

# Banco BPI

## Mortgage Covered Bond Programme Presentation

November 2024



# DISCLAIMER

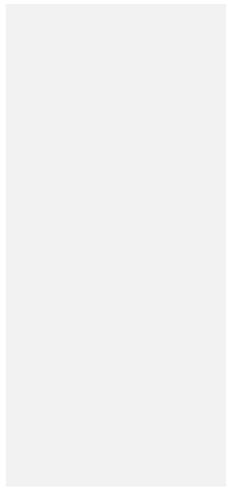
- The purpose of this presentation is purely informative and should not be considered as a service or offer of any financial product, service or advice, nor should it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by Banco BPI ("BPI") or any of the companies mentioned herein. The information contained herein is subject to, and must be read in conjunction with, all other publicly available information. Any person at any time acquiring securities must do so only on the basis of such person's own judgment as to the merits or the suitability of the securities for its purpose and only on such information as is contained in such public information set out in the relevant documentation filed by the issuer, having taken all such professional or other advice as it considers necessary or appropriate in the circumstances and not in reliance on the information contained in this presentation.
- BPI cautions that this presentation might contain forward-looking statements concerning the development of its business and economic performance. While these statements are based on BPI's current projections, judgments and future expectations concerning the development of the Bank's business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from BPI's expectations. Such factors include, but are not limited to the market general situation, macroeconomic factors, regulatory, political or government guidelines and trends, movements in domestic and international securities markets, currency exchange rates and interest rates, changes in the financial position, creditworthiness or solvency of BPI customers, debtors or counterparties.
- Statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior year. Nothing in this presentation should be construed as a profit forecast. In addition, it should be noted that although this presentation has been prepared based on accounting registers kept by BPI and by the rest of the Group companies it may contain certain adjustments and reclassifications in order to harmonize the accounting principles and criteria followed by such companies with those followed by BPI.
- In particular, regarding the data provided by third parties, BPI does not guarantee that these contents are exact, accurate, comprehensive or complete, nor it is obliged to keep them updated, nor to correct them in the case that any deficiency, error or omission were to be detected. Moreover, in reproducing these contents by any means, BPI may introduce any changes it deems suitable, may omit partially or completely any of the elements of this document, and in case of any deviation between such a version and this one, BPI assumes no liability for any discrepancy.
- In relation to Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), this report uses certain APMs, which have not been audited, for a better understanding of the company's financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under the International Financial Reporting Standards (IFRS). Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. Accordingly, they may not be comparable. Please refer to the Annexes section for a list of the APMs used along with the relevant reconciliation between certain indicators.
- This document has not been submitted to the Comissão do Mercado de Valores Mobiliários (CMVM) (Autoridade Portuguesa do Mercado de Capitais) for review or for approval. Its content is regulated by the Portuguese law applicable at the date hereto, and it is not addressed to any person or any legal entity located in any other jurisdiction. For this reason it may not necessarily comply with the prevailing norms or legal requisites as required in other jurisdictions.
- Notwithstanding any legal requirements, or any limitations imposed by BPI which may be applicable, permission is hereby expressly refused for any type of use or exploitation of the content of this presentation, and for any use of the signs, trademarks and logotypes contained herein. This prohibition extends to any kind of reproduction, distribution, transmission to third parties, public communication or conversion by any other mean, for commercial purposes, without the previous express consent of BPI and/or other respective proprietary title holders. Any failure to observe this restriction may constitute a legal offence which may be sanctioned by the prevailing laws in such cases.

# Table of Contents

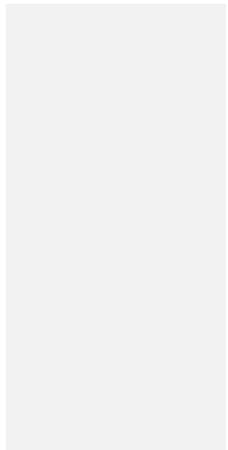
<b>1</b>	<b>BPI at a Glance</b>
<b>2</b>	<b>Financial Highlights / Results</b>
<b>3</b>	<b>Asset Quality</b>
<b>4</b>	<b>Liquidity and Capital</b>
<b>5</b>	<b>Mortgage Covered Bond Programme</b>

## 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

Sep. 2024

<b>Total assets</b> (Banco BPI)	<b>39.5</b> Bi.€
<b>Customer resources</b>	<b>38.7</b> Bi.€
<b>Gross loan portfolio</b>	<b>30.3</b> Bi.€
<b>Loan to deposits ratio</b> <sup>1)</sup>	<b>98%</b>
<b>NPE ratio</b>	<b>1.4%</b>
<b>Coverage by impairments and collateral</b>	<b>152%</b>
<b>CET1 ratio</b> <sup>2)</sup>	<b>13.9%</b>
<b>Tier1 ratio</b> <sup>2)</sup>	<b>15.3%</b>
<b>Total Capital ratio</b> <sup>2)</sup>	<b>17.5%</b>
<b>MDA buffer</b> <sup>2), 3)</sup>	<b>3.8%</b>
<b>Leverage ratio</b> <sup>2)</sup>	<b>7.3%</b>
<b>MREL ratio</b> (as % of RWA) <sup>2)</sup>	<b>24.8%</b>

- ✓ **Forth largest bank in Portugal, by business volume** <sup>4)</sup>
- ✓ **Commercial banking focus**
- ✓ **Fully owned by CaixaBank, representing around 6% of its consolidated assets**
- ✓ **Market shares of 11.6% in loans and 10.9% in total Customer resources** <sup>5)</sup>
- ✓ **Issuer rating at investment grade: BBB+ by Fitch, A2 by Moody's and A- 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.

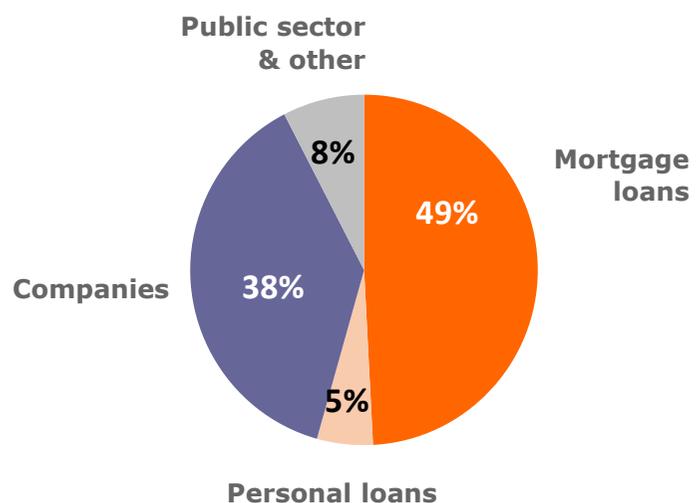
3) Proforma of 1 Oct. 2024, including the buffer requirement for systemic risk in the residential real estate market in Portugal in force since that date

4) Loans, guarantees and total customer resources

5) Market share in loans as of September 2024 and in Customer resources as of August 2024. Source: BPI, Bank of Portugal, APFIPP, APS, BPI Vida e Pensões.

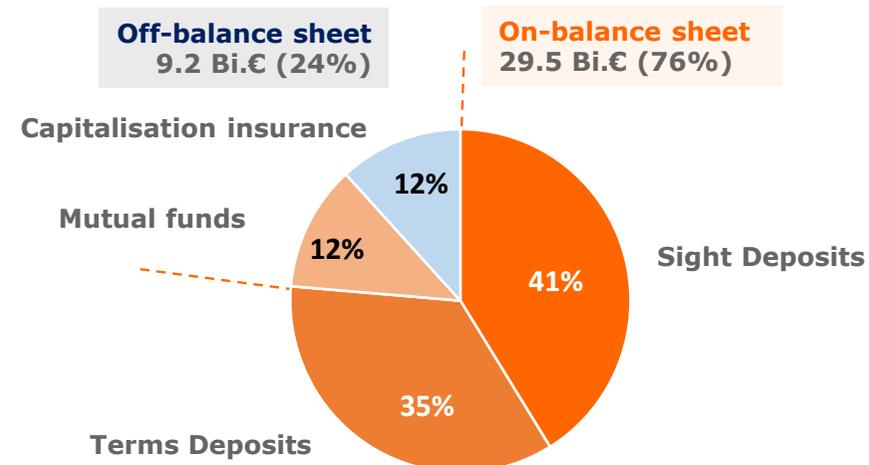
# BUSINESS VOLUME BREAKDOWN (as of September 2024)

## Gross loan portfolio (30.3 Bi€)



Market shares	Sep 24
Total loan portfolio	11.6%
Mortgage loans	14.5%

## Customer resources (38.7 Bi€)



Market shares	Aug 24
Customer resources <sup>1</sup>	10.9%
Deposits <sup>2</sup>	10.2%
Off-Balance	13.8%

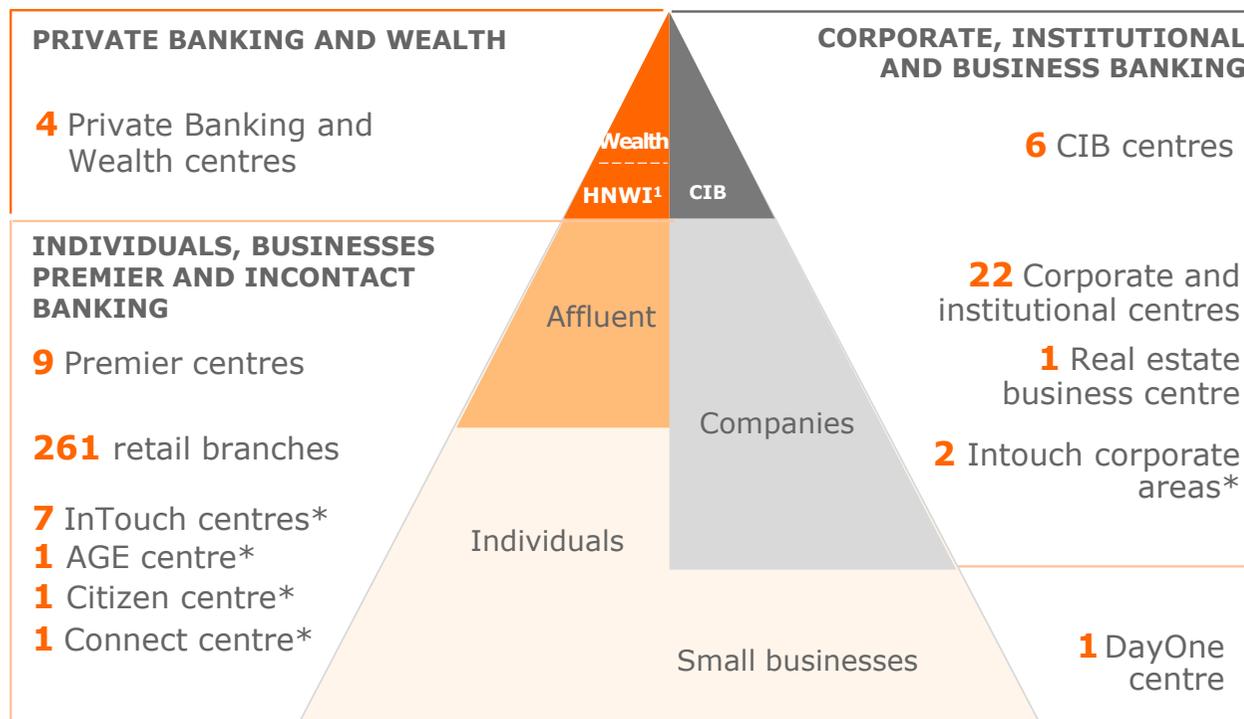
Source: BPI, Bank of Portugal, APFIPP, APS, BPI Vida e Pensões.

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

# DISTRIBUTION NETWORK & CUSTOMER SEGMENTATION

30 September 2024

**1.8** Million Customers      **304** 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



# DIGITAL BANKING GAINS MORE RELEVANCE



## Subscription to digital channels

(30 Sep. 2024)

**61%**

Individual digital clients (1st active account holders, individuals and companies)

**90%**

Digital individual clients actively use the BPI App

**#2**

Individual clients take-up of digital channels (Net and Mobile)<sup>2</sup>



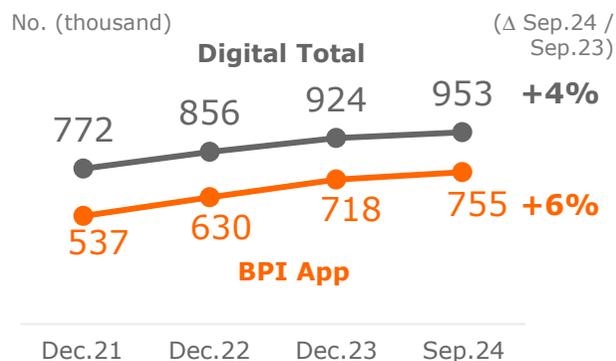
## More Digital Clients

(30 Sep. 2024)

**+45 th.**

BPI App active users (Δ yoy)

### Digital Banking regular users



## More Digitally-supported sales

(Δ Sep. 24 / Sep. 23)

**21%**

of sales of focus products to individual clients are digitally initiated <sup>1</sup>

