

Banco Comercial
Português, S.A.



M
**Earnings
Presentation**
Q1 2024

Millennium
bcp

Disclaimer

- | The information in this presentation has been prepared under the scope of the International Financial Reporting Standards ('IFRS') of BCP Group for the purposes of the preparation of the consolidated financial statements under Regulation (CE) 1606/2002, as amended.
- | The figures presented do not constitute any form of commitment by BCP in regard to future earnings.
- | The figures for the first three months of 2023 and 2024 were not audited.
- | The information in this presentation is for information purposes only, and should be read in conjunction with all other information made public by the BCP Group.
- | The Group owns 49% of Millenniumbcsp Ageas Grupo Segurador, S.G.P.S., S.A. (Mbcsp Ageas), accounted for under the equity method, as Investments in associated companies. On 1 January 2023 Mbcsp Ageas adopted simultaneously IFRS9 - Financial Instruments and IFRS17 - Insurance Contracts. Taking into account that the initial adoption of IFRS 17 and IFRS 9 requires comparative information, Mbcsp Ageas made the transition exercise on 1 January 2022. The impacts resulting from this implementation by Mbcsp Ageas led to the restatement of the accounts of the Group referring to 2022 and to the first quarter of 2023.

AGENDA

- 
- 01 Highlights
 - 02 Group
 - 03 Portugal
 - 04 International operations



Highlights

A Solid and Efficient Bank

Profitability

- **Net income of 234.3 million in the first three months of 2024**, which compares with 216.1 million in the same period of 2023
- **Group's core operating profit stood at 584.6 million**
- **In the activity in Portugal, net income amounted to 203.5 million in the first quarter of 2024**, corresponding to an increase of 18.4% compared to the same period in 2023
- **Bank Millennium records the sixth consecutive quarter with positive results. In the first quarter of 2024, net income stood at 29.7 million**, despite charges of 190.9¹ million related with CHF mortgage loan portfolio (out of which 117.4² million in provisions). **Millennium bim net income of 22.6 million** in the first three months of the year

Business Model

- **Significant strengthening of capital ratios. CET1³ stood at 16.0% and total capital ratio³ at 20.5%**, corresponding respectively to an increase of 246bp and 255bp compared with the same period of last year, reflecting the strong capacity of organic capital generation
- **Liquidity indicators well above regulatory requirements. LCR⁴ at 299%, NSFR⁴ at 172%** and LtD⁴ at 68%. Eligible assets available to discount at ECB of 27.7 billion
- **Group's total Customer funds grew 7% year on year to 98.5 billion**
- **Continued reduction in non-performing assets**, compared to March 2023: 223 million in NPEs, 60 million in foreclosed assets and 43 million in restructuring funds
- **Cost of risk stood at 52bp at the Group level and 48bp in Portugal in the first quarter of 2024**, which compare with 56bp and 53bp in the same period of last year, respectively
- **Continued growth of the Customer base**, highlighting the 11% increase in mobile Customers, which represented 69% of the total at the end of March 2024

¹ Includes provisions for legal risk, costs with out of court settlements and legal advice (before taxes and non-controlling interests). Does not include provisions for legal risk on CHF mortgages of Euro Bank (guaranteed by Société Générale).

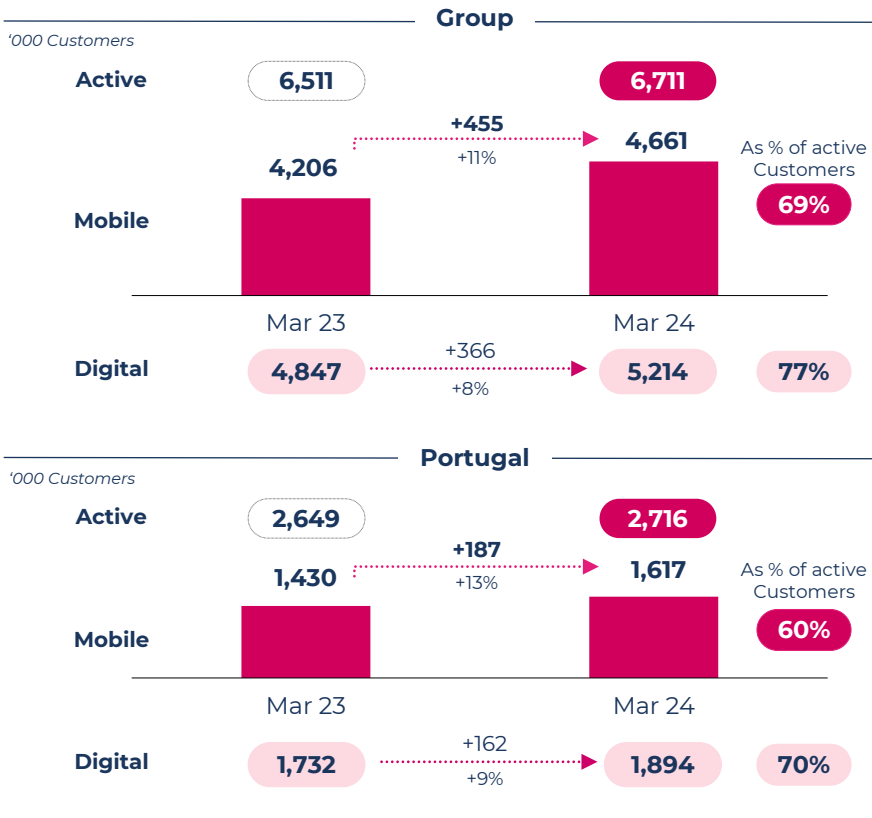
² Does not include provisions for legal risk on CHF mortgages of Euro Bank (guaranteed by Société Générale). Before taxes and non-controlling interests.

³ Fully implemented ratio including unaudited net income for 1Q24

⁴ Liquidity Coverage Ratio (LCR); Net Stable Funding Ratio (NSFR); Loans to Deposits Ratio (LtD).

Customer base growth

Based on the quality of the Teams and distinctive digital skills



Customer Recognition

ESCOLHA DO CONSUMIDOR 2024 Nº1

PRÊMIO CINCO ESTRELAS 2024

DATAE Barómetro Financeiro 2023

Melhor Banco para Empresas
Banco Principal
Banco Mais Inovador
Banco Mais Eficiente
Produtos Mais Adequados

These awards are the exclusive responsibility of the attributing entities.

Customer counting criteria used in the Strategic Plan.



Innovation focused on Customer needs translates into accelerated growth in Mobile usage and sales

Strong mobile growth Y/Y

(Number of operations, Jan-Mar 2024 vs Jan-Mar 2023)

+17%

Transactions¹

+40%

P2P Transfers

+28%

National Transfers

+9%

Payments

+53%

Sales

+21%

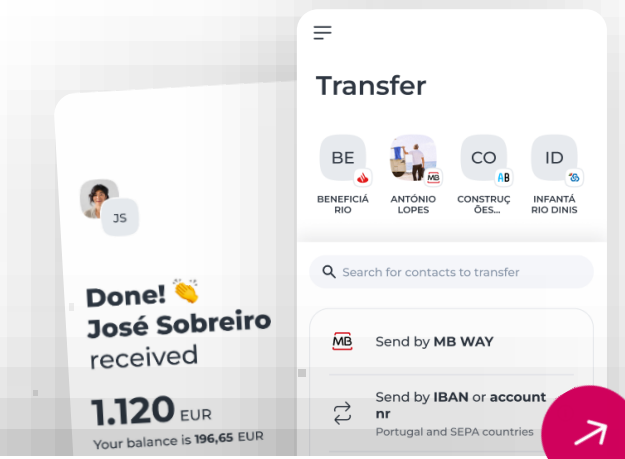
Cards

+20%

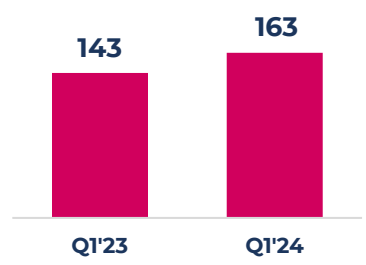
Personal loans

+55%

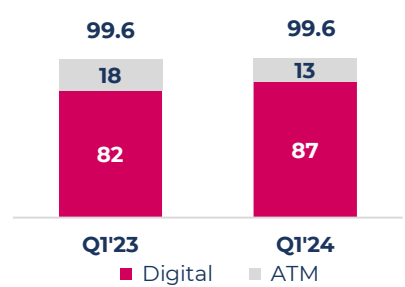
Savings



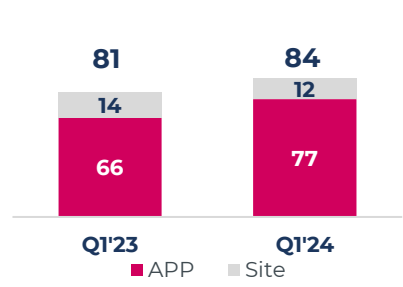
Digital Interactions (mio)²



% Digital Transactions (#)³



% Digital Sales (#)⁴



#1 NPS⁵ Digital Customers
Mar 2024
5 largest Banks



1 Includes P2P transfers in Millennium app
2 Interactions (Millennium website and app), individuals includes AB
3 Includes mobile, online and ATMs, excludes branches and contact center that counts for 0.4% of total transactions
4 Digital sales (Millennium website and app) in number of operations
5 Digital channels satisfaction (NPS), 5 largest banks, Source: BASEF-Markttest



Net income of 234.3 million in the first quarter of 2024

| (Million euros) | Q1'23 | Q1'24 | % | Δ |
|---------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| Net interest income | 664.6 | 696.2 | +4.8% | +31.7 |
| Commissions | 195.4 | 196.4 | +0.5% | +1.0 |
| Core income | 860.0 | 892.6 | +3.8% | +32.7 |
| Operating costs | -268.5 | -308.1 | +14.7% | -39.6 |
| Core operating profit | 591.4 | 584.6 | -1.2% | -6.9 |
| Other income ¹ | 140.2 | -23.8 | - | -164.0 |
| <i>Of which: sale of 80% of Millennium Financial Services</i> | 127.0 | - | - | -127.0 |
| Operating net income | 731.6 | 560.7 | -23.4% | -170.9 |
| Results on modification ² | -5.9 | -7.2 | - | -1.3 |
| Impairment and other provisions | -318.2 | -218.7 | -31.2% | +99.4 |
| <i>Of which: Loans impairment</i> | -80.4 | -73.5 | -8.5% | +6.9 |
| <i>Of which: legal risk on CHF mortgages (Poland) ³</i> | -174.5 | -117.4 | -32.7% | +57.1 |
| Income before tax | 407.5 | 334.8 | -17.9% | -72.7 |
| Income taxes, non-controlling interests and discontinued operations | -191.4 | -100.5 | -47.5% | +90.9 |
| Net income | 216.1 | 234.3 | +8.4% | +18.2 |

¹ Dividends from equity instruments, other net operating income, net trading income and equity accounted earnings | ² Includes the result of contract changes from the renegotiation of CHF mortgages loans (previously booked on other Income) | ³ Does not include provisions for legal risks on CHF mortgages of Euro Bank (guaranteed by Société Générale).



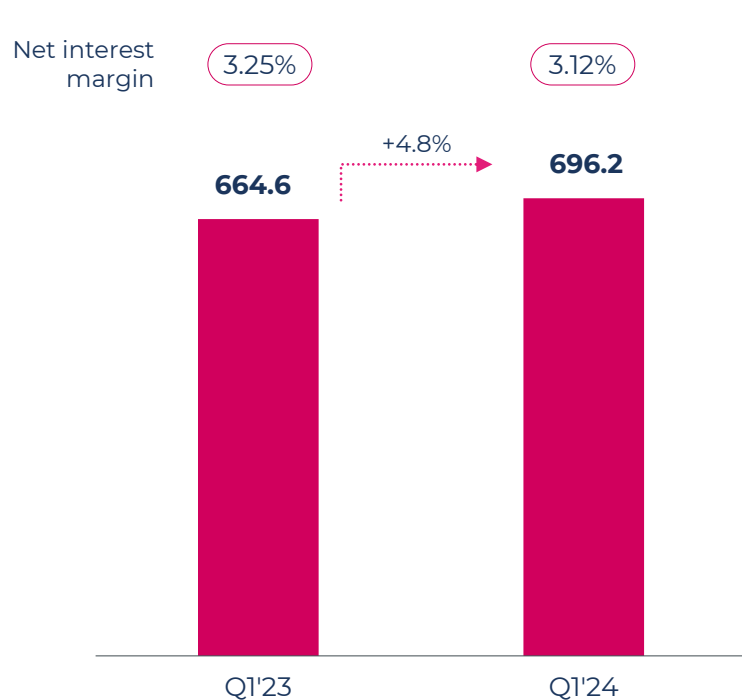
02

Group
Profitability

Net interest income

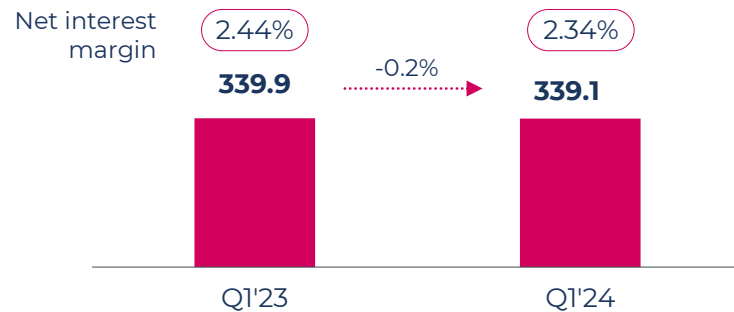
≡ Group

(Consolidated, million euros)



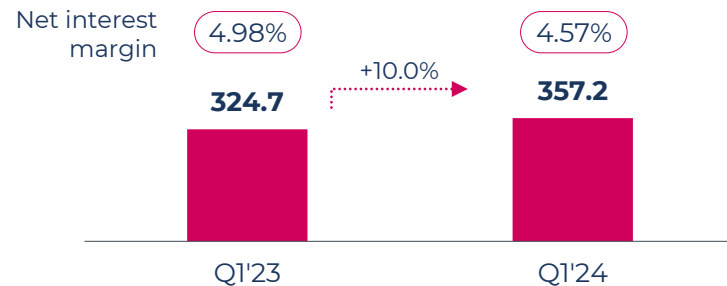
≡ Portugal

(Million euros)



≡ International operations

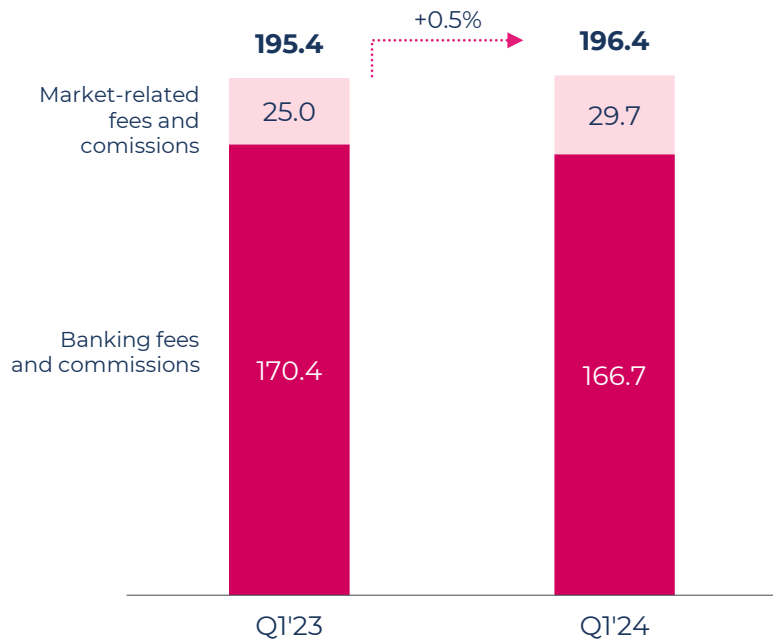
(Million euros)



Fees and commissions

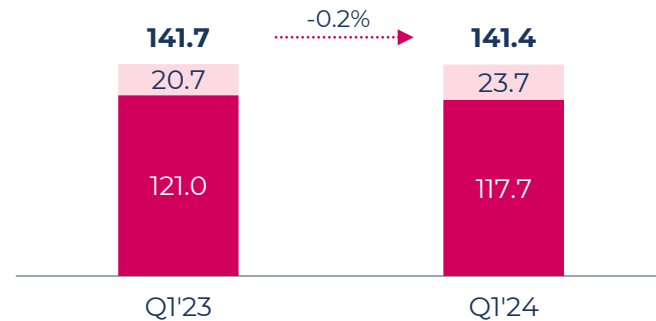
≡ Group

(Consolidated, million euros)



