



Q1 2026 REPORT & ACCOUNTS

Pursuant to CMVM Regulation 1/2023, please find herein the transcription of the

Q1 2026 Report and Accounts

BANCO COMERCIAL PORTUGUÊS, S.A.

Public limited company

Registered Office: Praça D. João I, 28, 4000-295 Porto - Share Capital EUR 3,000,000,000.00
Registered at Porto Commercial Registry, under the single registration and tax identification number 501 525 882

The Q1 2026 Annual Report is a translation of the “Relatório e Contas do 1T de 2026” document delivered by Banco Comercial Português, S.A. to the Portuguese Securities and Market Commission (CMVM), in accordance with Portuguese law.

The sole purpose of the English version is to facilitate consultation of the document by English-speaking Shareholders, Investors and other Stakeholders, and, in case of any doubt or contradiction between the documents, the Portuguese version of the “Relatório e Contas do 1T de 2026” prevails.

All references in this document to the application of any regulations and rules refer to the respective version currently in force.

The changes presented and the ratios were calculated based on the values in Euros and not those presented in the body of the report.

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Miguel Maya
Chief Executive Officer
Vice-Chairman of the Board
of Directors

Nuno Amado
Chairman of the Board
of Directors

Main highlights of the Results in 2025

Supporting the Economy and Generating Value

Profitability

- Group's net income amounted to EUR 305.8 million in the first quarter of 2026, corresponding to an increase of 25.6% compared with the same period of the previous year (EUR 243.5 million). This performance resulted in a ROE of 15.9% (13.9% in the first quarter of 2025) and reflects the Bank's capacity to generate value.
- Net income in the activity in Portugal stood at EUR 265.4 million in the first quarter of 2026, representing an increase of 21.2% compared with the same period of the last year (EUR 218.9 million).
- Net income¹ from international operations increased by 65.0%, reaching EUR 77.7 million in the first quarter of 2026, compared with EUR 47.1 million in the first quarter of 2025. Highlight to Bank Millennium, which recorded a net income of EUR 71.2¹ million, representing a 67.8%² increase compared to the first quarter of 2025. This evolution largely reflects the 61.4%³ reduction in charges associated with CHF mortgage loan portfolio, which stood at EUR 50.1 million in the first three months of the year.

Business Model

- Solid capital ratios, CET1⁴ ratio stood at 15.1% and total capital ratio⁴ at 19.3%, after deducting the maximum amount distributable to shareholders in respect of 2025 net profit, which reflects 50% in the form of dividends (EUR 509.3 million) and 40% through share buybacks (EUR 407.5 million).
- Liquidity indicators⁵ well above regulatory requirements: LCR at 319%, NSFR at 179% and LtD at 68%. Eligible assets available to discount at ECB of EUR 30 billion.
- Group's Loans to customers grew 7.2% to EUR 63.4 billion and total Customer funds increased 7.9% to EUR 112.8 billion compared to March 2025. In Portugal, Loans to Customers increased by 9.6% and total Customer funds rose by 6.3%. Bank Millennium loans to companies grew 26.5%⁶ from March 2025.
- Significant reduction in non-performing assets, highlighting the decrease in the NPE of the Group of EUR 238 million compared to March 2025.
- Cost of risk of the Group stood at 35 bp in the first quarter of 2026, which compares with 38 bp in the same period of the previous year. In Portugal, cost of risk stood at 33 bp in the first quarter of 2026, in line with the figure for the same period last year.
- Active Customers increased by 5% from the first quarter of the previous year to 7.4 million. Mobile Customers rose by 8%, which represented 75% of the Customer base in March 2026.

BCP received authorisation from the competent authorities for the proposed share buyback equivalent to 40% (EUR 407.5 million) of the annual net income of 2025.

1 Before non-controlling interests. 2 FX effect excluded. 66.3% with FX effect. 3 Includes provisions for legal risk, costs with out-of-court settlements and legal advice. Does not include provisions for legal risk on CHF mortgages of Euro Bank (guaranteed by a third party). Before taxes, non-controlling interests and FX effect excluded (61.7% with FX effect). 4 Fully implemented estimated ratio (March 2026) including 10% of the unaudited net income of the 1Q26. Excluding any distributions, the proforma CET1 ratio would be 15.7%. 5 Liquidity Coverage Ratio (LCR); Net Stable Funding Ratio (NSFR); Loans to Deposits Ratio (LtD). 6 According to the local classification.

Main highlights ⁽¹⁾

	<i>million EUR</i>		
	31 Mar. 26	31 Mar. 25 (restated ²)	Chg. 26/25
BALANCE SHEET			
Total assets	111,070	104,294	6.5%
Equity	9,668	8,549	13.1%
Loans to customers (net)	62,028	57,742	7.4%
Total customer funds	112,807	104,576	7.9%
Balance sheet customer funds	92,284	86,415	6.8%
Deposits and other resources from customers	90,731	85,096	6.6%
Loans to customers (net) / Deposits and other resources from customers	68.4%	67.9%	
Loans to customers (net) / Balance sheet customer funds	67.2%	66.8%	
RESULTS			
Net interest income	738	721	2.4%
Net operating revenues	983	909	8.1%
Operating costs	355	340	4.5%
Operating costs excluding specific items (3)	354	340	4.3%
Results on modification	0	(4)	91.3%
Loan impairment charges (net of recoveries)	56	56	0.4%
Other impairment and provisions	92	131	(30.1%)
Income tax	137	112	22.0%
Net income	306	243	25.6%
PROFITABILITY AND EFFICIENCY			
Return on average assets (ROA)	1.3%	1.0%	
Return on equity (ROE)	15.9%	13.9%	
Return on tangible equity (ROTE)	16.6%	14.5%	
Net interest margin	2.9%	3.0%	
Cost-to-core income (3)	37.0%	36.8%	
Cost-to-income	36.1%	37.4%	
Cost-to-income (3)	36.0%	37.4%	
Cost-to-income - Activity in Portugal (3)	30.5%	33.9%	
Staff costs / Net operating revenues (3)	19.9%	20.7%	
CREDIT QUALITY			
Cost of risk (net of recoveries, in b.p.)	35	38	
Non-Performing Exposures (loans to customers) / Loans to customers	2.3%	2.9%	
Total loan impairments (balance sheet) / NPE (loans to customers)	94.3%	82.6%	
Restructured loans / Loans to customers	1.7%	2.4%	
LIQUIDITY			
Liquidity Coverage Ratio (LCR)	319%	354%	
Net Stable Funding Ratio (NSFR)	179%	180%	
CAPITAL (4)			
Common equity tier I phased-in ratio	15.3%	16.1%	
Common equity tier I fully implemented ratio	15.1%	15.9%	
Total ratio fully implemented	19.3%	20.0%	
BRANCHES			
Activity in Portugal	388	397	(2.3)%
International activity	782	800	(2.3)%
EMPLOYEES			
Activity in Portugal	6,043	6,229	(3.0)%
International activity (5)	9,669	9,487	1.9 %

(1) Some indicators are presented according to management criteria of the Group, which concepts are described and detailed in the Glossary and at alternative performance measures chapter.

(2) Although some commissions were reclassified in the second quarter of 2025 in order to improve the quality of the reported information, and the historical figures for the reclassified items had been restated accordingly to ensure comparability, the impact on the first quarter of 2025 was not material for the purposes of this analysis. The total amount of net commissions previously reported remained unchanged.

In the second quarter of 2025, the Bank reclassified a portfolio of debt instruments associated to credit operations, previously included in the Securities Portfolio (Debt securities held not associated with credit operations), now recognising them as Loans to Customers (Debt securities held associated with credit operations). The historical amounts considered for the purposes of this analysis are presented according to this reclassification, aiming to ensure their comparability, thus differing from the disclosed accounting amounts (impact of EUR 1,173 million before impairment in March 2025). The balance sheet impairment associated with these operations amounted to EUR 3 million in March 2025. Consequently, the impact net of impairment on Loans to Customers portfolio and on Securities portfolio was EUR 1,170 million on 31 March 2025. This accounting reclassification also led to the reclassification of the respective results, namely from other impairment and provisions to loan impairments (an immaterial impact within the scope of this analysis as at March 2025). The results arising from these operations, associated with both net interest income and net trading income, were also reclassified, although the total amount of each item presented in this analysis did not change compared to the amounts disclosed in previous periods.

With effect from March 2026, reverse repurchase agreements (reverse repos) were excluded from the aggregate amount of loans to customers according to the management criteria adopted by the Bank. The corresponding historical amounts are presented considering these reclassifications with the purpose of ensuring their comparability. The impacts in March 2026 and March 2025 were EUR 532 million and EUR 108 million, respectively.

All indicators associated with the aforementioned reclassifications have been restated accordingly.

(3) Excludes the impact of specific items: negative impacts of EUR 1 million in the first quarter of 2026 and of an immaterial impact within the scope of this analysis in the first quarter of 2025. In both periods, specific items were recognised in staff costs in the activity in Portugal including costs with employment terminations, namely indemnifications.

(4) The capital ratios as at 31 March 2026 include 10% of the accumulated net income (non-audited).

(5) Of which, in Poland: 7,000 employees as at 31 March 2026 (corresponding to 6,885 FTE - full-time equivalent) and 6,847 employees as at 31 March 2025 (corresponding to 6,726 FTE - full-time equivalent).

The analysis of the international activity is consistent with the Group's consolidated accounts, although there may be differences compared to the accounts disclosed locally.

INSTRUCTION No. 16/2004 FROM BANCO DE PORTUGAL

Following the publication of Banco de Portugal Instruction No. 17/2025, which amends Instruction No. 16/2004 concerning the indicators to be used by credit institutions in the disclosure of the information to the public, the table below includes the relevant indicators calculated in accordance with the version of the instruction currently in force.

This amendment aims to align the indicators to be disclosed to the public with the definitions and criteria used by the European Banking Authority (EBA), specifically associating the calculation formulas for these indicators with specific elements of the Financial/Accounting Reporting Framework for Supervisory Purposes (FINREP – Common Reporting Framework). Accordingly, unlike the remaining financial information disclosed, which is based on the full consolidation perimeter, these indicators are calculated using the prudential perimeter.

FINANCIAL HIGHLIGHTS ACCORDING TO INSTRUCTION No. 16/2004 FROM BANCO DE PORTUGAL, AS THE CURRENTLY EXISTING VERSION

	31 Mar. 26	31 Mar. 25
PROFITABILITY		
Net income / Total assets	1.2 %	1.0 %
Net operating revenues / Total assets	3.7 %	3.6 %
Net income / Equity	14.7 %	12.7 %
EFFICIENCY		
Cost-to-income ratio	34.9 %	36.3 %
Staff costs / Net operating revenues	19.3 %	20.0 %
LOANS TO DEPOSITS		
Loans and advances to non-financial corporations and households / Deposits from non-financial corporations and households	64.7 %	64.4 %

Information on BCP Group

Brief description

Banco Comercial Português, S.A. (BCP, Millennium bcp or Bank) is the largest Portuguese private sector bank. The Bank, with its decision centre in Portugal, operates and acts with respect for people and institutions, focusing on the Customer, pursuing a mission of excellence, trust, ethics and responsibility, and is a distinguished leader in various financial business areas in the Portuguese market and a reference institution on an international level. The Bank also holds a prominent position in Africa through its banking operation in Mozambique (in Angola, Banco Millennium Angola - BMA merged with Banco Privado Atlântico-BPA and currently the Bank holds a equity accounted shareholding) and in Europe through its banking operation in Poland. Since 2010, the Bank operates in Macau through a full branch.

Bank History

BCP was incorporated on 17 June 1985 as a limited liability company ("sociedade anónima") organised under the Portuguese laws, following the deregulation of the Portuguese banking industry. BCP was founded by a group of over 200 shareholders and a team of experienced banking professionals who sought to capitalise on the opportunity to form an independent financial institution that would serve the then underdeveloped Portuguese financial market more effectively than state-owned banks.

While the Bank's development was initially characterised by organic growth, a series of strategic acquisitions helped solidify its position in the Portuguese market and increase its offering of financial products and services. In March 1995, BCP acquired control of Banco Português do Atlântico, S.A. ("Atlântico"), which was then the largest private sector bank in Portugal. This was followed by a joint takeover bid for the whole share capital of Atlântico. In June 2000, Atlântico was merged into BCP. In 2000, BCP also acquired Império, along with Banco Mello and Banco Pinto & Sotto Mayor.

In 2004, with a view to strengthening its focus on the core business of distribution of financial products and optimising capital consumption, BCP sold insurers Império Bonança, Seguro Directo, Impergesto and Servicocomercial to the Caixa Geral de Depósitos group. BCP also entered into agreements with Fortis (now named Ageas) for the sale of a controlling stake and management control of insurers Ocidental - Companhia Portuguesa de Seguros, S.A., Ocidental - Companhia Portuguesa de Seguros de Vida, S.A. and Médis - Companhia Portuguesa de Seguros de Saúde, S.A., as well as the pension

fund manager PensõesGere - Sociedade Gestora de Fundos de Pensões, S.A.

In 2004, the Bank sold its non-life insurance businesses and divested a portion of its life insurance business by entering into a joint venture with Ageas (formerly Fortis), named Millenniumbcp Ageas, of which 51% is held by Ageas and 49% by the Bank.

After the consolidation of its position in the Portuguese banking market, the Bank focused on the development of its retail business in new regions, with the goal of attaining significant positions in emerging markets in Europe and in Africa. The Bank concentrated on businesses with strong growth prospects in foreign markets with a close historical connection to Portugal or that have large communities of Portuguese origin (such as Angola, Mozambique, the United States, Canada, France, Luxembourg and Macao), as well as in markets where the Bank's successful Portuguese business model could be effectively exported to and tailored to suit such local markets (such as Poland, Greece and Romania).

The Bank has pursued a consistent strategy of market segmentation. Until 2003, these segments were served through autonomous distribution networks operating under a variety of brand names. In October 2003, BCP began the process of replacing these brands in Portugal with a single brand name: Millennium bcp. The rebranding in other markets was completed in 2006. All banking operations controlled by BCP are now carried out under the "Millennium" brand. In Portugal, the Bank also operates under the "ActivoBank" brand.

In recent years, the Bank has refocused on operations that it considers core to its business. As part of this refocus, the Bank divested several of its international operations (in France, where it keeps a partnership with a shareholding below 20%, Luxembourg, United States, Canada, Greece, Turkey and Romania), while retaining commercial protocols to facilitate remittances from Portuguese emigrants in some markets. In 2010, the Bank transformed its Macao off-shore branch into an on-shore branch.

In February 2012, the Bank adopted a management restructuring through the introduction of a one-tier management and supervisory model, in which the Board of Directors includes an Executive Committee and an Audit Committee (the latter comprising non-executive members, and with a majority of independent members, in accordance with the applicable law).

In December 2012, the Bank prepared and presented to the Portuguese government a Restructuring Plan, required by national law and by the applicable European rules on matters of State aid. The Restructuring Plan was formally

submitted by the Portuguese government to the EC and, In July 2013, the Bank agreed on the plan with the EC, entailing an improvement of the profitability of the Bank in Portugal through continued cost reduction, among other drivers. On September 2013, the DG Comp announced its formal decision in connection with its agreement with the Portuguese authorities concerning the Bank's Restructuring Plan. Pursuant to the decision, the Bank's Restructuring Plan was found in compliance with the European Union's rules relating to State aid, demonstrating the Bank's viability without continued State support. The implemented Restructuring Plan aimed at strengthening the Bank's strategy by focusing on its core activities.

In May 2014, as part of a process to refocus on core activities defined as a priority in its Strategic Plan, the Bank announced that it agreed with the international insurance group Ageas a partial recast of the strategic partnership agreements entered into in 2004, which included the sale of its 49% interest in the (currently jointly owned) insurance companies that operate exclusively in the non-life insurance business, i.e. Ocidental – Companhia Portuguesa de Seguros, S.A. and Médis – Companhia Portuguesa de Seguros de Saúde, S.A..

In April 2016, the Bank announced the conclusion of the merger between Banco Millennium Angola, S.A. with Banco Privado Atlântico, S.A., resulting in the second-largest private sector bank in Angola in terms of loans to the economy, with a market share of approximately 10% in business volume. The entity resulting from this merger ceased to be controlled by BCP.

In January 2017, BCP announced a EUR 1.3bn rights issue with transferable pre-emptive subscription rights. The aim of this transaction was to bring forward the full repayment of remaining Government Subscribed Securities and the removal of key State-aid related restrictions, including the dividend ban, the risk of potential sale of core businesses and the tail risk of conversion. This transaction was designed to strengthening the balance sheet through the improvement of the CET1 FL ratio and Texas ratio, bringing them in line with new industry benchmarks and above regulatory requirements.

On December 27, 2019, the merger deed of Banco de Investimento Imobiliário, S.A., a wholly-owned subsidiary of Banco Comercial Português, S.A., by incorporation into the latter, was signed, thus completing the incorporation process of Banco de Investimento Imobiliário, S.A. into Banco Comercial Português, S.A..

On 27 August 2019, the Extraordinary General Meeting of Bank Millennium S.A., in which 216 shareholders representing 78.53% of its share capital, participated, approved the merger of Bank Millennium S.A. with Euro Bank S.A.. The completion of the integration of Eurobank S.A. into Bank Millennium S.A. took place in November, with the Bank resulting from the

merger now operating under a single brand, a single operating system and a single legal entity.

On June 29, 2021 BCP entered into an agreement with Union Bancaire Privée, UBP SA regarding the sale of the entire share capital of Banque Privée BCP (Suisse) SA ("Banque Privée"). The sale of the entire share capital of Banque Privée BCP (Suisse) SA ("Banque Privée") to Union Bancaire Privée, UBP SA was completed on November 2, 2021. The sale of Banque Privée allows BCP Group to pursue its strategy of focusing resources and management on core geographies, enhancing their development and thus creating value for stakeholders.

On 29 December 2021, BIM – Banco Internacional de Moçambique, SA (a bank incorporated under Mozambican law in which BCP indirectly holds a stake of 66.69%) formalized the entry into force of a long-term agreement with Fidelidade – Companhia de Seguros, SA, with a view to strengthening capabilities and expanding the offer of insurance through the banking channel (bancassurance) in Mozambique. Under this partnership, the possibility of which was provided for in the memorandum of understanding signed between BCP and the Fosun Group in November 2016, BIM and Fidelidade also formalized the sale by BIM to Fidelidade of shares representing 70% of the share capital and voting rights of Seguradora Internacional de Moçambique, SA, with BIM maintaining approximately 22% of its share capital. BIM and Fidelidade also agreed call and put options with a view to enabling Fidelidade to acquire additional shares, and BIM's shareholding, as a result of these options, may be reduced to 9.9% of SIM's capital. Under the long-term exclusive distribution agreement, BIM will promote the distribution of SIM insurance through the banking channel, continuing to provide its customers with a wide range of competitive insurance products, which is reinforced by the partnership with Fidelidade, an Insurance Group of reference.

In the 1st half of 2023, Bank Millennium concluded the sale of 80% of Millennium Financial Services, as part of the strategic partnership in the bancassurance area.

In the 1st half of 2024, Bank Millennium S.A. informed that it took a decision to complete the implementation of the Recovery Plan, notifying of the fact Polish Financial Supervision Authority and Bank Guarantee Fund.

In the 3rd quarter of 2024 Earnings Presentation, BCP and Bank Millennium presented their strategic plans for 2025-28.

Governance

Banco Comercial Português, S.A. has a one-tier management and supervision model, composed of a Board of Directors (BD), which includes an Executive Committee (EC) and an Audit Committee composed of only non-executive directors and with a majority of independents. The Company also has a Remuneration and Welfare Board (RWB) and a Strategic Board.

In addition, the Group uses a Statutory Auditor and an external auditing firm to audit the individual and consolidated accounts of the Bank, elected at the General Meeting.

The BD is the governing body of the Bank with the broad powers of management and representation, pursuant to the law and the articles of association.

According to the Bank's Articles of Association, the Board of Directors is composed of a minimum of 15 and a maximum of 19 members, with and without executive functions, elected by the General Meeting for a period of four years, with re-election permitted. As of March 31, 2026, the Board of Directors was composed of 17 members, of whom 13 were elected at the General Meeting held on May 4, 2022. The remaining members were co-opted by the Board of Directors: two on October 11, 2022, and the co-option was ratified at the General Meeting held on December 20, 2022; one on January 22, 2025, ratified at the General Meeting held on May 22, 2025; and the most recent on November 27, 2025, ratified at the General Meeting of May 7, 2026. All co-options were subject to authorization to exercise functions by the European Central Bank.

Of the 17 members who comprised the Board of Directors as of March 31, 2026, 6 are executives and 11 are non-executives, of which 6 are qualified as independent.

The Board of Directors (BD) began its term of office on September 5, 2022, and was responsible for appointing the Executive Committee (EC), composed of six of its members, with its Chairman appointed by the General Assembly. The BD delegated the day-to-day management of the Bank to the EC, which is responsible for ensuring all management functions not reserved for itself by the BD. The EC is assisted by several committees and subcommittees, which are responsible for the special monitoring of certain relevant matters.

At the General Meeting held on May 7, 2026, after the reference period, the election of the members of the Board of Directors, including the members of the Audit Committee, for the 2026-2029 term was resolved, with the following composition: Nuno Manuel da Silva Amado,

Chairman; Jorge Magalhães Correia, 1st Vice-Chairman; Valter Rui Dias de Barros, 2nd Vice-Chairman; Miguel Maya Dias Pinheiro, 3rd Vice-Chairman and Chairman of the Board (CEO); António Ferreira Pinto Júnior; Carla Sofia Pereira Bambulo; Fernando da Costa Lima; Isabel Maria de Oliveira Capelôa Gil; João Nuno de Oliveira Jorge Palma; José Pedro Rivera Ferreira Malaquias; Luís Miguel Manso Correia dos Santos; Maria João Almeida Gonçalves de Almeida; Maria Madalena Cascais Mendes Tomé; Maria José Henriques Barreto de Matos de Campos; Miguel de Campos Pereira de Bragança; Patrícia Andrea Bastos Teixeira Lopes Couto Viana, President of CAUD, and Vicent Li (Tao Li). On May 21, 2026, the European Central Bank finalized the authorization process for all elected members, granting authorization to all elected directors to perform their duties. The composition of the Executive Committee and the remaining Committees, with the exception of the Audit Committee, which was established by resolution of the General Meeting, was decided at a Board of Directors meeting held on May 27, 2026.

Among the elected members, Maria João Almeida Gonçalves de Almeida informed the Chairman of the Board of Directors of her unavailability to accept the position, indicating supervening reasons of a professional nature, and therefore will not be part of the new composition.

The company's oversight is ensured by an Audit Committee (AudC), elected by the General Assembly, and composed of a minimum of 3 and a maximum of 5 members, elected together with the other directors. The lists proposed for the Board of Directors must specify the members intended to form the Audit Committee and indicate its Chairman. The new AudC will be composed of 4 non-executive directors, the majority of whom will be independent members, as will its chairman.

The RWB's mission is to observe the long-term interests of shareholders, investors and other interested parties, as well as the public interest in general. It is made up of three to five members, all independent of the EC members.

The Strategic Board is a non-permanent consultative body and its inherent members are the President and Vice-Presidents of the BD, as well as the President of the EC.

The Board of Directors also has other committees to which it delegates some powers, in addition to the Executive Committee and the Audit Committee, which have their own and delegated powers, namely the Risk Assessment Committee (CAvR), the Nominations and Remuneration Committee (CNR) and the Corporate

Governance, Ethics and Sustainability Committee (CGSES).

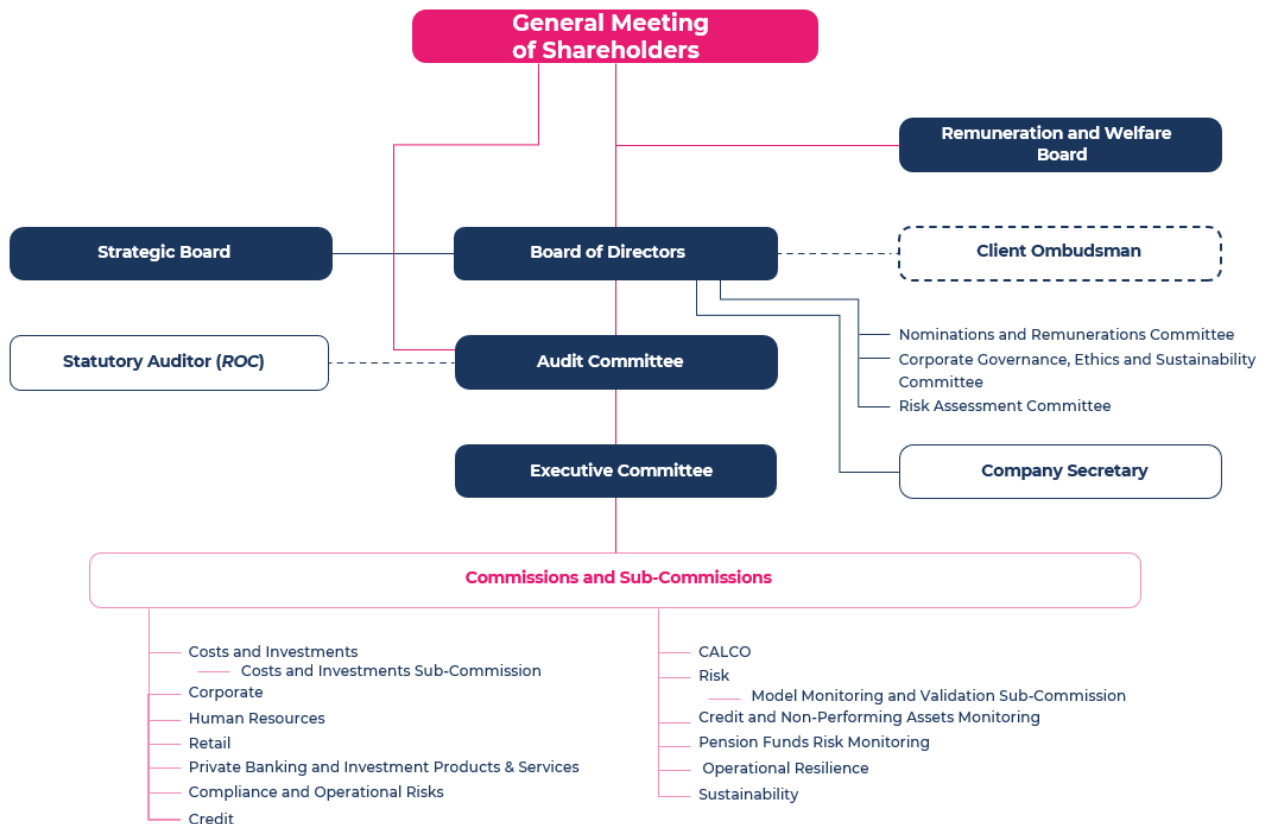
The CAVR advises and supports the Board of Directors on the Bank's strategy and risk appetite, monitoring its implementation, in accordance with the law and its Rules of Procedure.

The CNR has powers to assess the suitability requirements of the members of the Board of Directors, its Committees and holders of essential functions, to define the Succession and Remuneration policies for Directors and Employees, monitoring their implementation, as well as other matters relating to the Bank's human resources, in accordance with the law and its Rules of Procedure.

CGSES is responsible for monitoring corporate governance policies and processes, conduct, values and social responsibility, overseeing the Bank's sustainability initiatives, monitoring the Corporate Social Responsibility Plan and the Data Protection program, as well as issuing opinions on the annual governance and sustainability reports.

The Company Secretary and the Alternate Secretary are appointed by the Bank's BD, and their term-of-office matches that of the BD that appointed them.

Corporate Governance Model



Identification and composition of the Corporate Bodies and Committees from the Board of Directors

At the time of approval of this report, the Board of Directors and its Committees have the following composition:

	Board of Directors (BD)	Executive Committee (EC)	Audit Committee (AudC)	Committee for Corporate Governance, Ethics and Sustainability (CCGES)	Committee for Nominations and Remunerations (CNR)	Risk Assessment Committee (RAC)
Nuno Manuel da Silva Amado (Chairman of BD)	●			●		
Jorge Manuel Baptista Magalhães Correia (Vice-Chairman of BD)	●					
Valter Rui Dias de Barros (Vice-Chairman of BD)	●		●	●		
Miguel Maya Dias Pinheiro (Vice-Chairman of BD and CEO)	●	●				
António Ferreira Pinto Júnior	●	●				
Carla Sofia Pereira Bambulo	●		●			●
Fernando da Costa Lima	●		●			●
Isabel Maria de Oliveira Capelôa Gil	●				●	
João Nuno de Oliveira Jorge Palma	●	●				
José Pedro Rivera Ferreira Malaquias	●			●		●
Luís Miguel Manso Correia dos Santos	●	●				
Maria Madalena Cascais Mendes Tomé	●					
Maria José Henriques Barreto de Matos de Campos	●	●				
Miguel de Campos Pereira de Bragança	●	●				
Patrícia Andrea Bastos Teixeira Lopes Couto Viana	●		●		●	
Vicent Li (Tao Li)	●				●	

The Remunerations and Welfare Board, elected at the General Meeting of 7 May 2026 for the 2026/2029 term of office, is chaired by José António Figueiredo Almaça and composed of the two vice-chair Jorge Magalhães Correia and Valter Barros.

The Strategic Council, as an advisory and non-permanent body, has a variable composition, with the Chairman and Vice-Chairmen of the Board of Directors being members by virtue of their office.

The Board of the General Meeting elected for the 2024/2027 four-year period at the General Meeting of May 22, 2024, underwent a change in its composition due to the resignation of the then-elected President, Pedro Rebelo de Sousa. The resignation was accepted, and a new President was elected at the General Meeting of May 7, 2026, for the remainder of the current term. Currently, its composition is as follows:

- Chair: Luís Miguel Nogueira Freire Cortes Martins
- Vice-chairman: Octávio Castelo Paulo
- Secretary of the Board: Company Secretary (Ana Moniz Macedo)

Main events in Q1 2026

In the first quarter of 2026, within an environment characterised by the uncertainty, stemming from geopolitical tensions and a challenging macroeconomic context, BCP continued to pursue its strategy of supporting companies and households through close monitoring and the provision of services based on principles of rigor, reliability, and quality, fully aligned with Customer expectations.

On 20 January 2026, the Bank informed that it has decided to exercise the option to early redeem all of its EUR 500,000,000 Senior Preferred Fixed to Floating Rate Notes due 2027 (ISIN: PTBCPHOM0066), issued on 12 February 2021 under the Euro Note Programme, in accordance with condition 6(d) of the terms and conditions of the Notes and the final terms of the Notes.

On 29 January 2026, the Bank informed that it has fixed the terms for a new issue of senior preferred debt securities eligible for MREL (Minimum Requirement for own funds and Eligible Liabilities), under its Euro Note Programme.

The issue, in the amount of EUR 500 million, has a tenor of 6 years and 3 months, with the option of early redemption by the Bank on 5 May 2031, an issue price of 99.990% and an annual interest rate of 3.250% until the Optional Redemption Date. The interest rate from the Optional Redemption Date was set at 3-month Euribor plus a 0.72% spread.

The issue was placed among a diversified base of institutional investors, namely in investment funds, banks and pension funds, enabling the tightening of the spread by more than 25bp during the execution phase.

SUBSEQUENT EVENTS

On 7 May 2026, the Bank informed that it has concluded, at the Bank's facilities and through electronic means with 68.53% of the share capital represented, the Annual General Meeting of Shareholders, with the following resolutions:

Item One – Approval of the management report, the balance sheet and the individual and consolidated accounts for the financial year 2025, the Corporate Governance Report, which includes a chapter on the remuneration of the management and supervisory bodies, and the Sustainability Report;

Item Two – Approval of the proposal for the appropriation of profits regarding the 2025 financial year;

Item Three – Approval of a vote of trust and praise addressed to the Board of Directors, including to the Executive Committee and to the Audit Committee and each one of their members, as well as to the Chartered Accountant and its representative;

Item Four – Approval of the updating the Shareholder Distribution Policy;

Item Five – Approval of the aspects of the remuneration framework for Members of the Management and Supervisory Bodies submitted to the Assembly and, in particular, on:

- a) Updating the Remuneration Policy for Members of the Management and Supervisory Bodies (including ratification of the Remunerations and Welfare Board decision regarding equity and alignment of welfare frameworks);
- b) The variable component of the remuneration of the executive members of the Board of Directors.

Item Six – Approval of the reduction of the Bank's share capital by up to €240,000,000.00 (two hundred and forty million euros), with the special purpose of cancelling own shares already acquired or to be acquired under the share buyback programme, involving the cancellation of own shares representing up to 8% of the total number of shares representing the share capital, as well as the related reserves, with the consequent amendment of Article 4(1) of the Articles of Association;

Item Seven – Approval of the increase of the Bank's share capital to €3,000,000,000, by incorporating the special reserve that may be set up under item Six of the Agenda, by the amount corresponding to the resulting share capital reduction and without issuing new shares, with the consequent amendment of Article 4(1) of the Articles of Association;

Item Eight – Ratification of the co-option of a member of the Board of Directors for the 2022/2025 term of office;

Item Nine – Election of the Board of Directors for the 2026/2029 term of office, including the Audit Committee;

Item Ten – Election of the Remunerations and Welfare Board for the 2026/2029 term of office;

Item Eleven – Approval of the authorisation provided for in Article 5(1) of the Articles of Association, as well as on the amendment of the respective wording;

Item Twelve – Approval of the acquisition and disposal of own shares and bonds;

Item Thirteen – Approval of the acceptance of the resignation and vote of praise for the outgoing member and selection of the President of the General Assembly to serve until the end of the current term (four-year period 2024/2027).

On 13 May 2026, the Bank informed that Fitch Ratings upgraded BCP's long-and short-term deposits to 'A' from 'A-' and to 'F1' from 'F2', following the publication, on 8 May 2026, of its updated Bank Rating Criteria.

AWARDS AND DISTINCTIONS

Millennium bcp received several distinctions at the beginning of 2026:

- “Consumer Choice” award in 2026 for the sixth consecutive year in the “Large Banks” category.
- Renewed its status, in 2026, as leader in the 'Large Banks' and 'banking apps' categories, for the fourth consecutive year, for the Prémio Cinco Estrelas.
- In 2026, in the 5-Star Award category - "Large Banks" - Millennium bcp obtained the best overall rating among the banks evaluated.
- Millennium bcp's corporate website has been recognised as Product of the Year 2026 in the "Companies" category.
- Distinguished at the Euronext Lisbon Awards 2026 in the categories of: Equity Champion (listed company with the highest total return), Local Market Member - Equity (member with the highest value traded on Euronext Lisbon in this category), Market Member - Bonds (member with the highest value traded on Euronext Lisbon in this category), Structured Finance - Warrants and Certificates (member that generated the greatest growth in the securities identified in this category).
- Awarded Best Distributor of Structured Products in Portugal by Structured Retail Products.

ActivoBank also received several distinctions at the beginning of 2026:

- “Consumer Choice” award for the eight consecutive time in the “Digital Bank” category in 2026.
- “Five Stars” award for the third consecutive year, in the “Digital Banking” category in 2026.
- Recognised by DECO PROteste as the Right Choice for Current Accounts, reinforcing its position as one of the most advantageous solutions on the market, as well as the Right Choice for ETF Investments. ActivoBank is therefore the best choice among regulated banks in Portugal in 2026.

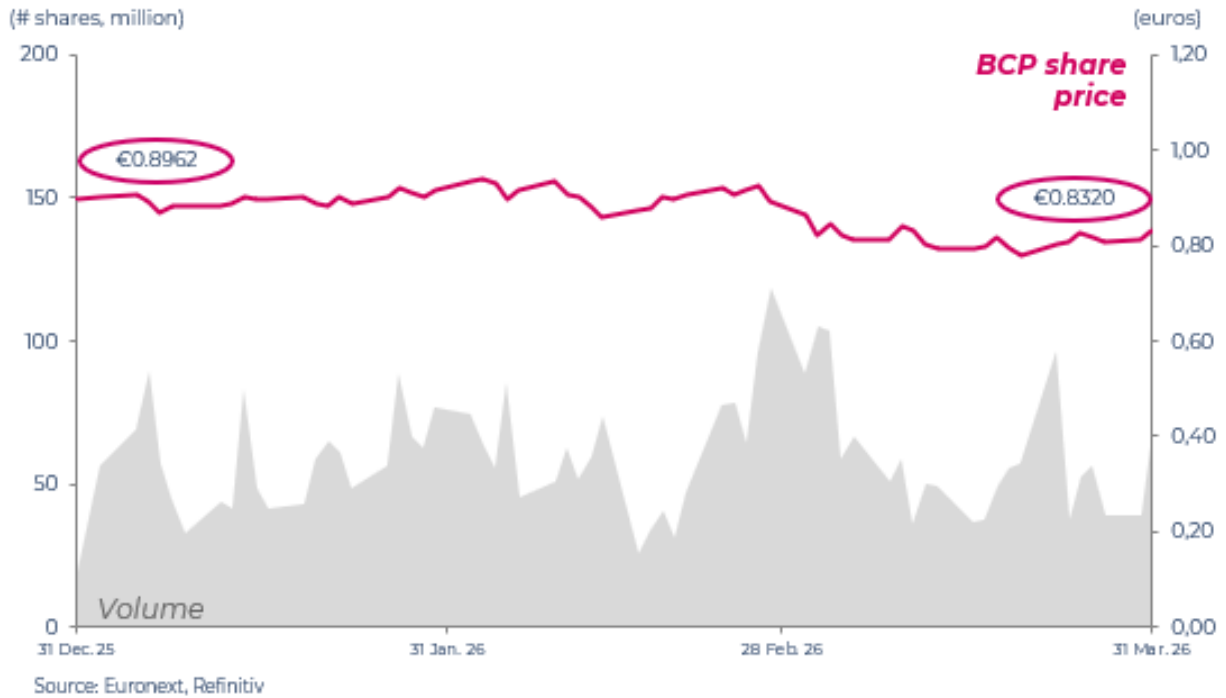
Bank Millennium was distinguished at the beginning of 2026:

- Distinguished for the third consecutive year as Top Employer Polska in 2026 by the Top Employers Institute.

Millennium bim was also distinguished at the beginning of 2026:

- Recognised by Global Finance, as Best Bank in 2026.

BCP Share



In the first quarter of 2026, BCP shares fell by 7.2%, compared with a 7.1% decline in the European banking benchmark index, the STOXX® Europe 600 Banks.

Despite the fall seen in Q1 2026, it is worth noting the market's positive reaction to the 2025 results, released in February. Particular mention should be made of the resilience of net interest income, the growth in business volumes and the reduction in charges associated with the CHF-denominated mortgage loan portfolio in the Polish operation, which contributed to a positive assessment of the results achieved by the Bank in 2025. It is also worth noting that the proposed new framework for shareholder remuneration, with the potential for a total distribution of up to 90% of net profit, led to multiple upward revisions of price targets by analysts.

The performance of the share, and of the markets in general, was affected by the deterioration of the geopolitical environment at the end of the quarter, linked to the intensification of the conflict in Iran and, in particular, to the closure of the Strait of Hormuz. This situation led to a surge in fossil fuel prices, reinforcing inflationary expectations and undermining global economic growth.

At the end of March, among the analysts who regularly cover BCP, 13 analysts (62%) had a "Buy" recommendation, 7 analysts (33%) maintained a "Neutral" recommendation and 1 analyst (5%) had a "Sell" recommendation. The average price target for BCP shares, at the end of March 2026, stood at €0.98, representing an increase of 10 cents (11%) compared to the €0.88 recorded in December 2025 and 42 cents (75%) compared to the average price target in December 2024 (€0.56).

Qualified Holdings

The following Shareholders held more than 5% of the share capital of Banco Comercial Português, S.A. as of December 31, 2025:

31 March 2026

Shareholder	Nr. of shares	% of share capital	% of voting rights
Chiado (Luxembourg) S.à.r.l. (Fosun Group)	3,027,936,381	20.45%	20.45%
TOTAL FOR FOSUN GROUP	3,027,936,381	20.45 %	20.45 %
Sonangol - Sociedade Nacional de Combustíveis de Angola, EP	2,946,353,914	19.90%	19.90%
TOTAL FOR SONANGOL GROUP	2,946,353,914	19.90%	19.90%
Total of qualifying shareholdings	5,974,290,295	40.35%	40.35%

Economic environment

In its most recent projection exercise, the International Monetary Fund (IMF) revised downward the forecast for global economic activity growth in 2026, from 3.3% to 3.1%, reflecting the impact of the outbreak of the military conflict in the Middle East and the disruption in international markets, namely in energy and food commodities. The revision was broad-based across the main economies. For the United States, the IMF projects a real GDP growth of 2.3% (-0.1 p.p. compared to the previous projection), for the euro area of 1.1% (-0.2 p.p.) and for China of 4.4% (-0.1 p.p.). Regarding prices, the IMF foresees a reversal of the global disinflation trajectory, with inflation rising from 4.1% in 2025 to 4.4% in 2026, driven by the escalation of energy and food prices. For 2027, the IMF projects a moderate recovery of global GDP to 3.2%, in a framework of uncertainty characterised by the effects of the conflict in the Middle East, the persistence of trade tensions and expectations of productivity gains from the adoption of new technologies.

Over the quarter, financial markets exhibited high volatility, together with retreat in confidence indices and risk appetite. The main equity indices recorded declines, with the S&P 500 falling by approximately 5% and European indices posting more pronounced drops, reflecting their greater vulnerability to the energy shock. The sharp rise in oil prices, with Brent surpassing 100 dollars per barrel following the disruption of maritime traffic in the Strait of Hormuz, exerted upward pressure on inflation expectations, contributing to an increase in interest rates, particularly at shorter maturities. Sovereign debt risk premiums tended to widen, penalising in relative terms the economies most dependent on energy imports. The US Dollar recorded a moderate appreciation, benefitting from its safe-haven status and the position of the United States as a net oil exporter. In this context of elevated uncertainty, the European Central Bank maintained the deposit rate at 2.0%, underscoring the need to assess the impact of the conflict on economic activity and inflation in order to define the course of monetary policy. Markets began to incorporate the possibility of rate hikes in the euro area throughout 2026, in contrast with the previous expectation of maintenance or a slight decrease.

In the first quarter of 2026, Portuguese GDP recorded a null quarter-on-quarter growth, penalised by the disruption caused by storm Kristin. Banco de Portugal revised downwardly its projection for economic growth in 2026, from 2.3% to 1.8%, reflecting the worsening of geopolitical tensions and the impact of extreme weather conditions at the beginning of the year. Regarding prices, Banco de Portugal foresees an increase in the inflation rate from 2.2% to 3.1% in the second quarter of 2026, having revised upwardly its projection for the full year 2026 by 0.7 p.p. to 2.8%, in a context of a rapid, but temporary, increase in energy prices.

In Poland, economic activity is expected to maintain robust growth in 2026. The IMF projects a GDP growth of 3.3%, supported by the peak absorption of European funds, which is expected to boost investment, and by private consumption, which will continue to benefit from the increase in real disposable income and from an unemployment rate at historically low levels. In the first quarter of 2026, the inflation rate stood at 2.4%, a level consistent with the monetary policy objective of the National Bank of Poland, following a downward trajectory throughout 2025. In this context, the central bank reduced the reference rate to 3.75% in March 2026, with the Zloty depreciating against the euro in the first quarter of 2026.

After the contraction recorded in 2025, the IMF foresees a modest growth of the Mozambican economy in 2026 of 0.5%, with the dissipation of the effects of post-electoral tensions and climate shocks. In the first quarter of 2026, the price level decelerated from 4.15% to 3.15%, which supported the decision of Banco de Moçambique to lower the MIMO rate to 9.25%. In this context, the Metical remained relatively stable against the euro.

Characterisation of Business Model

Nature of operations and main activities

The Group provides a wide variety of banking services and financial activities in Portugal and abroad: Poland, Mozambique, Angola (through its associate BMA) and China (Macao). All its banking operations develop their activity under the Millennium brand. The Group also ensures its international presence through representation offices and/or commercial protocols.

The Bank offers a vast range of financial products and services: current accounts, payment systems, savings and investment products, private banking, asset management and investment banking, including mortgage loans, personal loans, commercial banking, leasing, factoring and insurance, among others. The back-office operations for the distribution network are integrated to benefit from economies of scale.

In Portugal, Millennium bcp is focused on the retail and companies markets, providing services to its Customers in a segmented manner. The Bank makes products available to Customers through its network of branches, allowing to offer to Customers a wide range of products and services..

Distinctive factors of the business model

Largest private sector banking institution

BCP is the largest private banking institution in Portugal in terms of business volume, holding a leading and prominent position in various financial products and services as well as in several market segments. Its activity is based on a modern branch network with extensive national coverage, as well as through remote and digital support channels (telephone banking, mobile banking and internet banking) that it makes available to its Customers.

The activity in the domestic market focuses on Retail Banking and Companies, which is segmented in order to best serve Customer needs, through a value proposition based on innovation and speed, targeting Mass-market Customers, and through the innovation and customized management of service for Prestige, Business, Private, Companies, Corporate and Large Corporate Customers. Retail Banking is also developed through

ActivoBank, a bank aimed specifically at Customers who are young in spirit, intensive users of new technologies and prefer a banking relationship based on simplicity and innovative products and services.

At the end of December 2025, Millennium bcp continued to be the largest Portuguese privately-owned bank on business volumes and with a relevant position in the countries where it operates.

On 31 March 2026, operations in Portugal accounted for 63% of total assets, 69% of total gross loans to Customers and 67% of total customer funds. At the end of March 2026, the Bank, in Portugal, had more than 2.8 million active Customers and market shares of 16.3% of loans to Customers and 18.3% of customer deposits.

International presence as a platform for growth

At the end of March 2026, Millennium bcp had an international presence throughout the world through its banking operations, representative offices and/or commercial protocols, serving more than 7.3 million active Customers.

In Poland, Bank Millennium has a well distributed network of branches, supported by a modern multi-channel infrastructure.

At the end of March 2026, Bank Millennium had a market share of 5.3% in loans to Customers and of 5.8% in deposits.

Concerning its African operations, Millennium bcp develops its activity through Millennium bim, a leading universal bank operating in Mozambique since 1995, with over 1.4 million active customers and market shares of 17.7% in customer loans and 20.4% in deposits as of the end of February 2026. Millennium bim is a highly recognised brand in the Mozambican market, associated with innovation and a great capacity to attract new customers.

On 22 April 2016, the deed of the merger of Banco Millennium Angola, S.A. with Banco Privado Atlântico, S.A. was signed. The bank resulting from the merger is an associate of Banco Comercial Português, consolidated by the equity method.

The Group also operates in the Far East since 1993. The activity of the existing branch in Macau was expanded in 2010, through the attribution of a full license (onshore) aimed at establishing an international platform for

business operations between Europe, China and Portuguese-speaking African countries.

The Bank also has 3 representation offices (1 in the United Kingdom and 2 in Switzerland) and 1 commercial protocol (France).

Growth based on digital/mobile banking

Since its incorporation, the Bank has been recognised by the innovation. The Bank was the first in Portugal to introduce specific innovative concepts and products, including direct marketing methods, branch formats based on Customer profiles, salary accounts, simplified branches ("NovaRede"), telephone banking services, through Banco 7, which later became the first online banking services platform, health insurance (Médis) and direct insurance, and a website dedicated to individual Customers and to the corporate banking segment. The Bank was also a pioneer in the launching of a new Internet Banking concept, based on the ActivoBank platform, which provides a simplified service to the Customer, including the opening of a current account using Mobile Banking solutions.

In the first quarter of 2026, noteworthy is the strong growth in the number of mobile transactions, in year-on-year terms:

- +6% on transactions (+10% P2P transfers; +75% # % of digital credit, +88% # approval letter signatures in the App);
- +5% on sales (+18% # credit cards; +77% # % digital investment funds, +40% # scheduling of mortgage deeds in the App).

The number of digital interactions increased by 7.1% year-on-year, rising from 182 million to 195 million.

Digital transactions remained at 99.6%, with a continued reduction in ATM transactions offset by an increase in digital transactions.

Digital sales stabilized at 83%, with a notable increase in sales made through the App.

The Millennium App leads in the ratings of technological platforms with scores very close to the maximum value (5).

Closer to its Customers

At the Group level, BCP surpassed 7.3 million active customers, with a highlight being mobile customers who increased by 8% in the first quarter of 2026 (+426,000 customers), reaching 5.5 million, representing a penetration rate of 75% of active customers. In March 2025, mobile customers totaled 5.0 million and the penetration rate was 72%.

In Portugal, BCP has approximately 2.9 million active customers, which clearly demonstrates the confidence placed in BCP, and with regard to mobile customers, it maintained a growth trend, having increased by 8% (+151,000 customers) compared to March 2025. In March 2026, the Bank reached more than 1.9 million mobile customers, representing 67% of the active customer base in Portugal, compared to 64% in the same period of the previous year.

Based on the Bank's distinctive competencies and quality of service, customers continue to consistently reward BCP, having been selected as "Consumer Choice" for the 6th consecutive year. The Bank was also again awarded the 5-Star award among major banks in 2026, in the banking apps category. In the business segment, the Business website was chosen as product of the year in 2026.

Business Model Sustainability

The Bank, aiming to strengthen its sustainability and responsible finance offering and performance, continued to lead a transformative dynamic of adapting to ESG (Environmental, Social, and Governance) requirements that allowed it to meet the needs of its Customers, the expectations of supervisors, and, in general, the ambitions of its stakeholders in these areas.

Within the framework of its governance and decision-making model, the Bank has a Board of Directors Committee responsible for Corporate Governance, Ethics, and Sustainability, and a Sustainability Committee reporting to the Executive Committee and led by the CEO. The Bank also has a Sustainability Master Plan (SMP), a management tool that coherently and coherently encompasses the multidisciplinary actions to be developed within the scope of ESG across all of the BCP Group's operations.

The Bank intervention is thus divided into three fundamental axes: (i) Environmental, aiming at the implementation of measures that foster a fair and inclusive transition to decarbonized economic development models, including the incorporation of the climate dimension into the Bank's risk models and the commercial offering of solutions, products and services; (ii) Social, which ensures and promotes, together with the Millennium bcp Foundation, engagement with the external community and the internal community in establishing lasting relationships of proximity and cooperation and in the creation of shared value; and (iii) Corporate Governance, promoting the integration of Sustainability principles into the Bank's decision-making and control processes, in the management of its supply chain and in the definition of its value proposition.

This alignment with Sustainability principles is central to the Bank, and to organizations in general, remaining a privileged means of determining the social and environmental impact of its activities. The Bank remained aware of its competitive, reputational, and business advantage, incorporating environmental, social, and governance factors, opportunities, and risks into its decision-making processes and reflecting them in the offering of solutions, products, and services.

This Sustainability is one of the vectors of the "Valorizar 28" Strategic Plan, a document that summarizes Millennium bcp's vision, objectives, and value proposition for the 2025-2028 four-year period.

Financial information

Results and Balance Sheet

PROFITABILITY ANALYSIS

NET INCOME

In the first quarter of 2026, the consolidated net income amounted to EUR 306 million, corresponding to a 25.6% growth compared to the EUR 243 million achieved in the same quarter of the previous year and to a return on equity (ROE) of the Group of 15.9% (13.9% in the first quarter of 2025).

The growth of the net income of the Group compared to the first quarter of the previous year benefitted mainly from the favourable performance of the activity in Portugal, reflecting also a greater contribution from the international activity compared to the first quarter of the previous year.

Compared to the first quarter of 2025, net income of the Group benefitted from the favourable evolution of core income, net trading income and other net operating income. Results on modification and equity accounted earnings also showed a favourable evolution, although with a less significant impact on the performance of net income of the Group. On the other hand, the reduction in impairments and provisions contributed significantly to the growth observed compared to the first quarter of the previous year. Conversely, during the same period, an increase in operating costs was recorded.

Core income increased by 3.7% (EUR +34 million) to EUR 956 million at the end of the first quarter of the current year, reflecting the favourable performance of both net interest income and net commissions. Net interest income stood 2.4% (EUR +17 million) above the amount recorded in the first quarter of 2025, reaching EUR 738 million at the end of the first quarter of 2026, with the impact of growth in the activity in Portugal being partly offset by the lower contribution from international operations compared to the first quarter of 2025. Net commissions, in turn, mainly driven by the performance of the activity in Portugal, increased by 8.2% (EUR +17 million) from the first quarter of the previous year, totalling EUR 218 million in the first quarter of 2026.

The significant increase of net trading income of the Group, from EUR 30 million in the first quarter of 2025 to EUR 50 million in the first quarter of 2026 (+68.6%; EUR +20 million), was determined by the higher contribution of the activity in Portugal compared to the same period of the previous year. In the international activity, net trading income was lower than that recorded in the first quarter of 2025.

Other net operating income also contributed favourably to the evolution of net income of the Group, by evolving from a negative amount of EUR 56 million in the first quarter of 2025, to an also negative amount of EUR 39 million in the first quarter of 2026 (EUR +17 million). This performance was driven by the favourable contribution of both domestic and international activity, notably that of the Polish subsidiary, which, despite the increase in costs associated with the mandatory contributions to which the subsidiary is subject, recorded, among other factors, a favourable evolution in the impacts associated with the foreign exchange mortgage portfolio recognised under this heading.

The total impact before taxes and non-controlling interests associated with foreign exchange mortgage portfolio in the Polish subsidiary continued to influence the results of the Group, despite a 61.7% reduction, as it evolved from a cost of EUR 131 million in the first quarter of 2025 to a cost of EUR 50 million in the first quarter of 2026.

Although not very significant, results on modification, exclusively recognised in the Polish subsidiary, also contributed to the favourable performance of the net income of the Group, evolving from a negative amount of EUR 4 million in the first quarter of 2025 to an also negative but immaterial amount within the scope of this analysis at the end of the first quarter of the current year (EUR +4 million), influenced by the absence in the first quarter of 2026 of costs associated with contractual modifications negotiated with customers with foreign exchange mortgage loans.

Equity accounted earnings also increased (+17.2%) compared to those recorded in the first quarter of the previous year, totalling EUR 16 million in the first quarter of 2026.

Impairment and provisions recorded a significant decrease, driven by the evolution of other impairment and provisions, as, on a consolidated basis, loan impairment charges net of recoveries remained broadly in line with the amount recorded in the first quarter of 2025, totalling EUR 56 million in the first quarter

of 2026 (+0.4%). Other impairment and provisions, in turn, decreased by 30.1% (EUR -40 million), amounting to EUR 92 million at the end of March 2026. The contribution from the international activity was key to this performance, despite the increase recorded in the activity in Portugal.

The evolution of consolidated net income compared to the first quarter of the previous year was also influenced by a 4.5% increase (EUR +15 million) in operating costs, to EUR 355 million at the end of the first quarter of 2026, despite the disciplined management of costs by the Group.

In the first quarter of 2026, core operating profit of the Group amounted to EUR 601 million, growing 3.2% from the amount achieved in the previous year, since the increase in core income exceeded the increase in operating costs.

The previous analysis does not exclude the impact of specific items considered in each period in staff costs in the activity in Portugal. In both periods, the impact of specific items before taxes and non-controlling interests was negative in the amount of EUR 1 million in the first quarter of 2026 and of an immaterial amount within the scope of this analysis in the first quarter of 2025. Excluding the impact of specific items in both periods, core operating profit of the Group stood 3.3% above the amount recorded at the end of March of the previous year.

In the activity in Portugal, net income of the first quarter of 2026 amounted to EUR 265 million, growing 21.2% from the EUR 219 million achieved in the same period of the previous year.

The favourable evolution of net income in the activity in Portugal was largely driven by the increase in core income, from EUR 474 million in the first quarter of 2025 to EUR 518 million in the same period of the current year. This performance was mainly driven by a 9.8% increase (EUR +32 million) in net interest income to EUR 358 million at the end of March of the current year. Net commissions, in turn, grew by 8.5% (EUR +13 million) over the same period, reaching a total of EUR 160 million in the first quarter of 2026.

Net income of the activity in Portugal was also favourably influenced by the significant increase in net trading income (EUR +24 million from the first quarter of 2025), to EUR 37 million at the end of the first quarter of the current year.

Although to a lesser extent, both other net operating income, which went from a negative amount of EUR 2 million in the first quarter of 2025 to an income of EUR 6 million in the first quarter of 2026 (EUR +8 million), and equity accounted earnings, which totalled EUR 14 million at the end of the first quarter of 2026 (+16.0%, EUR +2 million), evolved favourably compared to the same period of the previous year.

On the other hand, net income of the activity in Portugal was influenced by the increase in impairments and provisions, mainly driven by other impairment and provisions, which rose from EUR 5 million to EUR 16 million at the end of March 2026, as well as by a 7.2% increase in loan impairment charges (net of recoveries) (EUR +2 million to EUR 36 million at the end of March 2026).

Operating costs, in turn, increased 4.5% (EUR +8 million) totalling EUR 176 million at the end of the first quarter of 2026. Excluding the impact of specific items, the increase of operating costs in the activity in Portugal was 4.2%.

The impact of the evolution of core income together with operating costs in the activity in Portugal resulted in an increase of 12.1% in core operating profit, to EUR 342 million in the first quarter of 2026. Excluding the specific items mentioned above, core operating profit in the activity in Portugal increased 12.3%.

In the international activity, net income evolved positively from the first quarter of the previous year, totalling EUR 40 million at the end of the first quarter of 2026, which corresponds to an increase of 64.6% compared to the EUR 25 million recorded in the same period of the previous year, mainly reflecting the stronger results achieved by Bank Millennium in Poland.

In fact, net income of Bank Millennium reached EUR 71 million in the first quarter of 2026, showing a strong growth of 66.3% from the EUR 43 million recorded in the same period of the previous year. This performance was influenced by the reduction in the overall amount of costs associated with the portfolio of foreign exchange mortgage loans. In this analysis, it is worth noting the increase in the income tax rate for banks in Poland, from 19% in 2025 to 30% in 2026.

Regarding Millennium bim in Mozambique, net income amounted to EUR 5 million at the end of the first quarter of 2026, although still constrained by additional provisions charges associated with the sovereign debt risk exposure.

The contribution of the Angolan operation to the results of the international activity, through the appropriation of the results of Banco Millennium Atlântico recognised in equity accounted earnings, increased compared to the first quarter of 2025, totalling EUR 1 million in the first quarter of the current year.

Core operating profit, in the international activity, stood at EUR 260 million in the first quarter of 2026, standing 6.6% below the amount recorded in the same period of the previous year, mainly due to the evolution of the net interest income of the Polish subsidiary, which despite the strong growth recorded in volumes, was influenced by the sharp reduction in interest rates (average 3-month WIBOR rate in the first quarter of 2025 of 5.86% and 3.87% in the first quarter of 2026).

NET INTEREST INCOME

In the first quarter of 2026, net interest income of the Group reached EUR 738 million, standing 2.4% above the amount posted in the same period of the previous year. This evolution reflects the favourable performance of the activity in Portugal whose impact was partly offset by the reduction in net interest income in the international activity, when compared to the amount recorded in the first quarter of 2025.

In fact, net interest income, in the activity in Portugal, totalled EUR 358 million in the first quarter of 2026, increasing 9.8% from the amount recorded in the first quarter of 2025.

The lower cost of funding and the higher income generated by the sovereign debt portfolio largely offset the lower income generated by the customer loan portfolio, by securities portfolio excluding the sovereign debt portfolio and by liquidity deposited in Banco de Portugal.

The evolution of interest rates in the last year allowed costs associated with the remuneration of deposits from customers to decrease compared to the first quarter of 2025. Despite the increase in average balance of interest-bearing deposits in this period, its impact was not significant in net interest income evolution.

The evolution of net interest income also benefitted from lower costs incurred with issued debt and subordinated debt, driven not only by the decrease in interest rates but also reflecting an active and efficient debt management, with optimisation of funding conditions.

The increase in income generated by the sovereign debt portfolio also contributed favourably to the evolution of net interest income compared to the first quarter of 2025.

On the other hand, the reduction in income generated by the customer loan portfolio compared to the first quarter of the previous year mainly reflects the decrease in interest rates, as the increase in the average balance of the portfolio was insufficient to offset this effect.

In the international activity, net interest income amounted to EUR 381 million in the first quarter of 2026, standing 3.7% below the EUR 395 million accounted in the first quarter of 2025.

In consolidated terms, net interest margin went from 3.00% in the first quarter of 2025 to 2.86% in the first quarter of 2026, reflecting the more pronounced decline recorded in the international activity.

In fact, in the activity in Portugal, net interest margin, mainly influenced by the decrease in financing costs of the activity, evolved from 2.12% in the first quarter of 2025, to 2.20% in the same period of the current year.

Net interest margin in the international activity, in turn, evolved from 4.55% in the first quarter of 2025, to 3.95% in the first quarter of 2026, mainly reflecting the reduction in this indicator recorded at the subsidiary in Poland. It is noteworthy that, the central bank of Poland reduced the reference interest rates six times in 2025 (in May, July, September, October, November and December) and also in March of the current year, corresponding to a cumulative reduction of 200 basis points over the year (from 5.75% at the beginning of 2025 to 3.75% in March 2026). The increase in liquidity invested in sovereign debt securities, resulting from the growth of customer deposits, although contributing positively to net interest income, is reflected in a reduction in net interest margin compared to the first quarter of the previous year.

EQUITY ACCOUNTED EARNINGS AND DIVIDENDS FROM EQUITY INSTRUMENTS

Equity accounted earnings together with dividends from equity instruments, which comprise dividends and equity income received from investments classified as financial assets at fair value through other comprehensive income and as financial assets held for trading, evolved from EUR 13 million in the first quarter of 2025, to EUR 16 million in the first quarter of 2026, mainly reflecting the performance of the activity in Portugal.

In fact, in the activity in Portugal, although no amounts were recorded in neither the first quarter of 2025 nor the first quarter of 2026 in respect of dividends from equity instruments, equity accounted earnings improved from EUR 12 million in the first quarter of 2025, to EUR 14 million in the same period of the current year.

In the international activity, equity accounted earnings together with the income of dividends from equity instruments evolved favourably compared to the same quarter of the previous year, mainly due to the recognition of results generated by Banco Millennium Atlântico in Angola, totalling EUR 1 million in the first quarter of 2026.

NET COMMISSIONS

In the first quarter of 2026, net commissions totalled EUR 218 million, showing a growth of 8.2% compared to the EUR 201 million recorded in the first quarter of the previous year, determined by the performance of the activity in Portugal, but also benefitting from the growth in the international activity.

In consolidated terms, both banking commissions and commissions related to financial markets stood above the amount recorded in the first quarter of 2025.

In fact, banking commissions of the Group stood 6.1% (EUR +10 million) above the amount recorded in the first quarter of the previous year, amounting to EUR 181 million at the end of the first quarter of the current year, while commissions related to financial markets increased 19.8% (EUR +6 million), totalling EUR 37 million at the end of March 2026.

NET COMMISSIONS

	<i>million EUR</i>		
	3M26	3M25 restated	Chg. 26/25
BANKING COMMISSIONS	181	170	6.1 %
Cards and transfers	67	62	8.1 %
Credit and guarantees	34	33	1.9 %
Bancassurance	39	33	18.0 %
Management and maintenance of accounts	41	41	0.2 %
Other commissions	0	2	(79.1 %)
MARKET RELATED COMMISSIONS	37	31	19.8 %
Securities operations	12	9	25.0 %
Asset management and distribution	26	22	17.7 %
	218	201	8.2 %
Of which:			
Activity in Portugal	160	148	8.5 %
International activity	58	54	7.4 %

In the activity in Portugal, net commissions amounted to EUR 160 million in the first quarter of 2026, corresponding to a growth of 8.5% from the EUR 148 million recorded in the first quarter of 2025.