**Best Digital Bank**  
Portugal 2024



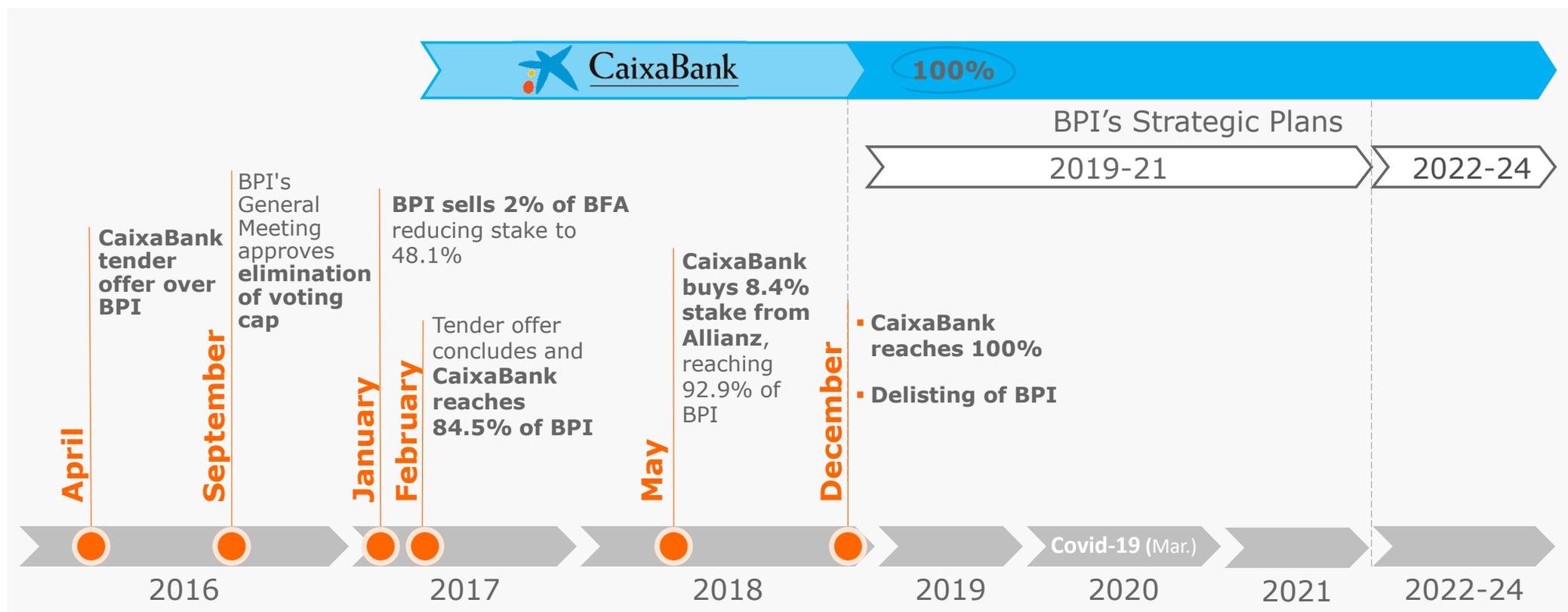
**Best Private Banking for Digital Solutions**  
Portugal 2024



**Best Corporate / Institutional Digital Bank**  
Portugal 2024



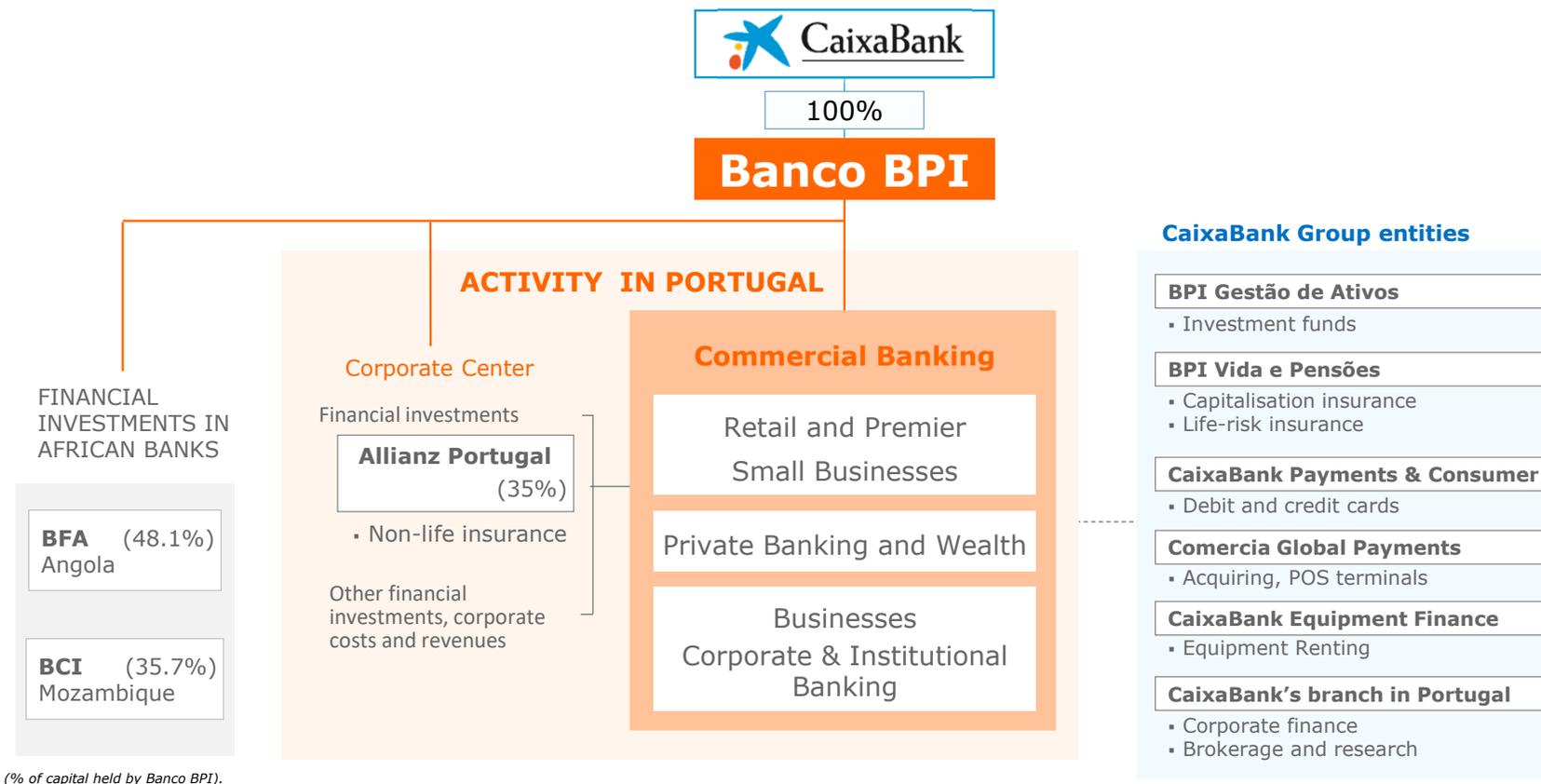
# MILESTONES SINCE CAIXABANK'S OFFER IN 2016



# FOCUS ON CORE BANKING BUSINESS IN PORTUGAL

## BPI's financial and business structure

30 September 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**

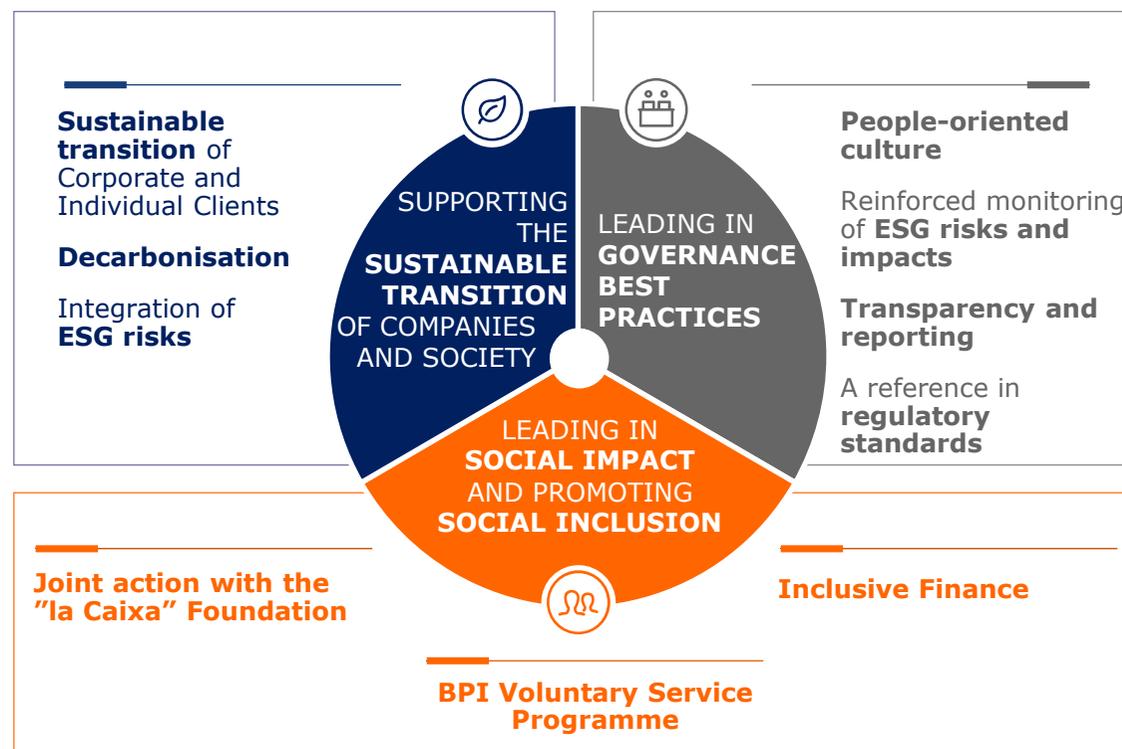
**BPI 2022-24:  
To grow more,  
to grow better**

# SUSTAINABILITY MASTER PLAN

## 7 priority Sustainable Development Goals



## 2022-2024 Sustainability Master Plan Three ambitions



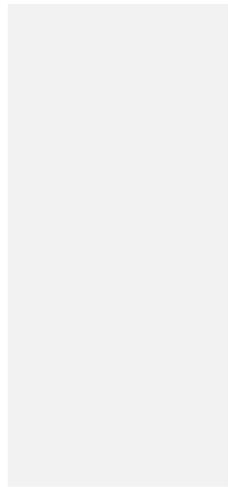
# A BANK COMMITTED TO SUSTAINABILITY



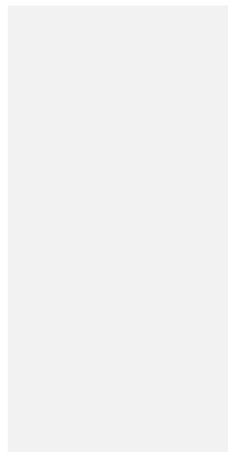
## 2022-2024 Sustainability Master Plan

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





## 2 Financial Highlights / Results



# BPI RESULTS

YTD in September 2024

<b>Commercial activity in Portugal</b>	<b>Loans</b> <span style="float: right;">Δ yoy</span> <b>+0.5 Bn.€</b> <b>+2%</b>	<b>Deposits</b> <span style="float: right;">Δ yoy</span> <b>+1.1 Bn.€</b> <b>+4%</b> <b>Total customer resources</b> <b>+1.7 Bn.€</b> <b>+5%</b>	<b>Gross income</b> <span style="float: right;">Δ yoy</span> <b>+11%</b> Net interest income <span style="float: right;">+7%</span>
<b>Risk and capitalisation</b>	<b>NPE ratio</b> <b>1.4%</b> <small>(EBA criteria)</small> <b>Coverage</b> <b>152%</b> <small>(by impairments and collaterals)</small>	<b>Cost of Risk</b> <b>0.10%</b> <small>(as % of loans and guarantees; last 12 months)</small>	<b>CET1</b> <b>13.9%</b> <b>T1</b> <b>15.3%</b> <b>Total</b> <b>17.5%</b> <small>(Phasing-in)</small>
<b>Profit and profitability</b>	<b>Net profit</b> <span style="float: right;">Δ yoy</span> <b>444 M.€</b> <b>+14%</b>	<b>Cost-to-income in Portugal</b> <b>37%</b> <small>(last 12 months)</small>	<b>Recurrent ROTE in Portugal</b> <b>18.4%</b> <small>(last 12 months)</small>

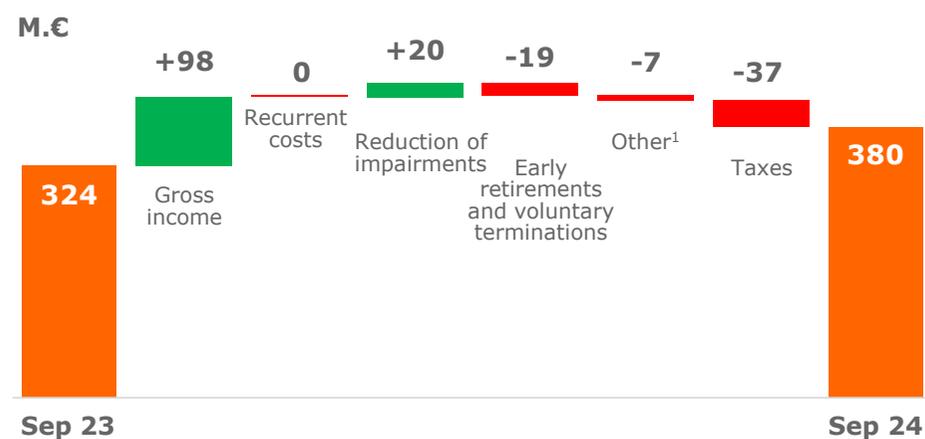
# NET PROFIT OF 444 M.€ FROM JAN-SET 2024 (+14%)

## > Net profit

In M.€	Sep 23	Sep 24	Δ%
<b>Net profit in Portugal</b>	<b>324</b>	<b>380</b>	<b>+17%</b>
BFA contribution	42	39	-8%
BCI contribution	24	25	+5%
<b>Net profit</b>	<b>390</b>	<b>444</b>	<b>+14%</b>

	Sep 23	Sep 24
<b>Recurrent ROTE in Portugal</b> (last 12 months)	<b>13.7%</b>	<b>18.4%</b>

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



# STABLE MARGIN AND COMMISSION INCOME

## > Gross income

In M.€	Sep 23	Sep 24	Δ%
Net interest income	688	737	7%
Net fee and commission income	218	244	12%
Other income (net) <sup>1</sup>	( 5)	20	
<b>GROSS INCOME</b>	<b>902</b>	<b>1 000</b>	<b>11%</b>