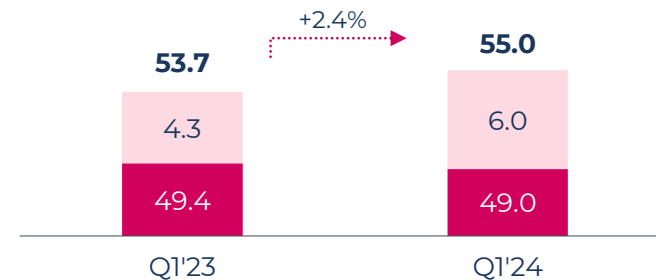
≡ Portugal

(Million euros)



≡ International operations

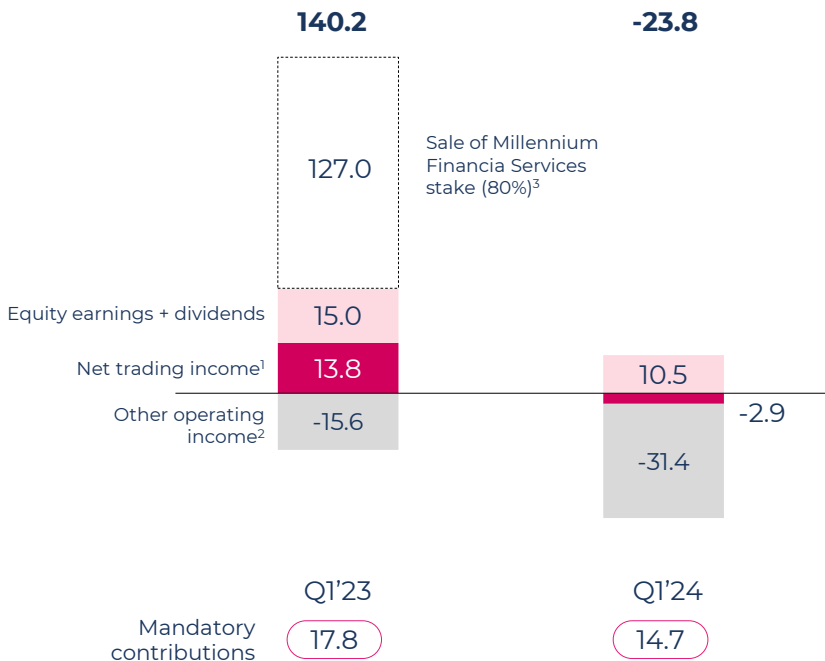
(Million euros)



Other income

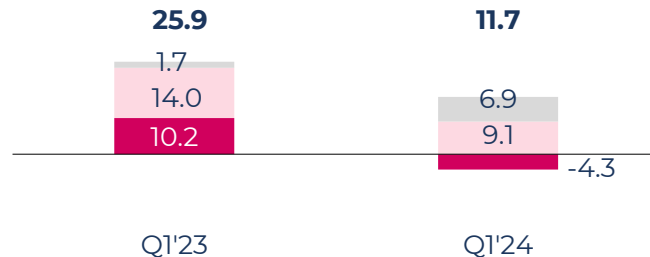
Group

(Consolidated, million euros)



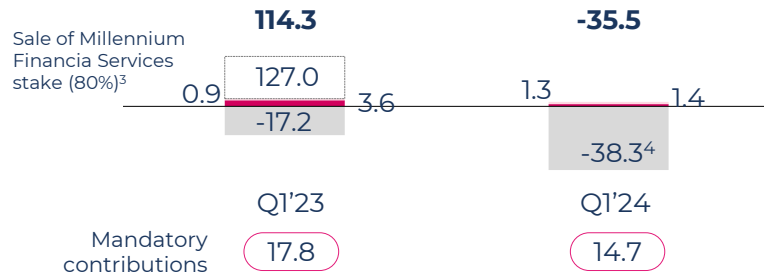
Portugal

(Million euros)



International operations

(Million euros)



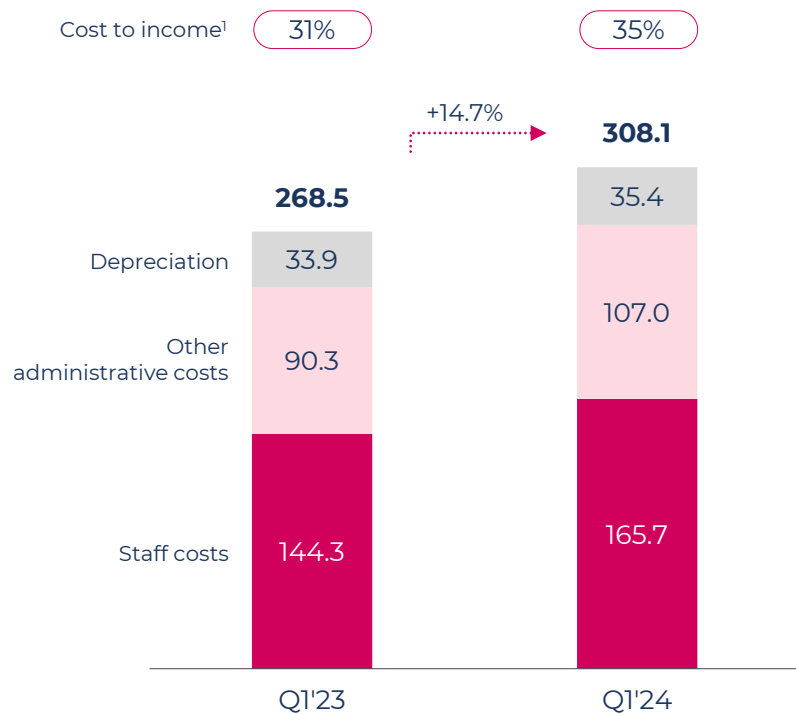
¹ Net trading income includes -11.4 million in Q1'23 and -22.7 million in Q1'24 of costs related to out-of-court settlements with Customers related with CHF loan portfolio.

² Other operating income includes +9.1 million in Q1'23 and +9.6 million in Q1'24 related with the compensation for provisions for legal risk on CHF mortgages of Euro Bank (guaranteed by Soci t  G n rale). ³ Positive one-off effect of 127 million (117.8 million booked in net trading income and 9.2 million booked in other operating income) related with the sale of Millennium Financial Services stake (80%) in Q1'23 as a result of the strategic partnership in the bancassurance business. ⁴ Includes charges related with negotiation costs and legal procedures of CHF loans.

Operating costs

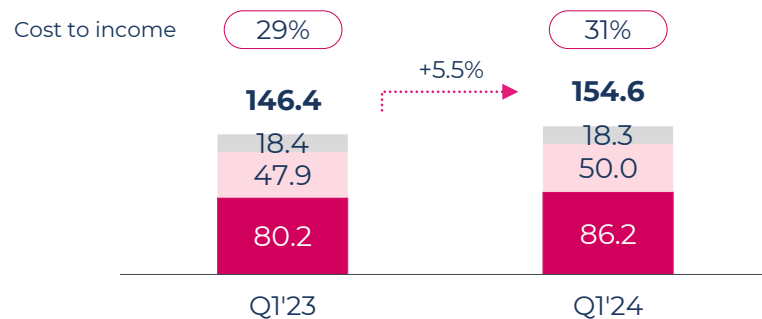
Group

(Consolidated, million euros)



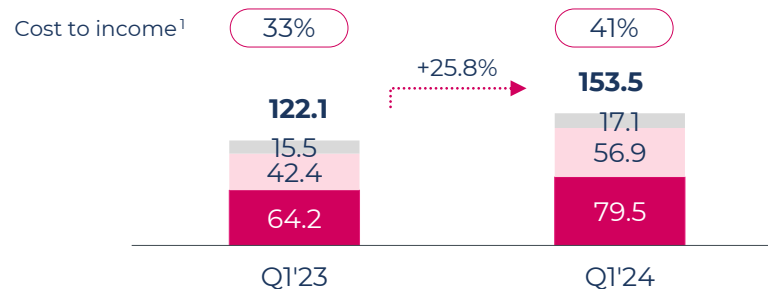
Portugal

(Million euros)



International operations

(Million euros)

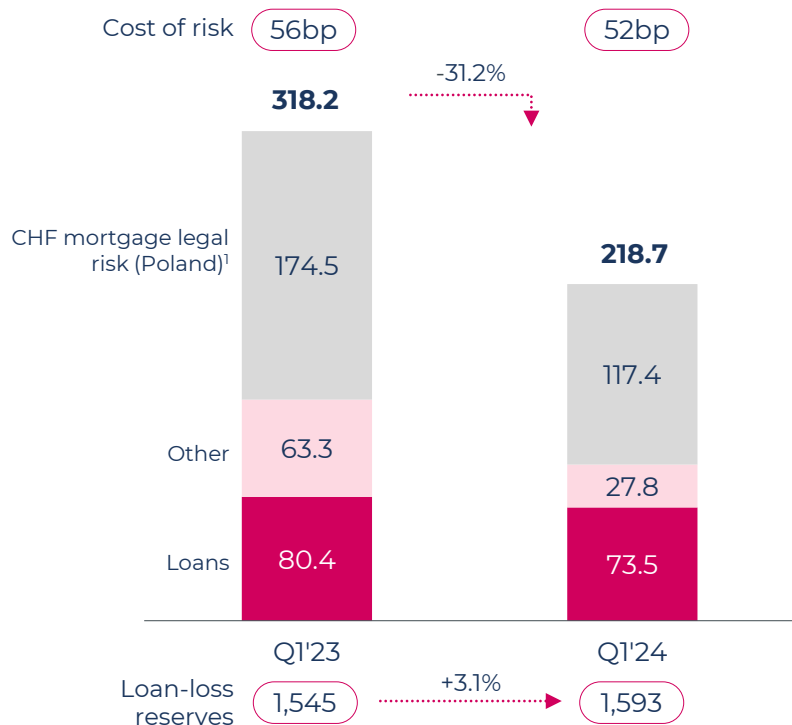


¹ Adjusted cost to income : without the positive one-off effect related with the sale of 80% of Millennium Financial Services stake (international operations) in Q1'23

Cost of risk and provisions

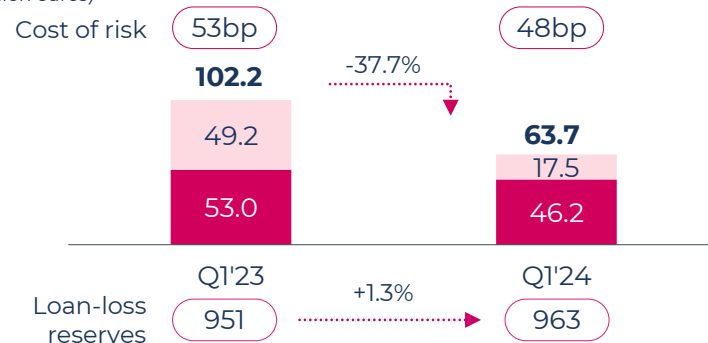
Group

(Consolidated, million euros)



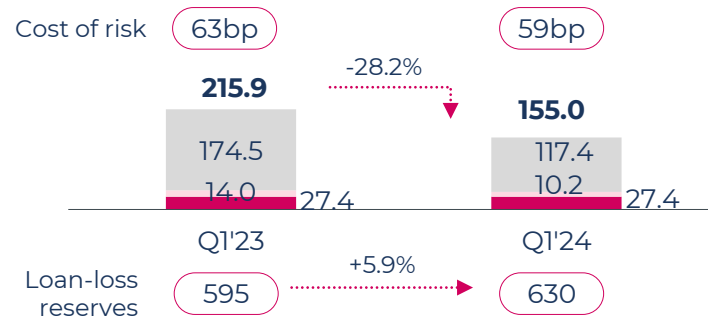
Portugal

(Million euros)



International operations

(Million euros)

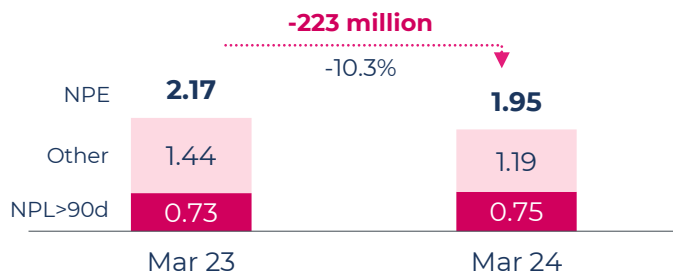


¹ Does not include provisions for legal risks on CHF mortgages of Euro Bank (guaranteed by Société Générale): 9.1 million in Q1'23 and 9.6 million in Q1'24.

Continued decrease of NPEs

Group

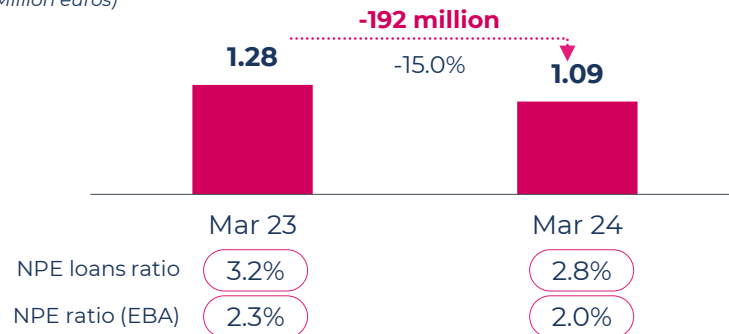
(Consolidated, billion euros)



| | Mar 23 | Mar 24 |
|--------------------------------------------|--------|--------|
| NPE total coverage* | 116.2% | 121.9% |
| NPE coverage by LLRs | 71.1% | 81.7% |
| NPE specific coverage | 48.0% | 53.1% |
| NPL>90 days ratio | 1.3% | 1.3% |
| NPE ratio (loans only) | 3.8% | 3.4% |
| NPE ratio inc. securities and off-BS (EBA) | 2.6% | 2.1% |

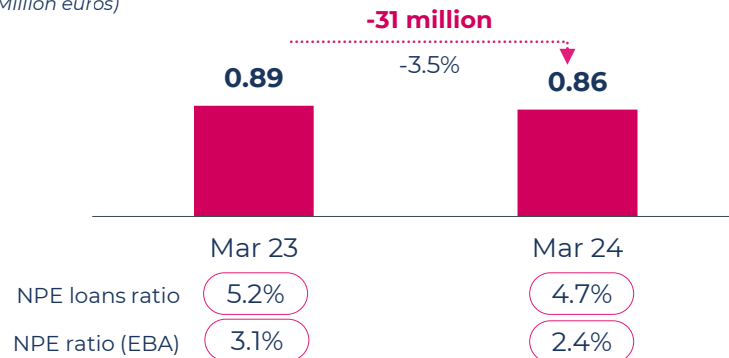
Portugal

(Million euros)



International operations

(Million euros)



*By loan-loss reserves and collaterals. NPE include loans to Customers only.



