

Banco BPI

Mortgage Covered Bond Programme Presentation

November 2023



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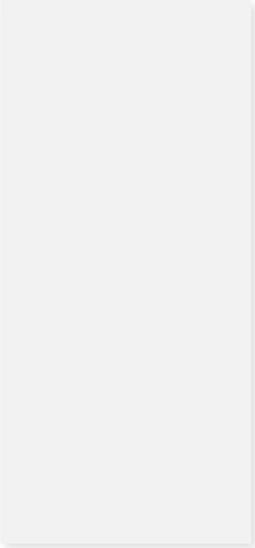
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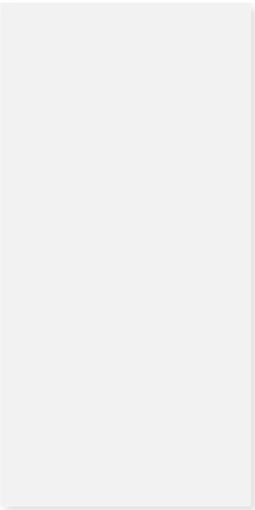
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Appendices

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



1 BPI at a Glance



BANCO BPI KEY FINANCIAL DATA

Sep. 2023

| | |
|--|-----------|
| Total assets (consolidated) | 39.8 Bi.€ |
| Customer resources | 37.0 Bi.€ |
| Gross loan portfolio | 29.8 Bi.€ |
| Loan to deposits ratio ¹⁾ | 101% |
| NPE ratio | 1.5% |
| Coverage by impairments and collateral | 158% |
| CET1 ratio ²⁾ | 14.5% |
| Tier1 ratio ²⁾ | 16.0% |
| Total Capital ratio ²⁾ | 18.4% |
| MDA buffer ²⁾ | 5.5% |
| Leverage ratio ²⁾ | 7.3% |
| MREL ratio (as % of RWA) ²⁾ | 24.6% |

- ✓ Forth largest bank in Portugal, by business volume ³⁾
- ✓ Commercial banking focus
- ✓ Fully owned by CaixaBank, representing around 6% of its consolidated assets
- ✓ Market shares of 11.6% in loans and 11.1% in total Customer resources ⁴⁾
- ✓ Rating of long term debt at investment grade: BBB+ by Fitch, Baa1 by Moody's and BBB+ by S&P

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

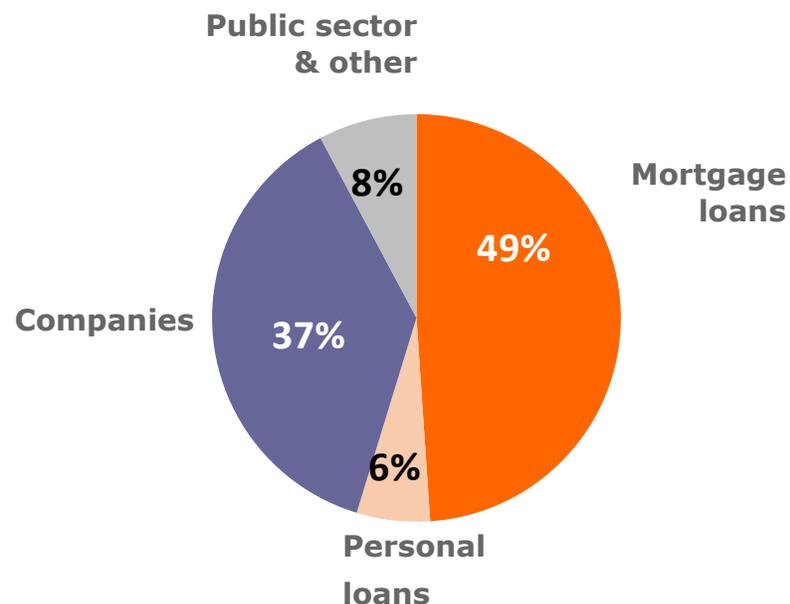
2) Phasing-in.

3) Loans, guarantees and total customer resources

4) Market shares as of August 2023.

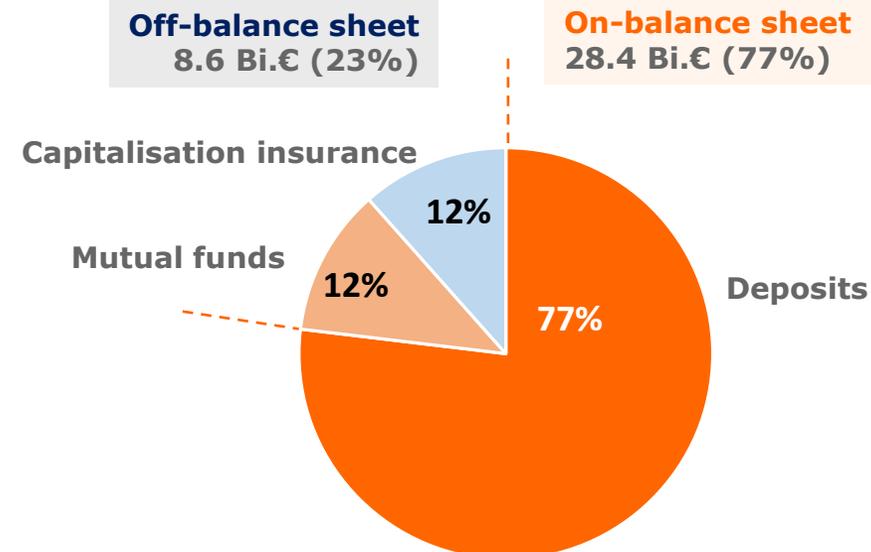
BUSINESS VOLUME BREAKDOWN (as of September 2023)

Gross loan portfolio (29.8 Bi€)



| Market shares | Sep 23 |
|----------------------|--------|
| Total loan portfolio | 11.7% |
| Corporate Loans | 11.3% |
| Mortgage loans | 14.4% |

Customer resources (37.0 Bi€)



| Market shares | Aug 23 |
|---------------------------------|--------|
| Customer resources ¹ | 11.1% |
| Deposits ² | 10.5% |
| Mutual funds | 11.0% |
| Capitalisation insurance | 18.3% |
| Retirement savings plans | 11.8% |

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

1) Deposits, mutual funds and capitalisation insurance.
2) Market shares as of September 2023.

DISTRIBUTION NETWORK & CUSTOMER SEGMENTATION

30 September 2023

1.9 Million Customers

318 Commercial units
(physical network)

4 335 Employees

Individuals and small businesses

PRIVATE BANKING AND WEALTH

4 Private Banking and Wealth centres

INDIVIDUALS, BUSINESSES PREMIER AND INTOUCH BANKING

11 Premier centres

272 retail branches

1 mobile branch

7 inTouch centres*

1 AGE centre*

1 Citizen centre*

1 Connect centre*

Corporates and institutions

CORPORATE & INSTITUTIONAL BANKING

6 centres

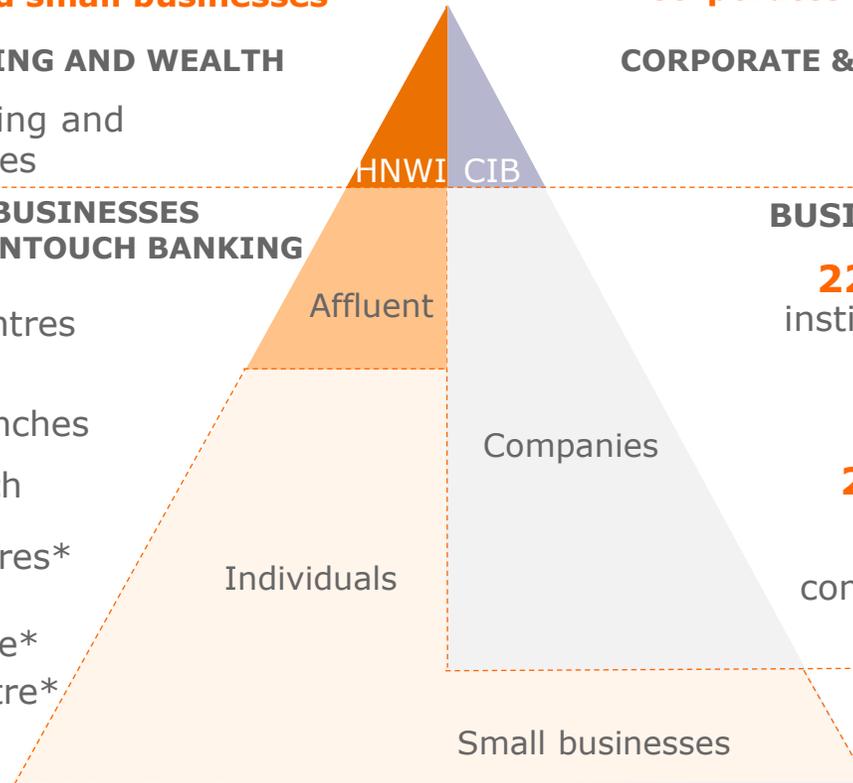
BUSINESS BANKING

22 Corporate and institutional centres

1 Real estate business centre

2 Corporate and business development commercial areas*

1 DayOne centre



HNWI = High net worth individuals

* Without in-person servicing at the centre.

Specialised, omnichannel
and fully integrated
distribution network

Continuous innovation

1 Branch in metaverse –
1st virtual reality
informative branch in
Portugal



1) Active customers 1st account holders, individuals and companies.

DIGITAL BANKING GAINS MORE RELEVANCE



More Digital Clients

(30 Sep. 2023)

+107 th.

BPI App active users (Δ yoy)

88%

Digital individual clients actively use the BPI App



More Digitally-supported sales

(Jan-Sep 2023)

32%

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



Digital channels adherence

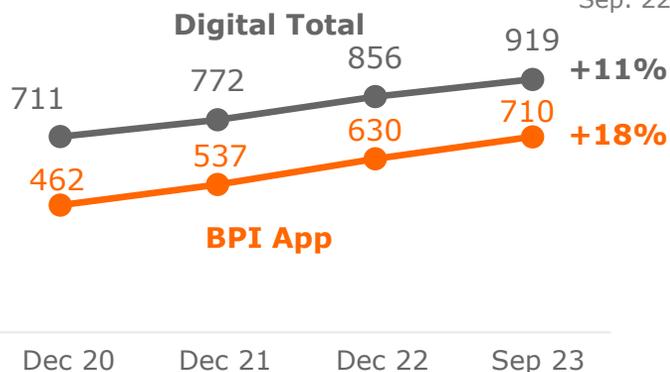
#2

(Net and Mobile - Individual Customers ²)

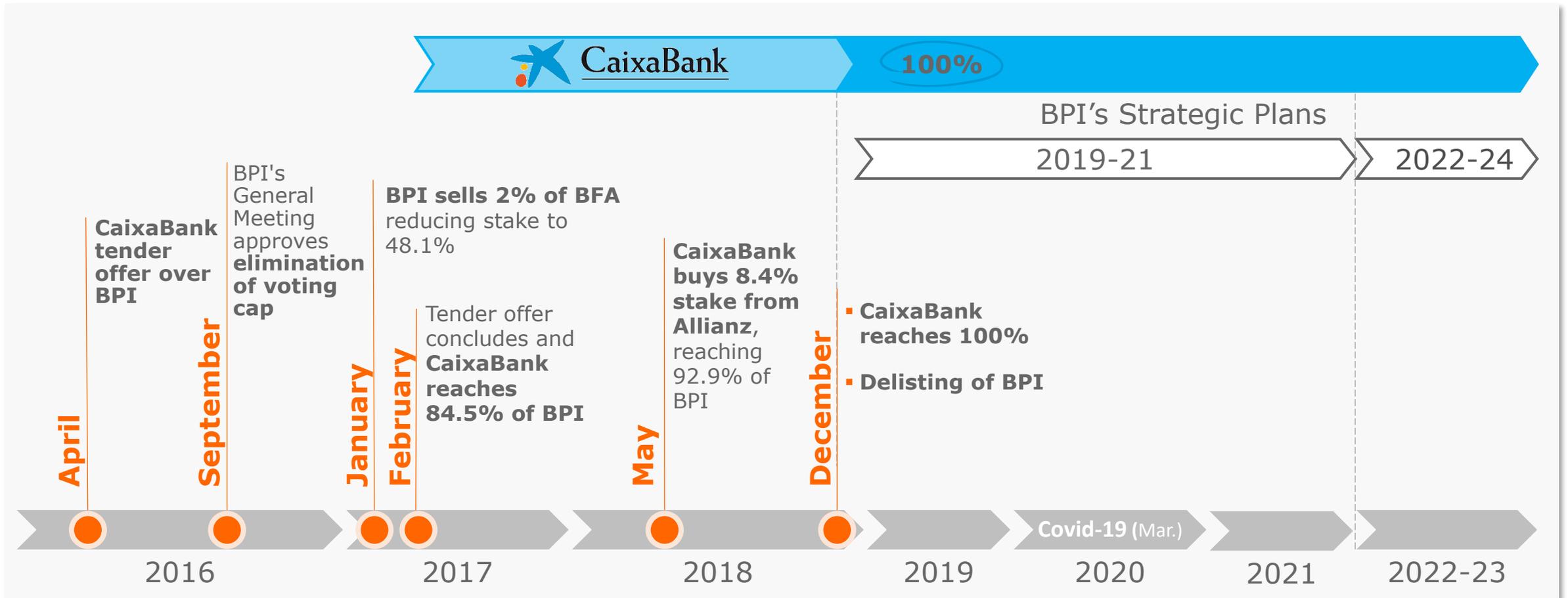
> Digital Banking regular users

No. (thousand)

(Δ Sep.23 / Sep. 22)



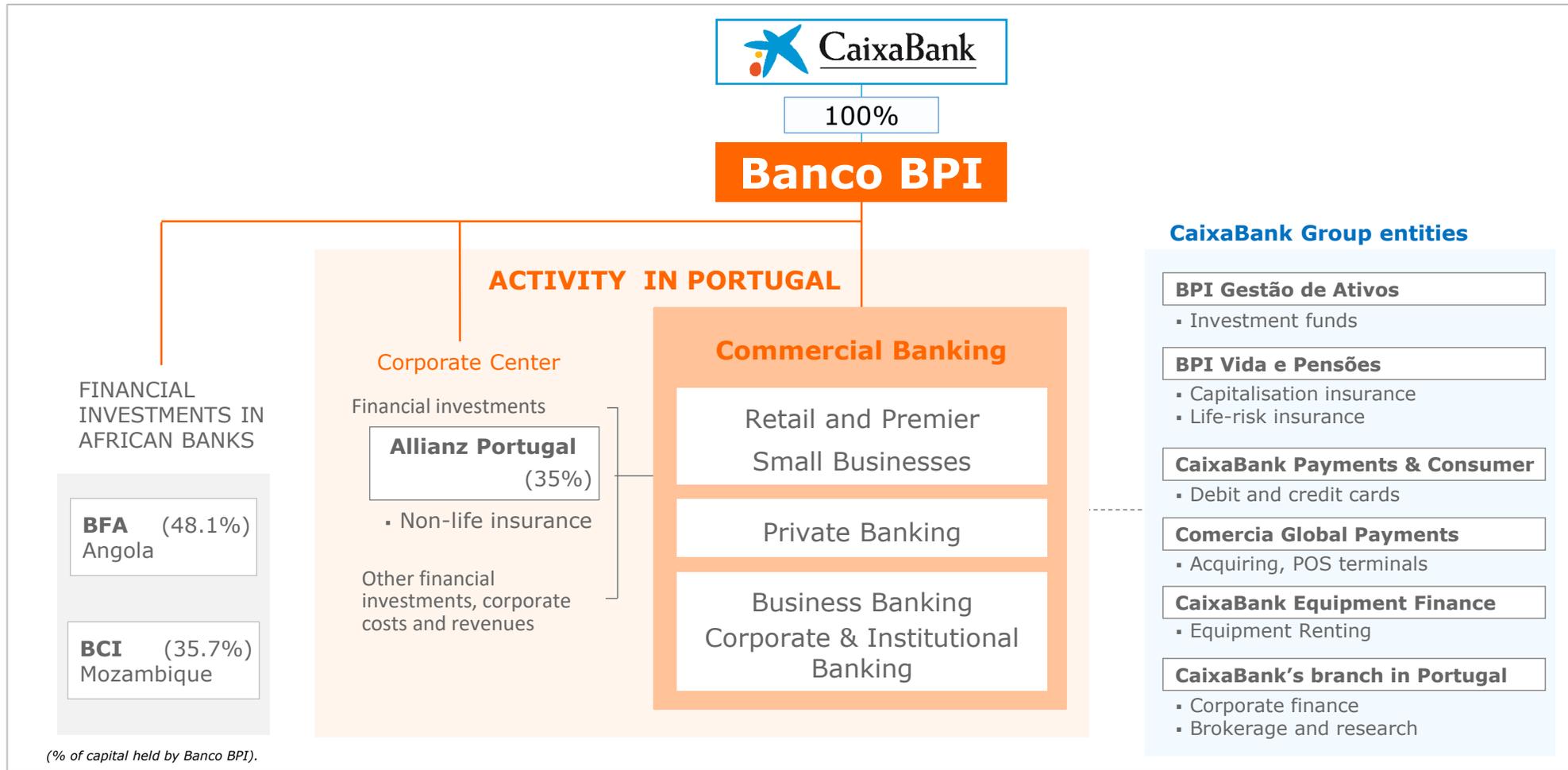
MILESTONES SINCE CAIXABANK'S OFFER IN 2016