Both banking commissions, which amounted to EUR 134 million in the first quarter of 2026, and commissions related to markets, which totalled EUR 26 million on the same period, evolved favourably in the last year, showing increases of 7.1% (EUR +9 million) and 16.2% (EUR +4 million), respectively.

The performance of net commissions related to the banking business in the activity in Portugal benefitted from the favourable evolution of most commissions categories, particularly those related to cards and transfers, which include amounts charged for transactions carried out with cards and the respective payment networks, for bank transfers and for the use of points of sale (POS). Commissions arising from bancassurance activity, which comprise commissions obtained from placing insurance products through the Bank's distribution networks, commissions associated with management and maintenance of accounts and, albeit with a less significant impact, commissions associated with credit and guarantees, also showed a favourable performance compared to the first quarter of the previous year. Conversely, other banking commissions recorded an unfavourable evolution compared to the first quarter of 2025, albeit with a less material impact within the scope of this analysis.

Regarding market-related commissions in the activity in Portugal, both commissions related to securities and commissions arising from asset management and distribution reached a higher level

than in the first quarter of 2025, with the growth of the former contributing more significantly to the performance of this aggregate.

In the international activity, net commissions amounted to EUR 58 million at the end of the first quarter of the current year, increasing 7.4% (EUR +4 million) from the amount recognised in the same period of the prior year, mainly driven by the growth recorded in the Polish subsidiary, both in banking commissions and in market-related commissions.

NET TRADING INCOME

In the first quarter of 2026, net trading income amounted to EUR 50 million, well above the EUR 30 million achieved in the same period of the previous year. This performance was largely influenced by the contribution of the activity in Portugal, with its impact being slightly offset by the lower contribution from the international activity compared to the first quarter of 2025.

In the activity in Portugal, net trading income evolved from EUR 13 million in the first quarter of 2025 to EUR 37 million in the first quarter of 2026, influenced by gains associated with the sale of credit recovery legacy assets.

In the international activity, the evolution of net trading income, from EUR 16 million to EUR 12 million at the end of March of the current year, was driven by the performance of the Polish subsidiary. In the subsidiary in Mozambique, net trading income was below that recorded in the first quarter of 2025, albeit with a modest impact.

OTHER NET OPERATING INCOME

Other net operating income includes, among others, the costs associated with the resolution and the deposit guarantee funds as well as with other mandatory contributions, both in the activity in Portugal and in the international activity.

Compared to the first quarter of 2025, other net operating income evolved favourably, from a negative amount of EUR 56 million, to an also negative amount of EUR 39 million at the end of the first quarter of 2026, due to the contribution of both the activity in Portugal and the international activity.

In fact, in the activity in Portugal, other net operating income improved significantly, evolving from a negative amount of EUR 2 million in the first quarter of 2025 to an income of EUR 6 million in the first quarter of 2026, primarily due to the recognition of revenue associated with the conclusion of litigation processes. None of the periods includes any material amount related to mandatory contributions, which normally occur in the second quarter of the year.

In the international activity, other net operating income evolved from a cost of EUR 54 million recognised in the first quarter of 2025 to a cost of EUR 45 million in the first quarter of 2026. This performance was mainly driven by the favourable evolution of the impacts associated with the foreign exchange mortgage loan portfolio recognised under this item in the Polish subsidiary. Conversely, costs with mandatory contributions to which this subsidiary is subject increased when compared to the first quarter of 2025.

In fact, the impacts associated with foreign exchange mortgage loan portfolio, as far as this item is concerned, evolved significantly from costs of EUR 3 million in the first quarter of 2025 to a gain of EUR 7 million in the first quarter of 2026. This performance mainly reflects the reduction in court costs related to the counterclaims filed by Bank Millennium for reimbursement of the amounts owed by customers. The compensation for costs incurred with the booking of provisions to address the legal risk implicit in foreign exchange mortgage loans to be reimbursed from a third party, following the indemnity clauses and contractual guarantees provided for in the acquisition contract of Euro Bank S.A., increased when compared with the same period of the previous year, totalling EUR 9 million at the end of the first quarter of 2026.

On the other hand, costs associated with mandatory contributions borne by the Polish subsidiary increased from EUR 46 million in the first three months of 2025 to EUR 52 million in the same period of the current year. This evolution was mainly driven by a 52.1% increase in the contribution to the resolution fund from EUR 18 million in the first quarter of 2025, to EUR 28 million in the first quarter of 2026. In contrast, following a decision by the Board of the Bank Guarantee Fund, no contributions to the deposit guarantee fund, will be charged in 2026 (EUR 4 million in the first quarter of 2025). In aggregate terms, these contributions increased by 22.7% (EUR +5 million) compared to the first quarter of 2025. The cost incurred with the special tax on the Polish banking sector, in turn, although higher than the

amount recognised in the first quarter of 2025, had a limited impact on the evolution of this item (EUR +1 million, to EUR 24 million in the first quarter of 2026).

In the subsidiary in Mozambique other net operating income did not change materially compared to the same quarter of the previous year.

OPERATING COSTS

Despite the disciplined management of costs, followed by the Group, operating costs stood 4.5% above the EUR 340 million recorded in the first quarter of 2025, totalling EUR 355 million in the first quarter of the current year. Operating costs were higher than those recorded in the first quarter of 2025, both in the activity in Portugal and in the international activity.

OPERATING COSTS

	3M26	3M25	Chg. 26/25
			<i>million EUR</i>
Staff costs	196	188	4.4 %
Other administrative costs	118	113	4.7 %
Amortisation and depreciation	40	39	4.2 %
	355	340	4.5 %
Of which:			
Activity in Portugal	176	169	4.5 %
International activity	179	171	4.4 %

The amounts presented do not exclude the impact of specific items considered in each period in staff costs in the activity in Portugal. In both the first quarter of 2026 and the first quarter of 2025, the impact was negative (EUR 1 million and an immaterial amount within the scope of this analysis, respectively).

Excluding specific items mentioned above, operating costs of the Group amounted to EUR 354 million, standing 4.3% above the EUR 340 million accounted in the first quarter of 2025. This performance was determined by the increase in staff costs (+4.1%, EUR +8 million), particularly in the Polish subsidiary and in other administrative costs (+4.7%, EUR +5 million), in this case, due to the contribution of both the activity in Portugal and the Polish subsidiary. Amortisation and depreciation, in turn, also stood above the amount recorded a year earlier (+4.2%, EUR +2 million), mainly due to the performance of the activity in Portugal.

Cost-to-income ratio stood at 36.0%, which compares with the 37.4% recorded in the first quarter of the previous year, while cost-to-core income remained in line with the 36.8% recorded in the first quarter of 2025, standing at 37.0% in the same period of the current year, excluding the impact of specific items in both cases.

Cost-to-income and cost-to-core income stated ratios evolved, respectively, from 37.4% to 36.1% and from 36.8% to 37.1%.

In the activity in Portugal, operating costs totalled EUR 176 million in the first quarter of 2026, standing 4.5% above the EUR 169 million posted in the first quarter of 2025. Excluding the specific items mentioned above, operating costs increased 4.2%, to EUR 176 million.

The evolution of operating costs in the activity in Portugal, not considering the effect of specific items, reflects the increases of 8.3% (EUR +4 million) recorded in other administrative costs and of 14.1% (EUR +3 million) in amortisation and depreciation. Staff costs remained in line with the amount recorded in the first quarter of 2025.

Excluding the impact of specific items, cost-to-income ratio in the activity in Portugal evolved from 33.9% to 30.5%, while cost-to-core income ratio went from 35.6% to 33.9% in the last year.

Cost-to-income and cost-to-core income stated ratios, in turn, stood at 30.6% and 34.0% in the first quarter of 2026, levels that compare respectively with 33.9% and 35.6% in the same period of the previous year.

In the international activity, operating costs totalled EUR 179 million in the first quarter of 2026, standing 4.4% above the EUR 171 million accounted in the same period of the previous year. This evolution was mainly due to the increase recorded in the Polish subsidiary, whose impact was partly offset by the reduction observed in the Mozambican subsidiary compared to the first quarter of 2025.

The evolution of operating costs in the international activity was mainly due to the increase of 8.5% (EUR +8 million) in staff costs, with other administrative costs recording a more modest increase of 1.6% (EUR +1.0 million). Amortisation and depreciation, in turn, decreased by 6.3% (EUR -1 million) compared to the end of March 2025.

The cost-to-income ratio of the international activity evolved from 41.5% in the first quarter of 2025 to 43.9% in the first quarter of 2026, while cost-to-core income ratio, in turn, went from 38.1% to 40.8% in the same period.

STAFF COSTS

In the first quarter of 2026, staff costs totalled EUR 196 million, standing 4.4% above the EUR 188 million accounted in the first quarter of the previous year, mainly driven by the contribution of the international activity.

This evolution includes the negative impact of specific items recognised in each period in the activity in Portugal (EUR 1 million in the first quarter of 2026 and an immaterial amount within the scope of this analysis in the first quarter of 2025).

In both years, specific items, related to staff costs, include costs with employment terminations. Not considering the impact of the specific items, staff costs of the Group increased 4.1% from the EUR 188 million accounted for in the first quarter of the previous year, amounting to EUR 196 million, at the end of the first quarter of 2026.

In the activity in Portugal, stated staff costs amounted to EUR 97 million in the first quarter of 2026, standing slightly above (+0.5%) the EUR 97 million recorded in the same period of the previous year. Not considering the impact of the specific items, staff costs in the activity in Portugal remained in line with the amount posted in the first quarter of the previous year, amounting to EUR 97 million at the end of the first quarter of 2026.

The number of employees in the activity in Portugal stood at 6,043 employees at the end of the first quarter of 2026, 186 employees fewer than on 31 March 2025, despite the hiring of new employees with specific skills, namely on digital, new technologies and internal control areas.

In the international activity, staff costs amounted to EUR 99 million in the first quarter of 2026, standing 8.5% above the EUR 91 million recorded a year before. The Polish subsidiary was mainly responsible for this evolution, although the subsidiary in Mozambique also contributed to the increase in staff costs compared to the first quarter of the previous year, albeit to a lesser extent.

In the Polish subsidiary, the evolution of staff costs continued to be influenced by the current scenario of the Polish labour market, with very low unemployment rates in the country and a strong pressure on basic wages, also reflecting the increase in the number of employees over the first quarter of the previous year, associated with the development of the strategic initiatives of the subsidiary. In fact, during this period, the total number of employees of this subsidiary evolved from 6,847 employees (6,726 FTE - full-time equivalent) in the first quarter of 2025, to 7,000 employees (6,885 FTE - full-time equivalent) on 31 March 2026.

The operation in Mozambique, in turn, increased its headcount in 29 employees, from 2,640 on 31 March 2025 to 2,669 employees at the end of the first quarter of 2026, contributing to the growth in staff costs in this period.

On 31 March 2026, the headcount of the international activity consisted of 9,669 employees, which compares to 9,487 employees at the end of the first quarter of 2025.

OTHER ADMINISTRATIVE COSTS

In the first quarter of 2026, other administrative costs totalled EUR 118 million, standing 4.7% above the EUR 113 million recorded at the end of March of the previous year, notwithstanding the disciplined management of costs followed by the Group. This evolution reflects the increase in costs both in the activity in Portugal and in the international activity.

In the activity in Portugal, other administrative costs amounted to EUR 56 million, corresponding to an increase of 8.3% from the EUR 52 million recorded in the first quarter of 2025. Despite the implementation of several recurrent measures to optimise the cost structure of the Bank, this performance reflects, among others with a less significant impact, the increase in costs associated with other supplies and services, outsourcing and independent labour, rents and leases (including costs associated with software licenses), advisory services, and costs associated with advertising. On the other hand, costs associated with other specialised services represent the main reduction compared to the same period in the previous year.

In the international activity, other administrative costs amounted to EUR 62 million in the first quarter of 2026, standing 1.6% above the EUR 61 million posted in the same period of the previous year. This evolution largely reflects the increase recorded in the Polish subsidiary whose impact was partially offset by the reduction recorded in the Mozambican subsidiary.

The Group maintains a process of optimisation of its branch network in order to efficiently serve the markets in which it is present. At the end of the first quarter of 2026, the activity in Portugal had a network of 388 branches, nine less than at the end of the first quarter of 2025, while in the Polish subsidiary the reduction compared with the previous year was 14 branches, to 591 branches as of 31 March 2026. The Mozambican subsidiary, in turn, ended the first quarter of 2026 with 191 branches, four fewer than at the end of the first quarter of the previous year.

AMORTISATION AND DEPRECIATION

Amortisation and depreciation amounted to EUR 40 million in the first quarter of 2026, standing 4.2% above the amount recorded in the first quarter of 2025, with the impact of the increase in the activity in Portugal partially offset by the decrease in the international activity.

In the activity in Portugal, the increase in amortisation and depreciation was of 14.1%, from EUR 20 million in the first quarter of 2025, to EUR 23 million at the end of the first quarter of the current year, reflecting the investment made in hardware and software, given the Bank's commitment to the digital and technological transformation process.

In the international activity, amortisation and depreciation amounted to EUR 18 million in the first quarter of 2026, decreasing 6.3% from the EUR 19 million recorded in the first quarter of 2025, mainly influenced by the performance of the Mozambican subsidiary, the impact of which was partially offset by the increase in the Polish subsidiary.

RESULTS ON MODIFICATION

Results on modification evolved favourably compared to the first quarter of 2025, from a negative amount of EUR 4 million recorded in the first quarter of 2025, to an also negative but immaterial amount within the scope of this analysis in the first quarter of 2026. In both periods, those amounts were exclusively recorded in the Polish subsidiary.

This evolution of results on modification mainly reflects the absence of costs associated with contractual modifications negotiated with customers with foreign exchange mortgage loans recorded in this item in the first quarter of 2026, in contrast to the first quarter of the previous year, when costs amounting to EUR 2 million were recognised.

LOAN IMPAIRMENTS

In the first quarter of 2026, impairment for loan losses (net of recoveries) totalled EUR 56 million, in line (+0.4%) with the amount accounted for in the same period of the previous year, with the increase resulting from the activity in Portugal being offset by the reduction in the international activity.

In the activity in Portugal, loan impairment charges (net of recoveries) increased 7.2% from the EUR 33 million recognised in the first quarter of 2025, totalling EUR 36 million in the first quarter of 2026. This

increase reflected the growth of the loan portfolio, as cost of risk (net of recoveries) stood at 33 basis points in the first quarter of 2026, remaining in line with the first quarter of 2025.

In the international activity, impairment charges (net of recoveries) stood 9.8% below the EUR 22 million recognised in the first quarter of 2025, standing at EUR 20 million at the end of the first quarter of 2026 due to the favourable performance of both the Polish subsidiary and the Mozambican subsidiary. In the international activity, cost of risk net of recoveries went from 47 basis points to 41 basis points in the first quarter of 2026, with the cost of risk improving in both subsidiaries.

In consolidated terms, the cost of risk of the Group, net of recoveries, stood at 35 basis points in the first quarter of 2026 compared to 38 basis points in the first quarter of 2025.

OTHER IMPAIRMENT AND PROVISIONS

In the first quarter of 2026, other impairment and provisions totalled EUR 92 million, which represents a significant reduction of 30.1% from the EUR 131 million recorded in the first quarter of the previous year. This favourable evolution was mainly driven by the reduction in the international activity, the impact of which was offset by the increase in other impairments and provisions recorded in the activity in Portugal.

In the activity in Portugal, other impairments and provisions evolved from EUR 5 million in the first quarter of 2025 to EUR 16 million in the same period of the current year, mainly reflecting the increase in provisions for other risks.

In the international activity, other impairment and provisions amounted to EUR 76 million at the end of the first quarter of 2026, decreasing significantly (-39.6%) from the EUR 126 million recorded a year earlier, with the impact of the reduction recorded in the Polish subsidiary standing out.

In fact, the provision booked by that subsidiary to face the legal risk associated with foreign exchange mortgage loans was EUR 53 million lower than the amount recognised a year before, amounting to EUR 53 million in the first quarter of the current year, largely contributing to the mentioned evolution. On the other hand, the income, reflected in other net operating income, corresponding to the amount receivable from a third party, following the indemnity clauses and contractual guarantees provided for in the acquisition contract of Euro Bank S.A., increased 5.5% in the last year, totalling EUR 9 million in the first quarter of 2026.

INCOME TAX

Income tax (current and deferred) amounted to EUR 137 million in the first quarter of 2026, which compares to EUR 112 million posted in the same period of the previous year.

These expenses include, in the first quarter of 2026, current tax of EUR 42 million (EUR 3 million in the first quarter of 2025) and deferred tax of EUR 95 million (EUR 109 million in the same period of the previous year).

Current tax expenses in the first quarter of 2025 and 2026 had been influenced by provisions for legal risks related to the portfolio of foreign currency mortgage loans and by mandatory contributions to the banking sector, both non-deductible for tax purposes at the level of the Polish subsidiary, by the increase in the income tax rate for banks in Poland from 19% to 30% in 2026, and also by the autonomous taxation of interest on public debt in the Mozambican subsidiary.

In the first quarter of 2025, current taxes were positively influenced by the correction of the 2024 tax estimate of the Polish subsidiary, against the reduction of the respective deferred tax assets, with no impact on net income.

The evolution of deferred tax assets in the first quarter of 2025 and 2026 was influenced, in the activity in Portugal, by the reduction of deferred tax assets covered by Special Framework applicable to Deferred Tax Assets ("REAID") given the evolution of the taxable income in the periods under review.

BALANCE SHEET

TOTAL ASSETS

Consolidated balance sheet total assets amounted to EUR 111,070 million on 31 March 2026, showing an increase of 6.5% compared to the EUR 104,294 million recorded on the same date of the previous year, with this evolution being driven by the increases seen in assets in the international activity (EUR +3,694 million) and in the activity in Portugal (EUR +3,081 million).

In the activity in Portugal, total assets stood at EUR 70,291 million on 31 March 2026, recording a 4.6% increase compared to the EUR 67,210 million recorded on 31 March 2025. This evolution was due to a more significant increase in the loans to customer portfolio (net of impairment) and also to the growth, to a lesser extent, of deposits at central banks. The more significant reductions occurred in deferred tax assets, in loans and advances to credit institutions and in other assets.

In the international activity, total assets amounted to EUR 40,779 million on 31 March 2026, showing a growth of 10.0% compared to the EUR 37,084 million posted on the same date of the previous year. This evolution is largely explained by the growth in the total assets of the Polish subsidiary, essentially justified by the increase in the securities portfolio (mainly local sovereign debt), resulting from the application of the surplus liquidity generated by the rise in balance sheet customers funds and also due to the favourable evolution of the customer loan portfolio (net of impairment). Assets in the Mozambique subsidiary also recorded an increase, albeit to a lesser extent.

LOANS TO CUSTOMERS

Consolidated loans to customers portfolio (gross loans), as defined in the Glossary, amounted to EUR 63,423 million on 31 March 2026, showing an increase of 7.2% compared to the EUR 59,162 million figure achieved on the same date of the prior year. This evolution was driven primarily by the significant growth in the activity in Portugal, also benefitting from a less significant increase recorded in the international activity. The evolution of the consolidated loans to customers portfolio was mainly explained by the greater dynamism observed in loans, particularly loans to companies, although mortgage and personal loans also recorded positive performances.

In the activity in Portugal, loans to customers (gross) amounted to EUR 43,923 million on 31 March 2026, 9.6% above the EUR 40,083 million recorded at the end of the first quarter of 2025. This growth incorporates, on the one hand, a significant increase in performing loans (EUR +3,936 million) and, on the other, a reduction in non-performing exposures (NPE) (EUR -96 million).

Mortgage loans in the activity in Portugal stood at EUR 22,296 million on 31 March 2026, recording an increase of 11.4% (EUR +2,281 million) compared to the same date in the previous year, due to the growing demand, driven by government incentives aimed at young people.

Personal loans in the activity in Portugal also recorded an increase of 8.9% (EUR +227 million) compared to the figure recorded at the end of the first quarter of 2025, standing at EUR 2,782 million on 31 March 2026.

In turn, loans to companies in the activity in Portugal rose by 7.6% (EUR +1,332 million) compared to the end of the first quarter of 2025, reaching EUR 18,845 million on 31 March 2026, driven by a context of investment recovery, characterised by the dynamism of loans with State guarantees.

In the international activity, loans to customers (gross) amounted to EUR 19,500 million on 31 March 2026, 2.2% above the EUR 19,079 million recorded on the same date of the previous year. By geographies, there was a more significant growth in the Polish subsidiary (driven by the increase of volumes in local currency, partially offset by the unfavourable evolution of the Zloty) and a less significant growth in the Mozambican subsidiary (the increase in local currency was partially offset by the devaluation of the Metical).

Mortgage loans in the international activity totalled EUR 8,450 million on 31 March 2026, recording a drop of 8.2% compared to the amount recorded on the same date of the prior year (EUR 9,200 million on 31 March 2025), with this decline being explained almost entirely by the performance of the Polish subsidiary.

The amount of the mortgage loans portfolio in foreign currency in the Polish subsidiary deducted from the portion concerning Euro Bank S.A.¹ decreased by EUR 125 million (31 March 2026: EUR 128 million; 31 March 2025: EUR 253 million).

Personal loans in the international activity stood at EUR 5,159 million on 31 March 2026, recording an increase of EUR 139 million compared to the figure recorded on the same date of the previous year, driven mainly by the growth recorded in the Polish subsidiary, benefitting also from the positive contribution of the Mozambican subsidiary.

In turn, loans to companies in the international activity rose by 21.2% compared to the EUR 4,860 million recorded on 31 March 2025, standing at EUR 5,892 million on 31 March 2026. This growth was driven by the positive evolution observed in the Polish subsidiary, although attenuated by the slight reduction recorded in the Mozambican subsidiary.

LOANS TO CUSTOMERS (GROSS)

	<i>million EUR</i>		
	31 Mar. 26	31 Mar. 25 restated	Chg. 26/25
INDIVIDUALS	38,686	36,789	5.2 %
Mortgage loans	30,746	29,214	5.2 %
Personal loans	7,941	7,574	4.8 %
COMPANIES	24,737	22,373	10.6 %
Services	9,530	8,625	10.5 %
Commerce	4,175	3,874	7.8 %
Construction	1,563	1,359	15.0 %
Others	9,469	8,515	11.2 %
	63,423	59,162	7.2 %
Of which:			
Activity in Portugal	43,923	40,083	9.6 %
International activity	19,500	19,079	2.2 %

QUALITY OF CREDIT PORTFOLIO

The Group has in place credit portfolio management and monitoring processes, namely with regard to the assessment of the risk profile of the exposure in different portfolios/segments. These procedures have the purpose of identifying and closely monitoring the customers potentially more affected by the prevailing macroeconomic context, anticipating possible difficulties in complying the responsibilities and defining credit and performance strategies adjusted to the specificities of each customer/group of customers, with a view to both maintaining support to customers considered viable and mitigating credit risk in cases where there are risks of loss in the exposure value.

The NPE stock, in consolidated terms, stood at EUR 1,480 million on 31 March 2026, showing a reduction of EUR 238 million compared to the end of the first quarter of 2025. In the activity in Portugal, the NPE stock totalled EUR 746 million on 31 March 2026, with a reduction of EUR 96 million compared to the same date of the previous year.

Regarding credit quality indicators, the NPL ratio for more than 90 days, on a consolidated basis, stood at 1.2% on 31 March 2026, showing a slight reduction compared to the ratio of 1.4% recorded on 31 March 2025. In turn, NPE ratio in percentage of the total credit portfolio, on a consolidated basis, decreased from 2.9% on 31 March 2025 to 2.3% on 31 March 2026. In the activity in Portugal, the NPE ratio as a percentage of the total credit portfolio dropped from 2.1% on 31 March 2025 to 1.7% on 31 March 2026.

In consolidated terms, the ratio of total impairments to NPL by more than 90 days evolved from 168.6% on 31 March 2025 to 180.2% on 31 March 2026. The ratio between total impairment and the stock of NPE showed a significant improvement both in consolidated terms (94.3% on 31 March 2026 vis-à-vis 82.6% on 31 March 2025) and in the activity in Portugal (105.0% on 31 March 2026 vis-à-vis 92.4% on 31 March

¹ The risk of Euro Bank S.A.'s portfolio is fully covered by a third party, within the scope of the clauses set out in the acquisition contract of that entity.

2025). Additionally, on 31 March 2026, the ratio between specific NPE impairment and NPE stock stood at 55.3% in consolidated terms (52.9% on 31 March 2025) and 55.9% in the activity in Portugal (52.0% on 31 March 2025).

CREDIT QUALITY INDICATORS

	Group			Activity in Portugal		
	31 Mar. 26	31 Mar. 25 restated	Chg. 26/25	31 Mar. 26	31 Mar. 25 restated	Chg. 26/25
STOCK (M€)						
Loans to customers (gross)	63,423	59,162	7.2 %	43,923	40,083	9.6 %
Restructured loans	1,054	1,396	(24.5 %)	588	837	(29.8 %)
NPL > 90 days	774	842	(8.1 %)	362	408	(11.3 %)
NPE (Loans to customers)	1,480	1,718	(13.9 %)	746	841	(11.4 %)
Total loan impairments (Balance sheet)	1,395	1,419	(1.7 %)	783	777	0.8 %
Impairments allocated to NPE (Balance sheet)	818	909	(10.0 %)	417	437	(4.7 %)
RATIOS AS A PERCENTAGE OF LOANS TO CUSTOMERS						
Restructured loans / Loans to customers (gross)	1.7%	2.4%		1.3%	2.1%	
NPL > 90 days / Loans to customers (gross)	1.2%	1.4%		0.8%	1.0%	
NPE / Loans to customers (gross)	2.3%	2.9%		1.7%	2.1%	
NPE ratio - EBA (includes debt securities and off-balance exposures)	1.4%	1.8%		1.3%	1.5%	
COVERAGE BY IMPAIRMENTS						
Total loan impairments / NPL > 90 days	180.2%	168.6%		216.3%	190.4%	
Total loan impairments / NPE	94.3%	82.6%		105.0%	92.4%	
Impairments allocated to NPE / NPE	55.3%	52.9%		55.9%	52.0%	

Note: NPE include loans to customers only, as defined in the Glossary.

CUSTOMER FUNDS

On 31 March 2026, the consolidated total customer funds, as defined in the Glossary, amounted to EUR 112,807 million, representing an increase of EUR 8,231 million (+7.9%) compared to the EUR 104,576 million recorded on the same date of the previous year, reflecting the positive performance of both the activity in Portugal and the international activity. The significant growth in deposits and other resources from customers was a key driver in the evolution of consolidated balance sheet customer funds, which showed an increase of EUR 5,870 million (+6.8%) compared to the EUR 86,415 million achieved on the same date of the previous year, reaching EUR 92,284 million on 31 March 2026. In turn, consolidated off-balance sheet customer funds amounted to EUR 20,523 million, representing an increase of EUR 2,361 million compared to the same date of the previous year, mainly due to the dynamism of assets placed with customers and assets under management. Insurance products (savings and investment) also showed positive growth, although with a more moderate impact on the growth of consolidated off-balance sheet customer funds.

In the activity in Portugal, total customer funds reached EUR 75,384 million on 31 March 2026, compared with the EUR 70,906 million recorded on the same date of the previous year (+6.3%). This growth is mainly due to the increase in balance sheet customer funds, which reached EUR 58,514 million on 31 March 2026 (EUR +2,912 million than the amount recorded on the same date of the previous year), driven by the dynamism of deposits and other resources from customers. Although with a smaller contribution to the growth in total customer funds, off-balance sheet customer funds increased by EUR 1,566 million compared to the same date of the previous year (+10.2%), reaching EUR 16,870 million on 31 March 2026, with a more significant increase recorded in assets placed with customers. Insurance products (savings and investment) and assets under management also grew, however with a reduced impact.

In the international activity, total customer funds stood at EUR 37,423 million on 31 March 2026, recording an increase of EUR 3,753 million (+11.1%) compared to the EUR 33,670 million recorded on 31 March 2025. Balance sheet customer funds, entirely composed of deposits and other resources from customers, stood at EUR 33,770 million on 31 March 2026 (EUR +2,958 million compared to the to the same date of the previous year), benefitting from the rising volumes in the Polish operation. The subsidiary in Mozambique also recorded an increase, although with a more moderate impact on the evolution of this heading. Off-balance sheet customer funds, arising exclusively from the activity of the Polish subsidiary, increased by EUR 795 million compared to the same date of the previous year, reaching EUR 3,653 million on 31 March 2026. This evolution is explained by a more significant increase in assets under management and by a smaller increase observed in assets placed with customers, slightly offset by the reduction in insurance products (savings and investment).

On 31 March 2026, balance sheet customer funds, on a consolidated basis, represented 81.8% of total customer funds, with deposits and other resources from customers representing 80.4% of total customer funds, both percentages lower than those recorded on the same date of the prior year (82.6% and 81.4%, respectively).

The loans to deposits ratio, which results from the quotient between loans to customers (net) and deposits and other resources from customers, stood at 68.4% on 31 March 2026 (67.9% recorded on the same date of the previous year). The aforementioned indicator, considering balance sheet customer funds, stood at 67.2% (66.8% posted on the same date of the previous year).

TOTAL CUSTOMER FUNDS

	<i>million EUR</i>		
	31 Mar. 26	31 Mar. 25	Chg. 26/25
BALANCE SHEET CUSTOMER FUNDS	92,284	86,415	6.8%
Deposits and other resources from customers	90,731	85,096	6.6%
Debt securities	1,554	1,318	17.8%
OFF-BALANCE SHEET CUSTOMER FUNDS	20,523	18,162	13.0%
Assets under management	7,099	6,240	13.8%
Assets placed with customers	8,373	7,288	14.9%
Insurance products (savings and investment)	5,051	4,633	9.0%
	112,807	104,576	7.9%
Of which:			
Activity in Portugal	75,384	70,906	6.3%
International activity	37,423	33,670	11.1%

SECURITIES PORTFOLIO

The securities portfolio, as defined in the Glossary, amounted to EUR 38,897 million on 31 March 2026, showing an increase of 8.3% (EUR +2,994 million) compared to the EUR 35,903 million recorded on the same date of the previous year, representing 35.0% of total assets at the end of the first quarter of 2026 (slightly above the 34.4% recorded at the end of the first quarter of 2025), with this increase being explained by the liquidity arising from the growth of balance sheet customer funds.

The portfolio allocated to the activity in Portugal remained broadly unchanged, evolving from EUR 21,350 million on 31 March 2025 to EUR 21,528 million on 31 March 2026, as the investment in the Portuguese and European Union sovereign debt portfolio was offset by the reduction in Spanish and Italian sovereign debt.

The securities portfolio allocated to the international activity showed an increase of EUR 2,817 million, rising from EUR 14,552 million on 31 March 2025 to EUR 17,369 million on 31 March 2026. This growth was primarily driven by the activity in the Polish subsidiary, which reinforced the investment in local public debt, as a result of the liquidity arising from the growth of deposits from customers.

Business Areas

Activity per Segments

Millennium bcp conducts a wide range of banking activities and financial services in Portugal and abroad, with special focus on Retail Banking, Companies Banking and Private Banking business.

BUSINESS SEGMENT	PERIMETER
Retail Banking	Retail Network of Millennium bcp (Portugal) Retail Recovery Division Banco ActivoBank
Companies and Corporate	Companies and Corporate Network of Millennium bcp (Portugal) Specialised Recovery Division Investment Banking (*) Interfundos (*) Specialized Credit and Real Estate Division (*) Treasury and Markets International Division (*)
Private Banking	Private Banking Network of Millennium bcp (Portugal)
International Business	Bank Millennium (Poland) (**) Millennium bim (Mozambique) Banco Millennium Atlântico (Angola) (***)
Other	Comprises the activity carried out by Banco Comercial Português, S.A. not included in the commercial business in Portugal which corresponds to the segments identified above, including the activity carried out by Macao branch. Also includes all other business and unallocated values in particular centralized management of financial investments, corporate activities and insurance activity.

(*) Units all together that serve mainly customers in the Companies & Corporate segment, but also customers in other segments, in which the corresponding income is recognised. The operating costs of those units are attributed to the Other segment.

(**) Entity segmented into Retail Banking, Companies and Corporate, and Others, as referenced in note 48 of the Notes to Consolidated Accounts section of this report.

(***) Consolidated by the equity method.

The figures reported for each segment resulted from aggregating the subsidiaries and business units integrated in each segment. For the business units in Portugal, the aggregation process reflects the impact from capital allocation and balancing process in the balance sheet and income statement, based on average figures. The balance sheet headings for each business unit in Portugal were re-calculated, considering the replacement of the equity book values by the amounts assigned through the allocation process, based on the regulatory solvency criteria.

Considering that the process of capital allocation complies with the regulatory criteria of solvency in force, from 1 January 2026, the risk weighted assets, and consequently the capital allocated to the business segments, are determined in accordance with the Basel IV framework, pursuant to the CRD VI/CRR3. The capital allocated to each segment resulted from the application of a target capital ratio to the risk weighted exposures managed by each segment, reflecting the application of the Basel IV methodology. The introduction of CRR3 led to a significant increase in risk weighted assets to cover operational risk. Each operation is balanced through internal transfers of funds, with impact on the net interest income and income taxes of

each segment, hence with no impact in consolidated accounts.

Commissions and other net income, as well as operating costs calculated for each business area, are based on the amounts accounted for directly in the respective cost centres, on the one hand, and the amounts resulting from internal processes for allocating revenues and costs, for another. In this case, the allocation is based on the application of pre-defined criteria and subject to periodic review, related to the level of activity of each business area.

Each segment's income includes the non-controlling interests, when applicable. Therefore, the values of net income presented incorporate the individual net income of the business units, regardless of the percentage stake held by the Group, and the impacts of the transfers of funds described above.

Whenever applicable, historical figures may reflect specific restatements carried out to ensure the comparability of information across periods.

The information presented below for the individually more relevant business areas in Portugal and aggregately for the international activity was based on the financial statements

prepared in accordance with IFRS and on the organization of the Group's business areas as at 31 March 2026.

RETAIL

million EUR

RETAIL BANKING in Portugal	Mar 31, 2026	Mar 31, 2025	Chg. 26/25
PROFIT AND LOSS ACCOUNT			
Net interest income	275	268	2.6%
Other net income	134	121	10.6%
	409	389	5.1%
Operating costs	79	81	-2.7%
Impairment and provision	10	5	114.7%
Income before tax	320	303	5.4%
Income taxes	97	92	5.4%
Income after tax	223	211	5.4%
SUMMARY OF INDICATORS			
Allocated capital	1,087	974	11.6%
Return on allocated capital	83.1%	88.0%	
Risk weighted assets	8,529	7,585	12.4%
Cost to income ratio	19.3%	20.8%	
Loans to Customers (net of impairment charges)	30,473	27,157	12.2%
Balance sheet Customer funds	43,978	41,389	6.3%

Notes:

Allocated capital, Loans to customers (net of recoveries) and Balance sheet Customer funds figures based on average balance.

Financial performance

As at 31 March 2026, income after tax from Retail Banking segment of Millennium bcp in Portugal totalled EUR 223 million, showing a 5.4% increase compared to EUR 211 million in the same period of 2025, reflecting an higher net operating revenues. Regarding the evolution of the main income statement headings, the following aspects should be highlighted:

- Net interest income reached EUR 275 million as at 31 March 2026, reflecting an increase of 2.6% compared to the EUR 268 million recorded in the same period of 2025. This increase was mainly driven by the loan portfolio growth, offset the lower market interest rates.
- Other net income reached EUR 134 million as at 31 March 2026, increasing 10.6% compared with the same period of 2025. The performance reflects essentially the higher level of commissions, largely driven by cards and transfer fees and bancassurance.
- Operating costs were 2.7% lower than the amounts recognised as at 31 March 2025.
- Impairment charges amounted to EUR 10 million at the end of March 2026, representing an increase from the amount of EUR 5 million recorded in the same period of the previous year, but still at a low level relative to the size of the portfolio.
- In March 2026, loans to customers (net) totalled EUR 30,473 million, increasing 12.2% from March 2025 (EUR 27,157 million), mainly from the increase in mortgage loans, driven by government incentives aimed at young people, while balance sheet customer funds increased by 6.3% in the same period, amounting to EUR 43,978 million in March 2026 (EUR 41,389 million in March of the previous year), mainly explained by the increase in customer deposits.

COMPANIES AND CORPORATE

million EUR

COMPANIES AND CORPORATE in Portugal	Mar 31, 2026	Mar 31, 2025	Chg. 26/25
PROFIT AND LOSS ACCOUNT			
Net interest income	63	64	-0.9%
Other net income	35	37	-4.9%
	98	101	-2.4%
Operating costs	16	16	-1.0%
Impairment and provision	34	23	48.9%
Income before tax	48	62	-22.1%
Income taxes	15	19	-22.1%
Income after tax	33	43	-22.1%
SUMMARY OF INDICATORS			
Allocated capital	1,358	1,362	-0.3%
Return on allocated capital	9.9%	12.7%	
Risk weighted assets	10,742	10,592	1.4%
Cost to income ratio	16.4%	16.1%	
Loans to Customers (net of impairment charges)	11,353	10,898	4.2%
Balance sheet Customer funds	9,638	9,038	6.6%

Notes:

Allocated capital, Loans to customers (net of recoveries) and Balance sheet Customer funds figures based on average balance.

Financial performance

Companies and Corporate segment in Portugal income after tax of EUR 33 million in March 2026 compares favourably to the EUR 43 million presented in March 2025. This evolution results mostly from an higher level of impairment and provision. As at 31 March 2026 the performance of this segment is explained by the following factors:

- Net interest income stood at EUR 63 million as at 31 March 2026, 0.9% below the amount attained as at 31 March 2025 (EUR 64 million). This performance was mainly driven by a lower margin on the loan portfolio, due to a lower interest rate environment, despite a higher average volume. This impact was partially offset by an increased contribution from deposits, reflecting a higher average volume as well as by higher income from the internal placements of the excess liquidity.
- Other net income reached EUR 35 million as at 31 March 2026, being 4.9% lower compared to the amount achieved in the same period of 2025, reflecting mostly the evolution of commissions.
- Operating costs totalled EUR 16 million by the end of March 2026, 1.0% above the overall amount of costs recorded in the same period of the previous year.
- Impairment charges stood at EUR 34 million as at 31 March 2026, comparing unfavourably to EUR 23 million as at 31 March 2025, mainly reflecting the increase in coverage of exposures to customers under recovery.
- In March 2026, loans to customers (net) totalled EUR 11,353 million, increasing 4.2% from March 2025 (EUR 10,898 million), in the context of the Recovery and Resilience Plan (RRP) execution, which has had a positive impact on the Portuguese business sector. Balance sheet customer funds reached EUR 9,638 million, 6.6% above the amount recorded in March 2025, particularly from the growth of the customer deposits base.

PRIVATE BANKING

million EUR

PRIVATE BANKING in Portugal	Mar 31, 2026	Mar 31, 2025	Chg. 26/25
PROFIT AND LOSS ACCOUNT			
Net interest income	10	10	-3.5%
Other net income	11	10	14.2%
	21	20	5.2%
Operating costs	4	4	3.6%
Impairment and provision	0	0	
Income before tax	17	16	5.9%
Income taxes	5	5	5.9%
Income after tax	12	11	5.9%
SUMMARY OF INDICATORS			
Allocated capital	30	25	18.9%
Return on allocated capital	>100%	>100%	
Risk weighted assets	232	193	20.1%
Cost to income ratio	18.5%	18.8%	
Loans to Customers (net of impairment charges)	440	362	21.6%
Balance sheet Customer funds	3,061	3,175	-3.6%

Notes: Allocated capital, Loans to customers (net of recoveries) and Balance sheet Customer funds figures based on average balance.

Financial performance

Income after tax from Private Banking business in Portugal totalled EUR 12 million as at 31 March 2026, showing an increase of 5.9% compared to the net profit reached as at 31 March 2025 (EUR 11 million). Considering the performance of the main items of the income statement, the following should be highlighted:

- Net operating revenues stood at EUR 21 million as at 31 March 2026, 5.2% above the amount recorded in March 2025, driven by the increase recorded in other net income, which more than offset the decrease in net interest income. Net interest income totalled EUR 10 million as at 31 March 2026, representing a 3.5% decrease compared with the amount recorded at the end of March of the previous year, reflecting the lower contribution from customer deposits, as a result of a lower average volume. Other net income amounted to EUR 11 million as at 31 March 2026, reflecting an increase of 14.2% compared to the amount shown in the same period of the previous year, reflecting

an increase in commissions generated by asset management activities and by the distribution of third-party investment funds, as a result of the diversification of customer funds.

- Operating costs amounted to EUR 15 million, 3.6% higher than the amounts recognised as at March 2025.
- Impairment and provision charges had a marginal impact on the income statement in both periods.
- Loans to customers (net) amounted to EUR 440 million in March 2026, increasing 21.6% when compared to the figures accounted in March of the previous year, while balance sheet customer funds amounted to EUR 3,061 million in March 2026, 3.6% below the level achieved in March 2025, mainly due to the decrease in customer deposits, only partially offset by the increase in investments in off-balance sheet products.

FOREIGN BUSINESS AND OTHERS

million EUR

Poland	Mar 31, 2026	Mar 31, 2025	Chg. 26/25
PROFIT AND LOSS ACCOUNT			
Net interest income	328	338	-3.2 %
Other net income	13	2	>200%
	341	340	0.2 %
Operating costs	147	135	8.7 %
Result on modification	—	-4	-91.3 %
Impairment and provision	75	125	-40.2 %
Income before tax	119	76	56.8 %
Income taxes	48	33	44.4 %
Income after income tax	71	43	66.3 %
BALANCE SHEET			
Loans to Customers (net of impairment charges)	18,217	17,793	2.4%
Balance sheet Customer funds	31,415	28,513	10.2%

Note: The accounts presented are in accordance with the Consolidated Accounts of the Group, and may differ from the accounts disclosed locally.

million EUR

Mozambique	Mar 31, 2026	Mar 31, 2025	Chg. 26/25
PROFIT AND LOSS ACCOUNT			
Net interest income	53	57	-6.7%
Other net income	13	14	-11.8%
	66	71	-7.7%
Operating costs	32	36	-11.3%
Impairment and provision	22	23	-8.1%
Income before tax	12	12	4.0%
Income taxes	7	8	-17.3%
Income after income tax	5	4	49.7%
BALANCE SHEET			
Loans to Customers (net of impairment charges)	671	644	4.3%
Balance sheet Customer funds	2,355	2,299	2.4%

Note: The accounts presented are in accordance with the Consolidated Accounts of the Group, and may differ from the accounts disclosed locally.

million EUR

INTERNATIONAL BUSINESS	Mar 31, 2026	Mar 31, 2025	Chg. 26/25
PROFIT AND LOSS ACCOUNT			
Net interest income	380	395	-3.7 %
Other net income (*)	27	17	61.0 %
	407	412	-1.1 %
Operating costs	179	171	4.4 %
Result on modification	—	-4	-91.3 %
Impairment and provision	96	149	-35.1 %
Income before tax	132	88	49.9 %
Income taxes	54	41	32.5 %
Income after income tax	78	47	65.0 %
SUMMARY OF INDICATORS			
Allocated capital (**)	2,855	2,439	17.0 %
Return on allocated capital	11.0%	7.8%	
Risk weighted assets	18,294	16,087	13.7%
Cost to income ratio	43.9%	41.5%	
Loans to Customers (net of impairment charges)	18,888	18,437	2.4%
Balance sheet Customer funds	33,770	30,812	9.6%

(*) Includes equity accounted earnings related to the investment in Banco Millennium Atlântico.

(**) Allocated capital figures based on average balance.

Financial performance

Income after tax from International Business was EUR 78 million as at 31 March 2026, comparing favourably with an amount of EUR 47 million achieved by the end of March 2025. This favourable evolution of 65.0% is mainly highlighted by the lower costs related with the foreign exchange mortgage loan portfolio.

Considering the different items of the income statement, the performance of International Business can be analysed as follows:

- Net interest income stood at EUR 380 million as at 31 March 2026, which compares to EUR 395 million recorded on 31 March 2025. Excluding the impact arising from foreign exchange effects, it would have decreased by 1.4%, reflecting the unfavourable performance of the Polish subsidiary, highlighting the impact of successive reduction of the reference interest rate by the central bank of Poland throughout 2025 and in the first quarter of 2026. The increase in liquidity invested in sovereign debt securities, resulting from the growth in customer deposits, while contributing positively to net interest income, led to a reduction in the net interest margin compared to the first quarter of the prior year.
- Other net income attained EUR 27 million as at 31 March 2026, increasing 61.0% when compared to the EUR 17 million recorded in

the same period of the previous year, determined by the performance of the Polish subsidiary, due to higher net commissions, both from banking and financial market activities, and the reduction in costs related with the foreign exchange mortgage loan portfolio. This effect was, however, partially offset by higher costs associated with mandatory contributions.

- Operating costs amounted to EUR 179 million as at 31 March 2026, 4.4% up from the end of March 2025. Excluding foreign exchange effects, operating costs would have increased 7.7%, primarily driven by the Polish subsidiary, reflecting higher staff costs driven by the headcount expansion to address the strategic initiatives, as well as increased administrative expenses, also consistent with the level of activity.
- Results on modification were residually negative at the end of March of 2026, which compares with an also negative amount of EUR 4 million recorded in the same period of the previous year. In both periods, this item includes the amounts associated with contractual modifications, namely those negotiated with customers with foreign exchange mortgage loans, which have also shown a favourable evolution compared to the previous year.

- Impairment and provision charges at the end of March 2026 presented a 35.1% decrease compared to the figures reported by the end of March 2025. This variation mainly reflected the impact of the Polish subsidiary, driven by lower provision charges booked to address legal risks associated with foreign exchange mortgage loans.
- Loans to customers (net) stood at EUR 18,888 million in March 2026, 2.4% up from the amount attained in March 2025 (EUR 18,437 million). Excluding foreign exchange effects,

the loan portfolio increased 5.2%, influenced by the evolution of the Polish subsidiary. The International Business balance sheet customer funds increased 9.6% from EUR 30,812 million reported in March 2025 to EUR 33,770 million in March 2026. Excluding the foreign exchange effects, balance sheet customer funds increased 12.7%, mainly driven by the performance of the subsidiary in Poland.

Funding and Liquidity

The Group's liquidity position remained robust throughout the last twelve months. Despite the increased dynamism in lending, which recorded a consolidated growth of 7.2% (equivalent to EUR 4.3 billion, mainly originating from Portugal), on-balance sheet customer funds continued a growth trajectory, of 6.8% in relative terms, and which, in absolute terms, surpassed that of credit (EUR 5.9 billion), with this performance driven by the rise of deposits in Poland. This differential generated a liquidity surplus, which allowed the Group's securities portfolio to be strengthened by 8.3%, mostly composed of highly liquid assets eligible for discounting with central banks. Consequently, liquidity buffers with central banks remained solid, ensuring comfortable levels for the main regulatory and internal liquidity risk indicators across the three geographies.

As of 31 March 2026, regarding short-term liquidity, the Liquidity Coverage Ratio (LCR) stood, on a consolidated basis, at 319%, compared to the 354% recorded on the same date of the previous year, ensuring a comfortable margin above the minimum regulatory requirement of 100%.

From a structural perspective, the Group strengthened its stable funding base, based on customer deposits, particularly in the retail segment, and complemented by medium and long-term funding instruments, namely, issuances carried out under MREL (Minimum Requirements for Own Funds and Eligible Liabilities) and Bank Millennium's covered bond program. Consequently, as of 31 March 2026, the Net Stable Funding Ratio (NSFR) stood at 179%, slightly below the level recorded a year earlier (180%), thus ensuring a substantial margin above the minimum regulatory requirement of 100%. The loan-to-deposit ratio stood at 68% at the end of March 2026, in line with the ratio observed on the same date of the previous year, reflecting prudent balance sheet management, concurrently with the recovery of lending activity in Portugal since the beginning of the year.

Between 31 March 2025 and 31 March 2026, BCP executed several market transactions, namely on 24 June 2025, the Bank placed a EUR 500 million issue of SP 6NC5 3.125% Notes, intended to refinance, under very advantageous price conditions, a call option exercised on 2 October on the EUR 500 million SP 5.625% Notes, and on 5 February 2026, taking advantage of favourable market conditions, it also placed a EUR 500 million issue of SP 6.25NC5.25, with a 3.250% coupon, refinancing the exercise, on 12 February 2026 of the call option of a previous EUR 500 million SP issue, with a 1.125% coupon.

The liquidity buffer with the European Central Bank decreased by EUR 834 million year-on-year, to EUR 31.2 billion, driven among other factors by the expected loss of eligibility of a portfolio of retail mortgage credits at the end of March 2026.

Bank Millennium, between March 2025 and March 2026, strengthened its liquidity position mainly through the already mentioned growth of customer deposits and also through its covered bond issuance program, which included the placement of PLN 1.0 billion in November 2025.

Millennium bim continues to maintain a robust liquidity position, supported by the stability of its local currency deposit base.

Capital

The estimated CET1 ratio as at 31 March 2026 stood at 15.3% phased-in and 15.1% fully implemented, reflecting a change of -85 basis points compared to the 16.1% and 15.9% phased-in and fully implemented ratios reported on the same date in 2025, comfortably above the minimum regulatory ratios defined within the scope of SREP (Supervisory Review and Evaluation Process) for March 2026 (CET1 10.29%, T1 12.19% and Total 14.73%). The ratios estimated as at 31 March 2026 take into account the deduction of the maximum share buyback amount authorised by the ECB, of EUR 407.5 million, corresponding to 40% of the 2025 net profit.

In addition to the increase in shareholder distributions, the evolution of the ratios reflects, on the one hand, internal capital generation, supported by the solid performance of recurring business activity, and, on the other hand, the evolution of risk-weighted assets, influenced by business growth, with particular emphasis on corporate financing.

SOLVENCY RATIOS

	31 Mar. 26		million EUR 31 Mar. 25	
	FULLY	PHASED	FULLY	PHASED
Own funds				
Common Equity Tier 1 (CET1)	6,696	6,696	6,560	6,560
Tier 1	7,309	7,309	7,043	7,043
Total Capital	8,571	8,571	8,250	8,250
Risk weighted assets				
	44,446	43,899	41,230	40,737
Solvency ratios				
CET1	15.1	15.3	15.9	16.1
Tier 1	16.4	16.6	17.1	17.3
Total capital	19.3	19.5	20	20.3

Note: The capital ratios of March 2026 are estimated, including 10% of the accumulated positive net income.

According to the transitional provisions in force, estimated capital ratios, not including the unaudited positive first quarter net income, are the following:

SOLVENCY RATIOS

	<i>million EUR</i>	
	31 mar. 26	31 mar. 25
	<i>PHASED</i>	<i>PHASED</i>
Own funds		
Common Equity Tier 1 (CET1)	6,675	6,506
Tier 1	7,288	6,989
Total Capital	8,550	8,196
Risk weighted assets	43,899	40,737
Solvency ratios		
CET1	15.2	16
Tier 1	16.6	17.2
Total capital	19.5	20.1

Deliver More Value - Strategic Plan 2025-28

“Deliver more value 28” sets a new bar for Millennium bcp’s aspirations towards customers, people and shareholders. Millennium bcp is starting this cycle from a strengthened position that allows the Bank to confidently aim for a compelling profitability level (ROE >13.5%) and a material distribution to shareholders (up to 75%²), while preserving a robust capital position (>13.5% CET1).

The Strategic Cycle that ended in 2024 consolidated an unrivalled path of transformation that led to early achievement of the ambitious financial targets set forth, cementing the group’s competitive position in its markets, across most segments, excelling in profitability (ROE of 15.3% in 2023) and balance sheet robustness (CET1 of 16.5%³ in 9M2024). Ultimately, these results are reflected in the upward trajectory in share price (+229%, September 2024 vs. December 2020) and investment grade ratings (3-4 notches since 2018). Millennium bcp has done so strengthening its leadership in customer centricity, while solidifying its technology foundations.

In Portugal, the bank was successful in significantly boosting revenues (+50% vs. 2021), exploring previous strides in technology to increase digital and mobile adoption. In Poland, the Bank completed the recovery plan and restored profitability, despite sizeable recognition of FX mortgage provisions, while maintaining a stable performance in Mozambique in a challenging environment.

Millennium bcp has consistently grown business volumes as a group (+4% CAGR since 2018) and in each business unit, with particular emphasis in Poland, notwithstanding the 65% reduction of NPEs since 2018. This evolution allowed Millennium bcp to consolidate a competitive position across most of the segments, in markets that offer a structural advantage in the upcoming cycle with GDP growth above EU-27 average, sizeable EU funding packages for Portugal and Poland, and substantial investments in large projects for Mozambique.

Looking to the future, the Bank is well-positioned to navigate 3 main trends: (i) the likely downward trajectory of interest rates and its implications to profitability, (ii) the evolving customer behaviour with increased demand for innovation and personalization in the rise of AI, and (iii) the growing cybersecurity risks with increasing sophistication of attacks and an evolving regulatory context (e.g., DORA).

In this context, Millennium bcp is launching a new Strategic Plan for 2028, “Deliver more value 28”. In this plan, the Bank aspires to deliver more value to all stakeholders: for customers with a leading position in experience across markets, for talent with a satisfaction of >75/100 and >25% share of people promoted per year, and for shareholders with tangible returns and distribution. This will require an evolution of priorities (i) seeking growth options in attractive value pools with right-to-win, increasing portfolio balance towards the SME segment, (ii) innovating selectively in adjacencies, and (iii) strengthening credit risk capabilities.

In Portugal, Millennium bcp aspires to be the relationship bank with the best experience, human and digital enabled, for families and companies, ambitioning to capture 150-200k new active customers and +€4bn credit to companies (stock) by 2028. ActivoBank aims to lead customer acquisition in A/B digital first arena, with distinctive digital daily banking and value for money proposition, reaching 700k active customers in 2028.

In Poland, Bank Millennium aims to be the reference bank in acquisition and development of primary relationships with SMEs and individuals, embracing innovation and delivering top-quality services, reaching 3.7mn active customers, growing corporate lending stock at 14% p.a., and increasing the share of primary retail clients to 70%.

In Mozambique, Millennium bim will be focused on reinforcing its position as the main bank for families and companies and the reference bank for international investors in Mozambique’s economy, with strong risk controls, targeting 1.7mn active customers and circa of 20% market share in lending to companies and individuals.

These priorities will enable Millennium bcp to deliver more value, visible in the main targets set for 2028. As a group, the bank aspires to deliver a healthy organic growth, achieving business volumes in excess of €190bn, more than 8mn active customers of which mobile more than 80%, maintain an execution discipline

² Of cumulative net income of €4.0-4.5bn in 2025-28 subject to supervisory approval and achievement of Plan’s relevant capital and business targets in Portugal and in the international area and fulfillment of CET1 target. Including payout and share buyback, 2025 through 2028.

³ Official ratio, without the Q3’24 net income, of 16.2%.

reflected in a cost-to-income below 40% and cost of risk of below 50bps, reinforcing the ESG commitment aiming for a top quartile position in S&P Global CSA rating, ultimately achieving returns with an RoE above 13.5%, keeping a sizeable capital buffer with a CET1 ratio of above 13.5% and shareholder distribution of up to 75%⁴ of the cumulative net income of €4.0-4.5bn in 2025-28.

Deliver more value Main targets for strategic cycle 2025-2028

Metrics		Q1'26	2028
Healthy organic growth	Business volumes Portugal	176€bn 119€bn	> 190€bn > 120€bn
	Number of customers Portugal	7.4mn 2.9mn	> 8mn > 3mn
	Mobile customers Portugal	75% 67%	>80% > 75%
Execution discipline	Cost-to-income Portugal	36% 31%	< 40% < 37%
	Cost of risk Portugal	35 bp 33 bp	< 50 bps < 45 bps
ESG commitment	S&P Global CSA (percentile)	Top quartile	Top quartile
Robust capital	CET1 ratio	15.1%¹	> 13.5%
Superior returns	ROE	15.9%	> 13.5%
	Shareholder distribution	2025 activity 90%²	Up to 75% of cumulative net income of 4.0-4.5€bn in 2025-2028 ³ subject to supervisory approval and achievement of Plan's relevant capital & business targets in Portugal and in the international area and fulfillment of CET1 target

¹ Estimated fully implemented ratio (March 2026) including 10% of the unaudited net income of Q1'26, already considering the deduction of the maximum share buyback amount, corresponding to 40% of the 2025 net income. Excluding any distributions, the CET1 ratio would be 13.7%. | ² Includes a 50% dividend payout and a 40% share buyback programme of 2025 net income. | ³ Including dividend payments and share buybacks during the 2025-28 cycle.

⁴ Subject to supervisory approval and achievement of Plan's relevant capital and business targets in Portugal and in the international area and fulfillment of CET1 target. Including payout and share buyback, 2025 through 2028.

Interim condensed consolidated financial statements

CONSOLIDATED INDICATORS, ACTIVITY IN PORTUGAL AND INTERNATIONAL ACTIVITY

	<i>million EUR</i>								
	Group			Activity in Portugal			International activity		
	Mar. 26	Mar. 25 (restated)	Chg. 26/25	Mar. 26	Mar. 25 (restated)	Chg. 26/25	Mar. 26	Mar. 25 (restated)	Chg. 26/25
INCOME STATEMENT									
Net interest income	738.4	721.1	2.4 %	357.7	325.8	9.8 %	380.6	395.2	(3.7 %)
Dividends from equity instruments	0.0	0.0	(100.0 %)	0.0	0.0	0.0 %	0.0	0.0	(100.0 %)
Net fees and commissions income	218.0	201.4	8.2 %	160.4	147.8	8.5 %	57.6	53.6	7.4 %
Net trading income	49.8	29.5	68.6 %	37.4	13.3	181.4 %	12.4	16.2	(23.9 %)
Other net operating income	(38.8)	(56.3)	31.1 %	5.7	(2.0)	>200%	(44.6)	(54.3)	17.9 %
Equity accounted earnings	15.8	13.4	17.2 %	14.4	12.4	16.0 %	1.4	1.0	31.4 %
Net operating revenues	983.0	909.1	8.1 %	575.7	497.3	15.8 %	407.4	411.8	(1.1 %)
Staff costs	196.4	188.1	4.4 %	97.4	96.9	0.5 %	99.0	91.2	8.5 %
Other administrative costs	118.4	113.0	4.7 %	56.2	51.9	8.3 %	62.2	61.2	1.6 %
Amortisation and depreciation	40.2	38.6	4.2 %	22.7	19.9	14.1 %	17.5	18.7	(6.3 %)
Operating costs	354.9	339.7	4.5 %	176.2	168.6	4.5 %	178.7	171.1	4.4 %
Operating costs excluding specific items	354.3	339.6	4.3 %	175.6	168.5	4.2 %	178.7	171.1	4.4 %
Profit before impairment and provisions	628.1	569.4	10.3 %	399.4	328.7	21.5 %	228.7	240.8	(5.0 %)
Results on modification	(0.4)	(4.2)	91.3 %	0.0	0.0	0.0 %	(0.4)	(4.2)	91.3 %
Loan impairments (net of recoveries)	55.9	55.6	0.4 %	35.8	33.3	7.2 %	20.1	22.3	(9.8 %)
Other impairment and provisions	91.8	131.4	(30.1 %)	15.6	5.1	>200%	76.3	126.3	(39.6 %)
Profit before income tax	480.1	378.2	26.9 %	348.1	290.2	20.0 %	131.9	88.0	49.9 %
Income tax	136.9	112.2	22.0 %	82.7	71.3	16.0 %	54.2	40.9	32.5 %
Current	42.1	3.1	>200%	2.4	2.4	(1.5 %)	39.7	0.6	>200%
Deferred	94.9	109.2	(13.1 %)	80.3	68.9	16.6 %	14.6	40.3	(63.9 %)
Net income after income tax from continuing operations	343.1	266.0	29.0 %	265.4	218.9	21.2 %	77.7	47.1	65.0 %
Net income from discontinued operations	0.0	0.0	0.0 %	0.0	0.0	0.0 %	0.0	0.0	0.0 %
Non-controlling interests	37.3	22.5	65.5 %	0.0	0.0	35.7 %	37.3	22.6	65.4 %
Net income	305.8	243.5	25.6 %	265.4	218.9	21.2 %	40.4	24.5	64.6 %
BALANCE SHEET AND ACTIVITY INDICATORS									
Total assets	111,070	104,294	6.5 %	70,291	67,210	4.6 %	40,779	37,084	10.0 %
Total customer funds	112,807	104,576	7.9 %	75,384	70,906	6.3 %	37,423	33,670	11.1 %
Balance sheet customer funds	92,284	86,415	6.8 %	58,514	55,603	5.2 %	33,770	30,812	9.6 %
Deposits and other resources from customers	90,731	85,096	6.6 %	56,961	54,284	4.9 %	33,770	30,812	9.6 %
Debt securities	1,554	1,318	17.8 %	1,554	1,318	17.8 %	0	0	0.0 %
Off-balance sheet customer funds	20,523	18,162	13.0 %	16,870	15,304	10.2 %	3,653	2,858	27.8 %
Assets under management	7,099	6,240	13.8 %	4,454	4,286	3.9 %	2,645	1,953	35.4 %
Assets placed with customers	8,373	7,288	14.9 %	7,543	6,592	14.4 %	830	696	19.2 %
Insurance products (savings and investment)	5,051	4,633	9.0 %	4,873	4,425	10.1 %	178	208	(14.5 %)
Loans to customers (gross)	63,423	59,162	7.2 %	43,923	40,083	9.6 %	19,500	19,079	2.2 %
Individuals	38,686	36,789	5.2 %	25,078	22,570	11.1 %	13,608	14,219	(4.3 %)
Mortgage	30,746	29,214	5.2 %	22,296	20,015	11.4 %	8,450	9,200	(8.2 %)
Personal Loans	7,941	7,574	4.8 %	2,782	2,555	8.9 %	5,159	5,019	2.8 %
Companies	24,737	22,373	10.6 %	18,845	17,513	7.6 %	5,892	4,860	21.2 %
CREDIT QUALITY									
Total loan impairments (balance sheet)	1,395	1,419	(1.7 %)	783	777	0.8 %	612	642	(4.6 %)
Total loan impairments (balance sheet) / Loans to customers	2.2 %	2.4 %		1.8 %	1.9 %		3.1 %	3.4 %	
NPE (Loans to customers)	1,480	1,718	(13.9 %)	746	841	(11.4 %)	734	876	(16.3 %)
NPE / Loans to customers	2.3 %	2.9 %		1.7 %	2.1 %		3.8 %	4.6 %	
Total loan impairments (balance sheet) / NPE	94.3 %	82.6 %		105.0 %	92.4 %		83.4 %	73.3 %	
Restructured loans	1,054	1,396	(24.5 %)	588	837	(29.8 %)	466	559	(16.6 %)
Restructured loans / Loans to customers	1.7 %	2.4 %		1.3 %	2.1 %		2.4 %	2.9 %	
Cost of risk (net of recoveries, in b.p.)	35	38		33	33		41	47	

BANCO COMERCIAL PORTUGUÊS

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2025 AND 2024

(Thousands of euros)

	31 March 2026	31 March 2025
Interest and similar income	1,056,722	1,135,339
Interest and similar expense	(318,372)	(414,282)
NET INTEREST INCOME	738,350	721,057
Dividends from equity instruments	—	20
Net fees and commissions income	217,993	201,429
Gains/(losses) on financial operations at fair value through profit or loss	7,730	33,771
Foreign exchange gains/(losses)	29,791	2,645
Gains/(losses) on hedge accounting	2,195	1,958
Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss	10,061	(8,850)
Other operating income/(expenses)	(41,152)	(59,063)
TOTAL OPERATING INCOME	964,968	892,967
Staff costs	196,356	188,087
Other administrative costs	118,355	113,038
Amortisations and depreciations	40,215	38,595
TOTAL OPERATING EXPENSES	354,926	339,720
NET OPERATING INCOME BEFORE PROVISIONS AND IMPAIRMENT	610,042	553,247
Results on modification	(362)	(4,179)
Impairment of financial assets at amortised cost	(58,083)	(76,107)
Impairment of financial assets at fair value through other comprehensive income	568	(2,444)
Impairment of other assets	(3,129)	(4,004)
Other provisions	(87,062)	(104,447)
NET OPERATING INCOME	461,974	362,066
Share of profit of associates accounted for using the equity method	15,763	13,450
Gains/(losses) on disposal of subsidiaries and other assets	2,314	2,727
NET INCOME BEFORE INCOME TAXES	480,051	378,243
Income taxes		
Current	(42,056)	(3,070)
Deferred	(94,890)	(109,173)
NET INCOME AFTER INCOME TAXES FROM CONTINUING OPERATIONS	343,105	266,000
Net income from discontinued or discontinuing operations	—	—
NET INCOME AFTER INCOME TAXES	343,105	266,000
Net income for the period attributable to:		
Bank's Shareholders	305,778	243,452
Non-controlling interests	37,327	22,548
NET INCOME FOR THE PERIOD	343,105	266,000
Earnings per share (in Euros)		
Basic	0.082	0.063
Diluted	0.082	0.063

BANCO COMERCIAL PORTUGUÊS

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026 AND 31 DECEMBER 2025

	(Thousands of euros)	
	31 March 2026	31 December 2025
ASSETS		
Cash and deposits at Central Banks	3,280,198	4,089,540
Loans and advances to credit institutions repayable on demand	224,299	186,011
Financial assets at amortised cost		
Loans and advances to credit institutions	1,066,842	861,245
Loans and advances to customers	58,653,659	57,406,675
Debt securities	25,464,474	24,538,875
Financial assets at fair value through profit or loss		
Financial assets held for trading	2,091,864	1,063,264
Financial assets not held for trading mandatorily at fair value through profit or loss	351,815	353,619
Financial assets at fair value through other comprehensive income	15,005,852	16,045,772
Hedging derivatives	73,769	32,365
Investments in associates	470,057	455,176
Non-current assets held for sale	65,113	68,928
Investment property	5,081	5,011
Other tangible assets	571,931	581,846
Goodwill and intangible assets	319,250	322,683
Current tax assets	18,854	22,380
Deferred tax assets	1,668,825	1,744,370
Other assets	1,737,727	1,555,167
TOTAL ASSETS	111,069,610	109,332,927
LIABILITIES		
Financial liabilities at amortised cost		
Deposits from credit institutions and other funds	742,481	878,571
Deposits from customers and other funds	88,829,064	87,672,860
Non-subordinated debt securities issued	3,849,833	3,893,593
Subordinated debt	1,373,684	1,411,658
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	115,884	152,729
Financial liabilities designated at fair value through profit or loss	3,455,088	3,614,335
Hedging derivatives	37,959	42,728
Provisions	1,202,477	1,238,513
Current tax liabilities	84,771	86,354
Deferred tax liabilities	5,783	5,824
Other liabilities	1,704,478	1,275,005
TOTAL LIABILITIES	101,401,502	100,272,170
EQUITY		
Share capital	3,000,000	3,000,000
Share premium	16,471	16,471
Other equity instruments	400,000	400,000
Legal and statutory reserves	464,659	464,659
Reserves and retained earnings	3,888,052	2,913,463
Net income for the period attributable to Bank's Shareholders	305,778	1,018,647
Non-controlling interests	1,593,148	1,247,517
TOTAL EQUITY	9,668,108	9,060,757
TOTAL LIABILITIES AND EQUITY	111,069,610	109,332,927

Alternative performance measures

BCP Group prepares financial information in accordance with International Financial Reporting Standards (IFRS) endorsed by European Union. As a complement to that information, it uses a set of alternative performance measures that allow monitoring the evolution of its activity over time. Following the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) in October 2015 (ESMA/2015/1415), BCP Group presents some indicators related to the assessment of profitability and efficiency and the quality of the credit portfolio, among others, which are intended to facilitate an understanding of the evolution of the economic and financial position of the Group. The information presented in this context should not, under any circumstance, be construed as a substitute for financial information prepared in accordance with IFRS. It should also be noted that the definitions and concepts used for the calculation of these indicators may differ from those used by other entities in the determination of other similar measures and may therefore not be directly comparable. These indicators and their components are also described in more detail in the Glossary.