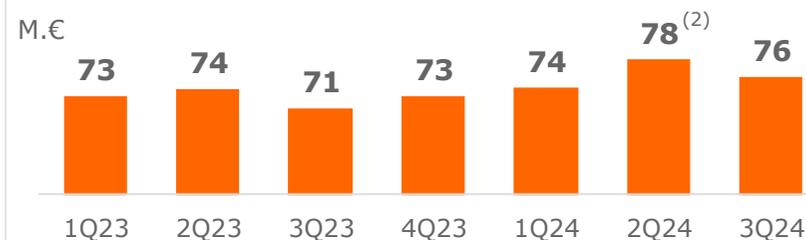
### Net interest income

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



### Commission income

Commissions up 4% yoy driven by business growth, excluding one-off gain in Jun.24



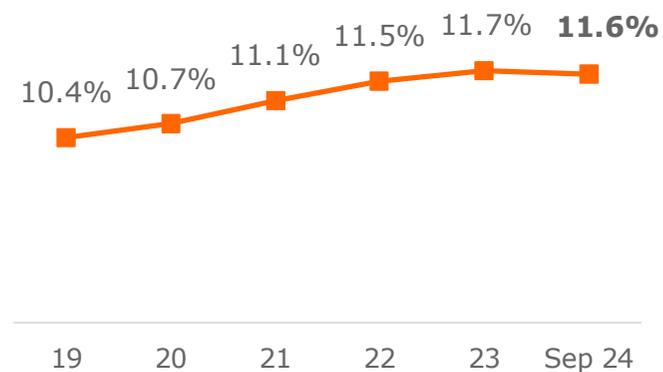
# CREDIT CONTINUES TO GROW

## > Loans to Customers by segment

Gross portfolio, in Bn.€	Sep 23	Sep 24	YoY	YtD
<b>Loans to individuals</b>	<b>16.3</b>	<b>16.5</b>	<b>1%</b>	<b>1%</b>
Mortgage loans	14.6	14.9	2%	2%
Other loans to individuals	1.7	1.6	-9%	-6%
<b>Loans to companies</b>	<b>11.2</b>	<b>11.5</b>	<b>3%</b>	<b>0%</b>
<b>Public sector</b>	<b>2.3</b>	<b>2.3</b>	<b>-1%</b>	<b>-2%</b>
<b>Total loans</b>	<b>29.8</b>	<b>30.3</b>	<b>2%</b>	<b>1%</b>
Loan portfolio net of impairments	29.2	29.8	2%	1%

- Growth of corporate and mortgage loans
- Stable market share

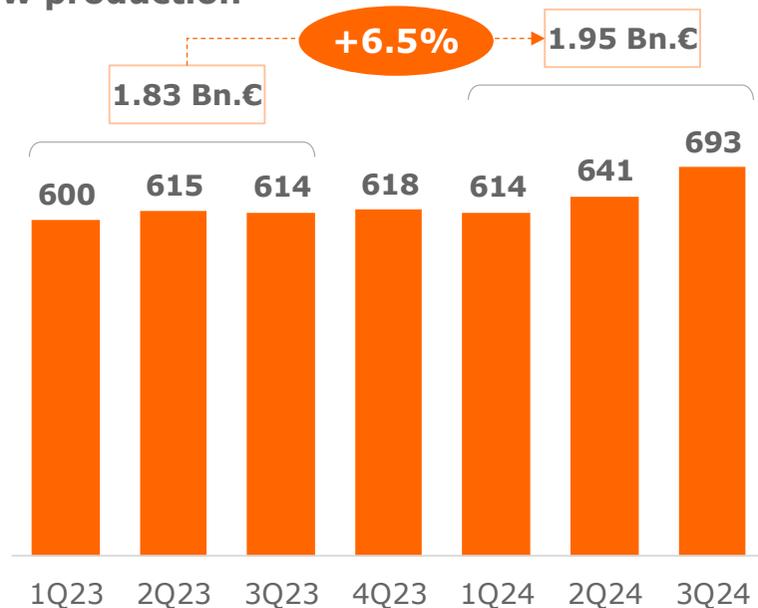
## > Market share in total loans



Source: BPI, Bank of Portugal.

# MORTGAGE LOANS PRODUCTION INCREASED 6.5% YOY

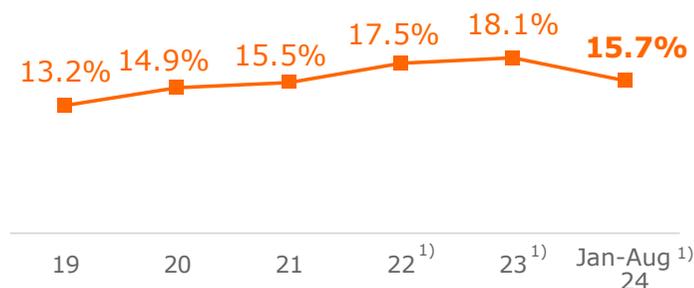
## > Loans new production (M.€)



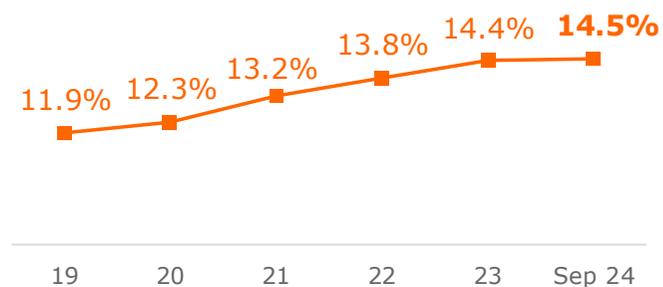
% fixed rate	44%	49%	49%	38%	20%	22%	23%
% mixed rate	-	6%	23%	38%	61%	60%	61%

## > Market shares

### Share of mortgage loans origination



### Share of mortgage loans book



Source: BPI, Bank of Portugal.

# CUSTOMER RESOURCES INCREASED 5% YOY

## > Customer Resources

In Bn.€	Sep 23	Sep 24	YoY	YtD
Customer deposits	28.4	29.5	4%	1%
Off-balance sheet resources	8.6	9.2	7%	6%
<b>Total</b>	<b>37.0</b>	<b>38.7</b>	<b>5%</b>	<b>2%</b>

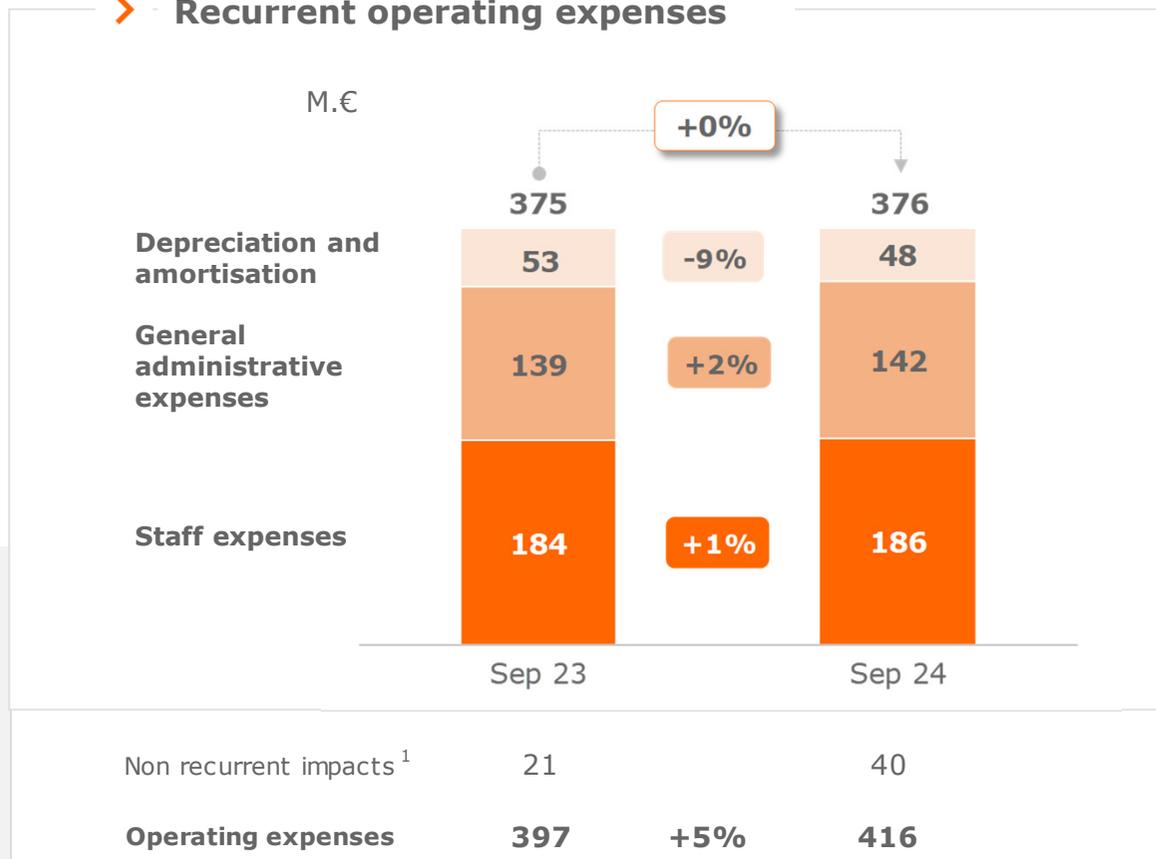
## > Market shares

	Aug 24	Δ YoY
Deposits <sup>1</sup>	10.2%	-0.3 p.p.
Off-balance sheet	13.8%	-0.3 p.p.
<b>Customer resources <sup>2</sup></b>	<b>10.9%</b>	<b>-0.2 p.p.</b>

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

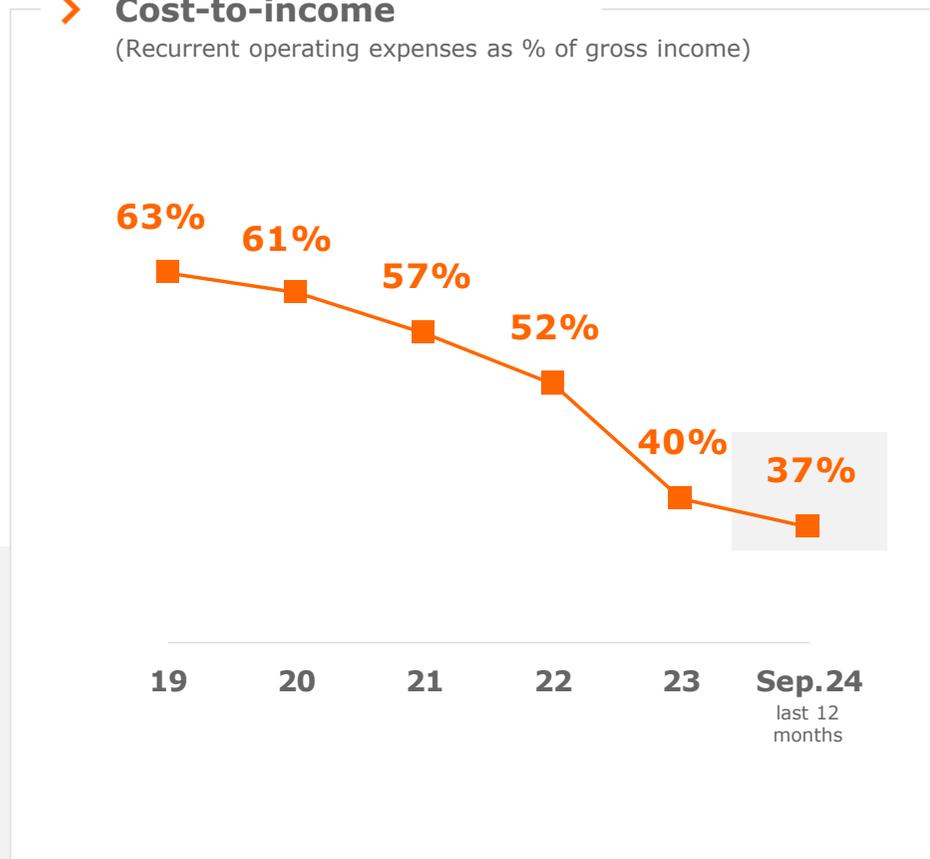
# COSTS STABLE

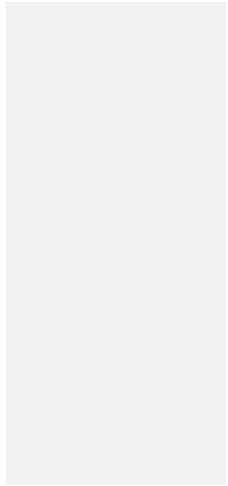
## > Recurrent operating expenses



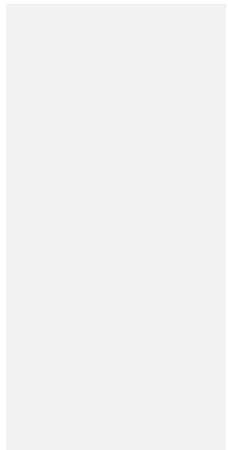
## > Cost-to-income

(Recurrent operating expenses as % of gross income)