FOCUS ON CORE BANKING BUSINESS IN PORTUGAL

BPI's financial and business structure

30 September 2023



STRATEGIC LINES 2022/24

3 Strategic priorities



Evolve Clients' service model



Increase and diversify revenue generation



Be a reference in sustainable Banking

Client experience leveraged on:



People



Technology



Processes

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

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

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

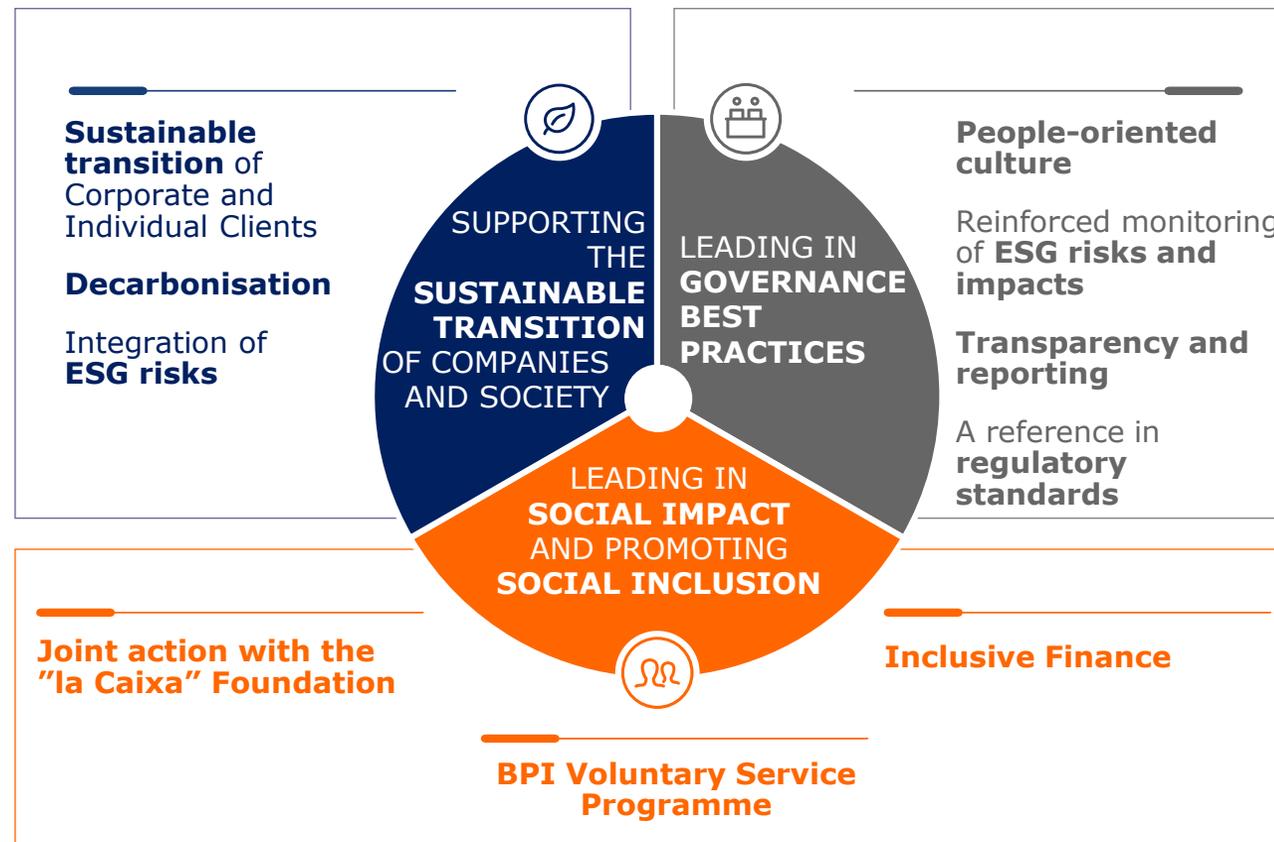
**BPI 2022-24:
To grow more,
to grow better**

SUSTAINABILITY MASTER PLAN

7 priority Sustainable Development Goals



2022-2024 Sustainability Master Plan Three ambitions



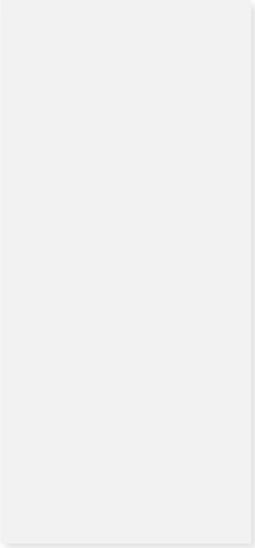
A BANK COMMITTED TO SUSTAINABILITY

2022-2024 Sustainability Master Plan

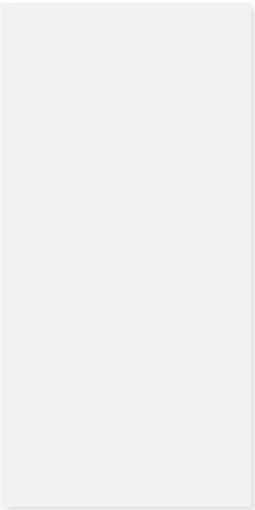
2022-2024 Sustainability Master Plan

| | | | TARGETS | |
|---|---|-------------------|--|---|
|  | To support the sustainable transition of companies and society | Global | Sustainable business Loans Investments | 4 Bn.€ 2 Bn.€ 2 Bn.€ |
|  | To lead in social impact and promote social inclusion | Social | Investment by BPI "la Caixa" Foundation Beneficiaries | 120 M.€ 200 th. |
|  | To lead in Governance best practices | Governance | Women in management positions ¹ | 43% |

¹ Percentage of women in management positions in branches with more than 10 Employees and in all central service functions.



2 Financial Highlights / Results



BPI RESULTS

In 9 months of 2023

Commercial activity in Portugal

Loans Δ yoy
+0.8 Bn.€ +3%

Deposits Δ yoy
-2.0 Bn.€ -6%

Total customer resources -5%

Gross income Δ yoy
+50%

Net interest income +84%

Digital Banking
 Regular users
919 th.

BPI app users
+107 th. Δ yoy

Risk, liquidity and capitalisation

NPE ratio (EBA criteria) **1.5%**

Coverage **158%**

(by impairments and collaterals)

Cost of Risk
0.23%

(as % of loans and guarantees; last 12 months)

Loan to deposit ratio
101%

(loans as % of deposits)

CET1 > **14.5%**

T1 > **16.0%**

Total > **18.4%**

(Phasing-in)

Profit and profitability

Profit in Portugal Δ yoy

324 M.€ +100%

Recurrent ROTE in Portugal

13.7%

(last 12 months)

Cost-to-core income in Portugal

40.8%

(last 12 months)

Consolidated net profit Δ yoy

390 M.€ +35%

CONSOLIDATED NET PROFIT OF 390 M.€ IN SEP.23 (+35%)



In M.€

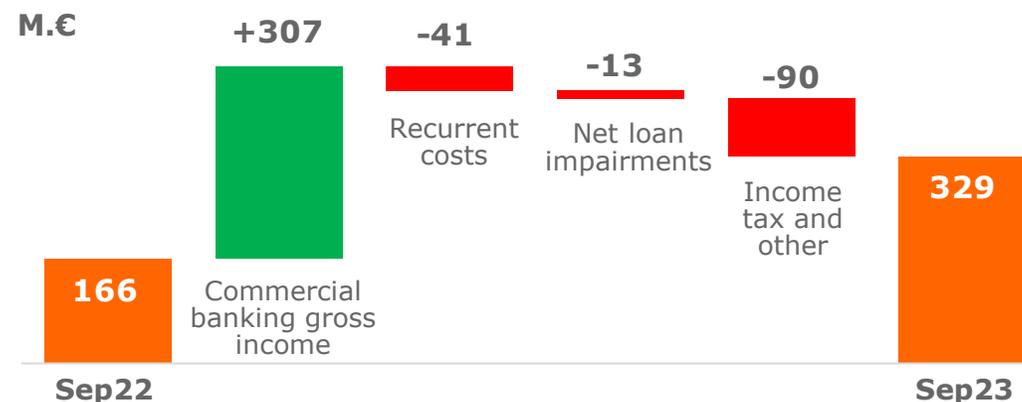
Sep 22¹⁾ Sep 23 Δ%

Activity in Portugal

| | Sep 22 ¹⁾ | Sep 23 | Δ% |
|-------------------------------------|----------------------|------------|-------------|
| Recurrent net profit | 166 | 329 | 98% |
| Non-recurrent impacts ²⁾ | -4 | -5 | - |
| Net profit in Portugal | 162 | 324 | 100% |
| BFA contribution | 102 | 42 | -59% |
| BCI contribution | 25 | 24 | -2% |
| Consolidated net profit | 289 | 390 | +35% |

- **BFA contribution in 9M23** includes 2022 dividend and impact of Kwanza devaluation on receivables

- **Increase in income** underpinned by commercial activity growth and rise in market interest rates
- **Increase in costs** incorporates the effects of inflation and investment in new technology projects
- **Stable cost of risk**



| | Sep.22 | Sep.23 |
|--|-------------|--------------|
| Recurrent ROTE (last 12 months) | 7.4% | 13.7% |

COMMERCIAL BANKING GROSS INCOME INCREASED 50%

> Gross income in the activity in Portugal

| In M.€ | Sep 22 ¹⁾ | Sep 23 | Δ% |
|--|----------------------|------------|------------|
| Net interest income | 374 | 688 | 84% |
| Dividends and equity accounted income | 25 | 17 | -31% |
| Net fee and commission income | 219 | 218 | 0% |
| COMMERCIAL BANKING GROSS INCOME | 617 | 924 | 50% |
| Other income (net) ²⁾ | (15) | (22) | -44% |
| Gross income | 602 | 902 | 50% |

> Net interest income increases

- ↑ Higher market interest rates
- ↑ Growth in loan volume
- ↓ Increase in the cost of deposits
- ↓ Cost of MREL / covered bond issues
- ↓ End of interest rate bonus on ECB funding (TLTRO) at the end of June 2022

> Stable fees and commissions

- ↑ # Accounts
- ↑ Corporate debt issues
- ↑ Mutual funds and capitalisation insurance
- ↓ Loans and guarantees
- ↓ Insurance brokerage

LOAN PORTFOLIO GREW 3% YOY

> Loans to Customers by segment

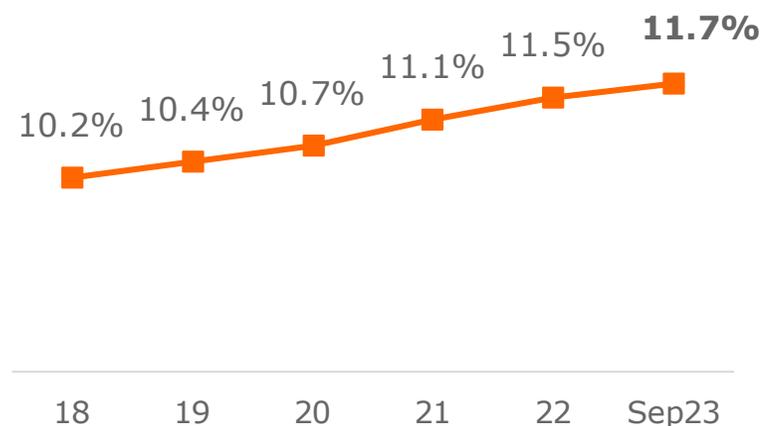
| Gross portfolio, in Bn.€ | Sep 22 | Sep 23 | YoY | YtD |
|--------------------------------|-------------|-------------|-----------|-----------|
| I. Loans to individuals | 15.8 | 16.3 | 3% | 2% |
| Mortgage loans | 14.0 | 14.6 | 4% | 3% |
| Other loans to individuals | 1.8 | 1.7 | -5% | -4% |
| II. Loans to companies | 10.9 | 11.2 | 2% | 2% |
| III. Public sector | 2.2 | 2.3 | 6% | 4% |
| Total loans | 28.9 | 29.8 | 3% | 2% |

Note:

| | | | | |
|-----------------------------------|------|------|----|----|
| Loan portfolio net of impairments | 28.4 | 29.2 | 3% | 2% |
|-----------------------------------|------|------|----|----|

- Increase in mortgage and corporate loans
- Market share gains

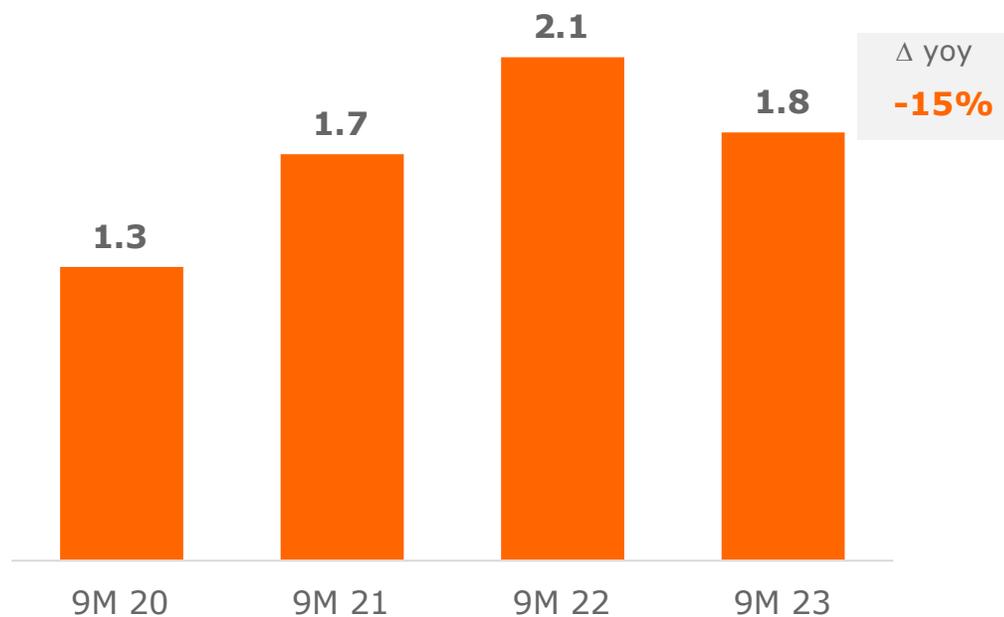
> Market share in total loans



Source: BPI, Bank of Portugal.