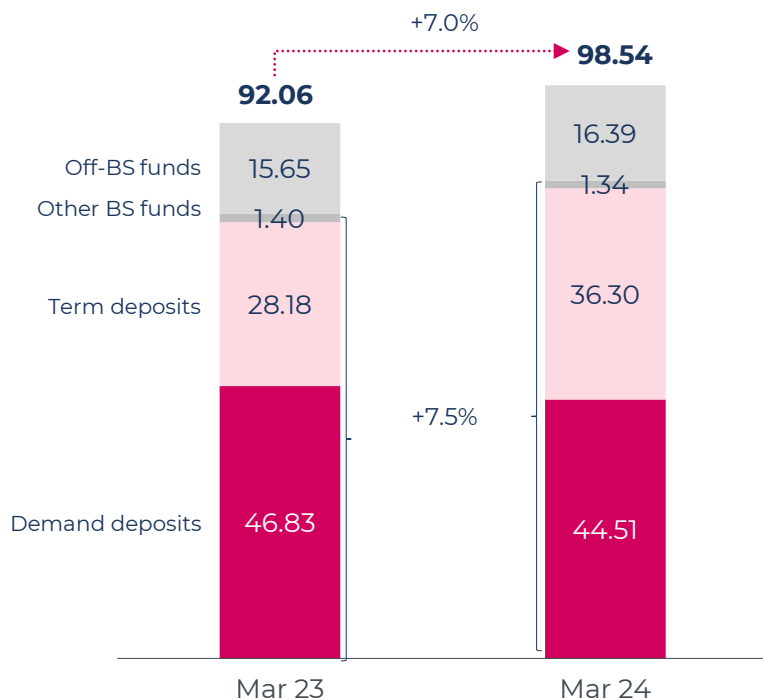
Group

Business activity

Customer funds

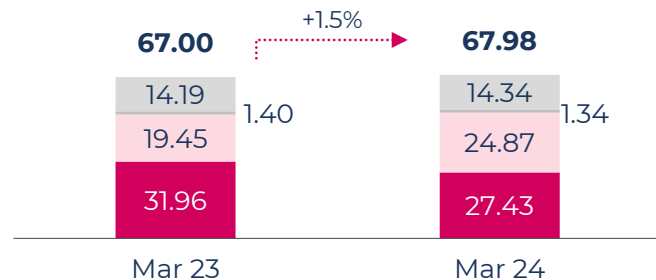
Group

(Consolidated, billion euros)



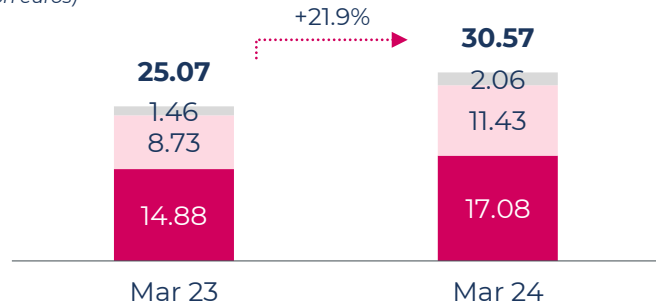
Portugal

(Billion euros)



International operations

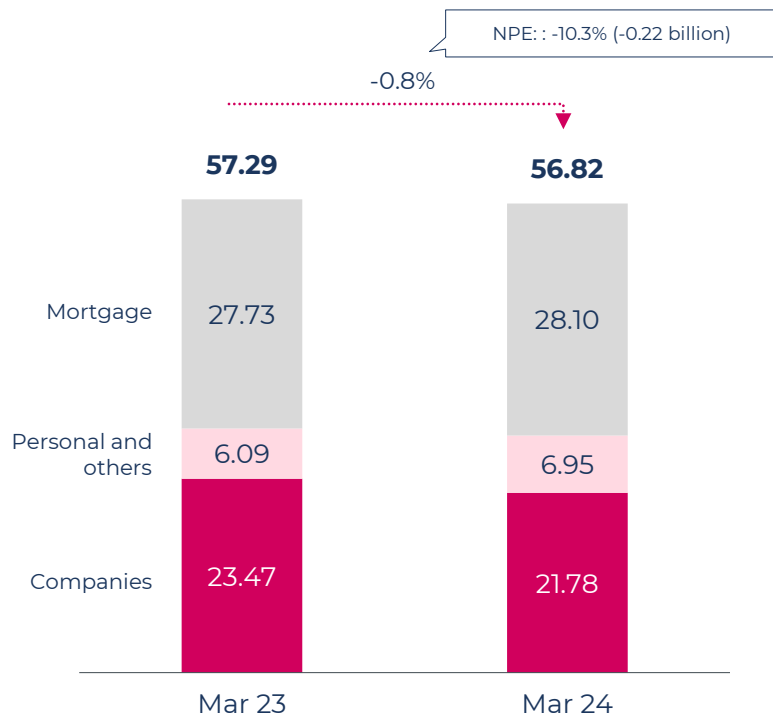
(Billion euros)



Loan portfolio

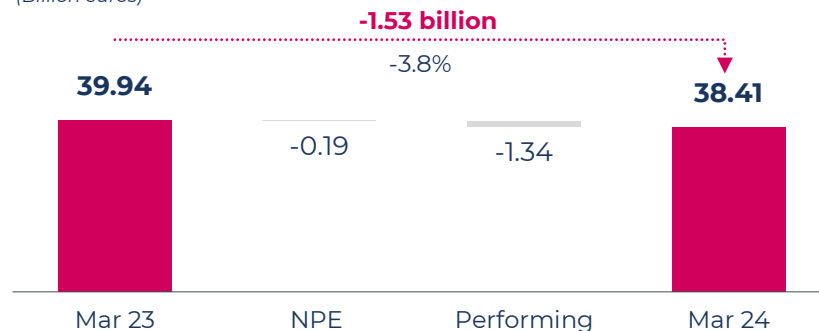
Group

(Consolidated, billion euros)



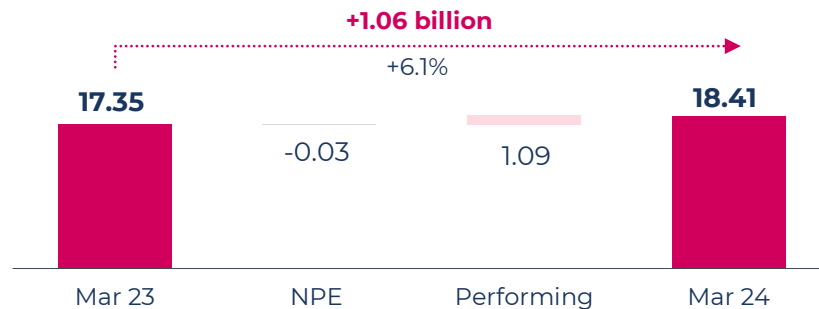
Portugal

(Billion euros)



International operations

(Billion euros)





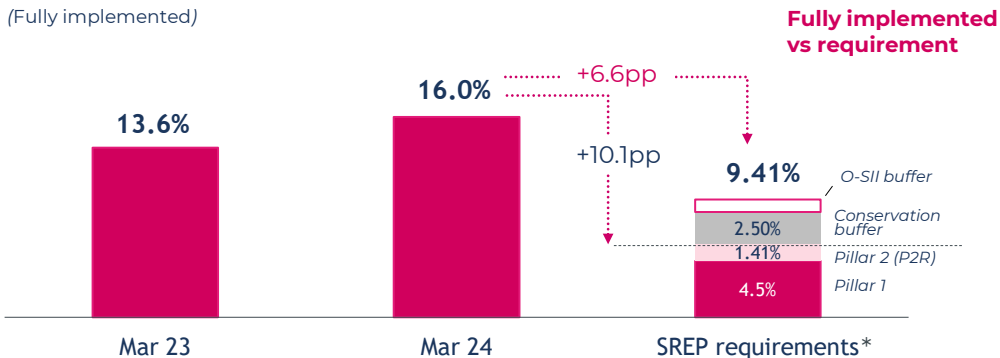
Group

Capital and liquidity

Significant strengthening of capital ratios

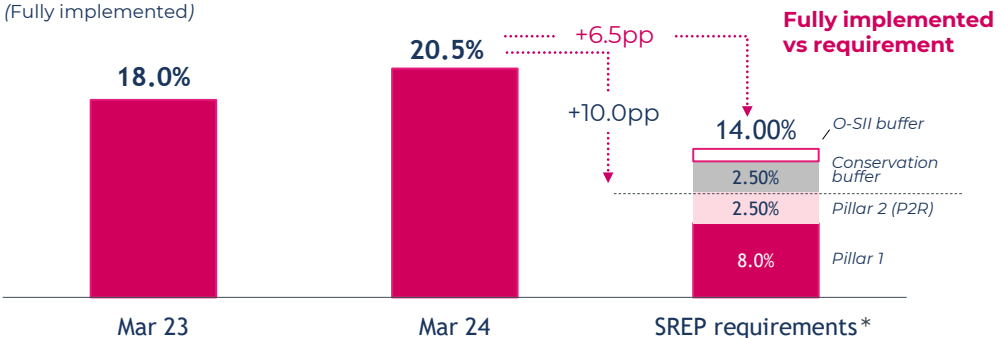
Common equity tier 1 (CET1)

(Fully implemented)



Total capital ratio

(Fully implemented)



- **Significant strengthening of capital ratios. CET1 capital ratio of 16.0% and total capital ratio of 20.5%**, corresponding respectively to an increase of 246bp and 255bp compared to the same period last year, reflecting the strong capacity for organic capital generation
- Capital ratios comfortably above SREP requirements even considering the **reserve for sectorial systemic risk** notified by the BdP** which aims to reinforce the resilience of the banking sector of a potential deterioration in economic conditions and/or unexpected significant correction in residential property prices. With reference to March 2024, this reserve on a proforma basis results in an estimated increase in capital requirements of 29bp, from October 2024.
- **Surplus of 6.6pp between CET1 ratio and the SREP requirements without the capital conservation and the O-SII buffers, and of 10.1pp if such buffers are considered (5.9pp and 10.0pp respectively, for the total capital ratio)**
- Buffers for which there are limitations to results distribution: 660bp to CET1, 588bp to T1 and 652bp to total capital

Including unaudited net income for Q1'24.

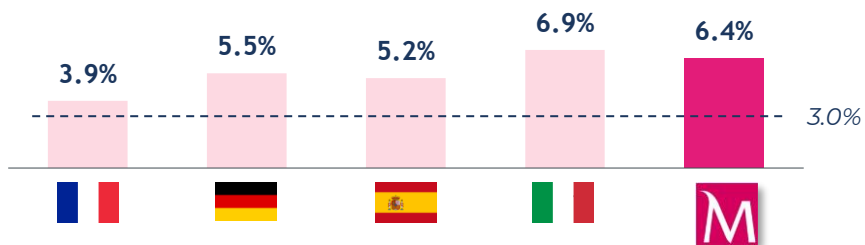
*Minimum prudential requirements since January 1, 2024.

**The Banco of Portugal's decision translates into the requirement to comply with a reserve for sectorial systemic risk of 4% on the amount of risk exposures on the retail portfolio of loans to individuals collateralized by residential properties located in Portugal, calculated in pursuant to paragraph 3 of article 92 of Regulation (EU) 575/2013, from October 1, 2024, onwards, at the highest level of consolidation in Portugal, considering the applicable legal framework

Stronger capital position

≡ Leverage ratio

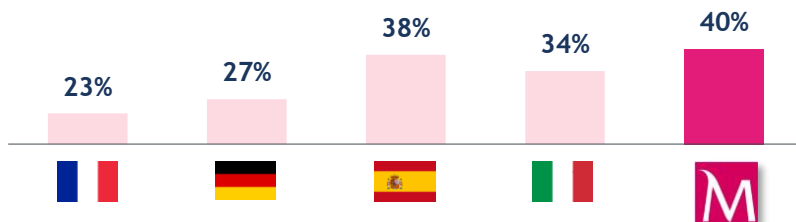
(Fully implemented, latest available data)



Leverage ratio in comfortable levels (6.4% as of March 2024) higher when comparing to European banks

≡ RWA density

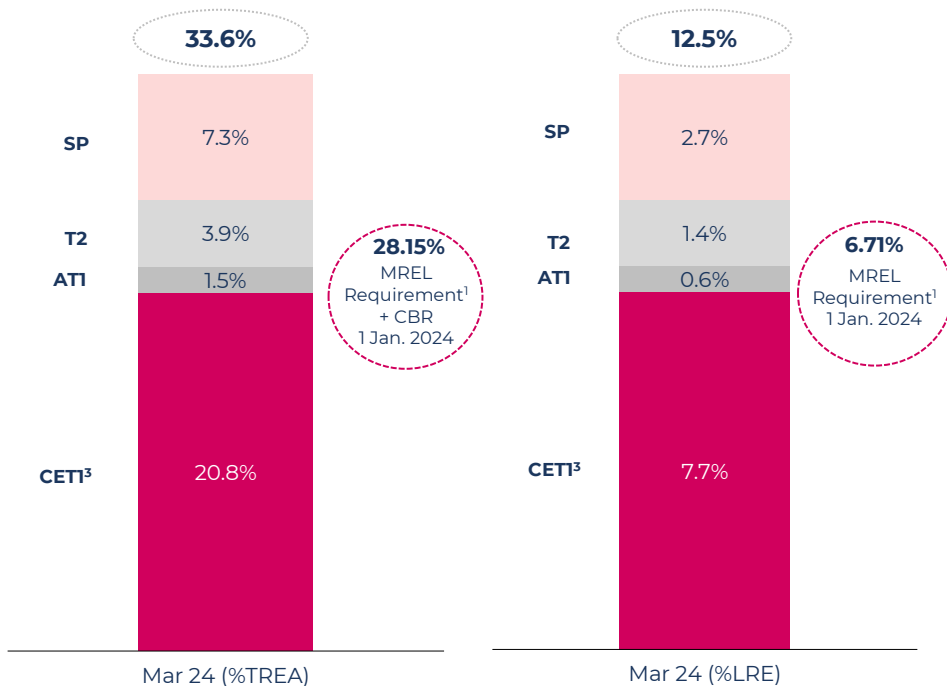
(RWAs as a % of assets, latest available data)



RWAs density in very conservative values (40% as of March 2024) comparing favourably with the values registered by most of the European markets

MREL requirements and Funding Plan

MREL position (BCP Resolution Group - 31 Mar 2024)



- **Resolution strategy: MPE (Multi Point of Entry)²**
- BCP Resolution Group : Perimeter centred in Portugal
- **Preferred Resolution Measure:** Bail-in
- **No subordination requirements have been applied** to the BCP Resolution Group
- **As of March 31, 2024, BCP complied with MREL requirement, including CBR, applicable since January 1, 2024 (with a buffer of 5.4%)**
- **Funding Plan** execution
 - Exercise of the option for early repayment of the entire ATI issue, issued on January 31, 2019, with a coupon of 9.25%, on January 31, 2024
 - 400 million of ATI on January 11, 2024, with a coupon of 8.125% during the first 5.5 years
 - Benchmark issue of Senior Preferred Notes in the **2nd half of 2024**

MREL - Minimum Requirement for own funds and Eligible Liabilities | TREA – Total Risk Exposure Amount; LRE - Leverage Ratio Exposure; CBR - Combined Buffer Requirements

¹ Requirements covered by the 2022 Resolution Planning Cycle. MREL requirements are subject to periodic review by the SRB and changes in the regulatory framework.

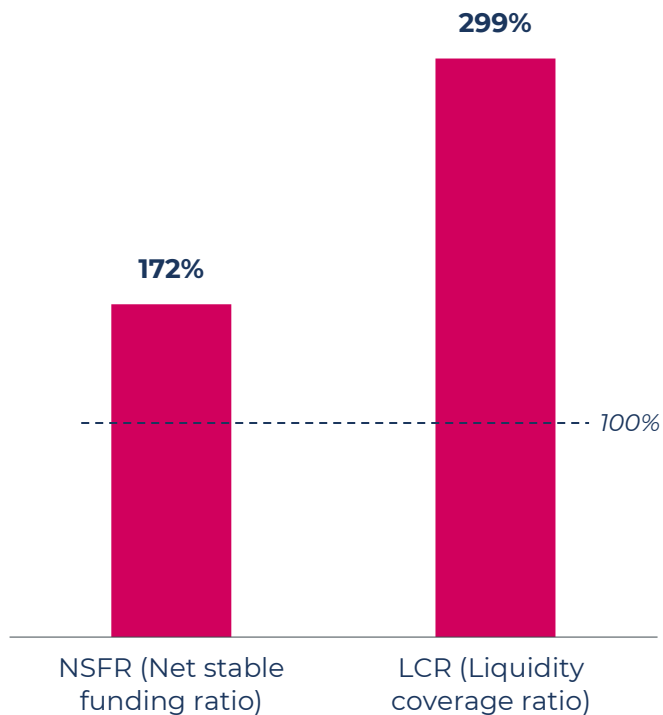
² In addition to the resolution perimeter centered in Portugal, BIM in Mozambique and Bank Millennium in Poland were established as additional groups. With regard to Mozambique, as European rules do not apply, no minimum MREL requirement has been set. With regard to Bank Millennium the reference date of 31 December 2023 was set, minimum requirements of MREL - TREA of 18.89% and MREL - TEM of 5.91%.

³ including unaudited net income for Q1 2024.

