



# **Public Sector Covered Bonds**

## **Investor Report**

Report Reference Date: 2023-06-30
Report Frequency: Quarterly

1. Current Credit Ratings		Long Term			Short Term		
Banco BPI Public Sector Covered Bond Programme	D1 / DD	Aa3 (Moody's)	(COD (Eb-b)		n/a	,	
Banco BPI		B+ / BBB+ (Moody's BBB+ / AL (Moody's /		P-2 / A-2 / F2 (Moody's / S&P / Fitch) P-2 / A-2 / F1 / R-1L (Moody's / S&P / Fitch / DBRS)			
Portugal	D882 / DDD+ / L	355+ / AL (1100dy 5 /	S&F / TILCIT / DBKS)	F-2 / A-2 /	11 / K-IL (MOODY'S / S&F / TILL	( DBR3)	
2. Covered Bonds	Issue Date	Coupon	Maturity Date	Soft Bullet Date <sup>1</sup>	Remaining Term (years)	Nominal Amount (EUR)	
Covered Bonds Outstanding				Soft Bullet Date	4.95	450,000,000.00	
Private Placements						450,000,000.00	
Series 6 (ISIN PTBPILOM0023)	2022-06-09	Floating	2028-06-09	2029-06-09	4.95	450,000,000.00	
CRD Compliant (yes/no)						Yes	
3. Asset Cover Test						Nominal Amount (EUR)	
Public Sector Credit Pool					10.81	787,740,791.43	
Other Assets <sup>2</sup> (cash, deposits and securities)					3.04	23,911,045.63	
Cash and deposits					0.01 6.05	11,911,045.63	
Other securities Total Cover Pool					10.58	12,000,000.00 <b>811,651,837.0</b> 6	
Current overcollateralisation <sup>3</sup> (%)					10.56	80.37%	
Committed overcollateralisation (%)						7.00%	
Required overcollateralisation (Moody's) (%)						29.00%	
Legal minimum overcollateralisation (%)						5.00%	
4. Other Triggers							
Net Present Value of Assets (incl. derivatives) <sup>4</sup>						726,357,732.60	
Net Present Value of Liabilities (incl. derivatives) <sup>4</sup>						471,560,072.55	
Net Present Value of Assets (incl. derivatives) - Net Present Va	lue of Liabilities (incl. deriv	vatives) >=0				OF	
Net Present Value of Assets (incl. derivatives) - Net Present Va	lue of Liabilities (incl. deriv	vatives) >=0 (stress	of +200 bps)			OI	
Net Present Value of Assets (incl. derivatives) - Net Present Va	lue of Liabilities (incl. deriv	vatives) >=0 (stress	of -200 bps)			O	
Other Assets <= 20% (Credit Pool + Other Assets)						O	
Deposits with a remaining term > 100 days <= 15% Covered						O	
Estimated Interest from Public Sector Credit and Other Assets	- Estimated Interest from	Covered Bonds >= 0				OF	
Public Sector Credit + Other Assets WA Remaining Term - Cov	ered Bonds WA Remaining	Term >= 0				Ok	
Liabilities in a currency different than Euro (yes/no) Cross currency swaps (yes/no)  Currency Exposure Detail						No No n/a	
						.,, c	
6. Public Sector Credit Pool							
Main Characteristics							
Number of loans						54:	
Original principal balance (EUR)						1,397,453,931.1	
Current principal balance (EUR)						787,740,791.4	
Average original principal balance per loan (EUR) Average current principal balance per loan (EUR)						2,573,579.9 1,450,719.6	
Current principal balance of the 5 largest borrowers (EUR)						247,393,395.3	
Weight of the 5 largest borrowers (current principal balance) (	%)					31.419	
Current principal balance of the 10 largest borrowers (EUR)	70)					349,537,171.6	
	(%)						
Weight of the 10 largest borrowers (current principal balance)	(%)						