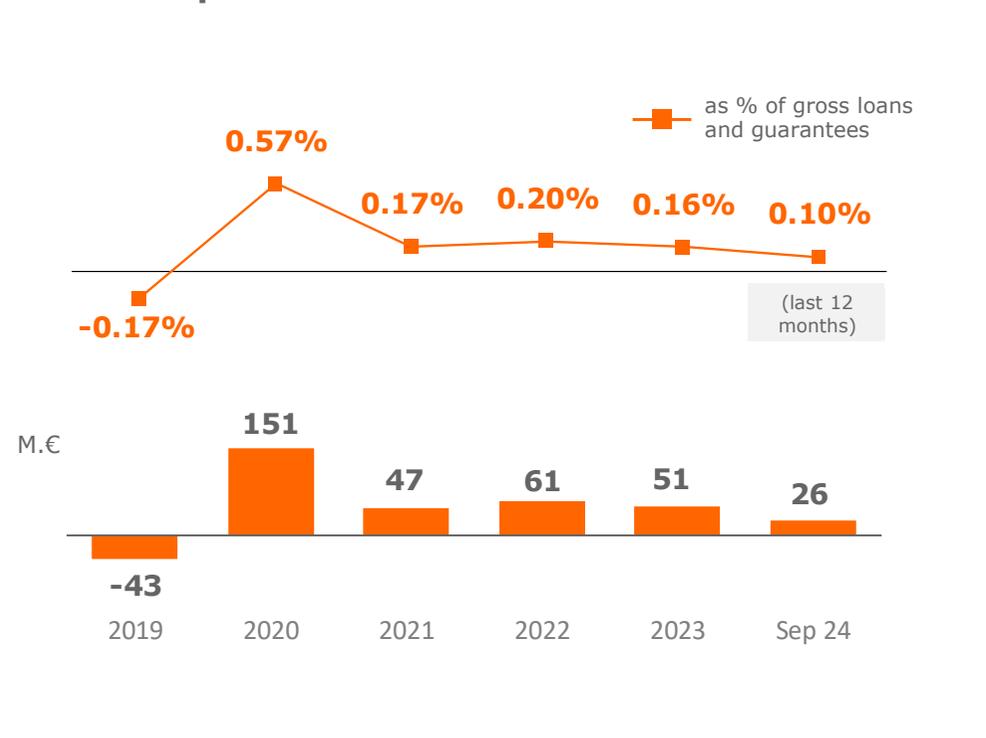


## 3 Asset Quality



# LOW RISK AND HIGH COVERAGE

## > Loan impairments net of recoveries

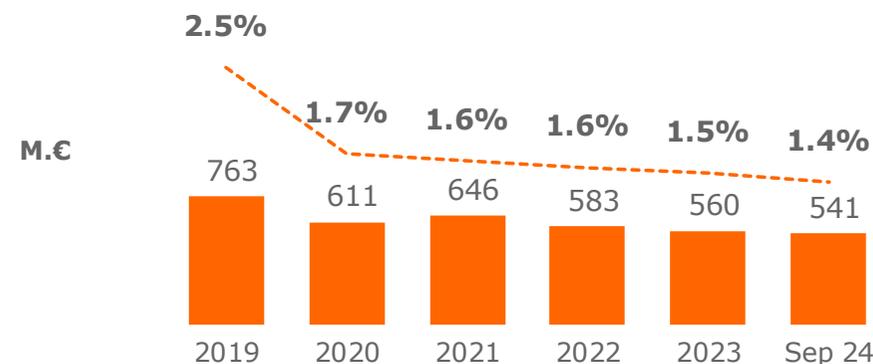


On-balance sheet non-allocated impairments (Sep.24)

**49 M.€**

## > Non-Performing Exposures – NPE

(EBA criteria)



### Coverage of NPE

by impairments	54%	83%	84%	94%	98%	<b>95%</b>
by impairments and collaterals	124%	140%	149%	155%	154%	<b>152%</b>

NPL ratio (EBA)

**1.8%**

Foreclosed properties <sup>1)</sup>

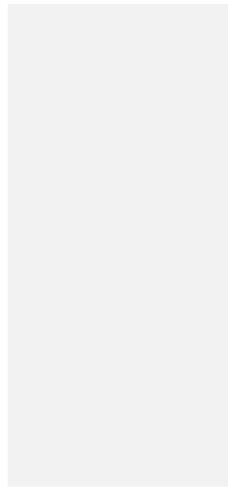
**0.9 M.€**

Coverage of NPL  
(by impairments and collaterals)

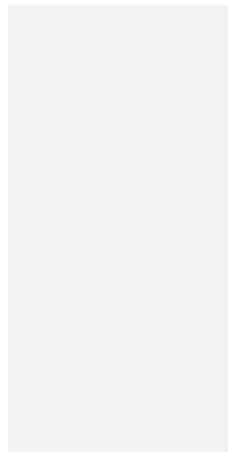
**153%**

Corporate recovery fund <sup>1)</sup>  
(Fundo de recuperação FCR)

**10 M.€**



## 4 Liquidity and Capital



# BALANCED FUNDING AND COMFORTABLE LIQUIDITY

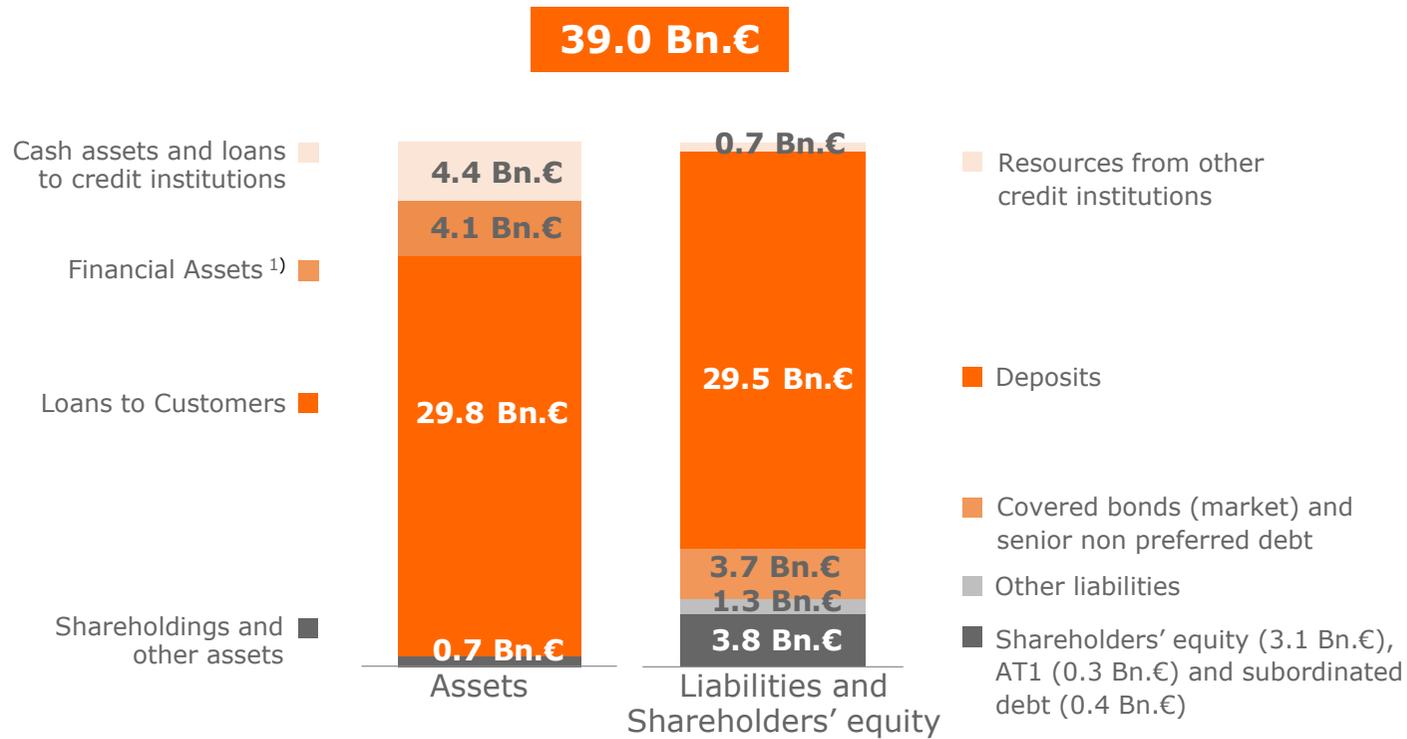
30 September 2024



1) 12-month average, in accordance with the EBA guidelines. Average value (previous 12 months) of the calculation components: Liquidity reserves (6 931 M.€); Total net outflows (3 402 M.€).  
2) High Quality Liquid Assets (HQLA) of 7.1 Bn.€ and other assets eligible as collateral with the ECB of 5.0 Bn.€

# BALANCE SHEET OF THE ACTIVITY IN PORTUGAL

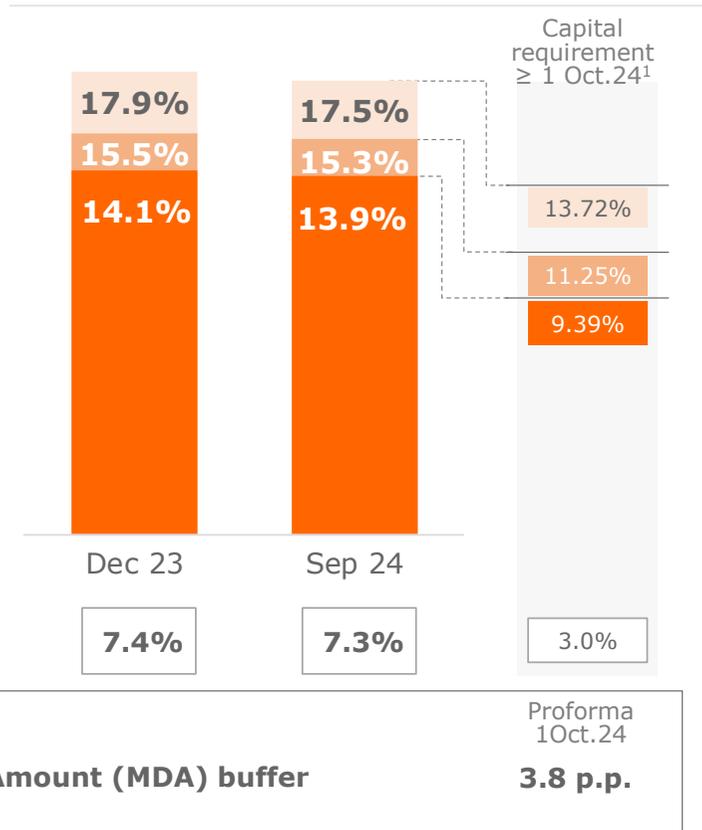
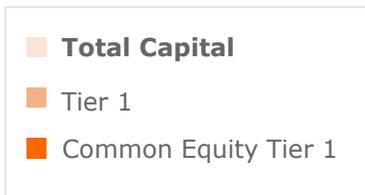
30 Sep 2024



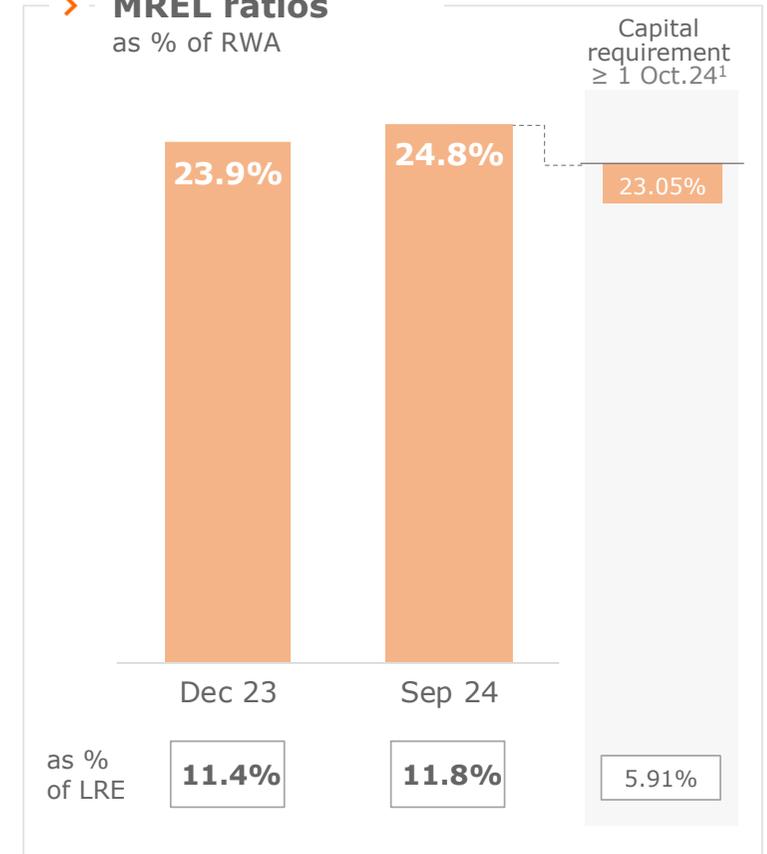
1) Includes medium and long-term sovereign debt of 3.8 Bn.€ (Portugal 31%; Spain 26%, Italy 17%, European Union 17% and USA 8%), with an average residual maturity of 2.7 years.