1) Loans to customers (net) / Balance sheet customer funds

Relevance of the indicator: the loans-to-deposits ratio is an indicator of structural liquidity that shows the Group's liquidity sourcing from its customers compared to its investment in customer lending activities.

	<i>million EUR</i>	
	31 Mar. 26	31 Mar. 25 restated
Loans to customers (net) (1)	62,028	57,742
Balance sheet customer funds (2)	92,284	86,415
(1) / (2)	67.2%	66.8%

2) Return on average assets (ROA)

Relevance of the indicator: allows measurement of the capacity of the Group to generate results with the volume of available assets.

	<i>million EUR</i>	
	3M26	3M25
Net income (1)	306	243
Non-controlling interests (2)	37	23
Average total assets (3)	110,130	103,440
[(1) + (2), annualised] / (3)	1.3%	1.0%

3) Return on average equity (ROE)

Relevance of the indicator: allows assessment of the capacity of the Group to remunerate its shareholders, assessing the level of profitability generated by the funds invested by the shareholders in the Group.

	<i>million EUR</i>	
	3M26	3M25
Net income (1)	306	243
Coupons on ATI Instruments (2)	8	8
Average equity (3)	7,595	6,860
[(1)-(2), annualised] / (3)	15.9%	13.9%

4) Return on tangible equity (ROTE)

Relevance of the indicator: allows assessment of the capacity of the Group to remunerate its shareholders, excluding intangible items.

	<i>million EUR</i>	
	3M26	3M25
Net income (1)	306	243
Coupons on ATI Instruments (2)	8	8
Goodwill impairment (3)	0	0
Adjusted net income (4)=[(1)-(2)+(3)]	298	235
Average equity excluding goodwill and intangible assets (5)	7,274	6,583
[(4), annualised] / (5)	16.6%	14.5%

5) Cost-to-income*

Relevance of the indicator: it allows for the monitoring of the level of efficiency of the Group (excluding specific items), evaluating the volume of operating costs to generate net operating revenues.

	<i>million EUR</i>	
	3M26	3M25
Operating costs (1)	355	340
of which: specific items (2)	1	—
Net operating revenues (3)	983	909
of which: specific items (4)	0	0
[(1) - (2)] / [(3) - (4)]	36.0%	37.4%

* Excluding specific items. In both periods specific items were recognised in staff costs in the activity in Portugal: negative impacts of EUR 1 million in the first quarter of 2026 and of an immaterial amount within the scope of this analysis in the first quarter of 2025.

6) Cost of risk, net of recoveries (expressed in basis points, annualised)

Relevance of the indicator: allows assessment of the quality of the loan portfolio by evaluating the ratio between impairment charges recognised in the period (net of reversals and recoveries of credit and interest) and the stock of loans to customers at the end of that period.

	<i>million EUR</i>	
	3M26	3M25 restated
Loans to customers at amortised cost, before impairment (management criteria) (1)	63,422	59,159
Loan impairment charges (net of recoveries) (2)	56	56
[(2), annualised] / (1)	35	38

7) Non-performing exposures (NPE) / Loans to customers (gross)

Relevance of the indicator: allows the assessment of the level of credit risk to which the Group is exposed based on the proportion of the NPE loan portfolio in the loans-to-customers portfolio (gross).

	<i>million EUR</i>	
	31 Mar. 26	31 Mar. 25 restated
Non-Performing Exposures (Loans to customers) (1)	1,480	1,718
Loans to customers (gross) (2)	63,423	59,162
(1) / (2)	2.3%	2.9%

8) Total loan impairments/ Non-performing exposures (NPE)

Relevance of the indicator: it allows the assessment of the relationship between the total balance sheet impairment recognised by the Group and the NPE loan portfolio.

	<i>million EUR</i>	
	31 Mar. 26	31 Mar. 25 restated
Non-Performing Exposures (Loans to customers) (1)	1,480	1,718
Total loan impairments (balance sheet) (2)	1,395	1,419
(2) / (1)	94.3%	82.6%

9) Impairments allocated to NPE/ Non-performing exposures (NPE)

Relevance of the indicator: it allows the assessment of the relationship between the impairments allocated to NPE recognised by the Group and the NPE loan portfolio.

	<i>million EUR</i>	
	31 Mar. 26	31 Mar. 25
Non-Performing Exposures (Loans to customers) (1)	1,480	1,718
Impairments allocated to NPE (balance sheet) (2)	818	909
(2) / (1)	55.3%	52.9%

Glossary

Average equity - weighted average of the average of monthly equity in the period.

Average total assets - weighted average of the average of monthly net assets in the period.

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

Cost of risk, net (expressed in basis points) - ratio of loan impairment (P&L) accounted in the period to loans to customers at amortised cost and debt instruments at amortised 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.

Debt instruments – non-subordinated debt instruments at amortised 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 – deposits from customers and other funds at amortised 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.

EPS (Earnings per share) - earnings per share, considering the ratio between the net income for the year attributable to the Bank's shareholders, deducted from coupons on ATI (if they exist), and the average number of shares.

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”).

Loan impairments (balance sheet) – balance sheet impairment related to loans to customers at amortised cost, balance sheet impairment associated with debt instruments at amortised cost related to credit operations and fair value adjustments related to loans to customers at fair value through profit or loss.

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

Loans to customers (gross) – loans to customers at amortised cost before impairment (excluding reverse repos), debt instruments at amortised 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 amortised cost net of impairment (excluding reverse repos), debt instruments at amortised 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.

Net trading income – gains/(losses) on financial operations at fair value through profit or loss, foreign exchange gains/(losses), gains/(losses) on hedge accounting and gains/(losses) arising from derecognition of financial assets and liabilities 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.

Non-performing loans (NPL) – overdue loans (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 including the non-overdue remaining principal of loans.

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 amortisation and depreciation.

Other impairment and provisions – impairment (net of reversals) for loans and advances of credit institutions classified at amortised cost, impairment for financial assets (classified at fair value through other comprehensive income and at amortised cost not associated with credit operations), impairment for other assets, namely assets received as payment in kind, investments in associates 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 – other operating income/(expenses) and gains/(losses) on disposal of subsidiaries and other assets.

Performing loans - loans to customers (gross) deducted from Non-performing exposures (NPE).

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

Return on average assets (ROA) – net income (before minority interests) divided by the average total assets.

Return on equity (ROE) – net income (after minority interests) deducted from Coupons on ATI (if they exist), divided by the average equity, with Equity = Equity - preference shares - other capital instruments, net of treasury shares of the same nature - non-controlling interests.

Return on tangible equity (ROTE) – net income (after minority interests) deducted from Coupons on ATI and from goodwill impairment (if they exist), divided by the average equity, deducted from goodwill and intangible assets, with Equity = Equity - preference shares - other capital instruments, net of treasury shares of the same nature - non-controlling interests.

Securities portfolio - debt instruments at amortised cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to assets with

repurchase agreement held for trading, trading derivatives and loans to customers) and financial assets at fair value through other comprehensive income.

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 funds.

Accounts and Notes to the Interim Condensed Consolidated Accounts

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2026 AND 2025

(Thousands of euros)

	Notes	31 March 2026	31 March 2025
Interest and similar income	2	1,056,722	1,135,339
Interest and similar expense	2	(318,372)	(414,282)
NET INTEREST INCOME		738,350	721,057
Dividends from equity instruments	3	—	20
Net fees and commissions income	4	217,993	201,429
Gains/(losses) on financial operations at fair value through profit or loss	5	7,730	33,771
Foreign exchange gains/(losses)	5	29,791	2,645
Gains/(losses) on hedge accounting	5	2,195	1,958
Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss	5	10,061	(8,850)
Other operating income/(expenses)	6	(41,152)	(59,063)
TOTAL OPERATING INCOME		964,968	892,967
Staff costs	7	196,356	188,087
Other administrative costs	8	118,355	113,038
Amortisations and depreciations	9	40,215	38,595
TOTAL OPERATING EXPENSES		354,926	339,720
NET OPERATING INCOME BEFORE PROVISIONS AND IMPAIRMENT		610,042	553,247
Results on modification	10	(362)	(4,179)
Impairment of financial assets at amortised cost	11	(58,083)	(76,107)
Impairment of financial assets at fair value through other comprehensive income	12	568	(2,444)
Impairment of other assets	13	(3,129)	(4,004)
Other provisions	14	(87,062)	(104,447)
NET OPERATING INCOME		461,974	362,066
Share of profit of associates accounted for using the equity method	15	15,763	13,450
Gains/(losses) on disposal of subsidiaries and other assets	16	2,314	2,727
NET INCOME BEFORE INCOME TAXES		480,051	378,243
Income taxes			
Current	30	(42,056)	(3,070)
Deferred	30	(94,890)	(109,173)
NET INCOME AFTER INCOME TAXES		343,105	266,000
Net income for the period attributable to:			
Bank's Shareholders		305,778	243,452
Non-controlling interests	44	37,327	22,548
NET INCOME FOR THE PERIOD		343,105	266,000
Earnings per share (in Euros)			
Basic	17	0.082	0.063
Diluted	17	0.082	0.063

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2026 AND 2025

	(Thousands of euros)		
	31 March 2026		
	Attributable to		
	Continuing operations	Bank's Shareholders	Non- controlling interests
NET INCOME FOR THE PERIOD	343,105	305,778	37,327
ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT (NOTE 43)			
Debt instruments at fair value through other comprehensive income			
Gains / (losses) for the period	(93,377)	(56,956)	(36,421)
Reclassification of gains / (losses) to profit or loss (note 5)	(2,652)	(2,628)	(24)
Cash flows hedging			
Gains / (losses) for the period	(66,698)	(66,817)	119
Reclassification of gains / (losses) to profit or loss	92,124	92,124	—
Other comprehensive income from investments in associates and others	(2,336)	(2,336)	—
Exchange differences arising on consolidation	(31,911)	(10,038)	(21,873)
IAS 29 application			
Effect on equity of Banco Millennium Atlântico, S.A.	(165)	(165)	—
Fiscal impact	20,425	9,645	10,780
	(84,590)	(37,171)	(47,419)
ITEMS THAT WILL NOT BE RECLASSIFIED TO THE INCOME STATEMENT			
Equity instruments at fair value through other comprehensive income			
Gains / (losses) for the period			
Subsidiaries (note 43)	(106)	(45)	(61)
Associates	(12)	(12)	—
	(118)	(57)	(61)
Changes in own credit risk of financial liabilities at fair value through profit or loss (note 43)	4	4	—
Actuarial gains / (losses) for the period			
Pension Funds of foreign subsidiaries and associates	1,373	1,342	31
Fiscal impact	696	683	13
	1,955	1,972	(17)
Other comprehensive income / (loss) for the period	(82,635)	(35,199)	(47,436)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	260,470	270,579	(10,109)

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE

See accompanying notes to the interim condensed consolidated financial statements.

(Thousands of euros)

	31 March 2025		
	Attributable to		
	Continuing operations	Bank's Shareholders	Non-controlling interests
NET INCOME FOR THE PERIOD	266,000	243,452	22,548
ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT (NOTE 43)			
Debt instruments at fair value through other comprehensive income			
Gains / (losses) for the period	15,462	8,831	6,631
Reclassification of gains / (losses) to profit or loss (note 5)	(6,411)	(6,400)	(11)
Cash flows hedging			
Gains / (losses) for the period	3,541	2,564	977
Reclassification of gains / (losses) to profit or loss	95,895	95,895	—
Other comprehensive income from investments in associates and others	7,299	7,301	(2)
Exchange differences arising on consolidation	13,061	1,621	11,440
IAS 29 application			
Effect on equity of Banco Millennium Atlântico, S.A.	466	466	—
Fiscal impact	(31,637)	(30,056)	(1,581)
	97,676	80,222	17,454
ITEMS THAT WILL NOT BE RECLASSIFIED TO THE INCOME STATEMENT			
Equity instruments at fair value through other comprehensive income			
Gains / (losses) for the period			
Subsidiaries (note 43)	159	69	90
Associates	24	24	—
	183	93	90
Changes in own credit risk of financial liabilities at fair value through profit or loss (note 43)	264	264	—
Actuarial gains / (losses) for the period			
Pension Funds of foreign subsidiaries and associates	211	204	7
Fiscal impact	322	339	(17)
	980	900	80
Other comprehensive income / (loss) for the period	98,656	81,122	17,534
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	364,656	324,574	40,082

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026 AND 31 DECEMBER 2025

		(Thousands of euros)	
	Notes	31 March 2026	31 December 2025
ASSETS			
Cash and deposits at Central Banks	18	3,280,198	4,089,540
Loans and advances to credit institutions repayable on demand	19	224,299	186,011
Financial assets at amortised cost			
Loans and advances to credit institutions	20	1,066,842	861,245
Loans and advances to customers	21	58,653,659	57,406,675
Debt securities	22	25,464,474	24,538,875
Financial assets at fair value through profit or loss			
Financial assets held for trading	23	2,091,864	1,063,264
Financial assets not held for trading mandatorily at fair value through profit or loss	23	351,815	353,619
Financial assets at fair value through other comprehensive income	23	15,005,852	16,045,772
Hedging derivatives	24	73,769	32,365
Investments in associates	25	470,057	455,176
Non-current assets held for sale	26	65,113	68,928
Investment property	27	5,081	5,011
Other tangible assets	28	571,931	581,846
Goodwill and intangible assets	29	319,250	322,683
Current tax assets	30	18,854	22,380
Deferred tax assets	30	1,668,825	1,744,370
Other assets	31	1,737,727	1,555,167
TOTAL ASSETS		111,069,610	109,332,927
LIABILITIES			
Financial liabilities at amortised cost			
Deposits from credit institutions and other funds	32	742,481	878,571
Deposits from customers and other funds	33	88,829,064	87,672,860
Non-subordinated debt securities issued	34	3,849,833	3,893,593
Subordinated debt	35	1,373,684	1,411,658
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	36	115,884	152,729
Financial liabilities designated at fair value through profit or loss	37	3,455,088	3,614,335
Hedging derivatives	24	37,959	42,728
Provisions	38	1,202,477	1,238,513
Current tax liabilities	30	84,771	86,354
Deferred tax liabilities	30	5,783	5,824
Other liabilities	39	1,704,478	1,275,005
TOTAL LIABILITIES		101,401,502	100,272,170
EQUITY			
Share capital	40	3,000,000	3,000,000
Share premium	40	16,471	16,471
Other equity instruments	40	400,000	400,000
Legal and statutory reserves	41	464,659	464,659
Reserves and retained earnings	43	3,888,052	2,913,463
Net income for the period attributable to Bank's Shareholders		305,778	1,018,647
Non-controlling interests	44	1,593,148	1,247,517
TOTAL EQUITY		9,668,108	9,060,757
TOTAL LIABILITIES AND EQUITY		111,069,610	109,332,927

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2026 AND 2025

	(Thousands of euros)	
	31 March 2026	31 March 2025
CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Interests received	647,732	788,857
Commissions received	254,710	244,773
Fees received from services rendered	28,154	19,676
Interests paid	(314,990)	(409,277)
Commissions paid	(25,626)	(27,392)
Recoveries on loans previously written off	3,235	3,198
Payments (cash) to suppliers and employees (*)	(376,736)	(431,611)
Income taxes (paid) / received	(25,520)	(46,207)
	<u>190,959</u>	<u>142,017</u>
Decrease / (increase) in operating assets:		
Receivables from / (Loans and advances to) credit institutions	(61,757)	(301,912)
Deposits held with purpose of monetary control	(146,279)	(183,042)
Loans and advances to customers receivable / (granted)	(1,392,613)	(626,846)
Short-term trading securities	(1,077,486)	322,476
Increase / (decrease) in operating liabilities:		
Deposits from credit institutions repayable on demand	(66,623)	87,177
Deposits from credit institutions with agreed maturity date	(68,506)	13,009
Deposits from customers repayable on demand	413,394	542,522
Deposits from customers with agreed maturity date	572,136	521,169
	<u>(1,636,775)</u>	<u>516,570</u>
CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Dividends received	—	20
Interest income from financial assets at fair value through other comprehensive income and at amortised cost	232,875	236,177
Sale of financial assets at fair value through other comprehensive income and at amortised cost	781,647	2,125,774
Acquisition of financial assets at fair value through other comprehensive income and at amortised cost	(37,828,290)	(45,168,565)
Maturity of financial assets at fair value through other comprehensive income and at amortised cost	36,830,001	39,522,537
Acquisition of tangible and intangible assets	(21,392)	(18,099)
Sale of tangible and intangible assets	2,258	1,396
Decrease / (increase) in other sundry assets	262,065	(307,728)
	<u>259,164</u>	<u>(3,608,488)</u>
CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Issuance of subordinated debt	—	500,000
Repayment of subordinated debt	—	(529,500)
Issuance of debt securities	500,310	191,465
Repayment of debt securities	(524,318)	(10,452)
Issuance of commercial paper and other securities	38,079	287,764
Repayment of commercial paper and other securities	(275)	(166,782)
Issuance of Perpetual Subordinated Bonds AT1 Bank Millennium in January 2026, net of expenses	354,995	—
Interest paid of the issue of Perpetual Subordinated Bonds (Additional Tier 1)	(8,125)	(8,125)
Payments on lease liabilities	(14,579)	—
Increase / (decrease) in other sundry liabilities and non-controlling interests	292,381	460,403
	<u>638,468</u>	<u>724,773</u>
Exchange differences effect on cash and equivalents	(31,911)	13,061
Net changes in cash and equivalents	<u>(771,054)</u>	<u>(2,354,084)</u>
Cash (note 18)	668,685	666,175
Deposits at Central Banks (note 18)	3,420,855	4,922,855
Loans and advances to credit institutions repayable on demand (note 19)	186,011	251,157
CASH AND EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>4,275,551</u>	<u>5,840,187</u>
Cash (note 18)	570,994	546,450
Deposits at Central Banks (note 18)	2,709,204	2,612,900
Loans and advances to credit institutions repayable on demand (note 19)	224,299	326,753
CASH AND EQUIVALENTS AT THE END OF THE PERIOD	<u>3,504,497</u>	<u>3,486,103</u>

(*) In 31 March 2026, this balance includes the amount of EUR 14 thousands (31 March 2025: EUR 16 thousands) related to short-term lease contracts and the amount of EUR 551 thousands (31 March 2025: EUR 635 thousands) related to lease contracts of low value assets.

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2026 AND 2025

(Thousands of euros)

	Share capital	Share premium	Other equity instruments	Legal and statutory reserves	Treasury shares	Reserves and retained earnings	Net income attributable to Bank's Shareholders	Non-controlling interests (note 44)	Total equity
BALANCE AS AT 31 DECEMBER 2024	3,000,000	16,471	400,000	384,402	—	2,387,592	906,378	1,097,714	8,192,557
Change in the calculation criteria for the effective interest rate of the Bank Millennium Group's loan portfolio (note 43)	—	—	—	—	—	(10,618)	—	(10,575)	(21,193)
BALANCE AS AT 1 JANUARY 2025	3,000,000	16,471	400,000	384,402	—	2,376,974	906,378	1,087,139	8,171,364
Net income for the period	—	—	—	—	—	—	243,452	22,548	266,000
Other comprehensive income	—	—	—	—	—	81,122	—	17,534	98,656
TOTAL COMPREHENSIVE INCOME	—	—	—	—	—	81,122	243,452	40,082	364,656
Results application:									
Transfers for reserves and retained earnings	—	—	—	—	—	906,378	(906,378)	—	—
Interest on perpetual subordinated bonds (Additional Tier 1)	—	—	—	—	—	(8,125)	—	—	(8,125)
Other reserves	—	—	—	—	—	28	—	(13)	15
BALANCE AS AT 31 MARCH 2025	3,000,000	16,471	400,000	384,402	—	3,356,377	243,452	1,127,208	8,527,910
Net income for the period	—	—	—	—	—	—	775,195	119,533	894,728
Other comprehensive income	—	—	—	—	—	309,394	—	618	310,012
TOTAL COMPREHENSIVE INCOME	—	—	—	—	—	309,394	775,195	120,151	1,204,740
Reduction of share capital (note 40)	(61,406)	—	—	—	200,000	(138,594)	—	—	—
Increase in share capital (note 40)	61,406	—	—	—	—	(61,406)	—	—	—
Results application:									
Legal reserve	—	—	—	80,257	—	(80,257)	—	—	—
Dividends paid	—	—	—	—	—	(447,646)	—	—	(447,646)
Increase in the share capital of the Fundo Predicapital	—	—	—	—	—	—	—	220	220
Interest on perpetual subordinated bonds (Additional Tier 1)	—	—	—	—	—	(24,375)	—	—	(24,375)
Treasury shares (note 42)	—	—	—	—	(200,000)	—	—	—	(200,000)
Other reserves	—	—	—	—	—	(30)	—	(62)	(92)
BALANCE AS AT 31 DECEMBER 2025	3,000,000	16,471	400,000	464,659	—	2,913,463	1,018,647	1,247,517	9,060,757
Net income for the period	—	—	—	—	—	—	305,778	37,327	343,105
Other comprehensive income	—	—	—	—	—	(35,199)	—	(47,436)	(82,635)
TOTAL COMPREHENSIVE INCOME	—	—	—	—	—	(35,199)	305,778	(10,109)	260,470
Results application:									
Transfers for reserves and retained earnings	—	—	—	—	—	1,018,647	(1,018,647)	—	—
Interest on perpetual subordinated bonds (Additional Tier 1)	—	—	—	—	—	(8,125)	—	—	(8,125)
New Perpetual subordinated bonds ATI issued by Bank Millennium, S.A. in January 2026 (note 44)	—	—	—	—	—	—	—	356,464	356,464
Expenses on the issuance of perpetual subordinated bonds ATI by Bank Millennium, S.A. in January 2026	—	—	—	—	—	(736)	—	(733)	(1,469)
Other reserves	—	—	—	—	—	2	—	9	11
BALANCE AS AT 31 MARCH 2026	3,000,000	16,471	400,000	464,659	—	3,888,052	305,778	1,593,148	9,668,108

(a) Dividends of BIM - Banco Internacional de Moçambique, S.A.

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE

See accompanying notes to the interim condensed consolidated financial statements.

1. Accounting policies

A. Basis of presentation

Banco Comercial Português, S.A. (the 'Bank') is a private capital bank, established in Portugal in 1985. It started operating on 5 May 1986, and these interim condensed consolidated financial statements reflect the results of the operations of the Bank and all its subsidiaries (together referred to as the 'Group') and the Group's interest in associates, for the three-month periods ended on 31 March 2026 and 2025.

In accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002, and Banco de Portugal Notice no. 5/2015 (which revoked Banco de Portugal Notice no. 1/2005), the Group's consolidated financial statements are required to be prepared, since 2005, in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU). IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB), as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor bodies. The interim condensed consolidated financial statements and the accompanying notes were approved on 26 May 2026 by the Bank's Board of Directors and are presented in thousands of euros, rounded to the nearest thousand.

All the references in this document related to any normative always report to the respective current version.

The interim condensed consolidated financial statements for the three-month period ended on 31 March 2026 were prepared for the purpose of recognition and measurement, in accordance with the IAS 34 - Interim Financial Reporting adopted by the EU and, therefore, they do not include all the information required in accordance with IFRS adopted by the EU. Consequently, the adequate comprehension of the interim condensed consolidated financial statements requires that they should be read with the consolidated financial statements with reference to 31 December 2025.

These interim condensed consolidated financial statements are a translation of the financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese version prevails.

A1. Comparative information

The Group has adopted IFRS and interpretations mandatory for accounting periods beginning on or after 1 January 2026. The accounting policies were applied consistently to all entities of the Group and are consistent with those used in the preparation of the financial statements of the previous period.

The Group's financial statements were prepared under the going concern assumption, the accrual-based accounting regime and under the historical cost convention, as modified by the application of fair value for derivative financial instruments, financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income. Financial assets and liabilities that are covered under hedge accounting are stated at fair value in respect of the risk that is being hedged, if applicable. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost. Non-current assets and disposal groups held for sale are stated at the lower of carrying amount or fair value less costs to sell. Investment properties recognised on the Group's balance sheet are recognised at fair value. The liability for defined benefit obligations is recognised as the present value of the past liabilities with pensions net of the value of the fund's assets.

The preparation of the financial statements in accordance with IFRS requires the Board of Directors, under advice of the Executive Committee, to make judgements, estimations and assumptions that affect the application of the accounting policies and reported amounts of assets, liabilities, income and expenses. The estimations and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances and form the basis for making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimations. The issues involving a higher degree of judgment or complexity or for which assumptions and estimations are significant are presented in note 1.Y.

B. Basis of consolidation

The consolidated financial statements now presented reflect the assets, liabilities, income and expenses of the Bank and its subsidiaries (the Group), and the results attributable to the Group financial investments in associates.

B1. Investments in subsidiaries

Subsidiaries are entities controlled by the Group (including structure entities and investment funds). The Group controls an entity when it holds the power to direct the relevant activities of the entity, and when it is exposed, or has rights, to variable returns from its involvement with the entity and can take possession of these results through the power it holds over the relevant activities of that entity (de facto control). The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Accumulated losses are attributed to non-controlling interests in the respective proportion, implying that the Group can recognise negative non-controlling interests.

On a step acquisition process resulting in the acquisition of control, the revaluation of any participation previously acquired is recorded against the profit and loss account when goodwill is calculated. On a partial disposal resulting in loss of control over a subsidiary, any participation retained is revalued at market value on the sale date and the gain or loss resulting from this revaluation is booked against the income statement.

B2. Investments in associates

Investments in associates are recorded by the equity method from the date that the Group acquires significant influence until the date it ceases to exist. Associates are those entities in which the Group has significant influence but not control over the financial and operating policy decisions of the investee. It is assumed that the Group has significant influence when it holds, directly or indirectly, more than 20% of the voting rights of the investee. If the Group holds, directly or indirectly, less than 20% of the voting rights of the investee, it is presumed that the Group does not have significant influence, unless such influence can be clearly demonstrated.

The existence of significant influence by the Group is usually evidenced in one or more of the following ways:

- representation on the Board of Directors or equivalent governing body of the investee;
- participation in policy-making processes, including participation in decisions about dividends or other distributions;
- material transactions between the Group and the investee;
- interchange of the management team;
- provision of essential technical information.

The consolidated financial statements include the part that is attributable to the Group of the total reserves and results of associates accounted on an equity basis. When the Group's share of losses exceeds its interest in the associate, the carrying amount is reduced to zero and recognition of further losses is discontinued, with exception of the part in which the Group incurs in a legal obligation to assume these losses on behalf of an associate.

B3. Goodwill

Business combinations are accounted under the purchase method. The acquisition cost corresponds to the fair value, determined at the acquisition date, of the assets given and liabilities incurred or assumed. Costs directly attributable to the acquisition of a subsidiary are recorded directly in the income statement.

Positive goodwill arising from acquisitions is recognised as an asset carried at acquisition cost and is not subject to amortisation, however, it is subject to impairment tests. Goodwill arising from the acquisition of subsidiaries and associates is defined as the difference between the cost of acquisition and the total or corresponding share of the fair value of the net assets and contingent liabilities acquired, depending on the option taken.

Negative goodwill arising from an acquisition is recognised directly in the income statement of the period in which the business combination occurs.

Goodwill is not adjusted due to changes in the initial estimation of the contingent purchase price, being the difference recorded in the income statement or in equity, when applicable.

According to IFRS 3 – Business combinations, if the initial accounting of a business combination is not concluded until the end of the first financial reporting period in which the combination occurs, it is recorded at the respective provisional values. These provisional values can be adjusted over the measurement period, which can't exceed a year since the acquisition date. Over this period, the Group should retrospectively adjust the amounts recognised previously on the acquisition date, to reflect newly obtained information about facts and circumstances that existed at the acquisition date and that, if they were known by then, would have impacted the measurement of the amounts recognised at that date.

During this period, the Group should also recognise additional assets and liabilities in the case of obtaining new information about facts and circumstances that existed at the acquisition date and that, if they were known by then, would have resulted in the recognition of those assets and liabilities at that time.

The recoverable amount of the goodwill recorded in the Group's asset is assessed annually in the preparation of the accounts with reference to the end of the year or whenever there are indications of eventual loss of value. Impairment losses are recognised in the income statement. The recoverable amount is determined based on the higher of the asset value in use and the market value after deducting selling costs, calculated using valuation methodologies supported by discounted cash flow techniques, considering market conditions, the time value of money and the business risks.

B4. Purchases and dilution of non-controlling interests

The acquisition of non-controlling interests that do not impact the control position of a subsidiary is accounted as a transaction with shareholders and, therefore, no additional goodwill resulting from this transaction is recognised. The difference between the acquisition cost and the fair value of non-controlling interests acquired is recognised directly in reserves. On this basis, the gains and losses resulting from the sale of controlling interests that do not impact the control position of a subsidiary are always recognised against reserves.

B5. Loss of control

The gains or losses resulting from the dilution or sale of a financial position in a subsidiary, with loss of control, are recognised by the Group in the income statement.

B6. Investments in foreign subsidiaries and associates

The financial statements of foreign subsidiaries and associates of the Group are prepared in their functional currency, defined as the currency of the primary economic environment in which they operate or the currency in which the subsidiaries obtain their income or finance their activity. In the consolidation process, assets and liabilities, including goodwill, of foreign subsidiaries are converted into euro at the official exchange rate on the balance sheet date.

Regarding the investments in foreign operations that are consolidated under the full consolidation or equity methods, exchange differences, between the conversion to euro of the equity at the beginning of the year and its value in euro at the exchange rate on the balance sheet date in which the consolidated accounts are reported, are recognised against "Reserves - exchange differences". The changes in fair value resulting from instruments that are designated and qualified as hedging instruments related to foreign operations are recorded in equity under "Reserves and retained earnings". Whenever the hedge is not fully effective, the ineffective portion is accounted against profit and loss of the year.

The income and expenses of these subsidiaries are converted to euro at an approximate rate of the rates on the dates of the transactions, using a monthly average considering the initial and final exchange rates of each month. Exchange differences from the conversion to euro of the profits and losses for the reporting period, arising from the difference between the exchange rate used in the income statement and the exchange rate prevailing at the balance sheet date, are recognised in "Reserves and retained earnings - exchange differences resulting from the consolidation of Group's companies".

On disposal of investments in foreign subsidiaries for which there is loss of control, exchange differences related to the investment in the foreign operation and to the associated hedge transaction previously recognised in reserves are transferred to profit and loss, as part of the gains or loss arising from the disposal.

The Group applies IAS 29 – Financial reporting in hyperinflationary economies in financial statements of entities that present accounts in functional currency of an economy that has hyperinflation. In applying this policy, non-monetary assets and liabilities are adjusted based on the price index from the date of acquisition. The restated values of assets are reduced by the amount that exceeds their recoverable amount, in accordance with the applicable IFRS.

Equity components are also updated considering the price index from the beginning of the period or date of the contribution if it is earlier.

When the classification as a hyperinflationary economy is applied to associates, its effects are included in the Group's financial statements by applying the equity method of accounting on the financial statements restated in accordance with the requirements of IAS 29. The effects of the application of IAS 29 with impact on capital items are recognised against the item "Reserves and retained earnings".

In accordance with the requirements provided in IAS 29, Angola was considered as a hyperinflationary economy until 31 December 2018. This classification is no longer applicable as at 1 January 2019.

B7. Transactions eliminated on consolidation

The balances and transactions between Group's companies, as well as any unrealised gains and losses arising from these transactions, are eliminated in the preparation of the consolidated financial statements. Unrealised gains and losses arising from transactions with associates and jointly controlled entities are eliminated in the proportion of the Group's investment in these entities.

C. Financial instruments (IFRS 9)

C1. Financial assets

C1.1. Classification, initial recognition and subsequent measurement

At the initial recognition, financial assets are classified into one of the following categories:

- “Financial assets at amortised cost”;
- “Financial assets at fair value through other comprehensive income”; or,
- “Financial assets at fair value through profit or loss”.

The classification is made taking into consideration the following aspects:

- the Group's business model for the management of the financial asset; and,
- the characteristics of the contractual cash flows of the financial asset.

In the initial determination of fair value, if it is not based on observable market data for the financial instruments under analysis, the difference (when materially relevant) between the transaction price and the fair value (day 1 P&L) should not be immediately recognised in profit or loss. It should be deferred and recognised as a gain or loss only when the unobservable inputs become observable, or as the entity completes the transaction.

Business Model Evaluation

The Group, at the time of acquisition of financial instruments, carried out an evaluation of the business model in which the are held at portfolio level, since this approach reflects how assets are managed and how that information is made available to management bodies. The information considered in this evaluation included:

- the policies and purposes established for the portfolio and the practical operability of these policies, including how the management strategy focuses on receiving contractual interest, maintaining a certain interest rate profile, adjusting the duration of financial assets to the duration of liabilities that finance these assets or on the realisation of cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management bodies;
- the evaluation of the risks that affect the performance of the business model (and of the financial assets held under this business model) and the way these risks are managed;
- the remuneration of business managers, i.e., in what way the compensation depends on the fair value of the assets under management or on contractual cash flows received; and,
- the frequency, volume and sales periodicity in previous periods, the reasons for these sales and the expectations about future sales. However, sales information should not be considered individually, but as part of an overall assessment of how the Group establishes financial asset management objectives and how cash flows are obtained.

Financial assets held for trading and financial assets managed and evaluated at fair value by option are measured at fair value through profit or loss because they are not held either for the collection of contractual cash flows (HTC), nor for the collection of cash flows and sale of these financial assets (HTC and Sell).

Evaluation if the contractual cash flows correspond to Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset at initial recognition. "Interest" is defined as the counterparty for the time value of money, for the credit risk associated with the amount owed over a given period and for other risks and costs associated with the activity (e.g., liquidity risk and administrative costs), as well as for a profit margin.

In the evaluation of the financial instruments in which contractual cash flows refer exclusively to the receipt of principal and interest, the Group considered the original contractual terms of the instrument. This evaluation included the analysis of the existence of situations in which the contractual terms can modify the periodicity and the amount of the cash flows so that they do not fulfil the SPPI condition. In the evaluation process, the Group considered:

- contingent events that may change the periodicity and the amount of the cash flows;
- characteristics that result in leverage;
- terms of prepayment and extension of maturity;
- terms that may limit the right of the Group to claim cash flows in relation to specific assets (e.g., contracts with terms that prevent access to assets in case of default – non-recourse asset); and,
- characteristics that may change the time value of money.

In addition, an advance payment is consistent with the SPPI criterion if:

- the financial asset is acquired or originated with a premium or discount in relation to the contractual nominal value;
- the prepayment represents substantially the nominal amount of the contract plus accrued contractual interest, but not paid (may include reasonable compensation for prepayment); and,
- the prepaid fair value is insignificant at initial recognition.

C1.1.1. Financial assets at amortised cost

Classification

A financial asset is classified under the category "Financial assets at amortised cost" if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect their contractual cash flows; and,
- its contractual cash flows occur on specific dates and are solely payments of principal and interest on the principal amount outstanding (SPPI).

The "Financial assets at amortised cost" category includes loans and advances to credit institutions, loans and advances to customers and debt instruments managed based on a business model whose purpose is to receive their contractual cash flows (government bonds, bonds issued by companies and commercial paper).

Initial recognition and subsequent measurement

Loans and advances to credit institutions and loans and advances to customers are recognised at the date the funds are made available to the counterparty (settlement date). Debt instruments are recognised on the trade date, that is, on the date the Group accepts to acquire them.

Financial assets at amortised cost are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost. In addition, they are subject, at their initial recognition, to the measurement of impairment losses for expected credit losses (note C1.5), which are recognised in "Impairment of financial assets measured at amortised cost".

Interest of financial assets at amortised cost is recognised under "Interest and similar income", based on the effective interest rate method and in accordance with the criteria described in note C3.

Gains or losses generated at the time of derecognition are recorded in "Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss".

C1.1.2. Financial assets at fair value through other comprehensive income

Classification

A financial asset is classified under the category of "Financial assets at fair value through other comprehensive income" if both of the following conditions are met:

- the financial asset is held within a business model whose objective is both to collect its contractual cash flows and to sell this financial asset; and,
- its contractual cash flows occur on specific dates and are solely payments of principal and interest on the principal amount outstanding (SPPI).

In addition, at the initial recognition of an equity instrument that is not held for trading, nor a contingent retribution recognised by an acquirer in a business combination to which IFRS 3 applies, the Group may irrevocably choose to classify it in the category of "Financial assets at fair value through other comprehensive income" (FVOCI). This option is exercised on a case-by-case basis and is only available for financial instruments that comply with the definition of equity instruments provided in IAS 32 and cannot be used for financial instruments whose classification as an equity instrument under the scope of the issuer is made under the exceptions provided in paragraphs 16A to 16D of IAS 32.

Initial recognition and subsequent measurement

Debt instruments at fair value through other comprehensive income are initially recognised at fair value plus transaction costs and are subsequently measured at fair value. Changes in the fair value of these financial assets are recognised against other comprehensive income and, at the time of their disposal, the respective gains or losses accumulated in other comprehensive income are reclassified to a specific income statement item designated "Gains or losses on derecognition of financial assets at fair value through other comprehensive income".

Debt instruments at fair value through other comprehensive income are also subject from their initial recognition to the measurement of impairment losses for expected credit losses (note C1.5). Impairment losses are recognised in the income statement under "Impairment of financial assets at fair value through other comprehensive income", against "Other comprehensive income", and do not reduce the carrying amount of the financial asset in the balance sheet.

Interest, premiums or discounts on financial assets at fair value through other comprehensive income are recognised in "Interest and similar income", based on the effective interest rate method and in accordance with the criteria described in note C3.

Equity instruments at fair value through other comprehensive income are initially recognised at fair value plus transaction costs and are subsequently measured at fair value. The changes in the fair value of these financial assets are recognised against "Other comprehensive income". Dividends are recognised in the income statement when the right to receive them is attributed.

Impairment is not recognised for equity instruments at fair value through other comprehensive income, and the respective accumulated gains or losses recognised in "Fair value changes" are transferred to "Retained earnings" at the time of their derecognition.

C1.1.3. Financial assets at fair value through profit or loss

Classification

A financial asset is classified in the category "Financial assets at fair value through profit and loss" if the business model defined by the Group for its management or the characteristics of its contractual cash flows do not meet the conditions described above to be measured at amortised cost or at fair value through other comprehensive income (FVOCI).

In addition, the Group may irrevocably designate a financial asset at fair value through profit or loss that meets the criteria to be measured at amortised cost or at FVOCI at the time of its initial recognition if this eliminates or significantly reduces an inconsistency in measurement or recognition (accounting mismatch), that will otherwise arise from measuring assets or liabilities or recognising their gains and losses in different bases.

The Group classified "Financial assets at fair value through profit and loss" in the following items:

a) "Financial assets held for trading"

These financial assets are acquired with the purpose of short-term selling; at the initial recognition, they are part of a portfolio of identified financial instruments and for which there is evidence of profit-taking in the short-term; or they can be defined as derivatives (except for hedging derivatives).

b) "Financial assets not held for trading mandatorily at fair value through profit or loss"

This item classifies debt instruments whose contractual cash flows do not correspond only to repayments of principal and interest on the principal amount outstanding (SPPI).

c) "Financial assets designated at fair value through profit or loss" (Fair Value Option)

This item includes the financial assets that the Group has chosen to designate at fair value through profit or loss to eliminate accounting mismatch.

Initial recognition and subsequent measurement

Considering that the transactions carried out by the Group in the normal course of its business are in market conditions, financial assets at fair value through profit or loss are initially recognised at their fair value, with the costs or income associated with the transactions recognised in profit and loss at the initial moment. Subsequent changes in the fair value of these assets are recognised in profit and loss.

The accrual of interest and of the premium/discount (when applicable) is recognised in "Net interest income", based on the effective interest rate of each transaction, except the accrual of interest from trading derivatives that are recognised in "Gains/(losses) on financial operations at fair value through profit or loss". Dividends are recognised in profit and loss when the right to receive them is attributed.

Trading derivatives with a positive fair value are included in the item "Financial assets held for trading", while trading derivatives with negative fair value are included in "Financial liabilities held for trading".

C1.2. Reclassification between categories of financial assets

Financial assets should be reclassified into other categories only if the business model used in their management has changed. In this case, all financial assets affected must be reclassified.

The reclassification must be applied prospectively from the date of reclassification and any gains, losses (including the ones related to impairment) or interest previously recognised should not be restated.

The reclassification of investments in equity instruments measured at fair value through other comprehensive income is not allowed, nor of financial instruments designated at fair value through profit or loss.

C1.3. Modification and derecognition of financial assets

General principles

- i) The Group shall derecognise a financial asset when, and only when:
 - the contractual rights to the cash flows from the financial asset expire; or,
 - it transfers the financial asset as set out in notes ii) and iii) below and the transfer qualifies for derecognition in accordance with note iv).
- ii) The Group transfers a financial asset if, and only if, it either:
 - transfers the contractual rights to receive the cash flows of the financial asset; or,
 - retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement that meets the conditions presented in note iii).
- iii) When the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay these cash flows to one or more entities (the 'eventual recipients'), the Group shall treat the transaction as a transfer of a financial asset if all the following three conditions are met:
 - the Group does not have any obligation to pay amounts to the eventual recipients, unless it collects equivalent amounts from the original asset. Short-term advances with the right of full recovery of the amount lent, plus accrued interest at market rates, do not violate this condition;
 - the Group is contractually prohibited from selling or pledging the original asset other than as a security to the eventual recipients due its obligation to pay them cash flows; and,
 - the Group has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, it is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents (as defined in IAS 7 – Statement of Cash Flows) during the short settlement period from the collection date until the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.
- iv) When the Group transfers a financial asset (see note ii) above), it shall evaluate the extent to which it retains the risks and rewards arising from owning the financial asset. In this case:
 - if the Group transfers substantially all the risks and rewards arising from owning the financial asset, it shall derecognise the financial asset and recognise separately any rights and obligations created or retained in the transfer, as assets or liabilities;
 - if the Group retains substantially all the risks and rewards arising from owning the financial asset, it shall continue to recognise the financial asset;
 - if the Group neither transfers nor retains substantially all the risks and rewards arising from owning the financial asset, it shall determine whether it retained control of the financial asset. In this case:
 - a) if the Group did not retain control, it shall derecognise the financial asset and recognise separately, as assets or liabilities, any rights and obligations created or retained in the transfer;
 - b) if the Group retained control, it shall continue to recognise the financial asset to the extent of its continued involvement in the financial asset.

- v) The transfer of risks and rewards (see prior note) is evaluated by comparing the Group's exposure, before and after the transfer, with the variability in the amounts and timing of the net cash flows of the transferred asset.
- vi) The question of whether the Group retained or not control (see note iv) above) over the transferred asset depends on the transferee's ability to sell the asset. If the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally without needing to impose additional restrictions on the transfer, the entity did not retain control. In all other cases, the entity retained control.

Derecognition criteria

In the context of the general principles listed in the previous section, and considering that contract modification processes may lead, in some circumstances, to the derecognition of the original financial assets and recognition of new ones (subject to POCI identification), the purpose of this section is to set the criteria and circumstances that may lead to the derecognition of a financial asset.

The Group considers that a modification of the terms and conditions of a credit exposure will result in derecognition of the transaction and in recognition of a new transaction when the modification translates into at least one of the following conditions:

- Creation of a new exposure that results from a debt consolidation, without any of the derecognised instruments having a nominal value higher than 90% of the nominal amount of the new instrument;
- Double extension of the residual maturity, provided that the extension is not shorter than 3 years compared to the residual maturity in the moment of the modification;
- Increase of on balance exposure by more than 10% compared to the nominal amount (refers to the last approved amount on the operation subject to modification);
- Change in qualitative features, namely:
 - i) Change of currency, unless the exchange rate between the old and the new currency is pegged or managed within limits restricted by law or the relevant monetary authorities;
 - ii) Exclusion or addition of a substantial equity conversion feature to a debt instrument, unless it is not reasonably possible that it will be exercised over its term;
 - iii) Transfer of the instrument's credit risk to another borrower, or a significant change in the structure of borrowers within the instrument.
 - iv) Deletion or addition to the debt instrument of features of the "Pay If You Can" type or dependent on the financial performance of the debt instrument.

In the case of a restructuring due to financial difficulties of the debtor, only the criteria set out in items ii, iii and iv of the above paragraphs should be checked (the other criteria listed in this paragraph are not relevant in such situations).

Under the regulatory changes that occurred in Poland and the negotiations with customers holding mortgage loans in foreign currency described in note 52, and which correspond to contractual modifications made in accordance with IFRS 9, when the cash flows resulting from the agreement are subject to modification and a given asset is not derecognised, the Group adjusts the gross book value of the financial asset and recognises the profit or loss due to the modification in the Income Statement - Results on modification. The adjustment to the gross carrying amount of a financial asset is the difference between the discounted cash flows before and after contract modification.

Loans written-off

The Group writes off a loan when it does not have reasonable expectations of recovering a financial asset in its entirety or partially. Loan recoveries and loans written off are recorded under the Impairment of financial assets at amortised cost and in off-balance sheet accounts, respectively.

C1.4. Purchased or originated credit-impaired assets

Purchased or originated credit-impaired (POCI) assets are assets that present objective evidence of credit impairment in the moment of their initial recognition. An asset is credit-impaired if one or more events have occurred with a negative impact on the estimated future cash flows of the asset.

The two events that lead to the origin of a POCI exposure are presented as follows:

- financial assets arising from a recovery process, where there have been changes to the terms and conditions of the original agreement, which presented objective evidence of impairment that resulted in its derecognition (note C1.3) and recognition of a new contract that reflects the credit losses incurred;
- financial assets acquired with a significant discount, where the existence of a significant discount reflects credit losses incurred at the time of their initial recognition.

At initial recognition, POCI assets do not carry an impairment allowance. Instead, lifetime expected credit losses (ECL) are incorporated into the calculation of the effective interest rate (EIR). Consequently, at initial recognition, the gross book value of POCI (initial balance) is accounted for at fair value and it's equal to the net book value before being recognised as POCI (difference between the initial balance and the total discounted cash flows).

C1.5. Impairment losses

C1.5.1. Financial instruments subject to impairment losses recognition

The Group recognises impairment losses for expected credit losses on financial instruments recognised in the following accounting items:

C1.5.1.1. Financial assets at amortised cost

Impairment losses on financial assets at amortised cost reduce the balance sheet value of these financial assets against the item "Impairment of financial assets at amortised cost" (in the income statement).

C1.5.1.2. Debt instruments at fair value through other comprehensive income

Impairment losses for debt instruments at fair value through other comprehensive income are recognised in the income statement under "Impairment of financial assets at fair value through other comprehensive income", against other comprehensive income (they do not reduce the balance sheet amount of these financial assets).

C1.5.1.3. Credit commitments, documentary credits and financial guarantees

Impairment losses associated with credit commitments, documentary credits and financial guarantees are recognised in liabilities, under the balance "Provisions for guarantees and other commitments", against "Other provisions" (in the income statement).

C1.5.2. Classification of financial instruments by stages

Classification criterion	Changes in credit risk since the initial recognition		
	Stage 1	Stage 2	Stage 3
Initial recognition	Initial recognition	Significant increase in credit risk since initial recognition	Impaired
Impairment losses	12-month expected credit losses	Lifetime expected credit losses	

The Group determines the expected credit losses of each operation as a result of the deterioration of credit risk since its initial recognition. For this purpose, operations are classified into one of the following three stages:

- Stage 1: the operations in which there is no significant increase in credit risk since its initial recognition are classified in this stage. Impairment losses associated with operations classified in this stage correspond to expected credit losses resulting from a default event that may occur within 12 months after the reporting date (12-month expected credit losses);

- Stage 2: the operations in which there is a significant increase in credit risk since its initial recognition (note C1.5.3) but are not impaired (note C1.5.4) are classified in this stage. Impairment losses associated with operations classified in this stage correspond to the expected credit losses resulting from default events that may occur over the expected residual life of the operations (lifetime expected credit losses);
- Stage 3: impaired operations are classified in this stage. Impairment losses associated with operations classified at this stage correspond to lifetime expected credit losses.

C1.5.3. Significant increase in credit risk (SICR)

The Group uses a set of criteria to determine whether there is a significant increase in the Probability of Default (PD) (Significant increase in Credit Risk) associated with credit exposures, which leads to a stage 2 classification. Among the criteria considered by the Group, the following are noteworthy:

- (i) customers classified with procedural risk grade 123 or 124, due to material arrears of more than 30 days or being monitored by credit recovery, or with no assigned risk grade;
- (ii) customers with a deterioration of the risk grade on the internal scale, above pre-defined thresholds, between the initial recognition date of the contract and the impairment calculation date;
- (iii) relative change in the cumulative Probability of Default (PD) for the remaining maturity of the exposure (Lifetime Forward-looking PD) above a certain threshold;
- (iv) exposures whose absolute value of the 12-month Forward-looking PD at the reporting date exceeds a certain threshold;
- (v) customers with operations restructured due to financial difficulties;
- (vi) customers with incidents reported through the Banco de Portugal's Central Credit Register; and
- (vii) customers subject to individual analysis for whom a stage 2 classification has been concluded due to the occurrence of a significant increase in credit risk, taking into account a set of predetermined indicators for this purpose.

Exposures that no longer meet the criteria to be classified as stage 2 are classified as stage 1.

C1.5.4. Definition of financial assets in default and impaired

All customers who meet at least one of the following conditions are marked as default and, consequently, in NPE:

a) Delay over 90 days of material payment:

- Amounts of principal, interest or fees not paid on the due date that, cumulatively, represent:
 - i) more than EUR 100 (retail) or more than EUR 500 (non-retail); and,
 - ii) more than 1% of the total debt (direct liabilities).

After these two conditions are met, the counting of days of delay begins: if more than 90 consecutive days in which the customer is in this situation have been counted, it is classified as default.

The existence of a material payment delay gives rise to the default setting of all holders of the operation (or operations).

b) Signs of low probability of payment:

- i. Credit restructuring due to financial difficulties with loss of value;
- ii. Delay after restructuring due to financial difficulties;
- iii. Recurrence of restructuring due to financial difficulties;
- iv. Credit with signs of impairment (or stage 3 of IFRS 9);
- v. Insolvency or equivalent proceedings;
- vi. Litigation;
- vii. Guarantees of operations in default;
- viii. Credit sales with losses;
- ix. Credit fraud;
- x. Unpaid credit status;
- xi. Breach of covenants in a credit agreement;
- xii. Spread of default in an economic group;
- xiii. Cross default in BCP Group.

C1.5.5. Estimates of expected credit losses - Individual analysis

1. Customers who are in one of the following conditions are subject to individual analysis:

Customers in default	Customers in litigation or insolvency, if the total exposure of the group members in these situations exceeds EUR 1 million
	Customers integrated into groups with an exposure over EUR 5 million, if they have a risk grade 125
Groups or customers who are not in default	Other customers belonging to groups in the above conditions
	Groups or customers with an exposure over EUR 5 million, if a group member has a risk grade 124 or has a restructured loan and a risk grade 123
	Groups or customers with an exposure over EUR 10 million, if at least one member of the group is in stage 2
	Groups or customers not included in the preceding paragraphs, whose exposure exceeds EUR 25 million

2. Regardless of the criteria described in the previous point, the individual analysis is only performed for customers with a credit exposure over EUR 500,000, while customers with exposure below this limit are not considered for the purpose of determining the exposure referred to in the previous point.

3. Other customers that do not meet the criteria defined in 1 will also be subject to individual analysis, if under the following conditions:

- they have impairment as a result of the latest individual analysis;
- are classified in stage 2 as a result of the latest revision of the questionnaire analysing the signs of financial difficulties;
- according to recent information, they show a significant deterioration in risk levels.

4. The individual analysis includes the following procedures:

- for customers that are not in default, the analysis of financial difficulties indicators to determine whether the customer has objective signs of impairment, or whether it should be classified in stage 2 given the occurrence of a significant increase in credit risk, considering for this purpose a set of predetermined signs;
- for customers in default or for which the previous analysis has allowed to conclude that the customer has objective signs of impairment, determination of the loss.

5. For the situations identified in the first paragraph of point 4 above, involving corporate customers, the analysis is the responsibility of the Rating Division, and the responsibility of the Credit Division for the remaining customers.

6. For the situations identified in the second paragraph of point 4 above, the individual analysis to determine the loss is the responsibility of the customer's management divisions and of the Credit Division, the latter with regard to the customers managed by the Commercial Networks.

The assessment of existence of impairment losses in individual terms is determined through an analysis of the total credit exposure on a case-by-case basis. For each loan considered individually significant, the Group assessed at each balance sheet date the existence of objective evidence of impairment. In the assessment of impairment losses in individual terms, the following factors were considered:

- total exposure of each customer towards the Group and the existence of overdue loans;
- viability of the customer's business and its capacity to generate enough cash flows to service debt obligations in the future;
- the existence, nature and estimated value of the collaterals associated to each loan;
- the customer's available assets in liquidation or insolvency situations and the existence of preferential creditors;
- the amount and expected recovery term.

7. Each of the units referred to in the previous point is responsible for assigning an expectation and a recovery period to exposures relating to customers subject to individual analysis, which must be transmitted to the Risk Office as part of the regular process of collecting information, accompanied by detailed justification of the proposed impairment.

8. The expected recovery shall be represented by a recovery rate of the total outstanding exposure, which may be a weighted rate considering the different recovery prospects for each part of the customer's liabilities.
9. The recovery estimation referred to in the previous point should be influenced by future prospects (forward-looking), contemplating not only a more expected scenario but also alternative scenarios (an unbiased and probability-weighted amount). The application and weighting of the scenarios should be carried out both in a global perspective and in an individualised perspective, the latter when cases that, due to their specificity, have a high degree of uncertainty regarding the expected recovery estimation are identified.
10. The macroeconomic adjustment set out in previous point should be analysed annually and weighted according to the type of recovery strategy associated with the exposure under analysis:
 - for Going Concern strategies (i.e., the estimation is based on the cash flows of the business), the possibility of applying the 2 additional macroeconomic scenarios (optimistic and pessimistic) should be analysed in a global way, to ascertain if there is the risk of a skewed view of the expected losses from the consideration of only one scenario;
 - for Gone Concern strategies (i.e., the recovery estimation is based on the realisation of the collateral), the impact of the macroeconomic scenario on collaterals should be analysed, for example, to what extent the projected real estate index indicates significant changes ahead for the current valuation values.
11. It is the responsibility of the units referred to in points 5 and 6 to consider in their forecast macroeconomic expectations that may influence the recoverability of the debt.
12. For the purposes of the preceding paragraphs, the Group's Economic Studies Area shall disclose the macroeconomic data that allow the estimations to be made.
13. The decision to consider global impacts related to the going and gone concern scenarios should be made by the Risk Committee, as proposed by the Risk Office.
14. For specific cases with a high degree of uncertainty, the allocation of alternative scenarios should be considered casuistically. Examples of recovery situations with a degree of uncertainty include:
 - recovery of collateral in geographies in which the Group has no relevant recovery experience;
 - recovery of debt related to geographies in which there is strong political instability;
 - recovery of non-real estate collateral for which there is no evidence of market liquidity;
 - recovery of related collateral or government guarantees in a currency other than the country's own;
 - recovery of debt related to debtors for whom there is a strong negative public exposure.
15. The Risk Office is responsible for reviewing the information collected and for clarifying all identified inconsistencies, as well as for the final decision on the customer's impairment.
16. Customers that have objective signs of impairment, but an individual impairment amount is equal to zero, are included in the collective analysis, assuming a PD 12-month equivalent to the risk grade 115 of the Master Scale.
17. The individual analysis must be carried out annually and may be carried out more frequently for customers who fall into certain situations of possible increased risk. In case significant signs of deterioration or improvement in the customer's economic and financial situation are detected, as well as the macroeconomic conditions affecting the customer's ability to accomplish debt, it is the responsibility of the Risk Office to promote the early review of the individual analysis of this customer.

C1.5.6. Estimates of expected credit losses - Collective analysis

Transactions that are not subject to an individual impairment analysis for the determination of loss are grouped considering their risk characteristics and subject to a collective impairment analysis. The Group's credit portfolio is divided by internal risk grades and according to the following segments:

- a) Segments with a reduced history of defaults, designated 'low default': Large corporate exposures, Project finance, Institutions (banks/financial institutions), Sovereigns and Real estate development;
- b) Segments not 'low default':
 - Retail: Mortgage, Consumer and Small and medium-sized enterprises - Retail;
 - Corporate: Small and medium enterprises - Corporate.

The Group performs statistical tests in order to prove the homogeneity of the segments mentioned above, with a minimum period of one year.

Expected credit losses are estimates of credit losses that are determined as follows:

- financial assets with no signs of impairment at the reporting date: the present value of the difference between the contractual cash flows and the cash flows that the Group expects to receive;
- financial assets with impairment at the reporting date: the difference between the gross book value and the present value of the estimated cash flows;
- unused credit commitments: the present value of the difference between the resulting contractual cash flows if the commitment is made and the cash flows that the Group expects to receive;
- financial guarantees: the current value of the expected repayments less the amounts that the Group expects to recover.

The main inputs used to measure ECLs on a collective basis should include the following variables:

- Probability of Default – PD;
- Loss Given Default – LGD; and,
- Exposure at Default – EAD.

These parameters are obtained through internal statistical models and other relevant historical data, considering the already existing regulatory models adapted to the requirements of IFRS 9.

PDs are estimated based on a certain historical period and will be calculated based on statistical models. These models are based on internal data including both quantitative and qualitative factors. If there is a change in the risk of the counterparty or exposure, the estimate of the associated PD will also vary. The PDs will be calculated considering the contractual maturities of exposures.

The risk grades are a highly relevant input for determining the PD associated with each exposure.

The Group collects performance and default indicators about their credit risk exposures with analysis by types of customers and products.

LGD is the magnitude of the loss that is expected to occur if an exposure goes into default. The Group estimates the LGD parameters based on the historical recovery rates after entry into counterparty defaults. The LGD models consider the associated collaterals, the counterparty activity sector, the default time, as well as the recovery costs. In the case of contracts secured by real estate, it is expected that the LTV (loan-to-value) ratios are a parameter of high relevance in the determination of LGD, considering the applicable haircuts as well as the estimated time and associated selling costs.

In the case of exposures from the securities portfolio of issuers that are Banks or Sovereigns, or subordinated exposures, the LGD to be applied in the credit loss estimate considers the LGD defined for the purpose of calculating capital requirements (CRR).

The EAD represents the expected exposure if the exposure and/or customer defaults. The Group obtains the EAD values from the counterparty's current exposure and potential changes to its current value as a result of the contractual conditions, including amortisations and prepayments. For commitments and financial guarantees, the value of the EAD will consider both the amount of credit used and the expectation of future potential value that may be used in accordance with the agreement.

For exposures covered by guarantees issued by Mutual Guarantee Societies or by supranational entities, the Bank applies the PD and LGD parameters associated with these entities to the covered part of the EAD.

As described above, except for financial assets that consider a 12-month PD as they do not present a significant increase in credit risk, the Group will calculate the ECL value considering the risk of default during the maximum contractual maturity period of the contract, even if, for the purpose of risk management, it is considered to be a longer period. The maximum contractual period shall be considered as the period up to the date on which the Group has the right to require payment or end the commitment or guarantee.

The Group conservatively considers a residual term of 5 years in the case of renewable operations, when in stage 2. This term was determined based on the behavioural models associated with this type of product.