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months)	(%)					7	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months)	(%)					79 130	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months)	(%)					79 130 4.23%	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%)	(%)					44.37% 73 13( 4.23% 1.14% 2048-05-1	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%)	(%)		Number of Loans	Number of Loans (%)	Loan Amount (EUR)	79 130 4.23% 1.14%	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD)	(%)		Number of Loans 29	Number of Loans (%) 5.34%	<b>Loan Amount (EUR)</b> 90,988,761.80	79 13( 4.23% 1.14% 2048-05-12	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD) Interest Rate Type Fixed Floating	(%)		29 514	5.34% 94.66%	90,988,761.80 696,752,029.63	75 13 4.23% 1.14% 2048-05-1; Loan Amount (%) 11.55% 88.45%	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD) Interest Rate Type Fixed Floating Repayment Type	(%)		29 514 Number of Loans	5.34% 94.66% Number of Loans (%)	90,988,761.80 696,752,029.63 Loan Amount (EUR)	7 13 4.239 1.149 2048-05-1 Loan Amount (%) 11.559 88.459 Loan Amount (%)	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD)  Interest Rate Type Fixed Floating Repayment Type Annulty / French	(%)		29 514 Number of Loans 278	5.34% 94.66% Number of Loans (%) 51.20%	90,988,761.80 696,752,029.63 Loan Amount (EUR) 180,474,172.37	7 13 4.239 1.149 2048-05-1 Loan Amount (%) 11.559 88.459 Loan Amount (%) 22.919	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD) Interest Rate Type Fixed Floating Repayment Type Annuity / French Bullet	(%)		29 514 Number of Loans 278 1	5.34% 94.66% Number of Loans (%) 51.20% 0.18%	90,988,761.80 696,752,029.63 <b>Loan Amount (EUR)</b> 180,474,172.37 10,000,000.00	7 13 4.23% 1.14% 2048-05-1 Loan Amount (%) 88.45% Loan Amount (%) 22.91%	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD) Interest Rate Type Fixed Floating Repayment Type Annuity / French Buillet Increasing instalments	(%)		29 514 Number of Loans 278 1 0	5.34% 94.66% Number of Loans (%) 51.20% 0.18% 0.00%	90,988,761.80 696,752,029.63 <b>Loan Amount (EUR)</b> 180,474,172.37 10,000,000.00 0.00	7 13 4.239 1.149 2048-05-1 Loan Amount (%) 88.459 Loan Amount (%) 22.919 1.279 0.009	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD)  Interest Rate Type Fixed Floating Repayment Type Annuity / French Bullet Intcreasing instalments Interest-only	(%)		29 514 Number of Loans 278 1 0 0	5.34% 94.66% Number of Loans (%) 51.20% 0.18% 0.00% 0.00%	90,988,761.80 696,752,029.63 <b>Loan Amount (EUR)</b> 180,474,172.37 10,000,000.00 0.00 0.00	7 13 4.239 1.149 2048-05-1 Loan Amount (%) 11.559 88.459 Loan Amount (%) 22.919 1.279 0.009	
Weight of the 10 largest borrowers (current principal balance) Weighted average seasoning (months) Weighted average remaining term (months) Weighted average interest rate (%) Weighted average spread (%) Max maturity date (YYYY-MM-DD) Interest Rate Type Fixed Floating Repayment Type Annuity / French Buillet Increasing instalments	(%)		29 514 Number of Loans 278 1 0	5.34% 94.66% Number of Loans (%) 51.20% 0.18% 0.00%	90,988,761.80 696,752,029.63 <b>Loan Amount (EUR)</b> 180,474,172.37 10,000,000.00 0.00	7: 13: 4.23% 1.14% 2048-05-1: <b>Loan Amount (%)</b> 11.55% 88.45%	