MARKET SHARE GAINS IN MORTGAGE LOANS

> New Production (Bn.€)

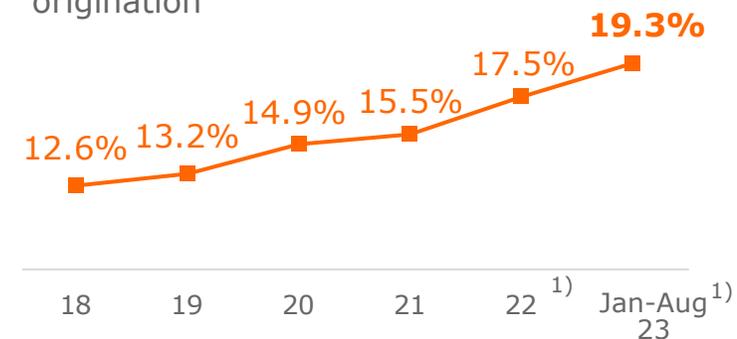


New production

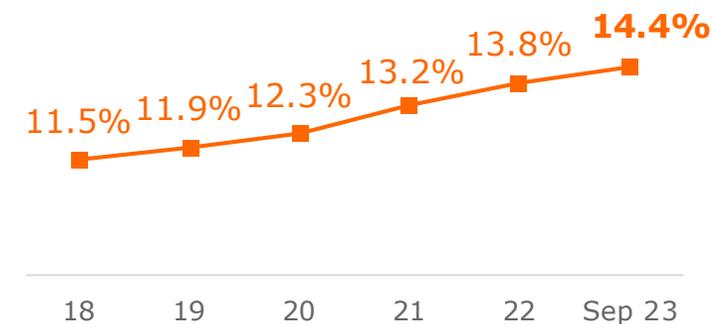
| | | | | |
|--------------|-----|-----|-----|-----|
| % fixed rate | 18% | 17% | 25% | 48% |
| % mixed rate | 2% | 1% | - | 10% |

> Market shares

Share of mortgage loans origination



Share of mortgage loans book



Source: BPI, Bank of Portugal.

CUSTOMER RESOURCES DECREASED 5% YoY

> Customer Resources

| In Bn.€ | Sep 22 ¹⁾ | Sep 23 | YoY | YtD |
|--|----------------------|-------------|------------|------------|
| I. Customer deposits | 30.4 | 28.4 | -6% | -6% |
| II. Off-balance sheet resources | 8.8 | 8.6 | -2% | -1% |
| Mutual funds | 4.3 | 4.3 | 0% | 0% |
| Capitalisation insurance | 4.2 | 4.3 | 1% | -1% |
| Public offerings | 0.3 | 0.1 | - | - |
| Total | 39.1 | 37.0 | -5% | -5% |

- In addition there was a 0.4 Bn.€ yoy increase in structured products placed with Customers in Sep.23.

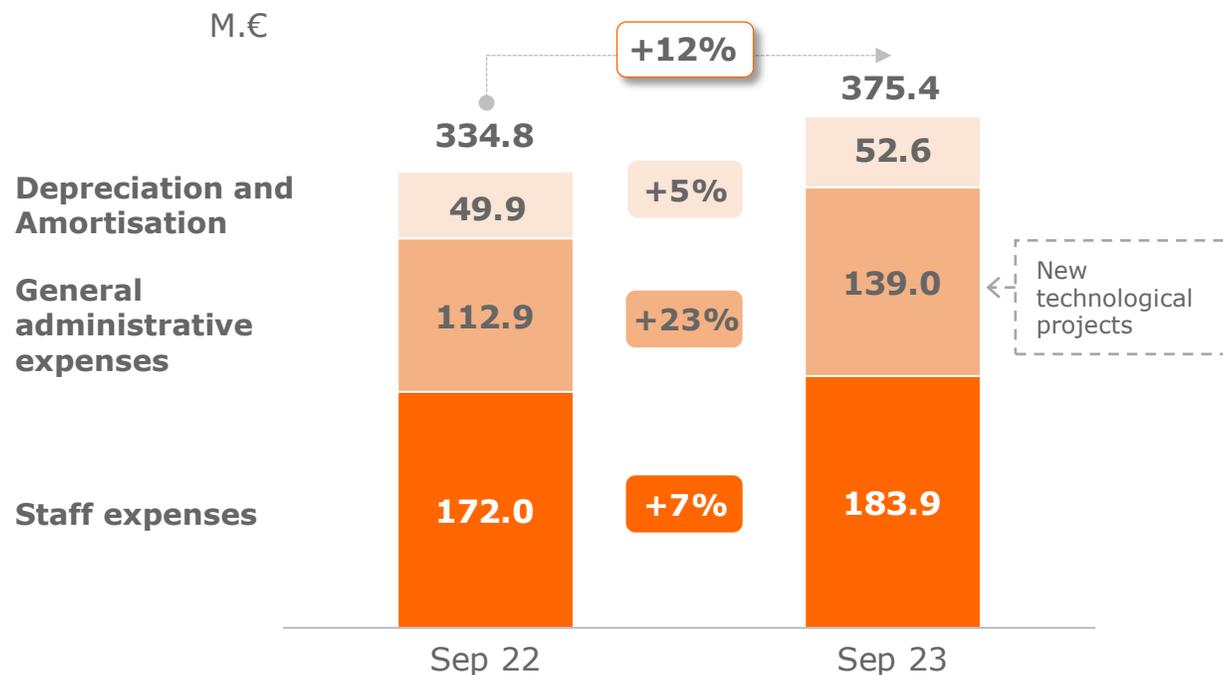
> Market shares

| | Aug 23 | Δ YoY |
|---------------------------------------|--------------|-----------|
| Customer resources² | 11.1% | -0.3 p.p. |
| Deposits ³ | 10.5% | -0.5 p.p. |
| Mutual funds | 11.0% | -0.1 p.p. |
| Capitalisation insurance | 18.3% | +0.1 p.p. |
| Retirement savings plans | 11.8% | +0.4 p.p. |

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

INVESTMENT INCREASES AND COST-TO-INCOME IMPROVES

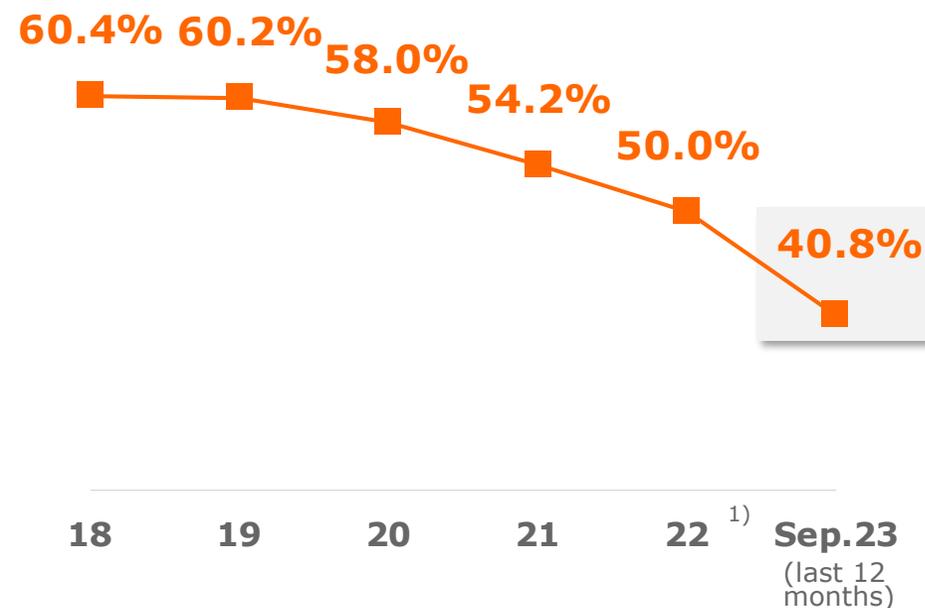
Recurrent operating expenses



| | | |
|----------------------------|--------------|--------------|
| Non recurrent impacts | 5.7 | 21.2 |
| Costs "as reported" | 340.5 | 396.6 |
| | | +16% |

Cost-to-core income

(Recurrent operating expenses as % of commercial banking gross income)



Employees

4 335

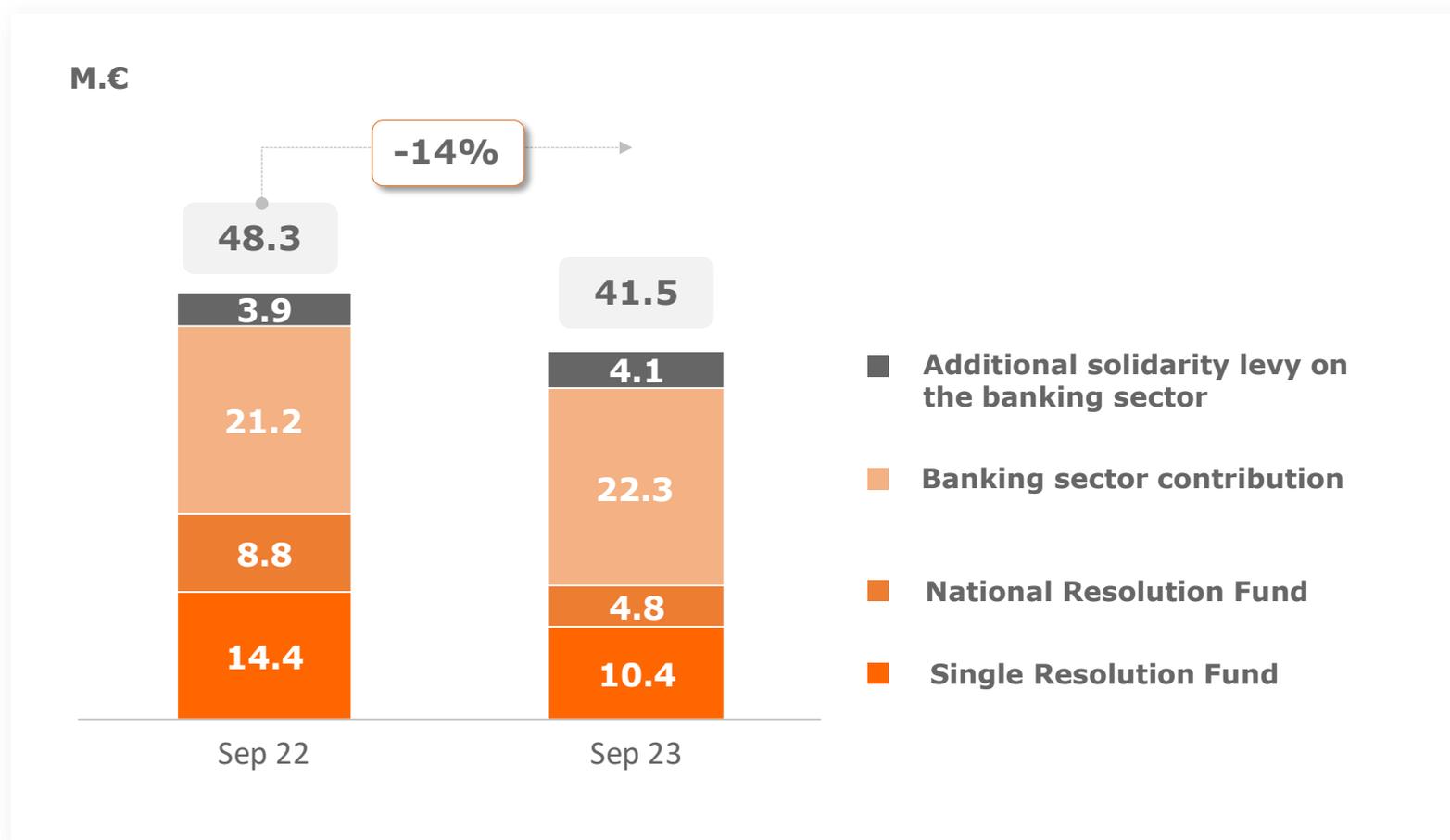
-52 YtD²⁾

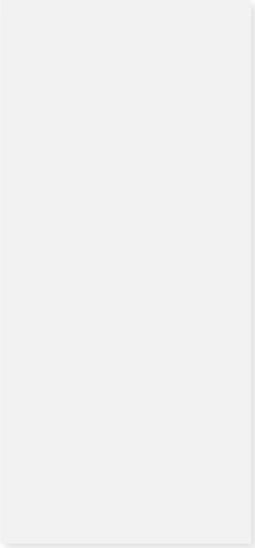
Distribution network³⁾

318

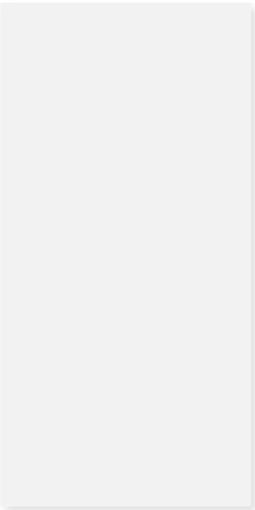
-6 YtD²⁾

REGULATORY COSTS OF 41.5 M.€ IN 2023



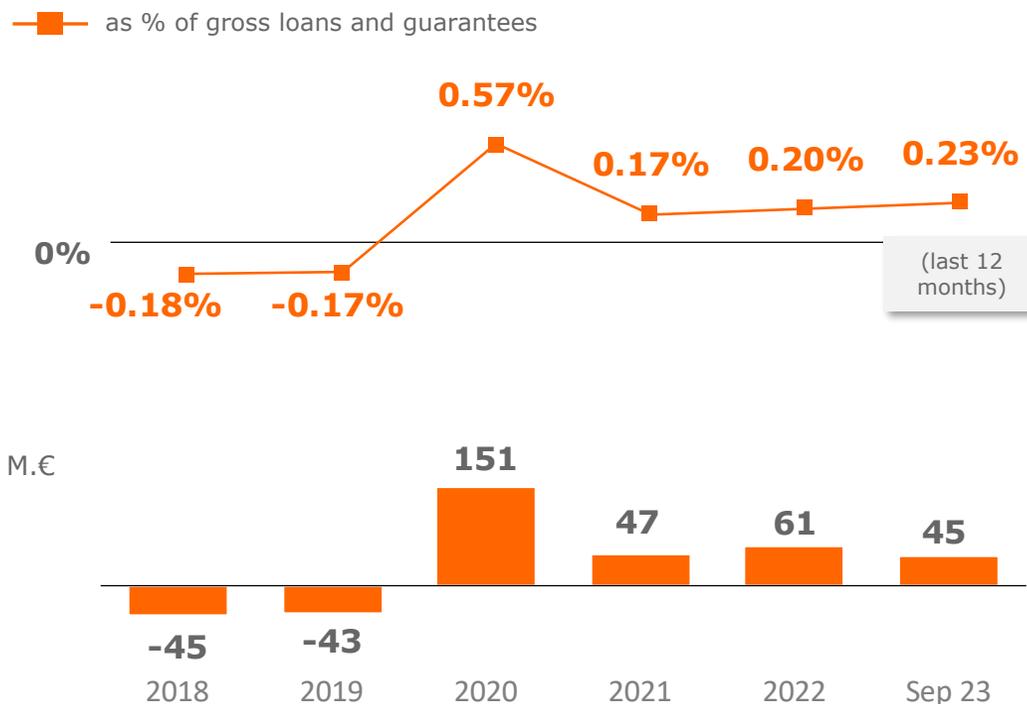


3 Asset Quality



LOW RISK AND HIGH COVERAGE

> Loan impairments net of recoveries

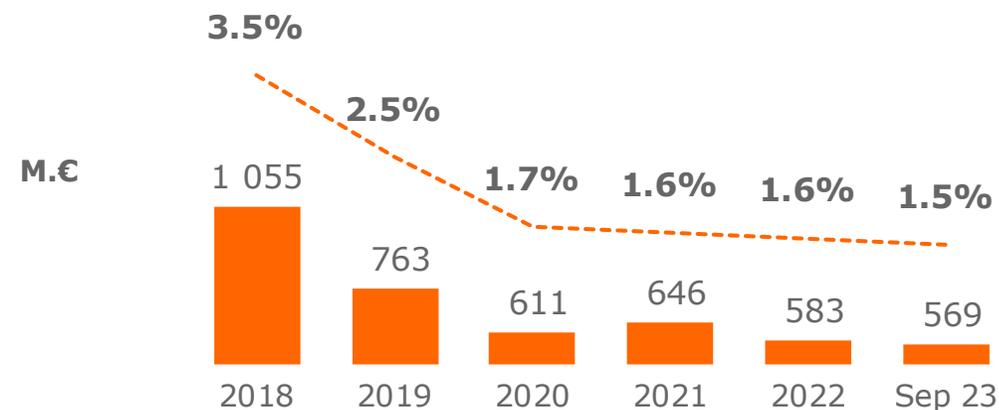


On-balance sheet non-allocated impairments (Sep.23)