Incorporation of forward-looking information:

The Group uses models to forecast the evolution of the most relevant parameters for the expected credit losses, namely probability of default, which incorporate forward-looking information. This incorporation of forward-looking information is carried out in the relevant elements considered for the calculation of expected credit losses (ECL).

In particular, the PD point-in-time (PDpit) considered for the determination of the probability of performing exposures at the reference date becoming defaulted exposures considers the expected values for a set of macroeconomic variables, based on three scenarios (Central, Upside and Downside Scenario) prepared by the Group's Economic Studies area. These scenarios, which are used across the Group for various purposes besides calculating impairment, consider existing forecasts by reference entities.

In December 2025, the Group carried out an update of the macroeconomic scenarios and of the corresponded adjustment of the parameters considered in the collective impairment model.

It should be noted that, in 2025, the Group revised its IFRS 9 impairment models, focusing on alignment with the IRB models, which were revised in 2024. This revision covered the criteria for identifying a significant increase in credit risk – SICR (stage 2) and the models for estimating PD, LGD, EAD, and calculating ECL, addressing all relevant components, such as historical information, segmentation, forward-looking adjustments, as well as the review of the monitoring and backtesting framework

C2. Financial liabilities

C2.1. Classification, initial recognition and subsequent measurement

At initial recognition, financial liabilities are classified in one of the following categories:

- “Financial liabilities at amortised cost”;
- “Financial liabilities at fair value through profit or loss”.

C2.1.1. Financial liabilities at fair value through profit or loss

Classification

Financial liabilities classified under "Financial liabilities at fair value through profit or loss" include:

- a) “Financial liabilities held for trading”

In this balance the issued liabilities are classified with the purpose of repurchasing in the near term, those that form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or is a derivative (except for a derivative classified as hedging instrument).

- b) “Financial liabilities designated at fair value through profit or loss”

The Group may irrevocably assign a financial liability at fair value through profit or loss at the time of its initial recognition if at least one of the following conditions is met:

- the financial liability is managed, evaluated and reported internally at its fair value; or,
- the designation eliminates or significantly reduces the accounting mismatch of transactions.

Initial recognition and subsequent measurement

Considering that the transactions carried out by the Group in the normal course of its business are made in market conditions, financial liabilities at fair value through profit or loss are initially recognised at fair value with the costs or income associated with the transactions recognised in profit or loss at the initial moment.

Subsequent changes in the fair value of these financial liabilities are recognised as follows:

- the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income;
- the remaining amount of change in the fair value of the liability shall be presented in profit or loss.

The accrual of interest and the premium/discount (when applicable) is recognised in "Interest and similar expense" based on the effective interest rate of each transaction.

C2.1.2. Financial guarantees

If they are not designated at fair value through profit or loss at the time of initial recognition, the financial guarantee contracts are subsequently measured at the highest of the following amounts:

- the provision for losses determined according to the criteria described in note C1.5;
- the amount initially recognised deducted, when appropriate, from the accumulated amount of income recognised according to IFRS 15 - Revenue from contracts with customers.

Financial guarantee contracts that are not designated at fair value through profit or loss are presented under "Provisions".

C2.1.3. Financial liabilities at amortised cost*Classification*

Financial liabilities that were not classified at fair value through profit or loss, or correspond to financial guarantee contracts, are measured at amortised cost.

The category "Financial liabilities at amortised cost" includes deposits from credit institutions and other funds, deposits from customers and other funds, as well as subordinated and non-subordinated debt securities.

Initial recognition and subsequent measurement

Financial liabilities at amortised cost are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost. Interest on financial liabilities at amortised cost are recognised in "Interest and similar expense", based on the effective interest rate method.

C2.2. Reclassification between categories of financial liabilities

Reclassifications of financial liabilities are not allowed.

C2.3. Derecognition of financial liabilities

The Group derecognises financial liabilities when these are cancelled or extinct.

C3. Interest recognition

Income and expense related to interest from financial instruments measured at amortised cost are recognised in "Interest and similar income" and "Interest and similar expense" (net interest income) through the effective interest rate method. Interest related to financial assets at fair value through other comprehensive income is also recognised in net interest income.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument (or, when appropriate, for a shorter period), to the net carrying amount of the financial asset or financial liability.

For calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument (e.g., early payment options) but without considering future impairment losses. The calculation includes all fees paid or received considered as included in the effective interest rate, transaction costs and all other premiums or discounts directly related to the transaction, except for assets and liabilities at fair value through profit and loss.

Interest income recognised in income associated with contracts classified in stage 1 or 2 are determined by applying the effective interest rate for each contract on its gross book value. The gross balance of a contract is its amortised cost, before deducting the respective impairment. For financial assets included in stage 3, interest is recognised in the income statement based on its net book value (less impairment). The interest recognition is always made in a prospective way, i.e., for financial assets entering stage 3, interest is recognised at the amortised cost (net of impairment) in subsequent periods.

For purchased or originated credit-impaired assets (POCI), the effective interest rate reflects the expected credit losses in determining the expected future cash flows receivable from the financial asset.

C4. Hedge accounting

As allowed by IFRS 9, the Group opted to continue to apply the hedge accounting requirements in accordance with IAS 39.

The Group designates derivatives and other financial instruments to hedge its exposure to interest rate and foreign exchange risk, resulting from financing and investment activities. Derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative hedging instruments are stated at fair value and gains and losses on revaluation are recognised in accordance with the hedge accounting model adopted by the Group. A hedge relationship exists when:

- at the inception of the hedge there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is assessed in a continuous basis and highly effective throughout the reporting period; and,
- for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

When a derivative financial instrument is used to hedge foreign exchange variations arising from monetary assets or liabilities, no hedge accounting model is applied. Any gain or loss associated to the derivative is recognised through profit and loss, as well as changes in currency risk of the monetary items.

C4.1. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedge instruments are recognised in profit and loss, together with changes in the fair value attributable to the hedged risk of the asset or liability or group of assets and liabilities. If the hedge relationship no longer meets the criteria for hedge accounting, the cumulative gains and losses due to variations of hedged risk linked to the hedge item recognised until the discontinuance of the hedge accounting are amortised through profit and loss over the residual term of the hedged item.

C4.2. Cash flow hedge

In a hedge relationship, the effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity - cash flow hedge reserves in the effective part of the hedge relations. Any gain or loss relating to the ineffective portion of the hedge is immediately recognised in profit and loss when occurred.

Amounts accumulated in equity are reclassified to profit and loss in the periods in which the hedged item will affect profit or loss.

In case of hedging variability of cash flows, when the hedge instrument expires or is disposed or when the hedging relationship no longer meets the criteria for hedge accounting, or when the hedge relation is revoked, the hedge relationship is discontinued on a prospective basis. Therefore, the fair value changes of the derivative accumulated in equity until the date of the discontinued hedge accounting can be:

- deferred over the residual period of the hedged instrument; or,
- recognised immediately in results if the hedged instrument is extinguished.

In the case of a discontinued hedge of a forecast transaction, the change in fair value of the derivative recognised in equity at that time remains in equity until the forecasted transaction is ultimately recognised in the income statement. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to profit and loss.

C4.3. Hedge effectiveness

For a hedge relationship to be classified as such according to IAS 39, effectiveness must be demonstrated. As such, the Group performs prospective tests at the beginning date of the initial hedge, if applicable, and retrospective tests in order to demonstrate at each reporting period the effectiveness of the hedging relationships, demonstrating that the variations in fair value of the hedging instrument are hedged by the fair value variations of the hedged item in the portion assigned to the risk covered. Any ineffectiveness is recognised immediately in profit and loss when incurred.

C4.4. Hedge of a net investment in a foreign operation

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity. The gain or loss relating to the ineffective portion is immediately recognised in profit and loss. Gains and losses accumulated in equity related to the investment in a foreign operation and to the associated hedge operation are recognised in equity and transferred to profit and loss, on the disposal of the foreign operation as part of the gain or loss from the disposal.

C5. Embedded Derivatives

An embedded derivative is a component of a hybrid agreement, which also includes a non-derived host instrument.

If the main instrument included in the hybrid contract is considered a financial asset, the classification and measurement of the entire hybrid contract is carried out in accordance with the criteria described in note C1.1.3.

Derivatives embedded in contracts that are not considered financial assets are treated separately whenever the economic risks and rewards of the derivative are not related to those of the main instrument, since the hybrid instrument is not initially recognised at fair value through profit or loss. Embedded derivatives are recorded at fair value with subsequent fair value changes recorded in profit or loss for the period and presented in the trading derivatives portfolio.

D. Securitisation operations

D1. Traditional securitisations

As at 31 March 2026, Banco Comercial Português held two residential mortgage securitisation operations in Portugal: Magellan Mortgages no.3 and no.4. Initially, the portfolios of these operations were derecognised from the Bank's individual balance sheet, as the risks and rewards related to the residual portions of the referred transactions, were transferred to institutional investors.

By purchasing a part or all of the most subordinated residual portion, the Group maintained control of the assets and liabilities of Magellan Mortgages no.3, this Special Purpose Entity (SPE) being consolidated in the Group's financial statements, in accordance with the accounting policy described in note 1 B.

The two operations are traditional securitisations, where each mortgage loan portfolio was sold to a Portuguese Loan Securitisation Fund, which has financed this purchase through the sale of securitisation units to an Irish-SPE. At the same time, this Special Purpose Entity (SPE) issued and sold in capital markets the different tranches of bonds.

D2. Synthetic securitisations

As at 31 March 2026, Banco Comercial Português held in Portugal two synthetic securitisation operations, with similar characteristics, with reference to credit portfolios granted by the Bank mainly to Small and Medium Enterprises (SMEs).

The operations currently underway are as follows:

- Caravela SME no.5, initiated on 20 December 2022, is supported by a diversified portfolio of medium-and-long-term loans, leasing contracts and commercial paper programmes.
- Caravela SME no.6, initiated on 28 February 2024, is supported on a credit portfolio of short-term exposures to Corporate customers, including current accounts overdrafts, authorised overdrafts and confirming agreements.

In any of these operations, the Bank contracted a Credit Default Swap (CDS) from a Special Purpose Entity (SPE), buying, this way, protection over the total referenced portfolio. As in all synthetic securitisations, under CDS, the risk of the respective portfolios was divided in 3 tranches: senior, mezzanine and equity.

The full amount of the mezzanine was placed on the market, with the Bank retaining the risk inherent of the full amount of the senior and equity tranches.

It should also be noted that in both transactions, the product of the CLNs issue was invested by the SPE in a deposit, which fully collateralises the responsibilities in the presence of its creditors including BCP in accordance with the CDS.

Within the scope of the active management of its synthetic securitisation structures, the Bank exercised the termination options provided for in the contracts relating to Caravela SME No. 4 and Caravela SME No. 3, whose respective Credit Default Swap (CDS) contracts were terminated on 22 December 2025 and 30 December 2025, respectively.

E. Equity instruments

A financial instrument is an equity instrument only if: i) the instrument includes no contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; and, ii) the instrument will or may be settled in the issuer's own equity instruments, it is either a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments or a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

An equity instrument, independently from its legal form, evidences a residual interest in the assets of an entity after deducting all its liabilities.

Transaction costs directly attributable to an equity instrument issuance are recognised in equity as a deduction to the amount issued. Amounts paid or received related to sales or acquisitions of equity instruments are recognised in equity, net of transaction costs.

Preference shares issued by the Group are considered as an equity instrument when redemption of the shares is solely at the discretion of the Group and dividends are paid at the discretion of the Group.

Income from equity instruments (dividends) are recognised when the obligation to pay is established and are deducted to equity.

F. Securities borrowing and repurchase agreement transactions

F1. Securities borrowing

Securities lent under securities lending arrangements continue to be recognised in the balance sheet and are measured in accordance with the applicable accounting policy. Cash collateral received in respect of securities lent is recognised as a financial liability. Securities borrowed under securities borrowing agreements are not recognised. Cash collateral placements in respect of securities borrowed are recognised under loans and advances to either banks or customers. Income and expenses arising from the securities borrowing and lending business are recognised on an accrual basis over the period of the transactions and are included in interest income or expense (net interest income).

F2. Repurchase agreements

The Group performs acquisition/sale of securities under reselling/repurchase agreements of securities substantially equivalent in a future date at a predetermined price ('repos'/'reverse repos'). The securities related to reselling agreements in a future date are not recognised in the balance sheet. The amounts paid are recognised in loans and advances to customers or loans and advances to credit institutions. The receivables are collateralised by the related securities. Securities sold through repurchase agreements continue to be recognised in the balance sheet and are revaluated in accordance with the applicable accounting policy. The amounts received from the proceeds of these securities are considered as Deposits from customers and other funds or Deposits from credit institutions and other funds. The difference between the acquisition/sale and reselling/repurchase conditions is recognised on an accrual basis over the period of the transaction and is included in interest income or expenses.

G. Non-current assets held for sale and Discontinued or discontinuing operations

Non-current assets, groups of non-current assets held for sale (groups of assets together with related liabilities that include at least a non-current asset) and discontinued operations are classified as held for sale when the intention is to sell the referred assets and liabilities and when the referred assets or group of assets are available for immediate sale, subject to the terms of sale usually applicable to these types of assets, and its sale is highly probable, in accordance with IFRS 5. For the sale to be considered highly probable, the Group must be committed to a plan to sell the asset (or disposal group) and must have initiated an active program to locate a buyer and complete the plan. In addition, the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value. Furthermore, it should be expected that the sale qualifies for recognition as a completed sale within one year from the date of classification, except as permitted by paragraph 9 of IFRS 5, and that the Group remains committed to the asset sales plan and the delay is caused by events or circumstances beyond its control.

If the requirements set out in IFRS 5 for these assets are not met, the balance sheet value and respective impairment are reflected in the balance "Other assets".

The Group also classifies as non-current assets held for sale those non-current assets or groups of assets acquired exclusively with a view to its subsequent disposal, which are available for immediate sale and its sale is highly probable. Immediately before classification as held for sale, the measurement of the non-current assets or all assets and liabilities in a disposal group, is performed in accordance with the applicable IFRS. After their reclassification, these assets or disposal groups are measured at the lower of their cost and fair value less costs to sell.

Discontinued operations and the subsidiaries acquired exclusively with the purpose to sell in the short-term are consolidated until the moment of their sale.

G1. Non-operating real estate (INAE)

The Group also classifies as non-current assets held for sale the non-operating real estate (INAE), which include properties acquired by the Group as a result of the resolution of customer credit processes, as well as own properties that are no longer used by the Group's services.

Properties held by real estate companies and real estate investment funds, which are part of the Group's consolidation scope, whose capital or units acquired by the Group as a result of the recovery loans are treated as INAE.

At the time of acquisition, real estate classified as INAE is recognised at the lower of the value of the loans existing on the date on which the recovery occurs, or the judicial decision is formalised, and the fair value of the property, net of estimated costs for sale. Subsequent measurement of INAE is made at the lower of their book value and the corresponding fair value, net of the estimated costs for their sale and are not subject to amortisation. Impairment losses are recorded in the results of the period in which they arise.

The fair value is determined based on the market value, which is determined based on the expected sales price obtained through periodic evaluations made by expert external evaluators accredited to the Comissão do Mercado de Valores Mobiliários (CMVM).

The principles used to determine the net fair value of selling costs of a property apply, whenever possible, to real estate like INAE held by Real Estate Companies and Real Estate Investment Funds for the purpose of consolidating Group accounts.

Whenever the net fair value of the selling costs calculated for an INAE is less than the amount by which the same is recognised in the Group's balance sheet, an impairment loss is recorded in the amount of the decrease in value ascertained. Impairment losses are recorded against income for the year.

If the net fair value of the selling costs of an INAE, after recognition of impairment, indicates a gain, the Group may reflect that gain up to the maximum of the impairment that has been recorded on that property.

H. Lease transactions (IFRS 16)

This standard establishes the requirements regarding the scope, classification/recognition and measurement of leases:

- from the lessor's perspective, leases will continue to be classified as finance leases or operating leases;
- from the lessee's perspective, the standard defines a single model of accounting for lease contracts, which results in the recognition of a right-of-use asset and a lease liability for all leases, except for those which the lease term ends within 12 months or for those which the underlying asset is of low-value and, in these cases, the lessee may opt for the exemption from recognition under IFRS 16 and shall recognise the lease payments associated with these leases as an expense.

The Group chose not to apply this standard to short-term lease contracts, i.e. contracts with a term shorter than or equal to one year, and to lease contracts in which the underlying asset's value is below EUR 5,000. Additionally, this standard was not applied to leases of intangible assets.

Lease definition

The lease definition focuses on the control of the identified asset, establishing that a contract constitutes or contains a lease if it carries the right to control the use of an identified asset, i.e., the right to obtain substantially all the economic benefits of using it, and the right to choose how to use the identified asset over a period in exchange of a payment.

Impacts from the lessee's perspective

The Group recognises for all leases, except for those with a term under 12 months or for leases of low-value assets:

- a right-of-use asset initially measured at cost must consider the Net Present Value (NPV) of the lease liability plus the value of payments made (fixed and/or variable), deducted from any lease incentives received, penalties for terminating the lease (if reasonably certain), as well as any cost estimates to be supported by the lessee with the dismantling and removal of the underlying asset and/or with the recovery of its location. Subsequently, it will be measured according to the cost model (subject to depreciations/amortisations and impairment tests);
- a lease liability initially recorded at the present value of the remaining lease payments (NPV), which includes:
 - fixed payments deducted from any lease incentives receivable;
 - variable lease payments that depend on a rate or an index, initially measured considering the rate or index as at the commencement date;
 - amounts expected to be paid by the lessee under residual values guarantees;
 - the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option;
 - payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to end the lease.

Since it is not possible to easily determine the implicit interest rate in the lease (paragraph 26 of IFRS 16), lease payments are discounted according to the lessee's incremental borrowing rate, which embodies the risk-free rate curve (swap curve) plus the Group's spread of risk, applied over the weighted average term of each lease contract. For term contracts, that date is considered as the end of lease date, while for contracts without term, or with renewable terms, it is assessed using the date in which the contract is enforceable, as well as eventual economic penalties associated with the lease contract. In the evaluation of enforceability, the particular clauses of the contracts are considered, as well as the current law on Urban Leases.

Subsequently, lease payments are measured as follows:

- by increasing their carrying amount to reflect interest;
- by reducing their carrying amount to reflect lease payments;
- carrying amount shall be remeasured to reflect any leases' revaluations or changes, as well as to reflect the review of in-substance fixed payments and the review of the lease term.

The Group remeasures the lease liability (and makes a corresponding adjustment to the right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using the revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using the revised discount rate.

The Group did not make any adjustment during the periods presented.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If the lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The implementation of this standard implies changes in the Group's financial statements, namely:

- in the consolidated income statement:
 - (i) recording in “Interest Income” the interest expenses related to lease liabilities;
 - (ii) recording in “Other administrative costs” the amounts related to short-term lease contracts and to lease contracts of low-value assets; and,
 - (iii) recording in “Amortisations and depreciations” the depreciation expenses related to right-to-use assets.
- in the consolidated balance sheet:
 - (i) recording in “Financial assets at amortised cost – Loans and advances to customers” the recognition of financial assets related to sublease operations measured accordingly to IFRS 9;
 - (ii) recording in “Other tangible assets” the recognition of right-to-use assets; and,
 - (iii) recording in “Other liabilities” the amount of recognised lease liabilities.
- in the consolidated statement of cash flows, the balance “Cash flows arising from operating activities – Payments (cash) to suppliers and employees” includes amounts related to short-term lease contracts and to lease contracts of low-value assets, and the balance “Cash flows arising from financing activities - Decrease in other sundry liabilities and non-controlling interests” includes amounts related to payments of lease liabilities' capital portions, as detailed in the consolidated statement of cash flows.

Impact from the lessor's perspective

In accordance with IFRS 16, paragraph 62, lessors shall classify leases as finance or operational leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards inherent to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards inherent to ownership of an underlying asset.

Subleases

A sublease implies that the lessee establishes a lease contract with a third party, which acts as an intermediary, and the lease contract with the original lessor is kept in force.

IFRS 16 – Leases requires that the lessor evaluates subleases regarding right-to-use and not regarding the underlying asset.

The sublease's lessor, simultaneously lessee regarding the original lease, shall recognise an asset in the financial statement – a right-to-use related to the initial lease (if the lease is classified as operating) or a financial asset, measured according to IFRS 9, related to the sublease (if the lease is classified as financing).

In case the primary lease is short-term, then the sublease should be classified as an operating lease.

I. Recognition of income from services and commissions

In accordance with IFRS 15, the Group recognises revenue associated with services and commissions when (or as) a performance obligation is satisfied when transferring a service, based on the transaction price associated with this performance obligation. In this context, the Group takes the following steps to recognise revenue associated with services and commissions:

- Recognition (satisfaction of the performance obligation): (i) identification of the contract associated with the service provided and whether it should be covered by IFRS 15; (ii) identification of performance obligations associated with each contract; (iii) definition of the criteria for the fulfilment of performance obligations, also considering the contractual terms established with the counterparty. According to this definition, a service is transferred when the customer obtains the benefits and control associated with the service provided. In this context, the Group also identifies whether performance obligations are met over time (“over time”) or at an exact moment (“point in time”), with revenue being recognised accordingly.

- Measurement (price to be recognised associated with each performance obligation): (i) determine the transaction price associated with the service provided, considering the contractual terms established with the counterparty and its usual commercial practices. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to the customer, excluding amounts collected on behalf of third parties. The Group includes in the transaction price part or all of the estimated amount of the variable consideration associated with a performance obligation, only to the extent that it is highly probable that a significant reversal in the amount of the accrued revenue recognised will not occur when the uncertainty associated with that variable consideration is subsequently resolved; and (ii) allocate the transaction price to each of the performance obligations identified under the contract established with the customer.

It should be noted that when services or commissions are an integral part of the effective interest rate of a financial instrument, income resulting from services and commissions is recorded in net interest income (note C.3).

J. Gains/(losses) on financial operations at fair value through profit or loss, Foreign exchange gains/(losses), Gains/(losses) on hedge accounting and Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss

These balances include gains and losses on financial assets and liabilities at fair value through profit and loss, i.e., fair value changes and interest on trading derivatives and embedded derivatives, as well as the corresponding dividends received. This balance also includes the gains and losses on sale of financial assets at fair value through other comprehensive income and financial assets and financial liabilities at amortised cost. The changes in fair value of hedging derivatives and hedged items, when fair value hedge is applicable, are also recognised in this balance, as well as the foreign exchange gains or losses.

K. Fiduciary activities

Assets held in the scope of fiduciary activities are not recognised in the Group's consolidated financial statements. Fees and commissions arising from this activity are recognised in the income statement in the period in which they occur.

L. Other tangible assets

Other tangible assets are stated at acquisition cost less accumulated depreciation and impairment losses. Subsequent costs are recognised as a separate asset only when it is probable that future economic benefits will result for the Group. All other repairs and maintenance expenses are charged to the income statement during the financial period in which they are incurred, under the principle of accrual-based accounting.

Depreciation is calculated on a straight-line basis, over the following periods which correspond to their estimated useful life:

	Number of years
Buildings	50
Expenditure on freehold and leasehold buildings	10
Equipment	4 to 12
Other tangible assets	3

Whenever there is an indication that a fixed tangible asset might be impaired, its recoverable amount is estimated and an impairment loss shall be recognised if the net value of the asset exceeds its recoverable amount. The recoverable amount is determined as the highest between the fair value less costs to sell and its value in use calculated based on the present value of future cash flows estimated to be obtained from the continued use of the asset and its sale at the end of the useful life. The impairment losses of the fixed tangible assets are recognised in the income statement of the period.

M. Investment properties

Real estate properties owned by the Group are recognised as 'Investment properties' considering that the main objective of these buildings is their capital appreciation on a long-term basis and not their sale in a short-term period, nor their maintenance for own use.

These investments are initially recognised at their acquisition cost, including transaction costs, and subsequently revaluated at their fair value. The fair value of investment properties should reflect the market conditions at the balance sheet date. Changes in fair value are recognised in the income statement, as "Other operating income/ (expenses)" (note 6).

The experts responsible for the valuation of the assets are properly certified for that purpose, being registered in CMVM.

N. Intangible assets

N1. Research and development expenditure

The Group does not capitalise any research and development costs. All expenses are recognised as costs in the period in which they occur.

N2. Software

The Group recognises as intangible assets the costs associated to software acquired from external entities and depreciates them on a straight-line basis by an estimated lifetime of 6 years. The Group does not capitalise internal costs arising from software development.

Whenever there is an indication that an intangible fixed asset may be impaired, an estimate of its recoverable amount is made, and an impairment loss should be recognised whenever the net value of that asset exceeds its recoverable amount. The recoverable amount is determined as the higher of its fair value less costs to sell and its value in use, which is calculated based on the present value of the estimated future cash flows expected to be obtained from the continued use of the asset and its disposal at the end of its useful life. Impairment losses on intangible fixed assets are recognised in profit or loss for the period.

O. Cash and cash equivalents

For the purposes of the cash flow statement, the balance "Cash and cash equivalents" comprises balances with a maturity of less than three months from the date of acquisition, where "Cash", "Cash and deposits at Central Banks" and "Loans and advances to credit institutions" are included.

P. Offsetting

Financial assets and liabilities are offset and recognised at their net book value when: i) the Group has a legal right to offset the amounts recognised and transactions can be settled at their net value; and, ii) the Group intends to settle on a net basis or realize the asset and settle the liability simultaneously. Considering the current operations of the Group, no compensation of material amount is made. In case of reclassification of comparative amounts, the provisions of IAS 1.41 are disclosed: i) the nature of the reclassification; ii) the amount of each item (or class of items) reclassified; and, iii) the reason for the reclassification.

Q. Foreign currency transactions

Transactions in foreign currencies are converted into the respective functional currency of the operation at the foreign exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into the respective functional currency of the operation at the foreign exchange rate on the reporting date. Foreign exchange differences arising from conversion are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are converted into the respective functional currency of the operation at the foreign exchange rate on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are converted into the respective functional currency of the operation at the foreign exchange rate on the date that the fair value was determined against profit and loss, except for financial assets at fair value through other comprehensive income, for which the difference is recognised against equity.

R. Employee benefits

R1. Defined benefit plans

The Group has the responsibility to pay its employees' retirement pensions, invalidity pensions and survivor's pensions for their death, in accordance with the terms of the two collective labour agreements approved. These benefits are provided for in the pension plans 'Plano ACT' and 'Plano ACTQ' of the Banco Comercial Português Group Pension Fund.

Following the publication of Decree-Law no. 54/2009, of 2 March, banking entities are obligatorily enrolling new employees in the General Social Security System (RGSS). These employees have the RGSS as their basic retirement scheme, and do not have any benefits under the ACT (base plan). Under the scope of its management and human resources, the Group had already adopted as a rule the inclusion of new employees in the RGSS since July 2005. However, until the transposition into the ACT of the alterations resulting from the referred Decree-Law no. 54/2009, all employees were covered by the provisions of the social security chapter of the ACT, and for employees who were already registered with the RGSS, the ACT benefit worked as a complement to the RGSS. As of 1 July 2009, in accordance with the ACT, all new employees only have the RGSS as their basic social security scheme.

Until 2011, in addition to the benefits provided for in the two plans above-mentioned, the Group had assumed the responsibility, if certain conditions of profitability were verified in each year, of assigning retirement supplements to the Group's employees hired up to 21 September 2006 (Complementary Plan). The Group, at the end of 2012, determined the extinction (cut) of the old-age benefit of the Complementary Plan. On 14 December 2012, Instituto de Seguros de Portugal (ISP) formally approved this change to the Group's benefit plan, effective from 1 January 2012. The plan was cut, and employees were given individual acquired rights. On that date, the Group also proceeded to the settlement of the respective liability.

From 1 January 2011, Bank employees were integrated in the General Social Security Scheme which now covers their maternity, paternity, adoption and pension benefits. However, the banks remain liable for benefits that concern illness, disability and life insurance (Decree-Law no. 1-A/2011, of 3 January).

The contributory rate is 26.6% divided between 23.6% supported by the employer and 3% supported by the employee, replacing the Banking Social Healthcare System which was extinguished by the decree law referred above. As a consequence of this amendment the capability to receive pensions by the actual employees are covered by the General Social Security Scheme regime, considering the service period between 1 January 2011 and the retirement age. The banks support the remaining difference for the total pension assured in the Collective Labour Agreement (ACT).

This integration has led to a decrease in the present value of the total benefits reported to the retirement age to be borne by the Pension Fund, and this effect is to be recorded in accordance with the Projected Unit Credit during the average lifetime of the pension until the normal retirement age is reached. The calculation of the liability for pensions carried out periodically by the actuary considers this effect and is calculated considering the actuarial assumptions in force, ensuring that the liabilities calculated as at 31 December 2010, not considering the effect of the integration of bank employees into the General Social Security Scheme are fully covered and deducted from the amount of the effect recognised until the date. The component of this effect for the year is recognised under the heading "Current service costs".

Following the approval by the Government of the Decree-Law no. 127/2011, which was published on 31 December, an agreement was established between the Government, the Portuguese Banking Association and the Banking Labour Unions in order to transfer, to the Social Security, the liabilities related to pensions currently being paid to pensioners and retirees, as at 31 December 2011.

This agreement established that the responsibilities to be transferred related to the pensions in payment as at 31 December 2011 at fixed amounts (discount rate 0%) in the component established in the IRCT - Instrument of Collective Regulation of Work of the retirees and pensioners. The responsibilities related to the increase in pensions as well as any other complements, namely, contributions to the Health System (SAMS), death benefit and death before retirement benefit continued to be under the responsibility of the Financial Institutions.

At the end of December 2016, a revision of the ACT was reached between the BCP Group and four unions from the two union federations of the unions that represent the Group's employees, which introduced changes in the Social Security clause and consequently in the pension plan financed by the BCP Group Pension Fund. The new ACT was published by the Ministry of Labour in the Bulletin of Labour and Employment on 15 February 2017 and the effects were recorded in the financial statements of 31 December 2016, for employees associated with these four unions.

The negotiation with Sindicato dos Bancários do Norte (SBN), which was also involved in the negotiations of the new ACT, was concluded in April 2017 with the publication of the Bulletin of Labour and Employment, with the effects of this new ACT recorded in the financial statements as at 31 December 2017, for SBN associate employees.

The most relevant changes in the ACT were the change in the retirement age (presumed disability) from 65 years to 66 years and two months in 2016 and the subsequent update of an additional month in each year, which cannot, in any case, be higher than the one in force at any moment in the General Regime of Social Security, the change in the formula for determining the employer's contribution to SAMS and, lastly, the introduction of a new benefit called the End of Career Premium, which replaces the Seniority Premium.

These changes were framed by the Group as a change to the pension plan under the terms of IAS 19, as such had an impact on the present value of the liabilities with services rendered and were recognised in the income statement for the year under "Staff costs".

In 2017, after the authorisation of the Autoridade de Supervisão de Seguros e Fundos de Pensões (ASF - Portuguese Insurance and Pension Funds Supervision Authority), the BCP Group's pension fund agreement was amended. The main purpose of the process was to incorporate into the pension fund the changes introduced in the Group's ACT in terms of retirement benefits, as well as to transfer to the pension fund the responsibilities that were directly chargeable to the company (extra-fund liabilities). The pension fund has a part exclusively for the financing of these liabilities which, in the scope of the fund, is called Additional Complement. The End of Career Premium also became the responsibility of the pension fund under the basic pension plan.

The Group's net obligation in respect of pension plans (defined benefit pensions plan) is calculated on a half year basis on 31 December and 30 June of each year, and whenever there are significant market fluctuations or significant specific events, such as changes in the plan, curtailments or settlements since the last estimation. The responsibilities with past service are calculated using the Projected Unit Credit method and actuarial assumptions considered adequate.

Pension liabilities are calculated by the responsible actuary, who is certified by the ASF.

The Group's net obligation in respect of defined benefit pension plans and other benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, using a discount rate determined by reference to interest rates of high-quality corporate bonds that have maturity dates approximating the terms of the Group's obligations. The net obligations are determined after the deduction of the fair value of the Pension Plan's assets.

The income/cost of interest with the pension plan is calculated by the Group, multiplying the net asset/liability with retirement pension (liabilities less the fair value of the plan's assets) by the discount rate used in the determination of the retirement pension liabilities. On this basis, the income/cost net of interest includes the interest costs associated with retirement pension liabilities and the expected return of the plan's assets, both measured based on the discount rate used to calculate the liabilities.

Gains and losses from the re-measurement, namely (i) actuarial gains and losses resulting from differences between actuarial assumptions used and the amounts actually observed (experienced gains and losses) and changes in actuarial assumptions and (ii) gains and losses arising from the difference between the expected return of the plan's assets and the amounts obtained, are recognized against equity under "Other comprehensive income".

The Group recognises in its income statement a net total amount that comprises (i) the current service cost, (ii) the income/cost net of interest with the pension plan, (iii) the effect of early retirement, (iv) past service costs and, (v) the effects of any settlement or curtailment occurred during the period. The net income/cost with the pension plan is recognised as interest and similar income or interest and similar expense depending on their nature. The costs of early retirements correspond to the increase in liabilities due to the employee's retirement before reaching the age of retirement.

Employee benefits, other than pension plans, namely post-retirement health care benefits and benefits for the spouse and descendants for death before retirement are also included in the benefit plan calculation.

The contributions to the funds are made annually by each company of the Group, according to a specific contribution plan that ensures the solvency of the fund. In the end of each year, according to Banco de Portugal Notice no. 12/2001, the minimum level required for the responsibilities funding must be 100% regarding pension payments and 95% regarding past services of active employees.

R2. Revision of the salary tables for employees in service and pensions in payment

During the first quarter of 2026, negotiations continued with all the unions subscribing to the Group's Collective Labour Agreements, for the salary table update for 2026 and the conclusion of the full review of the respective clauses, negotiations which are still ongoing.

Regarding the updating of salary tables, negotiations are also taking place with the "SIB – Sindicato Independente da Banca" for the review of salary tables and other pecuniary clauses relating to the years 2024 and 2025, as well as negotiations with the "Sindicato Nacional dos Quadros Técnicos Bancários (SNQTB)" for the 2025 review.

On a provisional basis, the Bank decided to implement a 2.00% increase in the salary tables for 2026 in February 2026, retroactive to 1 January 2026.

R3. Defined contribution plan

For the defined contribution plans, the responsibilities related to the benefits attributed to the Group's employees are recognised as expenses when incurred.

As at 31 March 2026, the Group has two defined contribution plans. One plan covers employees who were hired before 1 July 2009. For this plan, called non-contributory, Group's contributions will be made annually and equal to 1% of the annual remuneration paid to covered employees in the previous year. Contributions shall only be made if the following requirements are met: (i) the Bank's ROE equals or exceeds the rate of government bonds of 10 years plus 5 percentage points, and (ii) distributable profits or reserves exist in the accounts of Banco Comercial Português. As in the year 2025 the indicated requirements were fulfilled a provision for the annual contribution, which will be carried out in May 2026, was recorded in the 2025 costs.

The other plan covers employees who have been hired after 1 July 2009. For this plan, designated contributory, monthly contributions will be made equal to 1.5% of the monthly remuneration received by employees in the current month, by the Group and by the employees. This contribution has a mandatory character and is defined in the Collective Labour Agreement of the BCP Group and does not have a performance criterion.

R4. Variable remuneration paid to employees

In the remuneration policy for employees in force, it is foreseen an annual variable remuneration system / profit distribution for employees not covered by commercial incentive systems, which is based on the level of results achieved by the Bank and the principle of discretion based on the level of responsibility and contribution of everyone to the Bank's results. Based on this assessment, and provided that a Bank's minimum level of performance, as measured by a set of quantitative indicators, is met, the amount of the variable remuneration to be attributed to each employee is determined.

The Executive Committee is responsible, under the terms defined in the remuneration policy, for setting the respective allocation criteria for each employee, whenever it is attributed. The variable remuneration attributed to employees is recorded against the income statement in the period to which it relates.

R5. Share-based compensation plan

As at 31 March 2026, a variable compensation plan / profit distribution with BCP shares is in force for the members of the Executive Committee and for the employees considered Key Function Holders (includes Key Management Members), resulting from the Remuneration Policy for Employees approved for the year 2026 and the Remuneration Policy for members of the management and supervisory bodies approved for the year 2026 and following years, with the changes that may be approved in each financial year, namely by the General Shareholders' Meeting regarding the Remuneration Policy for the members of the management and supervisory bodies, and by the Board of Directors regarding the Remuneration Policy for Employees.

Key Function Holders include Key Management Members, which are the first line directors who report directly to the Board of Directors and the remaining employees whose professional activities have a significant impact on the Bank's risk profile.

As defined in the Remuneration Policy for the members of the management and supervisory bodies, an annual variable remuneration / profit distribution system is foreseen for the Executive Committee members, which is based on the level of results achieved by the Bank, and for which a discretion assessment of the performance of the Executive Committee is carried out on an annual basis based on quantitative and qualitative data. According to this assessment and your annual fixed remuneration, and provided that a Bank's minimum level of performance as measured by a set of quantitative indicators is met, the amount of the variable remuneration to be attributed to each member of the Executive Committee is decided by the Remuneration and Welfare Board. The payment of the amount of the variable remuneration attributed is subject to a deferral period of 5 years for 50% of its value, being 50% of its value paid in the year following the financial year in question. For the members with variable remuneration awarded greater than the fixed annual remuneration earned in the financial year in question, 60% of the amount must be deferred. The amounts related to the non-deferred and deferred portion are paid 50% in cash and 50% in BCP shares. The number of BCP shares attributed results from their valuation at a price defined in accordance with the approved Remuneration Policy.

The Remuneration Policy for Employees foresees an annual variable remuneration / profit distribution system for Employees not covered by Commercial Incentives Systems, which is based on the level of results achieved by the Bank and the principle of discretion based on the level of responsibility and contribution of everyone to the Bank's results. As a result of this assessment and the fixed reference remuneration for the function performed, and provided that a Bank's minimum level of performance in a set of quantitative indicators is met, the value of the variable remuneration to be attributed to each Employee is decided by the Executive Committee. For Employees considered as Key Function Holders (KFH), the payment of the amount of the variable remuneration to be attributed to each Employee is decided by the Nominations and Remunerations Committee, and its payment subject to a deferral period of 5 years for 40% of its value, with 60% of its value paid in the year following the financial year in question. For the KFH with variable remuneration awarded greater than the fixed annual remuneration earned in the financial year in question, 60% of the amount must be deferred. The amounts related to the non-deferred and deferred portion are paid 50% in cash and 50% in BCP shares. The number of BCP shares attributed and to be attributed results from their valuation at a price defined in accordance with the approved Remuneration Policy. As provided for in the Remuneration Policy for Employees, if the amount of the annual variable remuneration awarded to a Key Function Holder is less than EUR 50,000 and does not represent more than one third of the total annual remuneration of the Key Function Holder the payment of the annual variable remuneration will be 100% in cash and there will be no deferral.

Employees considered as Key Function Holders are not covered by Commercial Incentives Systems.

For the remaining Employees not covered by Commercial Incentive Systems, the payment of the variable remuneration amount awarded is fully paid in cash in the following year to which it relates.

For the members of the Executive Committee and to the Employees considered as Key Function Holders (KFH), a long-term variable remuneration / profit distribution (LTVR) system is also foreseen, through which these members may receive variable remuneration fully paid in BCP shares after the end of the assessment period, from 1 January 2026 until 31 December 2029, provided that a certain level of performance is achieved by the Bank in a set of long-term objectives. The amount of the long-term variable remuneration attributed is subject to a deferral period of 5 years for 50% of its value, being 50% of its value paid in the year following the assessment period to which it relates. If the LTVR of each member of the Executive Committee or KFH, equal to or greater than the annual fixed remunerations earned in the LTVR valuation period, the deferred amount will correspond to 60%. The number of BCP shares attributed results from their valuation at a price defined in accordance with the approved Remuneration Policy.

All the shares attributed to the members of the Executive Committee and to the Key Function Holders, within the scope of the payment of variable remuneration, including long-term, are subject to a retention period of 1 year after their payment.

The total variable remuneration to be attributed, each year, to each member of the Executive Committee and to the Key Function Holders, regarding the proportion between its amount and the annual fixed remuneration, is limited to the limits provided in the respective Remuneration Policy.

As foreseen in the approved Remuneration Policy and in the applicable legislation, the amounts of variable remuneration attributed to the members of the Executive Committee and to the Employees Key Function Holders are subject to reduction and reversal mechanisms, to be applied in case of verification of extremely significant events, duly identified, in which the people covered have had a direct participation.

S. Income taxes

The Group is subject to income tax in several jurisdictions. The Bank is subject, in individual terms, to the regime established by the Corporate Income Tax Code (CIRC), the Special Regime applicable to Deferred Tax Assets approved by Law no. 61/2014 of 26 August, to which it adhered, and individual legislation. Additionally, deferred taxes relating to tax losses and to temporary differences between the accounting net income and the net income accepted by the Tax Authorities for Income Taxes calculation are accounted for, whenever there is a reasonable probability that these taxes will be paid or recovered in the future.

Income tax recorded in net income for the year comprises current and deferred tax effects. Income tax is recognised in the income statement, except when related to items recognised directly in equity, which implies its recognition in equity. Deferred taxes arising from the revaluation of financial assets at fair value through other comprehensive income and cash flow hedging derivatives are recognised in shareholders' equity and are recognised after in the income statement at the moment the profit and loss that originated the deferred taxes are recognised.

Current tax is the value that determines the taxable income for the year, using tax rates enacted or substantively enacted by authorities at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are calculated in accordance with the liability method based on the balance sheet, considering temporary differences, between the carrying amounts of assets and liabilities and the amounts used for taxation purposes using the tax rates approved or substantially approved at balance sheet date and that is expected to be applied when the temporary difference is reversed.

Deferred tax liabilities are recognised for all taxable temporary differences except for non-deductible goodwill for tax purposes, differences arising from initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that probably they will not reverse in the foreseeable future.

The item "Deferred tax assets" includes amounts associated with credit impairment not accepted for tax purposes whose credits have been written-off, according to the expectation that the use of such impairment will be deductible for the purposes of determining taxable income for the tax periods in which the legal conditions required for their tax deductibility are met.

Deferred tax assets are recognised when it is probable that there will be future taxable profits that absorb the deductible temporary differences for tax purposes (including reportable tax losses).

The Group, as established in IAS 12, paragraph 74, compensates the deferred tax assets and liabilities if, and only if: (i) it has a legally enforceable right to offset current tax assets and current tax liabilities; and (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes released by the same Tax Authority on the same taxable entity.

The Group complies with the guidelines of IFRIC 23 – Uncertainty over Income Tax Treatments on the determination of taxable profit, tax bases, tax losses to be reported, tax credits to be used and tax rates in scenarios of uncertainty regarding the income tax treatment. This uncertainty is reflected in the amount of current tax liabilities and deferred tax assets and liabilities and.

The Group recognises deferred tax liabilities associated with the taxation, in Mozambique and Angola, of its share of the distributable profits of Banco Internacional de Moçambique and Banco Millennium Atlântico.

In 2016, the Banco Comercial Português adhered to the Special Tax Regime for Groups of Companies (RETGS) for the purposes of corporate income (IRC) taxation, with BCP being the dominant entity. In the first quarter of 2026 and in financial year of 2025, RETGS application was maintained. The group's taxable profit is calculated by the algebraic sum of taxable profits and individual tax losses of the companies that integrate it.

T. Segmental reporting

The Group adopted IFRS 8 – Operating Segments for the purpose of disclosing financial information by geographic segments, breaking them down into their respective operating segments whenever deemed relevant. A business segment is a Group's component: (i) which develops business activities that can obtain revenues or expenses; (ii) whose operating results are regularly reviewed by the management with the aim of taking decisions about allocating resources to the segment and assess its performance; and (iii) for which separate financial information is available.

The Group controls its activity through the following major operating segments:

Portugal activity:

- Retail Banking, also including ActivoBank;
- Companies and Corporate;
- Private Banking;
- Other.

The Other segment (Portugal activity) includes activities that are not allocated to remaining segments, namely centralised management of financial investments, corporate activities, and insurance activity.

International activity:

- Poland:
 - Retail;
 - Companies and Corporate;
 - Other.
- Mozambique;
- Other.

The contribution of the participation in the associate in Angola is included in the "Other" segment (International activity).

U. Provisions, Contingent liabilities and Contingent assets

U1. Provisions

Provisions are recognised when (i) the Group has a present obligation (legal or resulting from past practices or published policies that imply the recognition of certain responsibilities); (ii) it is probable that a payment will be required to settle; and (iii) a reliable estimation can be made of the amount of the obligation.

Additionally, when fundamental reorganisations occur that have a material effect on the nature and focus of the company's operations, and the criteria for recognition of provisions referred to above are met, provisions are recognised for restructuring costs.

The measurement of provisions considers the principles set in IAS 37 regarding the best estimate of the expected cost, the most likely result of current actions and considering the risks and uncertainties inherent to the process result. On the cases that the discount effect is material, provision corresponds to the actual value of the expected future payments, discounted at a rate that considers the associated risk of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the best estimate, being reverted through profit and loss in the proportion of the payments that are not probable.

Provisions are derecognised through their use in the obligations for which they were initially created, or in the case that these obligations cease to exist.

U2. Contingent assets

Contingent assets are not recognised in the financial statements and are disclosed when a future economic inflow of resources is probable.

U3. Contingent liabilities

Contingent liabilities are not recognised in the financial statements, being framed under IAS 37 whenever the possibility of an outflow of resources regarding economic benefits are not remote. The Group records a contingent liability when:

- i) it is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events that are not wholly within the control of the Group; or,
- ii) it is a present obligation that arises from past events but is not recognised because:
 - a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or,
 - b) the amount of the obligation cannot be measured with sufficient reliability.

The contingent liabilities identified are subject to disclosure, unless the possibility of an outflow of resources incorporating economic benefits is remote.

V. Earnings per share

Basic earnings per share are calculated by dividing net income attributable to shareholders of the Group by the weighted average number of ordinary shares outstanding, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

For the diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted to consider conversion of all dilutive potential ordinary shares. Potential or contingent share issues are treated as dilutive when their conversion to shares would decrease net earnings per share. If the earnings per share are changed because of an issue with premium or discount or other event that changed the potential number of ordinary shares or because of changes in the accounting policies, the earnings per share for all presented periods should be adjusted retrospectively.

W. Insurance contracts

W1. Classification

IFRS 17 is the new accounting standard for insurance contracts, reinsurance contracts and for Investment contracts with discretionary participation features, covering aspects such as recognition and measurement, presentation and disclosure of information, replacing IFRS 4 – Insurance contracts.

The Group issues contracts that include insurance risk, financial risk or a combination of both insurance and financial risk. A contract, in which the Group accepts a significant insurance risk from another party, by agreeing to compensate that party on the occurrence of a specified uncertain future event, is classified as an insurance contract.

A contract issued by the Group without significant insurance risk, but on which financial risk is transferred with discretionary participating features is classified as an investment contract recognised and measured in accordance with the accounting policies applicable to insurance contracts. A contract issued by the Group that transfers only financial risk, without discretionary participating features, is accounted for as a financial instrument.

W2. Recognition and measurement

IFRS 17 defines new principles for recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and Investment contracts with discretionary participation features. The references below apply to these three types of contracts.

In terms of recognition and measurement, insurance contracts are divided into portfolios, annual cohorts and groups of contracts. In the initial recognition, contracts that have similar risk and can be managed together, must be identified, grouping them into portfolios. For measurement purposes, these portfolios are further subdivided into annual cohorts, according to the issuance year. Each of the cohorts, according to the expected future return, is then divided into the following groups: i) contracts that are onerous at initial recognition; ii) contracts that do not present a significant possibility of subsequently becoming onerous; and iii) remaining contracts in the portfolio.

The liability of an insurance contract begins when one of the following conditions is met: i) beginning of the coverage period of the contract, ii) date on which the first payment is made by the insured and this becomes due or iii) in the case of an onerous contract, when it becomes onerous.

IFRS 17 defines 3 measurement models of the insurance liabilities: GMM (General Measurement Model) as a general modal, VFA (Variable Fee Approach) to be applied for investment contracts, which does not include a transfer of significant insurance risk and PAA (Premium Allocation Approach), which can be applied for short-term contracts (less than 1 year).

The measurement of the value of a contract is the sum of (except where contracts are being measured using the premium allocation approach): (i) the present value of future cash flows; (ii) a non-financial risk adjustment; and the amount of future profit that is estimated that this contract will generate the Contractual Service Margin (CSM), unless the contract group is onerous. In this case, the estimated loss is recognised immediately.

The liability for future services in contracts measured using the premium allocation approach is based on premiums received, less amounts recognised in profit or loss already incurred in the period.

In terms of the discount rate for determining future cash flows, it should: (i) reflect the time value of money; ii) be consistent with similar ones applied in the market for situations with similar characteristics and iii) exclude the effect of factors that do not affect the future cash flows of the insurance contract.

In the subsequent valuation, the Statement of Financial Position shall include liabilities for insurance contracts, divided into i) liabilities for future services and ii) liabilities for past services. In terms of the Income Statement, it should include: i) income from insurance contracts, ii) expenses from insurance contracts and iii) losses from the financial component of insurance contracts.

W3. Presentation and disclosures

In the Statement of Financial Position should appear in disaggregated form i) insurance contract assets, ii) reinsurance ceded contract assets iii) insurance contracts liabilities and iv) reinsurance ceded contract liabilities.

In terms of the Income Statement, the following must be disclosed: i) income from insurance contracts, ii) expense from insurance contracts, iii) losses from the financial component of insurance contracts, and iv) net result from reinsurance contracts.

Together with the Financial Statements, the standard provides for additional qualitative and quantitative disclosures of i) amounts recognised in the financial statements that fall within the scope of IFRS 17; ii) significant judgements and changes to those judgements made with the application of IFRS 17 and iii) nature and extent of the risks inherent in contracts that fall within the scope of IFRS 17.

For risks falling within the scope of IFRS 17, the entity shall analyse: (i) concentration risk, (ii) sensitivity analysis to the most significant risks, (iii) claims development, (iv) credit risk and (v) liquidity risk.

X. Insurance or reinsurance intermediation services

Banco Comercial Português and Banco ActivoBank are entities authorised by the Insurance and Pension Funds Supervisory Authority (ASF - Autoridade de Supervisão de Seguros e Fundos de Pensões) for the practice of the activity of insurance mediation, in the category of tied Insurance Intermediary, in accordance with article 8(a)(i) of Decree-Law no. 144/2006, of 31 July, developing the activity of insurance intermediation in the life and non-life branches.

Within the scope of insurance mediation services, these Banks sell insurance contracts. As remuneration for the services provided of insurance mediation, they receive commissions for the mediation of insurance contracts and investment contracts, which are defined in agreements/protocols established with the Insurers.

Commissions received by insurance mediation services are recognised in accordance with the accrual principle, so that commissions received at a time other than the period to which it relates are recorded as receivables under "Other assets". Commissions received for insurance mediation services are recognised in accordance with the policy described in note I. Recognition of income from services and commissions.

Y. Accounting estimates and judgements in applying accounting policies

IFRS set forth a range of accounting treatments that require the Board of Directors, under advice of the Executive Committee, to apply judgements and to make estimations when deciding which treatment is the most appropriate. These estimates were made considering the best information available at the date of preparation of the consolidated financial statements, considering the context of uncertainty that results from the current economic scope and the global geopolitical conflicts. The most significant of these accounting estimates and judgements used when applying accounting principles are discussed in this section to improve understanding of how they affect the Group's reported results and related disclosure.

Considering that in some cases there are several alternatives to the accounting treatment chosen by the Board of Directors, under advice of the Executive Committee, the Group's reported results would differ if a different treatment was chosen. The Executive Committee believes that the choices made are appropriate and that the financial statements present the Group's financial position and results fairly in all material relevant aspects.

The alternative outcomes discussed below are presented solely to assist the reader in understanding the financial statements and are not intended to suggest that other alternatives or estimations would be more appropriate.

Y1. Entities included in the consolidation scope

For the purposes of determining entities to include in the consolidation scope, the Group assesses whether it is exposed to, or has rights to, the variable returns from its involvement with the entity and if it can take possession of these results through the power it holds (*de facto control*). The decision if an entity needs to be consolidated by the Group requires the use of judgment, estimations and assumptions to determine at what extent the Group is exposed to the variable returns and its ability to use its power to affect these returns. Different estimations and assumptions could lead the Group to a different scope of consolidation scope with a direct impact in consolidated income.

Y2. Goodwill impairment

The recoverable amount of the goodwill recorded in the Group's assets is assessed annually in the preparation of accounts with reference to the end of the year or whenever there are indications of eventual loss of value. For this purpose, the carrying amount of the business units of the Group for which goodwill has been recognised is compared with the respective recoverable amount. A goodwill impairment loss is recognised when the carrying amount of the business unit exceeds the respective recoverable amount.

In the absence of an available market value, the recoverable amount is determined using cash flows predictions, applying a discount rate that includes a risk premium appropriated to the business unit being tested. Determining the cash flows to discount and the discount rate, involves judgment.

Y3. Income taxes

Interpretations and estimations were required to determine the total amount of income taxes in each of the jurisdictions where the Group operates. There are many transactions and calculations for which the tax determination is uncertain during the ordinary course of business. Different interpretations and estimations could result in a different level of income taxes, current and deferred, recognised in the year.

This aspect assumes greater relevance for the purposes of the analysis of the recoverability of deferred taxes, in which the Group considers forecasts of future taxable income based on a set of assumptions, including the estimate of income before taxes, adjustments to taxable income, evolution of tax legislation and its interpretation. Thus, the recoverability of deferred tax assets depends on the implementation of the Bank's Board of Directors strategy, namely the ability to generate the estimated taxable income, the evolution of tax law and its interpretation.

Regarding the activity in Portugal, the Law no. 98/2019, of 4 September established the tax regime for credit impairment and provisions for guarantees for tax periods beginning on or after 1 January 2019, providing for approximation between the accounting and tax rules for the purposes of deductibility of expenses with the reinforcement of credit impairment. The rules in force until 2018 could continue to be applied until the end of the 2023 financial year, unless the option to apply the new regime was exercised in advance.

In 2022, the Banco Comercial Português, S.A. and the Banco ActivoBank, S.A. exercised the option to apply the new regime, under which impairment losses for credit risk relating to exposures analysed on an individual or collective basis, recognised in accordance with applicable accounting and regulatory standards, the provisions for guarantees and other commitments, and the impairment losses on debt instruments at amortised cost or at fair value through Other Comprehensive Income, are fully deductible for the purposes of determining taxable profit, with the exceptions provided for in the Corporate Income Tax Code. The exceptions apply to impairment losses relating to credits and other rights over natural or legal persons who hold, directly or indirectly, more than 10 % of the Bank's capital, over members of its corporate bodies, over companies in which the Bank holds, directly or indirectly, more than 10 % of the capital or over entities with which it is in a situation of special relations.

The Impairment losses and other value corrections for specific credit risk recorded until 31 December 2021 and still not accepted for tax purposes are only deductible up to the amount that, in each tax period, corresponds to the application of the mandatory minimum limits set out in Notice of Banco de Portugal no. 3/95, as amended before its repeal by Notice of Banco de Portugal no. 5/2015, and, between other conditions, provided that they are not credits covered by real estate rights.

Following the amendments provided for in Law no. 24-D/2022, of 30 December, within the scope of the State Budget for 2023, the time limit applicable to the carrying forward of tax losses in Portugal was eliminated. This amendment applies to tax losses calculated in tax periods beginning on or after 1 January 2023, as well as to tax losses calculated in tax periods prior to 1 January 2023 and whose deduction period is still in progress on that date. Thus, tax losses calculated in 2014 and subsequent years may be deducted from future taxable income. The deduction limit for tax losses went from 70% to 65%, being increased by ten percentage points when the difference results from the deduction of tax losses calculated in the 2020 and 2021 tax periods, under the terms of the special regime provided for in Law no. 27-A/2020, of 24 July.

In the forecasts of future taxable income, namely for purposes of the analysis of the recoverability of deferred taxes assets carried out with reference to 31 December 2025, the approximation between the accounting and tax rules provided for in the aforementioned Law no. 98/2019, of 4 September, taking into account the option for applying the new regime exercised in 2022, as well as the changes in terms of the elimination of the time limit on the use of tax losses provided for in said Law no. 24-D/2022, of 30 December.

The taxable profit or tax loss calculated by the Bank or its subsidiaries residing in Portugal can be corrected by the Portuguese tax administration within a period of four years, except in the case of any tax losses deduction has been made or tax credit has been used, in which the expiry period is the exercise of that right. The Group recorded provisions, current tax liabilities or deferred taxes liabilities in the amount it considers appropriate to cover tax corrections or tax losses incurred, as well as contingencies relating to years not yet reviewed by the tax authorities.

Y4. Valuation of real estate recorded in Non-current assets held for sale and in Other assets

The valuation of these assets, and consequently the impairment losses, is supported by evaluations carried out by external experts, which incorporate several assumptions, namely the selling price per square meter, discount rate, better use of the real estate and expectations regarding the development of real estate projects, as applicable, and also considers the Group's historical experience in the commercialisation of real estate, its perspectives on the evolution of the real estate market and the intentions of the management body regarding the commercialisation of these assets. The assumptions used in the valuations of these assets have an impact on their valuation and consequently on the determination of impairment.

Y5. Pension and other employees' benefits

Determining pension liabilities requires the use of assumptions and estimations, including the use of actuarial forecasts, estimated returns on investment, and other factors, such as discount rate, pensions and salary growth rates, mortality tables, that could impact the cost and liability of the pension plan.

The discount rate used to update the Group's pension fund liabilities, regarding the defined benefit pension plans of its employees and managers, was determined based on an analysis carried out on a set of available information, which includes, among other elements, the market references for this indicator published by internationally recognised specialised entities and which are based, as defined by IAS 19, on market yields of a universe of high quality bond issues (low risk), different maturities, called in euro and relating to a diverse and representative range of issuers (non-sovereign).

Y6. Financial instruments – IFRS 9

Y6.1. Classification and measurement

The classification and measurement of financial assets depends on the results of the SPPI test (analysis of the characteristics of the contractual cash flows to determine if they correspond only to payments of principal and interest on the outstanding capital) and the testing of the business model.

The Group determines the business model at a level that reflects how financial asset groups are managed together to achieve a specific business objective. This evaluation requires judgement, since the following aspects, among others, must be considered: the way in which the performance of assets is evaluated; the risks that affect the performance of the assets and the way these risks are managed; and how asset managers are rewarded.

The Group monitors the financial assets measured at amortised cost and at fair value through other comprehensive income that are derecognised prior to their maturity to understand the underlying reasons for their disposal and to determine whether they are consistent with the purpose of the business model defined for these assets. This monitoring is part of a process of continuous evaluation by the Group of the business model of the financial assets that remain in the portfolio, to determine if it is adequate and, if it is not, if there was a change in the business model and, consequently, a prospective classification change of these financial assets.

Y6.2. Impairment losses on financial assets at amortised cost and debt instruments at fair value through other comprehensive income

The determination of impairment losses on financial instruments involves judgements and estimations regarding, among others, the following:

Significant increase in credit risk:

Impairment losses correspond to the expected losses on a 12-month for the assets in Stage 1 and the expected losses considering the probability of a default event occurring at some point up to the maturity date of the instrument financial assets for assets in Stages 2 and 3. An asset is classified in Stage 2 whenever there is a significant increase in its credit risk since its initial recognition. In assessing the existence of a significant increase in credit risk, the Group considers qualitative and quantitative information, reasonable and sustainable.

In order to comply with the supervisors' guidelines, namely regarding to the identification and measuring credit risk in the current context of uncertainty, largely associated with the worsening of the international geopolitical context, the constraints in several relevant European economies (political instability, public budgetary pressures and lower growth) and to the imposition of tariffs by the US on imports of goods from the E.U, the Group proceeded to record additional impairment in relation to the current models of collective impairment calculation (overlays).

The exercise carried out was based on an analysis of migrations from customers identified as having the highest risk for Stage 2 and Stage 3, with the greatest impact on the corporate segment.

Definition of groups of assets with common credit risk characteristics:

When expected credit losses are measured on a collective basis, the financial instruments are grouped based on common risk characteristics. The Group monitors the adequacy of credit risk characteristics on a regular basis to assess whether it maintains its similarity. This procedure is necessary to ensure that, in the event of a change in the credit risk characteristics, the asset segmentation is reviewed. This review may result in the creation of new portfolios or in transferring assets to existing portfolios that better reflect their credit risk characteristics.

Definition of the number and relative weight of prospective information for each type of product/market and determination of relevant prospective information:

In estimating expected credit losses, the Group uses reasonable and sustainable forecasting information that is based on assumptions about the future evolution of different economic drivers and how each of the drivers impacts the remaining drivers.

Probability of default:

The probability of default represents a determining factor in the measurement of expected credit losses and corresponds to an estimation of the probability of default in each period, which is calculated based on historical data, assumptions and expectations about future conditions.

Loss given default:

It corresponds to a loss estimation in a default scenario. It is based on the difference between the contractual cash flows and those that the Group expects to receive, through the cash flows generated by the customers' business or credit collaterals. The estimation of loss given default is based on, among other aspects, the different recovery scenarios, historical information, the costs involved in the recovery process and the estimation of the valuation of collaterals associated with credit operations.

Y6.3. Fair value of financial instruments

Fair value is determined based on market quotations when available, or, in their absence, on the prices of recent similar transactions carried out under market conditions or through valuation methodologies supported by discounted cash flow techniques, taking into consideration factors such as market conditions, the time value, the yield curve, and volatility. When these methodologies involve the use of significant unobservable inputs or assumptions, the instruments are classified as Level 3 in the fair value hierarchy, in accordance with applicable accounting standards (IFRS 13). The use of different methodologies, assumptions, or judgements may result in outcomes that differ from those reported.

In market environments characterised by higher macroeconomic uncertainty, the Group may, among other measures, reallocate risk limits and review both stress scenarios and the calculation of fair value adjustments.

Y7. Provisions for legal risk related to foreign currency-indexed mortgage loans (mostly to Swiss franc)

The Group creates provisions for legal contingencies related foreign currency-indexed mortgage loans, mostly to Swiss franc granted by Bank Millennium, S.A.

The assumptions used by Bank Millennium are essentially based on historical observations and will have to be updated in subsequent periods, which may have a relevant impact on the provision's estimation. The methodology developed by Bank Millennium is based on the following parameters: (i) the number of ongoing cases (including class action agreements) and potential future lawsuits; (ii) the amount of potential loss for Bank Millennium in the event of a specific court judgment (including the estimate of statutory interest which depends significantly on the period to which it relates (iii) estimates involving judicial or out-of-court settlements reached with customers.

The evolution of responsibilities with legal contingencies related to mortgage loans indexed to the Swiss franc and the amount of the Bank Millennium's actual losses depend, namely, on the number of ongoing and potential lawsuits, as well as on the final court decisions about each case and amicable settlement with customers, concluded in court or out of court.

Z. Subsequent events

The Group analyses events occurred after the balance sheet date, i.e., favourable and/or unfavourable events that occur between the balance sheet date and the date the financial statements were authorised for issue. In this context, two types of events can be identified:

- i) those that provide evidence of conditions that existed at the balance sheet date (events after the balance sheet date that give rise to adjustments); and,
- ii) those that are indicative of the conditions that arose after the balance sheet date (events after the balance sheet date that do not give rise to adjustments).

Events occurred after the date of the financial statements that are not considered as adjustable events, if significant, are disclosed in the notes to the consolidated financial statements.

