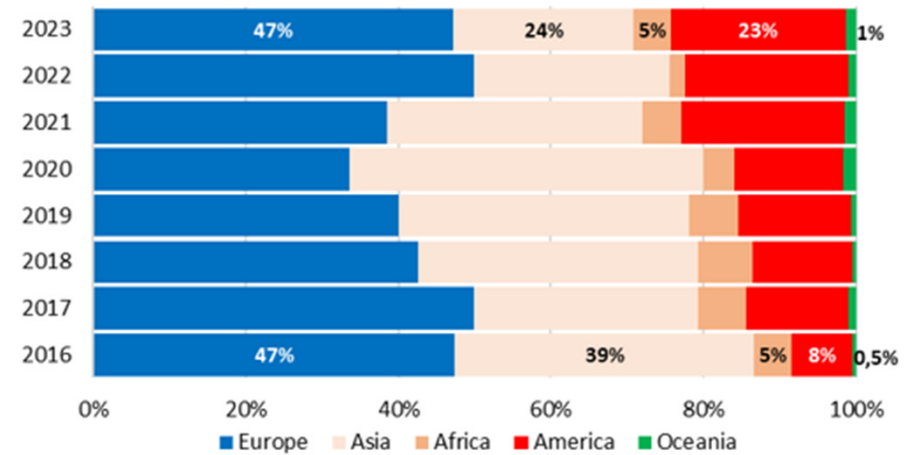
Number of houses



Foreign bid: the case of Lisbon

Acquisition of houses by foreigners in Lisbon

% of the total purchases by foreigners; split by Continent



Transactions by foreigners in Portugal – average 2023

transactions

7.6%

Amount

12.7%

Source: BPI Research, with data from Confidencial Imobiliário

Source: BPI Research, with data from Confidencial Imobiliário



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As of 26 July 2024

BPI RATINGS VS. PEERS

Investment Grade	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)
	AAA			Aaa	Mortgage bonds	AAA		AAA
AA+			Aa1		AA+		AA (high)	
AA			Aa2		AA		AA	Mortgage bonds
AA-			Aa3		AA-		AA (low)	
A+			A1		A+		A (high)	
A			A2	Deposits	A		A	Bank 1
A-	Bank 1		A3		A-	Bank 1 Deposits Senior debt	A (low)	
BBB+			Baa1	Bank 1 Bank 3	BBB+		BBB (high)	Bank 3
BBB			Baa2	Bank 2	BBB	Bank 3	BBB	Bank 2
BBB-	Bank 2		Baa3		BBB-	Bank 2 Bank 5	BBB (low)	
Non-Investment grade			Ba1	Bank 5	BB+		BB (high)	Bank 5
			Ba2	Bank 4	BB	Bank 4	BB	Bank 4
			Ba3		BB-		BB (low)	
			B1		B+		B (high)	
			B2		B		B	
			B3		B-		B (low)	
			Caa1		CCC+		CCC (high)	

S&P: On 12 mar.24 S&P reaffirmed BPI's rating (BBB+) and **upgraded the individual assessment** (stand-alone credit profile-SACP) to **'bbb'**. On 10 may S&P improved the outlook to Positive.

Moody's: On 22 Nov.23 **Moody's upgraded the rating of BPI's deposits to A2 and of its mortgage covered bonds to Aaa**, and reaffirmed the rating of BPI and its senior debt (Baa1). Ratings outlook is Stable.

Fitch Ratings: On 12 Jun.24 it reaffirmed **BPI's rating (BBB+)**, with a positive Outlook, and the **ratings of its senior debt and deposits (A-)**.

DBRS: on 4 Jul.24 reaffirmed **BPI's mortgage covered bond rating (AA)**.



Appendices



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INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL

In M.€	Jun 23	Jun 24	Δ%
Net interest income	434.9	490.6	13%
Dividend income	2.0	8.3	-
Equity accounted income	10.0	10.3	3%
Net fee and commission income	147.0	167.9	14%
Gains/(losses) on financial assets and liabilities and other	14.7	15.4	4%
Other operating income and expenses	-42.2	-23.9	43%
Gross income	566.3	668.6	18%
Staff expenses	-122.8	-124.8	2%
Other administrative expenses	-92.7	-94.1	2%
Depreciation and amortisation	-34.5	-31.4	-9%
Recurring operating expenses	-250.0	-250.4	0%
Non-recurrent costs	-0.5	-22.9	-
Operating expenses	-250.5	-273.2	9%
Net operating income	315.8	395.4	25%
Impairment losses and other provisions	-38.5	-4.4	-88%
Gains and losses in other assets	10.9	2.0	-81%
Net income before income tax	288.2	393.0	36%
Income tax	-89.5	-125.3	40%
Net income	198.7	267.8	35%
Recurrent net income	189.8	283.5	49%