Robust liquidity position

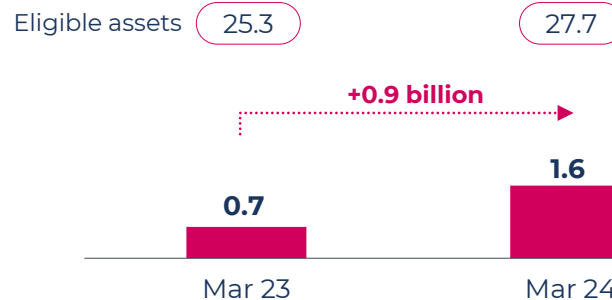
☰ Liquidity ratios (CRD/CRR)

(Million euros)

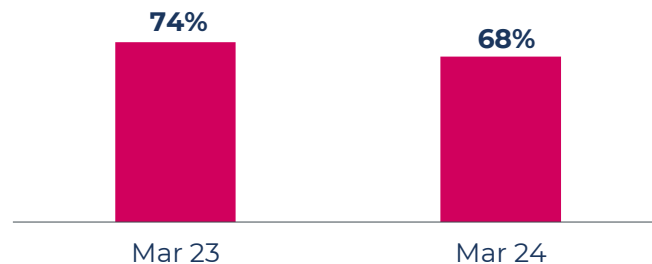


☰ Liquidity excess in ECB

(Billion euros)



☰ Net loans to deposits ratio





03

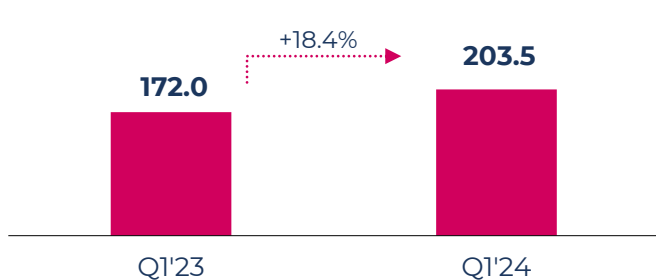
Portugal

Profitability in Portugal



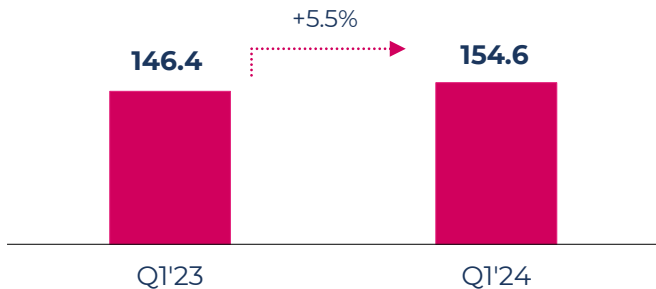
Net income

(Million euros)



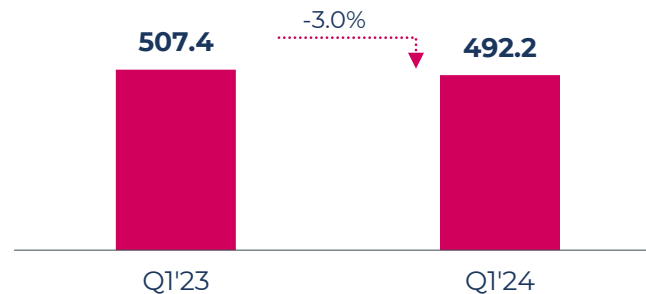
Operating Costs

(Million euros)



Net operating revenue

(Million euros)

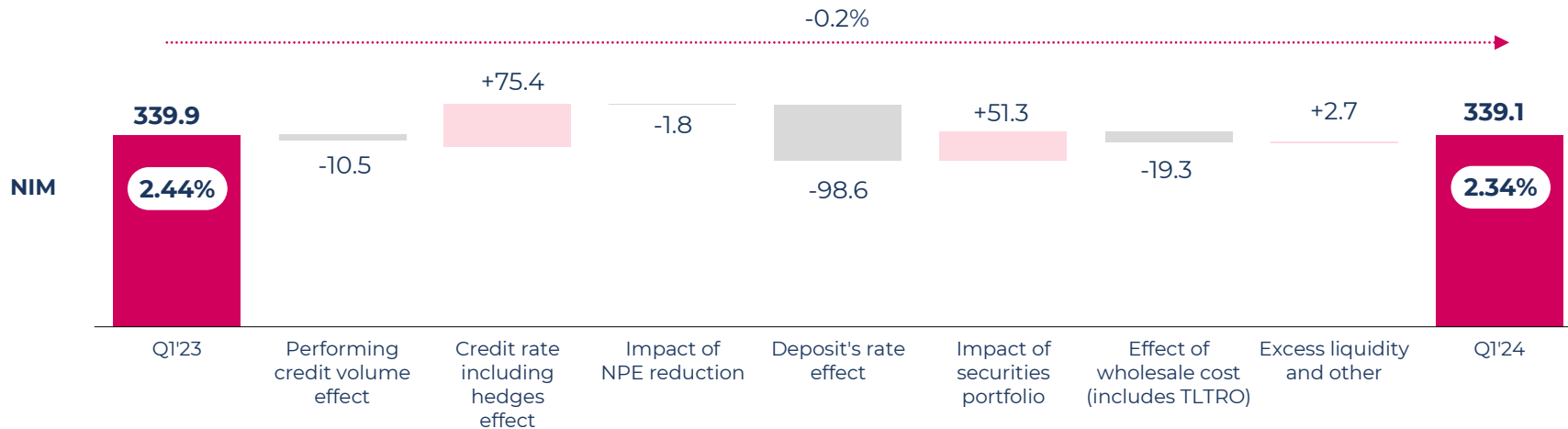


- Net income reached 203.5 million in Q1'24 representing an increase of 18.4% from Q1'23
- Net income was driven by the reduction on impairments and provisions and by the strict management of operating costs



Net interest income

(Million euros)



The normalization of interest rates provided a positive effect on the repricing of the loan book that together with the higher yield from the securities portfolio, practically offset the negative effects related with the cost of deposits and the wholesale funding

Commissions and other income



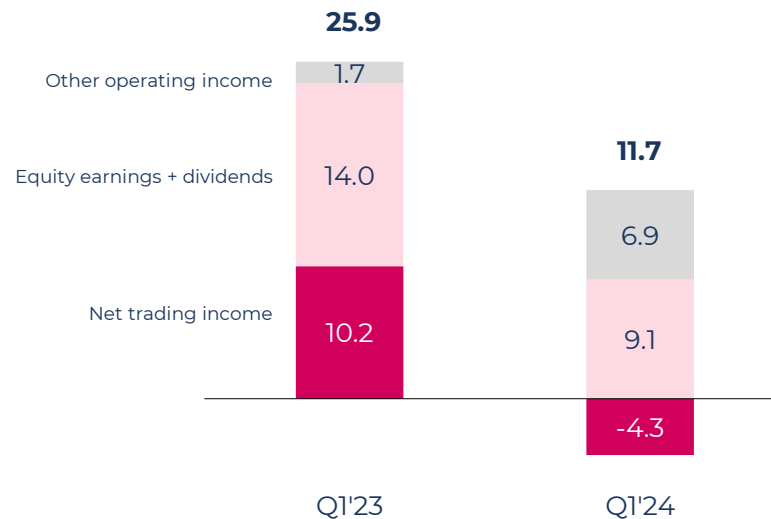
Commissions

(Million euros)

| | Q1'23 | Q1'24 | YoY |
|--------------------------------------------|--------------|--------------|---------------|
| Banking fees and commissions | 121.0 | 117.7 | -2.8% |
| Cards and transfers | 41.6 | 39.7 | -4.5% |
| Loans and guarantees | 20.2 | 19.3 | -4.3% |
| Bancassurance | 22.5 | 22.0 | -2.3% |
| Customer account related | 35.5 | 35.5 | -0.1% |
| Other fees and commissions | 1.2 | 1.1 | -3.8% |
| Market related fees and commissions | 20.7 | 23.7 | +14.6% |
| Securities operations | 7.6 | 10.2 | +34.5% |
| Asset management and distribution | 13.1 | 13.5 | +3.0% |
| Total fees and commissions | 141.7 | 141.4 | -0.2% |

Other income

(Million euros)

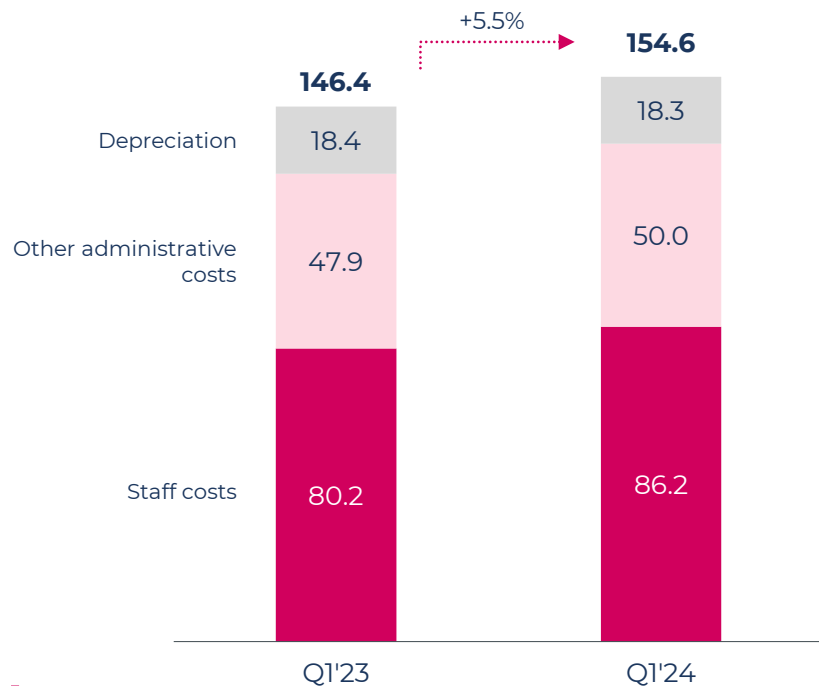


Operating costs

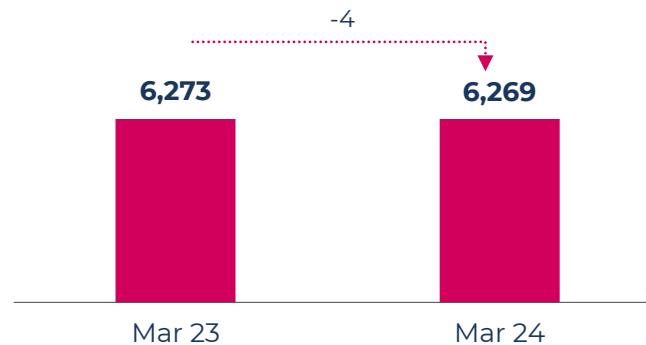


Operating Costs

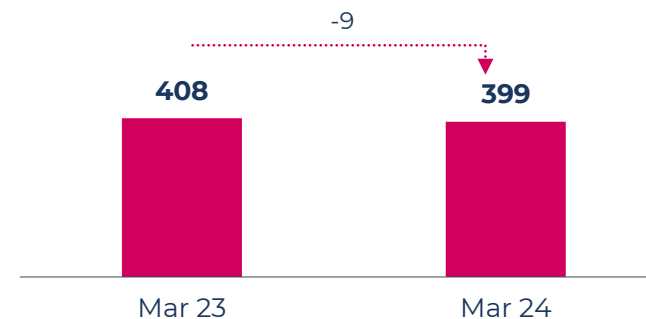
(Million euros)



Employees



Branches

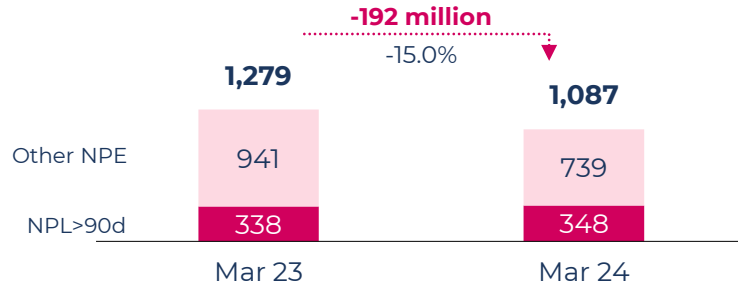




Continued decrease of NPEs

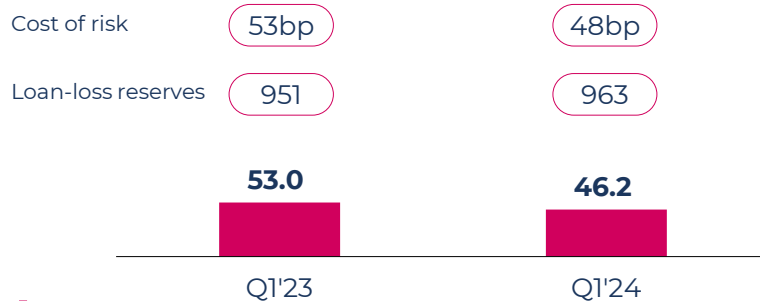
Non-performing exposures (NPE)

(Million euros)



Loan impairment (net of recoveries)

(Million euros)



NPE build-up

(Million euros)

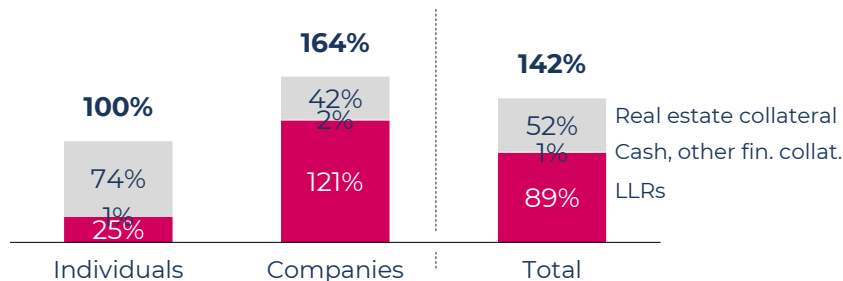
| (Million euros) | Mar 24 vs. Mar 23 | Mar 24 vs. Dec 23 |
|-----------------------|----------------------|----------------------|
| Opening balance | 1,279 | 1,107 |
| Net outflows/inflows | 77 | 67 |
| Write-offs | -107 | -33 |
| Sales | -162 | -54 |
| Ending balance | 1,087 | 1,087 |

- NPEs in Portugal total 1,087 millions at the end of March 2024, a decrease of 192 millions from March 2023
- The decrease from March 2023 results from sales of 162 millions, write-offs of 107 millions and net inflows of 77 million
- The decrease of NPEs from March 2023 is attributable mainly to a reduction of 202 million of other NPE
- Cost of risk of 48bp in March 2024, 53bp in March 2023, with a NPE coverage by loan-loss reserves of 89% and 74%, respectively

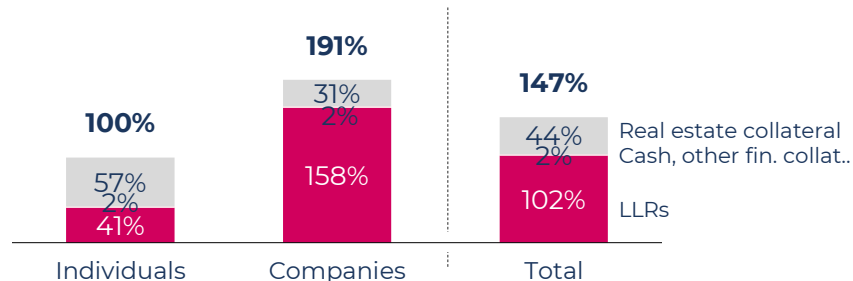


NPE coverage

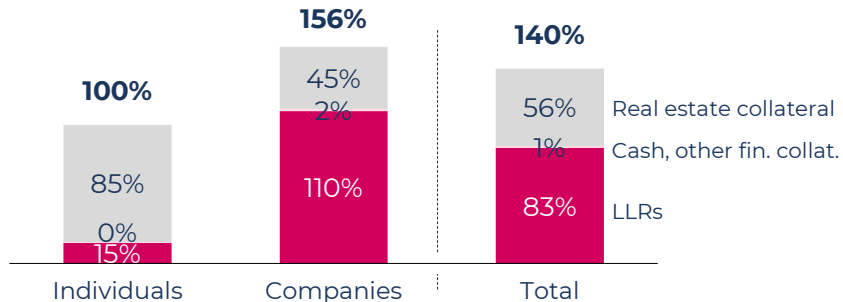
≡ NPE total coverage*



≡ NPL>90d total coverage*



≡ Other NPE total coverage*



- Total coverage* $\geq 100\%$, for both individuals and companies, and for both NPE categories (NPL>90d and other NPE)
- Coverage by loan-loss reserves are stronger in loans to companies, where real-estate collateral, usually more liquid and with a more predictable market value, accounts for a lower coverage than in loans to individuals: coverage by loan-losses was 121% for companies NPE as of March 2024, reaching 158% for companies NPL>90d

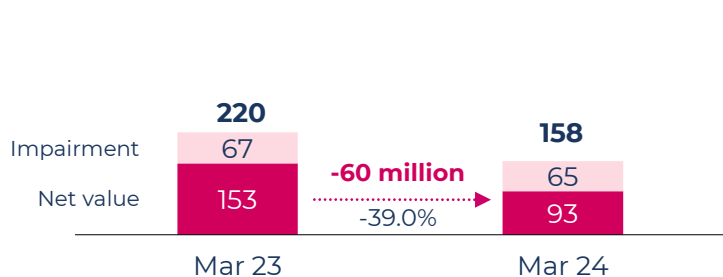
NPE include loans to Customers only.
*By loan-loss reserves and collaterals.