2. Net interest income

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Interest and similar income		
Interest on deposits at Central Banks and on loans and advances to credit institutions repayable on demand	15,306	19,773
Interest on financial assets at amortised cost		
Loans and advances to credit institutions	19,043	24,618
Loans and advances to customers	618,329	708,435
Debt securities	196,566	178,129
Interest on financial assets at fair value through profit or loss		
Financial assets held for trading	19,258	16,357
Financial assets not held for trading mandatorily at fair value through profit or loss	19	2,076
Financial assets designated at fair value through profit or loss	—	245
Interest on financial assets at fair value through other comprehensive income	149,646	142,938
Interest on hedging derivatives	35,508	39,218
Interest on other assets	3,047	3,550
	1,056,722	1,135,339
Interest and similar expense		
Interest on financial liabilities at amortised cost		
Deposits from credit institutions and other funds	(6,824)	(10,107)
Deposits from customers and other funds	(207,107)	(266,763)
Non-subordinated debt securities issued	(47,005)	(48,573)
Subordinated debt	(19,568)	(20,966)
Interest on financial liabilities at fair value through profit or loss		
Financial liabilities held for trading		
Derivatives	(4,801)	(6,170)
Financial liabilities designated at fair value through profit or loss		
Deposits from customers and other funds	(11,468)	(8,460)
Interest on hedging derivatives	(18,746)	(50,095)
Interest on leasing	(2,738)	(3,096)
Interest on other liabilities	(115)	(52)
	(318,372)	(414,282)
	738,350	721,057

The balance Interest and similar income - Interest on financial assets at amortised cost - Loans and advances to customers includes a gain in the amount of EUR 10,930,000 (31 March 2025: loss of EUR 23,763,000) related to commissions and other gains accounted for under the effective interest method, as referred in the accounting policy described in note 1 C3. The balance also includes the amount of EUR 10,739,000 (31 March 2025: EUR 18,689,000) related to interest income arising from customers classified in stage 3.

The balance Interest and similar expense - Interest on non-subordinated debt securities issued and Interest on subordinated debt include the amount of EUR 827,000 and EUR 248,000, respectively (31 March 2025: EUR 817,000 and EUR 250,000, respectively) related to commissions and other costs accounted for under the effective interest method, as referred in the accounting policy described in note 1 C3.

The balance Interest and similar expense - Interest on leasing refers to the interest cost related to the leasing liabilities recognised under IFRS 16, as referred in accounting policy described 1 H.

3. Dividends from equity instruments

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Dividends from financial assets through other comprehensive income	—	20
	—	20

4. Net fees and commissions income

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Fees and commissions received		
Banking services provided	139,175	133,675
Management and maintenance of accounts	45,563	44,033
<i>Bancassurance</i>	39,893	34,036
Securities operations	13,417	11,636
From guarantees granted	11,638	11,963
From commitments to third parties	1,464	1,450
Management and intervention commissions	6,970	6,656
Other commissions	5,045	5,660
	263,165	249,109
Fees and commissions paid		
Banking services provided by third parties	(34,844)	(36,386)
Securities operations	(1,882)	(2,404)
From guarantees received	(690)	(1,447)
<i>Bancassurance</i>	(444)	(599)
Other commissions	(7,312)	(6,844)
	(45,172)	(47,680)
	217,993	201,429

5. Gains / (losses) on financial operations

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Gains/(losses) on financial operations at fair value through profit or loss		
Gains/(losses) on financial assets held for trading	(89,021)	(27,580)
Gains/(losses) on financial assets not held for trading mandatorily at fair value through profit or loss	33,193	6,774
Gains/(losses) on financial assets and liabilities designated at fair value through profit or loss	63,558	54,577
	7,730	33,771
Foreign exchange gains/(losses)	29,791	2,645
Gains/(losses) on hedge accounting	2,195	1,958
Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss	10,061	(8,850)
	49,777	29,524

The balances Gains/(losses) on financial operations at fair value through profit or loss is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Gains/(losses) on financial assets held for trading		
<i>Gains</i>		
Debt securities portfolio	2,912	4,680
Equity instruments	1,544	5,466
Derivative financial instruments	125,709	240,473
Other operations	891	321
	131,056	250,940
<i>Losses</i>		
Debt securities portfolio	(7,676)	(3,138)
Equity instruments	(2,958)	(1,528)
Derivative financial instruments	(209,268)	(273,748)
Other operations	(175)	(106)
	(220,077)	(278,520)
	(89,021)	(27,580)

(continues)

(continuation)

	(Thousands of euros)	
	31 March 2026	31 March 2025
Gains/(losses) on financial assets not held for trading mandatorily at fair value through profit or loss		
<i>Gains</i>		
Loans and advances to customers	33	122
Debt securities portfolio	909	8,249
Equity instruments	34,410	913
	<u>35,352</u>	<u>9,284</u>
<i>Losses</i>		
Loans and advances to customers	(13)	(79)
Debt securities portfolio	(1,900)	(943)
Equity instruments	(246)	(1,488)
	<u>(2,159)</u>	<u>(2,510)</u>
	<u>33,193</u>	<u>6,774</u>
Gains/(losses) on financial assets and liabilities designated at fair value through profit or loss		
<i>Gains</i>		
Debt securities portfolio	—	41
Deposits from customers and other funds	21,062	10,055
Debt securities issued		
Certificates and structured securities issued	104,119	122,986
	<u>125,181</u>	<u>133,082</u>
<i>Losses</i>		
Debt securities portfolio	—	(25)
Deposits from customers and other funds	(7,167)	(8,356)
Debt securities issued		
Certificates and structured securities issued	(54,456)	(70,124)
	<u>(61,623)</u>	<u>(78,505)</u>
	<u>63,558</u>	<u>54,577</u>

The balances Gains / (losses) on financial assets and liabilities designated at fair value through profit or loss - Gains/ (Losses) - Certificates and structured securities issued record the valuations and devaluations of certificates issued by the Group. These liabilities are covered by futures, which valuation and devaluation are recorded in Gains / (losses) on financial assets held for trading - Gains/(Losses) - Derivative financial instruments and foreign exchange transactions recorded under the balances "Foreign exchange gains/(losses)" shown in the table below.

The balances Foreign exchange gains/(losses), Gains/(losses) on hedge accounting and Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss, are presented as follows:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Foreign exchange gains/(losses)		
Gains	946,485	910,463
Losses	(916,694)	(907,818)
	29,791	2,645
Gains/(losses) on hedge accounting		
<i>Gains</i>		
Hedging derivatives	406,904	259,686
Hedged items	408,596	130,118
	815,500	389,804
<i>Losses</i>		
Hedging derivatives	(468,358)	(209,041)
Hedged items	(344,948)	(178,805)
	(813,306)	(387,846)
	2,194	1,958
Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss		
<i>Gains</i>		
Credit sales	7,129	3,739
Debt securities portfolio at amortised cost	—	742
Debt securities portfolio at fair value through other comprehensive income	2,895	7,735
Debt securities issued	1,060	778
Other	500	471
	11,584	13,465
<i>Losses</i>		
Credit sales	(45)	(240)
Debt securities portfolio at amortised cost	—	(12,524)
Debt securities portfolio at fair value through other comprehensive income	(243)	(1,324)
Debt securities issued	(947)	(8,115)
Other	(288)	(112)
	(1,523)	(22,315)
	10,061	(8,850)

6. Other operating income / (expenses)

The amount of this account is comprised of

	(Thousands of euros)	
	31 March 2026	31 March 2025
Operating income		
Gains on leasing operations	739	900
Income from services rendered	8,896	8,796
Rents	401	439
Sales of cheques and others	1,560	1,719
Other operating income	19,849	10,380
	31,445	22,234
Operating expenses		
Donations and contributions	(1,606)	(1,749)
Contributions to Resolution Funds	(27,640)	(18,170)
Contributions to the Deposit Guarantee Fund	(244)	(4,619)
Special tax on the polish banking sector	(24,252)	(23,553)
Taxes	(3,844)	(3,428)
Losses on financial leasing operations	(44)	(9)
Other operating expenses	(14,967)	(29,769)
	(72,597)	(81,297)
	(41,152)	(59,063)

7. Staff costs

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Remunerations	158,315	151,010
Mandatory social security charges	32,241	31,856
Voluntary social security charges	3,432	3,449
Other staff costs	2,368	1,772
	196,356	188,087

8. Other administrative costs

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Water, electricity and fuel	4,149	4,288
Credit cards and mortgage	5,373	5,079
Communications	7,081	7,430
Maintenance and related services	5,612	4,998
Legal expenses	888	911
Travel, hotel and representation costs	2,692	2,491
Advisory services	9,196	11,371
Training costs	551	292
Information technology services	7,833	7,520
Consumables	1,898	1,880
Outsourcing and independent labour	37,158	30,202
Advertising	8,369	7,891
Rents and leases	7,623	7,995
Insurance	1,271	1,311
Transportation	2,780	2,882
Other specialised services	8,267	9,059
Other supplies and services	7,614	7,438
	118,355	113,038

The balance Rents and leases includes the amount of EUR 14,000 (31 March 2025: EUR 16,000) related to short-term lease contracts and the amount of EUR 551,000 (31 March 2025: EUR 635,000) related to lease contracts of low-value assets, as described in the accounting policy 1 H.

9. Amortisations and depreciations

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Amortisations of intangible assets (note 29):		
Software	11,992	10,161
Other intangible assets	2,804	1,898
	14,796	12,059
Depreciations of other tangible assets (note 28):		
Properties	3,649	3,729
Equipment		
Computers	4,868	5,240
Security equipment	298	309
Indoor facilities	744	867
Machinery	321	427
Furniture	526	552
Vehicles	1,394	1,584
Other equipment	491	512
Right-of-use		
Real estate	13,128	13,316
	25,419	26,536
	40,215	38,595

10. Results on modification

The Group has accounted for a cost of EUR 362,000 (31 March 2025: cost of EUR 4,179,000) relating to contractual modifications made in accordance with IFRS 9. As at 31 March 2025, this item included the amount EUR 2,524,000 regarding negotiations with customers holding foreign currency-indexed mortgages loans in Poland, as described in note 52.

11. Impairment of financial assets at amortised cost

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Loans and advances to credit institutions (note 20)		
Charge for the period	1,382	163
Reversals for the period	(1,187)	(14)
	195	149
Loans and advances to customers (note 21)		
Charge for the period	190,141	170,402
Reversals for the period	(131,066)	(112,749)
Recoveries of loans and interest charged-off	(3,235)	(3,199)
	55,840	54,454
Debt securities (note 22)		
Associated to credit operations		
Charge for the period	143	1,344
Reversals for the period	(121)	(4)
	22	1,340
Not associated to credit operations		
Charge for the period	5,309	23,203
Reversals for the period	(3,283)	(3,039)
	2,026	20,164
	2,048	21,504
	58,083	76,107

12. Impairment of financial assets at fair value through other comprehensive income

The detail of this balance is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Impairment of financial assets at fair value through other comprehensive income (note 23)		
Charge for the period	1,574	2,745
Reversals for the period	(2,142)	(301)
	(568)	2,444

13. Impairment of other assets

The amount of this account is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Impairment of non-current assets held for sale (note 26)		
Charge for the period	104	270
Reversals for the period	(280)	(2)
	(176)	268
Impairment of tangible fixed assets (note 28)		
Reversals for the period	—	(54)
	—	(54)
Impairment of other assets (note 31)		
Charge for the period	2,457	2,393
Reversals for the period	(500)	(715)
	1,957	1,678
Impairment of real estate and other assets arising from recovered loans (note 31)		
Charge for the period	1,726	2,112
Reversals for the period	(378)	—
	1,348	2,112
	3,129	4,004

14. Other provisions

This balance is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Provision for guarantees and other commitments (note 38)		
Charge for the period	22,481	8,432
Reversals for the period	(22,827)	(12,760)
	(346)	(4,328)
Other provisions for liabilities and charges (note 38)		
Charge for the period	88,292	109,751
Reversals for the period	(884)	(976)
	87,408	108,775
	87,062	104,447

The balance Other provisions for liabilities and charges - Charge for the period refers essentially to provisions for legal risk accounted for by Bank Millennium, related to foreign currency-indexed mortgage loans, as described in note 52, which, in the first quarter of 2026, amounted to EUR 53,399,000 (31 March 2025: EUR 106,175,000).

15. Share of profit of associates accounted for using the equity method

The main contributions of the investments accounted for using the equity method are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Banco Millennium Atlântico, S.A. (note 25)		
Appropriation of net income relating to the current period	1,096	691
Effect of the application of IAS 29:		
Amortisation of the effect calculated until 31 December 2018 (a)	(24)	(29)
	<u>1,072</u>	<u>662</u>
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	10,161	8,720
Unicre - Instituição Financeira de Crédito, S.A.	376	1,928
SIBS, S.G.P.S., S.A.	3,300	3,173
Banque BCP, S.A.S.	895	910
Fidelidade Moçambique - Companhia de Seguros S.A.	283	370
Other companies	(324)	(2,313)
	<u>14,691</u>	<u>12,788</u>
	<u>15,763</u>	<u>13,450</u>

(a) Based on the requirements of IAS 29, Angola was considered as a hyperinflationary economy until 31 December 2018, for the purposes of presentation of consolidated financial statements, as described in accounting policy 1 B6. This classification is no longer applied since 1 January 2019.

16. Gains/(losses) on disposal of subsidiaries and other assets

This balance is comprised of:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Gains/(Losses) on disposal of other assets	2,314	2,727
	<u>2,314</u>	<u>2,727</u>

The balance Gains/(Losses) on disposal of other assets essentially include the result deducted from intermediation costs from the sale of assets held by the Group and classified as non-current assets held for sale and as other assets, which corresponds to a gain of EUR 923,000 (31 March 2025: gain of EUR 1,429,000).

17. Earnings per share

The earnings per share are calculated as follows:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Continuing operations		
Net income from continuing operations	343,105	266,000
Non-controlling interests	(37,327)	(22,548)
Appropriated net income from continuing operations	305,778	243,452
Interests on perpetual subordinated bonds (Additional Tier 1)	(8,125)	(8,125)
Adjusted net income from continuing operations	297,653	235,327
Average number of shares	14,804,627,089	15,113,989,952
Basic earnings per share (Euros)	0.082	0.063
Diluted earnings per share (Euros)	0.082	0.063

As at 31 March 2026, the Bank's share capital amounts to EUR 3,000,000,000 (31 March 2025: EUR 3,000,000,000) and is represented by 14,804,627,089 (31 March 2025: 15,113,989,952) nominative book-entry shares without nominal value, fully subscribed and paid up.

The calculation of the average number of shares as at 31 March 2026 (14,938,596,848 BCP shares) took into account the repurchase of own shares that occurred in fiscal year of 2025 (309,362,863 BCP shares).

There were not identified another dilution effects of the earnings per share as at 31 March 2026 and 31 March 2025, so the diluted result is equivalent to the basic result.

18. Cash and deposits at Central Banks

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Cash	570,994	668,685
Central Banks		
Banco de Portugal	1,230,974	1,997,077
Central Banks abroad	1,478,230	1,423,778
	3,280,198	4,089,540

The balance Central Banks includes deposits at Central Banks of the countries where the Group operates to satisfy the legal requirements to maintain a cash reserve calculated based on the value of deposits and other effective liabilities. According to the European Central Bank System for Euro Zone, the cash reserve requirements establish the maintenance of a deposit with the Central Bank equivalent to 1% of the average value of deposits and other liabilities, during each reserve requirement period. The rate is different for countries outside the Euro Zone.

19. Loans and advances to credit institutions repayable on demand

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Credit institutions in Portugal	8,429	6,506
Credit institutions abroad	142,307	108,635
Amounts due for collection	73,563	70,870
	224,299	186,011

The balance Amounts due for collection represents, essentially, cheques due for collection on other financial institutions. These balances were settled in the first days of the following month.

20. Loans and advances to credit institutions

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Loans and advances to Central Banks		
Central Banks abroad	519,401	373,122
	519,401	373,122
Loans and advances to credit institutions in Portugal		
Term deposits	1,600	1,927
Loans	10,083	10,005
Other	140	1,817
	11,823	13,749
Loans and advances to credit institutions abroad		
Very short-term deposits	156,815	117,563
Term deposits	342,052	313,885
Loans	13,085	4,291
Term deposits to collateralise CIRS and IRS operations (*)	6,630	25,833
Other	17,747	13,300
	536,329	474,872
	1,067,553	861,743
Impairment for loans and advances to credit institutions	(711)	(498)
	1,066,842	861,245

(*) Under the scope of derivative financial instruments operations (IRS and CIRS) with institutional counterparties, and as defined in the respective contracts ("Cash collateral"), these deposits are held by the counterparties and are given as collateral of the referred operations (IRS and CIRS), whose revaluation is negative for the Group.

The changes occurred in impairment of Loans and advances to credit institutions are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	498	112
Transfers	14	—
Charge for the period (note 11)	1,382	471
Reversals for the period (note 11)	(1,187)	(63)
Exchange rate differences	4	(22)
Balance at the end of the period	711	498

21. Loans and advances to customers

The analysis of loans and advances to customers, by type of credit, is as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Mortgage loans	31,723,151	31,337,755
Loans	18,252,969	17,600,936
Finance leases	4,532,876	4,514,157
Factoring operations	2,551,091	2,537,479
Current account credits	853,540	824,486
Overdrafts	1,307,527	1,163,242
Discounted bills	154,648	156,544
	59,375,802	58,134,599
Overdue loans - less than 90 days	125,082	119,191
Overdue loans - Over 90 days	498,659	468,710
	59,999,543	58,722,500
Loans impairment	(1,345,884)	(1,315,825)
	58,653,659	57,406,675

The balance Loans and advances to customers, as at 31 March 2026, is analysed as follows:

	(Thousands of euros)				
	31 March 2026				
	Outstanding loans	Overdue loans	Gross amount	Impairment	Net amount
Public sector	533,681	—	533,681	(1,230)	532,451
Asset-backed loans	33,862,267	97,587	33,959,854	(316,381)	33,643,473
Other guaranteed loans	4,711,432	70,129	4,781,561	(144,248)	4,637,313
Unsecured loans	10,839,888	320,114	11,160,002	(700,603)	10,459,399
Foreign loans	2,344,567	3,986	2,348,553	(24,527)	2,324,026
Factoring operations	2,551,091	40,127	2,591,218	(65,262)	2,525,956
Finance leases	4,532,876	91,798	4,624,674	(93,633)	4,531,041
	59,375,802	623,741	59,999,543	(1,345,884)	58,653,659

The balance Loans and advances to customers, as at 31 December 2025, is analysed as follows:

	(Thousands of euros)				
	31 December 2025				
	Outstanding loans	Overdue loans	Gross amount	Impairment	Net amount
Public sector	510,544	—	510,544	(1,119)	509,425
Asset-backed loans	33,450,676	92,984	33,543,660	(330,915)	33,212,745
Other guaranteed loans	4,618,812	64,311	4,683,123	(141,805)	4,541,318
Unsecured loans	10,175,011	291,940	10,466,951	(654,129)	9,812,822
Foreign loans	2,327,920	2,488	2,330,408	(24,536)	2,305,872
Factoring operations	2,537,479	49,986	2,587,465	(70,689)	2,516,776
Finance leases	4,514,157	86,192	4,600,349	(92,632)	4,507,717
	58,134,599	587,901	58,722,500	(1,315,825)	57,406,675

The balances Asset-backed loans and Other guaranteed loans follow the subsequent types of guarantees considered:

- Asset-backed loans: Financial collaterals, physical collaterals (movable or immovable) and amounts receivable (income consignment);
- Credit with other guarantees: First-demand guarantees issued by banks or other entities and personal guarantees.

The analysis of loans and advances to customers, as at 31 March 2026, by sector of activity, is as follows:

	(Thousands of euros)					
	31 March 2026					
	Outstanding loans	Overdue loans	Gross amount	Impairment	Net amount	% Gross amount
Agriculture and forestry	365,641	7,351	372,992	(9,791)	363,201	0.62 %
Fisheries	18,988	319	19,307	(835)	18,472	0.03 %
Mining	61,148	1,582	62,730	(2,427)	60,303	0.11 %
Food, beverage and tobacco	810,602	17,975	828,577	(31,622)	796,955	1.38 %
Textiles	377,106	20,605	397,711	(44,767)	352,944	0.66 %
Wood and cork	239,736	5,009	244,745	(9,436)	235,309	0.41 %
Paper, printing and publishing	137,439	348	137,787	(2,483)	135,304	0.23 %
Chemicals	744,057	14,914	758,971	(38,793)	720,178	1.27 %
Machinery, equipment and basic metallurgical	1,461,840	49,747	1,511,587	(63,837)	1,447,750	2.52 %
Electricity and gas	419,384	219	419,603	(10,240)	409,363	0.70 %
Water	203,806	1,419	205,225	(7,213)	198,012	0.34 %
Construction	1,523,023	26,103	1,549,126	(49,827)	1,499,299	2.58 %
Retail business	1,759,369	21,422	1,780,791	(41,283)	1,739,508	2.97 %
Wholesale business	2,168,534	35,471	2,204,005	(61,724)	2,142,281	3.67 %
Restaurants and hotels	1,239,631	7,173	1,246,804	(27,400)	1,219,404	2.08 %
Transports	1,325,185	21,712	1,346,897	(37,865)	1,309,032	2.25 %
Post offices	27,983	835	28,818	(1,173)	27,645	0.05 %
Telecommunications	210,762	640	211,402	(3,737)	207,665	0.35 %
Services						
Financial intermediation	2,002,263	913	2,003,176	(27,356)	1,975,820	3.34 %
Real estate activities	2,481,927	9,652	2,491,579	(67,303)	2,424,276	4.15 %
Consulting, scientific and technical activities	1,034,125	9,664	1,043,789	(32,585)	1,011,204	1.74 %
Administrative and support services activities	554,043	4,868	558,911	(12,622)	546,289	0.93 %
Public sector	426,921	10,508	437,429	(22,650)	414,779	0.73 %
Education	129,572	718	130,290	(2,072)	128,218	0.22 %
Health and collective service activities	440,348	1,424	441,772	(5,124)	436,648	0.74 %
Artistic, sports and recreational activities	186,935	1,603	188,538	(4,992)	183,546	0.31 %
Other services	305,642	5,266	310,908	(92,332)	218,576	0.52 %
Consumer loans	7,682,529	256,926	7,939,455	(451,111)	7,488,344	13.23 %
Mortgage loans	30,656,935	88,707	30,745,642	(169,003)	30,576,639	51.24 %
Other domestic activities	1,385	4	1,389	(24)	1,365	0.00 %
Other international activities	378,943	644	379,587	(14,257)	365,330	0.63 %
	59,375,802	623,741	59,999,543	(1,345,884)	58,653,659	100 %

The analysis of loans and advances to customers, as at 31 December 2025, by sector of activity, is as follows:

	(Thousands of euros)					
	31 December 2025					
	Outstanding loans	Overdue loans	Gross amount	Impairment	Net amount	% Gross amount
Agriculture and forestry	373,520	7,804	381,324	(11,889)	369,435	0.65 %
Fisheries	17,290	319	17,609	(930)	16,679	0.03 %
Mining	61,021	1,557	62,578	(2,222)	60,356	0.11 %
Food, beverage and tobacco	761,364	18,195	779,559	(39,446)	740,113	1.33 %
Textiles	368,557	25,233	393,790	(47,124)	346,666	0.67 %
Wood and cork	233,351	4,664	238,015	(8,439)	229,576	0.41 %
Paper, printing and publishing	134,021	259	134,280	(2,033)	132,247	0.23 %
Chemicals	724,701	11,278	735,979	(33,873)	702,106	1.25 %
Machinery, equipment and basic metallurgical	1,372,775	48,033	1,420,808	(66,160)	1,354,648	2.42 %
Electricity and gas	421,050	217	421,267	(5,191)	416,076	0.72 %
Water	196,120	1,928	198,048	(7,101)	190,947	0.34 %
Construction	1,428,968	22,329	1,451,297	(48,860)	1,402,437	2.47 %
Retail business	1,722,367	18,101	1,740,468	(40,212)	1,700,256	2.96 %
Wholesale business	2,148,787	35,103	2,183,890	(63,937)	2,119,953	3.72 %
Restaurants and hotels	1,225,499	6,026	1,231,525	(27,818)	1,203,707	2.10 %
Transports	1,268,103	19,002	1,287,105	(36,369)	1,250,736	2.19 %
Post offices	23,150	651	23,801	(1,087)	22,714	0.04 %
Telecommunications	257,925	490	258,415	(4,469)	253,946	0.44 %
Services						
Financial intermediation	1,504,942	1,369	1,506,311	(28,308)	1,478,003	2.57 %
Real estate activities	2,594,679	19,242	2,613,921	(74,022)	2,539,899	4.45 %
Consulting, scientific and technical activities	994,942	9,113	1,004,055	(35,743)	968,312	1.71 %
Administrative and support services activities	540,579	3,917	544,496	(11,890)	532,606	0.93 %
Public sector	417,667	—	417,667	(4,428)	413,239	0.71 %
Education	124,500	708	125,208	(2,042)	123,166	0.21 %
Health and collective service activities	425,219	1,289	426,508	(4,924)	421,584	0.73 %
Artistic, sports and recreational activities	188,418	1,396	189,814	(4,697)	185,117	0.32 %
Other services	309,705	4,838	314,543	(62,057)	252,486	0.54 %
Consumer loans	7,629,025	232,817	7,861,842	(430,534)	7,431,308	13.39 %
Mortgage loans	30,256,455	91,485	30,347,940	(174,972)	30,172,968	51.68 %
Other domestic activities	18,538	444	18,982	(379)	18,603	0.03 %
Other international activities	391,361	94	391,455	(34,669)	356,786	0.67 %
	58,134,599	587,901	58,722,500	(1,315,825)	57,406,675	100 %

The loans and advances to customers' portfolio includes contracts that resulted in a formal restructuring with the customers and which arise to the marking of operations as being restructured due to financial difficulties of customers. The restructuring may include in a reinforce of guarantees, liquidation of part of the credit and imply an extension of maturities or changes in interest rate. The analysis of the restructured loans, by sector of activity, is as follows:

	(Thousands of euros)					
	31 March 2026			31 December 2025		
	Restructured loans	Impairment (*)	Net amount	Restructured loans	Impairment (*)	Net amount
Agriculture and forestry	9,622	(1,892)	7,730	11,301	(2,742)	8,559
Fisheries	4,942	(439)	4,503	5,390	(492)	4,898
Mining	591	(274)	317	574	(265)	309
Food, beverage and tobacco	9,571	(3,950)	5,621	15,118	(8,625)	6,493
Textiles	21,696	(8,955)	12,741	10,448	(2,627)	7,821
Wood and cork	5,904	(1,055)	4,849	5,555	(975)	4,580
Paper, printing and publishing	502	(87)	415	433	(77)	356
Chemicals	10,023	(6,294)	3,729	13,557	(8,126)	5,431
Machinery, equipment and basic metallurgical	19,012	(5,794)	13,218	20,356	(6,985)	13,371
Electricity and gas	22,658	(4,550)	18,108	22,428	(545)	21,883
Water	855	(281)	574	493	(227)	266
Construction	15,304	(4,354)	10,950	14,978	(4,222)	10,756
Retail business	12,517	(1,835)	10,682	13,148	(1,941)	11,207
Wholesale business	33,019	(8,144)	24,875	28,443	(6,517)	21,926
Restaurants and hotels	16,045	21	16,066	16,954	(1,016)	15,938
Transports	5,900	(2,815)	3,085	6,539	(2,831)	3,708
Post offices	267	(195)	72	192	(157)	35
Telecommunications	353	(183)	170	379	(200)	179
Services						
Financial intermediation	57,483	(13,771)	43,712	58,036	(14,262)	43,774
Real estate activities	37,054	(11,200)	25,854	48,690	(18,884)	29,806
Consulting, scientific and technical activities	21,091	(2,947)	18,144	22,663	(3,611)	19,052
Administrative and support services activities	10,733	(1,115)	9,618	11,231	(1,286)	9,945
Public sector	58,095	(942)	57,153	56,723	(867)	55,856
Education	2,129	(217)	1,912	2,509	(324)	2,185
Health and collective service activities	2,757	(352)	2,405	2,651	(165)	2,486
Artistic, sports and recreational activities	1,480	(1,069)	411	1,422	(1,058)	364
Other services	10,143	(700)	9,443	9,767	(783)	8,984
Consumer loans	202,866	(98,570)	104,296	205,302	(97,366)	107,936
Mortgage loans	418,280	(65,787)	352,493	460,854	(68,609)	392,245
Other domestic activities	10	—	10	1	—	1
Other international activities	177	(198)	(21)	230	(191)	39
	1,011,079	(247,944)	763,135	1,066,365	(255,976)	810,389

(*) The impairment presented in the table does not include the amounts of impairment calculated using the overlays methodology.

The changes occurred in Loans impairment are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	1,315,825	1,486,734
Charge for the period in net income interest	5,782	24,584
Other transfers	31	(187,332)
Impairment charge for the period (note 11)	190,141	745,135
Reversals for the period (note 11)	(131,066)	(523,071)
Loans charged-off		
<i>Write-offs</i>	(27,422)	(66,162)
Credit assignments	571	(168,289)
Exchange rate differences	(7,978)	4,226
Balance at the end of the period	1,345,884	1,315,825

According to note 38, regarding the proceedings related to foreign currency-indexed mortgages of Bank Millennium the amount of EUR 759,408,000 has been written-off from the gross carrying amount of loans portfolio (31 December 2025: EUR 1,324,672,000).

The analysis of Write-offs, by sector of activity, is as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Agriculture and forestry	811	1,138
Fisheries	1	4
Mining	3	39
Food, beverage and tobacco	593	359
Textiles	47	785
Wood and cork	275	324
Paper, printing and publishing	—	858
Chemicals	10	1,617
Machinery, equipment and basic metallurgical	1,876	4,198
Electricity and gas	—	1
Water	58	226
Construction	531	4,741
Retail business	549	1,642
Wholesale business	3,114	4,174
Restaurants and hotels	189	1,805
Transports	728	4,328
Post offices	24	85
Telecommunications	2	12
Services		
Financial intermediation	506	624
Real estate activities	6,256	4,134
Consulting, scientific and technical activities	5,107	581
Administrative and support services activities	329	488
Education	9	96
Health and collective service activities	10	343
Artistic, sports and recreational activities	3	38
Other services	181	1,144
Consumer loans	5,819	28,039
Mortgage loans	343	3,808
Other domestic activities	—	260
Other international activities	48	271
	27,422	66,162

According to the accounting policy described in note 1 C1.3, the Group writes off a loan when it does not have reasonable expectations of recovering a financial asset in its entirety or partially. Loans written-off are recognised in off-balance sheet accounts.

The analysis of recovered loans and interest occurred during first quarter of 2026 and 2025, by sector of activity, is as follows:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Agriculture and forestry	—	1
Food, beverage and tobacco	17	111
Textiles	2	7
Wood and cork	2	53
Chemicals	2	162
Machinery, equipment and basic metallurgical	4	4
Water	3	34
Construction	104	134
Retail business	56	70
Wholesale business	27	24
Restaurants and hotels	4	5
Transports	194	160
Services		
Financial intermediation	1	175
Real estate activities	677	69
Consulting, scientific and technical activities	24	14
Administrative and support services activities	4	9
Health and collective service activities	1	—
Other services	3	2
Consumer loans	1,615	2,007
Mortgage loans	139	129
Other international activities	356	29
	3,235	3,199

22. Debt securities

The balance Debt securities is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Debt securities held associated with credit operations		
Portuguese public issuers		
Bonds	632,314	625,121
Other Portuguese issuers		
Bonds	826,811	835,421
Commercial paper	2,438,332	2,363,943
Foreign issuers		
Commercial paper	52,856	43,710
	3,950,313	3,868,195
Overdue securities - over 90 days	4,449	4,449
	3,954,762	3,872,644
Impairment	(48,626)	(48,604)
	3,906,136	3,824,040
Debt securities held not associated with credit operations		
Bonds issued by public entities (*)		
Portuguese issuers	1,327,240	1,326,262
Foreign issuers	20,164,480	19,041,663
Bonds issued by public companies and other entities		
Foreign issuers	177,604	453,631
	21,669,324	20,821,556
Impairment	(110,986)	(106,721)
	21,558,338	20,714,835
	25,464,474	24,538,875

(*) Includes the negative amount of EUR 243,750,000 (31 December 2025: negative amount of EUR 247,549,000) related to adjustments resulting from the application of fair value hedge accounting.

Under the terms of IFRS 9, the balance Debt securities held not associated with credit operations - Bonds issued by public issuers, includes essentially a portfolio of securities to support Group's ALM (Asset and Liability Management), whose business model seeks to receive the respective income until maturity, that is, of a portfolio Held to Collect, whose value as at 31 March 2026 amounts to EUR 13,874,098,000 (31 December 2025: EUR 13,874,625,000).

The analysis of debt securities portfolio, by sector of activity, is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Debt securities held associated with credit operations		
Agriculture and forestry	8,008	7,487
Mining	114,869	94,879
Food, beverage and tobacco	169,083	168,617
Textiles	48,621	48,510
Wood and cork	20,265	21,366
Paper, printing and publishing	1,903	2,158
Chemicals	224,126	211,298
Machinery, equipment and basic metallurgical	101,204	114,080
Electricity and gas	420,791	385,465
Water	33,333	33,309
Construction	13,636	16,077
Retail business	39,736	45,468
Wholesale business	149,816	153,873
Restaurants and hotels	15,756	15,695
Transports	73,634	74,968
Services		
Financial intermediation	494,520	456,163
Real estate activities	39,864	41,665
Consulting, scientific and technical activities	1,235,270	1,257,003
Administrative and support services activities	14,474	7,486
Health and collective service activities	6,333	3,851
Artistic, sports and recreational activities	12,420	12,352
Other international activities	52,855	43,709
	<u>3,290,517</u>	<u>3,215,479</u>
Government and Public securities	615,619	608,561
	<u>3,906,136</u>	<u>3,824,040</u>
Debt securities held not associated with credit operations		
Services		
Financial intermediation	177,604	453,631
	<u>177,604</u>	<u>453,631</u>
Government and Public securities	21,380,734	20,261,204
	<u>21,558,338</u>	<u>20,714,835</u>
	<u>25,464,474</u>	<u>24,538,875</u>

The analysis of restructured debt securities portfolio, by sector of activity, is analysed as follows:

	31 March 2026			31 December 2025		
	Restructured loans	Impairment	Net amount	Restructured loans	Impairment	Net amount
(Thousands of euros)						
Debt securities held associated with credit operations						
Food, beverage and tobacco	7,161	(144)	7,017	8,422	(168)	8,254
Textiles	200	(13)	187	252	(17)	235
Chemicals	4,449	(4,412)	37	4,449	(4,412)	37
Services						
Real estate activities	30,733	(28,732)	2,001	31,431	(29,384)	2,047
	42,543	(33,301)	9,242	44,554	(33,981)	10,573

The changes occurred in impairment of debt securities are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
(Thousands of euros)		
Debt securities held associated with credit operations		
Balance as at 1 January	48,604	7,308
Charge for the period in net income interest	—	548
Transfers	—	45,250
Charge for the period (note 11)	143	1,287
Reversals for the period (note 11)	(121)	(5,788)
Exchange rate differences	—	(1)
Balance at the end of the period	48,626	48,604
Debt securities held not associated with credit operations		
Balance as at 1 January	106,721	51,973
Other transfers	—	(3,429)
Charge for the period (note 11)	5,309	71,342
Reversals for the period (note 11)	(3,283)	(6,143)
Amounts charged-off	—	—
Exchange rate differences	2,239	(7,022)
Balance at the end of the period	110,986	106,721

23. Financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income

The balances Financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Financial assets at fair value through profit or loss		
Financial assets held for trading		
Repurchase agreement transaction	—	9,222
Debt instruments	1,856,416	791,310
Equity instruments	124,878	115,430
Trading derivatives	110,570	147,302
	2,091,864	1,063,264
Financial assets not held for trading mandatorily at fair value through profit or loss		
Loans and advances to customers at fair value	173	178
Debt instruments	227,610	228,652
Equity instruments	124,032	124,789
	351,815	353,619
Financial assets at fair value through other comprehensive income		
Debt instruments	14,978,589	16,015,233
Equity instruments	27,263	30,539
	15,005,852	16,045,772
	17,449,531	17,462,655

The portfolio of Financial assets at fair value through profit or loss (excluding Loans and advances to customers at fair value) and Financial assets at fair value through other comprehensive income, by type of asset, as at 31 March 2026, is analysed as follows:

(Thousands of euros)

	31 March 2026			Total
	At fair value through profit or loss		At fair value through other comprehensive income	
	Held for trading	Not held for trading mandatorily at fair value through profit or loss		
Debt instruments				
Bonds issued by public entities				
Portuguese issuers	7,354	—	416,075	423,429
Foreign issuers	215,881	—	10,613,909	10,829,790
Bonds issued by public companies and other entities				
Portuguese issuers	5,972	—	499,741	505,713
Foreign issuers	45,579	742	1,641,636	1,687,957
Treasury bills (Public Issuers and Central Banks)				
Portuguese issuers	1,383,976	—	—	1,383,976
Foreign issuers	197,654	—	1,807,228	2,004,882
Shares of foreign companies (a)	—	5,355	—	5,355
Investment units (b)	—	221,513	—	221,513
	1,856,416	227,610	14,978,589	17,062,615
Equity instruments				
Shares				
Portuguese companies	—	20,341	14,951	35,292
Foreign companies	22	36,237	11,843	48,102
Investment units (c)	—	67,454	469	67,923
Other securities (d)	124,856	—	—	124,856
	124,878	124,032	27,263	276,173
Trading derivatives				
	110,570	—	—	110,570
	2,091,864	351,642	15,005,852	17,449,358

(a) These shares are considered as debt instruments because they do not fall within the definition of equity instruments provided by IAS 32.

(b) These investment units are considered as debt instruments because they do not fall within the definition of equity instruments provided by IAS 32.

(c) These investment units were considered as equity instruments in accordance with the terms provided in IAS 32.

(d) Includes the amount of EUR 124,855,000 in Exchange Traded Funds (ETFs).

The balance Financial assets held for trading include bonds issued with different levels of subordination associated with the traditional securitisation transactions Magellan Mortgages No. 4, referred in note 1 D, in the amount of EUR 50,000 (31 December 2025: EUR 52,000).

The portfolio of Financial assets at fair value through profit or loss (excluding Loans and advances to customers at fair value) and Financial assets at fair value through other comprehensive income, by type of asset, as at 31 December 2025, is analysed as follows:

(Thousands of euros)

	31 December 2025			
	At fair value through profit or loss			Total
	Held for trading	Not held for trading mandatorily at fair value through profit or loss	At fair value through other comprehensive income	
Debt instruments				
Bonds issued by public entities				
Portuguese issuers	7,148	—	435,964	443,112
Foreign issuers	195,347	—	10,211,511	10,406,858
Bonds issued by public companies and other entities				
Portuguese issuers	—	—	590,234	590,234
Foreign issuers	1,076	—	1,515,647	1,516,723
Treasury bills (Public Issuers and Central Banks)				
Portuguese issuers	390,267	—	—	390,267
Foreign issuers	197,472	—	3,261,877	3,459,349
Shares of foreign companies (a)	—	6,109	—	6,109
Investment units (b)	—	222,543	—	222,543
	791,310	228,652	16,015,233	17,035,195
Equity instruments				
Shares				
Portuguese companies	—	20,671	18,617	39,288
Foreign companies	60	36,860	11,922	48,842
Investment units (c)	—	67,258	—	67,258
Other securities (d)	115,370	—	—	115,370
	115,430	124,789	30,539	270,758
Trading derivatives	147,302	—	—	147,302
	1,054,042	353,441	16,045,772	17,453,255

(a) These shares are considered as debt instruments because they do not fall within the definition of equity instruments provided by IAS 32.

(b) These investment fund units are considered debt instruments because they do not fall within the definition of equity instruments provided by IAS 32.

(c) These investment fund units were considered as equity instruments in accordance with the terms provided in IAS 32.

(d) Includes the amount of EUR 115,370,000 in Exchange Traded Funds (ETFs).

The accumulated impairment related to credit risk associated with the financial assets at fair value through other comprehensive income amounts to EUR 20,485,000 and is recognised against Fair value reserves (31 December 2025: EUR 21,062,000).

The changes occurred in impairment of financial assets at fair value through other comprehensive income, are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	1,183	1,169
Transfers to fair value changes (note 43)	568	(6,101)
Impairment through profit and loss (note 12)	1,574	10,940
Reversals through profit and loss (note 12)	(2,142)	(4,839)
Exchange rate differences	(20)	14
Balance at the end of the period	1,163	1,183

The portfolio of financial assets at fair value through other comprehensive income, as at 31 March 2026, is analysed as follows:

	(Thousands of euros)			
	31 March 2026			
	Amortised cost (a)	Fair value hedge adjustments (note 43)	Fair value adjustments (note 43)	Total
Debt instruments				
Bonds issued by public entities				
Portuguese issuers	471,201	(54,733)	(393)	416,075
Foreign issuers	10,650,884	(42,588)	5,613	10,613,909
Bonds issued by public companies and other entities				
Portuguese issuers	498,132	(1,596)	3,205	499,741
Foreign issuers	1,662,592	(31,508)	10,552	1,641,636
Treasury bills (Public Issuers and Central Banks)				
Foreign issuers	1,804,150	—	3,078	1,807,228
	15,086,959	(130,425)	22,055	14,978,589
Equity instruments				
Shares				
Portuguese companies	20,403	—	(5,452)	14,951
Foreign companies	6,490	—	5,353	11,843
Investment fund units	467	—	2	469
	27,360	—	(97)	27,263
	15,114,319	(130,425)	21,958	15,005,852

(a) Includes accrued interest and accumulated impairment for debt securities classified as financial assets at fair value through other comprehensive income, as provided by IFRS 9, and according to the requirements defined in the accounting policy 1 C1.5.1.2.

The portfolio of financial assets at fair value through other comprehensive income, as at 31 December 2025, is analysed as follows:

(Thousands of euros)

	31 December 2025			Total
	Amortised cost (a)	Fair value hedge adjustments (note 43)	Fair value adjustments (note 43)	
Debt instruments				
Bonds issued by public entities				
Portuguese issuers	487,459	(53,721)	2,226	435,964
Foreign issuers	10,147,142	11,942	52,427	10,211,511
Bonds issued by public companies and other entities				
Portuguese issuers	583,555	1,183	5,496	590,234
Foreign issuers	1,514,511	(16,869)	18,005	1,515,647
Treasury bills (Public Issuers and Central Banks)				
Foreign issuers	3,258,392	—	3,485	3,261,877
	15,991,059	(57,465)	81,639	16,015,233
Equity instruments				
Shares				
Portuguese companies	24,069	—	(5,452)	18,617
Foreign companies	6,522	—	5,400	11,922
	30,591	—	(52)	30,539
	16,021,650	(57,465)	81,587	16,045,772

(a) Includes accrued interest and accumulated impairment for debt securities classified as financial assets at fair value through other comprehensive income, as provided by IFRS 9, and according to the requirements defined in the accounting policy 1 C1.5.1.2.

The analysis of Financial assets at fair value through profit or loss (excluding loans and advances to customers at fair value and trading derivatives) and Financial assets at fair value through other comprehensive income, by sector of activity, as at 31 March 2026, is as follows:

(Thousands of euros)

	31 March 2026			
	Bonds and Treasury bills	Shares	Other Financial Assets	Total
Mining	—	6	—	6
Food, beverage and tobacco	12,017	—	—	12,017
Paper, printing and publishing	50,600	—	—	50,600
Chemicals	17,818	2	—	17,820
Machinery, equipment and basic metallurgical	1,726	3	—	1,729
Electricity and gas	208,130	—	—	208,130
Water	17,699	—	—	17,699
Construction	5,787	4	—	5,791
Wholesale business	28,585	—	—	28,585
Transports	50,060	—	—	50,060
Telecommunications	68,739	4,670	—	73,409
Services				
Financial intermediation	3,114,428	77,898	414,292	3,606,618
Consulting, scientific and technical activities	78,529	196	—	78,725
Administrative and support services activities	9,965	5,949	—	15,914
Public sector	49,303	—	—	49,303
Health and collective service activities	19,525	—	—	19,525
Other services	—	21	—	21
	3,732,911	88,749	414,292	4,235,952
Government and Public securities	13,102,836	—	—	13,102,836
	16,835,747	88,749	414,292	17,338,788

The analysis of Financial assets at fair value through profit or loss (excluding loans and advances to customers at fair value and trading derivatives) and Financial assets at fair value through other comprehensive income, by sector of activity, as at 31 December 2025, is as follows:

(Thousands of euros)

	31 December 2025			
	Bonds and Treasury bills	Shares	Other Financial Assets	Total
Mining	—	27	—	27
Paper, printing and publishing	50,002	—	—	50,002
Chemicals	18,060	4	—	18,064
Electricity and gas	210,888	—	—	210,888
Water	17,473	—	—	17,473
Construction	6,080	4	—	6,084
Wholesale business	23,065	—	—	23,065
Transports	51,672	—	—	51,672
Telecommunications	69,784	4,670	—	74,454
Services				
Financial intermediation	3,959,419	62,694	405,171	4,427,284
Real estate activities	—	20,341	—	20,341
Consulting, scientific and technical activities	62,201	526	—	62,727
Administrative and support services activities	19,886	5,949	—	25,835
Public sector	49,594	—	—	49,594
Health and collective service activities	10,620	—	—	10,620
Other services	1,003	23	—	1,026
Other international activities	—	1	—	1
	4,549,747	94,239	405,171	5,049,157
Government and Public securities	12,256,796	—	—	12,256,796
	16,806,543	94,239	405,171	17,305,953

24. Hedging derivatives

This balance is analysed, by hedging instruments, as follows:

(Thousands of euros)

	31 March 2026		31 December 2025	
	Assets	Liabilities	Assets	Liabilities
Swaps	73,769	37,959	32,365	42,728

25. Investments in associates

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Portuguese credit institutions	56,668	54,910
Foreign credit institutions	126,890	124,181
Other Portuguese companies	288,642	277,542
Other foreign companies	40,380	40,684
	512,580	497,317
Impairment	(42,523)	(42,141)
	470,057	455,176

The balance Investments in associates, as at 31 March 2026, is analysed as follows:

	(Thousands of euros)		
	31 March 2026		
	Global value of investment	Impairment of investments in associates	Book value of investment
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	136,056	—	136,056
Banco Millennium Atlântico, S.A.	72,363	(24,512)	47,851
Banque BCP, S.A.S.	54,527	—	54,527
SIBS, S.G.P.S., S.A.	87,940	—	87,940
Unicre - Instituição Financeira de Crédito, S.A.	56,668	—	56,668
Fidelidade Moçambique - Companhia de Seguros S.A.	13,034	—	13,034
Lusofundo - Fundo de Investimento Imobiliário Fechado (in liquidation)	15,939	—	15,939
Fundo Especial de Investimento Imobiliário Fechado Eurofundo (in liquidation)	1,691	—	1,691
Fundo Turismo Algarve FCR	42,037	—	42,037
Europa Millennium Financial Services Sp. z o.o.	9,000	—	9,000
Nexponor - Sociedade de Investimento Coletivo Imobiliário Fechado, S.A. (in liquidation)	4,980	—	4,980
TIICC S.A.R.L.	334	—	334
Webspectator Corporation	18,011	(18,011)	—
	512,580	(42,523)	470,057

These investments refer to entities whose shares are not listed on the stock exchange. According to the accounting policy described in note 1 B, these investments are measured at the equity method.

The balance Investments in associates, as at 31 December 2025, is analysed as follows:

	(Thousands of euros)		
	31 December 2025		
	Global value of investment	Impairment of investments in associates	Book value of investment
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	127,932	—	127,932
Banco Millennium Atlântico, S.A.	70,488	(24,130)	46,358
Banque BCP, S.A.S.	53,693	—	53,693
SIBS, S.G.P.S, S.A.	84,639	—	84,639
Unicre - Instituição Financeira de Crédito, S.A.	54,910	—	54,910
Fidelidade Moçambique - Companhia de Seguros S.A.	13,184	—	13,184
Lusofundo - Fundo de Investimento Imobiliário Fechado (in liquidation)	16,273	—	16,273
Fundo Especial de Investimento Imobiliário Fechado Eurofundo (in liquidation)	1,737	—	1,737
Fundo Turismo Algarve FCR	42,037	—	42,037
Europa Millennium Financial Services Sp. z o.o.	9,155	—	9,155
Nexponor - Sociedade de Investimento Coletivo Imobiliário Fechado, S.A. (in liquidation)	4,924	—	4,924
TIICC S.A.R.L.	334	—	334
Webspectator Corporation	18,011	(18,011)	—
	497,317	(42,141)	455,176

The Group's companies included in the consolidation scope are presented in note 53, as well as the main indicators of the most relevant ones.

The movements occurred in Impairment of investments in associates are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	42,141	45,451
Exchange rate differences	382	(3,310)
Balance at the end of the period	42,523	42,141

26. Non-current assets held for sale

This balance is analysed as follows:

	(Thousands of euros)					
	31 March 2026			31 March 2025		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Real estate						
Assets arising from recovered loans	78,049	(23,824)	54,225	71,967	(20,826)	51,141
Assets belong to investments funds and real estate companies	5,045	(1,903)	3,142	5,045	(1,903)	3,142
Assets for own use (closed branches)	—	—	—	296	—	296
Equipment and other	5,325	(247)	5,078	4,344	(239)	4,105
Other assets (*)	7,175	(4,507)	2,668	14,750	(4,506)	10,244
	95,594	(30,481)	65,113	96,402	(27,474)	68,928

(*) includes Shares, Price Deposit and Property Adjudication Proposals

The assets included in this balance are accounted for in accordance with the accounting policy described in note 1 G.

The balance Real estate - Assets arising from recovered loans includes, essentially, real estate resulted from process of recovered loans or judicial auction being accounted for at the time the Group assumes control of the asset, which is usually associated with the transfer of their legal ownership.

The Group has a strategy for sale these assets, consistent with the characteristic of each asset as well as with the breakdown of underlying valuations. However, considering the formal constraints, it was not possible in all instances to conclude the sales in the expected time. The sale strategy is based in an active search of buyers, with the Group having a website where advertises these properties and through partnerships with the mediation of companies having more ability for the product that each time the Group has for sale. Prices are periodically reviewed and adjusted for continuous adaptation to the market. The Group requests, regularly, to the European Central Bank, the extension of the period of holding these properties.

The changes occurred in Impairment of non-current assets held for sale are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	27,474	21,353
Other transfers	3,035	17,797
Charge for the period (note 13)	103	1,187
Reversals for the period (note 13)	(280)	(2,158)
Amounts charged-off	(323)	(10,474)
Exchange rate differences	472	(231)
Balance at the end of the period	30,481	27,474

27. Investment property

The balance Investment property corresponds to real estate valued in accordance with the accounting policy presented in note 1 M, based on independent assessments and compliance with legal requirements.

28. Other tangible assets

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Real estate	667,294	664,998
Equipment		
Computer equipment	342,681	333,933
Security equipment	65,219	64,945
Facilities	140,389	139,543
Machinery	45,674	46,237
Furniture	77,024	76,835
Vehicles	39,771	40,172
Other equipment	27,879	30,007
Right of use		
Real estate	459,486	453,273
Assets under construction	13,114	29,729
Other tangible assets	11	11
	<u>1,878,542</u>	<u>1,879,683</u>
Accumulated depreciation		
Relative to the current period (note 9)	(25,419)	(105,186)
Relative to the previous periods	(1,281,192)	(1,192,651)
	<u>(1,306,611)</u>	<u>(1,297,837)</u>
	<u>571,931</u>	<u>581,846</u>

The balance Real Estate includes the amount of EUR 107,226,000 (31 December 2025: EUR 107,226,000) related to real estate held by the Group's real estate investment funds.

The balance Right-of-use corresponds to real estate (branches and central buildings) which are amortised according to the lease term of each contract, as described in the accounting policy 1 H.

The changes occurred in Other tangible assets are analysed as follows:

	(Thousands of euros)					
	2026					
	Balance as at 1 January	Acquisitions / Charge	Disposals / Write-off	Transfers	Exchange rate differences	Balance as at 31 March
Real estate	664,998	13	(493)	2,573	203	667,294
Equipment:						
Computer equipment	333,933	1,865	(9,309)	16,280	(88)	342,681
Security equipment	64,945	93	—	—	181	65,219
Facilities	139,543	255	(119)	287	423	140,389
Machinery	46,237	42	(873)	563	(295)	45,674
Furniture	76,835	145	(706)	616	134	77,024
Vehicles	40,172	1,012	(1,594)	155	26	39,771
Other equipment	30,007	1	(2,539)	838	(428)	27,879
Right of use						
Real estate	453,273	8,797	(560)	—	(2,024)	459,486
Assets under construction	29,729	4,509	(10)	(21,312)	198	13,114
Other tangible assets	11	—	—	—	—	11
	1,879,683	16,732	(16,203)	—	(1,670)	1,878,542
Accumulated depreciation						
Real estate	(426,585)	(3,649)	471	17	397	(429,349)
Equipment:						
Computer equipment	(266,479)	(4,868)	9,092	(38)	(217)	(262,510)
Security equipment	(60,437)	(298)	—	—	(123)	(60,858)
Facilities	(121,995)	(744)	128	—	(256)	(122,867)
Machinery	(39,506)	(321)	642	363	240	(38,582)
Furniture	(73,050)	(526)	695	(327)	(107)	(73,315)
Vehicles	(20,518)	(1,394)	1,280	(56)	(21)	(20,709)
Other equipment	(23,905)	(491)	2,338	41	327	(21,690)
Right of use						
Real estate	(265,351)	(13,128)	444	—	1,315	(276,720)
Other tangible assets	(11)	—	—	—	—	(11)
	(1,297,837)	(25,419)	15,090	—	1,555	(1,306,611)
	581,846	(8,687)	(1,113)	—	(115)	571,931

The changes occurred in Other tangible assets are analysed as follows:

(Thousands of euros)

	2025					Balance as at 31 December
	Balance as at 1 January	Acquisitions / Charge	Disposals / Write-off	Transfers	Exchange rate differences	
Real estate	675,021	17	(6,270)	5,122	(8,892)	664,998
Equipment:						
Computer equipment	321,858	13,717	(4,110)	7,663	(5,195)	333,933
Security equipment	63,919	574	(180)	1,526	(894)	64,945
Facilities	137,412	2,127	(354)	2,519	(2,161)	139,543
Machinery	47,297	430	(2,909)	1,560	(141)	46,237
Furniture	76,733	595	(921)	1,244	(816)	76,835
Vehicles	38,920	7,534	(5,578)	466	(1,170)	40,172
Other equipment	33,492	37	(5,685)	1,833	330	30,007
Right of use						
Real estate	430,349	34,027	(8,805)	(1)	(2,297)	453,273
Assets under construction	28,846	27,923	(1,098)	(25,243)	(699)	29,729
Other tangible assets	15	—	—	—	(4)	11
	<u>1,853,862</u>	<u>86,981</u>	<u>(35,910)</u>	<u>(3,311)</u>	<u>(21,939)</u>	<u>1,879,683</u>
Accumulated depreciation						
Real estate	(420,458)	(14,537)	4,079	1,529	2,802	(426,585)
Equipment:						
Computer equipment	(253,376)	(20,829)	3,692	(125)	4,159	(266,479)
Security equipment	(59,879)	(1,345)	153	—	634	(60,437)
Facilities	(120,356)	(3,458)	307	132	1,380	(121,995)
Machinery	(39,578)	(1,515)	1,904	(401)	84	(39,506)
Furniture	(72,796)	(2,172)	839	457	622	(73,050)
Vehicles	(19,690)	(6,316)	4,573	149	766	(20,518)
Other equipment	(26,773)	(2,055)	5,092	87	(256)	(23,905)
Right of use						
Real estate	(221,605)	(52,959)	7,733	(170)	1,650	(265,351)
Other tangible assets	(12)	—	—	—	1	(11)
	<u>(1,234,523)</u>	<u>(105,186)</u>	<u>28,372</u>	<u>1,658</u>	<u>11,842</u>	<u>(1,297,837)</u>
	<u>619,339</u>	<u>(18,205)</u>	<u>(7,538)</u>	<u>(1,653)</u>	<u>(10,097)</u>	<u>581,846</u>

The changes occurred in impairment for tangible fixed assets are analysed as follow:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	—	193
Charge for the period (note 13)	—	—
Reversals for the period (note 13)	—	(50)
Amounts charged-off	—	(121)
Exchange rate differences	—	(22)
Balance at the end of the period	—	—

29. Goodwill and intangible assets

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Goodwill - Differences arising on consolidation		
Bank Millennium, S.A. (Poland)	111,884	113,808
Euro Bank, S.A. (Poland)	44,728	45,497
Other	10,162	10,155
	166,774	169,460
Impairment		
Bank Millennium, S.A. (Poland)	(111,884)	(113,808)
Other	(9,880)	(9,880)
	(121,764)	(123,688)
	45,010	45,772
Intangible assets		
Software	376,745	349,976
Software - in progress	66,640	83,321
Other intangible assets	60,467	59,718
	503,852	493,015
Accumulated amortisation		
Charge for the period (note 9)	(14,796)	(50,548)
Charge for the previous periods	(214,816)	(165,556)
	(229,612)	(216,104)
	274,240	276,911
	319,250	322,683

The changes occurred in Goodwill and intangible assets are analysed as follows:

(Thousands of euros)

	2026					Balance as at 31 March
	Balance as at 1 January	Acquisitions / Charge	Disposals / Write-off	Transfers	Exchange rate differences	
Goodwill - Differences arising on consolidation	169,460	—	—	—	(2,686)	166,774
Impairment	(123,688)	—	—	—	1,924	(121,764)
	45,772	—	—	—	(762)	45,010
Intangible assets						
Software	349,976	3,679	—	23,803	(713)	376,745
Software - in progress	83,321	9,778	(114)	(25,587)	(758)	66,640
Other intangible assets	59,718	—	—	1,784	(1,035)	60,467
	493,015	13,457	(114)	—	(2,506)	503,852
Accumulated amortisation						
Software	(176,316)	(11,992)	—	(148)	578	(187,878)
Other intangible assets	(39,788)	(2,804)	—	148	710	(41,734)
	(216,104)	(14,796)	—	—	1,288	(229,612)
	276,911	(1,339)	(114)	—	(1,218)	274,240
	322,683	(1,339)	(114)	—	(1,980)	319,250

The changes occurred in Goodwill and intangible assets are analysed as follows:

(Thousands of euros)

	2025					Balance as at 31 December
	Balance as at 1 January	Acquisitions / Charge	Disposals / Write-off	Transfers	Exchange rate differences	
Goodwill - Differences arising on consolidation	167,491	—	—	—	1,969	169,460
Impairment	(122,254)	—	—	—	(1,434)	(123,688)
	45,237	—	—	—	535	45,772
Intangible assets						
Software	291,642	25,757	(13,669)	50,689	(4,443)	349,976
Software - in progress	71,726	72,395	(325)	(60,746)	271	83,321
Other intangible assets	49,797	181	(955)	10,043	652	59,718
	413,165	98,333	(14,949)	(14)	(3,520)	493,015
Accumulated amortisation						
Software	(149,965)	(43,019)	13,636	140	2,892	(176,316)
Other intangible assets	(32,467)	(7,529)	769	(140)	(421)	(39,788)
	(182,432)	(50,548)	14,405	—	2,471	(216,104)
	230,733	47,785	(544)	(14)	(1,049)	276,911
	275,970	47,785	(544)	(14)	(514)	322,683

30. Income tax

Income tax assets and liabilities are analysed as follows:

	(Thousands of euros)					
	31 March 2026			31 March 2025		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Deferred taxes not depending on the future profits (a)						
Impairment losses (b)	684,625	—	684,625	704,514	—	704,514
Employee benefits	290,901	—	290,901	370,593	—	370,593
	<u>975,526</u>	<u>—</u>	<u>975,526</u>	<u>1,075,107</u>	<u>—</u>	<u>1,075,107</u>
Deferred taxes depending on the future profits						
Impairment losses (b)	443,844	(3,601)	440,243	433,459	(3,723)	429,736
Tax losses carried forward	252,892	—	252,892	239,713	—	239,713
Employee benefits	65,461	(66,149)	(688)	65,440	(65,400)	40
Financial assets at fair value through other comprehensive income	188,625	(82,415)	106,210	185,006	(96,695)	88,311
Derivatives	—	(7,141)	(7,141)	—	(2,703)	(2,703)
Intangible assets	1,330	—	1,330	1,255	—	1,255
Other tangible assets	9,257	(2,515)	6,742	9,135	(2,511)	6,624
Others (c)	113,430	(225,502)	(112,072)	106,007	(205,544)	(99,537)
	<u>1,074,839</u>	<u>(387,323)</u>	<u>687,516</u>	<u>1,040,015</u>	<u>(376,576)</u>	<u>663,439</u>
Total deferred taxes	<u>2,050,365</u>	<u>(387,323)</u>	<u>1,663,042</u>	<u>2,115,122</u>	<u>(376,576)</u>	<u>1,738,546</u>
Offset between deferred tax assets and deferred tax liabilities	(381,540)	381,540	—	(370,752)	370,752	—
Net deferred taxes	<u>1,668,825</u>	<u>(5,783)</u>	<u>1,663,042</u>	<u>1,744,370</u>	<u>(5,824)</u>	<u>1,738,546</u>
Current taxes (d)	<u>18,854</u>	<u>(84,771)</u>	<u>—</u>	<u>22,380</u>	<u>(86,354)</u>	<u>—</u>

(a) Special Regime applicable to deferred tax assets.

(b) The amounts for 2026 and 2025 include deferred tax assets related with credit impairment losses not deducted for tax purposes of which credits were written-off, according to the expectation that the use of such impairment will be deductible in the tax periods in which the legal conditions required for their tax deductibility are met.

(c) Includes EUR 18,918,000 (31 December 2025: EUR 19,076,000) relating to fair value adjustments of interests in real estate investment funds and venture capital funds classified as equity instruments.

(d) The amounts of current taxes assets and liabilities refer exclusively to income taxes levied on the various BCP Group companies.

Special regime applicable to deferred tax assets

At the Extraordinary General Meeting of 15 October 2014 of Banco Comercial Português, S.A. and the General Meeting of 5 November 2014 of Banco ActivoBank, S.A., it was approved and resolved that these banks adhere to the Special Regime approved by Law 61/2014, of 26 August, applicable to deferred tax assets that resulted from the non-deduction of expenses and negative equity variations related to impairment losses on credits and post-employment or long-term employee benefits.

The special regime is applicable to those expenses and negative equity variations recorded in tax periods beginning on or after 1 January 2015, as well as to deferred tax assets recorded in the annual accounts for the last tax period prior to that date and to part of expenses and negative equity variations associated with them. Pursuant to Law 23/2016, of 19 August, this special regime is not applicable to expenses and negative equity variations with impairment losses on credits and with post-employment or long-term employee benefits recorded in the tax periods commencing on or after 1 January 2016, nor to deferred tax assets associated with them.

The special regime applicable to deferred tax assets provides for an optional framework and with the possibility of subsequent waiver, under which:

- Expenses and negative equity variations with impairment losses on credits and with post-employment or long-term employee benefits covered by it are deducted, under the terms and conditions set out in the Corporate income tax Code and in relevant separate tax legislation, up to the limit of the taxable profit for the tax period determined before these deductions. Expenses and negative equity variations not deducted due to this limit are deducted in subsequent tax periods, with the same limit. In the BCP Group, deferred tax assets associated with expenses and negative equity variations under these conditions amount to EUR 818,719,000 (31 December 2025: EUR 915,512,000), of which EUR 677,681,000 relate to impairment losses on credits (31 December 2025: EUR 697,542,000) and EUR 141,038,000 relate to post-employment or long-term employee benefits (31 December 2025: EUR 217,970,000).