28.5 M.€

> Non-Performing Exposures – NPE

(EBA criteria)



Coverage of NPE

| | | | | | | |
|--------------------------------|------|------|------|------|------|-------------|
| by impairments | 53% | 54% | 83% | 84% | 94% | 96% |
| by impairments and collaterals | 127% | 124% | 140% | 149% | 155% | 158% |

NPL Ratio (EBA)

1.9%

Foreclosed properties ¹⁾

1 M.€

Coverage of NPL
(by impairments and collaterals)

160%

Corporate recovery fund ¹⁾
(Fundo de recuperação FCR)

17 M.€

CREDIT RENEGOTIATION

Renegotiation of mortgage loans (DL 80-A/2022)

Up to
30 Sep. 2023

- Amount **414 M.€** 2.8% of total
- # Clients **3.4 th.** 2.1% of total

Real estate received in settlement of defaulting mortgage loans

Entries:

Last 3 years

9M 23

properties

20

-

Book value (net)

Portfolio of real estate received
in settlement of defaulting mortgage loans

30 Sep. 2023

0.7 M.€

Total mortgage loan portfolio

30 Sep. 2023

Amount

14.6 Bn.€

30 Sep. 2023

Number of contracts

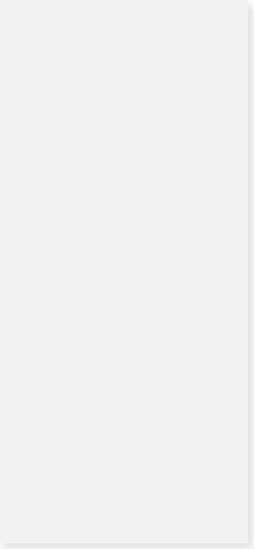
220 th.

Market share

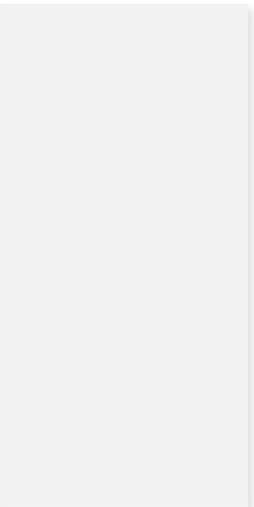
Last 3 years

Market share in
loans origination

17.1%



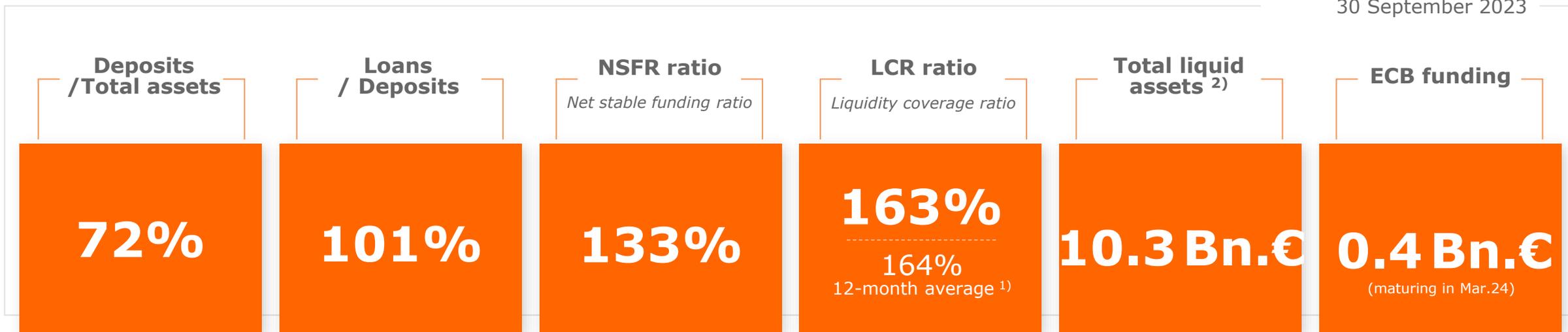
4 Liquidity and Capital



BALANCED FUNDING AND COMFORTABLE LIQUIDITY

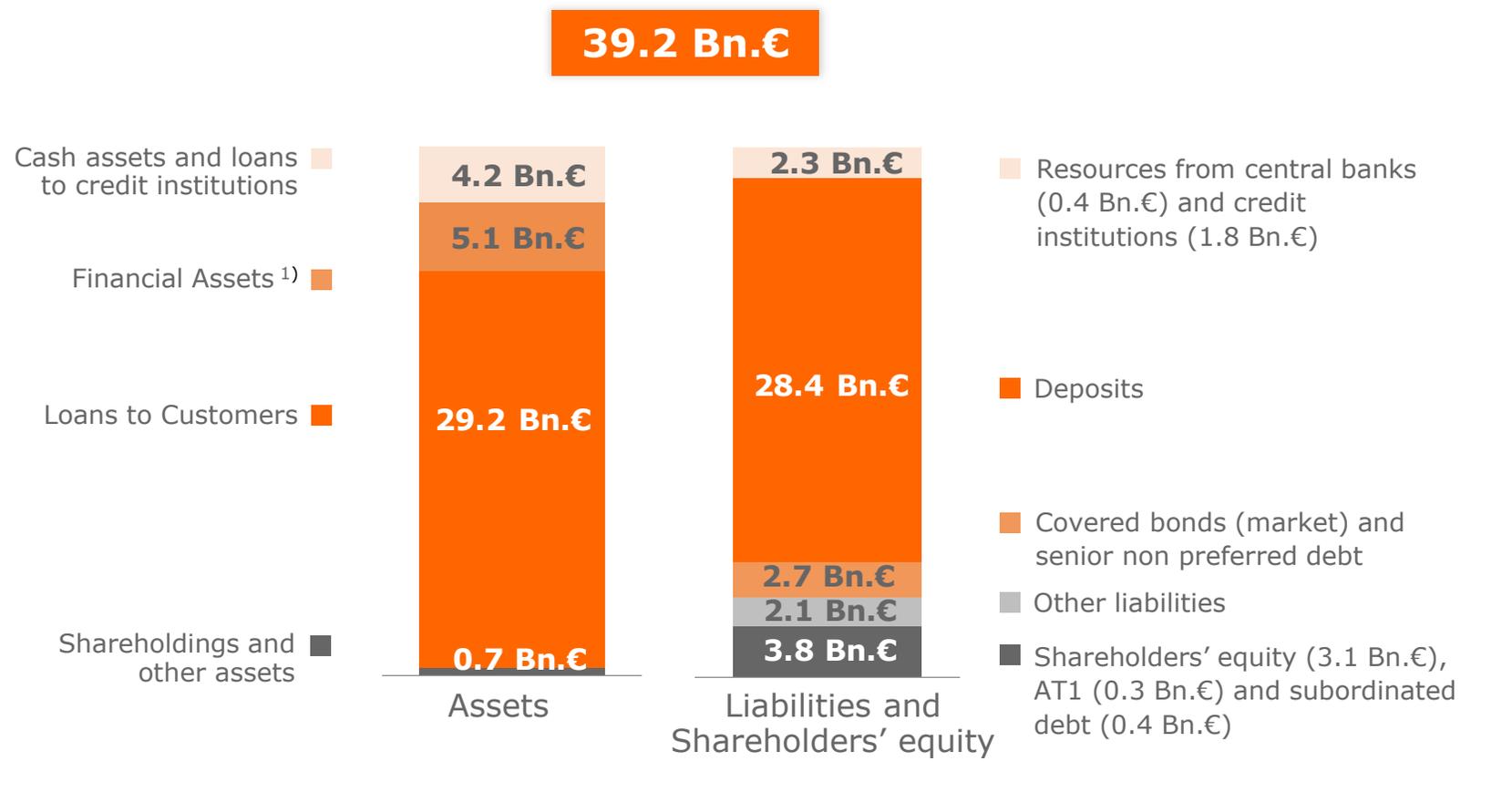
ECB funding of 0.4 Bn.€

30 September 2023



BALANCE SHEET OF THE ACTIVITY IN PORTUGAL

30th September 2023



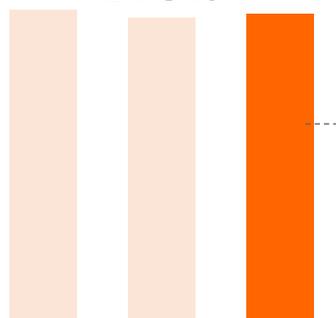
HIGH CAPITALISATION

> Capital ratios

Consolidated (phasing-in)

Common Equity Tier 1

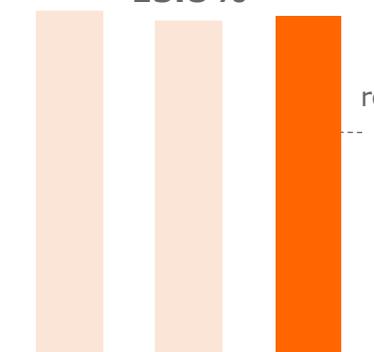
14.8% 14.3% 14.5%



Dec 22 Jun 23 Sep 23

Tier 1

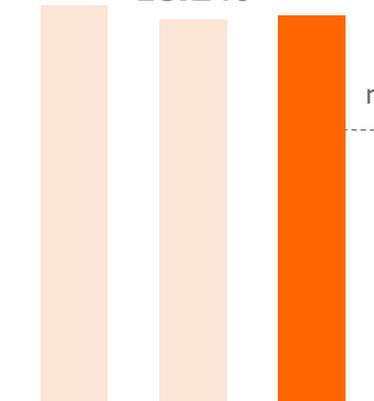
16.4% 15.8% 16.0%



Dec 22 Jun 23 Sep 23

Total Capital

18.9% 18.2% 18.4%



Dec 22 Jun 23 Sep 23

Leverage ratio

7.1%

7.1%

7.3%



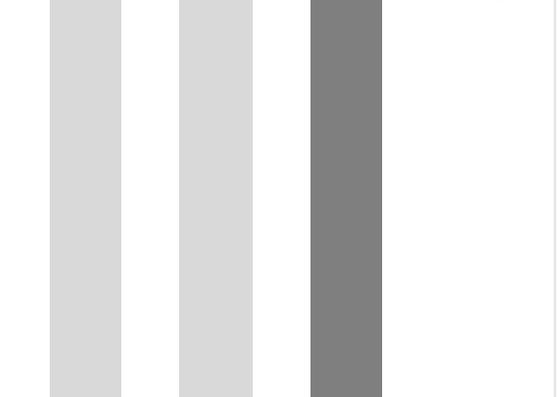
MDA (Maximum Distributable Amount) Buffer

5.5 p.p.

> MREL ratios

as % of RWA

25.6% 24.5% 24.6% MREL requirement 22.43% ≥1 Jan.24



Dec 22 Jun 23 Sep 23 MREL requirement

as % of LRE

11.1%

11.0%

11.1%

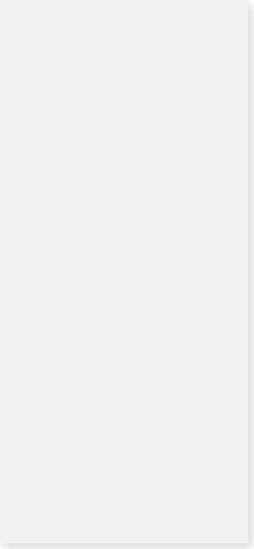
5.91%

ADEQUATELY COVERED PENSIONS

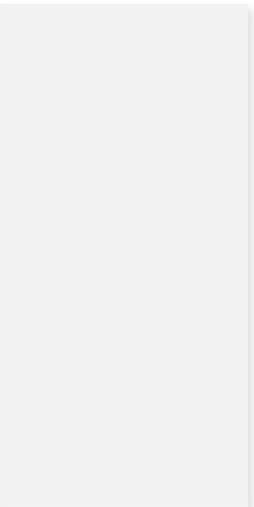
> Employee pension liabilities

| M.€ | Dec 22 | Sep 23 |
|--|-------------|--------------|
| Total past service liability | 1 514 | 1 458 |
| Pension funds net assets | 1 714 | 1 651 |
| Level of coverage of pension liabilities | 113% | 113% |
| Pension fund return (<i>YTD, non-annualised</i>) | -8.7% | -0.6% |
| Discount rate | 3.8% | 4.1% |

| Actuarial deviations (M.€) | | 9M 23 |
|-----------------------------|----------------------------------|------------|
| - | Income from investment portfolio | -58 |
| + | Change in the discount rate | 54 |
| - | ACT wage table update and other | -12 |
| Actuarial deviations | | -16 |



5 Mortgage Covered Bond Programme



NEW COVERED BOND LAW IN PORTUGAL

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

BPI CB Programme converted in Jun 2023 ✓

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

MORTGAGE COVERED BOND PROGRAMME - SUMMARY

| | |
|------------------------------------|--|
| Issuer ¹⁾ | Banco BPI, S.A. |
| Type | Obrigações Cobertas – European Covered Bonds (Premium) |
| Collateral | Portuguese prime residential mortgages |
| Maximum Size | € 9bn |
| Ratings | Aa2 / AA (Moody's / DBRS) |
| Overcollateralisation | 21.0 % as of Sep 23 (Committed 14.0% / Regulatory 5%) |
| Compliance | ECBC Covered Bond Label / UCITS Article 52 / CRR Article 129 |
| LCR Class | Level 1 |
| Risk Weighting | 10% (CRR standardised approach) |
| Cover Pool Monitor | Deloitte & Associados, SROC SA |
| Governing Law ²⁾ | Portuguese Law |
| Listing | Euronext Lisbon |
| Clearing | Interbolsa / Euroclear / Clearstream |

MORTGAGE COVER POOL

30 September 2023

Cover Pool Summary

| Item | Remaining Term (years) | M.€ |
|--|------------------------|----------------|
| | | Nominal Amount |
| Total Cover Pool | 14.5 | 8 774 |
| Mortgage Credit Pool | 14.7 | 8 569 |
| Liquidity Buffer (cash, deposits, eligible securities) | 4.8 | 205 |
| Current overcollateralisation (%) | | 21.0% |
| Committed overcollateralisation (%) | | 14.0% |
| Minimum overcollateralisation (%) ¹ | | 5.00% |