Foreclosed assets and corporate restructuring funds

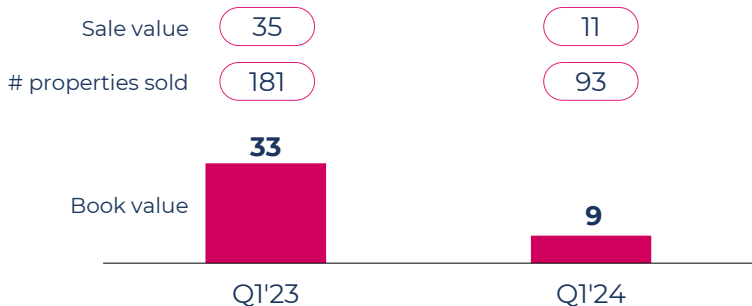
Foreclosed assets

(Million euros)



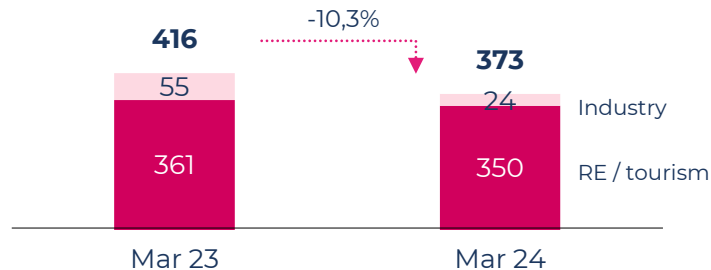
Sales of foreclosed assets

(Million euros)



Corporate restructuring funds

(Million euros)



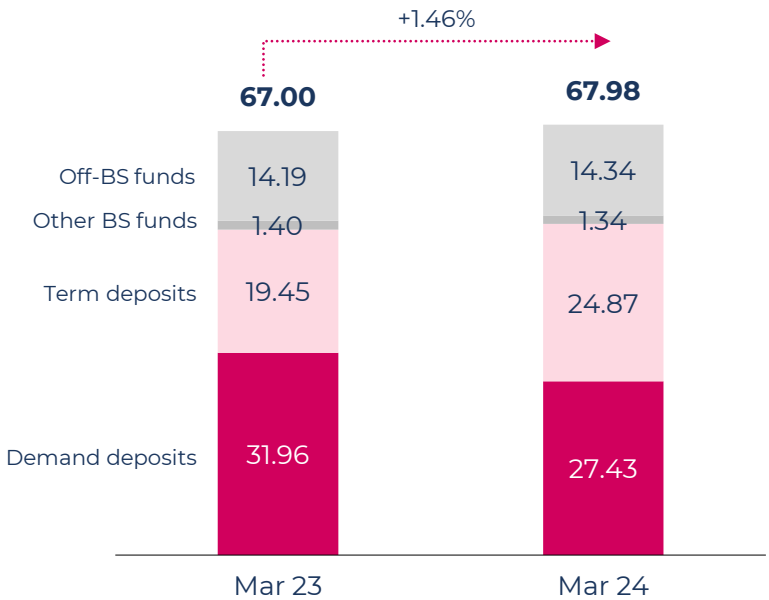
- Net foreclosed assets were down by 39.0% between March 2023 and March 2024.
- 93 properties were sold during the Q1'24 (181 properties in Q1'23), with sale values exceeding book value by 2 million
- Reduction of restructuring funds of 10.3% from March 2023



Customer funds and loans to Customers

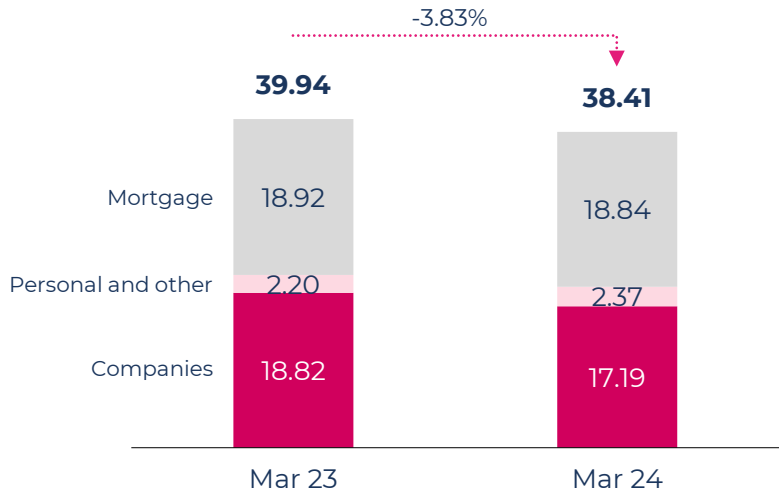
☰ Total Customers Funds*

(Billion euros)



☰ Loans to Customers (gross)

(Billion euros)



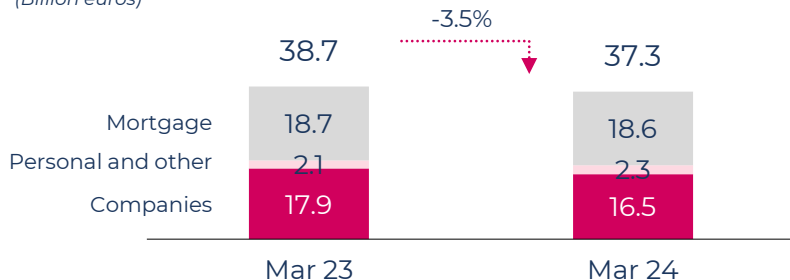
*Deposits, debt securities, assets under management, assets placed with Customers and insurance products (savings and investments).



Performing loans in Portugal

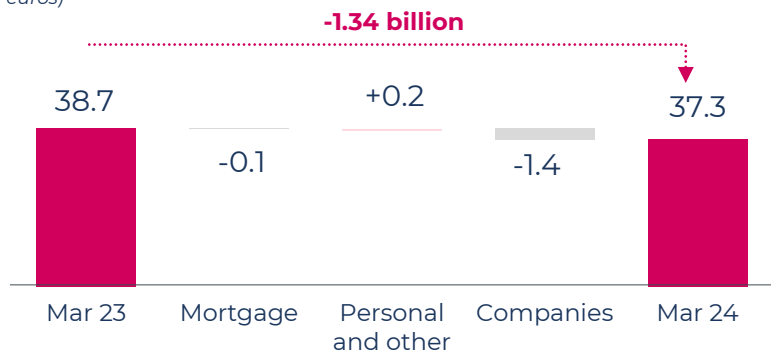
Performing loans portfolio

(Billion euros)



Evolution of performing loans

(Billion euros)



The Bank maintains a prominent position in the corporate segment:

- ✓ **Leadership in PME Leader programme** for the 6th consecutive year with a 33% market share
- ✓ **Leadership in Inovadora COTEC** programme for the 4th consecutive year, with a market share of 49%
- ✓ **Leading Bank in Satisfaction:** Best Bank for companies, Main Bank, Most innovative Bank, Most efficient Bank and Bank with the Most Appropriate Products according to DATAE 2023
- ✓ **Leading Bank in Factoring and Confirming,** with factoring invoicing of 2.4 billion up until March 2024 and a market share of 23%*
- ✓ **Leading Bank in International Business:** Leadership in Trade Finance, with a market share of 26.1%**
- ✓ **Leading Bank in Leasing,** with 157 millions of new leasing business in Q1'24 and market share of 23%*
- ✓ **Leading Bank in EIF/EIB:** #1 Commercial bank of the EIF in Portugal and **#1 Commercial Bank of the EIF in Europe**
- ✓ **Distinct digital offer:** Digital Account Opening, availability of M2030 for European Funds, iziBizi for ERP/Accounting and digital subscription of business products

These awards are the exclusive responsibility of the attributing entities.

*Source: ALF (December 2023).

**Source: SWIFT messages market share (March 2024)



04

International operations

Contribution from international operations

(Million euros*)

Q1'23 Q1'24

| | | |
|------------|------|------|
| Poland | 58.4 | 29.7 |
| Mozambique | 28.8 | 22.6 |
| Other | -3.2 | 0.8 |

| | | |
|--------------------------------------------|-------------|-------------|
| Net income international operations | 83.9 | 53.1 |
|--------------------------------------------|-------------|-------------|

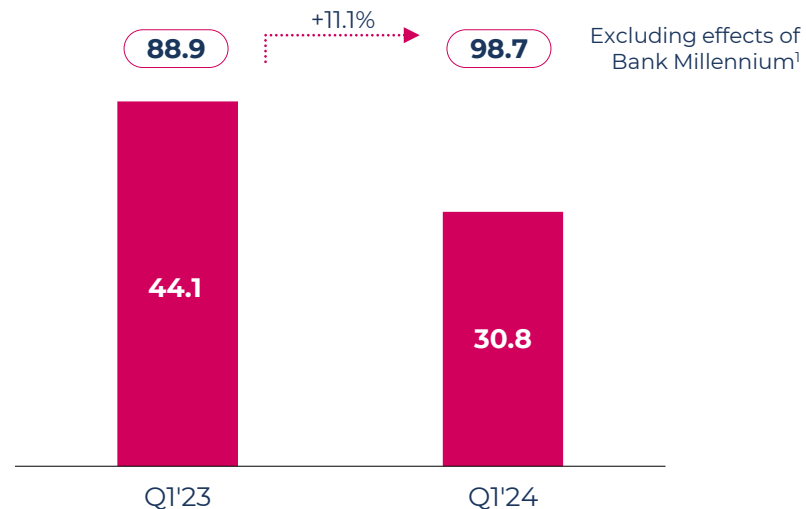
| | | |
|------------------------------------------|-------|-------|
| Non-controlling int. (Poland+Mozambique) | -37.6 | -22.4 |
|------------------------------------------|-------|-------|

| | | |
|----------------------|------|----|
| Exchange rate effect | -2.2 | -- |
|----------------------|------|----|

| | | |
|---------------------------------------------------|-------------|-------------|
| Contribution from international operations | 44.1 | 30.8 |
|---------------------------------------------------|-------------|-------------|

Contribution from international operations

(Million euros)



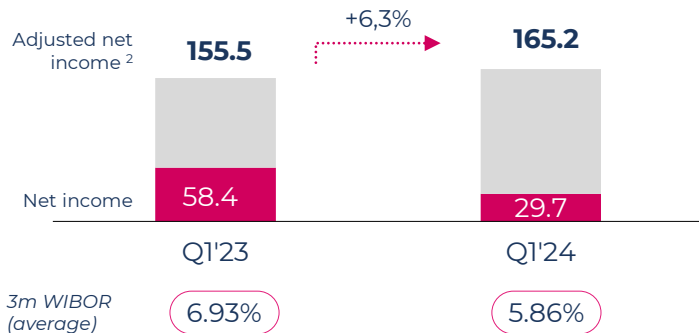
*Subsidiaries' net income presented for Q1'23 reflect the same exchange rate as of Q1'24 for comparison purposes. ¹Excludes FX mortgage legal risk provisions, as well as costs of litigations and settlements with Clients, profit from the sale of 80 stake in Millennium Financial Services (127 million), credit holidays, linear distribution of BFG resolution fund fee and hypothetical bank tax

Bank Millennium with positive results for the sixth consecutive quarter



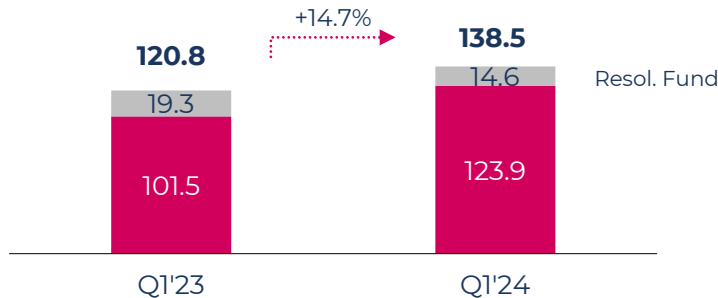
Net income

(Million euros¹)



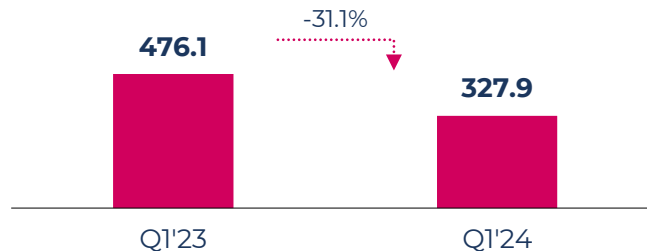
Operating Costs

(Million euros¹)



Net operating revenue

(Million euros¹)



- Net income of 29.7 million in Q1'24 which compares with 58.3 million in the same period of last year. The reduction was influenced mainly by the sale of Millennium Financial Services in Q1'23
- Net income influenced by charges associated with the CHF mortgage loan portfolio (190.9 million out of which 117.42 million in provisions³)
- Adjusted² net income up by 6.3% (9.7 million) compared with the same period of last year
- Core operating profit growth supported by the 7.3% increase in net interest margin
- CET1 ratio (=TI) of 14.9% and total capital ratio of 18.0%, above the minimum requirements of 8.1% (9.9% for TI) and 12.2% respectively

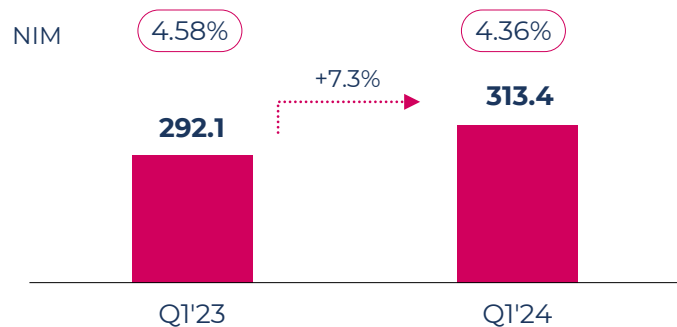
¹ FX effect excluded. €/Zloty constant at March 2024 levels: Income Statement 4.32; Balance Sheet 4.31.

² Excludes FX mortgage legal risk provisions, as well as costs of litigations and settlements with Clients, profit from the sale of 80 stake in Millennium Financial Services, credit holidays, linear distribution of BFG resolution fund fee and hypothetical bank tax. ³ Does not include provisions for legal risk on CHF mortgages of Euro Bank (guaranteed by Société Générale). Before taxes and non-controlling interests.