- In certain situations (those with negative net results in annual individual accounts or liquidation by voluntary dissolution, insolvency decreed by court or revocation of the respective authorisation), deferred tax assets covered by the Special Regime are converted into tax credits, in part or in full. In case of negative net income, the conversion is made according to the proportion between the amount of the negative net income for the period and the total of equity, a special reserve corresponding to 110% of the tax credit must be constituted and, simultaneously, conversion rights of equivalent value attributable to the State are also constituted. These rights that can be acquired by the shareholders upon payment to the State of the same value. Tax credits may be offset against tax debts of the beneficiaries (or an entity based in Portugal within the same prudential consolidation scope or included in the same group of entities for which are applied the Special Tax Regime for Groups of Companies) or repaid by the State. Since neither Banco Comercial Português nor Banco ActivoBank recorded net losses in the years 2015 to 2025, there was no conversion of deferred taxes assets into tax credits, under the terms provided for in the Special Regime.

Pursuant to the regime described, the recovery of deferred tax assets covered by the optional regime approved by Law 61/2014, of 26 August, is not dependent on future profits.

The above-mentioned legal framework was densified by Ordinance 259/2016, of 4 October, about the control and use of tax credits, and by the Ordinance No. 293-A/2016, of 18 November, which establishes the conditions and procedures for the acquisition by the shareholders of the referred rights of the State. Law 98/2019, of 4 September, establishes a deadline for the acquisition of the referred rights of the State by the shareholders, after which the Management Board of the issuing bank is obliged to promote the record of the capital increase by the amount resulting from the exercise of the conversion rights. According to this legislation, among other aspects, these rights are subject to a right of acquisition by the shareholders on the date of creation of the rights of the State, exercisable in periods that will be established by the Board of Directors until 3 years after the confirmation date of the conversion of the deferred tax asset into tax credit by the Portuguese Tax and Customs Authority. The issuing entity shall deposit in favour of the State the amount of the price corresponding to all the rights issued, within 3 months beginning from the confirmation date of the conversion of the deferred tax asset into tax credit. Such deposit shall be redeemed when and to the extent that the rights of the State are acquired by the shareholders or exercised by the State.

Deferred taxes are calculated based on the tax rates expected to be in force when the temporary differences are reversed, which correspond to the tax rates enacted or substantively enacted at the balance sheet date. The deferred tax assets and liabilities are presented on a net basis whenever, in accordance with applicable law, current tax assets and current tax liabilities can be offset with each other, and the deferred tax assets and liabilities related to income taxes levied by the same tax authority over the same taxable entity.

Pursuant to Law no. 64/2025, of 7 November, the general Corporate Income Tax (IRC) rate has been changed to 19%, 18%, and 17% for the tax periods beginning in 2026, 2027, and on or after 2028, respectively.

The current tax rate for Banco Comercial Português, S.A. is analysed as follows:

	31 March 2026	31 December 2025
Income tax	19%	20%
Municipal surtax rate (on taxable net income)	1.5%	1.5%
State tax rate (on taxable net income)		
More than 1,500,000 to 7,500,000	3%	3%
From more than 7,500,000 to 35,000,000	5%	5%
More than 35,000,000	9%	9%

Following these changes:

The deferred tax rate associated with the Bank's tax losses is 17.046% (31 December 2025: 17%). The tax rate used by the Bank in the calculation and recognition of deferred taxes relating to tax losses was 19%, 18%, and 17%, depending on the estimated year of deduction of the tax losses (2026, 2027, and subsequent periods, respectively).

The average deferred tax rate associated with temporary differences of Banco Comercial Português, S.A. is 27.901% (31 December 2025: 28%). The tax rate used by the Bank in the calculation and recognition of deferred taxes relating to temporary differences was 29.3%, 28.3%, and 27.3%, depending on the estimated year for the reversal of the temporary differences (2026, 2027, and subsequent periods, respectively).

The income tax rate in Poland increased from 19% to 30% in 2026, reducing to 26% in 2027 and to 23% in 2028. Following this change, the average deferred tax rate associated with temporary differences for Bank Millennium, S.A. is 23.269% (31 December 2025: 22.371%).

The income tax rate is 32% in Mozambique.

The reporting period for tax losses carried forward in Poland and in Mozambique is 5 years.

Following the amendments provided for in Law 24-D/2022, of 30 December, within the scope of the State Budget for 2023, the time limit applicable to the carrying forward of tax losses in Portugal was eliminated. This amendment applies to tax losses assessed in tax periods beginning on or after 1 January 2023, as well as to tax losses calculated in tax periods prior to 1 January 2023 and whose deduction period is still in progress on that date. Thus, tax losses calculated in 2014 and subsequent years may be deducted from future taxable income. The deduction limit for tax losses reduced from 70% to 65%, being increased by ten percentage points when the difference results from the deduction of tax losses calculated in the 2020 and 2021 tax periods, under the terms of the special regime provided for in Law 27-A/2020, of 24 July.

Banco Comercial Português, S.A. applies the Special Tax Regime for Groups of Companies (RETGS) since 2016 for taxation purposes under corporate income tax (IRC), in which it's the dominant company. The remaining companies covered by the RETGS are Banco ActivoBank, S.A., Interfundos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A., BCP África, S.G.P.S. Lda., Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal Lda., Millennium bcp Teleserviços – Serviços de Comércio Eletrónico, S.A., and, from 2024, Imoserit, S.A.

Regarding the activity in Portugal, Law No. 98/2019, of 4 September, established the tax regime for credit impairment losses and provisions for guarantees for tax periods beginning on or after 1 January 2019, providing for the approximation between the accounting and tax rules in what concerns the deductibility of credit impairment losses. The rules in force until 2018 could continue to be applied until the end of the 2023 financial year, unless the option to apply the new regime was exercised in advance.

In 2022, the Banco Comercial Português, S.A. and the Banco ActivoBank, S.A. exercised the option to apply the new regime, under which impairment losses for credit risk relating to exposures analysed on an individual or collective basis recognised in accordance with applicable accounting and regulatory standards, the provisions for guarantees and other commitments, and impairment losses on debt instruments at amortised cost or at fair value through Other Comprehensive Income, are fully deductible for the purposes of determining taxable profit, with the exceptions provided for in the Corporate Income Tax Code. The exceptions apply to impairment losses relating to credits and other rights over natural or legal persons who hold, directly or indirectly, more than 10 % of the Bank's capital, over members of its corporate bodies, over companies in which the Bank holds, directly or indirectly, more than 10 % of the capital or over entities with which it is in a situation of special relations.

Impairment losses and other value corrections for specific credit risk recorded until 31 December 2021 and still not deducted for tax purposes are only deductible up to the amount that, in each tax period, corresponds to the application of the mandatory minimum limits set out in Notice of Banco de Portugal No. 3/95, as amended before its repeal by Notice of Banco de Portugal 5/2015 and, between other conditions, provided that they are not claims covered by real estate rights.

The Group complies with the guidance of IFRIC 23 - Uncertainty over Income Tax Treatments on the determination of taxable profit, tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over income tax treatments. This uncertainty is reflected in the value of the current tax liabilities and deferred tax assets and liabilities.

The Group recognises deferred tax liabilities associated with the taxation, in Mozambique and Angola, of its share of the distributable profits of Banco Internacional de Moçambique and Banco Millennium Atlântico.

Analysis of the recoverability of deferred tax assets

In accordance with the accounting policy 1 Y3 and with the requirements of IAS 12, the deferred tax assets were recognised based on the Group's expectation of their recoverability. The recoverability of deferred taxes depends on the implementation of the strategy of the Bank's Board of Directors, namely the generation of estimated taxable income and its interpretation of tax legislation. Any changes in the assumptions used in estimating future profits or tax legislation may have material impacts on deferred tax assets.

The assessment of the recoverability of deferred tax assets is based on the projected results for the period from 2026 to 2032, as longer forecast periods have higher underlying factors of uncertainty. The projected income before taxes for the years 2026, 2027 and 2028 is consistent with the budget approved by the Bank's Board of Directors in November 2025, which incorporates the priorities stemming from the 2025-2028 Strategic Plan. In the earnings forecast for the years 2029, 2030, 2031 and 2032, a standard nominal growth rate of 2% was considered.

The forecasts consider the conclusion of the monetary policy easing cycle in the Eurozone, with the stabilisation of interest rates and the development of the Bank's activity aligned with the commercial positioning and the targets enshrined in the 2025-2028 Strategic Plan approved by the governing bodies, highlighting:

- after reflecting the impacts of the normalisation of interest rates, net interest income benefits from the recovery of volumes in customer lending, especially to companies, with a focus on priority segments associated with customer knowledge and relationship, and continued growth of the deposit base, focusing on customer engagement and transactionality;

- increase in commission income based on an efficient and judicious management of commissions and price lists;

- stabilisation of cost of risk at levels in line with the Group's current activity, given the lower impact from the historical portfolios of NPEs, foreclosed assets and FRE (Corporate Restructuring Funds), after the reduction of these exposures achieved over the last years;

- strengthening of the capabilities required for the implementation of the initiatives foreseen in the 2025-2028 Strategic Plan, while preserving high levels of efficiency based on continued cost discipline and increased use of technology.

To estimate taxable net income for the periods of 2026 to 2032, the following main assumptions were considered:

- The rules of the new tax regime of credit impairment were applied. In the application of these rules, the following assumptions were considered, in general terms:

- a) the impairment losses for credit risk related to exposures analysed on an individual or collective basis, recognised in accordance with the applicable accounting and regulatory standards, were considered deductible for tax purposes;

- b) impairment reversals created up to 31 December 2021 not accepted for tax purposes were estimated based on the most recent Non-Performing Assets Reduction Plan (2025-2027), and also on the basis of the average percentage of reversal observed in the last years from 2016 to 2025;

- c) the referred average percentages were calculated separately, depending on whether or not there was a mortgage guarantee, the eligibility for purposes of the special regime applicable to deferred tax assets and according to the customers' classification as Non-Performing Exposures (NPE).

- The increase in provisions for guarantees was considered, as fully, as deductible for tax purposes, under the terms of the current rules. Reversals of provisions taxed until 31 December 2021 are being estimated based on the percentage of impairment replacement taxed for the years 2022 to 2025.

- The deductions related to impairment of financial assets were projected based on the destination (sale or settlement) and the estimated date of the respective operations;

- Impairment reversals of non-financial assets not accepted for tax purposes were projected considering the expected periods of disinvestment in certain real estate assets. For the remaining assets without a forecasted term for disinvestment, the reversals were estimated based on the average percentage of reversal observed in the years from 2016 to 2025. Non-deductible expenses related to the reinforcement of impairment of non-financial assets were estimated on the basis of the average percentage of amounts not deducted for tax purposes in the years from 2016 to 2025, compared to the amounts of reinforcements net of impairment recorded in those years;

- The deductions related to employee benefits were projected based on their estimated payments or deduction plans, in accordance with information provided by the pension fund actuary;

- The realisation of changes in the fair value of real estate investment funds and venture capital funds classified as equity instruments, was projected based on the information available in the regulations of the funds in question in relation to the period foreseen for the respective liquidation.

According to the estimate of future taxable income, the deferred taxes assets recorded as at 31 March 2026 and 31 December 2025 are adequate under the IAS 12 requirements.

In accordance with these assessments, the amount of unrecognised deferred tax related to temporary differences and to tax losses is as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Temporary differences	987	990
Tax losses carried forward		
2014	131,067	131,067
2015	2	2
2016	88,380	102,610
2017	2,245	2,245
2018	78,534	78,534
2019	21,675	21,675
2020	2,858	4,009
2021	146,884	146,886
2022	14,754	14,482
2023	2,569	2,547
2024	23,052	22,595
2025	39,689	40,432
2026	172	—
Total	551,881	567,084

The amount of unrecognised deferred taxes relating to tax losses per expiry year is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
2026	130	132
2027	11,519	11,247
2028	907	885
2029	19,343	18,886
2030	39,479	40,237
No expiry date	480,503	495,697
Total	551,881	567,084

In addition to the above amounts, the Bank is contesting corrections to tax losses for 2014, 2016, 2021 and 2022, which, if granted, will increase the value of unrecognised deferred taxes assets by EUR 77,516,000.

The impact of income taxes in Net income and in other balances of Group's equity, as at 31 March 2026, is analysed as follows:

	(Thousands of euros)		
	31 March 2026		
	Net income for the period	Reserves	Exchange differences
Deferred taxes not depending on the future profits			
Impairment losses	(19,889)	—	—
Employee benefits	(78,816)	(876)	—
	(98,705)	(876)	—
Deferred taxes depending on the future profits			
Impairment losses	(15,225)	149	(3,314)
Tax losses carried forward (a)	11,811	1,370	(2)
Employee benefits	(1,815)	171	611
Financial assets at fair value through other comprehensive income	—	20,227	3,933
Derivatives	(4,627)	—	108
Intangible assets	(13)	—	(15)
Other tangible assets	145	—	2
Other	13,539	80	(3,058)
	3,815	21,997	(1,735)
	(94,890)	21,121	(1,735)
Current taxes			
Current period	(48,687)	—	—
Correction of previous periods (b)	6,631	—	—
	(42,056)	—	—
	(136,946)	21,121	(1,735)

(a) The amount recorded in reserves refers to the deferred tax on the part of tax loss arising from the deduction of negative equity changes recorded in reserves that contribute to the calculation of taxable income.

(b) This mainly relates to the tax credit that Bank Millennium benefited from credit write-off agreements with customers who had mortgage credit agreements in Swiss francs and which, in turn, led to the reduction in deferred tax assets previously recorded in relation to provisions set up for these contingencies.

The impact of income taxes in Net income and in other balances of Group's equity, as at 31 March 2025, is analysed as follows:

	(Thousands of euros)		
	31 March 2025		
	Net income for the period	Reserves	Exchange differences
Deferred taxes not depending on the future profits			
Impairment losses	(20,750)	—	—
Employee benefits	(61,036)	(13)	—
	(81,786)	(13)	—
Deferred taxes depending on the future profits			
Impairment losses	(16,786)	(713)	5,704
Tax losses carried forward (a)	161	431	80
Employee benefits	(44)	9	137
Financial assets at fair value through other comprehensive income	—	(30,869)	(6,690)
Derivatives	853	—	(172)
Intangible assets	5	—	22
Other tangible assets	192	—	(8)
Other	(11,768)	(160)	4,595
	(27,387)	(31,302)	3,668
	(109,173)	(31,315)	3,668
Current taxes			
Current period	(22,113)	—	—
Correction of previous periods (b)	19,043	—	—
	(3,070)	—	—
	(112,243)	(31,315)	3,668

(a) The amount recorded in reserves refers to the deferred tax on the part of tax loss arising from the deduction of negative equity changes recorded in reserves that contribute to the calculation of taxable income.

(b) This mainly relates to the tax credit that Bank Millennium benefited from credit write-off agreements with customers who had mortgage credit agreements in Swiss francs and which, in turn, led to the reduction in deferred tax assets previously recorded in relation to provisions set up for these contingencies.

The impact of income taxes in Net income and in other balances of Group's equity, by geographies where the Group operates, is analysed as follows:

	(Thousands of euros)					
	31 March 2026			31 March 2025		
	Portugal	Poland	Mozambique	Portugal	Poland	Mozambique
Current period						
Deferred taxes	(80,333)	(14,558)	—	(68,889)	(40,284)	—
Current taxes	(2,397)	(33,146)	(6,514)	(2,434)	7,238	(7,874)
	(82,730)	(47,704)	(6,514)	(71,323)	(33,046)	(7,874)
Reserves and Exchange differences						
Deferred taxes	(556)	19,944	—	(27,993)	346	—
	(556)	19,944	—	(27,993)	346	—
	(83,286)	(27,760)	(6,514)	(99,316)	(32,700)	(7,874)

The reconciliation between the nominal tax rate and the effective tax rate is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 March 2025
Income before taxes	480,051	378,243
Current tax rate (%)	29.5%	30.5%
Tax at the applicable tax rate	(141,615)	(115,364)
Non-deductible impairment and provisions (a)	(13,723)	(2,617)
Mandatory contributions on the banking sector (b)	(14,548)	(8,755)
Results of companies accounted by the equity method	4,657	3,989
Interests on other equity instruments (c)	2,397	2,478
Effect of the tax rate difference (d)	8,722	17,074
Effect of recognition/derecognition net of deferred taxes (e)	14,899	(15,476)
Non-deductible costs and other corrections	(974)	2,496
Correction of previous years	(76)	1,377
Impact of the special regime for the taxation of groups of companies	3,436	2,692
Autonomous taxation	(121)	(137)
Total	(136,946)	(112,243)
Effective rate (%)	28.5%	29.7%

(a) In 2026, it includes the negative amounts of EUR 4,452,000, relating to non-deductible provisions in Portugal, and EUR 5,330,000, relating to provisions for losses on public debt in Mozambique. In 2025, it includes the negative amount of EUR 14,695,000 relating to the impact of the non-deductibility for tax purposes of the allocation to provisions for legal risks associated with the portfolio of mortgage loans granted in foreign currency by Bank Millennium.

(b) This relates to taxes on the banking sector in Poland.

(c) Relates to the impact of the deduction for taxable income purposes of interest paid in respect of perpetual bonds representing subordinated debt issued on 31 January 2019 and 18 January 2024.

(d) In 2026, it includes the amount of EUR 3,908,000 relating to the effect of the 20% tax on interest from Mozambique's public debt securities, and the amount of EUR 4,878,000 relating to the effect of calculating the expected average tax rate for the full year for the Polish subsidiary, in accordance with IAS 34.

In 2025, it includes the amount of EUR 4,725,000 relating to the effect of the 20% tax on interest from Mozambique's public debt securities, and the amount of EUR 8,721,000 relating to the effect of the difference in the profit tax rate in Poland, which was 19%, on a positive profit before tax.

(e) In 2025, includes the reduction of EUR 9,785,000 of deferred tax assets recognised by Bank Millennium relating to future adjustments of income (interest, commissions and foreign exchange gains) obtained on foreign currency-indexed mortgage loans and mortgage loans contracts granted in foreign currency (in particular in Swiss francs) subject to legal disputes for their cancellation (following the decision of the Supreme Administrative Court of 6 December 2023) and EUR 8,859,000 relating to the non-recognition of deferred tax assets on the 2025 tax loss of Banco Internacional de Moçambique.

Directive (EU) 2022/2523 of the Council, of 15 December 2022 – Minimum level of taxation of 15% per jurisdiction

Under Pillar 2 of the Base Erosion and Profit Shifting 2.0 ("BEPS 2.0") project of the Organisation for Economic Co-operation and Development ("OECD"), enshrined in Council Directive (EU) 2022/2523 of 15 December 2022, multinationals enterprises and large national groups with consolidated annual revenues of more than EUR 750 million in at least two of the last four financial years, will become subject, as of the 2024 financial year, to a minimum level of taxation of 15% in each of the jurisdiction they operate.

Directive (EU) 2022/2523, on ensuring a worldwide minimum level of taxation for multinational companies groups and large national groups within the Union, was transposed into domestic legislation in Portugal, through Law 41/2024, of 8 November. In Poland, the transposition of this Directive took place on 15 November 2024.

The regime in question may determine the payment of a top-up tax when a minimum level of taxation of 15% is not observed, on a jurisdictional basis.

According to the analysis carried out on the potential future impacts of this regime, the Group estimates that it will meet, in the jurisdictions in which it operates, namely in Portugal, Poland and Mozambique, the necessary requirements for the application of "transitional safe harbours", thus being excluded, between 2024-2026, from the obligation to calculate any top-up tax.

The Bank applies the temporary exception set out in IAS 12 for the recognition and disclosure of information on deferred tax assets and liabilities related to income tax arising from the Global Minimum Tax Regime (GMTR).

31. Other assets

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Deposit account applications	75,698	61,273
Shareholder Loans	109,043	107,790
Surplus in the post-employment benefits	287,171	283,686
Debtors for futures and options transactions	227,116	195,542
Real estate and other assets arising from recovered loans (*)	227,916	234,742
Debtors		
Residents		
Receivables from real estate, transfers of assets and other securities	47,114	47,216
Prosecution cases / agreements with the Bank	7,987	8,521
SIBS	2,311	2,366
Other	24,157	24,217
Non-residents	29,715	26,546
Amounts due for collection (**)	62,692	106,535
Interest and other amounts receivable	92,874	83,183
Amounts receivable on trading activity	173,197	20,674
Amounts due from customers	11,242	9,487
Artistic assets	28,795	28,795
Prepaid expenses	33,777	33,453
Subsidies receivables	14,549	13,155
Other taxes recoverable	12,486	13,066
Gold and other precious metals	3,615	3,533
Capital supplementary contributions	109	109
Associates	3,715	39
Receivables due from Société Générale S.A. (under an 'CHF Portfolio Indemnity and Guarantee Agreement)	217,839	219,623
Receivables due to legally invalidated foreign currency mortgage loans	89,913	80,839
Other	208,423	204,388
	1,991,454	1,808,778
Impairment for other assets	(253,727)	(253,611)
	1,737,727	1,555,167

(*) Amounts of real estate and other assets that do not meet the requirements of IFRS 5 (accounting policy G).

(**) This mainly corresponds to the specific position of the financial flow with SIBS within the scope of transactions carried out via ATMs.

The balance Amounts receivable on trading activity corresponds to operations pending financial settlement, which had already taken place on the date these accounts were approved.

The detail of the item Real estate and other assets arising from recovered loans is analysed as follows:

(Thousands of euros)

	31 March 2026			31 December 2025		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Real estate						
Assets arising from recovered loans	61,119	(34,319)	26,800	68,804	(35,864)	32,940
Assets belong to investments funds and real estate companies	135,781	(77,527)	58,254	135,403	(77,353)	58,050
Assets for own use (closed branches)	9,154	(3,190)	5,964	9,153	(3,194)	5,959
Equipment	14,303	(10,393)	3,910	13,965	(10,148)	3,817
Other assets (*)	7,559	—	7,559	7,417	—	7,417
	227,916	(125,429)	102,487	234,742	(126,559)	108,183

(*) includes Shares, Price Deposit and Property Adjudication Proposals

The changes occurred in Impairment of other assets, with the exception of impairment for Real estate and other assets arising from recovered loans are analysed as follows:

(Thousands of euros)

	31 March 2026	31 December 2025
Balance as at 1 January	127,052	135,421
Other transfers	125	705
Charge for the period (note 13)	2,457	13,943
Reversals for the period (note 13)	(500)	(3,452)
Amounts charged-off	(709)	(19,260)
Exchange rate differences	(127)	(305)
Balance at the end of the period	128,298	127,052

The changes occurred in impairment for Real Estate and other assets arising from recovered loans, are analysed as follow:

(Thousands of euros)

	31 March 2026	31 December 2025
Balance as at 1 January	126,559	141,475
Other transfers	(3,035)	(18,179)
Charge for the period (note 13)	1,726	11,880
Reversals for the period (note 13)	(378)	(215)
Amounts charged-off	253	(4,993)
Exchange rate differences	304	(3,409)
Balance at the end of the period	125,429	126,559

32. Deposits from credit institutions and other funds

This balance is analysed as follows:

	(Thousands of euros)					
	31 March 2026			31 December 2025		
	Non-interest bearing	Interest bearing	Total	Non-interest bearing	Interest bearing	Total
Deposits from Central Banks and other funds						
Bank of Portugal	—	1,004	1,004	—	—	—
Central Banks abroad	—	199,565	199,565	—	200,601	200,601
	—	200,569	200,569	—	200,601	200,601
Deposits from credit institutions in Portugal and other funds						
Very short-term deposits	—	21,709	21,709	—	—	—
Sight deposits	46,610	—	46,610	98,802	—	98,802
Term Deposits	—	76,813	76,813	—	104,161	104,161
	46,610	98,522	145,132	98,802	104,161	202,963
Deposits from credit institutions abroad and other funds						
Very short-term deposits	—	106,179	106,179	—	—	—
Demand deposits	67,286	—	67,286	75,497	—	75,497
Term deposits	—	155,079	155,079	—	107,083	107,083
Loans obtained	—	1,575	1,575	—	401	401
CIRS and IRS operations collateralised by deposits (*)	52,210	—	52,210	36,366	—	36,366
Sales operations with repurchase agreement	—	—	—	—	246,856	246,856
Other	—	14,451	14,451	—	8,804	8,804
	119,496	277,284	396,780	111,863	363,144	475,007
	166,106	576,375	742,481	210,665	667,906	878,571

(*) Under the scope of transactions involving derivative financial instruments (IRS and CIRS) with institutional counterparties, and in accordance with the terms of their respective agreements ("Cash collateral"), these deposits are held by the Group and are reported as collateral for the referred operations (IRS and CIRS), whose revaluation is positive.

33. Deposits from customers and other funds

This balance is analysed as follows:

	(Thousands of euros)					
	31 March 2026			31 December 2025		
	Non-interest bearing	Interest bearing	Total	Non-interest bearing	Interest bearing	Total
Deposits from customers						
Repayable on demand	52,920,717	961,210	53,881,927	52,477,872	990,661	53,468,533
Term deposits	—	29,914,976	29,914,976	—	29,114,003	29,114,003
Saving accounts	—	4,606,355	4,606,355	—	4,580,066	4,580,066
Treasury bills and other assets sold under repurchase agreement	—	1,153	1,153	—	—	—
Cheques and orders to pay	417,573	—	417,573	352,055	—	352,055
	53,338,290	35,483,694	88,821,984	52,829,927	34,684,730	87,514,657
Corrections to the liabilities value subject to hedging operations			(109,056)			38,521
Interests payable			116,136			119,682
			88,829,064			87,672,860

In the terms of the Law, the Deposit Guarantee Fund was established to guarantee the repayment of funds deposited in Credit Institutions. The criteria to calculate the annual contributions to the Portuguese fund are defined in the Regulation no. 11/94 of the Banco de Portugal.

34. Non-subordinated debt securities issued

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Bonds	742,601	775,249
Medium term notes (MTN)	2,995,465	2,997,334
Securitisations	88,011	91,743
	3,826,077	3,864,326
Corrections to the liabilities value subject to hedging operations	(42,750)	(13,456)
Deferred costs/(gains)	(10,083)	(9,157)
Interests payable	76,589	51,880
	3,849,833	3,893,593

35. Subordinated debt

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Bonds		
Non-Perpetual	1,376,134	1,382,228
Corrections to the liabilities value subject to hedging operations	(19,626)	(10,783)
Deferred costs / (income)	(1,984)	(2,232)
Interests payable	19,160	42,445
	1,373,684	1,411,658

36. Financial liabilities held for trading

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Short sales	7,156	8,949
Trading derivatives (note 23)		
FRA	26	—
Swaps	80,755	114,320
Options	21,282	23,394
of which: Embedded derivatives	19,572	22,531
Forwards	6,632	6,066
Others	33	—
	108,728	143,780
	115,884	152,729

37. Financial liabilities designated at fair value through profit or loss

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Deposits from customers (*)	1,901,460	2,075,969
Certificates	1,553,628	1,538,366
	3,455,088	3,614,335

(*) Deposits from customers whose remuneration is indexed to a set of shares and/or indices.

38. Provisions

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Provision for guarantees and other commitments	145,450	146,156
Other provisions for liabilities and charges	1,057,027	1,092,357
	1,202,477	1,238,513

Changes in Provisions for guarantees and other commitments are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	146,156	118,039
Charge for the period (note 14)	22,481	79,248
Reversals for the period (note 14)	(22,827)	(51,165)
Exchange rate differences	(360)	34
Balance at the end of the period	145,450	146,156

Changes in Other provisions for liabilities and charges are analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Balance as at 1 January	1,092,357	967,819
Transfers	64	5,193
Charge for the period (note 14)	88,292	523,282
Reversals for the period (note 14)	(884)	(18,348)
Amounts charged-off	(112,001)	(399,464)
Allocation to loan's portfolio (note 21)	4,216	4,485
Exchange rate differences	(15,017)	9,390
Balance at the end of the period	1,057,027	1,092,357

The balance Other provisions for liabilities and charges - Charge for the year refers essentially to provisions for legal risk accounted for by Bank Millennium, related to foreign currency-indexed mortgage loans, as described in note 52, which amounted to EUR 53,399,000 (31 December 2025: EUR 480,973,000).

Provisions for legal risk related to foreign currency-indexed mortgage loans in Bank Millennium (Poland)

Bank Millennium estimated the impact of legal risk on the recoverability of the expected cash flows resulting from concluded contracts for the active portfolio of mortgage loans in CHF, adjusting, in accordance with point B5.4.6 of IFRS 9, the gross carrying amount of the portfolio by reducing the expected cash flows from mortgage loan contracts denominated or indexed to CHF, and recognised a provision in accordance with International Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets ("IAS 37") for fully repaid loans and in a situation where the gross carrying amount of the loan was lower than the value of the assessed risk.

A detailed description of the adopted valuation methodology is presented in note 52 "Legal risk related to foreign currency mortgage loans in Bank Millennium (Poland)".

As at 31 March 2026, the Loans and advances to customers portfolio in CHF has a gross amount of EUR 907,476,000 (31 December 2025: EUR 1,043,576,000).

As at 31 March 2026, the Bank Millennium accounted for provisions for legal risk related with the portfolio of foreign currency-indexed mortgage loans in the amount of EUR 1,509,262,000 (PLN 6,483,886,000), of which EUR 759,408,000 (PLN 3,261,960,000) are presented under assets, as a deduction from the gross amount of the loan portfolio in CHF (note 21) and EUR 749,854,000 (PLN 3,220,926,000) are presented under Provisions.

As at 31 December 2025, the Bank Millennium accounted for provisions for legal risk related with the portfolio of foreign currency-indexed mortgage loans in the amount of EUR 1,684,540,000 (PLN 7,113,474,000), of which EUR 869,230,000 (PLN 3,670,583,000) are presented under assets, as a deduction from the gross amount of the loan portfolio in CHF (note 21) and EUR 815,310,000 (PLN 3,442,891,000) are presented under Provisions.

The variation in the level of provisions or concrete losses will depend on the final court decisions about each case and on the number of court cases, as described in accounting policy 1 Y7 and note 52.

39. Other liabilities

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Interests and other amounts payable	175,897	158,792
Operations to be settled - foreign, transfers and deposits	248,697	129,370
Credit insurance received and to accrued	2,020	5,933
Holidays, subsidies and other remuneration payable	48,961	58,634
Transactions on securities to be settled	253,246	1,519
Public sector	39,636	46,118
Creditors		
Rents to pay	186,376	190,336
Deposit account and other applications	87,439	99,704
Suppliers	51,544	56,182
From factoring operations	33,496	26,578
For futures and options transactions	16,727	18,074
Liabilities not covered by the Group Pension Fund - amounts payable by the Group	6,964	6,619
Associates	—	178
Other creditors		
Residents	39,579	39,337
Non-residents	44,215	67,677
Deferred income	13,067	12,964
Other administrative costs payable	7,262	5,605
Liabilities due to legally invalidated foreign currency mortgage loans	77,672	73,136
Insurance settlements	12,991	16,747
Commitment to pay – BGF (Bank associated with the Polish Bank Guarantee Fund)	71,463	64,472
Other liabilities	287,226	197,030
	1,704,478	1,275,005

The balance Amounts payable on trading activity corresponds to transactions pending financial settlement, which had already taken place on the date these accounts were approved.

40. Share capital, Share premium and Other equity instruments

As at 31 March 2026, the Bank's share capital amounts to EUR 3,000,000,000 and is represented by 14,804,627,089 nominative book-entry shares without nominal value, fully subscribed and paid up (total number of voting rights inherent to these shares being also 14,804,627,089).

In the context of the share buyback programme in the total amount of up to EUR 200,000,000, the conclusion of which was announced on 25 August 2025 (the "Programme"), the Bank, following the resolutions adopted in the context of Items Eight and Nine of the Agenda of the General Meeting of 22 May 2025, concluded the following operations on 23 December 2025:

- Share capital decrease by EUR 61,405,928.67, for the specific purpose of implementing the Buyback Programme, with the share capital of the Bank now standing at EUR 2,938,594,071.33, involving the cancellation of 309,362,863 nominative book-entry treasury shares without nominal value, as well as the creation of a special reserve, subject to the legal reserve regime, in the amount of EUR 61,405,928.67; and

- Subsequent share capital increase in the amount of EUR 61,405,928.67 to EUR 3,000,000,000, without issuing new shares and by incorporating a special reserve of the same amount set up for this purpose following the aforementioned share capital reduction, with the objective of restoring the share capital amount.

As at 31 March 2026, Share premium amounts to EUR 16,470,667.11, corresponding to the difference between the issue price (EUR 0.0834 per share) and the issue value (EUR 0.08 per share) determined under the scope of the Public Exchange Offer occurred in June 2015.

As at 31 March 2026, Other equity instruments in the amount of EUR 400,000,000 corresponds to 2,000 perpetual subordinated notes issued on 18 January 2024, with a nominal value of EUR 200,000 each which was classified as Additional Tier 1 (AT1) in accordance with the specific rules of IAS 32 and accounting policy 1 E. The issue has the option of early repayment by the Bank from the end of 5th year onwards with a coupon of 8.125% per year for the first 5.5 years, which will be refixed from that date every 5 years, with reference to the then prevailing 5-year mid-swap rate plus a spread of 5.78% a year. As the operation is classified as AT1, the corresponding interest payment can be cancelled by the Bank at its discretion or by imposition of the competent authorities and is still subject to compliance with a set of conditions, including compliance with the combined capital reserve requirement and the existence of sufficient distributable funds.

The Bank also decided, in accordance with its terms and conditions, to exercise the option of early repayment of the entire AT1 issue issued on 31 January 2019 in the amount of EUR 400,000,000. The early repayment took place on their first call date, 31 January 2024, at the nominal value plus the respective accrued interests.

41. Legal and statutory reserves

Under the Portuguese legislation, the Bank is required to annually set-up a legal reserve equal to a minimum of 10% of annual profits until the reserve equals the share capital, or until the sum of the free reserves constituted and the retained earnings, if higher. In accordance with the proposal for the appropriation of net income for the 2024 financial year approved at the General Shareholders' Meeting held on 22 May 2025, the Bank increased its legal reserves in the amount of EUR 80,257,000, thus, as at 31 March 2026 the Legal Reserves amount to EUR 464,659,000 (31 December 2025: EUR 464,659,000).

In accordance with the current Portuguese legislation, the Group companies must set-up annually a reserve with a minimum percentage between 5% and 20% of their net annual profits depending on the nature of their economic activity and are recognised in Other reserves and retained earnings in the Bank's consolidated financial statements (note 43).

4.2. Treasury shares

On 8 April 2025, the Bank approved a share buyback programme in the total amount of EUR 200,000,000, equivalent to approximately 2,683% of BCP's market capitalisation (the "BuyBack Programme").

The objective of the BuyBack Programme, for the purposes of Article 5(2)(a) of Regulation (EU) 596/2014, was the cancellation of treasury shares acquired under its scope and it was implemented in accordance with the provisions of Regulation (EU) 596/2014, as supplemented by Delegated Regulation (EU) 2016/1052, taking into consideration the terms and conditions described below.

In this context, the Programme was approved in accordance with the following terms and conditions:

- Maximum number of shares to be acquired under the Buy-Back Programme: up to 755,699,497 ordinary shares of BCP, corresponding to up to 5% of the total shares representing its share capital. This is the maximum number of shares that may be cancelled in the context of the Buy-Back Programme, under the terms of a resolution approved at the General Meeting.
- Maximum pecuniary amount of the Buy-Back Programme: up to EUR 200,000,000;
- Duration of the Buy-Back Programme: the Buy-Back Programme began on 14 April 2025 and ended on 14 October 2025 (inclusive), without prejudice, namely, of the possibility of ending earlier following a decision by the Bank or should the maximum number of shares to be acquired or the maximum pecuniary amount of the Buy-Back Programme were reached.
- Forms of acquisition under the Buy-Back Programme: acquisitions of shares or rights to acquire or allocate shares, for consideration, in trading sessions on the Euronext Lisbon regulated market, in compliance with the principle of shareholder equality as required by law, according to criteria whereby any shareholder status is not considered a relevant factor.

On 25 August 2025, the Buy-back Program ended, with the Bank acquiring 309,362,863 BCP shares at a average unit cost of 0.646 euros, for a total amount of EUR 200,000,000.

In compliance with the provisions of Article 324(1)(b) of the Commercial Companies Code, the Bank had a reserve of a equivalent amount of its own shares, of EUR 200,000,000 recognised under the heading of Other Reserves and Retained Earnings (note 43).

The Bank in the context of Items Eight and Nine of the Agenda of the General Meeting of 22 May 2025, concluded on 23 December 2025 the Share capital decrease (note 40), involving the cancellation of 309,362,863 nominative book-entry treasury shares without nominal value, using the reserve of Euros 200,000,000 described above.

The own shares held by the companies included in the consolidation scope are within the limits established by the Bank's by-laws and by the Commercial Companies Code.

4.3. Reserves and retained earnings

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Changes in fair value - Gross amount		
Financial assets at fair value through other comprehensive income (note 23)		
Debt instruments (*)	22,055	81,639
Equity instruments	(97)	(52)
Of associates and other changes	18,592	20,928
Cash-flow hedge	(467,013)	(492,320)
From financial liabilities designated at fair value through profit or loss related to changes in own credit risk	(35)	(39)
	<u>(426,498)</u>	<u>(389,844)</u>
Changes in Fair value - Tax		
Financial assets at fair value through other comprehensive income		
Debt instruments	(3,336)	(20,533)
Equity instruments	331	318
Cash-flow hedge	130,305	137,856
From financial liabilities designated at fair value through profit or loss related to changes in own credit risk	10	11
	<u>127,310</u>	<u>117,652</u>
	<u>(299,188)</u>	<u>(272,192)</u>
Exchange rate differences arising on consolidation		
Bank Millennium, S.A.	(28,285)	(9,789)
BIM - Banco Internacional de Moçambique, S.A.	(163,622)	(171,222)
Banco Millennium Atlântico, S.A.	(187,872)	(188,730)
Other	(862)	(862)
	<u>(380,641)</u>	<u>(370,603)</u>
Application of IAS 29		
Effect on equity of Banco Millennium Atlântico, S.A.	52,217	52,382
Other	(3,965)	(3,965)
	<u>48,252</u>	<u>48,417</u>
Other reserves and retained earnings	<u>4,519,629</u>	<u>3,507,841</u>
	<u>3,888,052</u>	<u>2,913,463</u>

(*) Includes the effects arising from the application of hedge accounting.

As at 31 December 2025 the Other reserves and retained earnings item includes the effect of Bank Millennium S.A.'s introduction of a change in the approach to calculating the effective interest rate (EIR) applied to the valuation of mortgage loans with periodically fixed interest rates.

With the purpose to ensure a better economic substance of the transactions and to enhance consistency between the accounting approach and the interest rate risk management framework, as well as the methodologies applied within the BCP Group, in 2025, Bank Millennium S.A. changed its approach to determine the EIR. After this change, the EIR was calculated exclusively on the basis of the currently applicable interest rate.

The item changes in fair value corresponds to the accumulated changes of the Financial assets at fair value through other comprehensive income and Cash flow hedge, in accordance with the accounting policy presented in note 1 C.

The variation in the fair value of cash flow hedges reflects the economic impact on these hedges of the pronounced increase in market interest rates, an effect that is more than offset by the economic impact on the fair value of liabilities that are more sensitive to such an increase and that are accounted for at amortised cost.

In compliance with the provisions of Article 324(1)(b) of the Portuguese Commercial Companies Code, the Bank had a reserve in an amount equivalent to its own shares of EUR 200,000,000 recognised under Other Reserves and Retained Earnings. Following the resolutions adopted under Items Eight and Nine of the Agenda of the General Meeting held on 22 May 2025, the Bank concluded at 23 December 2025 the Share capital decrease (note 40), involving the cancellation of 309,362,863 nominative book-entry treasury shares without nominal value, using the reserve described above.

4.4. Non-controlling interests

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Changes in fair value		
Debt instruments	(9,198)	27,247
Equity instruments	4,654	4,715
Cash-flow hedge	(198)	(317)
Other	1,083	1,083
	<u>(3,659)</u>	<u>32,728</u>
Deferred taxes		
Debt instruments	4,505	(6,311)
Equity instruments	(1,052)	(1,070)
Cash-flow hedge	60	95
	<u>3,513</u>	<u>(7,286)</u>
	<u>(146)</u>	<u>25,442</u>
Exchange rate differences arising on consolidation	(142,604)	(120,731)
Actuarial losses (net of taxes)	(2,440)	(2,465)
Perpetual subordinated bonds AT1	349,211	—
Other reserves and retained earnings	1,389,127	1,345,271
	<u>1,593,148</u>	<u>1,247,517</u>

As described in note 47, in January 2026, Bank Millennium issued Additional Tier 1 (AT1) bonds in nominal amount of PLN 1,500,000,000 (EUR 356,464,000). As at 31 March 2026, this amount totals EUR 349,211,000 and is reflected in the item Non-controlling interests - Perpetual subordinated bonds AT1.

The balance Non-controlling interests is analysed as follows:

	(Thousands of euros)			
	Balance Sheet		Income Statement	
	31 March 2026	31 December 2025	31 March 2026	31 March 2025
Bank Millennium Group	1,418,590	1,078,304	35,516	21,354
of which Perpetual subordinated bonds AT1	349,211	—	—	—
BIM - Banco Internacional de Moçambique Group	163,516	158,153	1,828	1,221
Other subsidiaries	11,042	11,060	(17)	(27)
	<u>1,593,148</u>	<u>1,247,517</u>	<u>37,327</u>	<u>22,548</u>

45. Guarantees and other commitments

This balance is analysed as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Guarantees granted		
Guarantees	3,762,283	3,846,367
Stand-by letter of credit	71,916	90,437
Open documentary credits	270,214	231,257
Bails and indemnities	9,737	9,744
	4,114,150	4,177,805
Commitments to third parties		
Irrevocable commitments		
Term deposit contracts	1,483	41
Irrevocable credit facilities	6,507,909	6,443,765
Securities subscription	8,156	8,721
Other irrevocable commitments	61,473	59,294
Revocable commitments		
Revocable credit facilities	6,615,355	6,338,900
Bank overdraft facilities	1,020,704	1,078,993
Other revocable commitments	213,662	211,772
	14,428,742	14,141,486
Guarantees received	27,882,558	27,708,089
Commitments from third parties	12,196,936	12,035,074
Securities and other items held for safekeeping	103,613,303	101,554,717
Securities and other items held under custody by the Securities Depository Authority	105,021,028	102,535,454
Other off-balance sheet accounts	165,866,316	168,508,261

The guarantees granted by the Group may be related to loans transactions, where the Group grants a guarantee in connection with a loan granted to a customer by a third entity. According to its specific characteristics it is expected that some of these guarantees expire without being executed and therefore these transactions do not necessarily represent a cash-outflow. The estimated liabilities are recorded under provisions (note 38).

Stand-by letters and open documentary credits aim to ensure the payment to third parties from commercial deals with foreign entities and therefore financing the shipment of the goods. Therefore, the credit risk of these transactions is limited since they are collateralised by the shipped goods and are generally short-term operations.

Irrevocable commitments are non-used parts of credit facilities granted to corporate or retail customers. Many of these transactions have a fixed term and a variable interest rate and therefore the credit and interest rate risk are limited.

The financial instruments accounted as guarantees and other commitments are subject to the same approval and control procedures applied to the credit portfolio, namely regarding the analysis of objective evidence of impairment, as described in the accounting policy in note 1.C. The maximum credit exposure is represented by the nominal value that could be lost related to guarantees and commitments undertaken by the Group in the event of default by the respective counterparties, without considering potential recoveries or collaterals.

46. Transfers of assets

The Group performed a set of transactions of sale of financial assets (namely loans and advances to customers) for Funds specialised in the recovery of loans. These funds take the responsibility for management of the borrower companies or assets received as collateral with the objective of ensuring a pro-active management through the implementation of plans to explore/increase the value of the companies/assets.

The specialised funds in credit recovery that acquired the financial assets are closed funds, in which the holders of the investment units have no possibility to request the repayment of its investment units throughout the useful life of the fund. These investment units are held by several banks, which are the sellers of the loans, in percentages that vary through the useful life of the Funds, ensuring however that, separately, none of the banks hold more than 50% of the capital of the Fund.

The Funds have a specific management structure (General Partner), fully independent from the assignor banks and that is selected on the date of establishment of the Fund. The management structure of the Fund has as main responsibilities to: (i) determine the objective of the Fund and (ii) administrate and manage exclusively the Fund, determining the objectives and investment policy and the conduct in management and business of the Fund. The management structure is remunerated through management commissions charged to the Funds.

These funds (in which the Group holds minority positions) establish companies in order to acquire the loans to the banks, which are financed through the issuance of senior and junior securities. The value of the senior securities fully subscribed by the Funds that hold the share capital match the fair value of the asset sold, determined in accordance with a negotiation based on valuations performed by both parties.

The value of the junior securities is equivalent to the difference between the fair value that was based on the valuation of the senior security and the value of the transferred receivables. These junior securities, being subscribed by the Group, will entitle the Group to a contingent positive value if the value of the assets transferred exceeds the amount of the senior tranches plus the remuneration on them. Thus, considering these junior assets reflect a difference between the valuations of the assets sold based on the appraisals performed by independent entities and the negotiation between the parties, the Group performs the constitution of impairment losses for all of them.

Therefore, as a result of the transfer of assets occurred operations, the Group subscribed:

- Senior securities (investment units) of the funds, for which the cash-flows arise mainly from a set of assets transferred from the participant banks. These securities are booked in Financial assets not held for trading mandatorily at fair value through profit or loss portfolio and are accounted for at fair value based on the last available Net assets value (NAV), as disclosed by the Management companies and audited at year end, still being analysed by the Bank;

- Junior securities (with higher subordination degree) issued by the Portuguese law companies held by the funds and which are fully provided to reflect the best estimate of impairment of the financial assets transferred.

Within this context, not withholding control but maintaining an exposure to certain risks and rewards, the Group, in accordance with IFRS 9 3.2 performed an analysis of the exposure to the variability of risks and rewards in the assets transferred, before and after the transaction, having concluded that it does not hold substantially all the risks and rewards. Considering that it does not hold control and does not exercise significant influence on the funds or companies' management, the Group performed, under the scope of IAS IFRS 9 3.2, the derecognition of the assets transferred and the recognition of the assets received.

The results were calculated on the date of transfer of the assets. During the first quarter of 2026 and in the financial year 2025, no credits were sold to corporate restructuring funds.

The amounts accumulated as at 31 March 2026, related to these operations, are analysed as follows:

	(Thousands of euros)			
	Assets transferred	Net assets transferred	Received value	Net gains / (losses)
Fundo Aquarius FCR (a)	132,635	124,723	132,635	7,912
Discovery Real Estate Fund (a)	211,388	152,155	138,187	(13,968)
Fundo Vega FCR (b)	113,665	113,653	109,599	(4,054)
	457,688	390,531	380,421	(10,110)

The activity segments are as follows: a) Real estate and tourism; and b) Real estate.

The amounts accumulated as at 31 December 2025, related to these operations, are analysed as follows:

	(Thousands of euros)			
	Assets transferred	Net assets transferred	Received value	Net gains / (losses)
Fundo Aquarius FCR (b)	132,635	124,723	132,635	7,912
Discovery Real Estate Fund (b)	211,388	152,155	138,187	(13,968)
Fundo Vega FCR (c)	113,665	113,653	109,599	(4,054)
	457,688	390,531	380,421	(10,110)

The activity segments are as follows: a) Diversified; b) Real estate and tourism; and c) Real estate.

As at 31 March 2026 and 31 December 2025, the assets received under the scope of these operations are comprised of:

	(Thousands of euros)		
	31 March 2026		
	Fair value of Investment fund units (note 23)	Shareholder loans (note 31)	Total
Fundo Aquarius FCR	67,454	—	67,454
Discovery Real Estate Fund	172,953	—	172,953
Fundo Vega FCR	34,198	—	34,198
	274,605	—	274,605

	(Thousands of euros)		
	31 December 2025		
	Fair value of Investment fund units (note 23)	Shareholder loans (note 31)	Total
Fundo Aquarius FCR	67,258	—	67,258
Discovery Real Estate Fund	172,953	—	172,953
Fundo Vega FCR	33,923	—	33,923
	274,134	—	274,134

As at 31 March 2026 and 31 December 2025, the book value of investment funds units is recorded under Financial assets not held for trading mandatorily at fair value through profit or loss (note 23) and considers the Fund's Global Net Asset Value (NAV) communicated by the Management Companies.

The balance Shareholder loans in the gross amount of EUR 101,623,000 (31 December 2025: EUR 100,375,000) has recorded an impairment of the same amount (note 31).

Project Crow

As part of the sale process called Project Crow concluded at the end of 2022, Banco Comercial Português, S.A. now holds an investment in a venture capital fund, in 2 real estate funds and in a company, as follows:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Investments in associates (note 25)		
Fundo Turismo Algarve, FCR	42,037	42,037
Lusofundo - Fundo de Investimento Imobiliário Fechado (in liquidation)	15,939	16,273
Fundo Especial de Investimento Imobiliário Fechado Eurofundo (in liquidation)	1,691	1,737
	59,667	60,047

47. Relevant events occurred during the first quarter of 2026

BCP S.A. informed about decision to call the currently outstanding EUR 500,000,000 Senior Preferred Fixed to Floating Rate Notes due 2027 with an outstanding amount of 500 million euros

On 20 January 2026, Banco Comercial Português, S.A. informed that it has decided to exercise its option to early redeem all of its EUR 500,000,000 Senior Preferred Fixed to Floating Rate Notes due 2027 (ISIN: PTBCPHOM0066), issued on 12 February 2021 under the EUR25,000,000,000 Euro Note Programme (the "Notes"), in accordance with condition 6(d) of the terms and conditions of the Notes and the final terms of the Notes. The early redemption of the Notes shall take place on the optional redemption date set out in the final terms of the Notes, 12 February 2026, at their outstanding principal amount together with accrued interest.

Banco Comercial Português, S.A. informed about issue of senior preferred debt securities eligible for MREL

On 29 January 2026, Banco Comercial Português, S.A. ("Bank") hereby informed that it has fixed the terms for a new issue of senior preferred debt securities eligible for MREL (Minimum Requirement for own funds and Eligible Liabilities), under its Euro Note Programme.

The issue, in the amount of EUR 500 million, will have a tenor of 6 years and 3 months, with the option of early redemption by the Bank on 5 May 2031 ("Optional Redemption Date"), an issue price of 99.990% and an annual interest rate of 3.250% until the Optional Redemption Date. The interest rate from the Optional Redemption Date was set at 3-month Euribor plus a 0.72% spread.

The issue was placed among a diversified base of institutional investors, namely in investment funds, banks and pension funds, enabling the tightening of the spread by more than 25bp during the execution phase.

Bank Millennium issues Additional Tier I bonds

In January 2026, Bank Millennium's Management Board decided to issue perpetual Additional Tier I bonds (AT1 bonds) denominated in Polish zloty (PLN), with a maximum total nominal amount of PLN 1,500,000,000. These instruments are designed to qualify as additional instruments in the Bank's Tier I capital in accordance with Article 52 of EU Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No. 648/2012. The bonds are perpetual (no fixed maturity), but the Bank may redeem them early under conditions set in the terms and conditions. They bear interest at a fixed rate which is reset every five years. In the event of a contractually defined trigger event, the principal amount of the bonds will be written down. The structure does not include conversion into Bank Millennium shares.

Storms that affected Portugal

Between January and February 2026, there were a number of storms in Portugal, affecting the physical assets of individuals and companies, some of which had serious repercussions on activity. Based on the information available at the time, it is very difficult to estimate the direct and indirect impacts of these storms; however, it is expected that the effects on the Portuguese economy were mitigated by the definition and implementation of recovery measures and financial support, such as public moratoria, for the affected areas.

Military conflict in the Middle East

Following the military conflict between the United States and Iran that began in February 2026, financial markets reacted with a significant increase in volatility and a rise in the price of energy commodities, namely oil and natural gas, impacting the behaviour of stock and bond markets. In direct reaction to fears of increased inflation due to the potential impact on energy prices, there was a reversal in the outlook for monetary policy, with market prices considering the possibility of interest rate hikes in 2026 in the US and the Eurozone, compared to the previous outlook of lower rates.

The impact of the conflict will depend on its evolution and extent, especially the potential disruption to production and supply chains, the shock to the confidence of economic agents, and the consequent economic policy response.

Bank Millennium Minimum requirements for own funds and eligible liabilities (MREL)

Bank Millennium manages MREL indicators in a manner analogous to capital adequacy management.

In terms of the MREL-TREA and MREL-TEM requirements, Bank Millennium Group has a surplus compared to the minimum required levels as at 31 March 2026, and also meets the MREL-TREA Requirement after the inclusion of the Combined Buffer Requirement.

MREL	31.03.2026	31.12.2025
MREL-TREA ratio	26.65 %	24.53 %
Minimum required level MREL-TREA	15.36 %	15.36 %
Surplus(+) / Deficit(-) of MREL-TREA (p.p.)	11.29 p.p.	9.17 p.p.
Minimum required level including Combined Buffer Requirement (CBR)	19.11 %	19.11 %
Surplus(+) / Deficit(-) of MREL-TREA+CBR (p.p.)	7.54 %	5.42 %
MREL-TEM ratio	9.20 %	8.27 %
Minimum required level of MREL-TEM	5.91 %	5.91 %
Surplus(+) / Deficit(-) of MREL-TEM (p.p.)	3.29 p.p.	2.36 p.p.

48. Consolidated Balance sheet and Income statement by segments

The segments presented are in accordance with IFRS 8. In accordance with the Group's management model, the segments presented correspond to the segments used for management purposes by the Executive Committee. The Group offers a wide range of banking activities and financial services in Portugal and abroad, with a special focus on Commercial Banking, Companies Banking and Private Banking.

Segments description

The Group operates in the Portuguese market and also in a few affinity markets with recognised growth potential. Considering this, the geographical segments are structured in Portugal and International Business (Poland, Mozambique and Other). Portugal segment reflects, essentially, the activities carried out by Banco Comercial Português in Portugal and ActivoBank.

Portugal activity includes the following segments: i) Retail Banking; ii) Companies and Corporate; iii) Private Banking and iv) Other.

Retail Banking includes the following business areas:

- Retail network, which serves individual customers, entrepreneurs, merchants and small and medium enterprises with a turnover less than EUR 2.5 million. The Retail network strategic approach is to target “Mass Market” customers, who appreciate a value proposal based on innovation and speed, as well as Prestige and Small Business customers, whose specific characteristics, financial assets or income imply a value proposal based on innovation and personalization, requiring a dedicated Account Manager;
- Retail Recovery Division that manages customers or economic groups in effective default, as well as customers who have filed for bankruptcy or other similar mechanisms, aiming to minimize losses through agreements or payment restructuring processes; and
- ActivoBank, a bank focused on mainly young customers, who are intensive users of new communication technologies and who prefer a banking relationship based on simplicity, offering modern products and services.

Companies and Corporate segment includes:

- Companies and Corporate network, which integrates the former Large Corporate network, serving customers within the corporate segment, economic groups and institutional entities with a turnover exceeding EUR 2.5 million, offering a wide range of traditional banking products complemented by specialized financing and providing a complete range of value-added products and services;
- Specialised Recovery Division which ensures efficient tracking of customers with predictable or effective high risk of credit, from Companies, Corporate, Large Corporate and retail networks (exposure exceeding EUR 1 million), in order to defend the value and manage credit risk;
- Investment Banking unit, that ensures the offer of products and specific services, in particular financial advice, including corporate finance services, capital market transactions and analysis and financing structuring in the medium to long-term;
- Interfundos with the activity of management of real estate investment funds;
- Specialised Credit and Real Estate Department, with the mission of managing the Group's foreclosed assets portfolio, referred as non-performing assets, in order to place them back to the market;
- Treasury, Markets and International Department, which coordinates business with banks and financial institutions in order to better serve the Group's commercial networks and operations abroad. This unit has a dynamic emphasis that promotes international business within commercial networks, aiming to be a partner for customers for internationalization. It also provides securities custody services to resident and non-resident customers, and grants the Group's intervention in the financial markets, providing commercial services for treasury and markets products and managing the financial risks inherent to the Group's activity.

The Private Banking segment comprises:

- Private Banking Division in Portugal, focused on high-net-worth individuals, based on a commitment to excellence and a personalised relationship with customers;
- Wealth Management Division, which provides advisory customer services and portfolio management for customers in the Private Banking network and the affluent segment.

All other businesses not previously discriminated are allocated to the Other segment (Portugal) and include centralised management of financial investments, corporate activities and operations not integrated in the remaining business segments and other amounts not allocated to segments.

International Business includes the following segments:

- Poland, where the Group is represented by Bank Millennium, a universal bank offering a wide range of financial products and services to individuals and companies nationwide. Polish activity is segmented as follows:
 - Retail Banking, which includes services aimed at mass-market customers, affluent customers and individual entrepreneurs, through a comprehensive offer of banking products and services, as well as the distribution of specialised products provided by the Group's subsidiaries;
 - Companies and Corporate, focused on serving companies of all sizes, including public sector entities, with a high-quality suite of tailored banking solutions, complemented by cash management services, treasury products (including derivatives), and leasing and factoring offerings; and
 - Other covering the Group's activities such as treasury management, brokerage operations, positions in debt securities and other items not allocated to specific segments, as well as the impacts of FX mortgage portfolio;
- Mozambique, where the Group is represented by BIM – Banco Internacional de Moçambique, a universal bank targeting companies and individual customers; and
- Other, which includes the contribution of the associate in Angola.

Business segments activity

The figures reported for each segment resulted from aggregating the subsidiaries and business units integrated in each segment. For the business units in Portugal, the aggregation process reflects the impact from capital allocation and balancing process in the balance sheet and income statement, based on average figures. The balance sheet headings for each business unit in Portugal were calculated considering the allocation process, based on the regulatory solvency criteria.

Considering that the process of capital allocation complies with the regulatory criteria of solvency in force, from 1 January 2026, the risk weighted assets, and consequently the capital allocated to the business segments, are determined in accordance with the Basel IV framework, pursuant to the CRD VI/CRR3. The capital allocated to each segment resulted from the application of a target capital ratio to the risk weighted exposures managed by each segment, reflecting the application of the Basel IV methodology. The introduction of CRR3 led to a significant increase in risk weighted assets to cover operational risk. Each operation is balanced through internal transfers of funds, with impact on the net interest income and income taxes of each segment, but with no impact on consolidated accounts.

Commissions and other net income, as well as operating costs calculated for each business area, are based on the amounts accounted for directly in the respective cost centres, on the one hand, and the amounts resulting from internal processes for allocating revenues and costs, for another. In this case, the allocation is based on the application of pre-defined criteria and subject to periodic review, related to the level of activity of each business area.

The following information has been prepared based on the individual and consolidated financial statements of the Group prepared in accordance with international financial reporting standards (IFRS), as adopted by the European Union (EU), at the reference date and with the Organization of the Group's business areas in force on 31 March 2026. Information relating to prior periods is restated whenever changes occur in the internal organization of the Group that affect the composition of the reportable segments or relevant changes in the criteria for allocation of indirect revenues and costs, as described in the previous paragraph, ensuring the comparability of the information provided across the reported periods.

The information in the financial statements of reportable segments is reconciled, at the level of the total revenue for those segments, with the revenue presented in the consolidated financial position statement of the reporting entity for each reporting date on which is lodged a statement of financial position. Whenever applicable, historical figures may reflect specific restatements carried out to ensure the comparability of information across periods.

As at 31 March 2026, the net contribution of the main geographical areas, for the income statement, is analysed as follows:

(Thousands of euros)

	31 March 2026				
	Portugal	International			Consolidated
		Poland	Mozambique	Others (*)	
INCOME STATEMENT					
Net interest income	357,744	327,707	52,899	—	738,350
Net fees and commissions income	160,366	48,419	9,208	—	217,993
Other net income	5,741	(44,617)	38	—	(38,838)
Gains/(losses) on financial operations ⁽¹⁾	37,424	9,239	3,114	—	49,777
Share of profit of associates under the equity method	14,408	—	283	1,072	15,763
Net operating income	575,683	340,748	65,542	1,072	983,045
Operating expenses	176,247	146,539	32,140	—	354,926
Results on modification ⁽²⁾	—	(362)	—	—	(362)
Impairment for credit and financial assets ⁽³⁾	(37,208)	(17,902)	(2,210)	—	(57,320)
Other impairment and provisions ⁽⁴⁾	(14,126)	(57,067)	(19,193)	—	(90,386)
Net income before income tax	348,102	118,878	11,999	1,072	480,051
Income tax	(82,730)	(47,703)	(6,513)	—	(136,946)
Net income for the period	265,372	71,175	5,486	1,072	343,105
Non-controlling interests	17	(35,516)	(1,828)	—	(37,327)
Net income for the period attributable to Bank's Shareholders	265,389	35,659	3,658	1,072	305,778

(*) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(1) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations and results arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss.

(2) Includes the results of contractual amendments, namely, costs arising from negotiations with customers holding mortgages in foreign currency.

(3) Includes impairment of financial assets at amortised cost, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets at amortised cost not associated with credit operations.

(4) Includes impairment of non-current assets held for sale, investments in associated companies, goodwill, other assets and provisions, highlighting the provisions for legal proceedings related to mortgage loans granted in Swiss francs, booked by the Polish subsidiary.

The detail of the net contribution from the activity in Portugal and the activity in Poland, by business areas, to the income statement, is analysed in the following table. Net contribution from the activity in Mozambique, which mostly comprises retail banking, is presented henceforth in this note only on an aggregated basis (as presented in the previous table), given its relative weight in the consolidated activity of the Group.

(Thousands of euros)

	31 March 2026								
	Portugal				Total Portugal	Poland			Total Poland
	Retail banking	Companies and Corporate	Private banking	Other		Retail banking	Companies and Corporate	Other	
INCOME STATEMENT									
Net interest income	275,169	63,077	9,887	9,611	357,744	222,015	44,180	61,512	327,707
Net fees and commissions income	130,697	31,620	11,147	(13,098)	160,366	35,596	13,354	(531)	48,419
Other net income	2,124	2,871	33	713	5,741	(1,380)	408	(43,645)	(44,617)
Gains/(losses) on financial operations ⁽¹⁾	1,221	589	30	35,584	37,424	6,048	5,555	(2,364)	9,239
Share of profit of associates under the equity method	—	—	—	14,408	14,408	—	—	—	—
Net operating income	409,211	98,157	21,097	47,218	575,683	262,279	63,497	14,972	340,748
Operating expenses	78,927	16,049	3,906	77,365	176,247	113,340	26,807	6,392	146,539
Results on modification ⁽²⁾	—	—	—	—	—	(3)	(370)	11	(362)
Impairment for credit and financial assets ⁽³⁾	(10,685)	(34,436)	104	7,809	(37,208)	(16,585)	(3,797)	2,480	(17,902)
Other impairment and provisions ⁽⁴⁾	—	—	—	(14,126)	(14,126)	—	—	(57,067)	(57,067)
Net income before income tax	319,599	47,672	17,295	(36,464)	348,102	132,351	32,523	(45,996)	118,878
Income tax	(96,839)	(14,445)	(5,240)	33,794	(82,730)	(25,147)	(6,179)	(16,377)	(47,703)
Net income for the period	222,760	33,227	12,055	(2,670)	265,372	107,204	26,344	(62,373)	71,175
Non-controlling interests	—	—	—	17	17	—	—	(35,516)	(35,516)
Net income for the period attributable to Bank's Shareholders	222,760	33,227	12,055	(2,653)	265,389	107,204	26,344	(97,889)	35,659

(1) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations and results arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss.

(2) Includes the results of contractual amendments, namely, costs arising from negotiations with customers holding mortgage in foreign currency.

(3) Includes impairment of financial assets at amortised cost, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets at amortised cost not associated with credit operations.