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

Mortgage Cover Pool main statistics

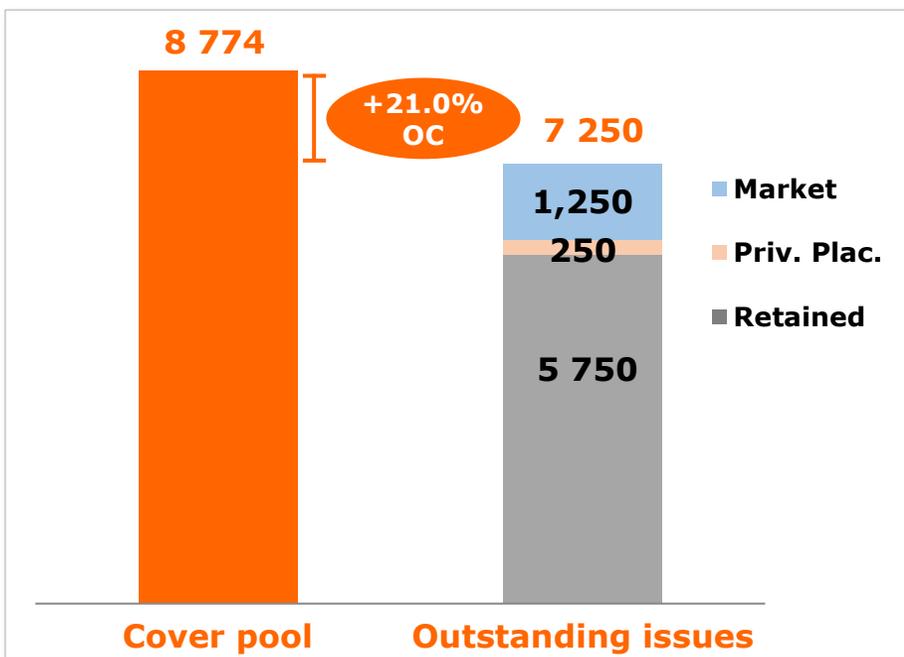
| | | | |
|--------------------------------|----------------------|---------------------------|----------------------|
| Number of Loans | 161 656 loans | Current Principal Balance | 8 569 million |
| Avg. Current Principal Balance | 53.0 thousand | W.A. Original Maturity | 34.0 years |
| W.A. Seasoning | 9.4 years | W.A. Remaining Term | 14.7 years |
| W.A. Original LTV | 71.5 % | W.A. Current LTV | 53.7 % |
| W.A. Interest Rate | 4.37 % | W.A. Spread | 1.09 % |

MORTGAGE COVER POOL AND OUTSTANDING ISSUES

30 September 2023

Cover Pool and Outstanding Issues

Outstanding Issues

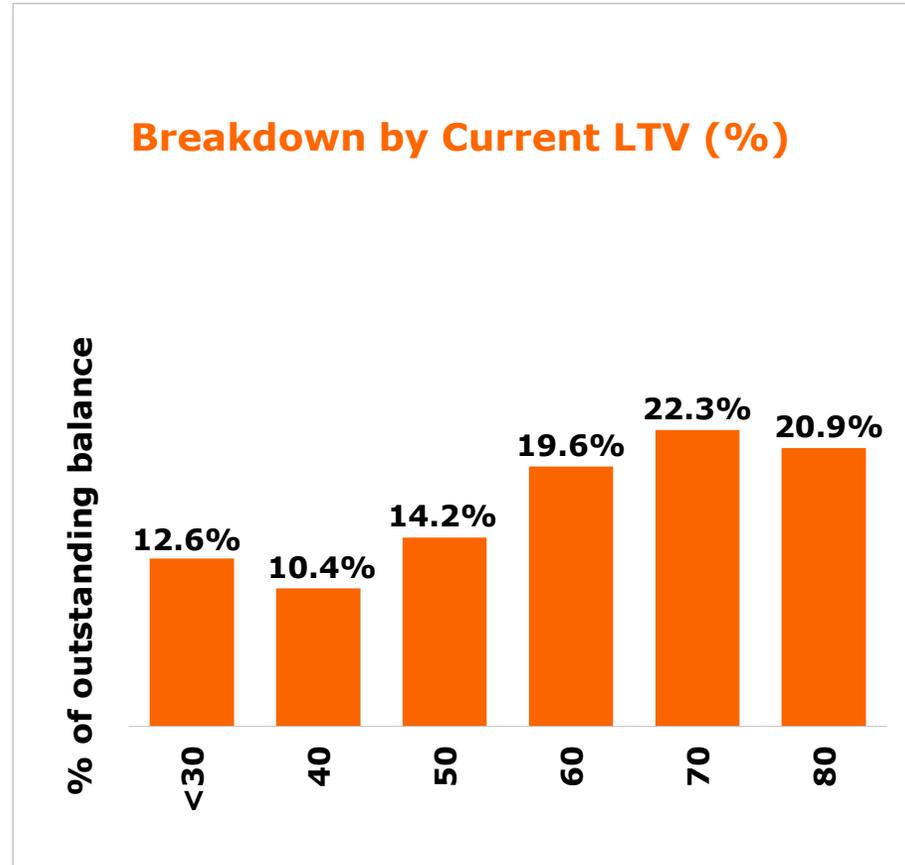


| Outstanding issues | Nominal Amount (M.€) | Coupon type | Issue Date | Maturity Date | Remaining Term (years) |
|----------------------------------|----------------------|-------------|------------|---------------|------------------------|
| Covered Bonds Outstanding | 7 250 | | | | 2.8 |
| Market Issues | 1 250 | | | | 3.0 |
| Series 22 (ISIN PTBPIAOM0026) | 500 | Fixed | 2019-03-22 | 2024-03-22 | 0.5 |
| Series 25 (ISIN PTBPIDOM0031)* | 750 | Fixed | 2023-07-04 | 2028-07-04 | 4.8 |
| Private Placements | 250 | | | | 2.0 |
| Series 20 (ISIN PTBPIYOM0028) | 250 | Floating | 2018-09-26 | 2025-09-26 | 2.0 |
| Retained Issues | 5 750 | | | | 2.8 |
| Series 9 (ISIN PTBBP6OE0023) | 350 | Floating | 2010-05-21 | 2025-05-21 | 1.6 |
| Series 14 (ISIN PTBBRROE0048) | 1 250 | Floating | 2015-03-30 | 2025-03-31 | 1.5 |
| Series 17 (ISIN PTBBBGOE0023) | 700 | Floating | 2017-02-22 | 2024-02-22 | 0.4 |
| Series 23 (ISIN PTBPIHOM0037) | 1 400 | Floating | 2019-12-20 | 2024-12-20 | 1.2 |
| Series 24 (ISIN PTBPIMOM0022) | 2 050 | Floating | 2022-06-08 | 2029-06-08 | 5.7 |

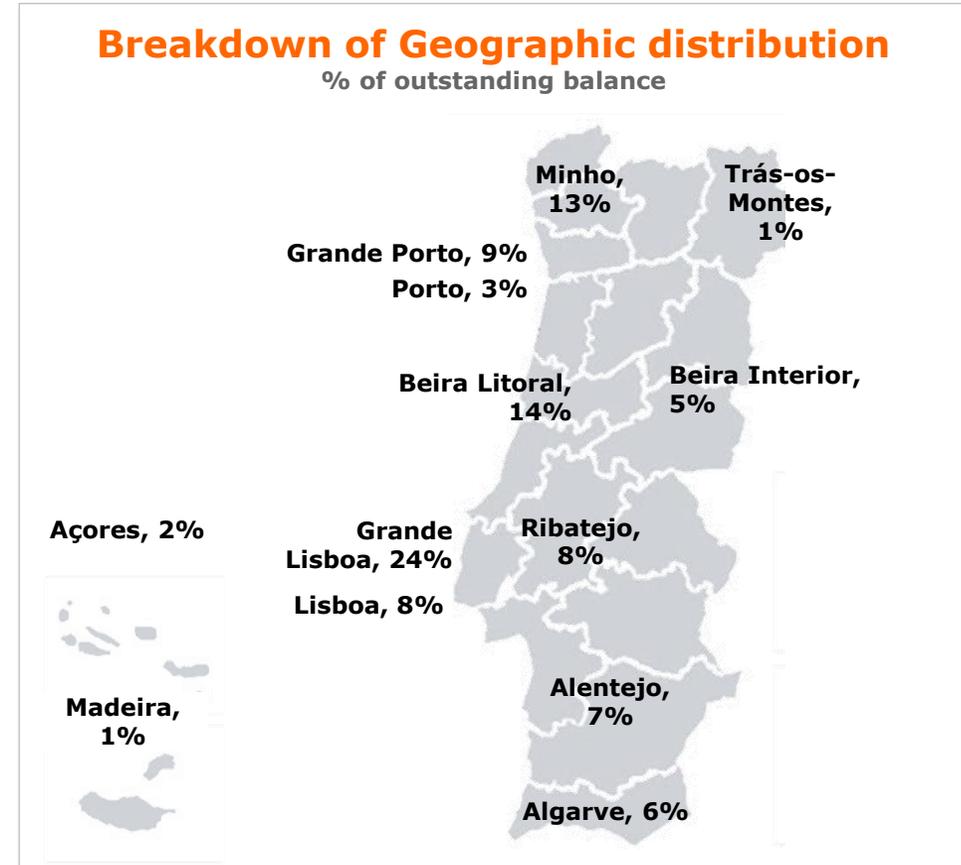
* Proforma including 250M€ Tap fungible effective 02 October 2023

MORTGAGE COVER POOL – MAIN CHARACTERISTICS

30 September 2023



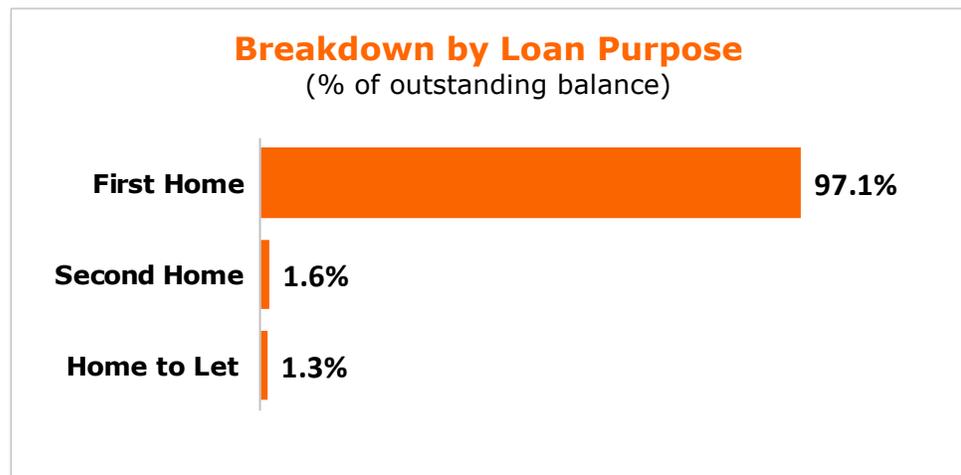
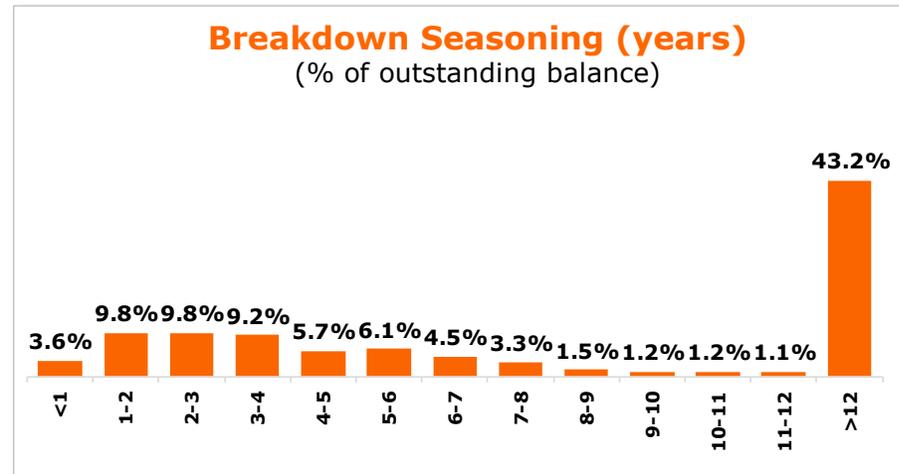
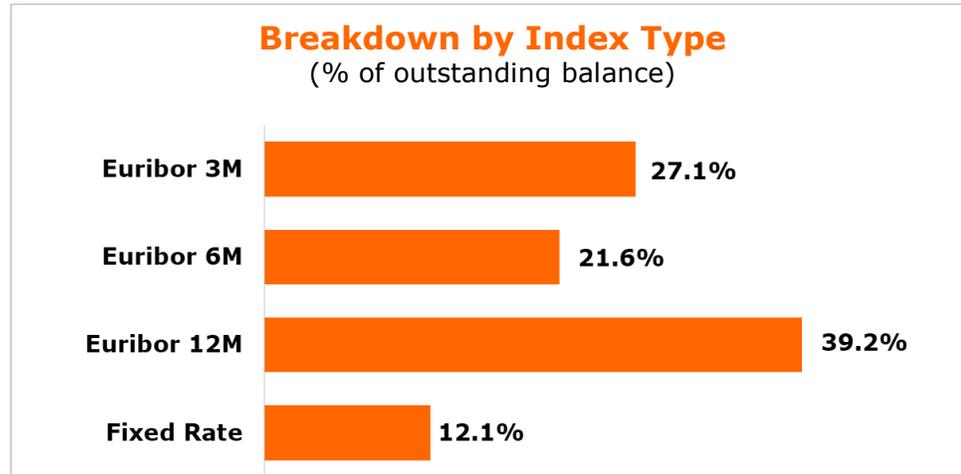
- Low weighted average current LTV of 53.7%



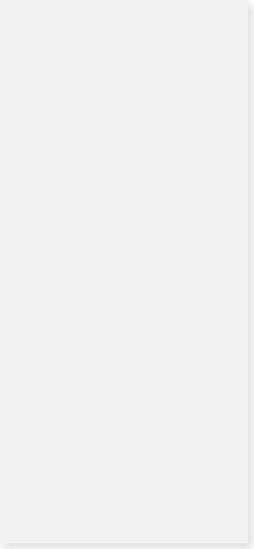
- Geographical exposure in line with Portuguese demographics with more concentration in the large cities along the coast

MORTGAGE COVER POOL – MAIN CHARACTERISTICS

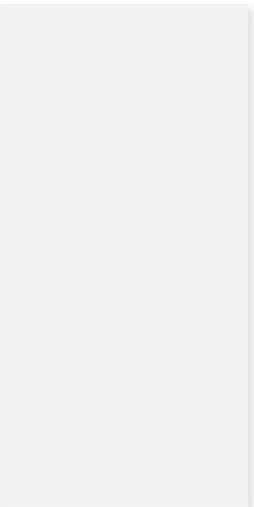
30 September 2023



- Pool mostly floating rate, 88% indexed to Euribor
- Weighted average seasoning of 9.4 years
- First homes represent 97.1% of the pool