Net interest income increase

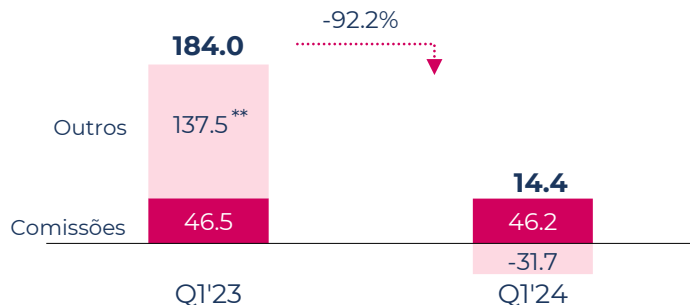
Net interest income

(Million euros*)



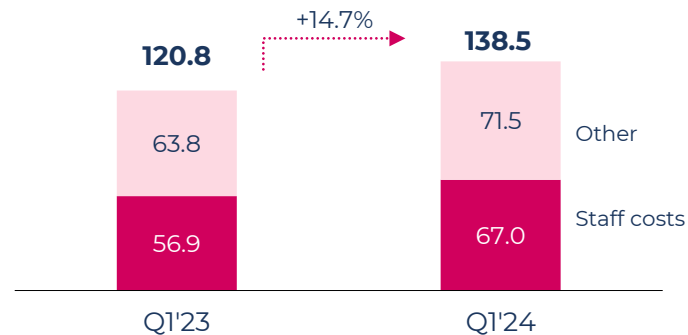
Commissions and other income

(Million euros*; does not include tax on assets and contribution to the resolution fund and to the DGF)



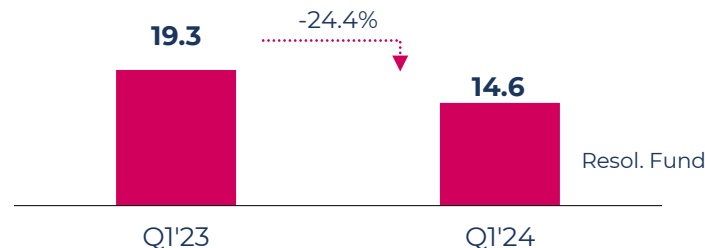
Operating costs

(Million euros*)



Contributions

(Million euros*)



*FX effect excluded. €/Zloty constant at March 2024 levels; Income Statement 4.32; Balance Sheet 4.31.
**Includes a profit of 127 million from the sale of 80% stake in Millennium Financial Services

Credit quality

≡ NPL>90d

(Million euros*)

Credit ratio
NPL>90d

2.0%

2.2%

366.4

385.7

Mar 23

Mar 24

≡ Loan impairment (net of recoveries)

(Million euros*)

Cost of risk

63bp

63bp

27.5

27.8

Q1'23

Q1'24

≡ Loan-loss reserves

(Million euros*)

Coverage ratio
NPL>90d

159%

156%

582.1

601.8

Mar 23

Mar 24

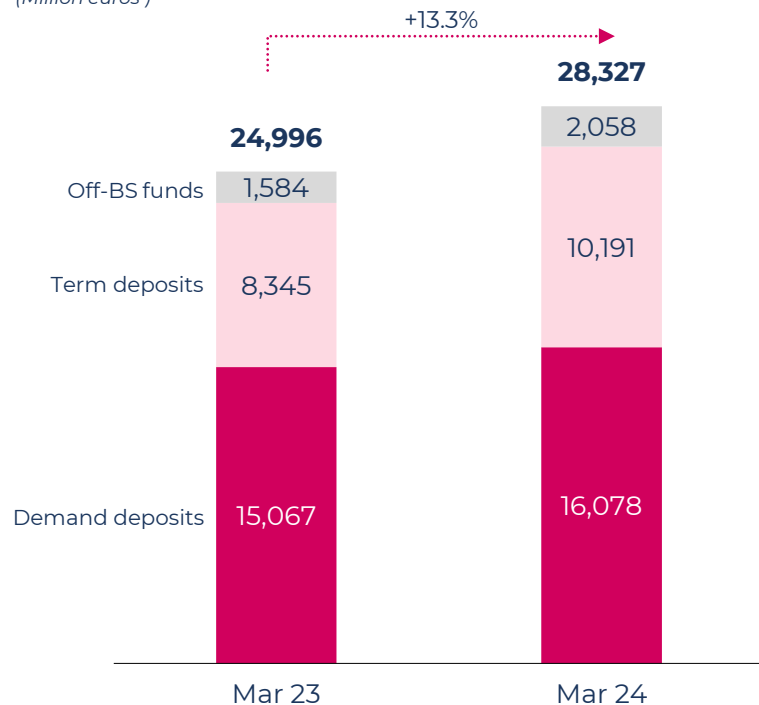
- NPL>90d accounted for 2.2% of total credit as of March 2024 (2.0% as of March 2023)
- Coverage of NPL>90d by loan-loss reserves at 156% as of March 2024 (159% as of March 2023)
- Stable cost of risk at 63bp

Customers funds and loans to Customers



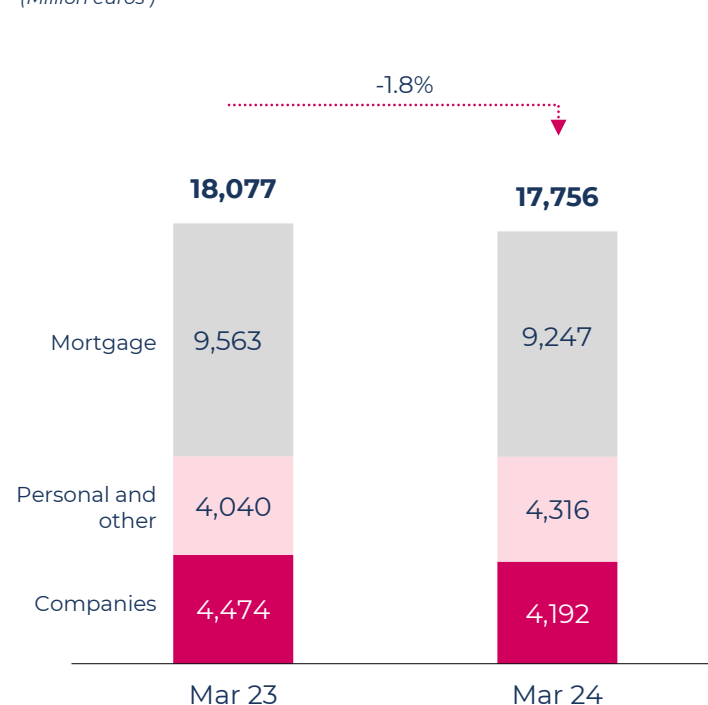
Customers funds

(Million euros*)



Loans to Customers (gross)

(Million euros*)



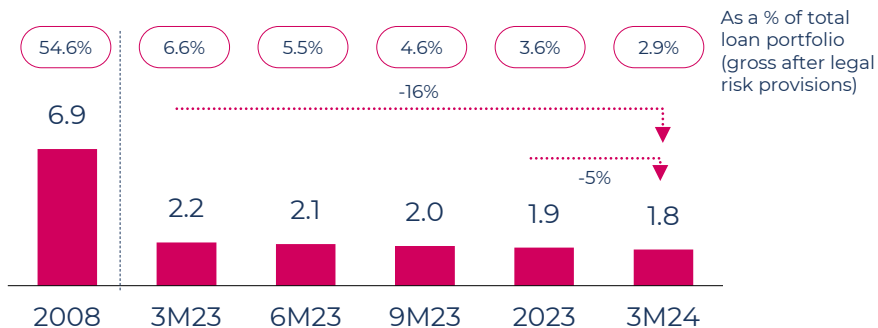
*FX effect excluded. €/Zloty constant at March 2024 levels; Income Statement 4.32; Balance Sheet 4.31.

CHF mortgages



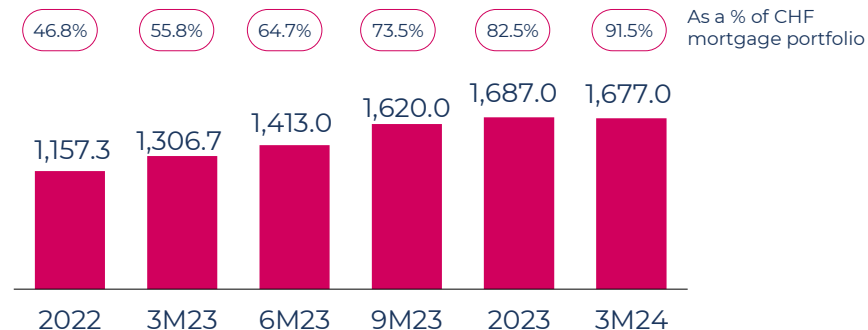
CHF mortgage portfolio (gross w/o legal risk provisions)

(Billion euros*)



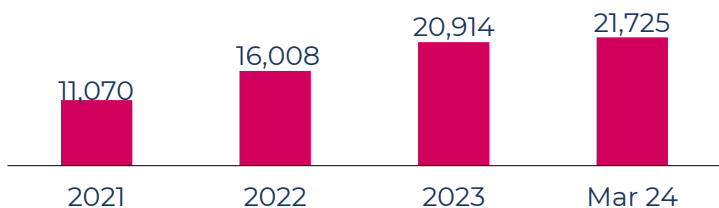
Cumulative provisions for legal risks**

(Million euros*)

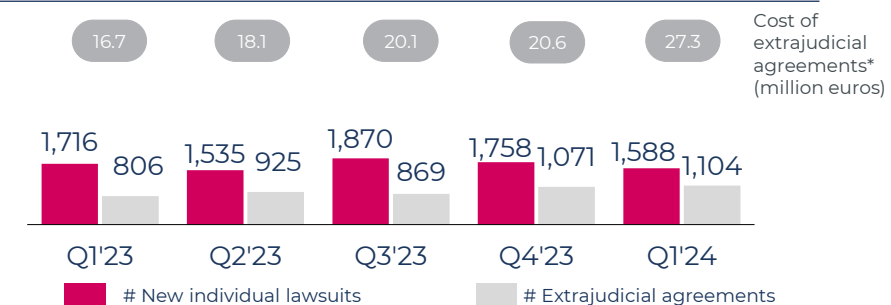


Individual lawsuits

(Number of cases)



New individual lawsuits and extrajudicial agreements***



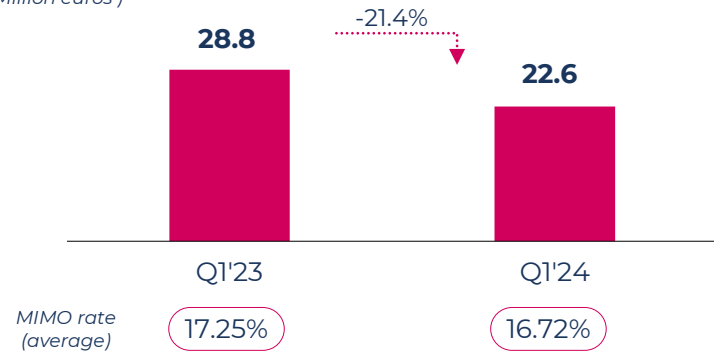
Excludes Euro Bank, | *FX effect excluded. €/Zloty constant at March 2024 levels: Income Statement 4.32; Balance Sheet 4.31. | **Actual outstanding B/S provisions differ from the sum of P&L charges due to FX movements and utilizations among others | ***Out of court settlements mainly booked in Net trading income



Net income reflects Millennium bim's resilience in challenging environment

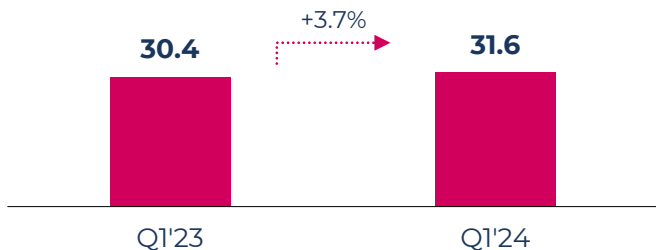
Net income

(Million euros*)



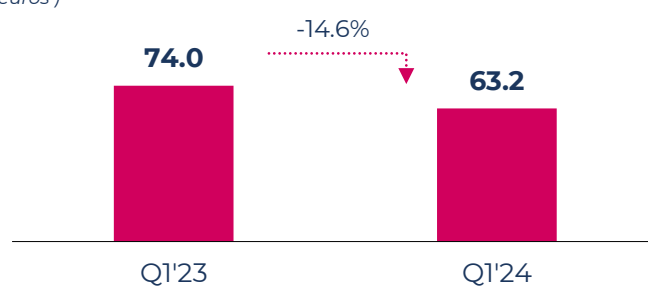
Operating costs

(Million euros*)



Net operating revenue

(Million euros*)



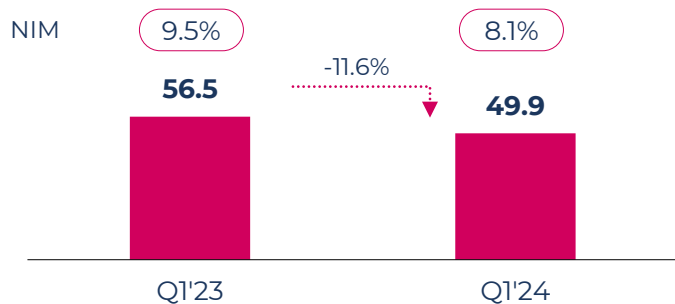
- Net income of 22.6 million in the first three months of the year, a reduction of 21.4% compared to the same period last year, reflecting the decrease in net interest income due to the reduction in interest rates and the increase in mandatory reserves
- Loans to Customers (gross) decreased by 8.2%; Customer funds increased 3.6%
- Capital ratio of 36.9%



Net interest income reflects the interest rate environment

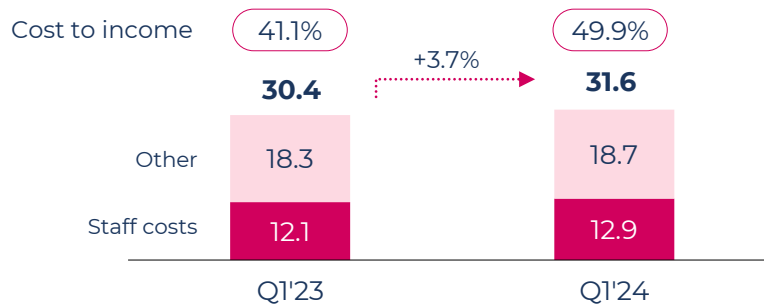
Net interest income

(Million euros*)



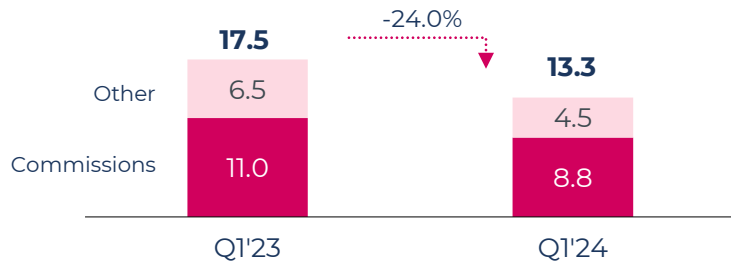
Operating costs

(Million euros*)

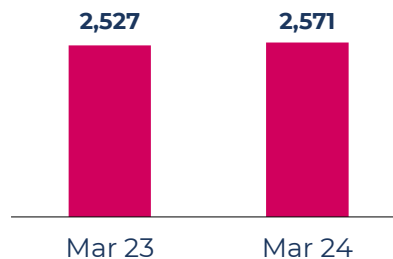


Commissions and other income

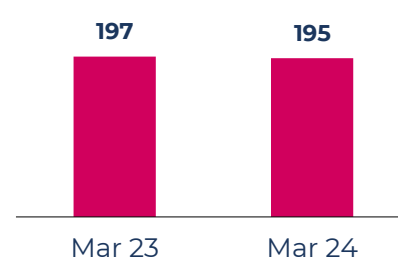
(Million euros*)



Employees



Branches

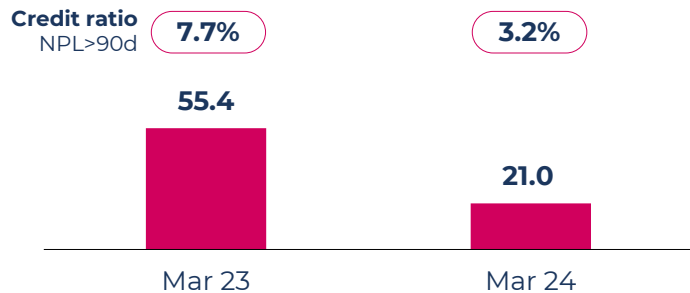




Credit quality

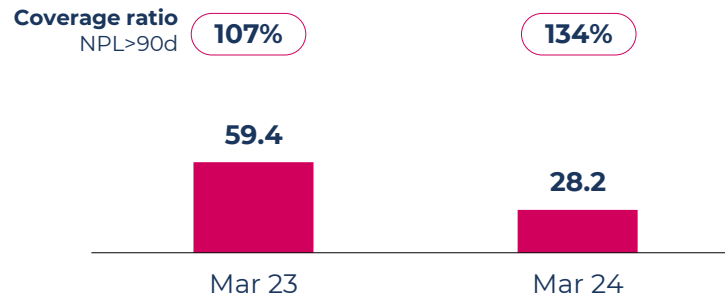
≡ NPL>90d

(Million euros*)



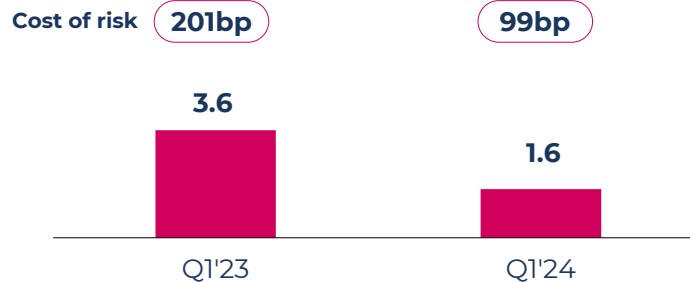
≡ Loan-loss reserves

(Million euros*)



≡ Loan impairment (net of recoveries)

(Million euros*)