BANCO BPI INCOME STATEMENT

In M.€	Jun 23	Jun 24	Δ%
Net interest income	438.6	491.7	12%
Dividend income	74.5	53.5	-28%
Equity accounted income	27.8	28.7	3%
Net fee and commission income	147.0	167.9	14%
Gains/(losses) on financial assets and liabilities and other	-26.0	15.1	158%
Other operating income and expenses	-48.0	-27.7	42%
Gross income	613.9	729.2	19%
Staff expenses	-122.8	-124.8	2%
Other administrative expenses	-92.7	-94.1	2%
Depreciation and amortisation	-34.5	-31.4	-9%
Recurring operating expenses	-250.0	-250.4	0%
Non-recurrent costs	-0.5	-22.9	
Operating expenses	-250.5	-273.2	9%
Net operating income	363.4	456.0	25%
Impairment losses and other provisions	-39.0	-4.5	-88%
Gains and losses in other assets	10.9	2.0	-81%
Net income before income tax	335.2	453.5	35%
Income tax	-79.1	-126.7	60%
Net income	256.2	326.8	28%

BANCO BPI BALANCE SHEET

In M.€	Dec 23	Jun 24
ASSETS		
Cash and cash balances at central banks and other demand deposits	1 856	3 290
Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income	1 365	1 304
Financial assets at amortised cost	34 541	35 013
Of which: Loans to Customers	29 540	29 843
Investments in joint ventures and associates	221	217
Tangible assets	208	197
Intangible assets	106	103
Tax assets	170	168
Non-current assets and disposal groups classified as held for sale	15	15
Other assets	147	193
Total assets	38 628	40 499
LIABILITIES		
Financial liabilities held for trading	58	49
Financial liabilities at amortised cost	33 705	35 738
Deposits - Central Banks and Credit Institutions	1 062	924
Deposits - Customers	29 252	30 408
Debt securities issued	3 106	4 128
Of which: subordinated liabilities	435	435
Other financial liabilities	286	278
Provisions	40	37
Tax liabilities	211	345
Other liabilities	639	556
Total Liabilities	34 653	36 726
Shareholders' equity attributable to the shareholders of BPI	3 975	3 773
Non controlling interests	0	0
Total Shareholders' equity	3 975	3 773
Total liabilities and Shareholders' equity	38 628	40 499

BANCO BPI INDICATORS

Profitability, Efficiency and Liquidity Indicators

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

	Jun 23	Jun 24
Gross income / ATA	3.2%	3.7%
Net income before income tax and income attributable to non-controlling interests / ATA	1.7%	2.3%
Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	17.5%	23.7%
Staff expenses / Gross income ¹⁾	20.0%	17.1%
Operating expenses / Gross income ¹⁾	40.7%	34.3%
Loans (net) to deposits ratio	102%	99%

NPE ratio and forborne (according to the EBA criteria)

	Jun 23	Jun 24
Non-performing exposures - NPE (M.€)	616	539
NPE ratio	1.6%	1.4%
NPE coverage by impairments	93%	95%
NPE coverage by impairments and collaterals	150%	152%
Ratio of forborne not included in NPE ²⁾	1.0%	1.2%

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

	Jun 23	Jun 24
"Crédito duvidoso" (M.€) ³⁾	610	528
"Crédito duvidoso" ratio	1.9%	1.6%
"Crédito duvidoso" coverage by impairments	94%	97%
"Crédito duvidoso" coverage by impairments and collaterals	150%	151%

1) Excluding early-retirement costs.