Appendices



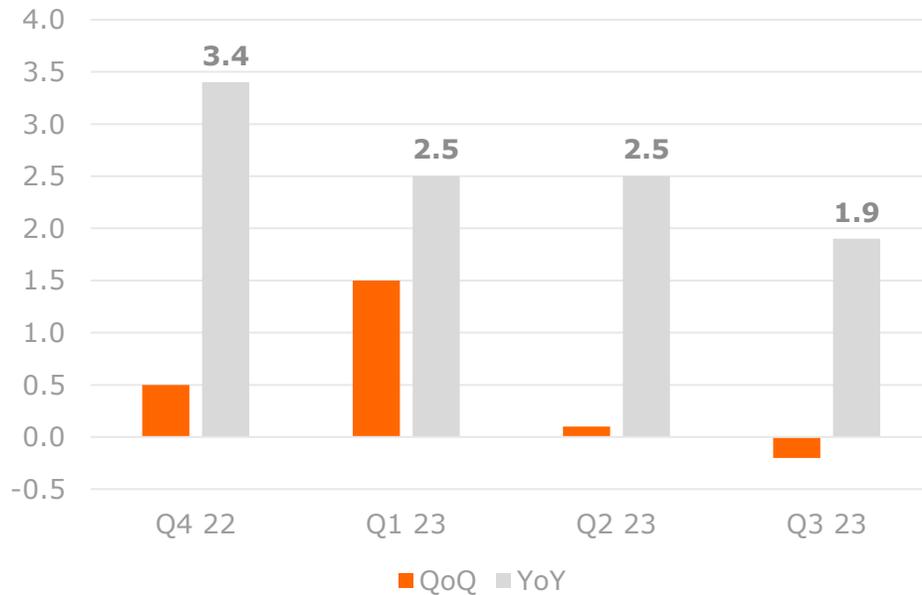
- a. **Macro-economic Data on Portugal**
- b. Ratings
- c. Income Statement and Balance Sheet

PORTUGUESE ECONOMY: CONTRACTION IN Q3 DUE TO WEAKNESS OF FOREIGN DEMAND AND ONE-OFF FACTORS

GDP contracted in Q3 due to negative contribution of foreign demand

GDP: contracted in Q3 (on a quarterly basis)

% qoq, yoy



Source: BPI Research, from INE

2.4% GDP growth expected for 2023

Main economic forecasts

%, YoY

| % , yoy | 2016 - 2022 | | | | | | | Forecasts | |
|---|-------------|-------|-------|-------|-------|-------|-------|-----------|------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| GDP | 2,0 | 3,5 | 2,8 | 2,7 | -8,3 | 5,7 | 6,8 | 2,4 | 1,8 |
| Private Consumption | 2,6 | 2,1 | 2,6 | 3,3 | -7,0 | 4,7 | 5,6 | 0,9 | 0,7 |
| Public Consumption | 0,8 | 0,2 | 0,6 | 2,1 | 0,4 | 4,5 | 1,4 | 1,2 | 1,3 |
| Gross Fixed Capital Formation (GFCF) | 2,5 | 11,5 | 6,2 | 5,4 | -2,2 | 8,1 | 3,0 | 1,3 | 5,0 |
| Exports | 4,4 | 8,4 | 4,1 | 4,1 | -18,8 | 12,3 | 17,4 | 5,5 | 2,7 |
| Imports | 5,0 | 8,1 | 5,0 | 4,9 | -11,8 | 12,3 | 11,1 | 1,6 | 2,5 |
| Unemployment rate | 11,4 | 9,2 | 7,2 | 6,6 | 7,0 | 6,6 | 6,0 | 6,6 | 6,5 |
| CPI (average) | 0,6 | 1,4 | 1,0 | 0,3 | 0,0 | 1,3 | 7,8 | 4,6 | 2,4 |
| External current account balance (% GDP) | 1,2 | 1,3 | 0,6 | 0,4 | -1,2 | -0,8 | -1,4 | 1,2 | 1,2 |
| General Government Balance (% GDP) | -1,9 | -3,0 | -0,3 | 0,1 | -5,8 | -2,9 | -0,3 | 0,7 | 0,4 |
| General government debt (% GDP) | 131,5 | 126,1 | 121,5 | 116,6 | 134,9 | 125,5 | 112,4 | 103,0 | 98,6 |
| Risk premium (PT-Bund) (average) | 307 | 269 | 138 | 98 | 89 | 60 | 97 | 83 | 87 |

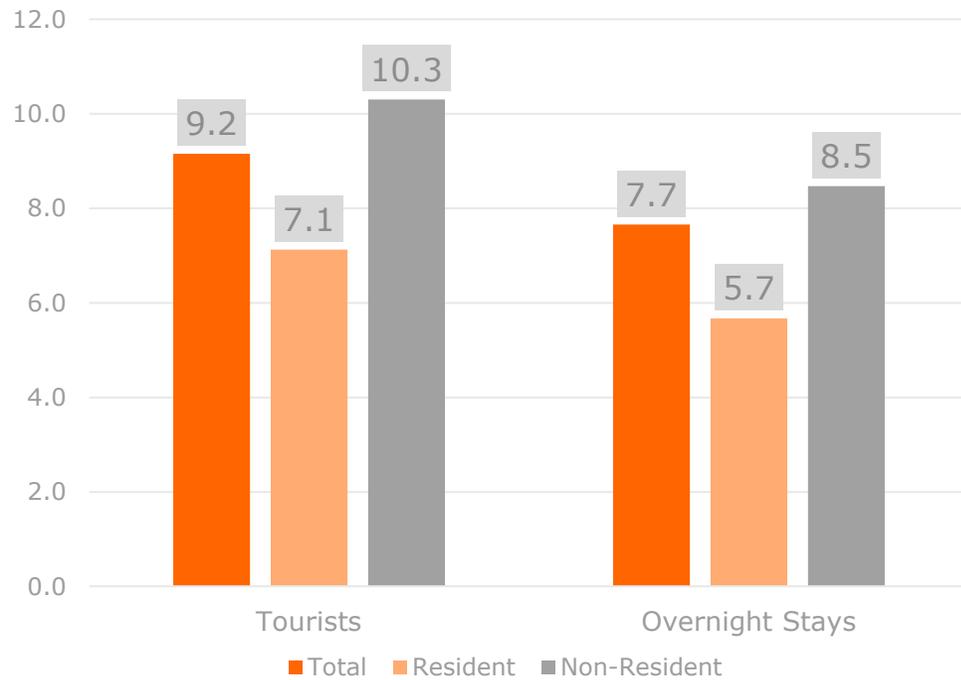
Source: BPI Research

TOURISM: KEEPING UP THE GOOD TREND

Tourists >10% above Sep 2019 levels

Tourists & Overnight stays: Sep 2023 vs Sep 2019

Change (%)



Source: BPI Research, using data from INE

Non-Resident tourists supporting growth

Tourists & Overnight stays: Sep 2023 vs Sep 2022

Change (%)

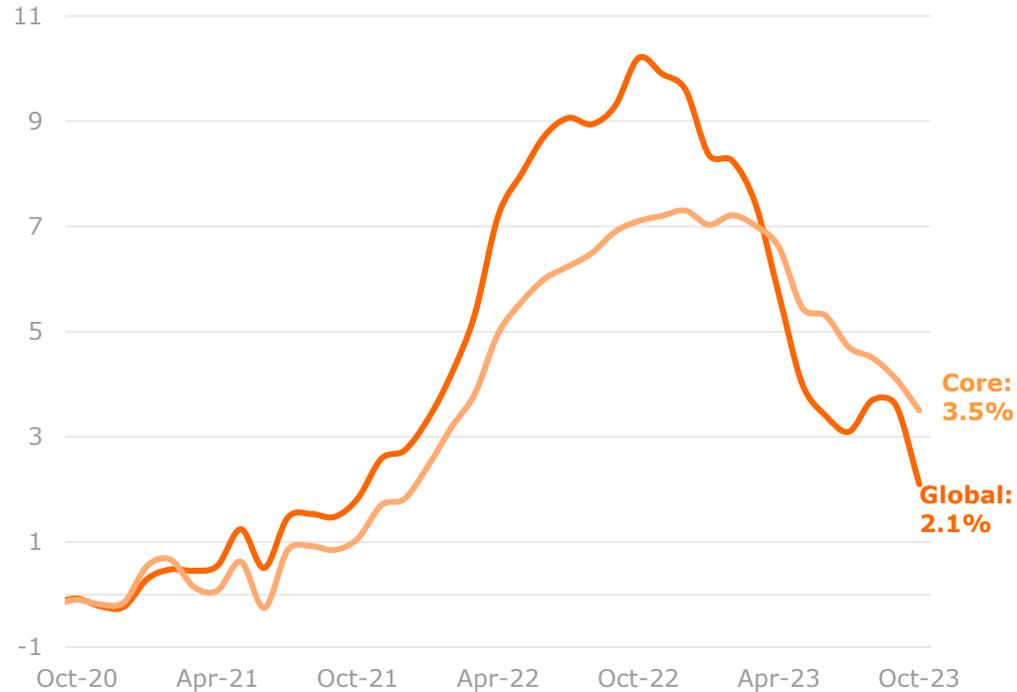


Source: BPI Research, using data from INE

INFLATION: STRONG DOWNWARD TREND IN OCTOBER

Global inflation 2.1% in October

Portugal CPI: Global & Core
Year-on-year (%)



Source: BPI Research, using data from INE

Desinflation dynamics

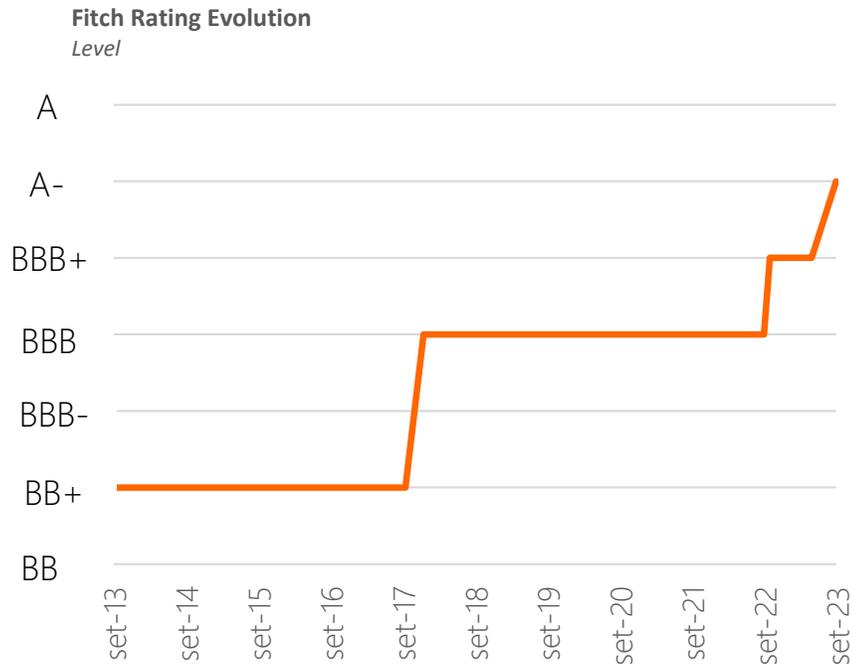
CPI: Monthly dynamics
Month-on-month (%)

| Aggregate | Monthly Change (%) | | |
|------------------------|--------------------|--------|-----------------------------|
| | Sep-23 | Oct-23 | October average (2015-2019) |
| Global CPI | 1,09 | -0,17 | 0,14 |
| Core CPI | 1,15 | 0,04 | 0,13 |
| Energy CPI | 1,74 | -2,10 | 0,29 |
| Non Processed food CPI | 0,24 | -0,28 | 0,04 |

Source: BPI Research, using data from INE

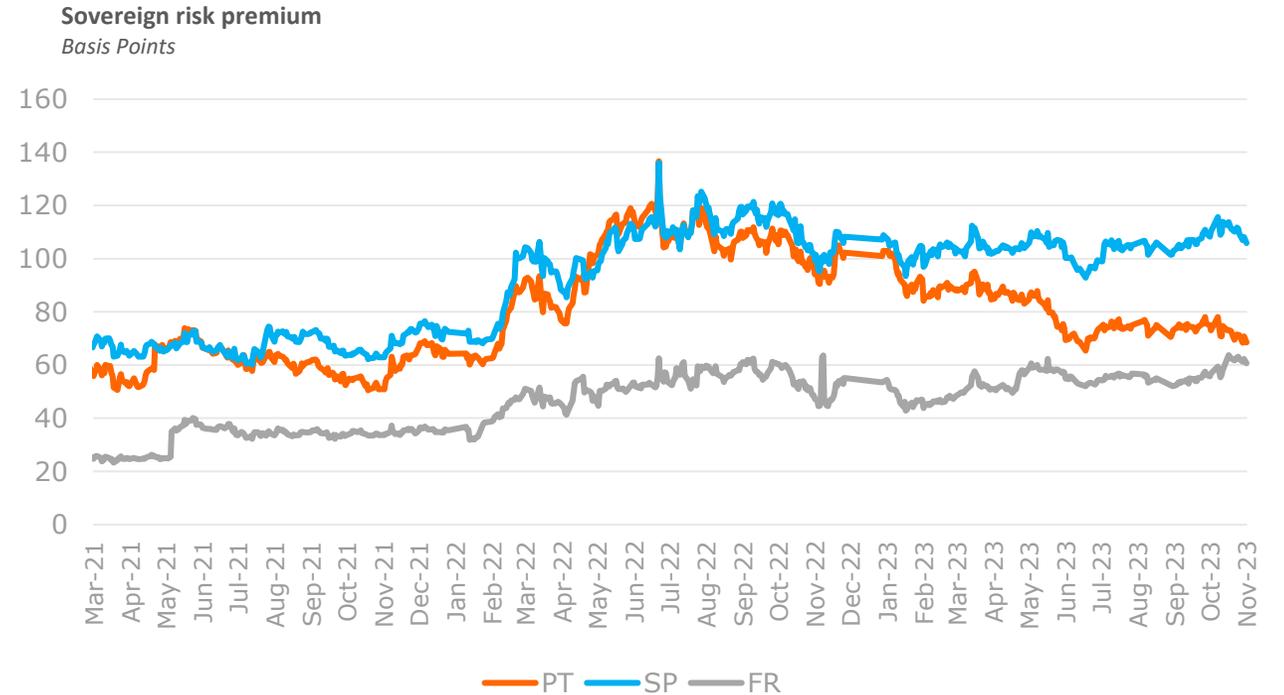
PUBLIC ACCOUNTS: COMMITMENT WITH FISCAL CONSOLIDATION PUSHES SOVEREIGN RATING UP

Fitch upgraded Portugal to A-



Source: BPI Research, from Fitch Ratings

Reduction of Sovereign Risk Premium

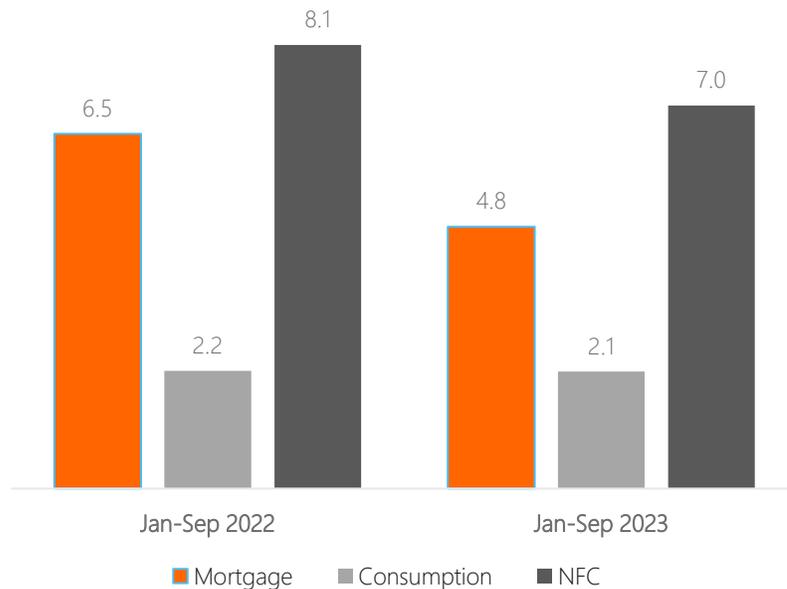


Source: BPI Research, from Refinitiv

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

Declining new lending activity, although absolute amount of new mortgages remain historically high