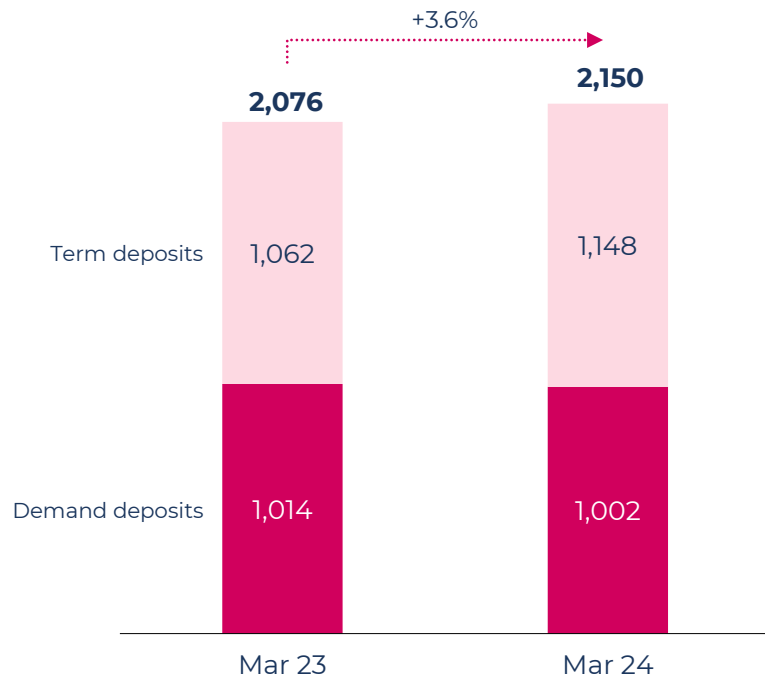
- NPL>90d ratio of 3.2% as of March 2024, with coverage by loan-loss reserves of 134% on the same date
- Cost of risk of 99bp in Q1'24, 201bp in same period of 2023

Business volumes



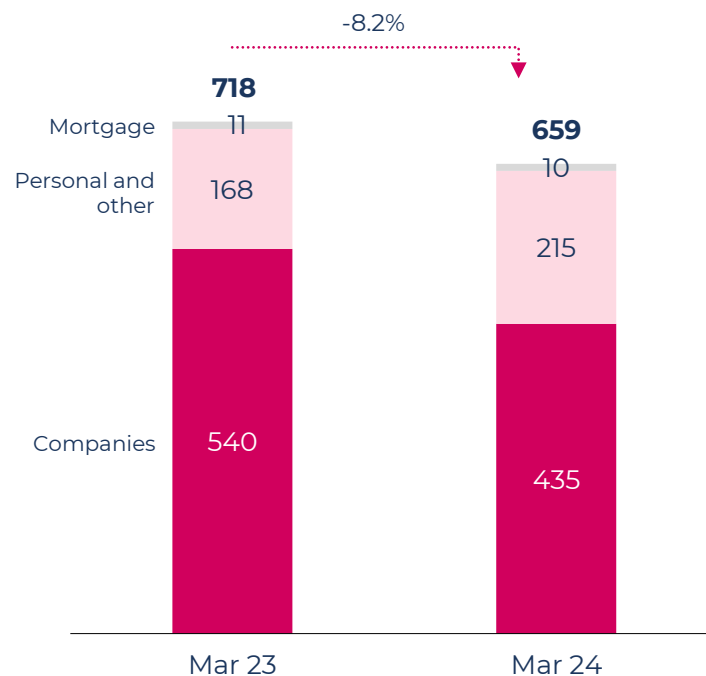
Customers funds

(Million euros*)



Loans to Customers (gross)

(Million euros*)





05

Key figures

Strategic Plan: Excelling 24



| | Q1'24 | | 2024 |
|------------------------------------------------------------------|--------|---|--------|
| C/I ratio | 35% | ✓ | ≈40% |
| Cost of risk | 52 bp | ✓ | ≈50 bp |
| RoE | 15.0% | ✓ | ≈10% |
| CET1 ratio¹ | 16.0% | ✓ | >12.5% |
| NPE ratio | 3.4% | ✓ | ≈4% |
| Share of mobile Customers | 69% | ✓ | >65% |
| Growth of high engagement Customers¹ (vs 2020) | +14.7% | ✓ | +12% |
| Average ESG rating² | 67% | | >80% |

¹Fully implemented ratio including unaudited net income for 1Q24

²Active Customers with card transactions in the previous 90 days or funds > €100 (>MZM 1,000 in Mozambique)

³Average of Top 3 indices (DJSI, CDP and MSCI) | NPE include loans to Customers only.

COMMITMENT TO PEOPLE AND SOCIETY

Millennium bcp Foundation



Biennial of Coimbra: anozero “The Freedom Ghost” is the theme of the 2024 edition of anozero - Coimbra Biennial.



Tremor festival: Azores - 11º edition– The Foundation was the official sponsor of all Tremor 2024 creation activities.



Cascais Ópera: 1st edition of international lyric singing competition. ‘Tereza Berganza’ award – best female voice – Portuguese soprano Sílvia. ‘Maurício Bensaúde’ award – best male voice – yeomongMin Gil, South Korean bass-baritone.



Association Terra dos Sonhos: health professionals and volunteers come together to make the dreams of children and young people with serious illnesses come true. The Mbcp Foundation supports, in 2024, the dreams of three young people.

Society



Millennium bcp begins to issue cards with cuts for visually impaired Customers, so that they can easily identify the correct position to insert the cards in the ATM or TPA.



Millennium bcp volunteers replant 2,000 trees in Pinhal de Leiria, on the 5 hectares reforested in 2020 with the support of the Bank.



Millennium Solidário: At Christmas 2023, donation of 2,500 euros to ACRÉDITAR and of 20,000 euros to IPO - Lisbon, with the main purpose of supporting people suffering from cancer and contributing to their treatment and recovery.



Millennium Volunteers with the “Brigada do Mar” (Sea’s Brigade) at Praia da Tocha, in Cantanhede, in another action to clean the sand and surrounding areas and separate waste.

Sustainability



BCP Group publishes its 20th Sustainability Report, disclosing 2023 aggregate indicators on ESG performance and details on non-financial information on operations in Portugal, Poland and Mozambique.



Millennium bcp leads a “green” bond loan to Greenvolt, worth 100 million euros, and co-leads a “green” bond loan to REN, worth 300 million euros.



Millennium bcp is a subscriber to the protocol signed between APB and ADENE, a cooperation instrument that aims to contribute to the process of decarbonization and energy transition of properties in Portugal.



Millennium bcp continues to reduce its ecological footprint in Portugal, with 37.5% less Electricity consumption (100% green), 47.1% less Water and 84.0% less GHG emissions in the last 5 years (2018/ 2023).

EXTERNAL RECOGNITION



Millennium bcp: 2024 Consumer's Choice, in the "Large Banks" category for the 4th consecutive year



ActivoBank: Winner in the "Digital Banking" category



Bank Millennium: For the 10th consecutive time, was distinguished with the title *Reliable Employer*



Millennium bcp: Winner in the "Large Banks" category



ActivoBank: 2024 Consumer's Choice, in the "Digital Bank" category for the 6th time



Bank Millennium: "Institution for the Year" ranking. "Best Remote Account Opening Process" Category. Third position in the general classification, with the App reaching the 2nd position



Millennium bcp : Market Leader - Trade Finance for the 1st time



Bank Millennium: "Best Bank" in Poland



Bank Millennium: "The Innovators 2024"



Bank Millennium: title of Top Employer Polska 2024



Millennium bim: Best Foreign Exchange Provider in Mozambique



06

Appendix

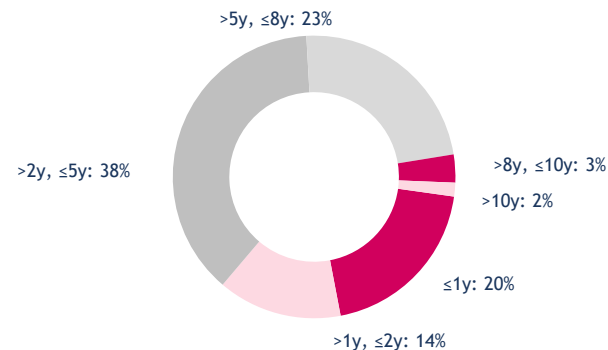
Sovereign debt portfolio

☰ Sovereign debt portfolio

(Consolidated, million euros)

| | Mar 23 | Jun 23 | Sep 23 | Dec 23 | Mar 24 | YoY | QoQ |
|-------------------|---------------|---------------|---------------|---------------|---------------|-------------|-------------|
| Portugal | 6,908 | 6,534 | 6,188 | 5,656 | 6,357 | -8% | +12% |
| T-bills and other | 810 | 421 | 109 | 104 | 721 | -11% | >100% |
| Bonds | 6,098 | 6,113 | 6,079 | 5,552 | 5,635 | -8% | +1% |
| Poland | 3,204 | 3,461 | 3,881 | 4,949 | 6,507 | >100% | +31% |
| Mozambique | 527 | 530 | 533 | 544 | 552 | +5% | +1% |
| Other | 8,206 | 9,216 | 8,963 | 10,944 | 11,908 | +45% | +9% |
| Total | 18,844 | 19,741 | 19,564 | 22,093 | 25,323 | +34% | +15% |

☰ Sovereign debt maturity



- ✓ The sovereign debt portfolio totalled 25.3 billion, 16.7 billion of which maturing in more than 2 years
- ✓ The Portuguese sovereign debt portfolio totalled 6.4 billion, Polish amounted to 6.5 billion and Mozambican amounted to 0.6 billion; "other" includes, among other, sovereign debt from France (3.8 billion), Spain (3.1 billion), Belgium (2.9 billion), Germany (0.9 billion) and Ireland (0.5 billion)

Sovereign debt portfolio breakdown

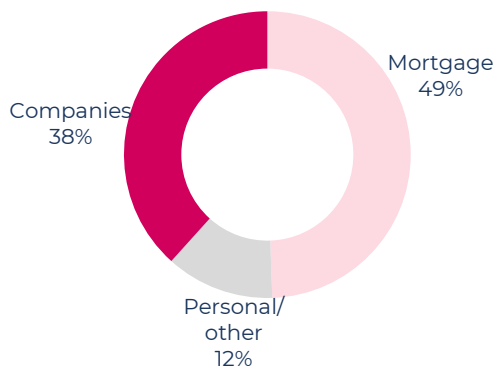
| <i>Million euros</i> | Portugal | Poland | Mozambique | Other | Total |
|--------------------------|-----------------|---------------|-------------------|---------------|---------------|
| Trading book | 778 | 103 | 0 | 244 | 1,126 |
| ≤ 1 year | 725 | 9 | | 244 | 977 |
| > 1 year and ≤ 2 years | 35 | 38 | | | 74 |
| > 2 years and ≤ 5 years | 4 | 19 | | | 23 |
| > 5 years and ≤ 8 years | 5 | 9 | | | 14 |
| > 8 years and ≤ 10 years | 1 | 28 | | | 29 |
| > 10 years | 9 | | | 0 | 9 |
| Banking book* | 5,578 | 6,403 | 552 | 11,664 | 24,197 |
| ≤ 1 year | 28 | 586 | 167 | 3,248 | 4,029 |
| > 1 year and ≤ 2 years | 1,644 | 1,437 | 68 | 378 | 3,526 |
| > 2 years and ≤ 5 years | 2,839 | 3,175 | 213 | 3,351 | 9,579 |
| > 5 years and ≤ 8 years | 501 | 820 | 38 | 4,533 | 5,892 |
| > 8 years and ≤ 10 years | 213 | 386 | 66 | 117 | 782 |
| > 10 years | 353 | | | 37 | 390 |
| Total | 6,357 | 6,507 | 552 | 11,908 | 25,323 |
| ≤ 1 year | 753 | 595 | 167 | 3,491 | 5,006 |
| > 1 year and ≤ 2 years | 1,679 | 1,475 | 68 | 378 | 3,600 |
| > 2 years and ≤ 5 years | 2,843 | 3,194 | 213 | 3,351 | 9,602 |
| > 5 years and ≤ 8 years | 506 | 829 | 38 | 4,533 | 5,905 |
| > 8 years and ≤ 10 years | 214 | 414 | 66 | 117 | 811 |
| > 10 years | 362 | | | 37 | 399 |

*Includes financial assets at fair value through other comprehensive income (8,736 million) and financial assets at amortized cost (15,461 million).

Diversified and collateralised portfolio

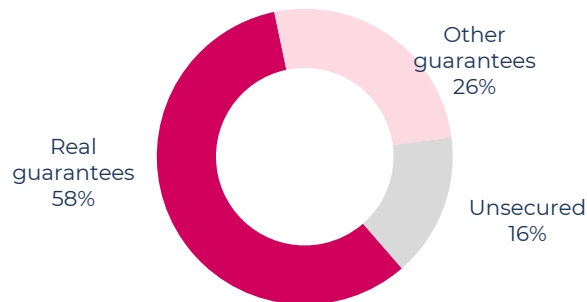
Breakdown

(Consolidated)



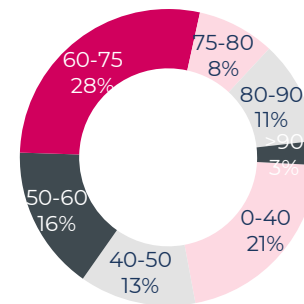
Loans per collateral

(Consolidated)



LTV of the mortgage portfolio

(Portugal)



- ✓ Loans to companies accounted for 38% of the loan portfolio, including 6% to construction and real-estate sectors, as of March 2024
- ✓ Mortgage accounted for 49% of the loan portfolio, with low delinquency levels and an average LTV of 60%
- ✓ 84% of the loan portfolio is collateralised

Consolidated net income

| <i>(Million euros)</i> | Q1'23 | Q1'24 | YoY | Impact on earnings |
|-----------------------------------------------------------|----------------|---------------|---------------|--------------------|
| Net interest income | 664.6 | 696.2 | +4.8% | +31.7 |
| Net fees and commissions | 195.4 | 196.4 | +0.5% | +1.0 |
| Other income* | 140.2 | -23.8 | - | -164.0 |
| Net operating revenue | 1,000.1 | 868.8 | -13.1% | -131.3 |
| Staff costs | -144.3 | -165.7 | +14.8% | -21.4 |
| Other administrative costs and depreciation | -124.2 | -142.4 | +14.7% | -18.2 |
| Operating costs | -268.5 | -308.1 | +14.7% | -39.6 |
| Profit before impairment and provisions | 731.6 | 560.7 | -23.4% | -170.9 |
| Results on modification | -5.9 | -7.2 | - | -1.3 |
| Loans impairment (net of recoveries) | -80.4 | -73.5 | -8.5% | +6.9 |
| Other impairment and provisions | -237.7 | -145.2 | -38.9% | +92.5 |
| Results of modification, Impairment and provisions | -324.1 | -226.0 | -30.3% | +98.1 |
| Income before tax | 407.5 | 334.8 | -17.9% | -72.7 |
| Income taxes | -156.2 | -78.1 | -50.0% | +78.1 |
| Non-controlling interests | -35.1 | -22.3 | -36.5% | +12.8 |
| Net income | 216.1 | 234.3 | +8.4% | +18.2 |

*Includes dividends from equity instruments, other net operating income, net trading income and equity accounted earnings

Consolidated balance sheet

(Million euros)

| | 31 March 2024 | 31 March 2023 (restated) |
|----------------------------------------------------------------------------------------|------------------|-----------------------------|
| ASSETS | | |
| Cash and deposits at Central Banks | 4,108.7 | 3,035.3 |
| Loans and advances to credit institutions repayable on demand | 195.3 | 203.5 |
| Financial assets at amortised cost | | |
| Loans and advances to credit institutions | 846.5 | 629.0 |
| Loans and advances to customers | 53,483.5 | 54,075.5 |
| Debt instruments | 18,205.4 | 14,959.0 |
| Financial assets at fair value through profit or loss | | |
| Financial assets held for trading | 1,610.1 | 1,581.1 |
| Financial assets not held for trading mandatorily at fair value through profit or loss | 445.9 | 540.9 |
| Financial assets designated at fair value through profit or loss | 33.0 | - |
| Financial assets at fair value through other comprehensive income | 13,002.7 | 7,897.8 |
| Hedging derivatives | 45.2 | 38.9 |
| Investments in associated companies | 394.9 | 326.0 |
| Non-current assets held for sale | 74.8 | 253.5 |
| Investment property | 39.6 | 14.7 |
| Other tangible assets | 604.9 | 607.0 |
| Goodwill and intangible assets | 224.0 | 177.4 |
| Current tax assets | 21.3 | 17.9 |
| Deferred tax assets | 2,485.9 | 2,791.1 |
| Other assets | 1,975.6 | 2,011.4 |
| TOTAL ASSETS | 97,797.4 | 89,160.0 |