## **Public Sector Covered Bonds**

## **Investor Report**

\$ - 6 months   1   1   1   1   1   1   1   1   1				Report Reference Date: Report Frequency:	<b>2023-06-30</b> Quarterly
Season   S	C. Bullin Control Contline In Contline In				
10   10   10   10   10   10   10   10		Number of Loans	Number of Loans (%)	Loan Amount (FUR)	Loan Amount (%)
9 months	• • • • • • • • • • • • • • • • • • • •				
9.12 minumbs	3 - 6 months	1	0.18%	3,495,631.68	0.44%
1.2 - 1 months   4   7,7 months   5,2 mont					1.30%
13 - 24 months					
2- 10 membrs   1- 20					
15-40   16-2					
1					
Momestation					
Number of Loans   Number of					
1- 6 12 months					
6 - 12 months   21   3.07%   5.056, 75, 15.05   6.11%   12 - 18 months   3   4.47%   14,774,281   1.88%   1.88	Up to 3 months	19	3.50%	4,186,470.73	0.53%
12 - 18 months   38   7,00%   6,376,61.50   6,1816   1.0816   1.					0.07%
18-24 months					0.17%
24-36 months					
5.4 sh controls					
48 - Om months   49   9,22%   5,93,512.16   7,12%   7,12%   7,12%   7,16%   7,12%   7,16%   7,12%   7,16%   7,12%   7,16%   7,12%					
50 - 72 months					
2- 84 months   47   5.0.0   5.79,31,61.4   4.20%   4.20%   5.0.0					
19-90   1981					
198 - 190 morths   13   2,396   37,695,145   51,478   100 morths   11   12,555   40,155,479   51,438   100 morths   10   10   10   10   10   10   10   1	84 - 96 months				
More Botte Type         Number of Long (more)         N	96 - 108 months	21	3.87%	33,479,751.26	4.25%
Number of Loops   Number o	108 - 120 months				4.77%
Mattonipale   9   1.66%   79,132,021.80   10.07%   10.0					51.43%
Municipalities   183   18,166   631,68196   18,075   19,196   19					
State Guarantee         1         0,180%         72,11,195.01         9.1,195.00         9.1,195.00         9.1,195.00         9.1,195.00         9.1,195.00         9.1,195.00         9.1,195.00         9.2,195.00         9.2,195.00         7.0,20%         9.2,195.00         7.0,20%         9.2,195.00         7.0,20%         9.2,195.00         7.0,20%         9.2,195.00					
Debt Ratins Ba¹         Number of Loans         Mumber of Loans (sp. 6)         Loan Amount (€W)         55.88,68,70         7.07,20%           Ba³         3         0.55%         23,843,417.10         3.03%           Ba²         53         0.55%         23,843,417.10         3.03%           Without Rating         533         98.16%         72,419.50         19.19%           Coopraphical Distribution         Number of Loan         100.00%         877,40,791.43         100.00%           Lisbon         43         100.00%         827,740,791.43         100.00%           Centro         210         38,67%         238,339.79         3.119%           Centro         210         38,67%         133,898,80         22,33%           Morte         210         38,67%         123,785,22         22,00%           Alexibo         22         5,00%         27,75%,477         3.85%           Alexibo         24         1,00%         27,55%,781         3.85%           Againze         29         5,00%         27,55%,781         3.25%           Againze         20         0.00%         0.00         0.00%           Polica S         10         0.00%         0.00         0.00%		533			
Ba1         6         1,10%         55,288,60,470         7,02%           Ba2         1         0,15%         23,441,710         3,03%           Without Bating         1         0,16%         72,411,90,01         6,13%           Cerpathkal Distribution         Number of Loan         1,00%         77,749,714         10,00%           Certor         2,10         1,00%         77,749,714         10,00%           Certor         2,10         1,00%         18,36%,90         2,27,333,97         3,01%           Norte         2,10         1,00%         77,566,77         2,20%           Alentelo         2,0         1,00%         77,566,47         2,20%           Alentelo         2,0         1,00%         77,566,47         2,20%           Alentelo         2,0         1,0         2,75%,90         3,50%           Algare         2,0         1,0         2,75%,90         3,50%           Algare         1,0         1,0         2,75%,90         3,0         3,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0         2,0 <td< td=""><td></td><td>Number of Loans</td><td></td><td></td><td></td></td<>		Number of Loans			