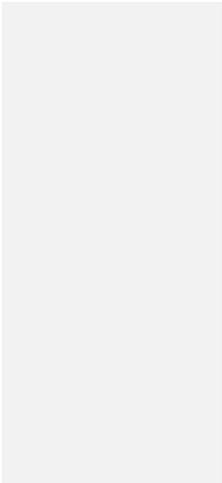
# HIGH CAPITALISATION

## > Capital Ratios phased-in

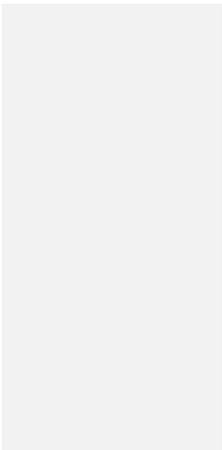


## > MREL ratios as % of RWA





## 5 Mortgage Covered Bond Programme



# COVERED BOND LAW IN PORTUGAL

- Current 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** ✓

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

# MORTGAGE COVERED BOND PROGRAMME - SUMMARY

<b>Issuer <sup>1)</sup></b>	Banco BPI, S.A.
<b>Type</b>	Obrigações Cobertas – European Covered Bonds (Premium)
<b>Collateral</b>	Portuguese prime residential mortgages
<b>Maximum Size</b>	€ 9bn
<b>Ratings</b>	Aaa / AA (Moody's / DBRS)
<b>Overcollateralisation</b>	29.8 % as of Sep 24 (Committed <sup>3</sup> 16.5% / Regulatory 5%)
<b>Compliance</b>	ECBC Covered Bond Label / UCITS Article 52 / CRR Article 129
<b>LCR Class</b>	Level 1
<b>Risk Weighting</b>	10% (CRR standardised approach)
<b>Cover Pool Monitor</b>	Deloitte & Associados, SROC SA
<b>Governing Law <sup>2)</sup></b>	Portuguese Law
<b>Listing</b>	Euronext Lisbon
<b>Clearing</b>	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")

3) DBRS formal requirement of 14% equals effectively to 16.5% as its methodology only considers 85% of last 12M minimum O/C

# MORTGAGE COVER POOL

September 2024

## Cover Pool Summary

Item	M.€	
	Remaining Term (years)	Nominal Amount
<b>Total Cover Pool</b>	<b>14.6</b>	<b>8 890</b>
Mortgage Credit Pool	14.8	8 713
Liquidity Buffer (cash, deposits, eligible securities)	4.8	177
<b>Current overcollateralisation (%)</b>		<b>29.8%</b>
Committed overcollateralisation (%)		16.5%
Minimum overcollateralisation (%) <sup>1</sup>		5.0%

<sup>1</sup> CRR Article 129 compliance for European Covered Bonds (Premium)

## Mortgage Cover Pool main statistics

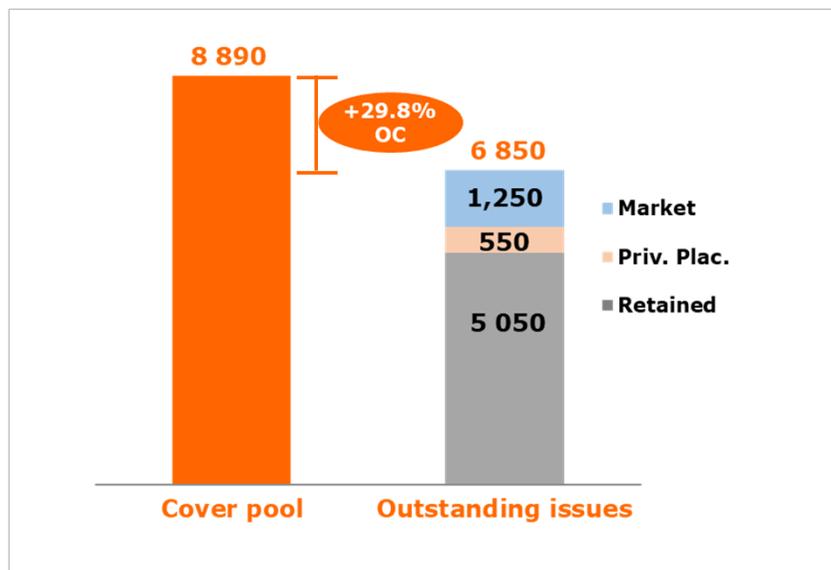
Number of Loans	<b>157 682</b> loans	Current Principal Balance	<b>8 713</b> million
Avg. Current Principal Balance	<b>55.3</b> thousand	W.A. Original Maturity	<b>33.7</b> years
W.A. Seasoning	<b>9.0</b> years	W.A. Remaining Term	<b>14.8</b> years
W.A. Original LTV	<b>70.9</b> %	W.A. Current LTV	<b>54.0</b> %
W.A. Interest Rate	<b>4.31</b> %	W.A. Spread	<b>1.03</b> %

# MORTGAGE COVER POOL AND OUTSTANDING ISSUES

September 2024

Cover Pool  
and  
Outstanding  
Issues

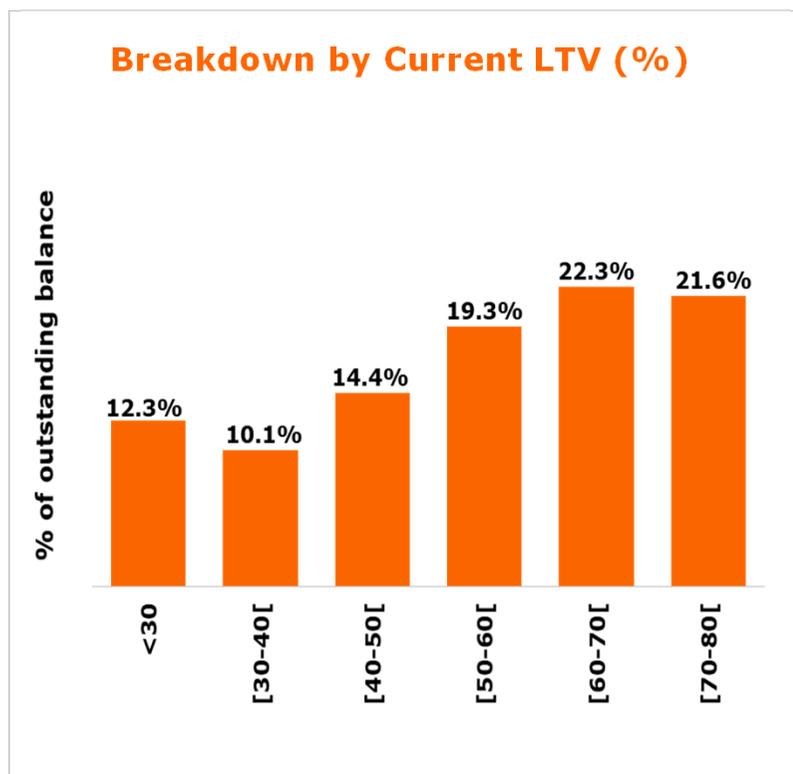
Outstanding  
Issues



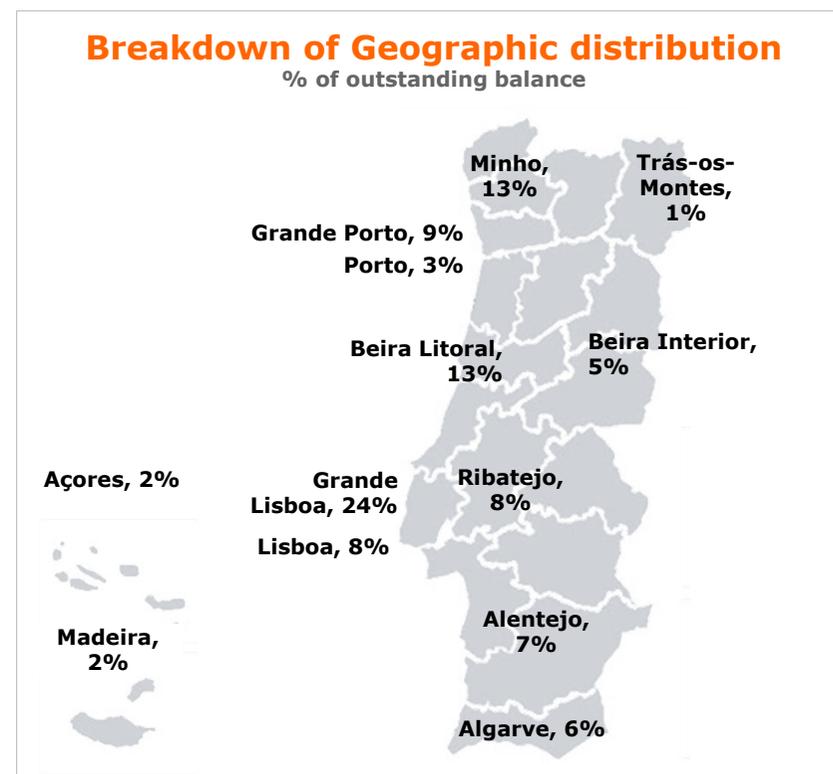
Outstanding issues	Nominal Amount (M.€)	Coupon type	Issue Date	Maturity Date	Remaining Term (years)
<b>Covered Bonds Outstanding</b>	<b>6 850</b>				<b>2.8</b>
<b>Market Issues</b>	<b>1 250</b>				<b>4.4</b>
Series 25 (ISIN PTBPIDOM0031)	750	Fixed	04/07/2023	04/07/2028	3.8
Series 26 (ISIN PTBPIZOM0035)	500	Fixed	22/02/2024	22/03/2030	5.5
<b>Private Placements</b>	<b>550</b>				<b>4.7</b>
Series 20 (ISIN PTBPIYOM0028)	250	Floating	26/09/2018	26/09/2025	1.0
Series 27 (ISIN PTBPIEOM0030)	300	Fixed	27/06/2024	27/06/2032	7.7
<b>Retained Issues</b>	<b>5 050</b>				<b>2.1</b>
Series 9 (ISIN PTBBP6OE0023)	350	Floating	21/05/2010	21/05/2025	0.6
Series 14 (ISIN PTBBRROE0048)	1 250	Floating	30/03/2015	31/03/2025	0.5
Series 23 (ISIN PTBPIHOM0037)	1 400	Floating	20/12/2019	20/12/2024	0.2
Series 24 (ISIN PTBPIMOM0022)	2 050	Floating	08/06/2022	08/06/2029	4.7

# MORTGAGE COVER POOL – MAIN CHARACTERISTICS

September 2024



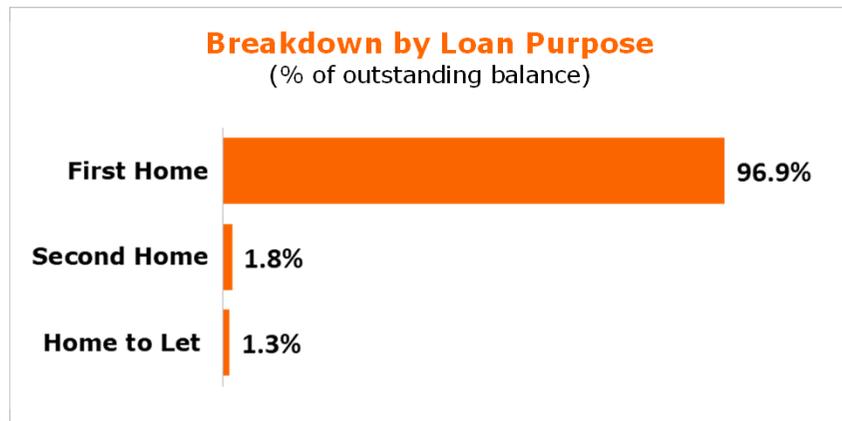
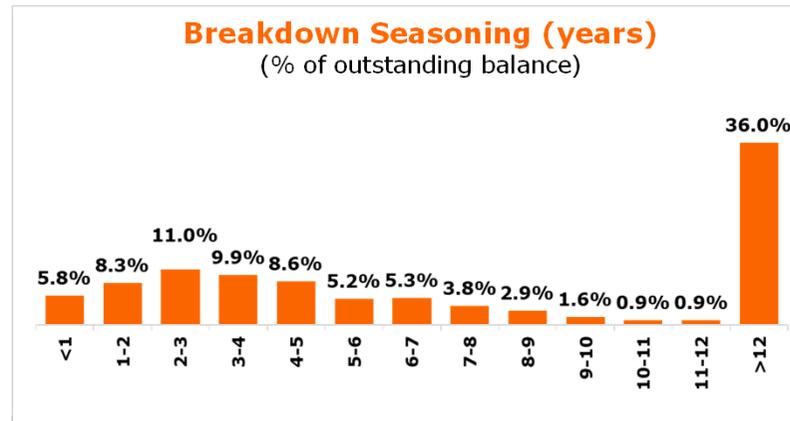
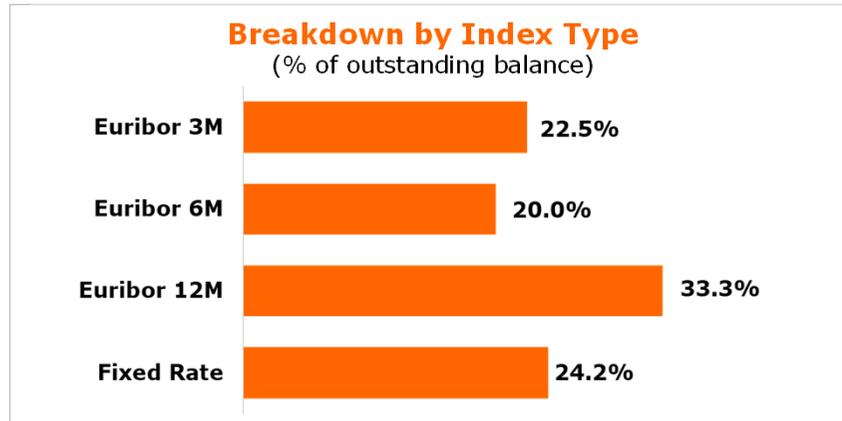
- Low weighted average current LTV of 54.0%



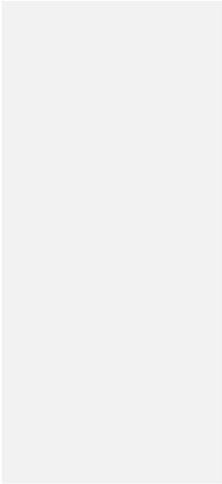
- Geographical exposure in line with Portuguese demographics with more concentration in the large cities along the coast

# MORTGAGE COVER POOL – MAIN CHARACTERISTICS

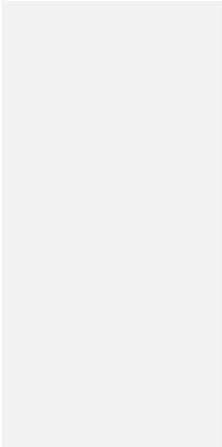
September 2024



- Pool mostly floating rate, 75.8% indexed to Euribor
- Weighted average seasoning of 9 years
- First homes represent 96.9% of the pool