(4) Includes impairment of non current assets held for sale, investments in associated companies, goodwill, other assets and provisions, highlighting the provisions for legal proceedings related to mortgage loans granted in Swiss francs, booked by the Polish subsidiary.

As at 31 March 2026, the net contribution of the main geographical areas, for the balance sheet, is analysed as follows:

	(Thousands of euros)				
	31 March 2026				
	International				
	Portugal	Poland	Mozambique	Other (*)	Consolidated
BALANCE SHEET					
Cash and Loans and advances to credit institutions	1,885,080	1,722,383	1,496,143	—	5,103,606
Loans and advances to customers ⁽¹⁾	43,139,772	18,216,877	671,051	—	62,027,700
Financial assets ⁽²⁾	21,598,058	16,896,500	587,008	(100)	39,081,466
Other assets	3,668,114	933,145	207,843	47,736	4,856,838
Total Assets	70,291,024	37,768,905	2,962,045	47,636	111,069,610
Deposits from other credit institutions ⁽³⁾	665,303	66,062	11,116	—	742,481
Deposits from customers ⁽⁴⁾	56,960,716	31,414,691	2,355,118	—	90,730,525
Debt securities issued ⁽⁵⁾	3,620,625	1,782,835	—	—	5,403,460
Other financial liabilities ⁽⁶⁾	1,076,830	450,697	—	—	1,527,527
Other liabilities ⁽⁷⁾	1,328,762	1,562,623	106,124	—	2,997,509
Total Liabilities	63,652,236	35,276,908	2,472,358	—	101,401,502
Total Equity	6,638,788	2,491,997	489,687	47,636	9,668,108
Total Liabilities and Equity	70,291,024	37,768,905	2,962,045	47,636	111,069,610
Number of employees	6,043	7,000	2,669	0	15,712

(*) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss. Excludes reverse repurchase agreements (reverse repos).

(2) Includes debt instruments at amortised 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), financial assets at fair value through other comprehensive income and hedging derivatives.

(3) Includes deposits and other financing from central banks and deposits from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including deposits from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

As at 31 March 2026, the detail of the net contribution of Portugal activity and Poland activity, by business areas, for the balance sheet, is analysed as follows:

(Thousands of euros)

	31 March 2026								
	Portugal				Total Portugal	Poland			Total Poland
	Retail banking	Companies and Corporate	Private banking	Other		Retail banking	Companies and Corporate	Other	
BALANCE SHEET									
Cash and Loans and advances to credit institutions	14,822,405	1,113,607	2,651,965	(16,702,897)	1,885,080	12,311,900	2,739,240	(13,328,757)	1,722,383
Loans and advances to customers ⁽¹⁾	30,473,281	11,353,489	440,453	872,549	43,139,772	13,575,686	4,498,434	142,757	18,216,877
Financial assets ⁽²⁾	—	—	—	21,598,058	21,598,058	—	—	16,896,500	16,896,500
Other assets	—	—	—	3,668,114	3,668,114	—	—	933,145	933,145
Total Assets	45,295,686	12,467,096	3,092,418	9,435,824	70,291,024	25,887,586	7,237,674	4,643,645	37,768,905
Deposits from other credit institutions ⁽³⁾	195,003	1,467,584	—	(997,284)	665,303	—	—	66,062	66,062
Deposits from customers ⁽⁴⁾	42,887,023	9,634,001	2,601,892	1,837,800	56,960,716	24,602,757	6,811,934	—	31,414,691
Debt securities issued ⁽⁵⁾	1,090,532	3,899	459,197	2,066,997	3,620,625	—	—	1,782,835	1,782,835
Other financial liabilities ⁽⁶⁾	—	—	—	1,076,830	1,076,830	—	—	450,697	450,697
Other liabilities ⁽⁷⁾	—	—	—	1,328,762	1,328,762	—	—	1,562,623	1,562,623
Total Liabilities	44,172,558	11,105,484	3,061,089	5,313,105	63,652,236	24,602,757	6,811,934	3,862,217	35,276,908
Total Equity	1,123,128	1,361,612	31,329	4,122,719	6,638,788	1,284,829	425,740	781,428	2,491,997
Total Liabilities and Equity	45,295,686	12,467,096	3,092,418	9,435,824	70,291,024	25,887,586	7,237,674	4,643,645	37,768,905
Number of employees	3,273	308	102	2,360	6,043	5,551	1,169	280	7,000

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss. Excludes reverse repurchase agreements (reverse repos).

(2) Includes debt instruments at amortised 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), financial assets at fair value through other comprehensive income and hedging derivatives.

(3) Includes deposits and other financing from central banks and deposits from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including deposits from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

As at 31 March 2025, the net contribution of the main geographical areas, for the income statement, is analysed as follows:

(Thousands of euros)

	31 March 2025				Consolidated
	Portugal	International			
		Poland	Mozambique	Other (*)	
INCOME STATEMENT					
Net interest income	325,834	338,532	56,691	—	721,057
Net fees and commissions income	147,783	43,576	10,070	—	201,429
Other net income	(2,035)	(54,376)	75	—	(56,336)
Gains/(losses) on financial operations ⁽¹⁾	13,297	12,402	3,825	—	29,524
Dividends from equity instruments	—	20	—	—	20
Share of profit of associates under the equity method	12,419	—	370	661	13,450
Net operating income	497,298	340,154	71,031	661	909,144
Operating expenses	168,637	134,869	36,214	—	339,720
Results on modification ⁽²⁾	—	(4,179)	—	—	(4,179)
Impairment for credit and financial assets ⁽³⁾	(37,727)	(19,160)	(21,514)	—	(78,401)
Other impairment and provisions ⁽⁴⁾	(729)	(106,108)	(1,764)	—	(108,601)
Net income before income tax	290,205	75,838	11,539	661	378,243
Income tax	(71,323)	(33,045)	(7,875)	—	(112,243)
Net income for the period	218,882	42,793	3,664	661	266,000
Non-controlling interests	27	(21,354)	(1,221)	—	(22,548)
Net income for the period attributable to Bank's Shareholders	218,909	21,439	2,443	661	243,452

(*) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(1) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations and results arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss.

(2) Includes the results of contractual amendments, namely, costs arising from negotiations with customers holding mortgage loans in foreign currency.

(3) Includes impairment of financial assets at amortised cost, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets at amortised cost not associated with credit operations.

(4) Includes impairment of non current assets held for sale, investments in associated companies, goodwill, other assets and provisions, highlighting the provisions for legal proceedings related to mortgage loans granted in Swiss francs, booked by the Polish subsidiary.

As at 31 March 2025, the detail of the net contribution of Portugal activity and Poland activity, by business areas, for the income statement, is analysed as follows:

(Thousands of euros)

	31 March 2025								
	Portugal				Total Portugal	Poland			
	Retail banking	Companies and Corporate	Private banking	Other		Retail banking	Companies and Corporate	Other	Total Poland
INCOME STATEMENT									
Net interest income	268,276	63,638	10,244	(16,324)	325,834	291,344	50,495	(3,307)	338,532
Net fees and commissions income	118,840	34,224	9,782	(15,063)	147,783	30,976	12,009	591	43,576
Other net income	2,300	2,211	23	(6,569)	(2,035)	2,454	470	(57,300)	(54,376)
Gains/(losses) on financial operations ⁽¹⁾	40	464	12	12,781	13,297	6,159	7,405	(1,162)	12,402
Dividends from equity instruments	—	—	—	—	—	—	—	20	20
Share of profit of associates under the equity method	—	—	—	12,419	12,419	—	—	—	—
Net operating income	389,456	100,537	20,061	(12,756)	497,298	330,933	70,379	(61,158)	340,154
Operating expenses	81,152	16,214	3,768	67,503	168,637	103,942	22,141	8,786	134,869
Results on modification ⁽²⁾	—	—	—	—	—	(1,705)	69	(2,543)	(4,179)
Impairment for credit and financial assets ⁽³⁾	(4,977)	(23,132)	32	(9,650)	(37,727)	(14,119)	(4,661)	(380)	(19,160)
Other impairment and provisions ⁽⁴⁾	—	—	—	(729)	(729)	—	—	(106,108)	(106,108)
Net income before income tax	303,327	61,191	16,325	(90,638)	290,205	211,167	43,646	(178,975)	75,838
Income tax	(91,908)	(18,541)	(4,946)	44,072	(71,323)	(40,122)	(8,293)	15,370	(33,045)
Net income for the period	211,419	42,650	11,379	(46,566)	218,882	171,045	35,353	(163,605)	42,793
Non-controlling interests	—	—	—	27	27	—	—	(21,354)	(21,354)
Net income for the period attributable to Bank's Shareholders	211,419	42,650	11,379	(46,539)	218,909	171,045	35,353	(184,959)	21,439

(1) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations and results arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss.

(2) Includes the results of contractual amendments, namely, costs arising from negotiations with customers holding mortgage loans in foreign currency.

(3) Includes impairment of financial assets at amortised cost, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets at amortised cost not associated with credit operations.

(4) Includes impairment of non current assets held for sale, investments in associated companies, goodwill, other assets and provisions, highlighting the provisions for legal proceedings related to mortgage loans granted in Swiss francs, booked by the Polish subsidiary.

As at 31 December 2025, the net contribution of the main geographical areas, for the balance sheet, is analysed as follows:

(Thousands of euros)

	31 December 2025				
	Portugal	International			Consolidated
		Poland	Mozambique	Other (*)	
BALANCE SHEET					
Cash and Loans and advances to credit institutions	2,746,567	1,139,906	1,273,749	—	5,160,222
Loans and advances to customers ⁽¹⁾	42,453,337	18,106,743	656,607	—	61,216,687
Financial assets ⁽²⁾	20,855,233	16,785,455	559,872	(103)	38,200,457
Other assets	3,592,739	917,174	199,405	46,243	4,755,561
Total Assets	69,647,876	36,949,278	2,689,633	46,140	109,332,927
Deposits from other credit institutions ⁽³⁾	849,334	24,909	4,328	—	878,571
Deposits from customers ⁽⁴⁾	56,628,891	30,975,992	2,143,945	—	89,748,828
Debt securities issued ⁽⁵⁾	3,622,541	1,809,419	—	—	5,431,960
Other financial liabilities ⁽⁶⁾	1,089,719	517,396	—	—	1,607,115
Other liabilities ⁽⁷⁾	1,077,423	1,460,528	67,745	—	2,605,696
Total Liabilities	63,267,908	34,788,244	2,216,018	—	100,272,170
Total Equity	6,379,968	2,161,034	473,615	46,140	9,060,757
Total Liabilities and Equity	69,647,876	36,949,278	2,689,633	46,140	109,332,927
Number of employees	6,046	7,023	2,678	0	15,747

(*) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss. Excludes reverse repurchase agreements (reverse repos).

(2) Includes debt instruments at amortised 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), financial assets at fair value through other comprehensive income (net of impairment) and hedging derivatives.

(3) Includes deposits and other financing from central banks and deposits from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including deposits from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

As at 31 December 2025, the detail of the net contribution of Portugal activity and Poland activity, by business areas, for the balance sheet, is analysed as follows:

(Thousands of euros)

	31 December 2025									
	Portugal				Total Portugal	Poland				Total Poland
	Retail banking	Companies and Corporate	Private banking	Other		Retail banking	Companies and Corporate	Other		
BALANCE SHEET										
Cash and Loans and advances to credit institutions	15,151,964	1,488,578	2,604,520	(16,498,495)	2,746,567	12,003,083	2,936,275	(13,799,452)	1,139,906	
Loans and advances to customers ⁽¹⁾	29,866,650	11,550,101	418,326	618,260	42,453,337	13,674,399	4,252,669	179,675	18,106,743	
Financial assets ⁽²⁾	—	—	—	20,855,233	20,855,233	—	—	16,785,455	16,785,455	
Other assets	—	—	—	3,592,739	3,592,739	—	—	917,174	917,174	
Total Assets	45,018,614	13,038,679	3,022,846	8,567,737	69,647,876	25,677,482	7,188,944	4,082,852	36,949,278	
Deposits from other credit institutions ⁽³⁾	193,438	1,381,910	1	(726,015)	849,334	—	—	24,909	24,909	
Deposits from customers ⁽⁴⁾	42,647,769	10,300,054	2,586,270	1,094,798	56,628,891	24,235,498	6,740,494	—	30,975,992	
Debt securities issued ⁽⁵⁾	1,127,207	2,398	408,762	2,084,174	3,622,541	—	—	1,809,419	1,809,419	
Other financial liabilities ⁽⁶⁾	—	—	—	1,089,719	1,089,719	—	—	517,396	517,396	
Other liabilities ⁽⁷⁾	—	—	—	1,077,423	1,077,423	—	—	1,460,528	1,460,528	
Total Liabilities	43,968,414	11,684,362	2,995,033	4,620,099	63,267,908	24,235,498	6,740,494	3,812,252	34,788,244	
Total Equity	1,050,200	1,354,317	27,813	3,947,638	6,379,968	1,441,984	448,450	270,600	2,161,034	
Total Liabilities and Equity	45,018,614	13,038,679	3,022,846	8,567,737	69,647,876	25,677,482	7,188,944	4,082,852	36,949,278	
Number of employees	3,276	309	97	2,364	6,046	5,672	1,070	281	7,023	

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss. Excludes reverse repurchase agreements (reverse repos).

(2) Includes debt instruments at amortised 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), financial assets at fair value through other comprehensive income (net of impairment) and hedging derivatives.

(3) Includes deposits and other financing from central banks and deposits from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including deposits from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

Reconciliation of net income of reportable segments with the net income attributable to shareholders

(Thousands of euros)

	31 March 2026	31 March 2025
Net contribution		
Retail banking in Portugal	222,760	211,419
Companies and Corporate	33,227	42,650
Private Banking	12,055	11,379
International business (continuing operations)	77,733	47,118
Non-controlling interests ⁽¹⁾	(37,344)	(22,575)
	308,431	289,991
Amounts not allocated to segments (presented under Other)		
Net interest income - bonds portfolio	117,333	132,407
Net interest income - other ⁽²⁾	(107,723)	(148,731)
Foreign exchange activity	15,336	(10,148)
Gains / (losses) arising from sales of subsidiaries and other assets	1,012	1,621
Equity accounted earnings	14,408	12,419
Impairment and other provisions ⁽³⁾	(6,317)	(10,379)
Operational costs	(77,365)	(67,503)
Gains on sale of Portuguese public debt	(2,788)	(11,207)
Gains on sale of foreign public debt	663	6,881
Mandatory contributions	(5)	(6)
Loans sale	7,084	3,499
Income from other financial assets not held for trading mandatorily at fair value through profit or loss ⁽⁴⁾	33,678	6,177
Taxes ⁽⁵⁾	33,794	44,072
Non-controlling interests	17	27
Other ⁽⁶⁾	(31,780)	(5,668)
Total not allocated to segments (presented under Other)	(2,653)	(46,539)
Consolidated net income	305,778	243,452

(1) Corresponds mainly to the income attributable to third parties related to the subsidiaries in Poland and in Mozambique.

(2) Includes net interest income arising from internal transfer of liquidity, interest rate risk, cost of wholesale funding and others.

(3) Includes impairment for non-current assets held for sale, impairment for other assets, provisions for administrative infractions, various contingencies and other impairment and/or provisions not allocated to business segments.

(4) Includes gains/(losses) from corporate restructuring funds.

(5) Includes deferred tax revenue/(expenses), net of current non-segment tax expense, namely the tax effect associated with the impacts of the previous items.

(6) It includes other operations not allocated previously namely funding for non-interest-bearing assets and strategic financial investments.

49. Solvency

The Group's own funds are determined according to the established regulation, namely, according to Directive 2013/36/EU and Regulation (EU) 575/2013, approved by the European Parliament and the Council.

Total capital includes tier 1 and tier 2. Tier 1 comprises common equity tier 1 (CET1) and additional tier 1.

Common equity tier 1 includes: (i) paid-up capital, share premium, reserves and retained earnings deducted of any foreseeable charges or dividends and non-controlling interests; ii) and deductions related to own shares and loans to finance the acquisition of shares of the Bank, the shortfall of value adjustments and provisions to expected losses concerning risk-weighted exposure amounts calculated according to the IRB approach, goodwill and other intangible assets and the additional value adjustments necessary for the prudent valuation requirements applied to all assets at fair value, adjustments related to minimum commitment with collective investments undertakings, insufficient coverage for non-performing exposures and with the amount of securitisation positions, eligible for deduction as an alternative to a 1250 % risk weight. Reserves and retained earnings are adjusted by the reversal of unrealised gains and losses on cash-flow hedge transactions and on financial liabilities valued at fair value through profits and losses, to the extent related to own credit risk. The non-controlling interests are only eligible up to the amount of the Group's capital requirements attributable to the minorities. In addition, the deferred tax assets arising from unused tax losses carried forward are deducted, as well as the deferred tax assets arising from temporary differences relying on the future profitability and the interests held in financial institutions and insurers of at least 10%, in this case only in the amount that exceeds the thresholds of 10% and 15% of the common equity tier 1, when analysed on an individual and aggregated basis, respectively. The irrevocable payment commitments for the Single Resolution Fund and the additional coverage for non-performing exposures, are also deducted, due to a SREP (Supervisory Review and Evaluation Process) recommendation.

Additional tier 1 comprises preference shares, hybrid instruments and perpetual bonds representing subordinated debt that are compliant with the issue conditions established in the Regulation, deducted from amounts related to loans granted to finance its acquisition and non-controlling interests related to minimum level 1 additional capital requirements of institutions that are not totally owned by the Group.

Tier 2 includes the subordinated debt that is compliant with the Regulation, deducted from amounts related to loans granted to finance its acquisition and the non-controlling interests related to minimum total capital requirements of institutions that are not totally owned by the Group. Additionally, Tier 2 instruments held in financial institutions and insurers of at least 10% are deducted.

According to the legislation in force, the capital requirements applicable to the Group, as at 31 March 2026, are as follows:

2026 Minimum Capital Requirements				
BCP Consolidated	Total	of which:		
		Pillar 1	Pillar 2	Buffers (*)
CET1	10.29%	4.50%	1.21%	4.58%
T1	12.19%	6.00%	1.61%	4.58%
Total	14.73%	8.00%	2.15%	4.58%

(*) Capital conservation buffer (CCB), other systemically important institution (O-SII), institution specific countercyclical capital buffer (CCyB) e de systemic risk buffer (SyRB).

The Group meets all the requirements and other recommendations issued by the supervisor on this matter.

The Group has adopted the methodologies based on internal rating models (IRB) for the calculation of capital requirements for credit and counterparty risk, covering a substantial part of both its retail portfolio in Portugal and Poland and its corporate portfolio in Portugal. The Group has adopted the advanced approach (internal model) for the coverage of trading portfolio's general market risk and for exchange rate risks generated in exposures in the perimeter centrally managed from Portugal, and the standard method was used for the purposes of operational risk coverage. The capital requirements of the other portfolios/geographies were calculated using the standardised approach.

The own funds and the capital requirements determined according to the CRD IV/CRR (phased-in) methodologies previously referred, are the following:

	(Thousands of euros)	
	31 March 2026	31 December 2025
Common equity tier 1 (CET1)		
Share capital	3,000,000	3,000,000
Share Premium	16,471	16,471
Reserves and retained earnings	3,457,085	3,626,248
Non-controlling interests eligible to CET1	693,609	726,109
Regulatory adjustments to CET1	(470,894)	(446,530)
	<u>6,696,271</u>	<u>6,922,298</u>
Tier 1		
Equity instruments	400,000	400,000
Non-controlling interests eligible to AT1	213,631	97,274
Regulatory adjustments	(852)	(865)
	<u>7,309,050</u>	<u>7,418,707</u>
Tier 2		
Subordinated debt	953,711	989,508
Non-controlling interests eligible to Tier 2	204,520	205,245
Other	104,037	44,726
	<u>1,262,268</u>	<u>1,239,479</u>
Total own funds	<u>8,571,318</u>	<u>8,658,186</u>
RWA - Risk weighted assets		
Credit risk	35,604,527	34,660,799
Market risk	614,940	568,756
Operational risk	7,656,280	7,656,280
CVA	23,052	15,708
	<u>43,898,799</u>	<u>42,901,543</u>
Capital ratios		
CET1	15.3%	16.1%
Tier 1	16.6%	17.3%
Tier 2	2.9%	2.9%
Total own funds	19.5%	20.2%

The presented amounts include the accumulated net income.

50. Mozambique's sovereign debt

Following the political and social situation in Mozambique as a result of the contested results of the 2024 presidential elections, Standard & Poor's ('S&P') has consequently downgraded Mozambique's sovereign debt rating (in local currency).

On 19 February 2025, S&P further downgraded its long-term government debt rating by 1 notch from CCC to CCC-, due to liquidity challenges and apparent delays in payments to domestic creditors.

On 21 March 2025, S&P downgraded the Mozambique's long-term local currency sovereign debt rating, once again, from CCC- to SD (Selective Default) and maintained these ratings in October 2025.

On 27 March 2026, S&P affirmed the local currency sovereign debt rating at Selective Default. According to this rating agency, the Government of Mozambique has been undertaking domestic debt exchange operations deemed distressed, which are, consequently, equivalent to a default. This assessment stems from the view that, without these exchange operations, it would be improbable for the Government to meet its debt service obligations in a timely and comprehensive manner.

This assessment by S&P Global Ratings reinforces the need for caution in evaluating Mozambique's sovereign risk.

Considering the impairment loss calculation model defined by Banco Internacional de Moçambique, the total stock of impairment on sovereign debt (which includes bonds and loans) totalled MZN 10,263 million (EUR 140 million) as at 31 March 2026, of which MZN 6,430 million (EUR 87.7 million) correspond to an overlay. In the first quarter of 2026, BIM increased the impairment by MZN 1.297 million (EUR 17.3 million). As at 31 December 2025, the stock of impairment amounted to MZN 8,966 million (EUR 119.4 million), of which MZN 4.618 million (Euros 61.5 million) corresponded to overlays.

As at 31 March 2026, the subsidiary BIM's exposure to the State of Mozambique includes public debt securities denominated in Metical classified as Financial assets measured at amortised cost - Debt instruments in the gross amount of MZN 44,578,182,000 corresponding to EUR 608,235,000 (31 December 2025: MZN 43,197,478,000 corresponding to EUR 575,468,000) and Financial assets at fair value through other comprehensive income in the gross amount of MZN 5,258,233,000 corresponding to EUR 71,745,000 (31 December 2025: MZN 5,625,491,000 corresponding to EUR 74,942,000).

As at 31 March 2026, the impairment for public debt securities amounts to MZN 6,928,925,000, corresponding to EUR 94,540,000 (31 December 2025: MZN 6,907,818,000, corresponding to EUR 92,024,000).

Additionally, the Group has also recorded as at 31 March 2026, in the balance Loans and advances to customers, a direct gross exposure to the Mozambican State in the amount of MZN 18,514,996,000 corresponding to EUR 252,623,000 (31 December 2025: MZN 18,876,659,000 corresponding to EUR 251,471,000) and in the balance Guarantees granted revocable and irrevocable commitments, an amount of MZN 3,158,443,000 corresponding to EUR 43,044,000 (31 December 2025: MZN 2,335,930,000 corresponding to EUR 31,122,000).

As at 31 March 2026 considering the 66.7% indirect investment in BIM, the Group's interest in BIM's equity amounted to EUR 326,551,000 (31 December 2025: EUR 315,832,000), with the exchange translation reserve associated with this participation, accounted in Group's consolidated equity, in a negative amount of EUR 163,622,000 (31 December 2025: negative amount of EUR 171,221,000). BIM's contribution to consolidated net income, attributable to the shareholders of the Bank, was a positive amount of EUR 3,658,000 (31 December 2025: positive amount of EUR 2,443,000).

51. Contingent liabilities and other commitments

In accordance with accounting policy 1.U3, the main contingent liabilities and other commitments under IAS 37 are the following:

1. In 2012, the Competition Authority ("AdC") filed an administrative offence proceedings for alleged practices restricting competition (proceedings PRC 2012/9). On 6 March 2013, it carried out measures of search and seizure at Banco Comercial Português, S.A. ("BCP" or "Bank") and other credit institutions facilities, where it seized documents relevant to the investigation of an alleged exchange of sensitive commercial information between credit institutions in the national market.

The proceedings were subject to justice secrecy by decision of the AdC, considering that the interests of the investigation and the rights of the procedural parties would not be specifically compatible with the publicity of the proceedings. On 2 June 2015, the Bank was notified of an infringement notice ("NI") adopted by the AdC in the context of the investigation of proceedings PRC 2012/9, accusing it of participating, together with 14 other credit institutions, in an exchange of sensitive commercial information, regarding the offer of credit products in retail banking, namely home loan, consumer loan and corporate loan.

On 9 September 2019, the AdC adopted a final decision in this proceedings, and convicted the Bank to pay a EUR 60 million fine on the grounds that it had participated in a system of sharing confidential information between competitors regarding home loan, consumer loan and corporate loan. BCP disagreed with the Decision, which it considers having a set of serious defects, both in fact and in law, and appealed against it to the Competition Court (CRSC) on 21 October 2019, requesting that it be annulled and that the appeal be given suspensive effect. On 8 May 2020, the appeal was admitted. On 21 December 2020, BCP submitted, which the Competition Court accepted, a bank guarantee issued by the Bank itself as a way of fulfilling the bail. By order of 1 March 2021, the Competition Court granted suspensive effect to the judicial objection appeal as to the sentencing decision. By order of 20 March 2021, the Competition Court ordered the lifting of the justice secrecy and informed the appellants that the trial should, in principle, begin in September 2021.

On 28 April 2022, the CRSC ruled within proceedings Proc. n.º 225/15.4YUSTR-W, regarding the judicial objection appeal as to the decision of the Competition Authority of September 2019 (PRC/2012/09).

In this extensive ruling, the CRSC listed the facts given as proven, both in the administrative phase and in the trial, however, at this stage, the CRSC did not concluded that the facts have been proven are legally based, nor, consequently, that fines should be imposed, and the CRSC has instead chosen to make a reference for a preliminary ruling to the Court of Justice of the European Union (CJEU) to answer two questions referred for a preliminary ruling, requesting that this reference follow further terms in the form of an expedited procedure in view of the limitation risk. It should be noted that the CJEU was not responsible for judging the case, but only for interpreting the rules of Community law by answering in abstract to the questions referred to it by the national court.

The CJEU rejected the CRSC's request for an expedited procedure and for priority to be given in the examination of this proceedings.

On 29 July 2024, the CJEU delivered its judicial ruling in which it gave the following interpretation on the questions referred by the CRSC:

"Article 101(1), TFEU to be interpreted as meaning that a comprehensive reciprocal and monthly exchange of information between competing credit institutions, carried out on highly concentrated markets with high barriers to entry, and which regards the conditions applicable to transactions carried out on those markets, in particular spreads and risk variables, current and future ones, as well as the individualised production values of the participants in that exchange, to the extent that, at least, those spreads thus exchanged are those that those institutions intend to apply in the future, must be qualified as a restriction of competition by object."

After the judicial Ruling, the proceedings returned to the CRSC, which issued an order on 30 July 2024, notifying the Banks (i) of the appointment of 18 September 2024 for oral arguments, of an optional nature, limited to the content of the CJEU Ruling; and (ii) the designation of 20 September 2024 for the reading of the Ruling, in the part relating to the Law and the section.

On 20 September 2024, the CRSC issued its Final Ruling in which it deemed that an offence by object committed by the Appellants BPN/BIC, BBVA, BPI, BCP, BES, Popular/Santander, Santander, Barclays, Caixa Agrícola, Montepio, CGD and UCI, embodied in an exchange of sensitive information between competitors, was verified in the case files.

In its Ruling, the CRSC confirmed the EUR 60 million fine imposed by the AdC on the Bank.

On 14 October 2024, the Bank filed its appeal with the Lisbon Court of Appeal (TRL), which, by decision issued on 10 February 2025 by its Intellectual Property, Competition and Supervision Section, decided, by majority, to declare the pending administrative offence proceedings against the Defendant companies in relation to the practice of the aforementioned administrative offence to be barred and ordered the timely filing of the case.

In summary, the TRL considered that the facts occurred between 2002 and March 2013, applying the 2012 Competition Law, which provides for the maximum limitation period for administrative offence proceedings of 10 years and 6 months, and not applying the 2022 Competition Law, which provides for a longer period of suspension of the limitation period for administrative offence proceedings (either because the legislator so determined, or because it is more unfavourable than the 2012 Competition Law).

Moreover, the reference for a preliminary ruling (made by the TCRS to the CJEU) does not suspend (autonomously) the limitation period.

The TRL also considered that the limitation occurred on 1 September 2023 or, at the limit, applied to the so-called Covid-19 laws, on 11 February 2024.

The Public Prosecutor's Office appealed against this decision to the Lisbon Court of Appeal and the Competition Authority appealed to the Constitutional Court.

The Lisbon Court of Appeal rejected the Public Prosecutor's Office's claims of nullity regarding the statute of limitations.

The Competition Authority and the Public Prosecutor's Office then filed appeals to the Constitutional Court against the Lisbon Court of Appeal's ruling of 10 February 2025, which declared the statute of limitations for the administrative offence proceedings to be time-barred.

Both the Competition Authority and the Public Prosecutor's Office raised questions of unconstitutionality related to the exclusion of preliminary references to the CJEU as a ground for suspending the statute of limitations in administrative offence proceedings. While the Competition Authority focused on the uniform application of European law and the effectiveness of the competition sanctions regime, pointing out violations of the principles of the Primacy of European Union Law and Effective Legal Protection, the Public Prosecutor's Office have adopted a broader approach, also including violations of the Principle of Equality.

These appeals were admitted by the Regional Court of Appeal and were brought before the Constitutional Court.

The Constitutional Court admitted these appeals and issued a Summary Decision on 4 June 2025, disregarding the appeals filed by the Competition Authority and the Public Prosecutor's Office.

Following this Summary Decision, the Competition Authority filed an appeal against the Constitutional Court's individual decision to disregard the appeals filed by the Competition Authority and the Public Prosecutor's Office, which the Constitutional Court is currently awaiting.

On 25 August 2025, the Constitutional Court issued its judgment dismissing the complaint filed for review by this Court, confirming its Summary Decision of 4 June 2025, regarding the inadmissibility of the appeal.

In light of this Constitutional Court judgment, the Lisbon Court of Appeal's judgment of 10 February 2025 became final, making the decision declaring the statute of limitations for the administrative offence proceedings final. This concluded the proceedings and eliminated the payment of any fines by the Banks.

1-A. In relation to this administrative offence proceeding of the Competition Authority PRC/2012/09, and in view of the alleged damage caused by the targeted and defendant Banks to bank customers, resulting from the alleged sharing of confidential information between the Banks relating to home loan, consumer loan and corporate loan, three declaratory popular actions of conviction were filed against the Bank and several other banking institutions.

These proposed popular actions aim to compensate consumers and companies affected by alleged harm caused by the alleged anti-competitive practice. Actions vary depending on the group of consumers and companies represented and the damages calculated.

It should be noted that the decision issued by the Lisbon Court of Appeal on 10 February 2025, which decided to declare the administrative offence proceedings PRC/2012/09 barred, does not extinguish these popular actions, which will now fully continue as "stand alone", not taking advantage of the presumption of evidence produced in this case.

1-A.1. On 11 March 2024, BCP, along with 8 banking institutions, was summoned, to plead a "popular declaratory action of conviction in the form of a common proceeding aimed at the protection of competition, consumer rights, and diverse and/or collective interests associated with the consumption of goods and services", an action brought by Ius Omnibus Association, which is under no. 2/24.IYQSRT in the Competition, Regulation and Supervision Court, entirely based on the alleged competition offence in home and consumer loan transactions declared in the AdC's Ruling of 9 September 2019 (PRC/2012/09), a ruling that was subject to a judicial objection appeal by BCP, an objection that has not yet been definitively judged.

In this case, the Plaintiff makes the following main claims:

1. To be declared that, from May 2002 to March 2013, the Defendants violated, in a single and continuous practice, article 101(2) of the TFEU and (subsequently) article 2 of Decree-Law no. 371/393 and article 4 of Law no. 18/2003, by exchanging strategic, non-public, current and future information, with its competitors, in a disaggregated, individualised and regular manner, namely, on their respective offers of home loan and consumer loan;
2. To be declared that this Defendants' practice has caused damage to the diverse or collective protection interests of the consumption of goods and services and of competition, and to the individual homogeneous interests of the consumers represented;
3. Alternatively to section 2, to be declared that the Defendants' practice has led to their unjust enrichment at the expense of the impoverishment of all the consumers represented;
4. Based on civil liability, or, alternatively, by restitution of the undue, the Defendants be sentenced to compensate/return in full all the consumers represented in this lawsuit for the damage suffered/overprice paid as a result of the anti-competitive practices in question in the amount resulting from the sum of several factors.
5. To be declared the nullity of the clause(s) that fix the spread rate in home loan agreements and consumer loan agreements entered into by consumers represented during the relevant period, the aforementioned clause(s) being consequently reduced in the part corresponding to the unlawful overprice, in agreements whose validity exceeds the date of the final judgment, and in which the Defendants are lenders, because they were entered into by them or by subsequent termination of the contractual position.

As the deadline for the pleading is running, the Bank was notified on 9 May 2024 that an order had been issued ordering the suspension of the proceedings until the final judgment to be rendered in proceeding no. 225/15.4YUSTR-W (the judicial objection appeal of the administrative offence proceeding PRC/2012/09), before this Competition, Regulation and Supervision Court.

At the time, the TCRS also determined that, as soon as the administrative proceeding became final, the records of Case n.º. 2/24.IYQSTR would be notified.

The judgment of the administrative proceeding became final on 11 September 2025, as the Bank was notified of the Court order lifting the suspension of Case No. 2/24.IYQSTR, the respective Response was submitted on the 24 February 2026.

1-A.2. On 8 April 2024, BCP, along with 9 banking institutions, was summoned to oppose another case brought by Ius Omnibus Association against the banks, under no. 6/24.4YQSTR, also related to the aforementioned Ruling of the AdC of 9 September 2019 (PRC/2012/09), this case being related to the corporate credit segment.

In this case, the Plaintiff makes the following main claims:

1. To be declared that from May 2002 to March 2013, the Defendants violated, in a single and continuous practice, article 101 of the TFEU and (successively) article 2 of Decree-Law No. 371/393 and article 4 of Law No. 18/2003, by exchanging strategic, non-public, current and future information with their competitors, in a disaggregated, individualised, and regular manner, namely, on their respective credit offers to companies;
2. To be declared that the Defendants' practice has caused damage to the diverse or collective protection interests of the consumption of goods and services and of competition, and to the individual homogeneous interests of the consumers represented;
3. Based on civil liability, or, alternatively, by restitution of the undue, the Defendants be sentenced to compensate/return in full all the consumers represented in this lawsuit for the damage suffered/overprice paid as a result of the anti-competitive practices in question, associated with the credits to the companies entered into between the Defendants and companies in Portugal, in the period from May 2005 to September 2012, with regard to the overprice that was passed on by the companies to the represented consumers, and charged directly by the Defendants, in a global amount to be fixed and determined considering several factors.

On 18 November 2024, the Bank filed its opposition with the Competition, Regulation and Supervision Court.

On 8 January 2025, the Court ordered the attachment of Case n° 10/24.2YQSRT, identified below, to this case.

On 8 July 2025, the TCRS issued an Order of Acquittal of the Instance regarding the claims filed by IUS Omnibus because the class of defendants was not adequately defined by Plaintiff Ius Omnibus.

Essentially, the TCRS found that the AIO failed to identify the small and medium-sized Portuguese companies that contracted corporate loans in Portugal during the period of the alleged infringement, as stated in the Initial Petition, nor was this publicly available. Indeed, it would be virtually impossible for the alleged defendants to identify these companies and, therefore, guarantee their future claim for individual compensation.

The TCRS ruling of 8 July 2025, has already become final and was not appealed by the AIO. Consequently, the Defendants (including BCP) were acquitted of the action brought by the AIO.

However, it is worth noting that, given that the action in Case No. 10/24.2YQSRT (the AMPEMEP action, which we will discuss in section 1-A.3. below) was joined to the action in Case No. 6/24.4YQSRT, the AIO's action is addressed separately in section 1-A.3.

1-A.3. On 24 April 2024, BCP, along with 9 banking institutions, was summoned to oppose an action brought by Association of Portuguese Micro, Small and Medium Enterprises (AMPEMEP) against the banks, initially under no. 10/24.2YQSRT, also related to the aforementioned AdC' Decision of 9 September 2019 (PRC/2012/09), this case also being related to the corporate credit segment.

In this case, the Plaintiff makes the following main claims:

1. To be declared that from May 2002 to March 2013, the Defendants violated, in a single and continuous practice, article 101 of the TFEU and (successively) article 2 of Decree-Law No. 371/393 and article 4 of Law No. 18/2003, by exchanging strategic, non-public, current and future information with their competitors, in a disaggregated, individualised, and regular manner, namely, on their respective credit offers to companies;

2. To be declared that this Defendants' practice has caused damage to the diverse or collective protection interests of the consumption of goods and services and of competition, and to the individual homogeneous interests of the consumers represented;
3. Based on civil liability, or, alternatively, by restitution of the undue, the Defendants be sentenced to compensate/return in full all the consumers represented in this lawsuit for the damage suffered/overprice paid as a result of the anti-competitive practices in question, associated with the credits to the companies entered into between the Defendants and companies in Portugal, in the period from May 2005 to September 2012, with regard to the overprice that was passed on by the companies to the represented consumers, and charged directly by the Defendants, in a global amount to be fixed and determined considering several factors.

On 17 December 2024, the Bank filed its opposition with the Competition, Regulation and Supervision Court.

In view of the similarity of the object and parts of these 3 popular actions, the possibility of joining them was raised, and BCP was notified, in the context of proceeding no. 6/24.4YQSTR (point 1-A.2.above) to rule on the joinder to this action of proceeding no. 10/24.2YQSTR (point 1-A.3.above).

The Bank has commented on this issue, requesting the opposite, that is, that proceeding no. 6/24.4YQSTR be joined to proceeding no. 10/24.2YQSTR instead, requesting that the logical precedence relationship between this proceeding and that one be declared, and that the Judge in charge of proceeding no. 10/24.2YQSTR should be granted the decision to join proceeding no. 6/24.4YQSTR.

On 8 January 2025, the Court ordered this to be attached to Process No. 6/24.4YQSRT.

Following the Preliminary Hearing on 10 July 2025, by a Corrective Order, the TCRS (Court of Appeals) ruled that the Defendants, including BCP, be acquitted of the claims for compensation, considering that AMPEMEP lacks standing to bring them due to the insufficient definition of the represented class and the failure to demonstrate homogeneity among the allegedly represented companies.

However, the TCRS found that AMPEMEP has standing to request a declaration of wrongdoing in the corporate credit segment, which is why the lawsuit proceeds without the Defendants, including BCP, being ordered to pay compensation.

The Court also invited AMPEMEP to identify the articles of the Initial Petition that embody the violation (limited to information on corporate credit) and the respective evidence. AMPEMEP filed its request to this effect on 9 October 2025. On the 3rd of November 2025 we indicated our means of proof.

The Bank was notified of the request to lodge a per saltum appeal with the Supreme Court of Justice and of the respective plea, dated 27 October 2025, and in early December 2025 it submitted its reply to pleadings.

As the evolution of the case and its outcome are currently unpredictable, the case is currently proceeding to appraisal of the merits of the declaratory claim, in terms of competition law infringement.

2. On 7 June 2022, the Bank was notified by the Court to contest a lawsuit brought by Fundação José Berardo and José Manuel Rodrigues Berardo against Banco Comercial Português, S.A., Caixa Geral de Depósitos, S.A., Novo Banco, S.A. and Banco Espírito Santo, S.A., in liquidation.

In this lawsuit, the Plaintiffs allege that they incurred in a mistake regarding the endogenous situation of the defendant banks and the financial system, without which they would have sold the pledged shares and paid their loans. If this is not the case, the plaintiffs request the defendant banks to be ordered to pay compensation to Fundação José Berardo for damages caused by breach of contract, since the moment when they should have been sold in execution of the pledge due to failure to verify coverage ratios until the moment when they were sold, that is, the difference between the price at which the pledged shares would have been sold on the dates of coverage ratios default and the price at which they were actually sold, plus interest and all other loan charges since those dates, in any case the global amount of compensation not being less than EUR 800,000,000. In any case, the plaintiffs ask the defendant banks to be jointly condemned to pay José Manuel Rodrigues Berardo compensation for moral damages, in the already calculated amount of EUR 100,000,000 and also in the amount that is settled as soon as the full extent of the damages is known.

In the meantime, through Order No. 8765/2022 of Mr. Secretary of State for the Presidency of the Council of Ministers, published in Republic Diary, Series 2, part C, of 19 July 2022, the Plaintiff of this lawsuit, Fundação José Berardo, was declared extinct. This decision was legally contested by the José Berardo Foundation, and in April 2023, the Administrative and Fiscal Court of Funchal cancel the decision that ordered its extinction. Dissatisfied, the Portuguese State appealed against this latter and is awaiting the outcome.

The lawsuit was contested on 27 September 2022 and is awaiting subsequent terms.

Nothing relevant to the judgment on the merit of the case happened. The lawsuit is suspended until the motions submitted by FJB in the execution filed by the Banks (8489/19.8T8LSB) have been definitively judged.

On 31 December 2025, the action remains suspended.

The Bank does not anticipate that this lawsuit may result in any responsibility that could have impact on the respective financial statements.

3. Proceedings on infringement of collective consumer interests

On 3 January 2018, Bank Millennium received a decision of the Chairman of the Office for Protection of Competition and Consumers (OPCC Chairman), in which the OPCC Chairman found infringement by Bank Millennium of the rights of consumers. In the opinion of the OPCC Chairman the essence of the violation is that Bank Millennium informed consumers (it regards 78 agreements) in responses to their complaints, that the court verdict stating the abusiveness of the provisions of the loan agreement regarding exchange rates does not apply to them. According to the position of the OPCC Chairman the abusiveness of contract's clauses determined by the court in the course of abstract control is constitutive and effective for every contract from the beginning. As a result of the decision, Bank Millennium was obliged to:

- 1) send information on the UOKiK's decision to the said 78 customers;
- 2) place the information on decision and the decision itself on the website and on Twitter;
- 3) to pay a fine amounting to PLN 20.7 million (EUR 4.8 million).

Bank Millennium lodged an appeal within the statutory time limit.

On 7 January 2020, the first instance court dismissed Bank Millennium's appeal in its entirety. Bank Millennium appealed against the judgment within the statutory deadline. The court presented the view that the judgment issued in the course of the control of a contractual template (in the course of an abstract control), recognising the provisions of the template as abusive, determines the abusiveness of similar provisions in previously concluded contracts. Therefore, the information provided to consumers was incorrect and misleading. As regards the penalty imposed by OPCC, the court pointed out that the policy of imposing penalties by the Office had changed in the direction of tightening penalties and that the court agrees with this direction.

In Bank Millennium's assessment, the Court should not assess Bank Millennium's behaviour in 2015 from the perspective of today's case-law views on the importance of abstract control (it was not until January 2016 that the Supreme Court's resolution supporting the view of the OPCC Chairman was published), the more penalties for these behaviours should not be imposed using current policy. The above constitutes a significant argument against the validity of the judgment and supports the appeal which Bank Millennium submitted to the Court of second instance.

The second instance court, in its judgment of 24 February 2022, completely revoked the decision of the OPCC Chairman. On 31 August 2022, the OPCC Chairman lodged a cassation appeal to the Supreme Court. On 3 July 2024, the Supreme Court issued a decision accepting the cassation appeal for consideration. Bank Millennium believes that the prognosis regarding the litigation chances of winning the case before the Supreme Court is positive and therefore no provision has been recognised.

4. Proceedings on competition-restricting practice

Bank Millennium (along with other banks) is also a party to the dispute with OPCC, in which the OPCC Chairman recognised the practice of participating banks, including Bank Millennium, in an agreement aimed at jointly setting interchange fee rates charged on transactions made with Visa and Mastercard cards as restrictive of competition, and by decision of 29 December 2006 imposed a fine on Bank Millennium in the amount of PLN 12.2 million (EUR 2.8 million). Bank Millennium, along with other banks, appealed the decision.

In connection with the judgment of the Supreme Court and the judgment of the Court of Appeal in Warsaw of 23 November 2020, the case is currently pending before the court of first instance - the Court of Competition and Consumer Protection.

Bank Millennium has created a provision in the amount equal to the imposed penalty.

5. As at 31 March 2026, the most important proceedings, in the group of the court cases in which entities of the Bank Millennium Group were defendant, are the following:

- Bank Millennium is a defendant in two court proceedings, in which the subject of the dispute is the amount of the interchange fee. The total value of claims reported in these cases is PLN 729.2 million (EUR 169.8 million). The procedure with the highest value of the reported claim is the case is brought by PKN Orlen SA, the plaintiff demands payment of PLN 635.7 million (EUR 148 million). The plaintiff in this proceeding alleges that the banks acted under an agreement restricting competition on the acquiring services market by jointly setting the level of the national interchange fee in the years 2006-2014. In this case, Bank Millennium was sued jointly with another bank and card organisations. On 19 December 2025, the District Court in Warsaw dismissed in full the claims of PKN Orlen S.A. The judgment is not final. In the case brought by LPP S.A. the allegations are similar to those raised in the case brought by PKN Orlen SA, while the period of the alleged agreement is indicated as 2008-2014. In this case, the Bank is sued jointly and severally with another bank. The case was resolved positively for the Bank by the courts of both instances, and is currently at the stage of a cassation appeal filed by LPP S.A.

The Supreme Court on 3 April 2026, issued a decision in regarding the acceptance of the cassation appeal for consideration. In line with the current assessments of the risk of losing the dispute and in view of final and binding favourable judgments in other cases, the Bank Millennium has not recognised a provision.

In addition, we point out that Bank Millennium participates as a side intervener in two other proceedings regarding the interchange fee. Other banks are the defendant. Plaintiffs in these cases also accuse banks of acting as part of an agreement restricting competition on the acquiring services market by jointly setting the level of the national interchange fee in the years 2008-2014.

The Bank believes that the prognosis regarding the litigation chances of winning the case is positive and therefore no provision has been recognised.

- A lawsuit brought up by shareholder of PCZ S.A. in bankruptcy (PHM, then the European Foundation for Polish-Belgian Cooperation - EFWP-B, currently called The European Foundation for Polish-Kenyan Cooperation) against Bank Millennium S.A., worth of the dispute PLN 521.9 million (EUR 121.5 million) with statutory interest from 5 April 2016 until the day of payment. The plaintiff filed the suit dated 23 October 2015 to the Regional Court in Warsaw; the suit was served to Bank Millennium on 4 April 2016. According to the plaintiff, the basis for the claim is damage to their assets, due to the actions taken by Bank Millennium and consisting in the wrong interpretation of the Agreement for working capital loan concluded between Bank Millennium and PCZ S.A., which resulted in placing the loan on demand. Bank Millennium is requesting complete dismissal of the suit, stating disagreement with the charges raised in the claim. Supporting the position of Bank Millennium, the Bank's attorney submitted a binding copy of final verdict of Appeal Court in Wrocław favourable to Bank Millennium, issued in the same legal state in the action brought by PCZ SA against Bank Millennium. On 10 May 2023, the Court of First Instance announced a judgment dismissing the claim in its entirety. The plaintiff filed an appeal.

On 6 May 2024, the Bank Millennium's representative submitted a response to the appeal, requesting that it be dismissed in its entirety as unfounded. On 17 December 2024, the Court of Appeal in Warsaw issued a judgment favourable to the Bank, dismissing the Plaintiff's appeal. The judgment is final. The Bank has been served with the Plaintiff's cassation complaint and has submitted a formal response. On 19 December 2025, the cassation appeal was admitted for consideration.

Bank Millennium believes that the prognosis regarding the litigation chances of winning the case is positive and therefore no provision has been recognised.

6. The class action related to the LTV insurance

On 3 December 2015 a class action was served on Bank Millennium. A group of Bank Millennium's debtors (initially covering 454 borrowers party to 275 loan agreements) is represented by the Municipal Consumer Ombudsman in Olsztyn. The plaintiffs demanded payment in the amount of PLN 3.5 million (EUR 0.8 million), claiming that the clauses of the agreements, pertaining to the low-down payment insurance, are unfair and thus not binding. Plaintiff extended the group in the court letter filed on 4 April 2018, therefore the claims increased from PLN 3.5 million (EUR 0.8 million) to over PLN 5 million (EUR 1.2 million).

On 1 October 2018, the group's representative corrected the total amount of claims pursued in the proceedings and submitted a revised list of all group members, covering the total of 697 borrowers – 432 loan agreements. The value of the subject of the dispute, as updated by the claimant, is PLN 7,371,107.94 (EUR 1,716,046.90).

By the resolution of 1 April 2020 the court established the composition of the group as per request of the plaintiff and decided to take witness evidence in writing. On 18 October 2024, the Court adjourned the hearing without setting a new date. The court decided to disregard the evidence from the hearing of the parties and obliged the parties to submit documents - agreements concluded between the group members and the Bank and final judgements regarding the agreements in question. The court adjourned the hearing without specifying a new date. The Bank submitted the above-mentioned documents in a letter dated 17 December 2024, while the group representative, in performance of the obligation, submitted two letters containing documents confirming the legitimacy of individual group members. The court obliged the Bank to submit a position in response to the letters of the group representative. The obligation has been fulfilled.

The Bank Millennium has recognised a provision for this case in the amount resulting from the expected cash outflow - PLN 4.4 million (EUR 1 million).

As at 31 March 2026, there were also 61 individual court cases regarding LTV insurance (cases in which only a claim for the reimbursement of the commission or LTV insurance fee is presented).

For cases in which, in the Bank's assessment, the probability of losing the dispute is higher than that of winning it, provisions are created in an amount resulting from the expected cash outflows.

7. Lawsuits filed by Financial Ombudsman for discontinuation of unfair market practices

On 13 August 2020, Bank Millennium received lawsuit from the Financial Ombudsman. The Financial Ombudsman, in the lawsuit, demands that Bank Millennium and the Insurer Towarzystwo Ubezpieczeń Europa, S.A. ordered to discontinue performing unfair market practices involving, as follows:

- presenting the offered loan repayment insurance as protecting interests of the insured in case when insurance structure indicates that it protects Bank Millennium's interests;
- use of clauses linking the value of insurance benefit with the amount of borrower's debt;
- use of clauses determining the amount of insurance premium without prior risk assessment (underwriting);
- use of clauses excluding insurer's liability for insurance accidents resulting from earlier causes.

Furthermore, the Ombudsman requires Bank Millennium to be ordered to publish, on its web site, information on use of unfair market practices.

The lawsuit does not include any demand for payment, by Bank Millennium, of any specified amounts. Nonetheless, if the practice is deemed to be abusive it may constitute grounds for future claims to be filed by individual customers.

The case is being examined by the court of first instance. Due to the absence of any claims in this matter, no provision has been recognized.

8. Court cases concerning the free loan sanction (within the meaning of the Consumer Credit Act)

By 31 March 2026, Bank Millennium received 2,667 lawsuits in which the plaintiffs (both customers and companies purchasing claims), alleging violation of the information obligations and demanding reimbursement of interest and other costs incurred in connection with taking out a loan.

As at 31 March 2026, 437 cases have been legally concluded, in 338 cases the Bank won the dispute and lost in 49 cases. Disputes in the above respect are subject to constant observation and analysis. In the cases in question, the Bank makes an individual assessment of the litigation chances in each of the court cases, which is justified by the lack of a uniform line of jurisprudence. For cases in which, in the Bank's assessment, the probability of losing the dispute is higher than that of winning it, provisions are created in an amount resulting from the expected cash outflow.

The case-law of the Court of Justice of the European Union, which interprets the provisions relating to the objections raised in national judicial proceedings, plays an important role in shaping the line of jurisprudence.

The jurisprudence of the Court of Justice of the European Union

On 13 February 2025, the Court of Justice of the European Union (CJEU) issued a judgment in a case registered under the reference number C472/23 as a result of an application filed by the District Court for the Capital City of Warsaw. In its judgment, the CJEU, interpreting the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on consumer credit agreements, found that:

(i) the fact that a credit agreement indicates an annual percentage rate, which turns out to be inflated because certain terms of that agreement were subsequently found to be unfair, within the meaning of Article 6(1) of Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts, and, therefore not binding on the consumer, does not in itself constitute an infringement of the obligation to provide information laid down in that provision of Directive 2008/48.

(ii) the fact that a credit agreement lists a number of circumstances justifying an increase in the fees related to the performance of the agreement, without a properly informed and sufficiently observant and reasonable consumer being able to verify their occurrence or their impact on those fees, constitutes an infringement of the information obligation laid down in that provision, provided that this indication may undermine the consumer's ability to assess the extent of his obligation.

(iii) Directive 2008/48 does not preclude national legislation which provides, in the event of a breach of the obligation to provide for information imposed on the creditor in accordance with Article 10(2) of that directive, a uniform penalty consisting in depriving the creditor of the right to interest and fees, irrespective of the individual degree of gravity of such a breach, provided that such breach may undermine the consumer's ability to assess the extent of his obligation.

On 9 October 2025, the Court of Justice of the European Union, in case registered under reference C-80/24, following a request submitted by the District Court for Warsaw – Śródmieście in Warsaw, while interpreting the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC, as well as Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts, held that:

(i) Article 22(2) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC must be interpreted as meaning that it does not preclude national legislation allowing a consumer to assign to a third party, who is not a consumer, a claim based on the infringement of a right granted to him under national provisions implementing that Directive.

(ii) Articles 6(1) and 7(1) of Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts must be interpreted as meaning that a national court is not required to examine of its own motion the unfair nature of a term in an assignment agreement concluded by a consumer, where the dispute pending before that court between the assignee company and the trader does not concern that assignment agreement but rather the consumer's claim against that trader.

On 23 April 2026, the Court of Justice of the European Union delivered a judgment in the case registered under reference number C 744/24, following a request submitted by the District Court in Włodawa. In its judgment, the Court, interpreting the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers, held that Article 3(g) and (j) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC, as amended by Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021, read in conjunction with Article 10(2) of that directive, must be interpreted as precluding the inclusion in consumer credit agreements of terms providing for the application of an interest rate not only to the total amount of the credit, but also to amounts intended to cover costs related to that credit, which therefore form part of the total cost of the credit borne by the consumer.

In its judgment, the CJEU challenged the possibility of charging interest on financed costs of consumer credit. The CJEU did not rule on the consequences that the existence of the contested interest-rate structure entails for a specific agreement. These consequences will be the subject of decisions by national courts.

In these circumstances, it is necessary to monitor national case law, as well as any potential further judgments of the Court of Justice of the European Union.

The position of the Financial Stability Committee

On 21 March 2025, the Financial Stability Committee issued a resolution (No. 79/2025) on the position regarding the risk associated with the sanction of free credit (SKD). The Committee noted that "while the violations listed in the Consumer Credit Act are of a varied nature and severity, the sanction itself is not subject to gradation. The inability to moderate sanctions creates a system of incentives to instrumentally use the benefits of the SKD and to undermine credit agreements, regardless of whether the violation has economic consequences for the borrower or not."

On 19 September 2025, the Financial Stability Committee convened. In the communiqué issued following the meeting, the Committee stated: "in the context of SKD - related risk, the Committee concluded that the draft Consumer Credit Act presented for public consultation did not adequately reflect the FSC's position on the risks associated with the application of the free credit sanction. The Committee notes that no regulatory measures have been introduced that sufficiently restrict the scope and possibility of applying this sanction. The Committee continues to identify areas that may facilitate the misuse of legal provisions intended to protect consumers."

9. Court cases regarding mortgage loans in PLN

By 31 March 2026, Bank Millennium recorded the receipt of 282 lawsuits by borrowers of mortgage loans in PLN for reimbursement of benefits provided under the loan agreement. Eight final and favourable rulings for the Bank were issued. The borrowers' allegations focus on the WIBOR ratio as an incomprehensible, unverifiable element affecting the consumer's liability, as well as the issue of insufficient information on the effects of variable interest rates provided to the consumer by the bank before the conclusion of the contract.

On 12 February 2026, the Court of Justice of the European Union issued a judgment in case C-471/24, which may have great significance for the manner in which national courts examine disputes in the relevant scope. It appears that this ruling will be invoked by banks in order to strengthen their argumentation against the allegations formulated against the durability of contractual obligations.

The Court stated that:

i) Article 1(2) of Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (that is that: contract terms reflecting mandatory statutory or regulatory provisions and the provisions or principles of international conventions to which the Member States or the Community are parties, in particular in the field of transport, shall not be subject to the provisions of this Directive), must be interpreted as meaning that: the exception provided therein does not cover a term of a mortgage loan agreement providing for a variable interest rate based on a reference index within the meaning of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, and on a fixed margin, if the statutory or regulatory provisions applicable to such a term establish only a general framework for determining the interest rate of such agreements while simultaneously leaving the trader the possibility of determining the contractual reference index or the fixed margin which may be added to the value of that index.

ii) Article 4(2) of Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts must be interpreted as meaning that where a mortgage loan agreement relating to residential property contains a term providing for a variable interest rate based on a reference index within the meaning of Regulation 2016/1011, the transparency requirement resulting from that provision does not impose on the lender specific information obligations relating to the methodology of that index. The circumstance that the lender fulfilled all information obligations imposed on it by Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010, as amended by Regulation 2016/1011, in relation to such a term, and, in the case of providing additional information, did not present indications that would give a distorted picture of the said index, may indicate that the lender fulfilled this transparency requirement with regard to that term.

iii) Article 3(1) of Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts must be interpreted as meaning that where a term of a mortgage loan agreement specifies a variable interest rate based on a reference index within the meaning of Regulation 2016/1011, the following cannot render that term unfair: first, the lack of informing the consumer of certain specific features of the contractual reference index, in particular that the methodology of that index provides for the use of input data not necessarily corresponding to actual transactions, and that the lender is one of the banks providing data used to determine that index, and second, those specific features themselves, provided that the said index could be regarded as compliant with that Regulation at the time of conclusion of that agreement.

On 29 June 2023, the Polish Financial Supervision Authority (KNF) announced that it had assessed the ability of the WIBOR interest rate reference index to measure the market and economic realities. The KNF stated that the WIBOR interest rate reference index is capable of measuring the market and economic realities for which it was established. According to the Commission's assessment, the WIBOR ratio responds appropriately to changes in liquidity conditions, changes in central bank rates and economic realities.

On 26 July 2023, the Polish Financial Supervision Authority (PFSA) presented its position on legal and economic issues related to mortgage loan agreements in Polish currency in which the WIBOR interest rate reference index is used. This position can be used in court proceedings and can then be treated as an 'amicus curiae' opinion. The Polish Financial Supervision Authority stated that the WIBOR reference index meets all legal requirements. In the opinion of the Polish Financial Supervision Authority, there are no grounds to question the credibility and legality of WIBOR, in particular in the context of the use of this indicator in mortgage loan agreements in the Polish currency.

For cases in which, in the Bank's assessment, the probability of losing the dispute is higher than that of winning it, provisions are created in an amount resulting from the expected cash outflows.

10. Handling of unauthorised transactions

Currently, in connection with the activities of Bank Millennium - as it is the case with the activities of other banks in Poland - the President of the Office of Competition and Consumer Protection is conducting proceedings on the use of practices infringing the collective interests of consumers as regards the so-called "unauthorised transactions". In the opinion of the President of the Office of Competition and Consumer Protection, in the case of Bank Millennium, such actions include the following:

(i) failure – no later than by the end of the business day after the date of receipt of an appropriate notification from the consumer regarding the occurrence of an unauthorised payment transaction – to refund the amount of the unauthorised payment transaction or to restore the debited payment account to the state that would have existed if the unauthorised payment transaction had not taken place, despite the lack of justified and duly documented grounds to suspect fraud on the part of the consumer and informing the authorities appointed to prosecute crimes about this suspicion in writing, as well as;

(ii) providing consumers – in the replies to their reports regarding the occurrence of unauthorised payment transactions – with information about the verification by the payment service provider of the correct use of the payment instrument by using individual authentication data in a way suggesting that the Bank's demonstration only that the disputed payment transactions have been correctly authenticated constitutes at the same time demonstration of the authorisation of such a transaction and excludes its obligation to return the amount of the unauthorised transaction and;

(iii) providing consumers – in the replies to their reports regarding the occurrence of unauthorised payment transactions – with false information about authorisation of the transactions questioned by consumers, while presenting information indicating that the transactions took place as a result of an intentional or grossly negligent violation by consumers of at least one of the obligations referred to in Article 42 of the Payment Services Act and in the agreement between the consumer and the bank, as a result of which they are liable for the questioned payment transactions.

In the course of the proceedings, the Bank provided appropriate explanations and also substantively referred to the allegations formulated by the President of the Office of Competition and Consumer Protection. The proceedings have been extended until the end of June 2026.

On 18 April 2025, Bank Millennium filed an application for a binding decision pursuant to Article 28 section 1 of the Act on Competition and Consumer Protection. The application (proposal) includes all allegations presented by the UOKiK, i.e. changes in the procedure for handling reports regarding unauthorised payment transactions, changes in the classification of a given transaction as authorised and changes in complaint response templates. The application also includes a proposal for "compensation" for customers whose complaints were rejected. Currently, discussions with the President of the UOKiK regarding the issuance of a commitment decision are still ongoing.

In connection with the proceedings, the Bank Millennium recognised a provision in the amount of PLN 82 million (EUR 19.1 million) based on estimated outflow of funds.

As at 31 March 2026, the Bank Millennium recorded the receipt of 363 court proceedings in which customers challenged the authorization of the transaction in question. In the cases in question, the Bank Millennium makes an individual assessment of the litigation chances in each of the court cases. In cases where, in the Bank's opinion, there is a greater probability of losing the dispute than winning it, provisions in the amount resulting from the potential loss of the Bank are created.

11. Proceedings regarding modification clauses

Bank Millennium is a party to proceedings initiated by the President of UOKiK regarding the recognition of certain provisions of a contract template as abusive. The proceedings concern modification clauses indicating the circumstances in which the Bank is entitled to amend the terms and conditions and the fees and commissions price lists. According to UOKiK, these clauses grant the Bank unlimited discretion in shaping the content of the contract, which may violate good practice and grossly infringe the interests of consumers. The Bank challenged the validity of these allegations, indicating that the provisions are precise and clearly define the conditions for their application. The President of UOKiK extended the proceedings until 25 June 2026.

Bank Millennium is also a party to proceedings initiated by the President of UOKiK regarding the modification clauses used by Euro Bank S.A., for which Bank Millennium S.A. is the legal successor. The President of UOKiK extended these proceedings until 31 August 2026.

12. On 16 April 2026, the Bank Millennium received a claim for payment based on the provisions on unjust enrichment in the amount of PLN 299.4 million (EUR 69.7 million) as principal and PLN 139.7 million (EUR 32.5 million) as capitalised interest. According to the claimants, the Bank became unjustly enriched in connection with the acquisition in 1992 of Łódzki Bank Rozwoju S.A. by Bank Inicjatyw Gospodarczych BIG S.A. (i.e. Bank Millennium S.A., which operated under that name 34 years ago).

The claim was filed by spouses who were shareholders of Łódzki Bank Rozwoju S.A. ('ŁBR S.A.'). Since 1991 Bank Inicjatyw Gospodarczych BIG S.A. had participated in the comprehensive restructuring of ŁBR S.A., in cooperation with and under the supervision of the National Bank of Poland. One of the restructuring measures was the decision of the Receiver's Management Board of ŁBR S.A. (Zarząd Komisaryczny ŁBR S.A.) dated 13 November 1992 to reduce the share capital of ŁBR S.A. by reducing the nominal value of its shares, and subsequently to increase the share capital through the issue of new registered shares, subscribed for by Bank Inicjatyw Gospodarczych BIG S.A. As a result of this decision, the claimants' shareholding in the share capital of ŁBR S.A. was significantly reduced.