Ba3					
1   1   1   1   1   1   1   1   1   1					3.03%
Number of Loan   Numb	Baa2	1	0.18%		9.19%
Portugal   Sample	Without Rating	533	98.16%	636,196,819.62	80.76%
Lisbae					
Centro         210         38.67%         118.3898,840         2.3.35%           Norte         41         26.52%         173.745,221         2.2.06%           Regila Autónoma dos Açores         89         16.39%         77,598,477         9.83%           Regila Autónoma dos Açores         6         1.10%         27,555,781         3.35%           Agore         Number of Loan         Mumber of Loan         Agore of Loan         Control         Loan Amount (%)         Loan Amount (%)         Loan Amount (%)         Agore of Loan         A					
Note Alentey         144         26.5%         173,745,21         22.0%           Alenteyo         89         16.3%         77,594,77         9.85%           Região Autónoma dos Açores         20         3.6%         66,475,522         8.31%           Algarve         29         5.34%         12,032,75         2.75%           Notificación         Number of Losa         0.00%         0.00         0.00%           > 50 to 9 days         0         0.00         0.00%         0.00%           > 50 do y         0         0.00         0.00%         0.00%           Projected Outstanding Amount*         50 to 90         0.00         8.00         0.00%					
Alentejo         89         16.39%         77,598,477         9.85%           Região Autónoma dos Açores         20         3.68%         65,475,522         8.31%           Região Autónoma dos Agores         29         5.34%         21,632,975         2.75%           Algarve         29         5.34%         21,632,975         2.75%           Delinquencis*         Number of Loan         Number of Loan (%)         Loan Mount (EUR)         Loan Mount (EUR)         Loan Mount (SV)         Loan Mo					
Região Autónoma dos Açores         20         3.68%         65,475,522         8.31%           Região Autónoma dos Madeira         6         1.10%         27,555,781         3.50%           Algare*         70         5.34%         21,632,975         2.75%           Delinquencies*         Number of Loans         Number of Loans         Number of Loans         Loan Amount (EUR)         Loan Amount (%)         Loan Amount (%) <td></td> <td></td> <td></td> <td></td> <td></td>					
Região Autónoma da Madeira Aglare         6         1.10%         27,555,781         3.0% Aglare         27,50%         1.00%         2.00% <td></td> <td></td> <td></td> <td></td> <td></td>					
Algare         39         5.34%         21,632,976         2.75%           Innineurcies on 10 to 60 days         Number of Loans (%)         Loan Amount (EUR)         Loan Amount (%)         Co.00         0.00% <td></td> <td></td> <td></td> <td></td> <td></td>					
Number of Loans   Number of Loans (%)   Loan Amount (EUR)   Loan Amount (%)					2.75%
> 60 60 0 days         0         0.00%         0.00         0.00%           Projected Outstanding Amount**         Amortisation Profix           EVERNIMIONS         Date         Principal Balance (EUR)           800.00 -         Jun-24         600,415,566,83           700.00 -         Jun-25         500,710,032,43           700.00 -         Jun-25         500,710,032,43           800.00 -         Jun-26         504,620,902.01           Jun-27 -         418,134,345.91           800.00 -         Jun-28         348,488,975.32           800.00 -         Jun-29         292,020,558.30           800.00 -         Jun-31         188,815,072.78           800.00 -         Jun-31         188,815,072.78           800.00 -         Jun-32         155,951,000.42           800.00 -         Jun-34         102,583,093.32           800.00 -         Jun-36         62,547,842.97           800.00 -         Jun-36         62,547,842.97           800.00 -         Jun-37         45,531,256.22           800.00 -         Jun-38         30,18,056,68.81           800.00 -         Jun-38         30,18,056,68.81           800.00 -         Jun-39         45,531,256.22					