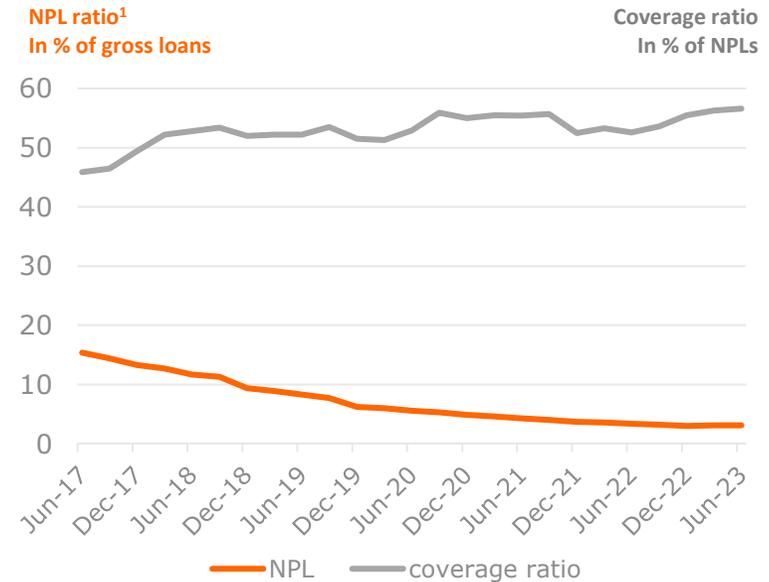
New lending activity by sector
Accumulated in the year (B€)



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

NPLs downwards trend

NPLs and coverage ratios



Cost of risk¹
0.5% in 2019
0.5% in Q2 2023

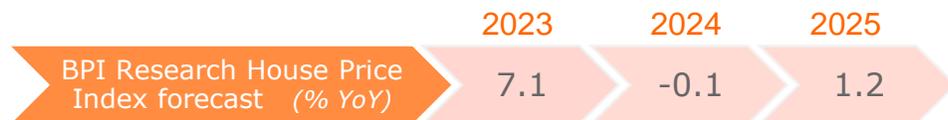
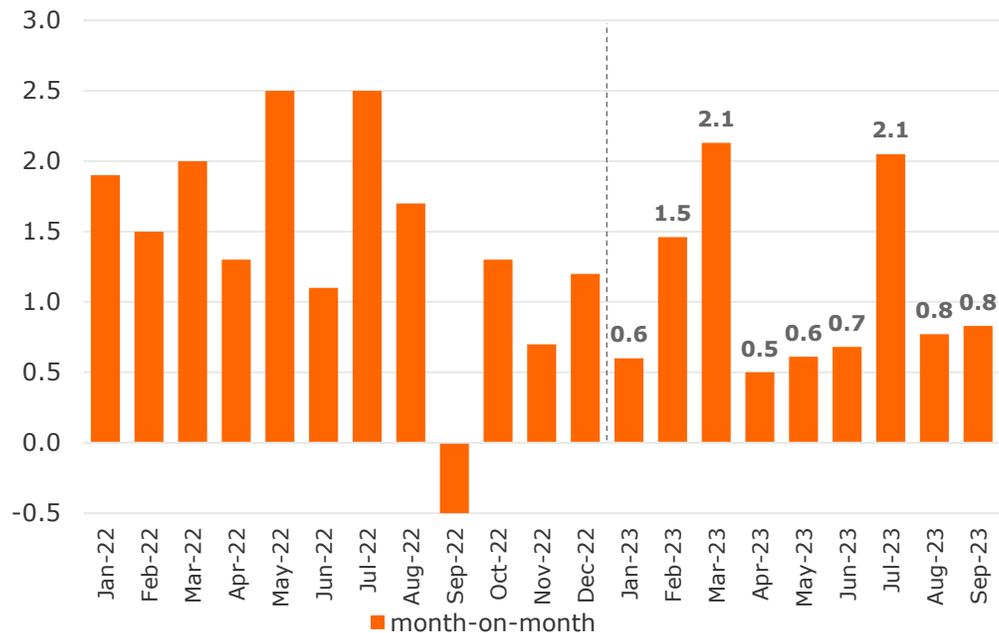
Notes (1) Flow of impairments to credit as a percentage of total gross
Source: Bank of Portugal

HOUSING MARKET: POSITIVE PRICE MOVEMENTS

House prices grew 12.6% in 2022 (INE data) and are still resilient in 2023

House Price Index (Confidencial Imobiliário)

Month-on-month (%)

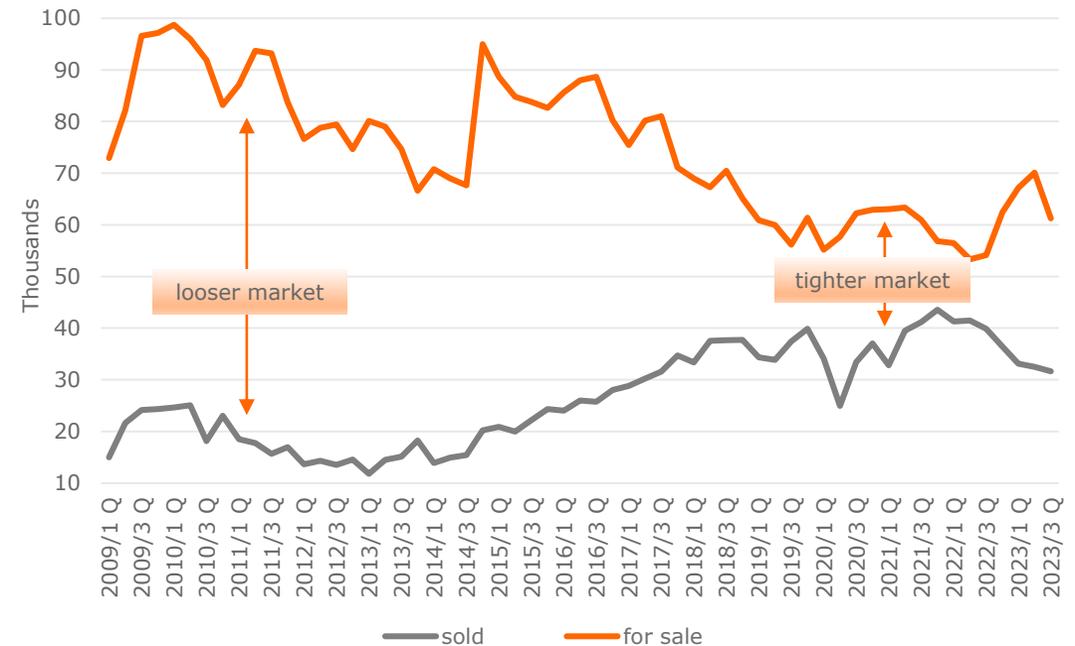


Source: BPI Research, using data from Confidencial Imobiliário

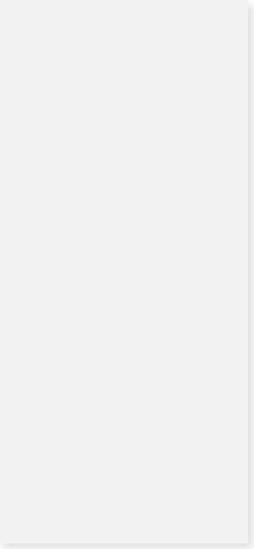
Lack of supply supporting prices

Sold houses vs houses for sale

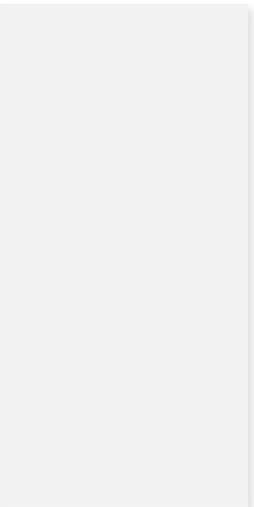
Number of houses



Source: BPI Research, using data from Confidencial Imobiliário



Appendices



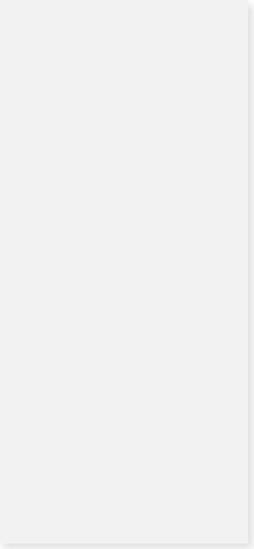
- a. Macro-economic Data on Portugal
- b. Ratings**
- c. Income Statement and Balance Sheet

On 25th October 2023

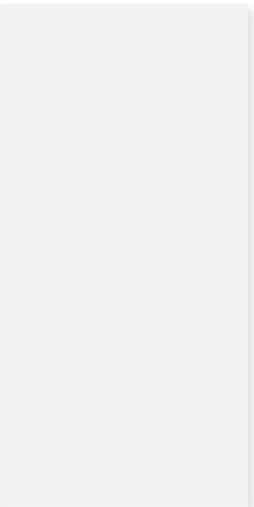
BPI RATINGS VS. PEERS

| | S&P Global (Long Term Debt/ Issuer Credit Rating) | MOODY'S (Long Term Debt/ Issuer rating) | FitchRatings (Issuer Default Rating) | DBRS (Long-Term Debt/ Issuer Rating) |
|-------------------------|--|--|---|---|
| Investment Grade | ...AA+ e AAA | ...Aa1, e Aaa | ...AA, AA+ e AAA | ...AA, AA (high), AAA |
| | AA | Aa2 Mortgage bonds | AA | AA Mortgage bonds |
| | AA- | Aa3 | AA- | AA (low) |
| | A+ | A1 | A+ | A (high) |
| | A | A2 | A | A Bank 1 |
| | A- | A3 Deposits | A- Bank 1 Deposits Senior debt | A (low) |
| | BBB+ Bank 1 | Baa1 Bank 1 | BBB+ | BBB (high) Bank 3 |
| | BBB | Baa2 Bank 3 | BBB Bank 3 | BBB |
| | BBB- | Baa3 Bank 2 | BBB- Bank 2 | BBB (low) Bank 2 |
| | Non-Investment grade | BB+ | Ba1 | BB+ |
| BB | | Ba2 | BB | BB |
| BB- | | Ba3 Bank 5 | BB- | BB (low) Bank 5 |
| B+ | | B1 Bank 4 | B+ Bank 4 | B (high) Bank 4 |
| B | | B2 | B | B |
| B- | | B3 | B- | B (low) |
| CCC+ | | Caa1 | CCC+ | CCC (high) |
| CCC | | Caa2 | CCC | CCC |

Moody's (26 May 23) upgraded BPI and its senior debt to **Baa1**, with a Stable outlook. Reaffirmed its A3 deposit rating, with a Positive outlook.
 Fitch Ratings (30 Jun.23) upgraded BPI's rating to **BBB+**, with a Stable Outlook, and its **senior debt and deposit ratings to A-**.
 DBRS (4 Jul.23) upgraded BPI's mortgage covered bond rating to **AA**.



Appendices



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

INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL

| In M.€ | Sep 22 | Sep 23 | Δ% |
|--|-----------------------|---------------|-------------|
| | restated ¹ | | |
| Net interest income | 373.5 | 688.4 | 84% |
| Dividend income | 4.0 | 2.0 | - |
| Equity accounted income | 20.7 | 15.2 | -27% |
| Net fee and commission income | 219.1 | 218.4 | 0% |
| Gains/(losses) on financial assets and liabilities and other | 27.9 | 18.7 | -33% |
| Other operating income and expenses | -43.1 | -40.6 | 6% |
| Gross income | 602.1 | 902.0 | 50% |
| Staff expenses | -172.0 | -183.9 | 7% |
| Other administrative expenses | -112.9 | -139.0 | 23% |
| Depreciation and amortisation | -49.9 | -52.6 | 5% |
| Recurring operating expenses | -334.8 | -375.4 | 12% |
| Non-recurrent costs | -5.7 | -21.2 | |
| Operating expenses | -340.5 | -396.6 | 16% |
| Net operating income | 261.6 | 505.4 | 93% |
| Impairment losses and other provisions | -35.5 | -46.7 | 31% |
| Gains and losses in other assets | 0.4 | 8.9 | - |
| Net income before income tax | 226.4 | 467.6 | 106% |
| Income tax | -64.3 | -143.5 | 123% |
| Net income | 162.2 | 324.1 | 100% |

CONSOLIDATED INCOME STATEMENT

| In M.€ | Sep 22 restated ¹ | Sep 23 | Δ% |
|--|---------------------------------|---------------|------------|
| Net interest income | 382.7 | 693.4 | 81% |
| Dividend income | 91.3 | 74.5 | -18% |
| Equity accounted income | 46.6 | 40.8 | -12% |
| Net fee and commission income | 219.1 | 218.4 | 0% |
| Gains/(losses) on financial assets and liabilities and other | 50.6 | -21.1 | -142% |
| Other operating income and expenses | -50.1 | -46.5 | 7% |
| Gross income | 740.2 | 959.6 | 30% |
| Staff expenses | -177.7 | -203.8 | 15% |
| <i>Of which: Recurrent staff expenses</i> | -172.0 | -183.9 | 7% |
| <i>Non-recurrent costs</i> | -5.7 | -19.9 | |
| Other administrative expenses | -112.9 | -140.2 | 24% |
| Depreciation and amortisation | -49.9 | -52.6 | 5% |
| Operating expenses | -340.5 | -396.6 | 16% |
| Net operating income | 399.7 | 563.0 | 41% |
| Impairment losses and other provisions | -35.5 | -47.0 | 32% |
| Gains and losses in other assets | 0.4 | 8.9 | - |
| Net income before income tax | 364.6 | 524.9 | 44% |
| Income tax | -75.2 | -134.4 | 79% |
| Net income | 289.4 | 390.4 | 35% |

CONSOLIDATED BALANCE SHEET

| In M.€ | Dec 22 restated ¹ | Sep 23 |
|--|---------------------------------|---------------|
| ASSETS | | |
| Cash and cash balances at central banks and other demand deposits | 2,466 | 2,167 |
| Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income | 1,613 | 1,510 |
| Financial assets at amortised cost | 33,753 | 35,164 |
| Of which: Loans to Customers | 28,630 | 29,225 |
| Investments in joint ventures and associates | 278 | 206 |
| Tangible assets | 198 | 177 |
| Intangible assets | 108 | 101 |
| Tax assets | 184 | 178 |
| Non-current assets and disposal groups classified as held for sale | 26 | 14 |
| Other assets | 288 | 232 |
| Total assets | 38,914 | 39,750 |
| LIABILITIES | | |
| Financial liabilities held for trading | 87 | 79 |
| Financial liabilities at amortised cost | 34,436 | 35,113 |
| Deposits - Central Banks and Credit Institutions | 1,494 | 2,288 |
| Deposits - Customers | 30,326 | 29,498 |
| Debt securities issued | 2,339 | 3,093 |
| Of which: subordinated liabilities | 431 | 427 |
| Other financial liabilities | 276 | 234 |
| Provisions | 49 | 48 |
| Tax liabilities | 125 | 208 |
| Other liabilities | 343 | 455 |
| Total Liabilities | 35,040 | 35,904 |
| Shareholders' equity attributable to the shareholders of BPI | 3,874 | 3,847 |
| Non controlling interests | 0 | 0 |
| Total Shareholders' equity | 3,874 | 3,847 |
| Total liabilities and Shareholders' equity | 38,914 | 39,750 |