# Appendices

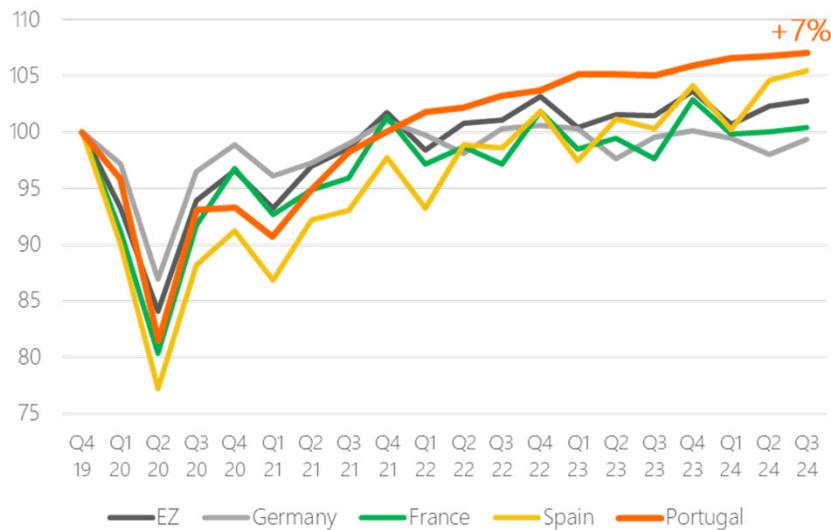


- a. Macro-economic Data on Portugal**
- b. Ratings
- c. Income Statement and Balance Sheet

# CONVERGENCE WITH EMU SHOULD CONTINUE

## Portugal compares favorably within EMU

GDP 4Q19=100



Source: BPI Research, with data from INE and Eurostat

## GDP expected to grow above EMU average, downward trend in inflation and stable unemployment rate

### Main economic forecasts

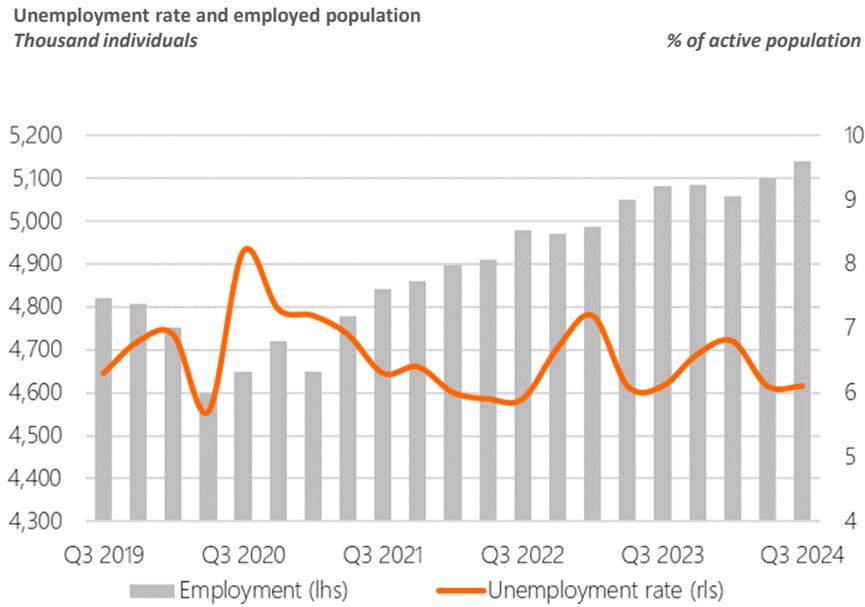
%, YoY

% yoy									Forecasts	
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>GDP</b>	2,0	3,5	2,8	2,7	-8,3	5,7	6,8	2,3	1,7	2,3
<b>Private Consumption</b>	2,6	2,1	2,6	3,3	-7,0	4,7	5,6	1,6	1,6	1,9
<b>Public Consumption</b>	0,8	0,2	0,6	2,1	0,4	4,5	1,4	1,0	1,0	0,8
<b>Gross Fixed Capital Formation (GFCF)</b>	2,5	11,5	6,2	5,4	-2,2	8,1	3,0	2,6	1,6	5,0
<b>Exports</b>	4,4	8,4	4,1	4,1	-18,8	12,3	17,4	4,1	3,7	4,6
<b>Imports</b>	5,0	8,1	5,0	4,9	-11,8	12,3	11,1	2,2	3,5	4,8
<b>Unemployment rate</b>	11,5	9,2	7,2	6,6	7,0	6,7	6,1	6,5	6,5	6,4
<b>CPI (average)</b>	0,6	1,4	1,0	0,3	0,0	1,3	7,8	4,3	2,4	2,1
<b>External current account balance (% GDP)</b>	1,2	1,3	0,6	0,4	-1,0	-0,8	-1,1	1,4	1,2	1,4
<b>General Government Balance (% GDP)</b>	-1,9	-3,0	-0,3	0,1	-5,8	-2,9	-0,3	1,2	0,3	0,4
<b>General government debt (% GDP)</b>	131,5	126,1	121,5	116,6	134,9	125,5	112,4	99,1	94,7	90,7
<b>Risk premium (PT-Bund) (average)</b>	307	269	138	100	90	60	100	70	67	73

Source: BPI Research

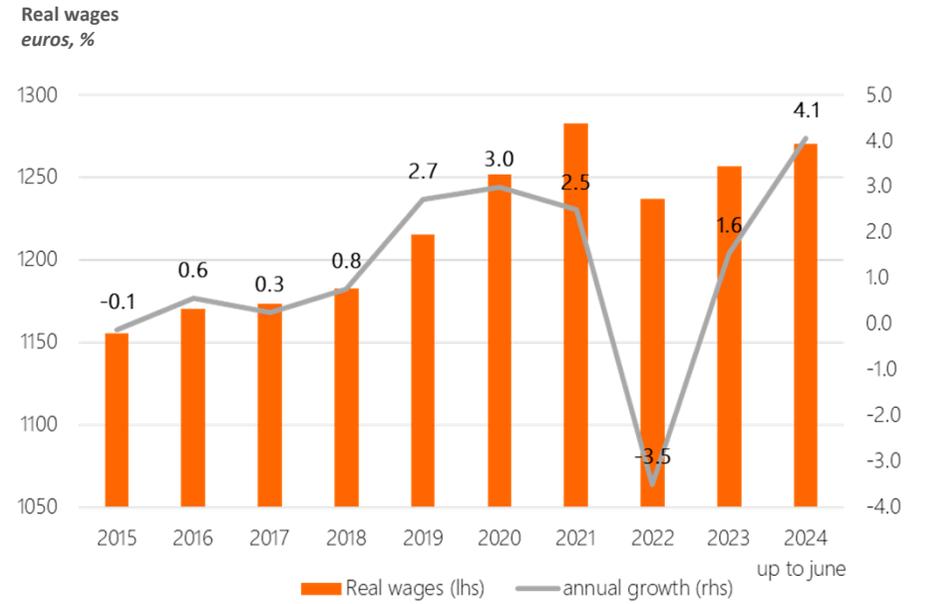
# RESILIENT LABOUR MARKET

## Employment continues to evolve positively supporting activity



Source: BPI Research, with data from INE

## Strong growth of real wages should support consumption and savings going forward

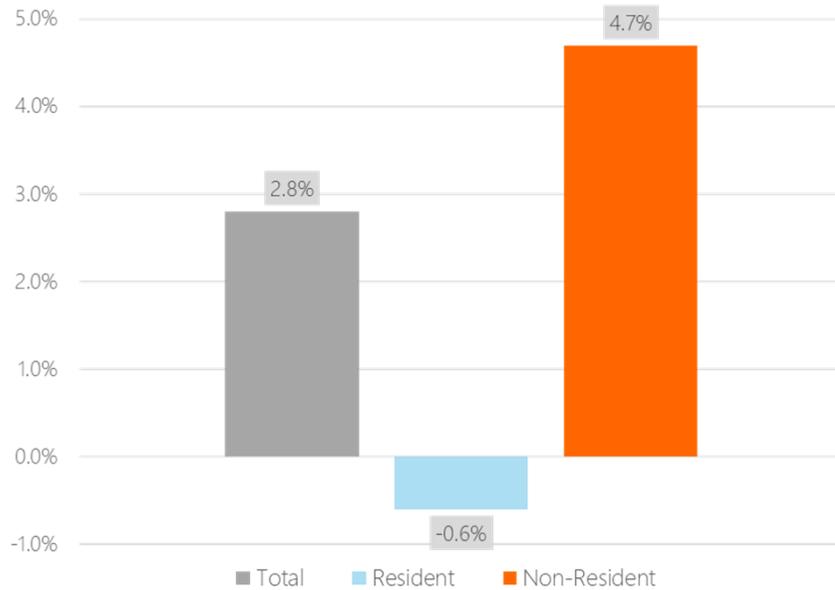


Source: BPI Research, with data from INE

# TOURISM IN GROWTH TRAJECTORY

## Growth fueled by Non-Residents

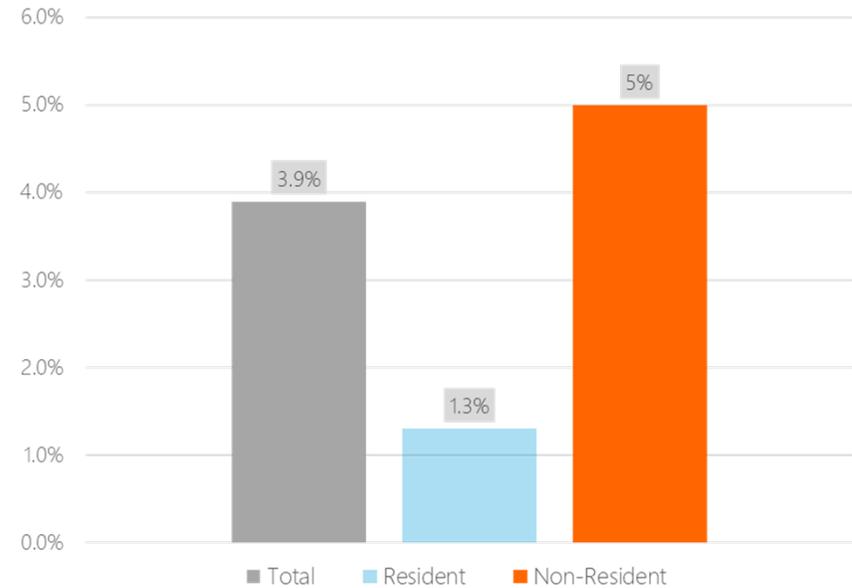
Guests  
September 2024 versus September 2023 (%)



Source: BPI Research, with data from INE

## Growth in YTD Overnight stays indicates a slight reduction in seasonality

Overnight stays  
Ytd September 2024 versus Ytd September 2023 (%)



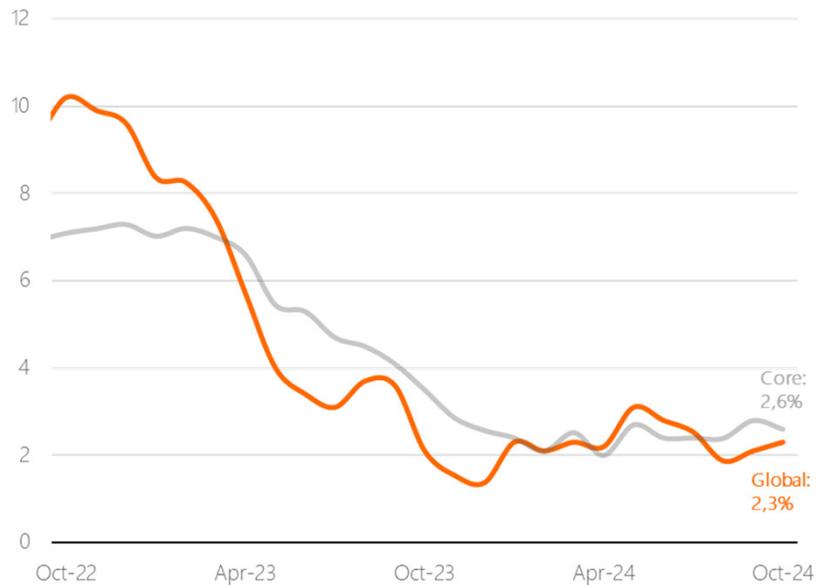
Source: BPI Research, with data from INE

# INFLATION IN DOWNWARD TREND

## Global CPI at 2.3% and Core CPI at 2.6% in October

### Portugal CPI: Global & Core

Year-on-year (%)

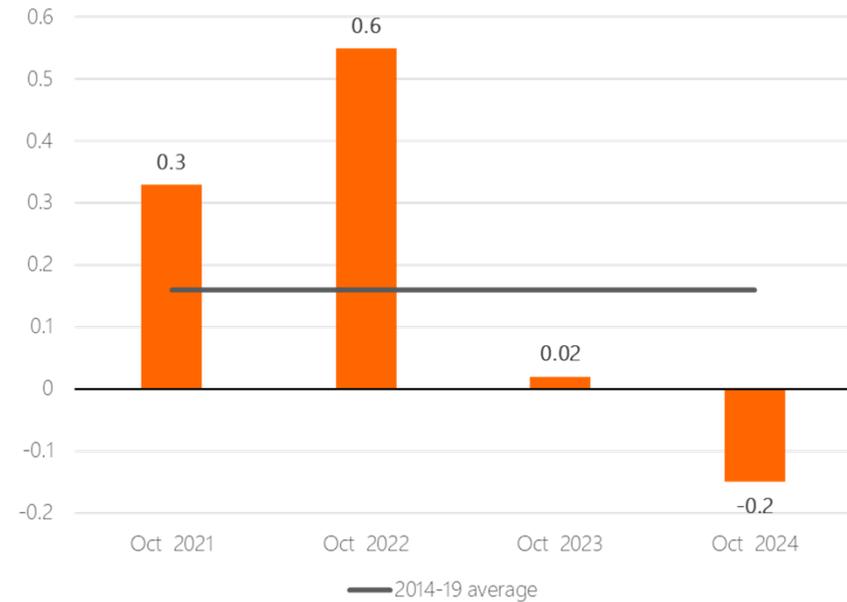


Source: BPI Research, with data from INE

## Core inflation fell in October after upward rebound in September

### Core inflation

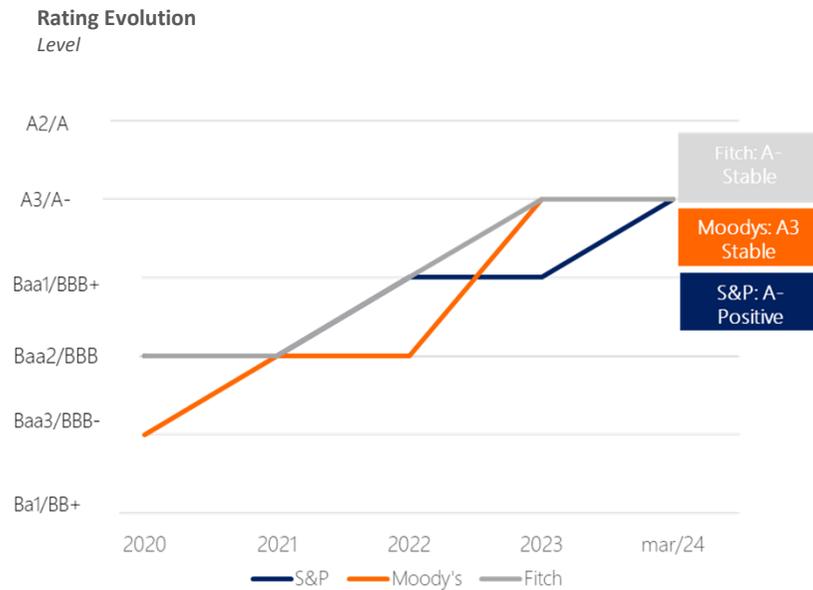
Month-on-month (%)