y 90 days         0         0.00%         0.00%         0.00%           Projected Outstanding Amount**         Amortisation Profice IR Principal Balance (EUR)           EUR millions         Jun-23         811,651,837.06           90.00         Jun-24         690,415,366.83           700.00         Jun-25         590,711,032.48           600.00         Jun-26         504,620,902.01           600.00         Jun-27         418,314,345.91           400.00         Jun-28         348,488,975.32           400.00         Jun-39         228,100,687.04           400.00         Jun-31         188,815,072.78           400.00         Jun-32         155,951,000,42           200.00         Jun-33         127,218,557.57           400.00         Jun-35         80,921,377.95           400.00         Jun-35         80,921,377.95           400.00         Jun-36         62,547,842.97           400.00         Jun-37         45,531,258.22           400.00         Jun-38         30,718,056.68           400.00         Jun-39         10,185,051,258.22           400.00         Jun-39         10,185,051,258.22           400.00         Jun-39         10,185,051,258.22 <td>&gt; 30 to 60 days</td> <td></td> <td></td> <td></td> <td>0.00%</td>	> 30 to 60 days				0.00%
Projected Outstanding Amount*   Date   Principal Balance (EUR)					0.00%
Date   Principal Balance (EUR)   Jun-23   811,651,837.06   30.00   3		0	0.00%		0.00%
Section 2   Jun-23   S11,651,837.06     Sun-24   690,415,366.83     Jun-25   590,771,032.48     Jun-26   504,620,902.01     Jun-27   418,314,345.91     Jun-28   348,488,975.32     Jun-29   292,005,558.30     Jun-30   228,100,687.04     Jun-31   188,815,072.78     Jun-32   155,951,000.42     Jun-33   127,218,557.57     Jun-34   102,583,093.32     Jun-35   80,921,377,95     Jun-36   62,547,842.97     Jun-37   45,531,258.22     Jun-38   30,718,056.68     Jun-39   18,560,542.73     Jun-39   18,560,542.73					Data da al Data da (EUD)
800.00	EUR millions				
700.00 - Jun-25 590,771,032.43 Jun-26 504,620,902.01 Jun-27 418,314,345.91 Jun-28 348,488,975.32 Jun-29 292,020,558.30 Jun-30 228,100,687.00 Jun-31 188,815,072.78 Jun-32 155,951,000.42 Jun-33 127,218,557.75 Jun-34 102,583,093.32 Jun-35 80,921,377.95 Jun-36 62,547,842.97 Jun-37 45,531,258.22 Jun-38 30,718,056.68 Jun-38 30,718,056.68	800.00				
700.00					
Jun-27   418,314,345.91     Jun-28   348,488,975.32     Jun-29   292,020,558.30     Jun-30   228,100,687.04     Jun-31   188,815,072.78     Jun-32   155,951,000.42     Jun-33   127,218,557.57     Jun-34   102,583,093.32     Jun-35   80,921,377.95     Jun-36   62,547,842.97     Jun-37   45,531,258.22     Jun-38   30,718,056.68     Jun-39   18,560,542.73     Jun-30   Jun-30   Jun-30	700.00				
300.00 Jun-30 228,100,687.04 Jun-30 228,100,687.04 Jun-31 188,815,072.78 Jun-32 155,951,000.42 Jun-33 127,218,557.57 Jun-34 102,583,093.32 Jun-35 80,921,377.95 Jun-36 62,547,842.97 Jun-37 45,531,258.22 Jun-38 30,718,056.68 Jun-39 18,560,542.73					
500.00  Jun-30  228,100,687.04  Jun-31  188,815,072.78  Jun-32  155,951,000.42  Jun-33  127,218,557.57  Jun-34  102,583,093.32  Jun-35  80,921,377.95  Jun-36  62,547,842.97  Jun-37  45,531,258.22  Jun-38  Jun-39  Jun-39  Jun-39  Jun-39	600.00				348,488,975.32
100.00 1 18,815,072.78 100.00 2 155,951,000.42 100.31 188,815,072.78 100.32 155,951,000.42 100.33 127,218,557.57 100.34 102,833,093.32 100.05 100.35 80,921,377.95 100.36 62,547,842.97 100.00 100.38 30,718,056.68 100.39 18,560,542.73	500.00				
400.00 Jun-32 155,951,000.42 Jun-33 127,218,557.57 Jun-34 102,583,093.32 Jun-35 80,921,377.95 Jun-36 62,547,842.97 Jun-37 45,531,258.22 Jun-38 30,718,056.68 Jun-39 18,560,542.73	500.00				
300.00 - Jun-33 127,218,557.57 300.00 - Jun-34 102,583,093.32 Jun-35 80,921,377.95 Jun-36 62,547,842.97 Jun-37 45,531,258.22 Jun-38 30,718,056,654.27 Jun-39 18,560,542.73	400.00				
300.00 Jun-34 102,583,093.32 Jun-35 80,921,377.95 Jun-36 62,547,842.97 Jun-37 45,531,258.22 Jun-38 30,718,056.68 Jun-39 18,560,542.73					
Jun-35 80,921,377.95 Jun-36 62,547,842.97 Jun-37 45,531,258.22 Jun-38 30,718,056.68 Jun-39 18,560,542.73	300.00				
200.00 Jun-36 62,547,842.97 100.00 Jun-37 45,531,258.22 100.38 30,718,056.68 100.39 Jun-39 18,560,542.73	1111111				
Jun-37 45,531,258.22 Jun-38 30,718,056.68 Jun-39 18,560,542.73	200.00				
Jun-38 30,718,056.68 Jun-39 18,560,542.73	1111111111.				
Jun-39 18,560,542.73	100.00				
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	\$\rightarrow \frac{1}{12} \frac	20x, 50x, 50x, 50x, 50x, 50xc	Jon Jon Jon Jon Jos Jos	Jun-49	0.00