LIABILITIES

| | 31 March 2024 | 31 March 2023 (restated) |
|---------------------------------------------------------------|------------------|-----------------------------|
| LIABILITIES | | |
| Financial liabilities at amortised cost | | |
| Resources from credit institutions | 1,015.3 | 1,095.2 |
| Resources from customers | 78,687.2 | 73,913.8 |
| Non subordinated debt securities issued | 2,724.7 | 1,488.6 |
| Subordinated debt | 1,381.4 | 1,331.4 |
| Financial liabilities at fair value through profit or loss | | |
| Financial liabilities held for trading | 226.8 | 246.6 |
| Financial liabilities at fair value through profit or loss | 3,459.9 | 2,502.2 |
| Hedging derivatives | 40.2 | 130.6 |
| Provisions | 845.1 | 600.4 |
| Current tax liabilities | 87.9 | 62.9 |
| Deferred tax liabilities | 4.6 | 7.8 |
| Other liabilities | 1,751.9 | 1,471.7 |
| TOTAL LIABILITIES | 90,225.1 | 82,851.2 |
| EQUITY | | |
| Share capital | 3,000.0 | 3,000.0 |
| Share premium | 16.5 | 16.5 |
| Other equity instruments | 400.0 | 400.0 |
| Legal and statutory reserves | 316.4 | 268.5 |
| Treasury shares | - | - |
| Reserves and retained earnings | 2,607.2 | 1,582.9 |
| Net income for the period attributable to Bank's Shareholders | 234.3 | 216.1 |
| Non-controlling interests | 997.9 | 824.8 |
| TOTAL EQUITY | 7,572.2 | 6,308.8 |
| TOTAL LIABILITIES AND EQUITY | 97,797.4 | 89,160.0 |

Consolidated income statement per quarter

| <i>(Million euros)</i> | Quarterly | | | | |
|----------------------------------------------|----------------|--------------|--------------|--------------|--------------|
| | 1Q 23 | 2Q 23 | 3Q 23 | 4Q 23 | 1Q 24 |
| Net interest income | 664.6 | 709.8 | 743.1 | 708.3 | 696.2 |
| Dividends from equity instruments | 0.0 | 1.1 | 0.0 | 0.6 | 0.0 |
| Net fees and commission income | 195.4 | 191.6 | 191.4 | 193.2 | 196.4 |
| Other operating income | -6.4 | -65.8 | 15.7 | 17.9 | -31.4 |
| Net trading income | 131.6 | -7.1 | -20.1 | 40.4 | -2.9 |
| Equity accounted earnings | 14.9 | 14.5 | 18.2 | 16.7 | 10.4 |
| Banking income | 1,000.1 | 844.2 | 948.3 | 977.0 | 868.8 |
| Staff costs | 144.3 | 163.6 | 160.0 | 163.8 | 165.7 |
| Other administrative costs | 90.3 | 94.7 | 98.5 | 109.8 | 107.0 |
| Depreciation | 33.9 | 34.7 | 34.6 | 34.3 | 35.4 |
| Operating costs | 268.5 | 293.0 | 293.1 | 307.9 | 308.1 |
| Profit bef. impairment and provisions | 731.6 | 551.2 | 655.2 | 669.1 | 560.7 |
| Results on modification | -5.9 | -5.6 | -3.2 | -4.6 | -7.2 |
| Loans impairment (net of recoveries) | 80.4 | 65.1 | 65.9 | 28.6 | 73.5 |
| Other impairm. and provisions | 237.7 | 165.2 | 199.5 | 257.4 | 145.2 |
| Net income before income tax | 407.5 | 315.2 | 386.6 | 378.5 | 334.8 |
| Income tax | 156.2 | 89.8 | 141.4 | 150.0 | 78.1 |
| Net income (before disc. oper.) | 251.3 | 225.5 | 245.2 | 228.5 | 256.6 |
| Net income arising from discont. operations | 0.0 | 0.0 | 0.0 | -2.8 | 0.0 |
| Non-controlling interests | 35.1 | 18.4 | 17.8 | 20.3 | 22.3 |
| Net income | 216.1 | 207.1 | 227.5 | 205.3 | 234.3 |

Consolidated balance sheet

(Million euros)

For the 3-month periods ended March 31st, 2023 and 2024

| | Group | | | Portugal | | | Total | | | Bank Millennium (P oland) | | | Millennium bim (M oz.) | | | Other int. operations | | |
|----------------------------------------------|-----------------|------------|---------------|------------|------------|--------------|------------|------------|---------------|---------------------------|------------|---------------|------------------------|-----------|---------------|-----------------------|------------|-----------------|
| | Mar 23 | Mar 24 | Δ % | Mar 23 | Mar 24 | Δ % | Mar 23 | Mar 24 | Δ % | Mar 23 | Mar 24 | Δ % | Mar 23 | Mar 24 | Δ % | Mar 23 | Mar 24 | Δ % |
| | Interest income | 979 | 1,166 | 19.2% | 456 | 596 | 30.7% | 523 | 570 | 9.1% | 441 | 496 | 12.3% | 81 | 74 | -8.3% | 0 | 0 |
| Interest expense | 314 | 470 | 49.6% | 116 | 257 | >100% | 198 | 213 | 7.7% | 173 | 189 | 8.9% | 25 | 25 | -12% | 0 | 0 | 16.7% |
| Net interest income | 665 | 696 | 4.8% | 340 | 339 | -0.2% | 325 | 357 | 10.0% | 268 | 307 | 14.5% | 56 | 50 | -11.5% | 0 | 0 | -16.7% |
| Dividends from equity instruments | 0 | 0 | -19.4% | 0 | 0 | -- | 0 | 0 | -19.4% | 0 | 0 | -19.4% | 0 | 0 | -- | 0 | 0 | -- |
| Intermediation margin | 665 | 696 | 4.8% | 340 | 339 | -0.2% | 325 | 357 | 10.0% | 268 | 307 | 14.5% | 56 | 50 | -11.5% | 0 | 0 | -16.7% |
| Net fees and commission income | 195 | 196 | 0.5% | 142 | 141 | -0.2% | 54 | 55 | 2.4% | 43 | 46 | 8.1% | 11 | 9 | -19.7% | 0 | 0 | -- |
| Other operating income | -6 | -31 | <-100% | 2 | 7 | >100% | -8 | -38 | <-100% | -9 | -39 | <-100% | 1 | 0 | -66.7% | 0 | 0 | -- |
| Basic income | 854 | 861 | 0.9% | 483 | 487 | 0.9% | 370 | 374 | 1.0% | 302 | 315 | 4.3% | 68 | 59 | -13.6% | 0 | 0 | 34.4% |
| Net trading income | 132 | -3 | <-100% | 10 | -4 | <-100% | 121 | 1 | -98.8% | 116 | -2 | <-100% | 5 | 4 | -27.0% | 0 | 0 | <-100% |
| Equity accounted earnings | 15 | 10 | -30.3% | 14 | 9 | -34.9% | 1 | 1 | 43.6% | 0 | 0 | -- | 0 | 0 | 2.0% | 0 | 1 | 90.0% |
| Banking income | 1,000 | 869 | -13.1% | 507 | 492 | -3.0% | 493 | 377 | -23.5% | 418 | 313 | -25.3% | 74 | 63 | -14.4% | 0 | 1 | 90.0% |
| Staff costs | 144 | 166 | 14.8% | 80 | 86 | 7.5% | 64 | 80 | 23.9% | 52 | 67 | 28.0% | 12 | 13 | 6.5% | 0 | 0 | 100.0% |
| Other administrative costs | 90 | 107 | 18.5% | 48 | 50 | 4.5% | 42 | 57 | 34.3% | 28 | 43 | 50.4% | 14 | 14 | 14% | 0 | 0 | -- |
| Depreciation | 34 | 35 | 4.4% | 18 | 18 | -0.4% | 15 | 17 | 10.1% | 11 | 13 | 12.5% | 4 | 5 | 3.9% | 0 | 0 | -- |
| Operating costs | 269 | 308 | 14.7% | 146 | 155 | 5.5% | 122 | 154 | 25.8% | 92 | 122 | 33.0% | 30 | 32 | 3.8% | 0 | 0 | 42.9% |
| Profit bef. impairment and provisions | 732 | 561 | -23.4% | 361 | 338 | -6.5% | 371 | 223 | -39.8% | 327 | 191 | -41.6% | 43 | 32 | -27.2% | 0 | 1 | 90.0% |
| Results on modification | -6 | -7 | -21.7% | 0 | 0 | -- | -6 | -7 | -21.7% | -6 | -7 | -21.7% | 0 | 0 | -- | 0 | 0 | -- |
| Loans impairment (net of recoveries) | 80 | 74 | -8.5% | 53 | 46 | -12.9% | 27 | 27 | -0.2% | 24 | 26 | 8.0% | 4 | 2 | -54.6% | 0 | 0 | <-100% |
| Other impairm. and provisions | 238 | 145 | -38.9% | 49 | 18 | -64.4% | 189 | 128 | -32.3% | 184 | 128 | -30.3% | 2 | 0 | <-100% | 3 | 0 | -100.0% |
| Net income before income tax | 408 | 335 | -17.9% | 259 | 274 | 5.8% | 149 | 61 | -59.1% | 113 | 30 | -73.6% | 38 | 30 | -21.3% | -3 | 1 | >100% |
| Income tax | 156 | 78 | -50.0% | 87 | 70 | -19.0% | 69 | 8 | -88.8% | 60 | 0 | -99.7% | 10 | 8 | -21.0% | 0 | 0 | -100.0% |
| Net income (before disc. oper.) | 251 | 257 | 2.1% | 172 | 203 | 18.4% | 79 | 53 | -33.0% | 54 | 30 | -44.5% | 29 | 23 | -21.3% | -3 | 1 | >100% |
| Net income arising from disc. operations | 0 | 0 | -- | 0 | 0 | -- | 0 | 0 | -- | 0 | 0 | -- | 0 | 0 | -- | 0 | 0 | -- |
| Non-controlling interests | 35 | 22 | -36.5% | 0 | 0 | -6.5% | 35 | 22 | -36.4% | 0 | 0 | -- | 0 | 0 | -- | 35 | 22 | -36.4% |
| Net income | 216 | 234 | 8.4% | 172 | 204 | 18.4% | 44 | 31 | -30.3% | 54 | 30 | -44.5% | 29 | 23 | -21.3% | -38 | -22 | 43.5% |

Glossary (1/2)

Assets placed with Customers – amounts held by Customers in the context of the placement of third-party products that contribute to the recognition of commissions.

Balance sheet Customer funds – deposits and other resources from Customers and debt securities placed with Customers.

Business Volumes - corresponds to the sum of total Customer funds and loans to Customers (gross).

Commercial gap – loans to Customers (gross) minus on-balance sheet Customer funds.

Core income - net interest income plus net fees and commissions income.

Core net income - net interest income plus net fees and commissions income deducted from operating costs.

Cost of risk, net (expressed in basis points) - ratio of loans impairment (P&L) accounted in the period to loans to Customers at amortized cost and debt instruments at amortized cost related to credit operations before impairment at the end of the period.

Cost to core income - operating costs divided by core income.

Cost to income – operating costs divided by net operating revenues.

Coverage of non-performing exposures by impairments – loans impairments (balance sheet) divided by the stock of NPE.

Coverage of non-performing loans by impairments – loans impairments (balance sheet) divided by the stock of NPL.

Coverage of overdue loans by impairments - loans impairments (balance sheet) divided by overdue loans.

Coverage of overdue loans by more than 90 days by impairments - loans impairments (balance sheet) divided by overdue loans by more than 90 days.

Debt instruments – non-subordinated debt instruments at amortized cost and financial liabilities measured at fair value through profit or loss (debt securities and certificates).

Debt securities placed with Customers - debt securities issued by the Bank and placed with Customers.

Deposits and other resources from Customers – resources from Customers at amortized cost and Customer deposits at fair value through profit or loss.

Dividends from equity instruments - dividends received from investments classified as financial assets at fair value through other comprehensive income and from financial assets held for trading.

Equity accounted earnings - results appropriated by the Group related to the consolidation of entities where, despite having some influence, the Group does not control the financial and operational policies.

Insurance products – includes unit linked saving products and retirement saving plans (“PPR”, “PPE” and “PPR/E”).

Loans impairment (balance sheet) – balance sheet impairment related to loans to Customers at amortized cost, balance sheet impairment associated with debt instruments at amortized cost related to credit operations and fair value adjustments related to loans to Customers at fair value through profit or loss.

Loans impairment (P&L) – impairment (net of reversals and net of recoveries - principal and accrual) of financial assets at amortized cost for loans to Customers and for debt instruments related to credit operations.

Loans to Customers (gross) – loans to Customers at amortized cost before impairment, debt instruments at amortized cost associated to credit operations before impairment and loans to Customers at fair value through profit or loss before fair value adjustments.

Loans to Customers (net) - loans to Customers at amortized cost net of impairment, debt instruments at amortized cost associated to credit operations net of impairment and balance sheet amount of loans to Customers at fair value through profit or loss.

Loan to Deposits ratio (LTD) – loans to Customers (net) divided by deposits and other resources from Customers.

Loan to value ratio (LTV) – mortgage amount divided by the appraised value of property.

Net commissions - net fees and commissions income.

Net interest margin (NIM) - net interest income for the period as a percentage of average interest earning assets.

Net operating revenues - net interest income, dividends from equity instruments, net commissions, net trading income, other net operating income and equity accounted earnings.

Glossary (2/2)

Net trading income – results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations, results from derecognition of financial assets and financial not measured at fair value through profit or loss.

Non-performing exposures (NPE) non-performing loans and advances to Customers (includes loans to Customers at amortised cost, loans to Customers at fair value through profit or loss and, from 2023, debt instruments at amortised cost associated to credit operations before impairment) more than 90 days past-due or unlikely to be paid without collateral realisation, if they recognised as defaulted or impaired.

NPE Specific coverage - NPE impairments (balance sheet) divided by the stock of NPE.

NPE total coverage - Impairments (balance sheet) and NPE collaterals divided by the stock of NPE.

NPE total specific coverage - NPE impairments (balance sheet) and NPE collaterals divided by the stock of NPE.

Non-performing loans (NPL) – overdue loans (loans to Customers at amortised cost, loans to Customers at fair value through profit or loss and, from 2023, debt instruments at amortised cost associated to credit operations before impairment) more than 90 days past due including the non-overdue remaining principal of loans, i.e. portion in arrears, plus non-overdue remaining principal.

Off-balance sheet Customer funds – assets under management, assets placed with Customers and insurance products (savings and investment) subscribed by Customers.

Operating costs - staff costs, other administrative costs and depreciation.

Other impairment and provisions – impairment (net of reversals) for loans and advances of credit institutions classified at amortized cost, impairment for financial assets (classified at fair value through other comprehensive income and at amortized cost not associated with credit operations), impairment for other assets, namely assets received as payment in kind, investments in associated companies and goodwill of subsidiaries and other provisions.

Other net income – dividends from equity instruments, net commissions, net trading income, other net operating income and equity accounted earnings.

Other net operating income – net gains from insurance activity, other operating income/(loss) and gains/(losses) arising from sales of subsidiaries and other assets.

Overdue loans – total outstanding amount of past due loans to Customers (loans to Customers at amortized cost, debt instruments at amortized cost associated to credit operations and loans to Customers at fair value through profit or loss), including principal and interests.

Overdue loans by more than 90 days – total outstanding amount of past due loans to Customers by more than 90 days (loans to Customers at amortized cost, debt instruments at amortized cost associated to credit operations and loans to Customers at fair value through profit or loss), including principal and interests.

Profit before impairment and provisions – net operating revenues deducted from operating costs.

Resources from credit institutions – resources and other financing from Central Banks and resources from other credit institutions.

Return on average assets (Instruction from the Bank of Portugal no. 16/2004) – net income (before tax) divided by the average total assets (weighted average of the average of monthly net assets in the period).

Return on average assets (ROA) – net income (before minority interests) divided by the average total assets (weighted average of the average of monthly net assets in the period).

Return on equity (Instruction from the Bank of Portugal no. 16/2004) – net income (before tax) divided by the average attributable equity + non-controlling interests (weighted average of the average of monthly equity in the period).

Return on equity (ROE) – net income (after minority interests) divided by the average attributable equity, deducted from preference shares and other capital instruments (weighted average of the average of monthly equity in the period).

Securities portfolio - debt instruments at amortized cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to loans to Customers and trading derivatives), financial assets at fair value through other comprehensive income and assets with repurchase agreement.

Spread - increase (in percentage points) to the index used by the Bank in loans granting or fund raising.

Total Customer funds - balance sheet Customer funds and off-balance sheet Customer fund.

Total Customer funds - balance sheet Customer funds and off-balance sheet Customer funds.



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