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

External surplus accelerated external debt decline, reaching 50% GDP in Q224

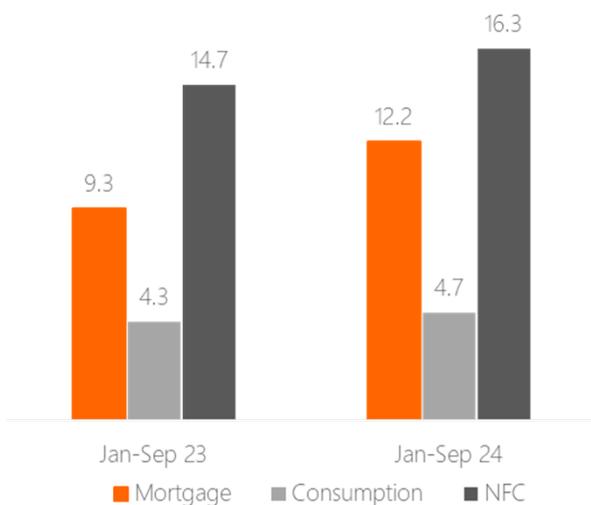


Source: BPI Research, based on BoP

# PORTUGUESE BANKING SYSTEM: A SOLID POSITION TO SUPPORT THE ECONOMY

Stock of credit continues to improve with new lending increasing in Mortgage and NFC

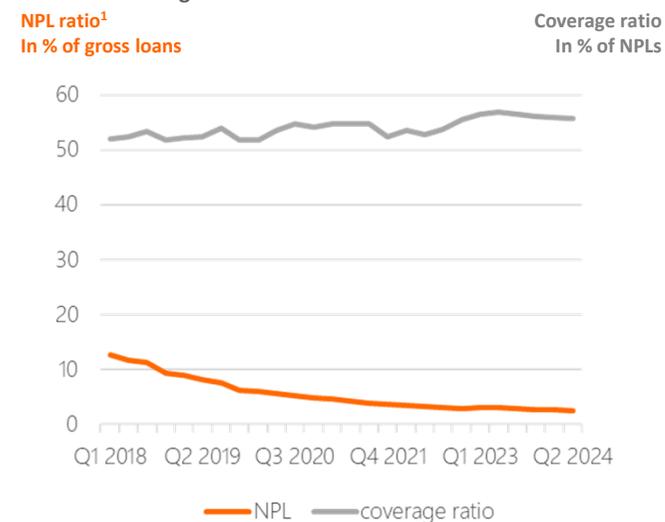
**New lending activity by sector**  
Accumulated in the year (B€)



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

NPLs ratio slightly improved in Q2 (2.6%)

**NPLs and coverage ratios**



**Cost of risk<sup>1</sup>**  
0.5% in Q4 2019  
0.1% in Q2 2024

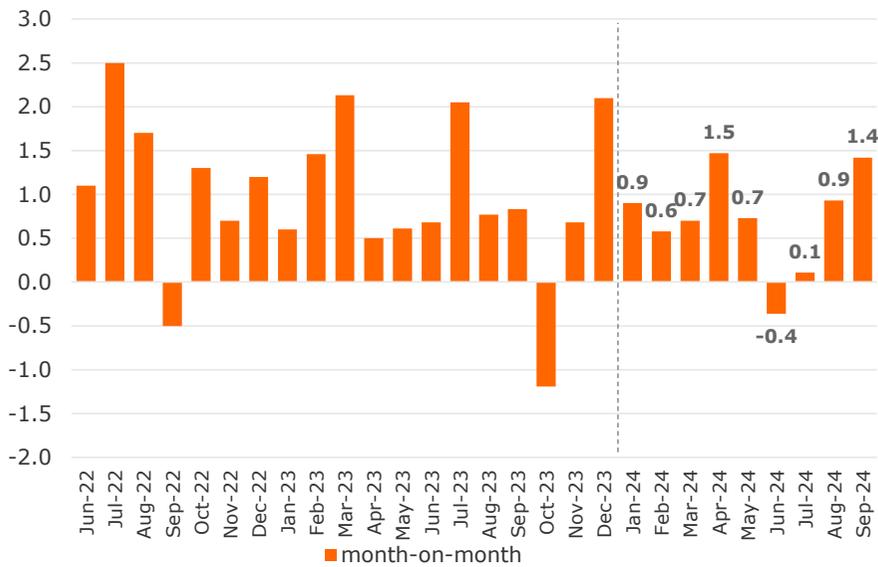
Notes (1) Flow of impairments to credit as a percentage of total gross loans  
Source: Bank of Portugal

# HOUSING MARKET: POSITIVE PRICE MOVEMENTS

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

House Price Index (Confidencial Inmobiliario)

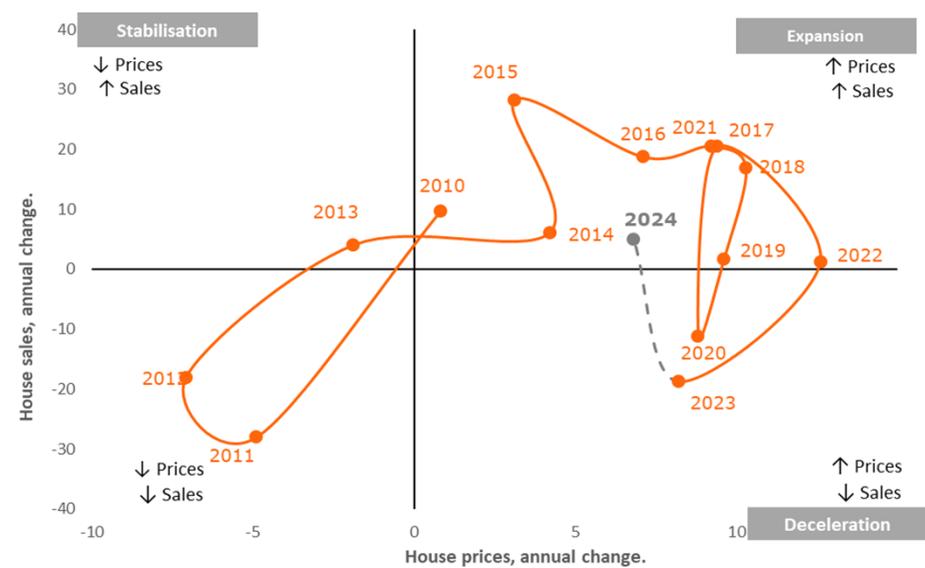
Month-on-month (%)



Residential Property Clock away from contraction scenario

Residential Property Clock

Annual change (%)



Source: BPI Research, with data from Confidencial Inmobiliario

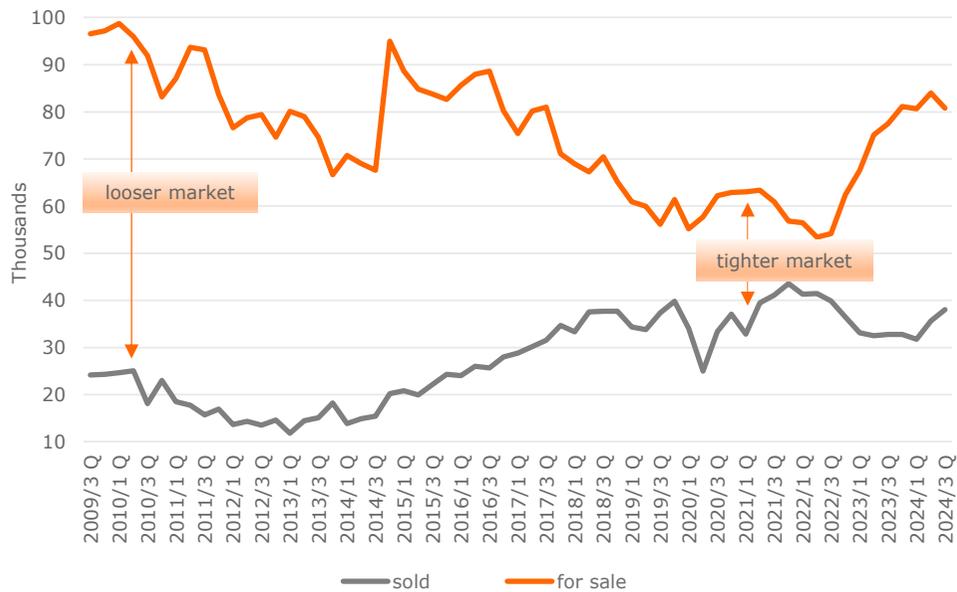
Source: BPI Research, with data from INE

# HOUSING MARKET: LACK OF SUPPLY AND FOREIGN BID

## Lack of supply supporting prices

### Sold houses vs houses for sale

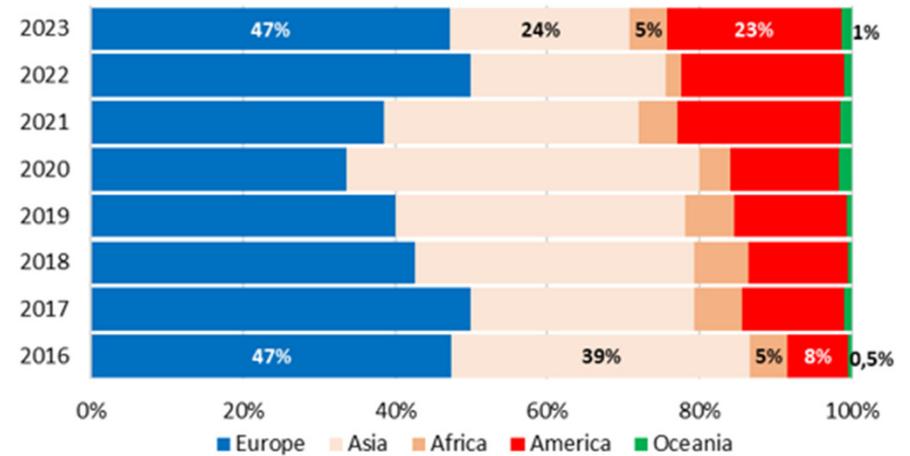
Number of houses



## Foreign bid: the case of Lisbon

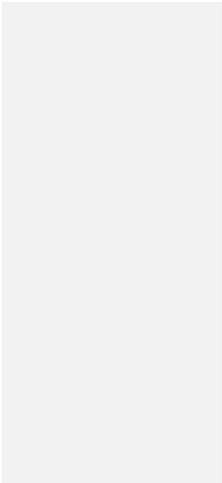
### Acquisition of houses by foreigners in Lisbon

% of the total purchases by foreigners; split by Continent

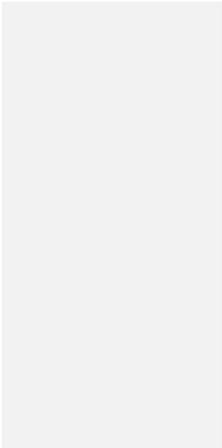


Source: BPI Research, with data from Confidencial Imobiliário

Source: BPI Research, with data from Confidencial Imobiliário



# Appendices



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

# BPI RATINGS VS. PEERS

As of 19 November 2024

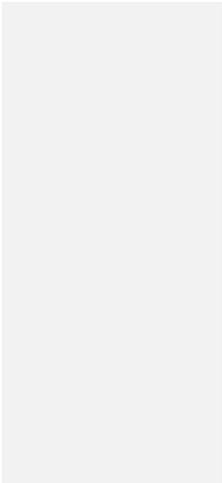
	<b>S&amp;P Global</b> (Long Term Debt/ Issuer Credit Rating)	<b>MOODY'S</b> (Long Term Debt/ Issuer rating)	<b>FitchRatings</b> (Issuer Default Rating)	<b>DBRS</b> (Long-Term Debt/ Issuer Rating)
<b>Investment Grade</b>	AAA	Aaa 	AAA	AAA
	AA+	Aa1	AA+	AA (high)
	AA	Aa2	AA	AA 
	AA-	Aa3	AA-	AA (low)
	A+	A1 	A+	A (high)
	A  	A2 	A	A  Bank 1
	A-  	A3 	A-  Bank 1 	A (low)  Bank 3
	BBB+	Baa1 Bank 1 Bank 2 Bank 3	BBB+ 	BBB (high) Bank 2
	BBB Bank 2	Baa2 Bank 5	BBB Bank 3	BBB Bank 5
	BBB-	Baa3	BBB- Bank 2 Bank 5	BBB (low)
<b>Non-Investment grade</b>	BB+	Ba1 Bank 4	BB+	BB (high) Bank 4
	BB	Ba2	BB Bank 4	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)

**S&P:** On 15 Nov.24 S&P upgraded BPI's rating to A- with stable Outlook.

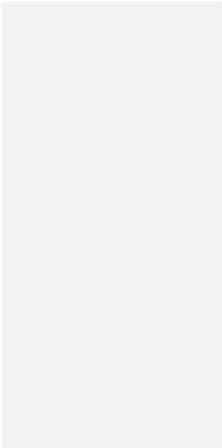
**Moody's:** On 19 Nov.24 Moody's upgraded the ratings of Banco BPI and its long-term senior debt to A2 (from Baa1) and of its long-term deposits to A1 (from A2). The ratings' outlook is Stable.