At the same time, Bank Inicjatyw Gospodarczych BIG S.A. became the dominant shareholder of ŁBR S.A., which – following a change of name – operated as BIG Bank S.A. On 5 January 2001, BIG Bank S.A. was merged with BIG Bank Gdański S.A. (the name under which Bank Inicjatyw Gospodarczych BIG S.A. had operated since 1997). Since 2003, the Bank has operated under the name Bank Millennium S.A.

In the years 1992–2008, in connection with the events described above, the claimants in the present case initiated a number of court proceedings in which they attempted to obtain a legal basis for receiving an amount corresponding to the value of the principal claim asserted in the present proceedings. All those proceedings were dismissed. In the Bank's opinion, the claim is unfounded.

13. On 1 October 2015, a set of entities connected to a group with debts in default to BCP amounting to EUR 170 million, resulting from a loan agreement signed in 2009 - debts already fully provisioned in the Bank's accounts -, filed against BCP, after receiving the Bank's notice for mandatory payment, a lawsuit requesting that:

a) the court declares that two of the defendants are mere fiduciary owners of 340,265,616 BCP shares, since they acted pursuant to a request made by the Bank for the making of the respective purchases, and also that the court orders the cancellation of the registration of those shares in the name of those companies;

b) the court declares the nullity of the financing agreement established between the plaintiffs and the Bank, due to relative simulation;

c) the court sentences the Bank, in accordance with the legal regime of the mandate without representation, to become liable for the amounts due to the institution, abstaining from requesting those amounts to the plaintiffs and to refund them the cost they incurred while complying with that mandate, namely, EUR 90,483,816.83 regarding Banco Espírito Santo, S.A. (BES) and EUR 52,021,558.11 regarding Caixa Geral de Depósitos, S.A. (CGD), plus default interests;

d) the amount of the lawsuit determined by the plaintiffs is EUR 317,200,644.90;

e) the Bank opposed and presented a counter claim, wherein it requests the conviction, namely, of a plaintiff company in the amount of EUR 185,169,149.23 for the loans granted, plus default interests and stamp tax.

The court issued a curative act and already ascertained the factual basis that are proven and that must be proven.

The expertise was carried out and the expert report submitted.

In November 2022 the Bank complained about the Experts' Report: (i) they considered documents that the Court had ordered to be removed from the proceedings, which had not been done due to the Court's inertia, (ii) they considered written notes on documents, that may have been written by the entities that initiated the process, and (iii) they did not consider much information that was contained in the statements, and (iv) they made errors in the calculation of interest and the amount of financing granted. In view of the experts' new reply, BCP claimed all the expertise, in March 2023. For the Court's final decision, BCP added, in June 2025, a set of documents supporting its position.

On 31 December 2025, complaints regarding the expert assessment remain pending.

14. Resolution Fund

Resolution measure of Banco Espírito Santo, S.A.

On 3 August 2014, with the purpose of safeguarding the stability of the financial system, Banco de Portugal applied a resolution measure to Banco Espírito Santo, S.A. (BES) in accordance with the Article 145-C (1.b) of the Decree-law 298/92, of 31 December 1992, as amended (the "Banking Law"), which entailed, *inter alia*, the partial transfer of assets, liabilities, off-balance sheet items and assets under management into a transition bank, Novo Banco, S.A. (Novo Banco), incorporated on that date by a decision issued by Banco de Portugal. Within the scope of this process, the Resolution Fund made a capital contribution to Novo Banco amounting to EUR 4,900 million, becoming, on that date, the sole shareholder. Further, in accordance with information published on the Resolution Fund's website, the Resolution Fund borrowed EUR 4,600 million, of which EUR 3,900 million were granted by the Portuguese State and EUR 700 million by a group of credit institutions, including the Bank.

As announced on 29 December 2015, Banco de Portugal transferred to the Resolution Fund the liabilities emerging from the "*eventual negative effects of future decisions regarding the resolution process that may result in liabilities or contingencies*".

On 7 July 2016, the Resolution Fund declared that it would analyse and evaluate the diligences to be taken, following the publication of the report on the result of the independent evaluation, made to estimate the level of credit recovery for each category of creditors under a hypothetical scenario of a normal insolvency process of BES on 3 August 2014.

In accordance with the applicable law, when the BES liquidation process is over, if it is verified that the creditors, whose credits were not transferred to Novo Banco, would take on a higher loss than the one they would hypothetically take if BES had gone into liquidation right before the application of the resolution measure, such creditors shall be entitled to receive the difference from the Resolution Fund.

On 31 May 2019, the Liquidation Committee of BES presented a list of all the acknowledged and a list of the non-acknowledged creditors before the court and the subsequent terms of the proceedings. These lists detail that the total acknowledged credits, including capital, remunerative and default interest amounts to EUR 5,056,814,588, of which EUR 2,221,549,499 are common credits and EUR 2,835,265,089 are subordinated claims, and no guaranteed or privileged claims exist. Both the total number of acknowledged creditors and the total value of the acknowledged credits and their ranking will only be ultimately determined upon the definitive judicial judgement of the verification and ranking of credits to be given in the liquidation proceedings.

According to the Resolution Fund's Annual Report of 2024, "in 2019, the Resolution Fund was informed that the credits (it) claimed had not been recognised by the Liquidation Commission of BES – In Liquidation, whilst the Resolution Fund filed an objection to the list of creditors with the Lisbon District Court, requesting that the credits it claimed be recognised. The challenge was upheld and the Liquidation Committee of BES – In Liquidation appealed. In 2023, the Lisbon Court of Appeal issued a judgement dismissing the appeal of the Liquidation Commission of BES - In Liquidation, and in favour of the position defended by the Resolution Fund, confirms the decision of the Court of First Instance and the recognition of the credits claimed by the Resolution Fund as privileged credits. The Liquidation Commission of BES - In Liquidation, filed an appeal for review before the Supreme Court of Justice, which issued a judgement in July 2023, which has already become final, recognising, and classifying as privileged the credits claimed by the Resolution Fund for the total amount of EUR 1,242,568.9 thousand".

Following the resolution measure of BES, a significant number of lawsuits against the Resolution Fund was filed and is underway. According to note 25 of the Resolution Fund's Annual Report of 2024, "*Legal actions related to the application of resolution measures have no definitive legal precedents, which makes it impossible to use case law in its evaluation, as well as to obtain a reliable estimate of the associated contingent financial impact. (...) The Resolution Fund, supported by legal advice of the attorneys for these actions, and in light of the legal and procedural information available so far, considers that there is no evidence to cast doubt on their belief that the probability of success is higher than the probability of failure*".

According to note 24 of the Resolution Fund's Annual Report of 2024, "*In addition to the Portuguese courts, it is important to take into account the litigation of Novo Banco, S.A., in other jurisdictions, being noteworthy, for its materiality and respective procedural stage, the litigation in the Spanish jurisdiction*".

On 31 March 2017, Banco de Portugal communicated the sale of Novo Banco, where it states the following: "*Banco de Portugal today selected Lone Star to complete the sale of Novo Banco. The Resolution Fund has consequently signed the contractual documents of the transaction. Under the terms of the agreement, Lone Star will inject a total of EUR 1,000 million in Novo Banco, of which EUR 750 million at completion and EUR 250 million within a period of up to 3 years. Through the capital injection, Lone Star will hold 75% of the share capital of Novo Banco and the Resolution Fund will maintain 25% of the share capital*".

The terms agreed also included a Contingent Capital Agreement (CCA), under which the Resolution Fund, as a shareholder, undertakes to make capital injections if certain cumulative conditions are met related to the performance of a specific portfolio of assets and to the capital ratios of Novo Banco going forward.

The terms agreed also provide for mechanisms to safeguard the interests of the Resolution Fund, to align incentives as well as monitoring mechanisms, notwithstanding the limitations arising from State Aid rules.

On 18 October 2017, following the resolution of the Council of Ministers 151-A/2017 of 2 October 2017, Banco de Portugal communicated the conclusion of the sale of Novo Banco to Lone Star, with an injection by the new shareholder of EUR 750 million, followed by a further capital increase of EUR 250 million by the end of 2017. Upon completion of the transaction, the status of Novo Banco as a bridge institution ceased, fully complying with the purposes of the resolution of BES.

On 26 February 2018, the European Commission published the non-confidential version of its decision regarding the approval of State aid underlying Novo Banco's sale process. This statement identifies the three support measures by the Resolution Fund and the Portuguese State that are part of the sale agreement associated with a total gross book value of around EUR [10-20] billion⁽¹⁾ that revealed significant uncertainties regarding adequacy in provisioning⁽²⁾:

- (i) Contingent Capital Agreement (CCA) which allows Lone Star to reclaim, from the Resolution Fund, funding costs, realised losses and provisions related to an ex-ante agreed portfolio of existing loan stock, up to a maximum of EUR 3.89 billion, subject to a capital ratio trigger (CET1 below 8%-13%) as well as to some additional conditions⁽¹⁾⁽²⁾⁽³⁾;
- (ii) Underwriting by the Resolution Fund of a Tier 2 instrument to be issued by Novo Banco up to the amount necessary (but no more than EUR 400 million). The amount that can be reclaimed by the Resolution Fund under the CCA is subject to the cap of EUR 3.89 billion⁽²⁾;
- (iii) In case the Supervisory Review and Evaluation Process ("SREP") total capital ratio of Novo Banco falls below the SREP total capital requirement, the Portuguese State will provide additional capital in certain conditions and through different instruments⁽²⁾. According to the audit report on the management of Novo Banco conducted by the Court of Auditors and released on 12 July 2022, "the risk of triggering the additional capital mechanism (capital backstop), up to EUR 1.6 billion, provided for in the commitments made by the Portuguese State to ensure the viability of NB, exists".

On 9 September 2020, BCP informed that it has decided not to continue with the legal proceeding before the General Court of the European Union with a view to partially annul the European Commission's decision regarding its approval of the CCA of Novo Banco.

According to a statement issued by the Resolution Fund on 13 February 2023, *"the Ministry of Finance has disclosed that the European Commission intends to consider the restructuring process of Novo Banco as completed. The information disclosed today confirms the successful restructuring of Novo Banco, resulting from the combined execution of the restructuring plan agreed in 2017, under the sale transaction conducted by Banco de Portugal, and the sale agreements, namely the CCA, under which the Resolution Fund transferred to Novo Banco EUR 485 million, less than the maximum amount set in the contract (EUR 3,890 million). The completion of the restructuring of Novo Banco, is also another indicator that Novo Banco should not need to request any further payment to the Resolution Fund under the CCA, without prejudice to the ongoing litigation or that still may occur regarding the amounts already requested by Novo Banco in relation to past years and that the Resolution Fund considers that are not due."*

On the same day, Banco de Portugal issued the following statement *"The conclusion of the Novo Banco restructuring process also results in the end of the backstop mechanism, which provided for the possibility, which was always considered remote, of the Portuguese State providing extraordinary support to Novo Banco in extreme scenarios. This mechanism protected Novo Banco and the national financial system from more adverse scenarios, which did not materialise. With the end of the backstop, the financial risk for the Portuguese State is eliminated"*.

⁽¹⁾ Exact value not disclosed by the European Commission for confidentiality reasons

⁽²⁾ As referred to in the respective European Commission Decision

⁽³⁾ According to 2018 Novo Banco's earnings institutional presentation, the "minimum capital condition" is (i) CET1 or Tier 1 < CET1 or Tier 1 SREP requirement plus a buffer for the first three years (2017-2019); (ii) CET1 < 12%

On 9 December 2024, the Resolution Fund announced in a statement that it had signed an agreement ending the Contingent Capitalisation Agreement (CCA) signed in 2017 as part of the Novo Banco sale. This agreement brings forward by around a year the end of the CCM, which until now had been scheduled for the end of 2025, definitively extinguishing any possibility of Novo Banco requesting further payments from the Resolution Fund. The main terms and conditions of the agreement to bring forward the end of the MCC include:

- Immediate termination of the CCA, bringing forward the maturity of the contract, scheduled for the end of 2025, which implies, in particular, that no new payment requests can be made by Novo Banco, that operations relating to the assets covered by the Agreement no longer require the Resolution Fund's opinion, and that the Monitoring Committee is also extinguished, and that the impediment to the distribution of dividends by Novo Banco, which was stipulated in the MCC, ceases.

- The existing payment obligations between the parties as a result of the CCA, as well as all litigation and disputes related to the implementation of the agreement, are settled - without any transfer of funds.

- The Resolution Fund's contingent liabilities associated with the alleged breach of the "Business Warranties" assumed in the Novo Banco sale agreement are extinguished, namely with the waiver of the compensation claims preliminarily presented by Nani Holdings, which amounted to around EUR 60 million.

- The mechanism whereby the stake in Novo Banco held by Nani Holdings is not diluted in the event of capital increases because of the application and under the terms of the Special Regime Applicable to Deferred Tax Assets is extinguished.

The agreement allows for a significant reduction in the Resolution Fund's liabilities (in excess of EUR 73 million in net terms, based on the amounts claimed by Novo Banco), as well as allowing for the extinction of potentially significant contingencies. Thus, all the Resolution Fund's obligations relating to the CCA are definitively closed. The amount paid by the Resolution Fund was therefore EUR 485 million below the maximum amount provided for in the contract (EUR 3,890 million) and EUR 936 million below the aggregate amount of losses "covered" by the contingent capitalisation mechanism (EUR 4,341 million, as at 30 June 2024).

With the expiry of the Contingent Capitalisation Agreement, the payments made by the Resolution Fund will be limited to the EUR 3,405 million that the Resolution Fund considered to be due, between 2018 and 2021.

According to a statement issued by the Banco de Portugal on 9 December 2024 on the end of the contingent capitalisation agreement signed in the context of the sale of Novo Banco, "The CCA and the management of the assets that comprised it were subject to numerous internal and external audits, as provided for in the original Agreement, carried out by independent entities hired for this purpose. To this was added the monitoring carried out by the supervisory authorities and others with powers to do so within the legal framework in force, including the European Central Bank and the Court of Auditors."

According to Novo Banco's 2025 Report (note 28), Novo Banco adhered to the Special Regime applicable to Deferred Tax Assets under Law 61/2014, of 26 August (REAIT), according to which, the deferred tax assets recorded until 31 December 2015 can be converted into tax credits when the taxable entity reports an annual net loss, in accordance to the proportion of the amount of the said net loss to total equity at the individual company level. A special reserve was established with an amount identical to the tax credit approved, increased by 10%. The conversion rights are securities that entitle the State to require Novo Banco to increase its share capital by incorporating the amount of the special reserve and consequently issuing and delivering free of charge ordinary shares. The shareholders have the right to acquire the conversion rights attributed to the Portuguese State.

According to the Resolution Fund's 2024 Annual Report, under the terms of the sale of Novo Banco, the Fund is required to maintain Nani Holdings' stake at 75% when that stake is affected by capital increases carried out under the terms of the REAIT.

According to the Resolution Fund's 2024 Annual Report, under REAIT, Novo Banco, S. A., carried out three capital increases by incorporation of reserves, through the rights conversion that had been attributed to the State as a result of the conversion, into tax credits, of Novo Banco's deferred tax assets with reference to the 2015 to 2019 tax periods.

According to Novo Banco's 2025 Report, Novo Banco carried out another capital increase following the conversion of the conversion rights granted by the State for the 2020 fiscal year, fully subscribed by the Resolution Fund.

On 13 June 2025, it was announced that a Memorandum of Understanding had been signed between the Lone Star funds and the BPCE Group for the sale of the 75% stake held by Lone Star in Novo Banco. The acquisition will be carried out for an estimated amount of EUR 6.4 billion for 100% of Novo Banco's share capital and is expected to be completed in first half of 2026, according to Novo Banco's 2025 Report. According to the Resolution Fund's statement dated 13 June 2025, the sale of its stake as part of this transaction will result in a gross inflow of approximately EUR 866 million. This amount will be used to repay the Resolution Fund's debt, particularly to the State.

On 29 October 2025, the Ministry of Finance and the Resolution Fund signed an agreement with BPCE Group and Nani Holdings for the sale of minority stakes held in the institution (specifically, 11.5% by the Portuguese State and 13.5% by the Resolution Fund) under the same financial conditions.

Following the completion of the process, BPCE Group will become the sole shareholder of Novo Banco.

Resolution measure of Banif – Banco Internacional do Funchal, S.A.

On 19 December 2015, the Board of Directors of Banco de Portugal announced that Banif “*was failing or likely to fail*” and started an urgent resolution process of the institution through the partial or total sale of its activity, which was completed on 20 December 2015 through the sale to Banco Santander Totta S.A. (BST) of the rights and obligations of Banif, formed by the assets, liabilities, off-balance sheet items and assets under management. The largest portion of the assets that were not sold, were transferred to an asset management vehicle denominated Oitante, S.A. (Oitante) specifically created for that purpose, having the Resolution Fund as the sole shareholder. For that matter, Oitante issued bonds representing debt in the amount of EUR 746 million. The Resolution Fund provided a guarantee and the Portuguese State a counter-guarantee. The operation also involved State aid, of which EUR 489 million were provided by the Resolution Fund, which was funded by a loan granted by the State.

On 12 January 2021, Banco de Portugal was informed that the Administrative and Fiscal Court of Funchal dismissed a lawsuit involving several disputes associated to Banif's resolution measures applied by Banco de Portugal. In its decision, the Court determined the legality and maintenance of Banco de Portugal's measures.

On 4 July 2022, Oitante - 100% owned by the Resolution Fund - completed the process of repayment of the bonds issued in connection with the resolution of BANIF. Oitante's debt, which initially totalled EUR 746 million, has therefore been fully settled. With the repayment of the debt, the Resolution Fund's responsibility as guarantor also ceases, as well as the Portuguese State's responsibility as provider of a counter-guarantee.

On 16 January 2023, the Liquidation Committee of Banif announced a list of all the acknowledged and a list of the non-acknowledged creditors. According to the Resolution Fund's 2024 Annual Report, the Resolution Fund holds a claim on Banif of EUR 489 million, which has a higher claim ranking provided for in article 166-A of the RGICSF. Under the judicial liquidation process of Banif, which was initiated following the resolution, the independent evaluator estimates that the level of recovery of the financial support made available by the Resolution Fund, as having a higher ranking at the end of the liquidation, is expected to be 7.6%.

The Resolution Fund on 19 December 2025 informed that Oitante approved another dividend distribution to the Resolution Fund by EUR 13.1 million. This is the second distribution to the Resolution Fund in 2025, following the payment of a EUR 13.1 million dividend during the year. With this new distribution, the amount delivered by Oitante to the Resolution Fund totals EUR 176.2 million since the company was set up. The amounts received and to be received by the Resolution Fund, given its 100% participation in Oitante's capital, contribute to reducing the losses of Euro 489 million incurred by this Fund in the resolution of BANIF and will be used to repay the debts of the Resolution Fund.

Liabilities and financing of the Resolution Fund

Pursuant to the resolution measures applied to BES and Banif, the Resolution Fund incurred on loans and assumed other responsibilities and contingent liabilities resulting from:

- The State loans, on 31 December 2024, included the amounts made available (i) in 2014 for the financing of the resolution measure applied to BES (EUR 3,900 million); (ii) to finance the absorption of Banif's losses (EUR 353 million); (iii) under the framework agreement concluded with the State in October 2017 for the financing of the measures under the CCA (EUR 430 million plus EUR 850 million of additional funding requested in 2019 and EUR 850 million made available in 2020);
- Other funding received:
 - in 2014 by seven domestic institutions in the amount of EUR 700 million, in which the Bank participates, within the scope of BES resolution measure;
 - in 2021 by seven domestic credit institutions, including BCP, to finance payments due under the CCA up to a maximum of EUR 429 million;
- The underwriting by the Resolution Fund of a Tier 2 instrument to be issued by Novo Banco up to the amount of EUR 400 million (did not take place as the instruments were placed with third party investors as disclosed by Novo Banco on 29 July 2018);
- Effects of the application of the principle that no creditor of the credit institution under resolution may assume a loss greater than the one it would take if that institution did not go into liquidation;
- Negative effects resulting from the resolution process that result in additional liabilities or contingencies for Novo Banco, which must be neutralised by the Resolution Fund;
- Legal proceedings filed against the Resolution Fund;
- Guarantee granted to secure the bonds issued by Oitante, S.A.;
- CCA that allows Lone Star to claim, from the Resolution Fund, funding costs, realised losses and provisions related to the aforementioned ex-ante portfolio of existing loan stock agreed upon the sale process to Lone Star up to EUR 3.89 billion under the aforementioned conditions, among which a reduction of Novo Banco's CET1 below 8%-13%;
- In case the Supervisory Review and Evaluation Process (SREP) total capital ratio of Novo Banco falls below the SREP total capital requirement, the State will provide additional capital in certain conditions and through different instruments as referred to in the respective European Commission Decision.

To meet a payment from the Resolution Fund to Novo Banco, as per to Resolution 63-A/2021 of 27 May 2021 of the Council of Ministers and Order from the Minister of State and Finance, of 31 May 2021 - intended to provide the Resolution Fund with the financial resources necessary to meet any obligations arising from the Contingent Capitalisation Agreement in the years 2021 and 2022 – rendering a new loan from the State to the Resolution Fund, a number of national financial institutions offered to finance the Resolution Fund, increasing up to EUR 475 million the direct financing of banks to the Resolution Fund and waiving a Portuguese State loan to the Resolution Fund.

According to the Resolution Fund's 2024 Annual Report from the maximum amount of EUR 475 million. The Resolution Fund used EUR 429 million, which corresponds to the payment made to Novo Banco in 2021. The loan matures in 2046 and bears interest at a rate corresponding to the sovereign cost of funding for the period between the contract date (31 May 2021) and 31 December 2026, plus a margin of 15 b.p. The interest rate will be reviewed on 31 December 2026 and, after that, every five-years. The payment obligations arising from this loan benefit from a pari passu treatment with the payment obligations of the loans entered into with the Portuguese State on 7 August 2014 and 31 December 2015 and with the Portuguese credit institutions on 28 August 2014. The funding costs of the Resolution Fund (from the State and from banks) will continue to be exclusively borne by periodic revenues, corresponding to the contributions paid by the banking sector.

According to note 27 of the Resolution Fund's 2024 Annual Report, the Resolution Fund considers that, to date, there are no elements that allow a reliable estimate of the potential financial effect of these potential liabilities.

By a public statement on 28 September 2016, the Resolution Fund and the Ministry of Finance communicated the agreement based on a review of the terms of the EUR 3,900 million loan originally granted by the State to the Resolution Fund in August 2014 to finance the resolution measure applied to BES. According to the Resolution Fund, the extension of the maturity of the loan was intended to ensure the ability of the Resolution Fund to meet its obligations through its regular revenues, regardless of the contingencies to which the Resolution Fund is exposed. On the same day, the Office of the Minister of Finance also announced that increases in the liabilities arising from the materialisation of future contingencies will determine the maturity adjustment of State and bank loans to the Resolution Fund, required from to maintain the contributory effort required from the banking sector at prevailing levels at that time.

According to the statement of the Resolution Fund of 21 March 2017:

- *"The conditions of the loans obtained from the Fund to finance the resolution measures applied to Banco Espírito Santo, S.A. and to Banif – Banco Internacional do Funchal, S.A. were changed. These loans amount to EUR 4,953 million, of which EUR 4,253 million were granted by the Portuguese State and EUR 700 million were granted by a group of banks";*

- *"Those loans are now due in December 2046, without prejudice to the possibility of early repayment based on the use of the Resolution Fund's revenues. The revision of the loan's terms aimed to ensure the sustainability and financial balance of the Resolution Fund. The terms allow the Resolution Fund to fully meet its liabilities based on regular revenues and without the need for special contributions or any other type of extraordinary contributions".*

According to the audit report on the management of Novo Banco conducted by the Court of Auditors and released on 12 July 2022, *"the repayment of the EUR 2,130 million loans granted by the Portuguese State to the Resolution Fund will not end in 2046, as expected, rather in 2056 (without payments under the CCA after 2021) or in 2059 (with the use of the CCA cap). (...) In other, more pessimistic scenarios, these loans will still be being repaid in 2062".*

On 2 October 2017, by Resolution 151-A/2017, of the Council of Ministers of the Portuguese State, as the ultimate guarantor of financial stability, was authorised to enter into a framework agreement with the Resolution Fund, to make available the necessary financial resources to the Resolution Fund, if and when the State deemed necessary, to satisfy any contractual obligations that may arise from the sale of the 75% stake in Novo Banco. The above-mentioned resolution further set out that the framework agreement should be subject to a time period that is consistent with the undertakings of the Resolution Fund and should preserve the Resolution Fund's capacity to satisfy said obligations in due time.

As at 31 December 2024, the Resolution Fund's own resources had a negative equity of EUR 6,475.8 million, as opposed to EUR 6,735.1 million at the end of 2023, according to the latest 2024 Annual Report of the Resolution Fund.

To repay the loans obtained and to meet other liabilities that it may take on, the Resolution Fund receives proceeds from the initial and regular contributions from the participating institutions (including the Bank) and from the contribution over the banking sector (created under Law 55-A/2010). It is also provided for the possibility of the member of the Government responsible for the area of Finance to determine, by ordinance that the participating institutions make special contributions, in the situations provided for in the applicable legislation, particularly if the Resolution Fund does not have resources to satisfy its obligations.

Pursuant to Decree-Law 24/2013 of 19 February, which establishes the method for determining the initial, periodic and special contributions to the Resolution Fund, provided for in the Banking Law, the Bank has been paying, since 2013, its mandatory contributions set out in the aforementioned decree-law.

On 3 November 2015, the Banco de Portugal issued Circular Letter no. 085/2015/DES, under which it is clarified that the periodic contribution to the Resolution Fund should be recognised as an expense at the time of the occurrence of the event which creates the obligation to pay the contribution, i.e. on the last day of April of each year, as stipulated in Article 9 of the referred Decree-Law 24/2013, of 19 February, thus the Bank is recognising as an expense the contribution to the Resolution Fund in the year in which it becomes due.

Decree-Law 24/2013 of 19 February further sets out that Banco de Portugal has the authority to determine, by way of instruction ("instrução"), the applicable yearly rate based on objective incidence of periodic contributions. The instruction of Banco de Portugal no. 14/2025, published on 15 December 2025, set the base rate for 2026 for the determination of periodic contributions to the Resolution Fund at 0.047% (0.049% in 2025).

According to Article 5 (e) of the Regulation of the Resolution Fund, approved by the Ministerial Order 420/2012, of 21 December, the Resolution Fund may submit to the member of the Government responsible for finance a proposal with respect to the determination of amounts, time limits, payment methods, and any other terms related to the special contributions to be made by the institutions participating in the Resolution Fund. According to public communications from both the Resolution Fund and from the Government, there is no indication that any such special contributions are foreseen.

The Resolution Fund issued, on 15 November 2015, a public statement declaring: *"...it is further clarified that it is not expected that the Resolution Fund will propose the setting up of a special contribution to finance the resolution measure applied to BES. Therefore, the potential collection of a special contribution appears to be unlikely"*.

In 2015, following the establishment of the Single Resolution Fund (SRF), the Group made an initial contribution in the amount of EUR 31,364 thousand. In accordance with the Intergovernmental Agreement on the Transfer and Mutualisation of Contributions to the SRF, this amount was not transferred to the SRF but was used instead to partially cover for the disbursements made by the Resolution Fund in respect of resolution measures prior to the date of application of this Agreement. This amount will have to be reinstated over a period of 8 years (started in 2016) through the periodic contributions to the SRF. The Single Resolution Fund does not cover undergoing situations with the National Resolution Fund as at 31 December 2015. In 2024, no contribution was made to the Single Resolution Fund attributable to the Group (BCP and ActivoBank) according to information from the SRB – Single Resolution Board of 13 February 2026, which states that the financial means available in the Single Resolution Fund at 31 December 2025 remains above the target level of at least 1% of covered deposits held in the Member States participating in the Single Resolution Mechanism, as set in article 69 (1) of Regulation (EU) 806/2014.

In 2025, the Group made regular contributions to the Portuguese Resolution Fund in the amount of EUR 10,166 thousand. The amount related to the contribution on the banking sector in Portugal, recorded in this period was EUR 28,560 thousand. These contributions were recognised as a cost in the first half of 2025, in accordance with IFRIC no. 21 – Levies.

It is not possible, on this date, according to note 27 of the 2024 Resolution Fund's annual report to assess the effects on the Resolution Fund due to: (i) the sale of the shareholding in Novo Banco in accordance with the communication of Banco de Portugal dated 18 October 2017 and the information provided by the European Commission on this subject under the terms described above; (ii) the application of the principle that no creditor of the credit institution under resolution may take on a loss greater than the one it would take if that institution did not go into liquidation; and (iii) legal proceedings against the Resolution Fund.

15. Banco Comercial Português, S.A., Banco ActivoBank S.A. and Banco de Investimento Imobiliário, S.A. (company merged into Banco Comercial Português, S.A.) initiated an administrative proceeding to contest the resolution adopted by Banco de Portugal on 31 March 2017 to sell Novo Banco (NB), and also, as a precaution, the deliberation adopted by the Resolution Fund on the same date, as they foresee the sale of NB by resorting to a contingent capitalisation agreement under which the Resolution Fund commits to inject capital in Novo Banco up to EUR 3,9 billion, under determined circumstances. In the proceedings, the claimants request the declaration of nullity or annulment of those acts.

The proceedings were filed based on the information contained in the Communication from Banco de Portugal dated 31 March 2017, of which the claimants were not notified. The proceedings were filed in court on 4 September 2017. Banco de Portugal and the Resolution Fund presented their arguments and, only very recently, Nani Holdings SGPS, S.A. did the same since, by delay of the court, this company was only very recently notified to act as a party in the proceedings.

In addition to opposing to it, the defendants invoke three objections (i) the illegitimacy of the claimants, (ii) the argument that the act performed by Banco de Portugal cannot be challenged and (iii) the material incompetence of the court. The opponent party invoked the issue of passive illegitimacy since Novo Banco was not notified as an opponent party.

The claimants replied to the arguments presented by the defendants and to the arguments presented by the opponent party. After the presentation of the arguments, Banco de Portugal attached to the proceedings what it called an evidence process (allegedly in compliance with the law) but most of the documents delivered were truncated in such a way that neither the court nor the claimants are able to obtain adequate knowledge thereof. That issue was already raised in the proceedings (requesting the court to order Banco de Portugal to deliver a true evidence process) but no decision thereon has been made yet.

The proceeding was sent to the judge on 23 September 2019 and the Bank is awaiting a decision. BCP added legal opinions to the records (Professors Mário Aroso de Almeida and Manuel Fontaine de Campos).

On 31 December 2025, the proceedings are prepared for confirmation of the decision accepting the formalities of the right of action (with the making of a decision on the specific objections invoked). In case the judge considers that Novo Banco is an opponent party, the judge must start by issuing a pre-confirmation in order to request the claimants to identify it. Afterwards, that Bank will be notified to present its opposition arguments.

On 31 December 2025, the proceedings have not progressed and are still before the judge (for a possible decision on the reorganisation of the case).

By application dated 7 January 2026, the Bank took advantage of the Court's invitation to rule on the updating of the data of the Counterparty Nani Holdings, SGPS, S.A., to submit a set of supervening documents to the case-files and request the continuation of the proceedings.

Since the case has not undergone any developments since the end of the written proceedings (in 2018), it is not possible to have a non-speculative expectation of its development or timetable for its conclusion, and it is not anticipated that the agreement for the sale of NB will influence this timetable.

16. Banco Comercial Português, S.A. was subject to tax inspections for the years up to 2022. As a result of the inspections in question, corrections were made by the tax authorities, arising from the different interpretation of some tax rules. The main impact of these corrections occurred regarding IRC, including in terms of the tax loss carry forwards and, in the case of indirect tax, in the calculation of the Value-Added Tax (VAT) deduction pro rata used for the purpose of determining the amount of deductible VAT and at the Stamp Duty level. Most of additional liquidations/corrections made by the tax administration were the object of contestation by administrative and/or judicial means.

The Bank recorded provisions, current tax liabilities or deferred tax liabilities at the amount considered sufficient to offset the tax or tax loss carry forwards, as well as the contingencies related to the fiscal years not yet reviewed by the tax administration.

52. Legal risk related to foreign currency mortgage loans in Bank Millennium (Poland)

1. Court claims and current provisions for legal risk

On 31 March 2026, Bank Millennium had 14,437 loan agreements and additionally 2,169 loan agreements from former Euro Bank under individual ongoing litigations (excluding claims submitted by Bank Millennium against clients i.e. debt collection cases) concerning indexation clauses of FX mortgage loans submitted to the courts (44% loans agreements before the courts of first instance and 56% loans agreements before the courts of second instance) with the total value of claims filed by the plaintiffs amounting to PLN 3,087.3 million (EUR 718.7 million) and CHF 254.6 million (EUR 275.3 million) [(Bank Millennium portfolio: PLN 2,616.4 million (EUR 609.1 million) and CHF 243.3 million (EUR 263.1 million) and former Euro Bank portfolio: PLN 471 million (EUR 109.7 million) and CHF 11.3 million (EUR 12.2 million)]. The original value of the portfolio of CHF agreements granted (the sum of tranches paid to customers), taking into account the exchange rate as at the date of disbursement of loan tranches, amounted to PLN 19.4 billion (EUR 4.5 billion) for 109 thousand loan agreements (Bank Millennium portfolio: PLN 18.3 billion (EUR 4.3 billion) for 103.8 thousand loan agreements and former Euro Bank portfolio: PLN 1.1 billion (EUR 0.3 billion) for 5.2 thousand loan agreements). Out of 14,437 Bank Millennium's loan agreements in ongoing individual cases 365 are also part of class action. From the total number of individual litigations against the Bank approximately 4,280 or 30% were submitted by borrowers that did not have any active loans with a CHF balance at the moment of submission. Approximately another 820 cases correspond to loans that were fully repaid during the proceedings (as court proceedings are lengthy).

The claims formulated by the clients in individual proceedings primarily concern the declaration of invalidity of the contract and payment for reimbursement of paid principal and interest instalments as undue performance, due to the abusive nature of indexation clauses, or maintenance of the agreement in PLN with interest rate indexed to CHF Libor (currently CHF Saron).

In addition, Bank Millennium is a party to the group proceedings (class action) subject matter of which is to determine the Bank's liability towards the group members based on unjust enrichment (undue benefit) ground in connection with the foreign currency mortgage loans concluded. It is not a payment dispute. The judgment in these proceedings will not directly grant any amounts to the group members. The number of credit agreements currently covered by these proceedings is 1,354. Out of 1,354 loan agreements in class action 365 are also part of ongoing individual cases, 59 concluded settlements and 67 received final verdicts (invalidation of loan agreement). On 24 May 2022 the court issued a judgment on the merits, dismissing the claim in full. On 13 December 2022 the claimant filed an appeal against the judgment. On 25 June 2024 an appeal hearing was held, at which the Bank filed a motion to amend the composition of the group and exclude those group members who had entered into an amicable settlement. The court required the plaintiffs' attorneys to take a written position on the current composition of the group. Since 31 January 2025, the court has issued a number of orders setting aside the judgment and discontinuing the proceedings from the persons who entered into amicable settlements. On 19 January 2026, another appellate hearing took place, during which the Court obliged both the claimant and the Bank to further specify the composition of the group. The next hearing date will be scheduled ex officio. Based on these orders, the number of credit agreements covered by the class action dropped from 3,273 to 1,354.

Until the end of 2019, 1,979 individual claims were filed against Bank Millennium (in addition, 235 against former Euro Bank), in 2020 3,000 (265), in 2021 6,151 (421), in 2022 5,754 (406), in 2023 6,867 (644), in 2024 5,837 (655), in 2025 3,710 (427) and in first quarter of 2026, 893 (66).

As far as Bank Millennium (including the former Euro Bank portfolio) is concerned, from 2015 until the end of the first quarter of 2026, 20,996 cases were finally resolved (20,851 in claims submitted by clients against the Bank and 145 in claims submitted by the Bank against clients i.e. debt collection cases) out of which 6,050 were settlements, 140 were remissions, 97 rulings were favourable for the Bank and 14,709 were unfavourable including both invalidation of loan agreements as well as conversions into PLN+LIBOR (currently Saron). Bank Millennium undertakes proper legal actions in order to secure repayment of initially disbursed capital of the loan.

The methodology developed by Bank Millennium of calculating provisions for legal risk involved with indexed loans is based on the following main parameters:

- (1) the number of ongoing cases (including class action agreements);
- (2) the number of potential future court cases, the Bank monitors customer behaviours, analyses their willingness to sue the Bank, including due to economic factors and applies the following assumptions:
 - a. regarding active loans (i.e., loans with an outstanding balance), the Bank estimates that approximately 17% of them will neither sign an out-of-court settlement nor decide to file a lawsuit;
 - b. regarding loans already fully repaid or converted to polish zloty, the Bank anticipates that approximately 4.7 thousand repaid loans - those which were not previously subject to a settlement - may result in future litigation initiated by the borrowers. The impact on the level of provisions of a change by 100 clients (assuming recent inflow structure) would be around PLN 14.9 million (EUR 3.5 million);
- (3) the amount of the Bank's potential loss in the event of a specific court judgment (including statutory interest estimation significantly dependent on the period for which they are awarded);
- (4) estimates involved with amicable settlements with clients, concluded in court or out of court.

As a result of negotiations, the number of active FX mortgage loans originated by Bank Millennium decreased by 31,010. As of the end of the first quarter of 2026, the Bank had 12,609 active FX mortgage loans.

The costs regarding to legal risk related to foreign-currency mortgage loans are presented in the following table:

Item	note	31 March 2026		31 March 2025	
		thousand PLN	thousand EUR	thousand PLN	thousand EUR
Results on modification	10	—	—	10,584	2,524
Other operating income/(expenses)	6	—	—	18,823	4,493
Foreign exchange gains/(losses)	5	—	—	22,339	5,335
Charge of other provisions	14	225,668	53,399	444,790	106,175
Total costs		225,668	53,399	496,536	118,527

Legal risk from former Euro Bank portfolio is fully covered by Indemnity Agreement with Société Générale S.A.

Over the past years, the Court of Justice of the European Union (CJEU) has interpreted a number of legal issues concerning disputes in the area of foreign currency housing loan agreements. As a result of these actions, the legal assessments of national courts regarding claims submitted by borrowers have been significantly unified. The established line of case law is generally favourable to consumers, and the legal arguments put forward by banks, including those referring to principles of fairness, are taken into account only to a limited extent.

It can reasonably be assumed that the legal issues relating to foreign currency mortgage loans will be further examined by the domestic courts and the European Court of Justice which could potentially result in the further interpretations, that are relevant for the assessing of the risks associated with proceedings.

The issues related to the statute of limitations for the Bank Millennium's and the customer's restitutionary claims following the invalidation of a loan agreement remain an area that may be subject to further analysis in the jurisprudence of Polish courts. In particular, the manner in which national courts implement the CJEU's interpretations favourable to the Bank with regard to the interruption of the running of the limitation period for the Bank's claims, as well as the possibility of applying the principle of equity in the case of time barred restitution claims of the Bank, will be of key importance. Below, in the section describing selected theses and rulings of the CJEU, the relevant interpretations of the CJEU in this respect are referred to.

Legal interpretations in this subject may have an impact for the amount of provisions in the future.

There is a need for constant analysis of these matters. Bank Millennium will have to regularly review and may need to continue to create additional provisions for FX mortgage legal risk, taking into consideration not only the above mentioned developments, but also the negative verdicts in the courts regarding FX mortgage loans and important parameters, such as the number of new customer claims, including those relating to repaid loan agreements.

On 2 October 2025, the Council of Ministers adopted a draft act on special solutions for the examination of cases concerning loan agreements denominated or indexed to the Swiss franc and referred it to the Parliament. The first reading of the draft act took place on 16 October 2025. The draft was referred for further parliamentary work.

The bill aims to create new regulations enabling courts to consider Swiss franc cases faster and more effectively. Its primary task is to relieve the judiciary, by accelerating the examination of Swiss franc cases.

At present, the Bank Millennium is unable to estimate the impact of the ongoing legislative work on the Bank's Financial Statements, but it does not alter the Bank's strategic approach, which remains focused on the amicable resolution of disputes with clients through the conclusion of settlement agreements.

Selected theses and decisions of the CJEU and the Supreme Court that have shaped the line of jurisprudence.

Case law of the Court of Justice of the European Union

On 3 October 2019, in case C 260/18, the CJEU ruled that a national court may annul a credit agreement if the removal of unfair terms identified in that agreement would alter the nature of the main subject matter of the contract, and that it is excluded to fill the gaps in the agreement caused by the removal of unfair terms solely on the basis of national legislation of a general nature or on the basis of accepted customs. The Court also found that the consumer, if he or she so wishes, may maintain the agreement in force.

On 10 June 2021, the CJEU found that the protection provided for in Directive 93/13/EEC applies to every consumer, and not only to one who may be regarded as a “reasonably well informed, observant and circumspect average consumer”.

With regard to the definition of a consumer, on 8 June 2023, in case C 570/21, the CJEU ruled that the notion of “consumer” within the meaning of Directive 93/13 also includes a person who concluded a credit agreement for use partly related to his or her business or professional activity.

On 15 June 2023, in case C 520/21, the CJEU, referring to the issue of settlements between the bank and the consumer as a consequence of the annulment of a credit agreement, explained that the provisions of Directive 93/13 preclude a judicial interpretation of national law under which a credit institution has the right to demand from the consumer compensation exceeding the return of the capital disbursed under the performance of that agreement, as well as exceeding statutory default interest from the date of the demand for payment.

On 21 September 2023, in case C 139/22, the Court ruled that it is possible to consider a contractual term unfair solely because its content is equivalent to the content of a clause included in the national register of unfair terms. Moreover, the CJEU held that a contractual term found to be unfair cannot lose that character because of another provision of the same agreement that provides the consumer with the possibility of performing obligations under different conditions. Furthermore, the trader is obliged to inform the concerned consumer about the essential features of the agreement concluded with him or her, as well as about the risks connected with that agreement, even if that consumer is the trader’s employee and has relevant knowledge in the field of that agreement.

On 7 December 2023, in case C 140/22, the Court ruled that the exercise of a consumer’s rights cannot be made conditional upon the consumer submitting to the court, in particular, a statement declaring that he or she agrees to the recognition of the agreement as null and void.

On 14 December 2023, in case C 28/22, the Court ruled that the limitation period for the trader’s claims arising from the invalidity of the agreement cannot begin later than the limitation period for the consumer’s claims arising from the invalidity of that agreement. The Court also indicated, among other things, that the trader cannot rely on the right of retention that would allow him to make the return of the benefits received from the consumer conditional upon the consumer offering to return the benefits he or she received, if the exercise of this right of retention would cause the consumer to lose the right to obtain default interest.

The Court of Justice of the European Union on 19 June 2025 issued a judgment in case C 396/24. The Court stated in particular that a trader, in the case of the invalidity of the agreement, may not demand from the consumer the return of the entire nominal amount of the credit granted, regardless of the amount of repayments made by the consumer under that agreement and regardless of the amount remaining to be repaid.

In its judgment of 27 November 2025, in case C 746/24, the CJEU addressed the possibility of charging the consumer with the costs of legal proceedings lost by the consumer concerning the repayment of the capital disbursed by the bank. The Court found that it is not permissible to charge the consumer with costs that significantly exceed the costs that the consumer would have had to bear had he or she lost the case in proceedings initiated to challenge the unfairness of the credit agreement terms.

On 11 December 2025, in case C 767/24, the CJEU held that in the event of the invalidity of a credit agreement, the submission by the consumer of a statement on the set off of his or her claim with the bank’s claim does not entail an implied waiver of the statute of limitations defence.

On 22 January 2026 in case C 902/24, the CJEU stated that the provisions of Directive 93/13 do not preclude a judicial interpretation of national law that, within proceedings initiated by a consumer for the purpose of establishing the invalidity of a mortgage loan agreement, allows the trader, while maintaining as the main argument that the agreement is valid, to raise alternatively a set off defence based on a claim corresponding to the amount of that mortgage loan, provided that, first, that latter claim is not considered due before the competent court establishes the invalidity of the agreement itself, and second, that the acceptance of such a defence does not lead to a decision on costs that could discourage the consumer from exercising the rights granted to him or her under that Directive.

On 16 April 2026, the CJEU issued three judgments concerning the limitation of banks' restitution claims:

(i) In judgment C-753/24, the CJEU held that the provisions of Directive 93/13 do not, in principle, preclude a provision of national law which allows a national court, in exceptional circumstances and where considerations of equity so require, to uphold an action brought by a trader seeking repayment from a consumer of payments made to that consumer under a credit agreement invalid due to the presence of unfair terms, even if the limitation period for the trader's claim for repayment has expired.

(ii) In judgment C-752/24, the CJEU held that the provisions of Directive 93/13 do not, in principle, preclude a judicial interpretation of a provision of national law according to which the bringing, by a trader, of an action for repayment of performances rendered under a credit agreement that is the subject of separate proceedings initiated by the consumer seeking a declaration that the agreement is invalid due to the unfair nature of its terms, interrupts the running of the limitation period for the trader's claim until the final conclusion of the proceedings initiated by the consumer.

(iii) In judgment C-901/24, the CJEU held that the provisions of Directive 93/13 do not preclude a judicial interpretation of national provisions according to which the running of the limitation period for a trader's claim is interrupted by a statement made by the consumer in the context of preliminary proceedings seeking a declaration of invalidity of a credit agreement containing unfair terms, in which the consumer declares that he or she is aware that, as a consequence of that declaration of invalidity, he or she will be required to repay the performance received from the trader.

Jurisprudence of the Polish Supreme Court

The case law of the Supreme Court remains consistent with the guidance of the Court of Justice of the European Union.

On 7 May 2021, the Supreme Court composed of 7 judges of the Supreme Court, issued a resolution for which the meaning of legal principle has been granted, stating that:

1. An abusive contractual clause (art. 385(1) § 1 of the Civil Code), by force of the law itself, is ineffective to the benefit of the consumer who may consequently give conscious and free consent to this clause and thus restore its effectiveness retroactively.

2. If without the ineffective clause the loan agreement cannot bind, the consumer and the lender shall be eligible for separate claims for return of monetary performances made in exercising this agreement (art. 410 § 1 in relation to art. 405 of the Civil Code). The lender may demand return of the performance from the moment the loan agreement becomes permanently ineffective.

On 28 April 2022 the Supreme Court issued a resolution (III CZP 40/22) in which it indicated that in disputes with consumers, the provision of Article 358(1) of the Civil Code is a special provision to Article 353(1) of the Civil Code, which means that if the prerequisites for the application of both provisions exist, the court should apply the special provision and declare the contractual provision permanently ineffective, rather than invalid.

The effect of the Supreme Court's resolution of 7 May 2021 is that the bank is entitled to a refund of the cash benefit provided by the bank in performance of a permanently ineffective contract. Taking into account the uncertainty as to the starting point of the limitation period for the bank's claims, Bank Millennium, in order to protect its interests, files lawsuits for payment against borrowers in a court dispute with the Bank and in other circumstances where such risk may exist. The Bank's demand consists of a claim for return of the capital made available to the borrower under the contract. By 31 March 2026 Bank Millennium filed 18,190 lawsuits against the borrowers. From those lawsuits, 10,922 cases are currently pending.

On 25 April 2024, a session of the Civil Chamber of the Supreme Court was held to answer questions formulated by the First President of the Supreme Court, published on 29 January 2021, on key issues related to foreign currency mortgage loan agreements. The Supreme Court, composed of the entire Civil Chamber, adopted a resolution having the force of a legal principle, in which it stated that:

- a. When finding that a provision of an indexed or denominated credit agreement relating to the manner of determining the foreign currency exchange rate constitutes an unfair contractual provision and is not binding, then in currently existing legal situation it cannot be stated that such a provision could be replaced by another formula of defining the foreign currency exchange rate resulting from law or custom.
- b. In case of impossibility to determine the foreign currency exchange rate binding the parties in the indexed or denominated loan agreement, the agreement is not binding also in the remaining scope.
- c. If, in the performance of a credit agreement which is not binding due to the unfair nature of its provisions, the bank has disbursed to the borrower all or part of the amount of the credit and the borrower has made repayments of the credit, independent claims for repayment of the undue performance shall arise in favour of each party.
- d. If a credit agreement is not binding due to the unfair nature of its provisions, the statute of limitations of the bank's claim for repayment of amounts disbursed under the credit shall, as a rule, start to run from the day following the day on which the borrower challenges being bound by the provisions of agreement.
- e. If a credit agreement is not binding due to the unfair nature of its provisions, there shall be no legal basis for any party to claim interest or other remuneration because of using party's pecuniary means during the period from the provision of undue benefit until the delay in the return of this benefit.

On 19 June 2024, the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 31/23) stating that:

The right of retention (Article 496 of the Civil Code) does not apply to the party that can set off its claim against the claim of the other party.

On 28 February 2025, the Supreme Court issued a resolution of 7 judges of the Supreme Court (III CZP 126/22), in which it stated that:

(i) A bank loan agreement (Article 69(1) of the Banking Law Act of 29 August 1997) is a mutual agreement within the meaning of Article 487 § 2 of the Civil Code.

On 5 March 2025 the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 37/24), in which it stated that:

(i) In the event of a claim for repayment from a bank of a consideration fulfilled on the basis of a credit agreement which has proved to be invalid, the bank is not entitled to the right of retention under Article 496 in connection with Article 497 of the Civil Code.

On 15 May 2025, the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 22/24), in which it indicated that:

(i) Under the legal state in force until 30 June 2022, a request for a settlement attempt interrupted the limitation period of the claim, unless the circumstances of making this action indicate that it was not undertaken directly for the purpose of pursuing or determining, or satisfying or securing the claim (Article 123 § 1 point 1 of the Civil Code).

Due to the CJEU jurisprudence interpreting the causes and effects of invalidity of foreign currency mortgage loan agreements as well as above indicated resolution of the Civil Chamber of the Supreme Court, the area of interpretation of regulations by Polish courts in this respect appears to be limited. However, further jurisprudential practice of the Polish courts will play certain role in practical realisation of the CJEU's and the Supreme Court's guidance.

53. List of subsidiaries and associates of Banco Comercial Português Group

SUBSIDIARIES

As at 31 March 2026, the Group's subsidiaries included in the consolidated accounts using the full consolidation method were as follows:

Subsidiaries	Head office	Share capital	Currency	Sector of activity	Group		Bank
					% economic interests	% effective held	% direct held
Banco ActivoBank, S.A.	Lisbon	217,600,000	EUR	Banking	100 %	100 %	100 %
Bank Millennium, S.A.	Warsaw	1,213,116,777	PLN	Banking	50.1 %	50.1 %	50.1 %
Millennium Bank Hipoteczny S.A.	Warsaw	163,000,000	PLN	Banking	100 %	50.1 %	—
BCP África, S.G.P.S., Lda.	Funchal	214,223,800	EUR	Holding company	100 %	100 %	100 %
BIM - Banco Internacional de Moçambique, S.A.	Maputo	4,500,000,000	MZN	Banking	66.7 %	66.7 %	—
Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda.	Funchal	25,000	EUR	Holding company	100 %	100 %	100 %
Interfundos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.	Oeiras	1,500,000	EUR	Real estate investment fund management	100 %	100 %	100 %
Monumental Residence - Sociedade de investimento coletivo imobiliária fechada, S.A.	Oeiras	31,900,000	EUR	Real-estate management	100 %	100 %	100 %
Millennium bcp - Prestação de Serviços, A.C.E.	Lisbon	331,750	EUR	Services	98.6 %	97.7 %	93.2 %
Millennium bcp Teleserviços - Serviços de Comércio Electrónico, S.A.	Lisbon	50,004	EUR	E-commerce	100 %	100 %	100 %
Imoserit, S.A.	Oeiras	50,000	EUR	Real-estate company	100 %	100 %	100 %
Bichorro – Empreendimentos Turísticos e Imobiliários S.A.	Oeiras	2,150,000	EUR	Real-estate management	100 %	100 %	—
Finalgarve – Sociedade de Promoção Imobiliária Turística, S.A.	Oeiras	250,000	EUR	Real-estate management	100 %	100 %	—
Fiparso – Sociedade Imobiliária S.A	Oeiras	50,000	EUR	Real-estate company	100 %	100 %	—
Millennium Consulting S.A.	Warsaw	4,339,500	PLN	Consulting services	100 %	50.1 %	—
Millennium Goodie Sp.z.o.o.	Warsaw	500,000	PLN	Web portals	100 %	50.1 %	—
Millennium Leasing, Sp.z o.o.	Warsaw	48,195,000	PLN	Leasing	100 %	50.1 %	—
Millennium Service, Sp.z o.o.	Warsaw	1,000,000	PLN	Services	100 %	50.1 %	—
Millennium Telecommunication Services Sp. z o.o.	Warsaw	100,000	PLN	Brokerage services	100 %	50.1 %	—
Millennium TFI - Towarzystwo Funduszy Inwestycyjnych, S.A.	Warsaw	10,300,000	PLN	Investment fund management	100 %	50.1 %	—

As at 31 March 2026, the investment funds included in the consolidated accounts using the full consolidation method, were as follows:

Investment funds	Head office	Share capital	Currency	Activity	Group		Bank
					% economic interests	% effective held	% direct held
Imosotto acumulação – Fundo de Investimento Imobiliário Fechado	Oeiras	96,385,157	EUR	Real-estate investment fund	100 %	100 %	100 %
Imorenda – Fundo de Investimento Imobiliário Fechado	Oeiras	85,156,715	EUR	Real-estate investment fund	100 %	100 %	100 %
Sand Capital - Fundo de Investimento Imobiliário Fechado	Oeiras	88,882,695	EUR	Real-estate investment fund	100 %	100 %	100 %
Fundial – Fundo de Investimento Imobiliário Fechado	Oeiras	17,340,985	EUR	Real-estate investment fund	100 %	100 %	100 %
Fundipar – Fundo de Investimento Imobiliário Fechado	Oeiras	1,546,726	EUR	Real-estate investment fund	100 %	100 %	100 %
Domus Capital– Fundo de Investimento Imobiliário Fechado	Oeiras	3,799,969	EUR	Real-estate investment fund	95.8 %	95.8 %	95.8 %
Predicapital – Fundo de Investimento Imobiliário Fechado (*)	Oeiras	89,501,441	EUR	Real-estate investment fund	60 %	60 %	60 %

(*) - Company classified as non-current assets held for sale.

The Group holds a securitisation transaction regarding mortgage loans which was set through specifically created SPE. As referred in accounting policy 1 B, when the substance of the relationships with the SPEs indicates that the Group holds control of its activities, the SPE is fully consolidated, following the application of IFRS 10.

As at 31 March 2026, the Special Purpose Entity included in the consolidated accounts under the full consolidation method is as follows:

Special Purpose Entities	Head office	Share capital	Currency	Activity	Group		Bank
					% economic interests	% effective held	% direct held
Magellan Mortgages No.3 Limited	Dublin	40,000	EUR	Special Purpose Entities	82.4 %	82.4 %	82.4 %

ASSOCIATES

As at 31 March 2026, the Group's associates included in the consolidated accounts under the equity method are as follows:

Associates	Head office	Share capital	Currency	Activity	Group		Bank
					% economic interests	% effective held	% direct held
Banco Millennium Atlântico, S.A.	Luanda	53,821,603,000	AOA	Banking	22.7 %	22.5 %	—
Banque BCP, S.A.S.	Paris	215,892,336	EUR	Banking	18.9 %	18.9 %	18.9 %
Lubuskie Fabryki Mebli, S.A. (in liquidation)	Swiebodzin	524,552	PLN	Furniture manufacturer	50 %	25.1 %	—
Europa Millennium Financial Services sp. z o.o.	Warsaw	100,000	PLN	Services	20 %	10 %	—
SIBS, S.G.P.S., S.A.	Lisbon	24,642,300	EUR	Banking services	23.3 %	21.9 %	—
UNICRE - Instituição Financeira de Crédito, S.A.	Lisbon	10,000,000	EUR	Credit cards	32 %	32 %	0.5 %
Webspectator Corporation	Delaware	950	USD	Digital advertising services	25.1 %	25.1 %	25.1 %
TIICC S.A.R.L.	Luxembourg	13,000	EUR	Services	38.5 %	38.5 %	38.5 %
Nexponor - Sociedade de Investimento Coletivo Imobiliário Fechado, S.A. (in liquidation)	Lisbon	65,621,200	EUR	Real-estate management	20.7 %	20.7 %	20.7 %

As at 31 March 2026, the investment and venture capital funds included in the consolidated accounts under the equity method are as follows:

Investment and venture capital funds	Head office	Share capital	Currency	Activity	Group		Bank
					% economic interests	% effective held	% direct held
Fundo Turismo Algarve, FCR (*)	Lisbon	124,160,000	EUR	Venture capital fund	73.6 %	73.6 %	73.6 %
Fundo de Investimento imobiliário fechado Eurofundo (in liquidation)	Lisbon	5,120,400	EUR	Real-estate investment fund	35.1 %	35.1 %	35.1 %
Lusofundo - Fundo de Investimento imobiliário fechado (in liquidation)	Lisbon	34,518,110	EUR	Real-estate investment fund	42.5 %	42.5 %	42.5 %

(*) Since Banco Comercial Português, SA does not have control over the management of this fund, the equity method was applied in the Group's consolidated accounts.

As at 31 March 2026, the Group's associates in the insurance sector included in the consolidated accounts under the equity method were as follows:

Associates	Head office	Share capital	Currency	Activity	Group		Bank
					% economic interests	% effective held	% direct held
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	Lisbon	50,002,375	EUR	Holding company	49 %	49 %	49 %
Ocidental - Companhia Portuguesa de Seguros de Vida, S.A.	Lisbon	22,375,000	EUR	Life insurance	49 %	49 %	—
Ageas - Sociedade Gestora de Fundos de Pensões, S.A.	Lisbon	1,200,000	EUR	Pension fund management	49 %	49 %	—
Fidelidade Moçambique - Companhia de Seguros S.A.	Maputo	295,000,000	MZN	Insurance	22 %	14.7 %	—

Some indicators of the main subsidiaries and associates are analysed as follows:

Subsidiaries and associates	(Thousands of euros)					
	31 March 2026			31 March 2025		
	Total Assets	Total Equity	Net income for the period	Total Assets	Total Equity	Net income for the period
Banco Comercial Português, S.A.	69,026,204	7,472,353	231,875	66,014,799	6,983,347	190,281
Banco ActivoBank, S.A.	5,339,084	437,785	16,087	4,630,960	300,353	11,798
Bank Millennium, S.A. (1)	37,768,905	2,491,999	71,175	34,131,686	1,912,079	42,793
BIM - Banco Internacional de Moçambique, S.A. (1)	2,962,046	489,688	5,486	2,904,091	515,896	3,664
BCP África, S.G.P.S., Lda.	288,495	288,464	98	284,990	284,969	(741)
Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda.	174,462	174,451	(238)	188,100	188,085	(25)
Interfundos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.	8,230	6,963	223	8,146	6,765	168
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A. (1)	8,888,166	544,331	20,738	8,521,593	507,843	17,796
Banco Millennium Atlântico, S.A. (2)	2,292,162	202,877	4,823	2,030,345	205,161	3,037
Banque BCP, S.A.S.	5,954,950	288,228	4,727	5,932,068	289,327	4,810

1) Consolidated accounts.

2) These indicators correspond to the statutory financial statements that do not include the effects of applying IAS 29.

54. Subsequent events

In addition to the aspects disclosed in the other notes and according to the accounting policy 1 Z, the events that occurred after the date of the financial statements and until the date of its approval, were as follows:

Banco Comercial Português, S.A. informed about resolutions of the Annual General Meeting

On 7th May 2026, the Annual General Meeting of Shareholders was held at the Bank's facilities and through electronic means, with Shareholders representing 68.53% of the share capital, with the following resolutions:

Item One – Approval of the management report, the balance sheet and the individual and consolidated accounts for the financial year 2025, the Corporate Governance Report, which includes a chapter on the remuneration of the management and supervisory bodies, and the Sustainability Report;

Item Two – Approval of the proposal for the appropriation of profits regarding the 2025 financial year;

Item Three – Approval of a vote of trust and praise addressed to the Board of Directors, including to the Executive Committee and to the Audit Committee and each one of their members, as well as to the Chartered Accountant and its representative;

Item Four – Approval of the updating the Shareholder Distribution Policy;

Item Five – Approval of the aspects of the remuneration framework for Members of the Management and Supervisory Bodies submitted to the Assembly and, in particular, on:

(a) Updating the Remuneration Policy for Members of the Management and Supervisory Bodies (including ratification of the Remunerations and Welfare Board decision regarding equity and alignment of welfare frameworks);

(b) The variable component of the remuneration of the executive members of the Board of Directors.

Item Six – Approval of the reduction of the Bank's share capital by up to EUR 240,000,000.00 (two hundred and forty million euros), with the special purpose of cancelling own shares already acquired or to be acquired under the share buyback programme, involving the cancellation of own shares representing up to 8% of the total number of shares representing the share capital, as well as the related reserves, with the consequent amendment of Article 4(1) of the Articles of Association;

Item Seven – Approval of the increase of the Bank's share capital to EUR 3,000,000,000, by incorporating the special reserve that may be set up under item Six of the Agenda, by the amount corresponding to the resulting share capital reduction and without issuing new shares, with the consequent amendment of Article 4(1) of the Articles of Association;

Item Eight – Ratification of the co-option of a member of the Board of Directors for the 2022/2025 term of office;

Item Nine – Election of the Board of Directors for the 2026/2029 term of office, including the Audit Committee;

Item Ten – Election of the Remunerations and Welfare Board for the 2026/2029 term of office;

Item Eleven – Approval of the authorisation provided for in Article 5(1) of the Articles of Association, as well as on the amendment of the respective wording;

Item Twelve – Approval of the acquisition and disposal of own shares and bonds;

Item Thirteen – Approval of the acceptance of the resignation and vote of praise for the outgoing member and selection of the President of the General Assembly to serve until the end of the current term (four-year period 2024/2027).

Banco Comercial Português, S.A. informed on the payment of the dividend relating to the 2025 financial year

On 12 May 2026, Banco Comercial Português, S.A. ("BCP" or "Bank") informed, in accordance with the law and considering the resolution adopted at the Annual General Meeting of Shareholders held on May 7, 2026, the Shareholders that, as of 3 June 2026, the dividend relating to the 2025 financial year will be paid, with the following amounts per share:

Gross unit dividend: €0.0344

Taxation (withholding at source): IRS (individuals income tax) 28% / IRC (corporate income tax): 25%

Amount withheld at source IRS/IRC (if applicable): € 0.009632 / € 0.0086

Net Dividend per share: € 0.024768 / € 0.0258

The payment of the dividends will be made by crediting the account with the financial intermediary where the shares held by each shareholder are registered. Banco Comercial Português, S.A. will be the paying agent.

Banco Comercial Português, S.A. informed about deposit rating upgrade by Fitch Ratings

On 13 May 2026, Banco Comercial Português, S.A. ("BCP" or "Bank") informed that Fitch Ratings upgraded BCP's long-and short-term deposits to 'A' from 'A-' and to 'F1' from 'F2', following the publication, on 8 May 2026, of its updated Bank Rating Criteria.

The key changes in the updated criteria relate to banks in jurisdictions with developed resolution regimes, with senior resolution debt (senior non-preferred debt in Europe) now excluded from Issuer Default Rating (IDR) reference obligation and greater notching differentiation for deposits, senior unsecured (senior preferred in Europe) and senior resolution debt ratings as well as Derivative Counterparty Ratings (DCRs).

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