<sup>&</sup>lt;sup>a</sup>Includes public sector credit pool and other assets; assumes no prepayments (constant prepayment rate of 0%)



Total Covered Bonds



## **Public Sector Covered Bonds**

### **Investor Report**

Report Reference Date: Report Frequency: 2023-06-30 Quarterly

In EUR 0-1 year 1-2 years 2-3 years 3-4 years 4-5 years 5-10 years >10 years Public Sector Credit<sup>b</sup> Other Assets 109,325,424.60 11,911,045.63 209,270,417.75 12,000,000.00 99,644,334.40 86,150,130.42 86,306,556.10 69,825,370.59 127,218,557.57 0.00 0.00 0.00 0.00 0.00 Total Cover Pool 121,236,470.23 99.644.334.40 86.150.130.42 86.306.556.10 69.825.370.59 221,270,417.75 127,218,557.57

8. Derivative Financial Instruments	Nominal Amount (EUR)
Total amount	0.00
Interest Rate Swaps	0.00
Fixed to floating swaps	0.00
Interest basis swaps	0.00
Currency Swaps	0.00

Banco BPI - Financial Department - Debt Capital Markets debtcapitalmarkets@bancobpi.pt Other Reports on Banco BPI's website ECBC Label website http://bpl.bancobpl.pt/index.asp?riIdArea=AreaDivida&riChgLng=1&riLang=en&riId=ProgramaEmissoesSP2&riIdTopo=https://coveredbondlabel.com

### 1. Soft Bullet Date (Extended Maturity)

If the covered bonds are not redeemed on the relevant maturity date, the maturity will automatically be extended on a monthly basis up to one year. In that event, the covered bonds can be redeemed in whole or in part on a monthly basis up to and including the Extended Maturity Date.

2. Other Assets

In addition to public sector loans, other assets (or substitution assets) may be included in the cover pool up to an amount equal to 20% of the cover pool, subject to the following eligibility criteria:

- Deposit with the Bank of Portugal in cash or ECB eligible securities or
   Deposits held with credit institutions rated at least A-.

3. Overcollateralisation
The overcollateralisation ratios are calculated by dividing (i) the total nominal outstanding balance of the assets included in the cover pool by (ii) the total nominal amount of the covered bonds (both excluding accrued interest). For clarification purposes, all assets included in the covered pool are eligible assets.

Required overcollateralisation is the minimum overcollateralisation necessary to keep the current Public Sector Covered Bond Programme rating.

4. Net Present Value (NPV)
The NPV of Assets and Liabilities is obtained by discounting all known future cash flows with:
- the Euro money market curve, for cash flows up to 1 year;
- the Euro swap curve, for cash flows after 1 year.
Other Assets and derivatives are considered at market value.
NPV is also calculated considering a 200 bps shift (upwards and downwards) of the discounting curves.

## 5. Debtor Rating

For debtors with more than one external rating, the composite rating is considered. The composite rating is the average of the ratings assigned to a debtor by Fitch, Moody's and/or S&P.

6. Delinquencies
A loan is considered to be delinquent if any payment is in arrears by more than 30 days. According to the Portuguese covered bonds legislation, any loan which is in arrears by more than 90 days must be removed from the pool and substituted by another loan which fulfils the eligibility criteria. Therefore, there are no NPL's included in the cover pool.