**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



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

## INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL

In M.€	Sep 23	Sep 24	Δ%
Net interest income	688.4	736.7	7%
Dividend income	2.0	8.3	-
Equity accounted income	15.2	15.3	1%
Net fee and commission income	218.4	243.5	12%
Gains/(losses) on financial assets and liabilities and other	18.7	19.1	2%
Other operating income and expenses	-40.6	-22.7	44%
<b>Gross income</b>	<b>902.0</b>	<b>1 000.2</b>	<b>11%</b>
Staff expenses	-183.9	-186.3	1%
Other administrative expenses	-139.0	-141.8	2%
Depreciation and amortisation	-52.6	-47.8	-9%
<b>Recurring operating expenses</b>	<b>-375.4</b>	<b>-375.9</b>	<b>0%</b>
Non-recurrent costs	-21.2	-39.9	88%
<b>Operating expenses</b>	<b>-396.6</b>	<b>-415.8</b>	<b>5%</b>
<b>Net operating income</b>	<b>505.4</b>	<b>584.4</b>	<b>16%</b>
Impairment losses and other provisions	-46.7	-26.5	-43%
Gains and losses in other assets	8.9	2.3	-74%
<b>Net income before income tax</b>	<b>467.6</b>	<b>560.1</b>	<b>20%</b>
Income tax	-143.5	-180.1	25%
<b>Net income</b>	<b>324.1</b>	<b>380.0</b>	<b>17%</b>
<b>Recurrent net income</b>	<b>329.4</b>	<b>407.5</b>	<b>24%</b>

# BANCO BPI INCOME STATEMENT

In M.€	Sep 23	Sep 24	Δ%
Net interest income	693.4	738.4	6%
Dividend income	74.5	53.5	-28%
Equity accounted income	40.8	43.3	6%
Net fee and commission income	218.4	243.5	12%
Gains/(losses) on financial assets and liabilities and other	-21.1	12.4	-
Other operating income and expenses	-46.5	-26.5	43%
<b>Gross income</b>	<b>959.6</b>	<b>1 064.6</b>	<b>11%</b>
Staff expenses	-183.9	-186.3	1%
Other administrative expenses	-139.0	-141.8	2%
Depreciation and amortisation	-52.6	-47.8	-9%
<b>Recurring operating expenses</b>	<b>-375.4</b>	<b>-375.9</b>	<b>0%</b>
Non-recurrent costs	-21.2	-39.9	88%
<b>Operating expenses</b>	<b>-396.6</b>	<b>-415.8</b>	<b>5%</b>
<b>Net operating income</b>	<b>563.0</b>	<b>648.8</b>	<b>15%</b>
Impairment losses and other provisions	-47.0	-26.5	-44%
Gains and losses in other assets	8.9	2.3	-74%
<b>Net income before income tax</b>	<b>524.9</b>	<b>624.6</b>	<b>19%</b>
Income tax	-134.4	-180.5	34%
<b>Net income</b>	<b>390.4</b>	<b>444.1</b>	<b>14%</b>

# BANCO BPI BALANCE SHEET

In M.€	Dec 23	Sep 24
<b>ASSETS</b>		
Cash and cash balances at central banks and other demand deposits	1 856	2 664
Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income	1 365	1 276
Financial assets at amortised cost	34 541	34 560
Of which: Loans to Customers	29 540	29 772
Investments in joint ventures and associates	221	227
Tangible assets	208	191
Intangible assets	106	103
Tax assets	170	230
Non-current assets and disposal groups classified as held for sale	15	15
Other assets	147	213
<b>Total assets</b>	<b>38 628</b>	<b>39 479</b>
<b>LIABILITIES</b>		
Financial liabilities held for trading	58	52
Financial liabilities at amortised cost	33 705	34 604
Deposits - Central Banks and Credit Institutions	1 062	720
Deposits - Customers	29 252	29 500
Debt securities issued	3 106	4 121
Of which: subordinated liabilities	435	427
Other financial liabilities	286	262
Provisions	40	35
Tax liabilities	211	234
Other liabilities	639	713
<b>Total Liabilities</b>	<b>34 653</b>	<b>35 637</b>
Shareholders' equity attributable to the shareholders of BPI	3 975	3 842
Non controlling interests	0	0
<b>Total Shareholders' equity</b>	<b>3 975</b>	<b>3 842</b>
<b>Total liabilities and Shareholders' equity</b>	<b>38 628</b>	<b>39 479</b>

# BANCO BPI INDICATORS

<b>Profitability, Efficiency and Liquidity Indicators</b> (Bank of Portugal Instruction no. 16/2004 with the amendments of Instruction 6/2018)	<b>Sep 23</b>	<b>Sep 24</b>
Gross income / ATA	3.3%	3.6%
Net income before income tax and income attributable to non-controlling interests / ATA	1.8%	2.1%
Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	18.3%	21.7%
Staff expenses / Gross income <sup>1)</sup>	19.2%	17.5%
Operating expenses / Gross income <sup>1)</sup>	39.1%	35.3%
Loans (net) to deposits ratio	103%	101%
<b>NPE ratio and forbore</b> (according to the EBA criteria)	<b>Sep 23</b>	<b>Sep 24</b>
Non-performing exposures - NPE (M.€)	569	541
NPE ratio	1.5%	1.4%
NPE coverage by impairments	96%	95%
NPE coverage by impairments and collaterals	158%	152%
Ratio of forbore not included in NPE <sup>2)</sup>	1.3%	1.1%
<b>"Crédito duvidoso" (non-performing loans)</b> (according to Bank of Spain criteria)	<b>Sep 23</b>	<b>Sep 24</b>
"Crédito duvidoso" (M.€) <sup>3)</sup>	556	510
"Crédito duvidoso" ratio	1.7%	1.6%
"Crédito duvidoso" coverage by impairments	99%	101%
"Crédito duvidoso" coverage by impairments and collaterals	159%	154%

1) Excluding early-retirement costs.

2) Forbore according to EBA criteria. On September 2024, the forbore was 694 M.€ (forbore ratio of 1.6%), of which 475 M.€ was performing loans (1.1% of the gross credit exposure) and 219 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

Sep 24 (M.€)	As reported by BPI	BPI contribution to CABK Group	Business segment	
			BPI	Corporate Center
Net interest income	738	735	727	8
Dividends	53	54	9	45
Equity accounted income	43	43	15	28
Net fees and commissions	244	244	244	
Trading income	12	15	22	(7)
Other operating income & expenses	(27)	(24)	(20)	(4)
<b>Gross income</b>	<b>1 065</b>	<b>1 067</b>	<b>996</b>	<b>71</b>
Operating expenses	(376)	(382)	(382)	
Extraordinary operating expenses	(40)			
<b>Pre-impairment income</b>	<b>649</b>	<b>685</b>	<b>614</b>	<b>71</b>
Impairment losses on financial assets	(26)	(26)	(26)	0
Other impairments and provisions	(1)	(36)	(36)	(0)
Gains/losses on disposals & others	2	2	2	
<b>Pre-tax income</b>	<b>625</b>	<b>625</b>	<b>554</b>	<b>71</b>
Income tax	(180)	(181)	(178)	(2)
<b>Net income</b>	<b>444</b>	<b>444</b>	<b>376</b>	<b>68</b>

## Loan portfolio & customer resources

September 2024 (M.C)	As reported by BPI	Adjustments	BPI contribution to CABK Group (BPI segment)
Loans and advances to customers, net	29 772	(88)	29 685
Total customer funds	38 710	(4 479)	34 231

### > 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 September 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.

# 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

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

### Units, conventional sings and abbreviations

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

# ALTERNATIVE PERFORMANCE MEASURES

## Reconciliation of Banco BPI profit & loss account structure

Structure used in the Results' Presentation	Sep 24	Sep 24	Structure presented in the financial statements and respective notes
Net interest income	738.4	738.4	Net interest income
Dividend income	53.5	53.5	Dividend income
Equity accounted income	43.3	43.3	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	243.5	265.8	Fee and commission income
		-22.2	Fee and commission expenses
Gains/(losses) on financial assets and liabilities and other	12.4	0.2	Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net
		3.9	Gains or (-) losses on financial assets and liabilities held for trading, net
		-3.7	Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
		9.2	Gains or (-) losses from hedge accounting, net
		2.8	Exchange differences [gain or (-) loss], net
Other operating income and expenses	-26.5	19.9	Other operating income
		-46.4	Other operating expenses
<b>Gross income</b>	<b>1 064.6</b>	<b>1 064.6</b>	<b>GROSS INCOME</b>
Staff expenses	-226.2	-226.2	Staff expenses
Other administrative expenses	-141.8	-141.8	Other administrative expenses
Depreciation and amortisation	-47.8	-47.8	Depreciation
<b>Operating expenses</b>	<b>-415.8</b>	<b>-415.8</b>	<b>Administrative expenses and depreciation</b>
<b>Net operating income</b>	<b>648.8</b>	<b>648.8</b>	
Impairment losses and other provisions	-26.5	2.0	Provisions or (-) reversal of provisions
		-28.5	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	2.3		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
		1.3	Gains or (-) losses on derecognition of non financial assets, net
		1.0	Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations
<b>Net income before income tax</b>	<b>624.6</b>	<b>624.6</b>	<b>PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>
Income tax	-180.5	-180.5	Tax expense or income related to profit or loss from continuing operations
<b>Net income from continuing operations</b>	<b>444.1</b>	<b>444.1</b>	<b>PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS</b>
Net income from discontinued operations			Profit or (-) loss after tax from discontinued operations
<b>Net income</b>	<b>444.1</b>	<b>444.1</b>	<b>PROFIT OR (-) LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT</b>

# 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.

<b>Gross income</b>	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
<b>Commercial banking gross income</b>	Net interest income + Dividend income + Net fee and commission income + Equity accounted income excluding the contribution of stakes in African banks
<b>Operating expenses</b>	Staff expenses + Other administrative expenses + Depreciation and amortisation
<b>Net operating income</b>	Gross income – Operating expenses
<b>Net income before income tax</b>	Net operating income – Impairment losses and other provisions + Gains and losses in other assets
<b>Cost-to-income ratio (efficiency ratio)<sup>1)</sup></b>	Operating expenses, excluding costs with early-retirements and voluntary terminations and other non recurrent / Gross income <sup>2</sup>
<b>Cost-to-core income ratio (core efficiency ratio)<sup>1)</sup></b>	[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
<b>Return on Equity (ROE)<sup>1)</sup></b>	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
<b>Return on Tangible Equity (ROTE)<sup>1)</sup></b>	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
<b>Return on Assets (ROA)<sup>1)</sup></b>	(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
<b>Unitary intermediation margin</b>	Loan portfolio average interest rate, excluding loans to employees – Deposits average interest rate

## BALANCE SHEET AND FUNDING INDICATORS

<b>On-balance sheet Customer resources<sup>3)</sup></b>	<p>Deposits + Capitalisation insurance of fully consolidated subsidiaries + Participating units in consolidated mutual funds</p> <ul style="list-style-type: none"> <li>▪ Deposits = Demand deposits and other + Term and savings deposits + Interest payable + Retail bonds (Fixed rate bonds placed with Customers)</li> <li>▪ Capitalisation insurance of fully consolidated subsidiaries (BPI Vida e Pensões sold on Dec.17)</li> </ul>
<b>Off-balance sheet Customer resources<sup>4)</sup></b>	<p>Mutual funds + Capitalisation insurance + Pension plans + Subscriptions in public offerings</p> <ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ Capitalisation insurance = Third-party capitalisation insurance placed with Customers</li> <li>▪ Pension plans = Pension plans under BPI management (includes BPI pension plans)</li> <li>▪ Subscriptions in public offerings = Customers subscriptions in third parties' public offerings</li> </ul>

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)

<b>Total Customer resources</b>	On-balance sheet Customer resources + Off-balance sheet Customer resources
<b>Gross loans to customers</b>	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>
<b>Net loans to Customers</b>	Gross loans to Customers – Impairments for loans to Customers
<b>Loan-to-deposit ratio</b> (CaixaBank criteria)	(Net loans to Customers - Funding obtained from the EIB, which is used to provide credit) / Deposits and retail bonds

## ASSET QUALITY INDICATORS

<b>Impairments and provisions for loans and guarantees</b> (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
<b>Cost of credit risk</b>	Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other
<b>Cost of credit risk as % of loan portfolio<sup>1)</sup></b>	(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.
<b>Performing loans portfolio</b>	Gross Customer loans - (Overdue loans and interest + Receivable interests and other)
<b>NPE and NPL ratios</b>	Ratio of non-performing exposures (NPE) and ratio of non-performing loans (NPL) in accordance with the EBA criteria (prudential perimeter)
<b>Coverage of NPE or NPL</b>	[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)]
<b>Coverage of NPE or NPL by impairments and associated collaterals</b>	[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)]
<b>Non-performing loans ratio</b> ("credito dudoso", Bank of Spain criteria)	Non performing loans ("credito dudoso", Bank of Spain criteria) / (Gross Customer loans + guarantees)
<b>Non-performing loans coverage ratio</b>	[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)
<b>Coverage of non-performing loans by impairments and associated collaterals</b>	[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)
<b>Impairments cover of foreclosed properties</b>	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.

Registered office: Avenida da Boavista 1117, Porto, Portugal

Share capital: € 1 293 063 324.98

Registered at Commercial Registry of Porto  
under registration number PTIRNMJ 501 214 534  
and tax identification number 501 214 534