2) Forborne according to EBA criteria. On June 2024, the forborne was 736 M.€ (forborne ratio of 1.7%), of which 505 M.€ was performing loans (1.2% of the gross credit exposure) and 231 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

Jun 24 (M.€)	As reported by BPI	BPI contribution to CABK Group	Business segment	
			BPI	Corporate Center
Net interest income	492	490	486	3
Dividends	53	54	9	45
Equity accounted income	29	29	10	18
Net fees and commissions	168	168	168	
Trading income	15	17	17	(0)
Other operating income & expenses	(28)	(26)	(22)	(4)
Gross income	729	731	668	63
Operating expenses	(250)	(256)	(256)	
Extraordinary operating expenses	(23)			
Pre-impairment income	456	475	412	63
Impairment losses on financial assets	(4)	(4)	(4)	(0)
Other impairments and provisions	0	(18)	(18)	0
Gains/losses on disposals & others	2	2	2	0
Pre-tax income	454	454	391	63
Income tax	(127)	(127)	(125)	(2)
Net income	327	327	266	61

> Profit & loss account

The difference between the results disclosed by BPI and its contribution to the group corresponds to consolidation adjustments derived from intragroup eliminations, reclassifications to standardize presentation criteria in the income statement and certain remaining adjustments from the business combination.

Additionally, BPI contribution to CaixaBank Group results is broken down into BPI segment and Corporate Center segment, 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**, consolidation adjustments (elimination of intra-group balances);
- In **total customer funds**, by the liabilities under insurance contracts and their fair value adjustments at 30 June 2024, 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.

Loan portfolio & customer resources

June 2024 (M.€)	As reported by BPI	Adjustments	BPI contribution to CABK Group (BPI segment)
Loans and advances to customers, net	29 843	(89)	29 754
Total customer funds	39 343	(4 338)	35 005

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 object of disclosure, as required by ESMA guidelines.
- In the current presentation, the information previously disclosed is included by way of cross-reference and **a summarized list of the Alternative Performance Measures** is presented next.

The following table shows 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 Banco BPI profit & loss account structure

Structure used in the Results' Presentation	Jun 24	Jun 24	Structure presented in the financial statements and respective notes
Net interest income	491.7	491.7	Net interest income
Dividend income	53.5	53.5	Dividend income
Equity accounted income	28.7	28.7	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	167.9	182.5	Fee and commission income
		-14.6	Fee and commission expenses
Gains/(losses) on financial assets and liabilities and other	15.1	0.2	Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net
		3.2	Gains or (-) losses on financial assets and liabilities held for trading, net
		-1.8	Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
		7.5	Gains or (-) losses from hedge accounting, net
		6.0	Exchange differences [gain or (-) loss], net
Other operating income and expenses	-27.7	13.3	Other operating income
		-41.0	Other operating expenses
Gross income	729.2	729.2	GROSS INCOME
Staff expenses	-147.6	-147.6	Staff expenses
Other administrative expenses	-94.1	-94.1	Other administrative expenses
Depreciation and amortisation	-31.4	-31.4	Depreciation
Operating expenses	-273.2	-273.2	Administrative expenses and depreciation
Net operating income	456.0	456.0	
Impairment losses and other provisions	-4.5	1.4	Provisions or (-) reversal of provisions
		-5.9	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	2.0		Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates
			Impairment or (-) reversal of impairment on non-financial assets
			Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net
		1.2	Gains or (-) losses on derecognition of non financial assets, net
		0.8	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	453.5	453.5	PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS
Income tax	-126.7	-126.7	Tax expense or income related to profit or loss from continuing operations
Net income from continuing operations	326.8	326.8	PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS
Net income from discontinued operations			Profit or (-) loss after tax from discontinued operations
Net income	326.8	326.8	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, excluding costs with early-retirements and voluntary terminations and other non recurrent / Gross income ²
Cost-to-core income ratio (core efficiency ratio)¹⁾	[Operating expenses, excluding costs with early-retirements and voluntary terminations and other non recurrent – 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 resources³⁾	<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)
Off-balance sheet Customer resources⁴⁾	<p>Mutual funds + Capitalisation insurance + Pension plans + Subscriptions in public offerings</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 (BPI Suisse sold on Apr.23) + Third-party unit trust funds placed with Customers. Capitalisation insurance = Third-party capitalisation insurance placed with Customers Pension plans = 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) Excluding non-recurrent.

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

4) 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.

ALTERNATIVE PERFORMANCE MEASURES

BALANCE SHEET AND FUNDING INDICATORS (continuation)

Total Customer resources	On-balance sheet Customer resources + Off-balance sheet Customer resources
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 portfolio¹⁾	(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 and NPL ratios	Ratio of non-performing exposures (NPE) and ratio of non-performing loans (NPL) in accordance with the EBA criteria (prudential perimeter)
Coverage of NPE or NPL	[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) or Non-performing loans (NPL)]
Coverage of NPE or NPL 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 or NPL] / [Non-performing exposures (NPE) or Non-performing loans (NPL)]
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



Grupo  CaixaBank

BANCO BPI, S.A.

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