CONSOLIDATED BALANCE SHEET

| In M.€ | Dec 22 restated ¹ | Jun 23 |
|--|---------------------------------|---------------|
| ASSETS | | |
| Cash and cash balances at central banks and other demand deposits | 2 466 | 2 519 |
| Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income | 1 613 | 1 536 |
| Financial assets at amortised cost | 33 753 | 34 954 |
| Of which: Loans to Customers | 28 630 | 29 237 |
| Investments in joint ventures and associates | 278 | 188 |
| Tangible assets | 198 | 186 |
| Intangible assets | 108 | 102 |
| Tax assets | 184 | 159 |
| Non-current assets and disposal groups classified as held for sale | 26 | 52 |
| Other assets | 288 | 235 |
| Total assets | 38 914 | 39 932 |
| LIABILITIES | | |
| Financial liabilities held for trading | 87 | 84 |
| Financial liabilities at amortised cost | 34 436 | 35 391 |
| Deposits - Central Banks and Credit Institutions | 1 494 | 3 055 |
| Deposits - Customers | 30 326 | 29 734 |
| Debt securities issued | 2 339 | 2 344 |
| Of which: subordinated liabilities | 431 | 434 |
| Other financial liabilities | 276 | 259 |
| Provisions | 49 | 49 |
| Tax liabilities | 125 | 155 |
| Other liabilities | 343 | 514 |
| Total Liabilities | 35 040 | 36 193 |
| Shareholders' equity attributable to the shareholders of BPI | 3 874 | 3 739 |
| Non controlling interests | 0 | 0 |
| Total Shareholders' equity | 3 874 | 3 739 |
| Total liabilities and Shareholders' equity | 38 914 | 39 932 |

CONSOLIDATED INDICATORS

Profitability, Efficiency and Liquidity Indicators

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

| | Sep 22 ¹⁾ | Sep 23 |
|--|----------------------|--------|
| Gross income / ATA | 2.3% | 3.3% |
| Net income before income tax and income attributable to non-controlling interests / ATA | 1.1% | 1.8% |
| Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests) | 12.8% | 18.3% |
| Staff expenses / Gross income ²⁾ | 23.2% | 19.2% |
| Operating expenses / Gross income ²⁾ | 45.2% | 39.1% |
| Loans (net) to deposits ratio | 94% | 103% |

NPE ratio and forbore (according to the EBA criteria)

| | Sep 22 | Sep 23 |
|--|--------|--------|
| Non-performing exposures - NPE (M.€) | 576 | 569 |
| NPE ratio | 1.4% | 1.5% |
| NPE coverage by impairments | 90% | 96% |
| NPE coverage by impairments and collaterals | 153% | 158% |
| Ratio of forbore not included in NPE ³⁾ | 0.3% | 1.3% |

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

| | Sep 22 | Sep 23 |
|--|--------|--------|
| "Crédito duvidoso" (M.€) ⁴⁾ | 621 | 556 |
| "Crédito duvidoso" ratio | 2.0% | 1.7% |
| "Crédito duvidoso" coverage by impairments | 84% | 99% |
| "Crédito duvidoso" coverage by impairments and collaterals | 142% | 159% |

1) Restated for the impacts on the equity stakes in insurance companies from the adoption of IFRS17 that became effective at the beginning of 2023.

2) Excluding early-retirement costs.

3) Forborne according to EBA criteria. On September 2023, the forbore was 786 M.€ (forborne ratio of 1.9%), of which 545 M.€ was performing loans (1.3% of the gross credit exposure) and 241 M.€ was included in NPE (0.6% of the gross credit exposure).

4) Includes guarantees provided (recorded off-balance sheet).

RECONCILIATION BETWEEN BPI REPORTED FIGURES AND BPI SEGMENT CONTRIBUTION TO CAIXABANK GROUP

Profit & loss account

| Sep 23 (M.€) | As reported by BPI | Adjustments ¹⁾ | BPI contribution to CABK Group | Business segment | |
|---|--------------------|---------------------------|--------------------------------|------------------|------------------|
| | | | | BPI | Corporate Center |
| Net interest income | 693 | (3) | 691 | 679 | 12 |
| Dividends | 75 | 0 | 75 | 2 | 73 |
| Equity accounted income | 41 | (0) | 41 | 15 | 26 |
| Net fees and commissions | 218 | 0 | 218 | 218 | |
| Trading income | (21) | 3 | (18) | 21 | (40) |
| Other operating income & expenses | (46) | 2 | (45) | (39) | (6) |
| Gross income | 960 | 2 | 962 | 897 | 65 |
| Operating expenses | (375) | (7) | (382) | (382) | |
| Extraordinary operating expenses | (21) | 21 | | | |
| Pre-impairment income | 563 | 17 | 580 | 515 | 65 |
| [Pre-impairment income without extraordinary expenses] | 584 | (5) | 580 | 515 | 65 |
| Impairment losses on financial assets | (46) | 0 | (45) | (45) | |
| Other impairments and provisions | (1) | (19) | (20) | (20) | |
| Gains/losses on disposals & others | 9 | (9) | (0) | (0) | (0) |
| Pre-tax income | 525 | (11) | 513 | 448 | 65 |
| Income tax | (134) | 1 | (134) | (140) | 7 |
| Profit for the period | 390 | (11) | 380 | 308 | 72 |
| Minority interests & other | | | | | |
| Net income | 390 | (11) | 380 | 308 | 72 |

Loan portfolio & customer resources

| September 2023 (M.€) | As reported by BPI | Adjustments | BPI contribution to CABK Group (BPI segment) |
|--------------------------------------|--------------------|-------------|--|
| Loans and advances to customers, net | 29 225 | (86) | 29 139 |
| Total customer funds | 37 004 | (4 219) | 32 785 |

> Profit & loss account

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

Additionally, BPI contribution to CaixaBank Group results is broken down into BPI segment and Corporate Center segment, the latter including the contributions from BFA and BCI.

> Loan portfolio & customer funds

The difference between BPI reported figures and those reported by CaixaBank for the BPI segment can largely be explained by:

- In **loans and advances to customers, net**, by the fair value adjustments generated by the business combination at 30 September 2023 and consolidation adjustments (elimination of intra-group balances);
- In **total customer funds**, by the liabilities under insurance contracts and their fair value adjustments at 30 September 2023, as generated by the business combination, which have been reported in the banking and insurance business segment of CaixaBank following the sale of BPI Vida to VidaCaixa de Seguros y Reaseguros.

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of the profit & loss account structure

- The European Securities and Markets Authority (ESMA) published on 5th October 2015 a set of **guidelines relating to the disclosure of Alternative Performance Measures** by entities (ESMA/2015/1415). These guidelines are mandatory to issuers with effect from 3rd July 2016.
- In addition to the financial information prepared in accordance with the International Financial Reporting Standards (IFRS), **BPI uses a set of indicators for the analysis of performance and financial position, which are classified as Alternative Performance Measures**, in accordance with the abovementioned ESMA guidelines. The information relating to those indicators has already been object of disclosure, as required by ESMA guidelines.
- In the current presentation, the information previously disclosed is included by way of cross-reference and **a summarized list of the Alternative Performance Measures** is presented next.

The following table shows, for the consolidated profit & loss account, the reconciliation of the structure used in this document (Results' Presentation) with the structure adopted in the financial statements and respective notes of the Report and Accounts.

Adopted acronyms and designations

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

Units, conventional sings and abbreviations

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

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of the consolidated profit & loss account structure

| Structure used in the Results' Presentation | Sep 23 | Sep 23 | Structure presented in the financial statements and respective notes |
|--|---------------|---------------|--|
| Net interest income | 693.4 | 693.4 | Net interest income |
| Dividend income | 74.5 | 74.5 | Dividend income |
| Equity accounted income | 40.8 | 40.8 | Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method |
| Net fee and commission income | 218.4 | 239.4 | Fee and commission income |
| | | -21.0 | Fee and commission expenses |
| Gains/(losses) on financial assets and liabilities and other | -21.1 | -0.2 | Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net |
| | | 6.3 | Gains or (-) losses on financial assets and liabilities held for trading, net |
| | | -1.8 | Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net |
| | | 4.3 | Gains or (-) losses from hedge accounting, net |
| | | -29.8 | Exchange differences [gain or (-) loss], net |
| Other operating income and expenses | -46.5 | 12.6 | Other operating income |
| | | -59.0 | Other operating expenses |
| Gross income | 959.6 | 959.6 | GROSS INCOME |
| Staff expenses | -203.8 | -203.8 | Staff expenses |
| Other administrative expenses | -140.2 | -140.2 | Other administrative expenses |
| Depreciation and amortisation | -52.6 | -52.6 | Depreciation |
| Operating expenses | -396.6 | -396.6 | Administrative expenses and depreciation |
| Net operating income | 563.0 | 563.0 | |
| Impairment losses and other provisions | -47.0 | -1.6 | Provisions or (-) reversal of provisions |
| | | -45.4 | Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss |
| Gains and losses in other assets | 8.9 | -1.6 | Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates |
| | | | Impairment or (-) reversal of impairment on non-financial assets |
| | | 0.1 | Gains or (-) losses on derecognition of non financial assets, net |
| | | 1.9 | Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations |
| Net income before income tax | 524.9 | 524.9 | PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS |
| Income tax | -134.4 | -134.4 | Tax expense or income related to profit or loss from continuing operations |
| Net income from continuing operations | 390.4 | 390.4 | PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS |
| Net income from discontinued operations | | | Profit or (-) loss after tax from discontinued operations |
| Income attributable to non-controlling interests | | | Profit or (-) loss for the period attributable to non-controlling interests |
| Net income | 390.4 | 390.4 | PROFIT OR (-) LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT |

ALTERNATIVE PERFORMANCE MEASURES

EARNINGS, EFFICIENCY AND PROFITABILITY INDICATORS

The following earnings, efficiency and profitability indicators are defined by reference to the above structure of the profit and loss account used in this document.

| | |
|---|--|
| Gross income | Net interest income + Dividend income + Net fee and commission income + Equity accounted income + Gains/(losses) on financial assets and liabilities and other + Other operating income and expenses |
| Commercial banking gross income | Net interest income + Dividend income + Net fee and commission income + Equity accounted income excluding the contribution of stakes in African banks |
| Operating expenses | Staff expenses + Other administrative expenses + Depreciation and amortisation |
| Net operating income | Gross income – Operating expenses |
| Net income before income tax | Net operating income – Impairment losses and other provisions + Gains and losses in other assets |
| Cost-to-income ratio (efficiency ratio)¹⁾ | Operating expenses / Gross income |
| Cost-to-core income ratio (core efficiency ratio)¹⁾ | [Operating expenses, excluding costs with early-retirements and voluntary terminations and (only in 2016) gains with the revision of the Collective Labour Agreement (ACT) – Income from services rendered to CaixaBank Group (recorded under Other operating income and expenses)] / Commercial banking gross income |
| Return on Equity (ROE)¹⁾ | Net income for the period, less the interest cost of AT1 capital instruments recorded directly in shareholders' equity / Average value in the period of shareholders' equity attributable to BPI shareholders, excluding AT1 capital instruments |
| Return on Tangible Equity (ROTE)¹⁾ | Net income for the period, less the interest cost of AT1 capital instruments recorded directly in shareholders' equity / Average value in the period of shareholders' equity attributable to BPI shareholders (excl. AT1 capital instruments) after deduction of intangible net assets and goodwill of equity holdings |
| Return on Assets (ROA)¹⁾ | (Net income attributable to BPI shareholders + Income attributable to non-controlling interests - preference shares dividends paid) / Average value in the period of net total assets |
| Unitary intermediation margin | Loan portfolio average interest rate, excluding loans to employees – Deposits average interest rate |

BALANCE SHEET AND FUNDING INDICATORS

| | |
|--|---|
| On-balance sheet Customer resources²⁾ | <p>Deposits + Capitalisation insurance of fully consolidated subsidiaries + Participating units in consolidated mutual funds</p> <ul style="list-style-type: none"> ▪ Deposits = Demand deposits and other + Term and savings deposits + Interest payable + Retail bonds (Fixed rate bonds placed with Customers) ▪ Capitalisation insurance of fully consolidated subsidiaries (BPI Vida e Pensões sold on Dec.17) |
| Off-balance sheet Customer resources³⁾ | <p>Mutual funds + Capitalisation insurance + Pension plans + Subscriptions in public offerings</p> <ul style="list-style-type: none"> ▪ Mutual funds = Unit trust funds + Real estate investment funds + Retirement-savings and equity-savings plans (PPR and PPA) + Hedge funds + Assets from the funds under BPI Suisse management + Third-party unit trust funds placed with Customers. ▪ Capitalisation insurance⁴⁾ = Third-party capitalisation insurance placed with Customers ▪ Pension plans⁴⁾ = Pension plans under BPI management (includes BPI pension plans) ▪ Subscriptions in public offerings = Customers subscriptions in third parties' public offerings |

1) Ratio referring to the last 12 months, except when indicated otherwise. The ratio can be computed for the cumulative period since the beginning of the year, in annualised terms.

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

3) Amounts deducted from participating units in the Group banks' portfolios and from off-balance sheet products investments (mutual funds and pension plans) in other off-balance sheet products.

4) Following the sale of BPI Vida e Pensões in Dec.17, the capitalisation insurance placed with BPI's Customers are recorded off balance sheet, as "third-party capitalisation insurance placed with customers" and pension funds management is excluded from BPI's consolidation perimeter.

ALTERNATIVE PERFORMANCE MEASURES

BALANCE SHEET AND FUNDING INDICATORS (continuation)

| | |
|---|--|
| Total Customer resources | On-balance sheet Customer resources + Off-balance sheet Customer resources |
| Gross loans to customers | Gross loans and advances to Customers (financial assets at amortised cost), excluding other assets (guarantee accounts and others) and reverse repos + Gross debt securities issued by Customers (financial assets at amortised cost) <i>Note: gross loans = performing loans + loans in arrears + receivable interests</i> |
| Net loans to Customers | Gross loans to Customers – Impairments for loans to Customers |
| Loan-to-deposit ratio (CaixaBank criteria) | (Net loans to Customers - Funding obtained from the EIB, which is used to provide credit) / Deposits and retail bonds |

ASSET QUALITY INDICATORS

| | |
|---|---|
| Impairments and provisions for loans and guarantees (income statement) | Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss relative to loans and advances to Customers and to debt securities issued by Customers (financial assets at amortised cost), before deduction of recoveries of loans previously written off from assets, interest and others + Provisions or reversal of provisions for commitments and guarantees |
| Cost of credit risk | Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other |
| Cost of credit risk as % of loan portfolio¹⁾ | (Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other) / Average value in the period of the gross loans and guarantees portfolio. |
| Performing loans portfolio | Gross Customer loans - (Overdue loans and interest + Receivable interests and other) |
| NPE and NPL ratios | Ratio of non-performing exposures (NPE) and ratio of non-performing loans (NPL) in accordance with the EBA criteria (prudential perimeter) |
| Coverage of NPE or NPL | [Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments] / [Non-performing exposures (NPE) or Non-performing loans (NPL)] |
| Coverage of NPE or NPL by impairments and associated collaterals | [Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments + Collaterals associated to NPE or NPL] / [Non-performing exposures (NPE) or Non-performing loans (NPL)] |
| Non-performing loans ratio ("credito dudoso", Bank of Spain criteria) | Non performing loans ("credito dudoso", Bank of Spain criteria) / (Gross Customer loans + guarantees) |
| Non-performing loans coverage ratio | [Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments] / Non performing loans ("credito dudoso", Bank of Spain criteria) |
| Coverage of non-performing loans by impairments and associated collaterals | [Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments + Collateral associated to credit] / Non performing loans ("credito dudoso", Bank of Spain criteria) |
| Impairments cover of foreclosed properties | Impairments for real estate received in settlement of defaulting loans / Gross value of real estate received in settlement of defaulting loans |

1) Ratio referring to the last 12 months, except when indicated otherwise. The ratio can be computed for the cumulative period since the beginning of the year, in annualised terms.



Grupo  CaixaBank

BANCO BPI, S.A.

Registered office: Avenida da Boavista 1117, Porto, Portugal

Share capital: € 1 293 063 324.98

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